

# Philanthropy and the neoliberal government of inequalities

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Along with the rampant insecurity that has spread down the social scale, the world-wide revival of philanthropy is one of the most powerful indicators of growing inequality. This phenomenon has become highly visible, in line with the scale of the resources accumulated by philanthropists, whose largest foundations are now competing with international organizations. In line with the transformations in capitalism that have led to the rise of the financial and new technology sectors, philanthropy has developed on such a scale that today's largest foundations have resources that enable them to make decisions that have more or less the same effects as those of a State for millions of people, except that their leaders have not been elected and are not accountable to any people whatsoever. Philanthropy condenses a whole range of resources and social representations; it is as endowed as it is valued, even sanctified, for the reconciliation of entrepreneurial values, economic efficiency, social justice and cosmopolitanism that it claims to implement, even if, in reality, it updates a classic liberal vision emphasizing the moral dimension of capitalism (McGoey, 2012, pp. 185-199).

There is, of course, a popular philanthropy, made up of millions of anonymous "small" donations (Zunz, 2011), but philanthropy today is developing mainly at the top end of the social scale, as a knock-on effect of the rapid accumulation of wealth made possible by the new sectors of the economy. Generosity is increasingly socially

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selective, and dependent on large fortunes. This phenomenon has a precedent in the development of large philanthropic foundations that followed the rise of industrialization in the 19th and early 20th centuries. However, the great philanthropists of the time were far more criticized than those of today. It is precisely because of this contemporary popularity of philanthropists, and therefore the legitimacy of the great philanthropy of billionaires such as Warren Buffet, Bill and Melinda Gates or, on a lesser scale, Jeff Bezos, that we can consider that it undermines the foundations of democracy, whose choices are challenged by initiatives that are merely the free will of plutocrats in act or in the making<sup>1</sup>.

These criticisms, widely developed and relayed by the social sciences, coexist with the representations conveyed by players in this sector, convinced that they are acting for the common good or general interest and helping to resolve a democratic crisis marked by forms of disinvestment or reduced voluntary participation in the affairs of the City, whether through electoral abstention or growing polarization, particularly in the United States. A number of studies, largely financed by the philanthropic foundations themselves, rationalize the benefits of giving, not only for the beneficiaries, but also – and perhaps above all – for the donors, who find ample grounds for satisfaction and well-being in the exercise of this activity.

These analyses, even though they are derived from work largely funded by the sector they study, which places them in a dependent relationship detrimental to autonomy in object construction, must be taken seriously. The satisfaction, even jubilation, expressed by philanthropists in their donor activities is one of the elements to be considered and which must be integrated into the analysis, otherwise a fundamental dimension of the phenomenon will be missed. This satisfaction, which can be expressed in restraint or even a form of devotion when the donation is colored by a religious anchoring<sup>2</sup>, reveals something about how an individual gives meaning to resources and gains control over them. It is a subjective component of a position and a social activity that should be studied as comprehensively as possible.

In this article, I will discuss the tension between philanthropy and the governance of inequalities in the neoliberal era by first showing the tension between the egalitarian imperative of democracy and philanthropy, then by addressing the very conception of wealth that the consideration of philanthropy allows to develop, and by emphasizing the relationship between philanthropy and public action. The final part of the analysis will be dedicated to discussing a case of mutual learning, inviting a processual analysis of reform.

1. See Lefevre and Anne Monier, 2021.

2. But also in the development of festive initiatives, which combine worldliness and generosity.

In this article, I will discuss the tension between philanthropy and the governance of inequalities in the neoliberal era by first showing the tension between the egalitarian imperative of democracy and philanthropy, then by addressing the very conception of wealth that the consideration of philanthropy allows to develop, and by emphasizing the relationship between philanthropy and public action. The final part of the analysis will be dedicated to discussing a case of mutual learning, inviting a processual analysis of reform.

### A structural tension between philanthropy and democracy

There is a structural tension between philanthropy and democracy. Made possible by the accumulation of wealth, philanthropy exists in an eminently complex, even paradoxical, relationship with the egalitarian aim of democracy, as long as democracy is not restricted to a legal and legitimate procedure for designating leaders<sup>3</sup>. This structural tension is heightened by certain contemporary trends where wealth is increasingly inherited and less and less accumulated through work. This trend is reflected in the growing importance of “large” or “very large” donors in the funding of philanthropic activities. The era of American mega-philanthropists, even if it does not have a true equivalent in France, raises questions about the compatibility of the two phenomena and highlights the limits of a widespread dissemination of the philanthropic “gesture”.

This structural tension takes place within a contemporary crisis, often described as a multiple crisis where economic, (geo)political, ecological, and of course, health tensions appear simultaneously after Covid-19. This accumulation constitutes an existential threat to democracy. Trends towards the restriction of public liberties are emerging, even in the most established democracies, because the ecological crisis challenges an economic model and, more broadly, a (still) majority societal model. Philanthropic initiatives, whether isolated or in the form of coalitions, seek to address these challenges and invite reflection on the world, while also shedding light on their own sector.

As sociologists Marc-Olivier Déplaudé, Thomas Depecker et Nicolas Larchet (2018, p. 16) have stated:

Philanthropy does not destroy wealth or redistribute it like the welfare state: far from being anathema to wealth accumulation, it is both its proceed and driver, as it enables the conversion

3. Which does not exclude a strong diversity of philanthropic causes and values, see Duvoux, 2018, pp. 38-46.

of monetary capital into other assets (social, cultural, scientific, political etc.) crucial for capital reproduction and sheltered from taxation. (Déplaudé, Depecker & Larchet, 2018, p. 16).

Properly understood, philanthropy is by default based on a given social status quo and on the possibility of accumulating significant wealth, the excess of which can be given away to support the public interest, i.e. to *transcend narrow individual interests and further the public good*. It is this approach, albeit rather vaguely defined in legislation on philanthropy, that is used to justify the tax credits extended to philanthropists. As such, philanthropy is considered an alternative means of furthering the public interest. We therefore must examine, without exaggeration or obfuscation, the tension between the idea of a privately funded public good and democracy, which, even in its most basic form, requires the involvement of the whole population in defining the public good.

There is a marked tension within democracy between high levels of knowledge inequality and the need for the public to be involved in decision-making and electoral processes. This antagonism, which became more apparent than ever in 19th-century France prior to the introduction of universal access to education, was theorized by Pierre Rosanvallon (1992) as an opposition between “rationality” and the “majority of voices”. Progressive philanthropy fell squarely within the definition of rationality, exercising on behalf of the “capacity” of the elites. Although philanthropy was transformed by the expansion of the French public system in the second half of the 20th century, this tension is now re-emerging for a variety of reasons. These factors are directly related to the democratic crisis in France and other established democracies that have been dragged into the mire as a result of collective decisions (Brexit, the election of Donald Trump etc.). Among these reasons one must also consider the fact that political choices and globalization have resulted in wide-ranging socio-economic change, opening up a vast rift between the upper classes, who have been able to benefit from the new order, and those who have borne the brunt of it (unemployment, poverty etc.). In the US, the middle class has been eroded; in the UK, the gulf between London and the rest of the country has grown; in France, the yellow vests movement has revealed the discontent of the middle class, which aside from perceiving a loss of status also feels that it is poorly represented. The magnitude of inequality is reflected in current threats to democracy.

Within this context, it is necessary to fully acknowledge the complexity of all the factors at play and the specificity of each national context. Yet, there is no denying that mounting inequality and wealth concentration are driving this frustration and defiance. This concentration of wealth is even more difficult to reconcile with the core tenets of democracy given the fact that it is increasingly inherited, as opposed

to being saved or “earned” as a result of innovation or entrepreneurial initiative (in France, the percentage of total wealth that was inherited has risen from 35% in 1970 to 60% in 2021, Insee, 2021). This situation clashes with popular views crystallized by higher educational attainment and loftier democratic aspirations.

We believe that the time horizon is the most salient feature of the complex relationship between philanthropy and democracy. It is also the most instructive and problematic dimension. As a non-state, non-market entity, *philanthropy has the unique ability to carry out long-term planning and to not be constrained by the short-term imperatives* that increasingly characterize public policy and the profit-seeking objectives of financialized capitalism. In contrast to public authorities and market players, the third sector benefits from its ability to look to the future and to explore innovative solutions to society-wide issues. Within civil society, philanthropy boasts a level of expertise and financing that allows it to mobilize its resources in order to bring about long-term collective benefits<sup>4</sup>.

However, while the position that philanthropy enjoys within democracy is based on its ability to focus on the long term, it is necessary to consider whether it is the donor or the recipient that benefits most from philanthropic activity. For individuals, philanthropy and the tax benefits that it provides allows some of the most privileged in society to harmonize their own values and those of their families, which helps to explain the feelings of contentment and happiness expressed by many philanthropists (Sellen, 2019, p. 247). Philanthropy allows those who practice it to influence the long-term horizon on an individual, familial and collective basis (Duvoux, 2023). By anticipating collective and public choices, they commit not only their own future but that of society as a whole. In this view, social inequality can be redefined as time-frame inequality. The key challenge of philanthropy is therefore to broaden access to the long-time horizon, ensure greater control over one’s life and the ability to contribute to our collective destiny. Through public support, the well-off not only benefit from self-satisfaction but also the opportunity to contribute to shaping society.

The increase in socio-economic inequalities constitutes a second structural tension for philanthropy between its social purpose and its contribution to democracy,

4. The American philosopher Rob Reich (2018) emphasizes this as philanthropy’s major asset. In the most sweeping study to date on philanthropy’s credit and debit to democracy, he highlights the limitations of the case for philanthropy as a force conducive to pluralism. Philanthropy is often said to be beneficial in so far as it gives a platform to a plurality of values in the public space. For Reich, pluralism mostly serves to sustain the wealthy’s priorities in the public arena. The plurality argument is therefore untenable. To the contrary, it highlights how much philanthropy’s specific time horizon is its most evident value-added and the most solid justification of its contribution to democracy.

if democracy is understood as a set of norms and social relationships and not just a mode of designating leaders. This tension is all the more pronounced because philanthropy arises from the accumulation of wealth and therefore cannot be considered external to the phenomenon it seeks to address. Moreover, the objectives it sets itself, such as the ecological transition, imply that in terms of resource allocation and the social acceptability of the transition, a reflection on the distribution of wealth and resources is necessary, lest a gap widens between the main contributors to emissions on one side and the primary victims of climate change and biodiversity loss on the other.

BOX 1

*Intergenerational Transmission of Wealth and Dynastic Reproduction*

A democratic society is characterized by a concern for equality among its members. This equality is contradicted by what is known as “inequalities of destiny”, meaning social immobility. In France, this issue has been at the heart of the political debate for several years. The neoliberal orientation taken by public authorities in various sectors emphasizes equality of opportunity at the expense of equality of outcome, and based on this opposition – between the immediate reduction of inequalities on one side and the promise of equalizing opportunities on the other – constructs an action that, while very unequal, nonetheless carries a form of coherence. The “Third Way” of Tony Blair’s New Labour in the United Kingdom in the late 1990s and early 2000s found an echo in the formulations of Emmanuel Macron, the presidential candidate, in 2017. Education and capital endowments are the key to a promise of renewing social democracy on a meritocratic basis. Far from being limited to political discourse, this promise spreads, along with meritocratic ideals, to large segments of society, primarily elite higher education institutions. Even though the implementation of these policies is often very unequal – since tax cuts for the wealthiest are immediate, while investments in youth are more limited and have a more delayed effect – recalling the existence of these debates has the merit of highlighting the critical role of philanthropy in the tension between different ideals, each belonging to democracy.

Thus, when one is interested in the social practices and aspirations that drive it, philanthropy simultaneously occupies both poles of this new orientation and serves as both an observatory and a revealer of the contradictions within it – between the promotion of empowerment on one side and the reproduction (intergenerational transmission) of wealth on the other. There is indeed a contradiction because the ideal of equality of opportunity cannot, in reality, be separated from a reflection on equality of conditions,

especially when these intergenerational dynamics are taken into account, a point well highlighted by the economist Antony Atkinson in his latest book *Inequality: What can be done?*

The possibility of accessing the intimate details of several families as part of a study on family foundations has confirmed, following other studies, the importance of these intergenerational wealth transmission issues for philanthropists. In terms of mobilization, a dynastic concern is expressed, with the permanence of the transmitted capital being the object of a multifaceted effort to prepare heirs for their role and the accompanying responsibilities. The testimony of Marie-Jeanne Bouton, the main driving force behind a significant foundation in the fields of solidarity and empowerment of disadvantaged groups, highlights how central this issue is for the members of her family involved in the foundation. It is one of the initiatives that unite a family, linked by the ownership of shares, around projects and values. The coherence of the group's management is reinforced, conflicts are neutralized and appeased, and the founder's values are transmitted thanks to this family foundation.

Taking philanthropy into account mainly means changing our understanding of inequalities. That is, considering very strong monetary, wealth, and income inequalities as a starting point to illustrate a different relationship to the future and to society depending on social groups. For those who go to Restos du Cœur or similar organizations, the future is about daily survival, whereas for the wealthier, it is about the ability to live more serenely and even to contribute to the definition of collective choices. Therefore, the question is not, in my opinion, about liking the rich, but rather about how accumulated wealth does not become segregated and, above all, how it returns to society and helps organize it. Consequently, it is legitimate and essential to question the relationships between philanthropy and democracy, the conditions under which these private contributions, encouraged by public authorities, are legitimized by the state, in which areas, on what issues, and in what forms. Once we understand that they return to society (as, for example, when a billionaire buys a newspaper to promote their views, with a whole range of capacities to influence society), we must then question the mechanisms of control and transparency on these issues that they induce. But what matters most to me is to show that we generally misinterpret wealth. Because it is not so much a stock of values, wealth, or an amount of resources, but rather to explain that philanthropy is a conversion of wealth into social power. This does not mean that it is (only) self-interested. But it produces that effect, and it is precisely this effect that must

be uncovered and critically analyzed. Ultimately, philanthropy is, in my opinion, a way of transforming capital into a form of power in society, which does not mean that it is not sincere or effective.

### Philanthropy beyond objectivism and subjectivism

Considering philanthropy as an investment and reintegrating it into elite practices<sup>5</sup> opens the way to articulating subjectivist and objectivist perspectives on this set of practices. To do this, philanthropy must first be considered as a secondary phenomenon, both chronologically and analytically. It is secondary in time because it only occurs after the accumulation of capital. It is secondary in the order of importance of phenomena because it is this accumulation, and it alone, that makes the donation of a part, often very limited, of the capital possible. The new golden age of philanthropy is thus understood as an echo and an extension of the developments in fortunes in “new” sectors of activity, such as the financial sector and information and communication technologies, which have experienced very rapid growth and have made rapid accumulations possible, a part of which, minimal but visible, is converted into philanthropy. From this point of view, philanthropy is inseparable from the increase in income inequalities, but also and especially in wealth, of which it is an ambiguous expression, presenting itself as a remedy while emanating from and maintaining or preserving the cause (Giridharadas, 2018). Many philanthropists express an acute awareness of the inequalities from which they objectively benefit, and many derive from this awareness, linked to their inheritance or to the “fortunate” part of their personal success – often intertwined – motives to give, which we will return to.

Philanthropy is thus a secondary phenomenon insofar as it cannot be analyzed in isolation from the other social properties of philanthropists. As Nicolas Guilhot argues, philanthropy should not be analyzed as a phenomenon with its own inherent reasons for existence, structures, organizations, spokespersons etc., but rather as: “A secondary phenomenon that can only be understood against the backdrop of a practice of wealth accumulation, which is necessarily primary” (Guilhot, 2006, p. 8).

In this objectivist approach, philanthropy must then be reintegrated into a set of practices and strategies through which the wealthiest families and groups ensure the reproduction of their status and domination. This framework acknowledges philanthropy’s role in the dynastic reproduction mechanisms of great fortunes and avoids viewing it simply as a social convention. It also avoids the mistake of

5. This is one of the issues of introducing the dossier “Entreprises philanthropiques” de Déplade, Depecker and Larchet, 2018, pp. 9-27.



considering the wealthy as seceding from the society from which they derive their wealth. Therefore, philanthropy cannot help but integrate into a multidimensional and dynamic understanding of wealth. Whether consciously or not, philanthropy is part of a set of reproduction strategies, particularly family reproduction strategies, which condition practical and symbolic arrangements among family members down to the smallest detail. It is also an integral part of wealth management, aimed at ensuring its longevity:

The practice of philanthropy can be analyzed as one of the strategies – whether conscious or not – available to economic elite and wealthiest families (major industry, trade, or finance leaders, heirs or creators of fortunes) to ensure conditions of reproduction, but not limited to it. It thus participates in what Pierre Bourdieu termed reproduction strategies, among which we are interested in succession strategies (aimed at transmitting wealth across generations) and economic investment strategies. (Déplaudé, Depecker and Larchet, 2018, p. 15).

In this perspective, philanthropy is a particularly heuristic indicator of the relationship that the dominant classes have with their wealth. Philanthropy is thus, for example, a part of wealth management. It serves as a tool for intergenerational transmission of a certain relationship to wealth, characterized by an objective mastery of legal and fiscal frameworks as well as a pronounced subjective sense of responsibility linked to the possession of this wealth. It appears as a vector for qualitatively transforming family ties, aimed at ensuring their continuity through the management of wealth and the consolidation around shared values. Once freed from normative vestiges and lack of contextualization, which are certainly prohibitive in social sciences, these results remain extremely valuable. Regarding these studies, which are not entirely autonomous from a scientific standpoint, as expressing the viewpoint of the sector through their modes of funding is double-edged. It may lead to dismissing their scientific value altogether, or it may lead to considering them as stable and formalized indicators of the values and meanings valued by the sector, expressed in a theoretical framework. These sources of satisfaction can then be reintegrated into a triangle linking them to elements of happiness (the subjective dimension of gift analysis) and wealth reproduction (the objective dimension of gift analysis).

At the subjective level, the process of converting economic capital into symbolic capital materializes in an operation aimed at coherence and qualitative transformation of the resources held, finalized in a sense by the act of giving. We will also see that engaging in philanthropy allows for a crossing of class barriers within the social and economic elites themselves. A diversity of motives for giving has been

highlighted, using the method of international comparisons to identify fundamental and cross-cutting drivers of philanthropic giving. For instance, René Bekkers and Pamela Wiepking (2010, pp. 924-973) illuminated eight main motivations for philanthropic giving through a review of comparative literature of empirical cases. These motivations include awareness of need, solicitation, cost-benefit calculation, altruism, reputation, psychological benefits, values, and effectiveness. Following a similar research direction, the work of Beth Breeze and Theresa Lloyd, based on a British sample, showed a convergence of motivations with the previous study. They demonstrated that the most significant factors include believing in a cause, acting as a catalyst for change, personal fulfillment, feeling a duty and responsibility to share wealth, valuing relationships developed through philanthropic activities, viewing philanthropy as an appropriate use of wealth, considering philanthropy as an interesting educational tool, appreciating the social recognition gained as a philanthropist, and feeling enriched through philanthropy in life (Breeze et Lloyd, 2013).

Since the mastery provided by ownership is not given but constructed, the result of a process of appropriating one's own resources<sup>6</sup>, these resources truly become one's own and can only be transmitted through significant personal and educational investment. Philanthropists project themselves into society and their wealth into projects, thereby developing mastery over their own resources and preparing to transmit this mastery to their descendants. In a context where inheritance becomes a structuring element of wealth once again, the transmission of a disposition to make it grow can paradoxically only occur through a (very) minor dispossessing of the family's wealth stock. This is why philanthropy is simultaneously a mechanism for converting economic wealth into symbolic capital, an instrument serving a family reproduction strategy, and a source of profound satisfaction. Nevertheless, through these means, philanthropic giving has a collective dimension and frames the future, concerning not only the donor's individual future but also the associations they fund, the beneficiaries they reach, and the selection of causes deemed worthy of support and how they should be supported. The mastery of individual and family futures inherently involves taking control of the collective future, an overflow of private wealth into public affairs. This is why philanthropy is a phenomenon of major importance for understanding democracy and the threats it faces in an era of rising wealth inequalities.

6. For Bourdieu, the transmission (without dissipation) of inheritance also implies, in Marx's terms, that "the inheritance appropriates the heir", meaning that the heir has internalized dispositions suited to the inheritance. This concept is discussed by Pierre Bourdieu in "Le mort saisit le vif" (1980, p. 7).

## Philanthropy and the State

An examination of the links between philanthropy and democracy reveals the tension between the private source of donations and their purpose, i.e. the public interest. In France, this public interest is recognized and defined by the state, which regulates the philanthropic sector through its membership of the board of trustees of Foundations of Public Benefit. It also issues rules on the legal status of foundations, financial and activity reporting requirements, and tax incentives. Although they are grounded in a set of legal, regulatory, and tax rules, relations between public authorities and philanthropic organizations are rather complex. *In practice, philanthropy and the state cooperate closely on a range of issues and on many levels.* In order to outline these connections and identify actionable insights, we highlight some of these characteristics, starting with their multiple forms.

*Foundations are rooted in a social and institutional context that they, in turn, influence.* Foundations either complement or supplement public programs or mediate between civil society and public authorities. On the other hand, they can also serve as checks on power or, on the contrary, emulate state action. This section will present the full spectrum of relationships that exist between foundations and public authorities in order to precisely determine the contribution made to democracy by philanthropy.

The welfare analysis brings into sharp relief the social and societal alignments resulting from a given institutional arrangement. In the UK and Denmark, young adults leave the parental home much earlier on average than in Spain or Italy. This is not because they yearn for independence, but because they live in a society where fundamental social arrangements, and therefore social solidarity, rely either on the market (as in the UK), government scholarships (Denmark), or the family unit (in Italy and Spain). Much like other sectors, philanthropy is embedded in social arrangements.

The work of Danish sociologist Gøsta Esping-Andersen (1990), and political scientists Peter Hall and David Soskice (2001) on the variants of capitalism and the state's place within each of them provides insights on how to distinguish the social, economic, and political settings in countries in the Global North. Building on the typology outlined in their work, Helmut Anheier and Siobhan Daly (2006) classified the role of foundations in 18 countries (in the US and Europe) and their connection with the State. The authors observed the following macro-models:

BOX 2  
*Four Models of Voluntarism*

The social-democratic model: a strong third sector, foundations complement a strong social welfare regime (Sweden, Norway, Finland, Denmark); a close relationship between the philanthropic sector and for-profit industries.

The corporatist model, with a range of possible configurations:

a State-centered model with a relatively weak philanthropic sector and state supervision of foundations (France, Belgium, Luxembourg).

A civil society-centered configuration, where foundations are in some form of subsidiarity relationship with the state, especially in the field of social welfare and education (Germany, the Netherlands, Austria, Switzerland, and Lichtenstein).

The Mediterranean model: operative foundations are traditionally linked to the catholic church and grant-making foundations are a more recent phenomenon (Spain, Italy, Portugal).

Liberal model: a strong philanthropic sector. Clear boundaries between the philanthropic and for-profit sectors. Foundations represent an autonomous and parallel sector to government, and sustain the plurality of values (Australia, USA, UK, and, arguably, Canada)

The peripheral model: a weak philanthropic sector. A specific solidarity role is played by diaspora communities; foundations fill in the gaps in public services (Ireland, Greece).

The post-statist model: a weak philanthropic sector. Foundations have been developing rapidly since the end of the Cold War; philanthropy works in parallel with the welfare state (post-communist and socialist Eastern and Southeastern European States.)

This classification allows us to clearly frame our understanding of the development of foundations within the specific societal context they belong to. However, it should be stressed that this must be done in a nuanced manner. First and foremost, this is because the events of recent decades have reshaped the philanthropic landscape. For example, in France, which was long considered one of the countries most resistant to the promotion of private philanthropy, tax abatements for donations are among the highest in the world (66% of a donation is tax-deductible from income tax) and the cap on total deductions is among the lowest (20% of taxable income). Furthermore, the landscape is changing rapidly: half of the foundations in Switzerland were created less than 20 years ago, while from 2001 to 2022, France also saw a five-fold increase in the number of foundations and legal statuses. Philanthropic causes also vary greatly between countries. In the Netherlands and the UK, there

is a preponderance of religious donations; international solidarity dominates in Germany, Belgium, and Switzerland. In France and Spain, most private donations are aimed at supporting the most vulnerable groups in society. These observations show how those operating in the philanthropic sector are shaped by the society and the period in which they exist.

Many historians have highlighted the extent to which modern foundations created in the 19th century have departed from their original form, mission, and operational methods. David Hammack and Helmut Anheier (2010) describe US foundations as “versatile” institutions. At the beginning of the 20th century, foundations built institutions (universities, hospitals, public libraries etc.). In the middle of the century, in search of a new purpose, some supported social movements; others influenced public policy by placing new items on the agenda and establishing think tanks; while others still became specialized in experimentation, in the hope that tried and tested innovations would eventually be adopted by the state or the market. More recently, from the 1980s onwards, there has been an emergence of a new generation of foundations with specific characteristics based on the fact that they are the result of quickly made fortunes in the tech and financial sectors. Today, new operational methods are emerging: the use of financialized capitalism (“philanthrocapitalism”), techno-optimism, or even an aspiration for greater social justice, even if this means redefining the very basis of the philanthropic model (namely philanthropic support for social change).

Foundations have not been the only proactive factor in effecting this change. The surrounding societal context has been the prime agent of this shift. The influence of the social environment on the mission of foundations can be seen in the change in social causes over time. Illnesses like tuberculosis, which once were a central focus for foundations, have nowadays receded into the background. Other causes, like the fight against climate change, have now taken central stage following decades in which they received little attention from philanthropy. *Societal change is also marked by the evolution of the state, the expansion or contraction of social welfare mechanisms, the space, or lack thereof, afforded to civil society organizations or foundations, and the issues included in state programs or delegated to the philanthropic sector.*

To summarize the contributions of researchers who have studied the relationship between philanthropy and the state, several points emerge. The first, and most important, is the ongoing hybridization of sectors that are often portrayed at best as separate and at worst as opposed. Once this hybridization is acknowledged, philanthropy can either seek to contribute, through private means, to public action – this is the “contributory” model. Conversely, it can seek to innovate and invent other ways of addressing and dealing with problems, avoiding being overly constrained by

BOX 3

*A Rebel Heir: Patrick Lescure, Founder of “Un Monde par Tous”*

Patrick Lescure is the heir of an industrial dynasty. Far from disowning this background, he is the chronicler and genealogist of his large family, the guardian of the memory of a group that, under the leadership of his father, an industry captain deeply influenced by Christianity, grew alongside its enrichment during the company's growth. Like all his siblings, Patrick Lescure benefited significantly from the increase in his wealth during the initial public offering of the family business, a prominent French industrial flagship. However, he rejects the legitimacy of the inequalities from which he benefits and fights against the rupture with democracy and human dignity that wealth gives him, even as it creates poverty for others. He ties his philanthropic approach to a critique of the wealth from which his foundation originates and seeks to redistribute this capital. Going further, he finances actions that challenge various forms of domination (social, racial, patriarchal) and that share the goal of undermining the reproduction of inequalities. Through his foundation, “Un Monde par Tous”, he has decided to work towards eliminating wealth disparities that he considers unjust, despite benefiting from them himself. This foundation redistributes a significant and meaningful portion of the dividends he receives. His radical and participatory approach challenges the very distribution that makes it possible, and far from being contradictory, his wealth is aligned with his ideals. “Un Monde par Tous” supports numerous associations that combat ecological predation, social inequalities, the treatment of the poor and migrants, as well as the reproduction of gender and racial inequalities.

While it is a minority approach within the field of philanthropy, his approach is not isolated (Lefèvre, 2018). It is characterized by a proportion of wealth dedicated to the foundation that is much higher than that of other foundations, and by a more committed support for politically challenging the established social, political, and economic order. His approach resonates deeply with the work of Patrick Minot, himself a former philanthropist who spent all the capital he wished to dedicate to his foundation, providing reasoned justification.

urgency and/or administrative routines. This approach is referred to as the “disruptive” model of philanthropy, borrowing categories coined by Aaron Horvath and Walter Powell in both cases (2017).

In reality, these orientations often coexist. It is interesting to rely on a specific example to describe the contours of this diversity of action logics. In the field of food aid in France, sociologist Rémi Guillem<sup>7</sup> distinguishes a “contributive philanthropy of donors” and a “disruptive philanthropy of foundations”. Following an analysis of the field of actors in food aid, he points out that, while it certainly involves foundations, donor philanthropy refers to a model of financing philanthropic activities based on mobilizing a large number of small donors, requiring an entire campaign fundraising engineering (charity events, salaried collectors etc.). In the sector studied, foundation philanthropy is more based on mobilizing a small number of donors (usually foundation founders) and internal expertise of philanthropic organizations, tasked with redistributing these funds based on a regularly updated thematic strategy.

Often, these two frameworks are hybrid, and foundations act on cognitive frameworks, seeking to influence the public policy agenda as well as modes of intervention, particularly when they are operational rather than solely distributive. The dilemmas regarding the democratic legitimacy of foundations reflect their actions, while studying them also reveals the limitations of challenging established patterns, even when such challenges are claimed. Following an investigation into a foundation combating minority poverty in Boston, I demonstrated that philanthropic action (or “gift-giving”) cannot justify its existence through “democratic procedure” or “population choice”. Instead, its sole source of legitimacy lies in the “voluntary” participation of residents in impoverished and segregated neighborhoods (i.e., their “counter-gift”). This participation, in turn, legitimizes the existence of foundations and nonprofits with the state. The government has indeed implemented significant tax deductions that philanthropists can benefit from due to their investment in social affairs.

In a context of the weakening of the social state and the strengthening of the penal state at the expense of the American working class, foundations appear as the only sources of resources for precarious populations just above the poverty line and excluded from social benefits. Moreover, primarily focused on changing people’s mindsets, their action does not seek to challenge the structural inequalities of soci-

7. These passages are borrowed from the contribution of Rémi Guillem. “Philanthropies de l’alimentation en France: état des lieux français, paradigmes internationaux, actions concrètes”, *Working Paper de PSSP*, to be published. We thank the author for authorizing us to mobilize his analyzes.

ety in any way. Finally, despite criticisms regarding the supposed dependence of the poor on welfare, philanthropic organizations nevertheless create a new dependence (Duvoux, 2015).

This contribution to the naturalization of inequalities does not represent the general truth of the sector. Especially in the United States, one can identify foundations that are structured directly with the objective of empowering the supported groups and/or vulnerable groups within the philanthropic process, often with a deliberate withdrawal of donors and even foundation professionals. The movement of “social change philanthropy” or “social movement philanthropy” (Faber and McCarthy, 2005) has particularly addressed this issue, exemplified by organizations like the Haymarket People’s Fund (Ostrander, 1995) and the Funding Exchange network. The “Rebel Heirs” movement (Lefèvre, 2018) further deepens this approach of alternative philanthropy (Lurie, 2016; Ostrander, 1995; Ostrander, Silver and McCarthy, 2005, pp. 271-289).

#### The conditions of a successful reform

However, these examples remain in the minority. The overall logic is one of hybridization, mutual learning, and gradual progress where philanthropic action patterns permeate public action by adapting to it, while public action also makes room, either by constraint (often budgetary) or conviction (pro-market). Take the example of the Impala Avenir foundation, established in 2018; here too, dynamics highlight the evolving nature of relationships between public authorities and philanthropic actors on one hand, and the reciprocal adaptation of both parties on the other.

Florian DuBoÿs, founder of Impala Avenir, began his philanthropic career after selling his digital infrastructure company to an American group. Armed with substantial capital, an extensive network, and technical expertise in the cables his company installed that provide nationwide high-speed internet coverage, he embarked on philanthropic activities. Initially through an endowment fund and later through a foundation established jointly with his wife.

The original intention is to address the issue of “Neet” (Not in Employment, Education, or Training) youth. This population is identified as the most at risk of social exclusion and abandonment by institutions, although this abandonment must be contextualized: numerous measures exist, such as the Youth Commitment Contract (CEJ), which combines measures to support income and employment for young people. The challenge for the founder is to develop an approach to direct employment access through short-term training deliberately presented as “non-qualifying, non-diploma-bearing, non-certifying”. The original idea is to “Uberize”



vocational training pathways, modeled after the school system, which is both unequal in distribution and linked to inequity (both characteristics are related). The goal is for any motivated individual to return to employment, with the training provided not imposing any administrative filters or age criteria, even though, in practice, neighborhoods in the city policy are targeted. Social inclusion through the market is promoted by this initiative, which challenges the “diploma society” and opposes dominant logics in training provision.

Short, accessible, and packaged with a focus on aligning with the visual codes of youth, the Digital Plumbers School is rapidly expanding across the territory and offered in various formats. Different project leaders imprint their mark, while the foundation provides guidance, purchases technical equipment, and establishes relationships with professional federations whose job promises are crucial to the Digital Plumbers’ proposition. Skills-based philanthropy is mobilized to facilitate the alignment between hands-on learning and the concrete needs of businesses. Positioned in a high-demand field, the initiative spreads not only geographically but also across diversified sectors.

Initially focused on wiring and racking jobs, the training program expands into the “data center” segment and extends to Building and Public Works, aiming to bring employment opportunities as close as possible to the trainees’ living areas. Even though the idea is to create a direct link between labor supply and demand while minimizing essential prerequisites (such as skills, basic math, and soft skills) needed to enter the workforce, the Digital Plumbers initiative is developing in close and growing interaction with public authorities. Local Employment Missions (Missions Locales) are essential prescribers of the program. Moreover, far from being passive recipients of resources and mechanically applying established schemes, project leaders influence the directions. For instance, a second-chance school may complement the collective dimension of the initial program with highly individualized follow-up, aligning it with the most standardized public action frameworks structured around individual projects (Duvoux et Vezinat, 2020).

This project-oriented logic is also favored by Departmental Councils responsible for social policies, and their interest in the program contributes to its redirection. Initially, the initiative had to actively seek project leaders and support before becoming sought after by institutional actors due to its earned reputation and relevance to perceived social needs. Departments responsible for Active Solidarity Income (RSA) have requested, in exchange for project funding, the removal of age barriers and accessibility for RSA beneficiaries. Similarly, as it moves towards institutionalization, the program is being reformulated with a pre-qualification logic more compatible with prevailing individual journey approaches in public action.

These institutional learning trajectories between public authorities and philanthropic organizations lead to a nuanced view, often idealized, from philanthropic experimentation enabled by the freedom to allocate resources to public sector appropriation for scaling up. This appropriation occurs in both directions, and the hybridization of actors is enduring. While initially challenging state actions radically, the foundation gradually defines its role within the network of actors (public and private) that drive it. State actions draw inspiration from initiatives developed by private actors. Philanthropic contributions can only enrich the public good by appropriating its references and action logics through close dialogue with actors in the social state, who in turn find resources and initiatives from philanthropic actors to support their own agendas (Duvoux et Vezinat, 2022, pp. 65-82).

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### **Abstract**

#### *Philanthropy and the neoliberal government of inequalities*

The article discusses the tension between philanthropy and the governance of inequalities in the neoliberal era by first showing the tension between the egalitarian imperative of democracy and philanthropy, drawn from private wealth and the social power of its owner. Then it analyses the very conception of wealth that the consideration of philanthropy allows to develop, emphasizing the relationship between well-being on the one hand and social control on the other hand. This conception puts forward the relationship of capture that emerges between philanthropy and public action. The final part of the analysis is dedicated to discussing a case of mutual learning, inviting to a processual analysis of reform.

Keywords: Philanthropy; Inequalities; Neoliberalism; Reform; Public Action.

### **Resumo**

#### *Filantropia e governança neoliberal das desigualdades*

O artigo discute a tensão entre a filantropia e a governança das desigualdades na era neoliberal, abordando, primeiro, a tensão entre o imperativo igualitário da democracia e a filantropia, originada da riqueza privada e do poder social de seu detentor. Em seguida, aborda a própria noção de riqueza que a consideração da filantropia permite desenvolver, enfatizando o elo entre bem-estar pessoal e controle social. Essa concepção ilumina a relação de captura que emerge entre a filantropia e a ação pública. A parte final da análise discute um caso de aprendizagem mútua, convidando a uma análise processual da reforma.

Palavras-chave: Filantropia; Desigualdades; Neoliberalismo; Reforma; Ação pública.

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