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Abstract

Decades of intervention have made variable impact on the inequality between indigenous and non-indigenous wellbeing across the world. Unacceptable differences in life expectancy alone mark indigenous need as an area where greater understanding of public and private funding approaches and their interaction may deliver real benefits. Both the public and the third sector have been active in trying to address the disadvantage experienced by Australia's indigenous people. The interaction between the indigenous cause philanthropy system and the wider geo-political landscape in Australia is revealing barriers and insights that may apply in other challenging policy terrain.

The research reported here draws upon two empirical studies aimed at understanding the issues facing philanthropy in Australia, including the impact of government agency both independently and as it contrasts with philanthropy. The two different cultures are evident and two levers (greater system flexibility and closer engagement) are suggested as important in moving forward the philanthropy/government relationship in this area.

Key words

Philanthropy, indigenous, government, trust

THAT'S WHAT GOVERNMENTS DO:

EXPLORING FUNDAMENTAL BARRIERS TO
PUBLIC – PHILANTHROPIC INTERACTION

The example of indigenous wellbeing.

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INTRODUCTION

Four of the top five most unequal countries in the developed world, Australia, New Zealand, the United States and the United Kingdom are either the product of colonization of an indigenous people or the colonizer itself (Wilkinson and Pickett 2009). Wilkinson and Pickett's research shows that health and social problems are worse in more unequal societies. Decades of intervention have made variable impact on the inequality between indigenous and non-indigenous wellbeing. For example, while significant gains in life expectancy by Native Americans and Canadians and the New Zealand Maori have been made in recent decades, Australia's advances have been much more modest. The difference in life expectancy between indigenous people and other citizens is around seven years in North America and New Zealand. In Australia, for the 2.5 per cent of the total population who identify as Aboriginal and Torres Strait Islander peoples (Australian Bureau of Statistics 2008a), the gap is almost two and a half times as great (Australian Government Productivity Commission & Steering Committee for the Review of Government Service Provision 2007). 115 more indigenous children out of every 100,000 die before their fifth birthday than non-indigenous children (Australian Bureau of Statistics 2009) and almost 20 per cent more of the indigenous population than the non-indigenous population is unemployed (Commonwealth of Australia 2011a).

The persistence of these and other negative outcomes has brought about a momentous shift in the attitudes of the Australian community to Aboriginal and Torres Strait Islander issues (Calma 2009; Davis 2008). A national apology by a serving Prime Minister (Rudd 2008) was supported by a new raft of policy designed to support transformative action (Australian Social Inclusion Board 2008). Australia, previously an undeclared nation, finally in 2009 added its voice to the 144 signatory countries to the United Nations Declaration of the Rights of Indigenous Peoples (United Nations 2008). As these representative statistics suggest, indigenous need is vast. It is clearly an area where greater understanding of public and private funding approaches and their interaction may deliver real benefits. This article proffers a contribution to this understanding. Both the public and the third sector have been active in trying to address the disadvantage experienced by Australia's indigenous people. Rather than a neglected area of public policy, it is more a profoundly challenging one. The Australian government has set clear targets in life expectancy, early childhood health, education and employment and committed almost nine billion Australian dollars over a twenty year period to the area (Commonwealth of Australia 2011a). The intractability of the disadvantage, in common with other 'wicked problems' requires more than a public policy response (Hunter 2007). The philanthropic sector has collectively recognized its responsibility in helping to address the wide ranging issue of indigenous need and many funding programs and projects exist (Addis & Brown 2008). In a global sense, the creation of the organization, International Funders for Indigenous People, in 1999 is one example of the sector acting more cohesively in this area (see: www.internationalfunders.org/issues.html#philanthropy).

The respective power of philanthropy and government to address societal concerns is geopolitically determined. The American philanthropic sector has implemented visible, resolute, intentioned and strategic effort to affect on the ground change, policy decisions and ultimately to scope what is possible (Rich 2005). Examples exist in public health policy (Tesler and Malone 2008), social policy (Guilhot 2007) and economic policy (Anderson 2008) among others. In other jurisdictions, philanthropic influence has strengthened through the use of 'new governance' models, which have served to develop the decision making spaces into which philanthropics are invited and has impacted on collaborative decision making models such as those employed in the British education system (Ball 2008). Globally, focussed philanthropy has been utilized by corporations seeking competitive advantage in diverse geopolitical contexts (Porter and Kramer 2002) and has been hailed as the 'saviour' of humanity (Bishop and Green 2008; Fleishman 2009).

Australian philanthropic interest in indigenous causes may have been imported from contemporary colonial nations (Lester and Dussart 2008) however, philanthropy here is in a very different space to that of much of the rest of the world with regulatory and accountability processes subject to tardy policy development (Leat 2004). Despite this structural weakness, previous research (Scaife 2006) has shown a widely held perception across the Australian philanthropic community that it plays a significant role as innovator and change agent in addressing indigenous disadvantage. Indeed, for some philanthropic organizations, success is measured by the willingness of government to subsidize or completely fund projects begun by philanthropy (Smyllie and Scaife 2009). Whether this activity intends or results in public policy development is currently unexamined. Other important questions remain unanswered. For instance, community-wide action and investment are key in such a multi-sector issue as indigenous need but are they feasible? Do some fundamental barriers to public-philanthropic interaction exist that need to be addressed? Do any such obstacles in governments and philanthropists working productively together resonate with wider policy areas?

In a broad sense, the way in which civil society organizations transmit policy ideas to decision makers is of extensive interest in policy and academic sectors (Fleishman 2009; Dodge 2009; Hendriks 2009; Young 2000). This literature suggests that to effectively exercise power in a public process requires legitimacy as a political actor (Fuchs 2005). In the Australian indigenous scenario, philanthropic legitimacy is embryonic. It may be gradually building through ground level impacts, which in turn are mustering public trust in its expertise, capacity and intentions. However, evidence of this power is as yet more intuitive than empirical, more isolated snippets than a critical mass of change agency. What is known is that of the estimated 5,000 philanthropic foundations in Australia, only sixty-one are identified by Australia's national peak body for philanthropy (Philanthropy Australia 2010) as specifically focusing on or encouraging applications for indigenous projects. Many of those are unable to identify the extent of their financial investment in indigenous causes. Most focus on disadvantaged populations as a whole. Consequently, the leverage philanthropic investment has in procuring government funding for indigenous need is anecdotal (Smyllie and Scaife 2009). The interaction between the indigenous cause philanthropy system and the wider geo-political landscape

in Australia may be currently 'under construction' but that construction phase is revealing barriers and insights that possibly may apply in other challenging policy terrain.

Various opinions are evident in the academic and practitioner literature about the philanthropy/government interface generally. These views include the 'societal ecosystem' stance that asserts the economic and social health of all will be damaged if government, business or the nonprofit sector is weak. This perspective exhorts a change in the traditionally 'arm's length' relationship with government and public policy that philanthropy has maintained (LaMarche 2008). Others suggest philanthropy brings resources such as 'reputational capital' to efforts (Leat 2007) achieving advances in this way that government alone could not. Others have considered the different organizational cultures of government and philanthropy (different mandates, political climate, timing and length of grant processes, accountability and scrutiny, flexibility options) and call for improved information sharing (New York Regional Association of Grantmakers 1999).

To better understand this philanthropy/government interface, the research reported here draws upon two empirical studies both aimed at understanding the issues facing philanthropy in Australia. Both organically raise the question of where philanthropic and public sector roles mesh, suggesting the value of combining both data sets. Using an ethnographic reflexive methodology and applied concepts from grounded theory for data analysis and interpretation (Wade 2008), the lived experiences of grantmakers, major givers and grantseekers in the Australian context were explored to uncover differences and similarities in how the funding system is conceived. These two studies identify significant attitudinal barriers in the government/philanthropy interface and point toward potential levers to support change.

DATA AND METHOD

The first study involved semi-structured interviews with nineteen grantmakers and fourteen grantseekers involved in indigenous need, who self-selected following invitation. Semi-structured interviewing was used as there was only one chance to interview each participant and the interviews were conducted by more than one interviewer (Bernard 1988). The interview schedule adopted a structured reflection process, which builds knowledge from experience (Kolb 1984). Participants relate the facts, interpret them in the light of their emotional reaction and intellectual understanding and then build this into recommendations for the future. The questions ranged from eliciting an opinion about the current state of the grantmaking system in Australia to personal experiences and information about grantmaking processes learning and knowledge flow. Grantmakers were invited to participate by a peak industry body. Grantseekers were invited by Aboriginal community leaders involved in two large grantmaking organizations.

Grantmakers were representatives of foundations, trusts, private ancillary funds (similar to US family and corporate foundation models) and/or individual philanthropists. They included representatives from grantmakers distributing less than AU\$100,000 each year to those making

millions of dollars of grant funds available annually. Grantseekers included people representing organizations active in the indigenous cause area. The organizations ranged from very small community organizations to large academic institutions. The representatives held varying positions depending on the size of the organization. Some were CEOs, some were sole workers, some were committee members and some were heads of departments. All but three grantseekers identified as an Aboriginal person.

The second study investigated the factors most likely to prompt Australians to make a major donation. Sixteen interviews were completed with donors who had given a major gift. A major gift was described as a gift of at least AU\$10,000 to a single organization or individual. Participants included; individuals with wealth who gave personally either informally or through a funding structure such as a foundation, trust or private ancillary fund, representatives of individuals with wealth, foundations or trusts who were speaking on behalf of individual or organizational practice and individuals who would not be commonly described as wealthy but who gave major gifts. Participants gave to both indigenous and non-indigenous cause areas. They were asked about their background with and motivations for philanthropy and a complex range of cross-situational and situational factors that contribute to their decisions were explored.

The data from each study were analysed independently. All participant categories across the two studies were independent and no one was interviewed twice. Data were transcribed into text files, which were then entered into a QSR NVivo8 database. QSR NVivo8 was the technology used in this study to store, manage, code and scrutinize the empirical data. Analysis began with an open coding phase, involving an intensive, iterative search for concepts that suggested themselves from the text. As each concept was identified, the passages of text were coded to a unique identifier, expressed in the QSR NVivo software as a 'node'. These nodes were progressively augmented, refined and redefined as the studies progressed. Coding passages to nodes ensured that each idea was understood and analysed in context. The second stage of coding identified a set of categories into which these concepts could plausibly be collected. The third stage of coding was aimed at associating these various categories with themes. Participants had the opportunity to critique preliminary data analysis, a process particularly relevant to indigenous communities (Roulston 2010).

In this way, each analysis resulted in the identification of a number of themes. Amongst these themes from grantseekers, grantmakers and major givers was a common, strong, attitudinal response towards government agency both independently and as it contrasts with philanthropy. In this instance, attitude is defined as 'a psychological tendency that is expressed by evaluating a particular entity with some degree of favour or disfavour' (Eagly and Chaiken 1993 pp1). Because of this thematic similarity, data were then pooled for further analysis in order to expose the issue of attitude in more depth (Ritchie and Spencer 2002).

RESULTS

Four themes emerged from the analysis of data through an attitudinal lens. These were:

Theme 1: Responsibility i.e. participant attitudes to what government responsibilities were and their evaluation of how well government was meeting those responsibilities.

Theme 2: Motivation i.e. how participants thought government decision making was motivated.

Theme 3: Competence i.e. participant attitudes about the ability of government to take action.

Theme 4: Trustworthiness i.e. participant attitudes towards government reliability.

Demonstrating the themes

Theme 1: Responsibility i.e. participant attitudes to what government responsibilities were and their evaluation of how well government was meeting those responsibilities.

Participants described the relationship between philanthropy and government as a murky one driven by the prevailing culture;

I don't know whether it's very Australian when you compare it to other countries, but it seems to be that there is a belief that if something needs to be done, the government ought to be doing it. (interview transcript major giver)

Government's role, respondents said, is structural – there to facilitate and encourage philanthropy through various levers. According to this study, taxation incentive, traditionally decried as a motivation for giving, is seen as a way to open the conversation and gain some initial action. The comparative roles of government and philanthropy apportioned a responsibility for universal issues like education and health to the government while philanthropy was an innovator and risk taker across the gamut of issues, as well as powerful enough to be a conscience and agitator with governments as needed. As one grantseeker said;

I think it is solidly the mainstream responsibility of government to provide a decent world for its citizens and philanthropy should be ensuring that government is doing that and then doing cutting edge type stuff. (interview transcript grantseeker indigenous organization)

Against this backdrop there were questions as to whether government enacted its responsibilities;

My view is that governments have a responsibility to do certain things. Governments are abdicating their responsibility and philanthropy is trying to fill in.

(interview transcript grantmaker indigenous causes)

There was in places a matching scepticism about the efficacy of philanthropy;

Thinking through of why philanthropics actually exist – I know it is to do with tax laws and stuff as well but why philanthropics exist. Are they there to just look pretty and put a soft face on a fairly harsh environment for marginalized people or are they there to try to actually change the circumstances that do marginalize people?

(interview transcript grantseeker indigenous organization)

However, for many grantseekers philanthropic funding offered an opportunity to work in more acceptable modalities and in creative partnerships;

Yeah, you see government as a funding pool. Where I see the [philanthropic] trust as being more partner, more community focussed, particularly some of these small ones.

(interview transcript grantseeker indigenous organization)

Considerable wariness among grantmakers concerned with co-option by government is evident;

It is a barrier that people want to come on board and use your money to fund what they really should be doing...you pull back...they should be doing this anyway...why should we be doing it for them?

(interview transcript grantmaker indigenous causes)

Many participants, grantmakers, grantseekers, and major givers, hoped for a new era of cross-sector partnership. As one grantmaker summarized;

I think there's always a role for government and philanthropy to work together. I think the role is for government to implement good quality policy and decisions and for philanthropy to explore what those policies might mean, by trying things that might fail, by getting involved in things that the government couldn't because [celebrity commentator] may talk about it.

(interview transcript grantmaker indigenous causes)

Such collaboration, it was hoped, would minimize the significant impost on community capacity brought on by independent engagement and implementation;

They all kept telling us how sick and tired they were of people just coming in one gate and going out another. It was just like a big circle of things happening. They'd have to make, they'd have one lot of government workers coming in at 10 o'clock and another lot at twelve another at two. It was so sickening for them and a lot of the times they just didn't turn up to appointments because they had other priorities.

(interview transcript grantseeker indigenous organization)

In summary this first theme highlights an unmet expectation of government social responsibility, an innovative role for philanthropy and the need for a partnership oriented future despite relational distrust.

Theme 2: Motivation i.e. how participants thought government decision making was motivated.

Consistently participants characterized government as overly politically motivated, even to the detriment of good practice. As one grantseeker put it;

Governments are bound by all kinds of idiot politics and our oppositions are there to oppose it. It doesn't matter if you've got a good idea they're going to oppose it anyway regardless of party.

(interview transcript grantseeker academic institution indigenous causes)

This attitude was conceptualized within the role of government and its accountabilities;

Philanthropy can always be innovative, it's not spending tax payers' money, there's not the politics, it can be experimental, can undertake research, you don't see government always doing that. They have to look at equity and fairness and the political view of things.

(interview transcript grantmaker indigenous causes)

Theme 3: Competence i.e. participant attitudes about the ability of government to take action.

Government programs were perceived as fragmented, silo-like, risk averse and off-putting to those who needed help the most;

There is real fatigue in the community with all the stuff at government level – things are being funded for the wrong reasons and in the wrong way and not being effective.

(interview transcript major giver)

At worst, governments were seen as destructive with one grantseeker resignedly suggesting 'but that's what governments do - they get people fighting amongst each other'. One grantmaker had a more sympathetic view of government competence;

When you dig into it there is some excellent work happening in pockets. There is a need for this work to become well known, work with real outcomes and I do think the federal government is working hard.

(interview transcript grantmaker indigenous causes)

But this was rare across all interviewees whether grantseeker, grant maker or major giver. More commonly there was a pervasively negative view of the government whose perceived poor performance was put down to a lack of communication;

That old man expressed a lot of frustration to me about getting support and he ended up dying of tongue cancer, and he said to me it was because he talked, talked, talked but no-one listens and he - you know, to bureaucracy, to government. You know, constantly, constantly.

(interview transcript grantseeker indigenous organization)

And an accountability system that (though accepted as necessary) was viewed with considerable scorn. As one major giver observed:

The enemy of perverse accountability which is because there's no profit motive in government organizations, they've got a highly, highly developed culture for setting their objectives so low that they'll never be criticized for missing them.

(interview transcript major giver)

Theme 4: Trustworthiness i.e. participant attitudes towards government reliability.

Clearly, most participants recognized the inevitability of working with or around the government sector, as one critical major giver accepted ' frankly without them I don't think you can get major socio-economic change'. Some were looking forward to a productive government – community-philanthropic partnership;

[A partnership] that would be very useful because then anything that the Government doesn't fund a philanthropy could fund and that means that you could negotiate a project so that it has a number of sources of funding.

(interview transcript grantseeker academic institution indigenous causes)

Whatever form that working relationship took, there was a strong flavour of distrust in participant attitudes towards the government;

We know that they're going to shift the goal posts, we just need to know, have an idea where they're going to shift it to.

(interview transcript grantseeker indigenous organization)

If you gave them [government] truth serum [they] wouldn't really be there to solve problems.

They're there to just make a career.

(interview transcript major giver)

This distrust had its origins in past personal experiences with the government funding system;

Even with our reports they had to be scrutinized and they were amended accordingly.

Instead of saying what we wanted to say, they told us what we could and couldn't say so it was very disappointing from that aspect but not unexpected.

(interview transcript grantseeker indigenous organization)

These perceived inconsistencies in integrity had significant impact on the participants' abilities to work effectively and raised levels of cynicism;

If you're doing it through government program stuff because it's just like this, you know, and you burn people. One moment you've got some money to employ them and the next minute you don't. Instead of being up and down, just go and sit home on the dole [unemployment benefits].

(interview transcript grantseeker indigenous organization)

However, there was a consistent impression that what was needed was a demonstration of a demonstrable improvement in indigenous wellbeing rather than political rhetoric, sentiments aptly summarized by the following grantseekers who said;

It was so sickening for them and a lot of the times they just didn't turn up to appointments because they had other priorities and it was just, well we still can't see the outcomes.

(interview transcript grantseeker indigenous organization)

It got de-funded because the current minister decided that we don't need [the work] anymore, the job was done with the Apology. We tried everywhere to get funding because the job is of

course not done. The Apology was sort of symbolically wonderful and extremely moving and whatever but it hasn't changed a frigging thing.

(interview transcript grantseeker indigenous organization)

DISCUSSION

There is a remarkably consistent and ubiquitous negative attitude towards government from grantmakers, grantseekers and major givers, revealed in this study. The four themes, responsibility, motivation, competence and trustworthiness provide valuable insight into the way forward in improving attitudes, relationships and ultimately program effectiveness in indigenous communities. When the themes identified in this study are compared with a typology of trust based on a comprehensive analysis of the socio-psychological literature (McKnight and Chervany 2001), participants in this study had very little trusting belief in government competence, benevolence (motivation in this study), integrity or predictability (trustworthiness here).¹

In this light, the results of this study are compatible with much of the literature that explores the antecedents, range and depth of trust between governments and their communities (Hetherington 2005) and the continuing trust decline across industrialized democracies (Dalton 2005). More specifically, in the Australian indigenous context the result reflects, particularly between indigenous grantseekers and the public sector, the continually unstable and assaulted relationship subject to sudden political and practical reversal, which would try the most committed collaborator (Smith 2008). Trust has been identified as the precursor, if not the single most important component of stable partnerships between government and non-government sectors (Alexander and Nank 2009). The lack of trust in government from the philanthropic system as evidenced in this study will act as a barrier to the development of partnering processes that system agents regard as necessary in addressing indigenous disadvantage (Head 2008). If, as Dalton (2005) argues, the world wide scepticism of government in industrial democracies is a permanent fixture in the context of government community relations, how then could we work towards changing such entrenched attitudes?

The expression of people's attitudes can be affected by past experience and also the present circumstances in which they find themselves. Eagly and Chaiken's (2007) analysis of attitudinal literature identifies two important differences between attitude types i.e. those attitudes that are easily changed and those that are much harder to change. They suggest that attitudes also depend on the complexity of those past experiences. That is, if your past experiences were limited and similar, always about application processes for example, you are likely to keep the same opinions because regardless of the complex nature of that organization, you are using a small set of criteria to view and evaluate the organization. If, on the other hand, your experience of an organization has been wide,

¹ In this model trusting beliefs has four sub-constructs i.e.

- Competence – belief in the power and ability of another to accomplish outcomes
- Benevolence – belief that another's action is motivated by compassion
- Integrity – belief that another will be truthful, act in good faith and does what they say they will
- Predictability – belief that you can predict what another will do in the future in a given situation

deep and varied, your attitude to that entity may be more volatile, depending on which experience you use to evaluate the current interaction.

The fact that participant attitudes to government in this study illuminated a finite number of themes would seem to suggest that these participants tend to evaluate government under a limited number of criteria. As such their negative attitude may be relatively stable.

If we take the perspective suggested by Eagly and Chaiken (2007), there are two possible levers that may change entrenched negative attitudes to sometimes positive ones. Under certain conditions at least a truce may be called in order to deliver collaborative outcomes. The levers are:
Lever1: change the system to be more flexible; and
Lever 2: broaden and deepen the direct experience communities have of their governments.
In terms of the first lever, increasing the flexibility of the system, there has been serious attention paid by governments internationally to identifying better ways of working with indigenous communities (UN 2008). More generally, significant policy effort has been applied to almost every facet of the government-community relationship (UN 2007a; b; c). This effort is mirrored with significant investment by the philanthropic community toward improved relationships between grantseekers and grantmakers (First Peoples World Wide 2006). This work has developed a number of practice principles, which can be used not only to improve work on the ground but to ensure the development of more relevant public policy (e.g. Rio Tinto Aboriginal Fund, Christensen Fund and the Greenstone Group 2010). Within the context of this policy capacity, it is concerning that Australia's Aboriginal and Torres Strait Islander peoples' current experiences still lead them only to *anticipate* the development of new relationships with governments, the corporate sector and the wider community based on equality, non-discrimination and full respect for their rights (Gooda 2011).

This study explored participants' experience of major giving, grantmaking and grantseeking, whereby reference to government was made in light of its impact on this experience. Entrenched negative attitudes towards government seem to be almost de rigeur pursuant to any financial interaction with government enterprise or any evaluation of the ability of government to deliver outcomes efficiently. Grantseekers were particularly scathing about the burden of accountability placed on them by government agencies and the centrality of these processes in the development of their negative attitudes, regardless of rhetoric concerning partnering protocols. If we examine system reform as it pertains to the financial aspects of the philanthropic sector in Australia, attempts to make these processes more flexible have been convoluted. Since 1991, there have been at least four major consultations and policy reviews of the nonprofit sector (The Senate Standing Committee on Economics 2008; Productivity Commission 2010). In effect, government remains immovable largely due to jurisdictional complexity. Paradoxically, financial decentralisation can increase trust (Dincer 2010). However, current policy in Australia at least is towards a centralization of control (Commonwealth of Australia 2011b). This move risks decreasing the diversity of the philanthropic and nonprofit sector, isomorphetising organizations (Harrow 2011) as they strive to meet funding

criteria. Diversity is a necessary component of any system that strives to address complex problems such as indigenous wellbeing (Head 2008). This is particularly so in the Australian context where 'governance for Aboriginal and Torres Strait Islander peoples is in fact a form of multi-networked, nodal governance that includes not only organizations, but also wider networks of leaders, families and communities' (Smith and Hunt 2008 pp 21). If financial reform remains problematic then acting on the second lever - broadening and deepening the experience communities have of their governments – may be more efficacious.

Internationally, governments have turned to e-government and increasingly, social media (Bertot et al 2010) to increase government transparency and community knowledge of its workings. If, as Goldfinch (2009) and colleagues show, e-government is further cementing the marginalisation of already marginalized groups in society, this trend may not be providing a relevant solution for the majority of indigenous peoples across the globe. Certainly it is not currently a viable solution in Australia where, despite a broadband coverage on par with other colonial nations, only 36 per cent of the indigenous population have access to the internet at home compared to the national average of 67 per cent (Australian Bureau of Statistics 2008b). We need more opportunities to see government organizations working effectively, carrying out their role in a caring manner, remaining predictable through changes in party and acting with integrity. In short, it must be made clear to the individual bureaucrat, that their personal actions make the difference (Sutton 2009).

It is evident that the philanthropic sector has a role to play in meeting indigenous need and that it has the potential to complement government activity. To date in Australia, the third and public sectors have worked largely in isolation, not sharing the information, networks and skills that are sorely needed to redress the many and deep issues of concern in the indigenous population. This research amongst grantmakers, grantseekers and major givers resoundingly portrays government as deficient in its policy and action in this area: somewhat neglectful of its responsibilities, hidebound by politics and accountabilities that straightjacket its policies, fragmented and siloed in its approach and unsuccessful thus far in winning sector trust. The two different cultures are evident and two levers - greater system flexibility and closer engagement- are suggested as important in moving forward the philanthropy/government relationship in this area. Given the resources both carry, the ability to think together about issues, to determine relative strengths and weaknesses of both funding systems and find areas where synergies can apply are all seen as important. Recognition of attitudinal barriers unearthed in this study is a useful starting point for change in the policy arena and the achievement of greater legitimacy of the philanthropy sector as policy agents.

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