

# Transitioning to the Next Economy: A Spectrum of Philanthropic Efforts

## PURPOSE OF THE TOOL

This tool is intended for funders interested in and exploring grantmaking and / or investments in the broad spectrum of work transitioning to the next economy with equity at the center. This work often lives at the intersection of economy, ecology, democracy, and finance.

Using this tool, individual or groups of funders can explore what new economy efforts they currently engage in and might engage in along a spectrum. Examples from Project Phoenix are included to help orient the user.

## Background

With the leadership of the Project Phoenix core team and in dialogue with the cohort, we built upon strong foundations of agreement, “givens” we could start from and expand upon, based on learning and practice together. Project Phoenix posited these five assertions:

1. Impacted and historically marginalized communities lead and decide vision and creating next economy.
2. Independent political power is key to getting to the next economy.
3. Role of government is critical to a just transition to a next economy.
4. Private sector should have greater social responsibility and have a key role in this work.
5. Philanthropy must use capital and its unique role to help achieve just transition to next economy.

CSS offered reflection on what they were seeing emerge in the Phoenix cohort and in other work across the Just Transition / New Economy field:

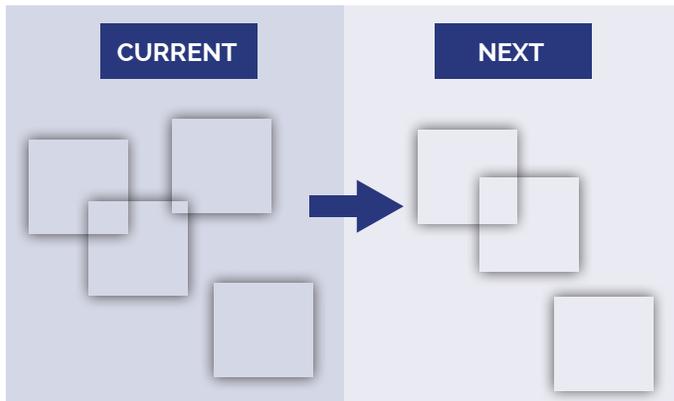


Figure 2

We often think of this amorphous transition/new economy work in a particular way based on the values and assumptions of the current economic system, as visualized in Figure 2.

There is the Current economic system over here. There will be the Next economic system over there. Many funders, whether by strategic choice or structural limitations, often have to fund in very particular silos and boundaries, as represented by the boxes. Many of our colleagues often have to or do think in binaries, other-ing, or defining work as good/bad. And then one day, we will switch over from the Current to the Next Economy.

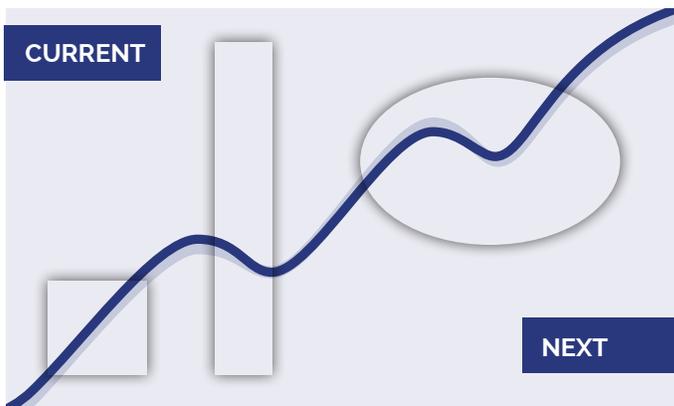


Figure 3

What if we instead considered a framework for change often used in organizational development (Bridges Transition Model), that looks something like Figure 3?

Transition happens over time, often not linearly (which is tough to depict here in a simple drawing). At any point, we have some elements of the current and increasing elements of the next. We also have a bunch of messiness and fuzziness in the middle as the next is establishing itself. See page 10 for an example worksheet that illustrates this.

Some individuals and institutions placed their work in various places and across a range. We placed specific project/grant examples, in addition to looking at individual and institutional movement over the life of the cohort (if any). It allowed individuals to explore potential work on their own or in collaboration. This framework allowed more inclusivity, more opportunities for collaboration, and fundamentally valued diversity of work/efforts.

In the learning and exploration context, we accepted the limitations of the framework. It is based on self-evaluation and self-placement. Absolutes (accuracy, agreement, or value judgement on positioning) were less important than understanding relative proximity, seeing the field of options, and exploring what kind of moves/leaps individuals wanted to try or learn from, and understand how others' work created opportunities or space. We found themes, reaffirmed shared values, and offered best practices (messaging and organizing from very different positions). ■

# Criteria

Efforts in the “Current” economic system tend to have some or all of these characteristics:

- Single (issue / outcome / tactic)
- Transactional relationships (short-term, shallow)
- Reactive, Defense Focused
  - ▶ Mitigates harm or raises standards within the “current” system, but does not fundamentally change the landscape
  - ▶ Lack of alternatives
  - ▶ Engages in existing versus new conversations, struggles, narratives, etc.
- Status Quo or Unclear Power
  - ▶ Doesn't fundamentally shift power relationships
  - ▶ No clear power-building strategy (e.g. Moral power of the issue content is enough to win)
- Low-Risk, Existing / traditional approach

Efforts in the “Next” economic system tend to have some or all of these characteristics:

- Multi (issue / outcome / strategy / types of resourcing)
- Transformational relationships (long term, deep, mutual respect/destiny)
- Vision Forward
  - ▶ Vision-oriented and values-based, room for multiple approaches
  - ▶ Builds power for bigger vision
  - ▶ Focus on what's necessary while engaging what's possible
- Builds multiple types of Community Power – sees them as inter-linked
  - ▶ Political/governing
  - ▶ Financial – democratic control of capital, wealth creation in communities
  - ▶ Cultural
- Messy / Risky (high risk/high reward, proof of concept)

# Using this Tool: Individual Exploration

## MATERIALS NEEDED

Worksheet, Scratch Paper, Pen/Pencil,  
Post-Its (optional)

## SET-UP

Have "Criteria" and "Worksheet" on hand to reference and use. You can choose a physical pen and paper set-up or a computer set-up.

## TIME

20 – 30 minutes

1. **Look at the criteria** (previous page) that describes efforts that are most in the Current economy and efforts that are most in the Next economy.
2. **Think about the efforts you currently support in your portfolio.**
3. **Brainstorm** a list of 3-5 for each of these categories:
  - ▶ What efforts do I support that are most in the Current economy?
  - ▶ What efforts do I support that are most in the Next economy?
  - ▶ What efforts am I interested in exploring that stretch further into the Next economy?
4. **Place them on a spectrum**
  - ▶ Either using post-its or writing them in, place the efforts on the spectrum. You can choose to categorize the efforts should that make sense (per the example).
5. **Reflect:**
  - a. What are the edges of my work on either end of the spectrum?
  - b. What are the factors (personal, institutional, timing, etc.) that set the edges of my work on either end of the spectrum?
  - c. Where would I place the vast majority of my work on this spectrum?
  - d. What would it take – more information, support, advocacy, etc. – to investigate supporting an effort that stretches into the Next economy?
  - e. Who do I want to talk with to explore this work further?

# Using this Tool: Group Exploration

## MATERIALS NEEDED

Flip Charts, Markers, Tape, Post-Its (of varying colors if working with multiple issue sectors), Pens

## SET-UP

Using multiple flip charts, put up visual of spectrum. Place post-its and markers on participant tables.

## TIME

60 – 90 minutes

### 1. Introduce activity (5-7 minutes)

- ▶ Explain spectrum. Place and share a few examples on the spectrum.
- ▶ Background & Purpose language above.
- ▶ Walk through description of the spectrum.
- ▶ Explain spectrum.
- ▶ Take any clarifying questions.

### 2. Individual or Small Groups (15–20 minutes)

- ▶ Give instructions: As individuals or groups, you will fill out FOUR post-its that represent your current portfolio of efforts (grantmaking and investments).
  - ▶ What is a specific project that represents an effort most in the “Current” economic system?
  - ▶ What is a specific project that represents the majority of the efforts in my/our portfolio?
  - ▶ What is a specific project that represents an effort most in the “Next” economic system?
  - ▶ What is a specific project that represents an effort you would like to fund in the next year that stretches you further into the “Next economic system?”
- ▶ As you are choosing representative projects, start listing characteristics of the projects in “Current” and “Next.” One post-it per characteristic.

### 3. Placement on the Spectrum / Gallery Walk (5-7 minutes)

- ▶ Depending on the size of the group, have 2-4 people placing on the spectrum at one time.
- ▶ Encourage them to be in discussion as they’re placing the projects they support.
- ▶ At any time, participants can adjust the location of their post-its.
- ▶ Place criteria post-its respectively under “Current” and “Next.” Invite them to group similar characteristics.
- ▶ Have groups go until all of the post-its are up.

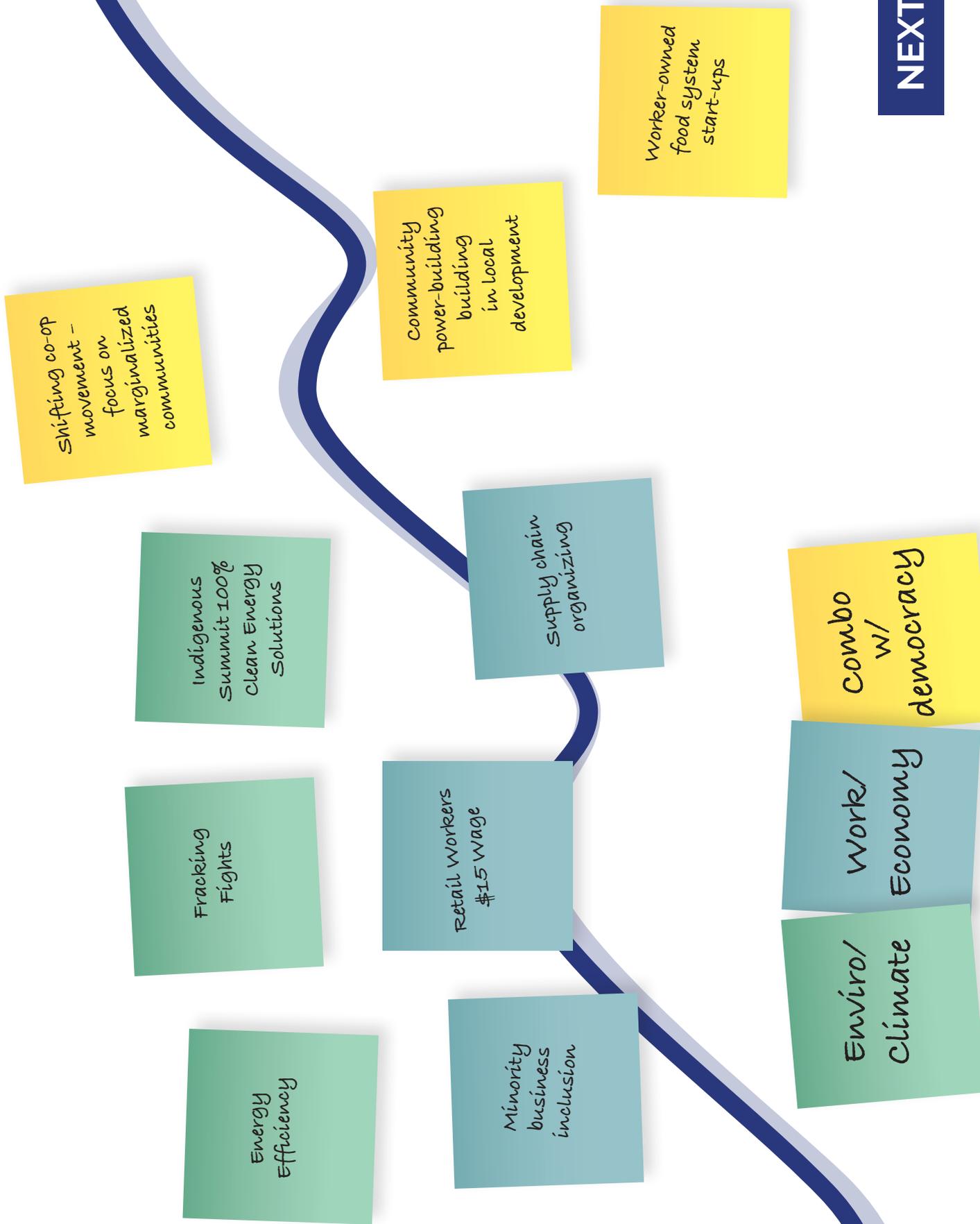
### 4. Group Share & Discussion (30-40 minutes)

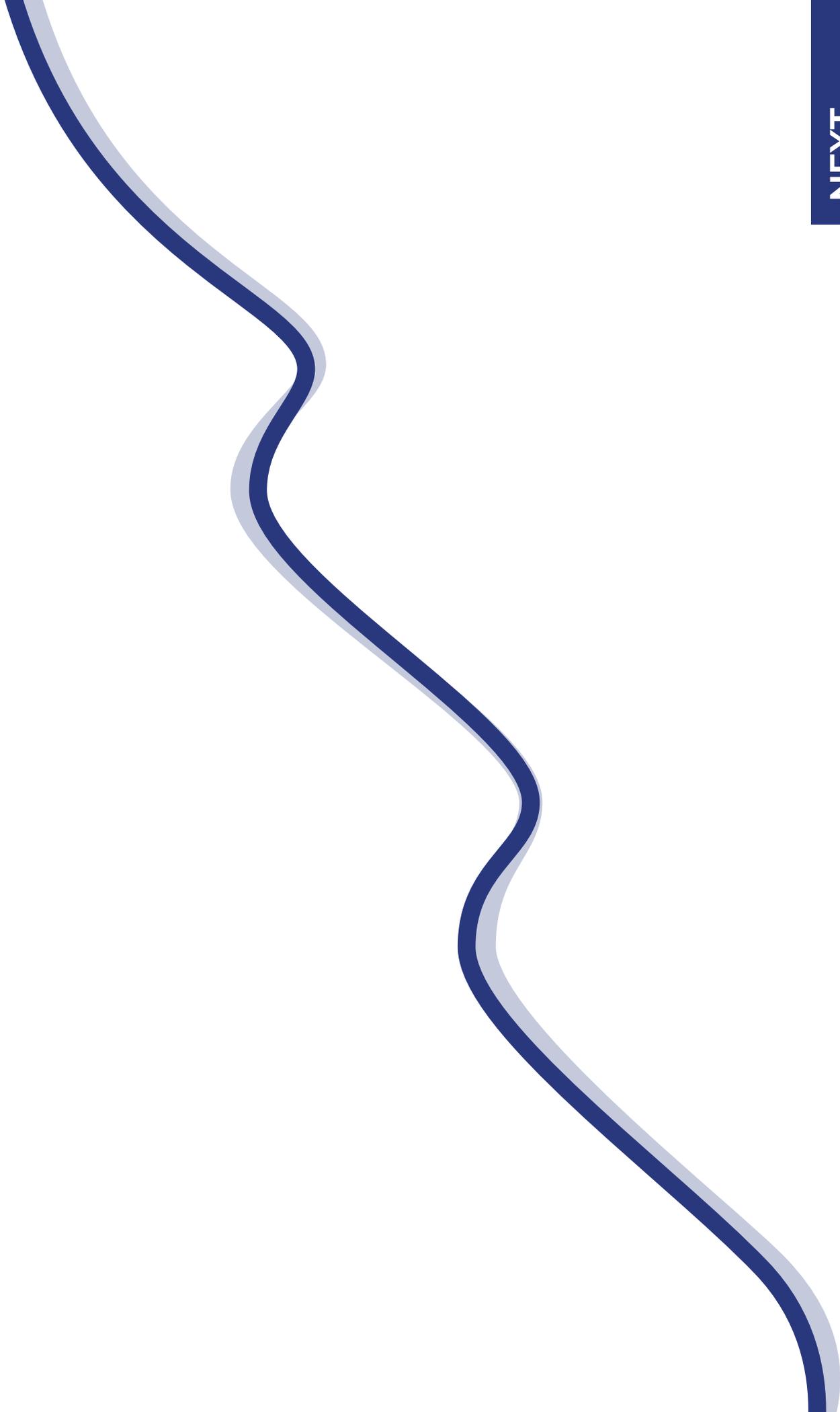
- ▶ Have a participant or group share what projects they chose and where they placed them and why. Repeat as time allows.
- ▶ Throughout, invite reflections and adjustments.
  - ▶ Are there patterns or themes we’re seeing?
  - ▶ What factors were you considering when placing the projects?
  - ▶ What would you need to try to implement the effort that is a stretch into the “Next” economy?
  - ▶ What are you interested in learning more about?

### 5. Close Activity (5 minutes)

- ▶ Thank them for sharing and acknowledge courage and learning.

Worksheet Example





## PROJECT PHOENIX

*Transitioning to the Next Economy: A Spectrum of Philanthropic Efforts* came out of *Project Phoenix: Connecting Democracy, Economy and Sustainability*, a yearlong cohort learning program hosted by Neighborhood Funders Group, and co-chaired by Jose Garcia of Ford Foundation (then at Surdna Foundation) and Aditi Vaidya of Robert Wood Johnson Foundation (then at Solidago Foundation). The Phoenix Project ran from February 2016 to January 2017. It convened a cohort of 33 members from 20 different philanthropic institutions representing a broad range of issue perspectives (climate, civic engagement, worker rights, local economies, etc) and a broad range of institutional types and sizes.

The Phoenix Project explored what a just transition to a new economy might look like in places around the country, how it can be scaled up from community innovations on the ground, and how foundations can best support this work. Working with the *Center for Story-based Strategy*, Phoenix explored the following questions as part of our inquiry:

- What are our shared values, and what does a “new economy” actually mean to us?
- How are we and our work in relationship to each other, or how could we be?
- How might we expand our understanding of the range of possibilities in a shared framework?

For more background, go to [www.nfg.org/project\\_phoenix](http://www.nfg.org/project_phoenix).



NFG is a membership association of grantmaking institutions that has worked for the past 36 years to create a philanthropy sector that helps build community power for social, racial, and economic and gender justice and equity.

Learn more at [www.nfg.org](http://www.nfg.org).



CSS is a national movement-building organization dedicated to harnessing the power of narrative for social change. CSS offers social justice networks, alliances and organizations the analysis, training and strategic support to change the story on the issues that matter most.

Learn more at [www.storybasedstrategy.org](http://www.storybasedstrategy.org).

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