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Interview with Laurence Lien

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The figure of Laurence Lien looms large in the philanthropy landscape of Singapore. In addition to chairing the Lien Foundation, he is also chair of the Community Foundation of Singapore, former CEO of the National Volunteer & Philanthropy Centre (NVPC) and a former Member of Parliament, in which capacity he was vocal in advocating for the social sector and civil society. His latest venture is the Asia Philanthropy Circle. He talks here to Caroline Hartnell about how he sees the general trends in Asian philanthropy, how the Circle fits into them, and what an Asian brand of philanthropy might look like.

In January this year, you co-founded the Asia Philanthropy Circle. What do you hope to achieve through this initiative?

We hope to mobilize philanthropists in Asia, for the purpose of learning, sharing, exchange and joint action. Though philanthropy has grown quite significantly in Asia, some problems haven't gone away, in fact they've become more complex. In order to address those issues better, philanthropists need to start working together, so this platform is to bring together what we'd like to call progressive, like-minded philanthropists. We're targeting 100 over five years.

Is it just individual philanthropists you're targeting?

At the moment we're only looking at individual philanthropists being members rather than foundation professionals or philanthropy advisers. The hope is that we will have a fairly homogeneous group of people who



meet together in a safe space and are able to open up and explore collaboration. So we're really building a community of philanthropists to increase the impact of Asian philanthropy, and hopefully in the process we are also creating an Asian brand of philanthropy.

We will hope to bring in philanthropists working in the whole of Asia. I'm seeing three main clusters: North Asia, South Asia and South-East Asia. Then we will members according to common interests – these could be based on country or cross-border issues, field issues like education, healthcare, poverty alleviation and so on, or specific philanthropy approaches like impact investing.

However, when we get into working meetings and follow-up action, we will certainly have to involve foundation staff, as well as other NGOs and experts on the ground, and so on.

What makes it so important to have this homogeneous group?

Once a grouping becomes too heterogeneous, quite often the philanthropists themselves stay away, and that's what we don't want to happen.

What will be your role in the network?

Right now, I'm the CEO. I'm full time on this. The start-up is often the most difficult part of building a members-only organization. While the response has been very positive, many prefer to be the 40th member rather than the 10th. It's quite a lot of work to get to that critical mass of membership, and since we say that this is an organization that's run by philanthropists for philanthropists, I feel I need to be full time to make sure that I bring it to a stable level where I can pass it on to somebody else to run.

What's happening in Singapore in philanthropy now and how do you see it developing?

I think there is a much better

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appreciation of the role of philanthropy in society today than say ten years ago. There are a lot more foundations now, many of them corporate foundations – I think this has been the biggest change. As companies take their corporate social responsibility more seriously, quite often corporate philanthropy is the first manifestation of that.

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Private philanthropy has certainly grown too. It's still not strategic philanthropy, by and large; there's still a lot of cheque book giving and the philanthropy field is not significantly professionalized in Singapore.



Former president of Singapore S R Nathan (third from left) with recipients of scho Education Upliftment Fund, administered by the Community Foundation of Singa Association, Singapore.

That was one of the reasons for setting up the Community Foundation of Singapore in 2009. It's not so much focused on grassroots philanthropy yet, but what we have done is help donors set up donor advised funds,

which helps them develop as philanthropists. At the moment, we have more than 70 donor advised funds and a few of our donors are now establishing their own foundations.

There is more interest than activity in impact investing because there are more capital than projects. You need the social entrepreneurs to make things happen and Singapore is not known to have a very strong entrepreneurial culture. We are seeing a lot more young people starting up in that space, but we are just not seeing major, scalable social enterprises being created yet.

A lot has been said about Singapore as a philanthropy hub. Is this actually happening or this is more aspirational at the moment?

I think it's still more aspirational. The huge limiting factor is Singapore's tax laws. You can get huge tax incentives for giving to local causes but none for giving to foreign causes, which is very discouraging of cross-border philanthropy, and that would be essential for Singapore to become a philanthropy hub.

Despite this, and although the amounts are still not large, Singaporeans are increasingly giving overseas. I think this is partly because people see the needs as more pressing outside Singapore, and the dollar goes further.

Another limiting factor to giving overseas is that there is often a lack of clarity about which are good non-profits to fund. In Indonesia, for example, even the local philanthropists underfund their own NGOs, because of the lack of trust. Instead, they start their own programmes.

Asia is such a huge region that it's difficult to speak of trends. However, do you see this lack of trust as a general regional tendency, making philanthropists more inclined to set up their own operations than to fund an NGO?

It depends on the country you are in. It's true of Indonesia and to an extent of China – there is a great lack of trust. In countries where civil society is a bit more developed, like India and the Philippines, there is

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more grantmaking.

But I think the general story is that philanthropy is growing rapidly. In the last ten years, people who have made money are starting to think about their legacy, about the significance of the money they've made. The number of private foundations in many places has grown

dramatically. In China, for example, the number of foundations is over 4,200, with about 600 being added every year now, and the majority are private foundations rather than public foundations largely operated by the state.

Again, though, this is still more of an aspiration than a reality. Many people, in China and elsewhere, are starting to make pledges but not making substantial gifts to their foundations yet, often because the tax and regulatory environment is not conducive.

But that's also starting to change. In China Premier Li has said he would like the regulations to be much more enlightened, and to encourage philanthropists and philanthropic giving through tax incentives, which has created excitement in the sector there. In India, the new CSR law has provoked a lot of debate. A lot of energy and hope has been generated, even though the government seems to be cutting back on the scope of the law, for example in disallowing investing in social businesses as a valid use of the 2 per cent mandatory spend. Even in countries like Indonesia, where the official attitude is less than encouraging, there has been a significant uptick in activity.

Some may be cynical and say it's simply reputation building, but from the people I have met I think that a lot of it is quite genuine. My sense is also that the next generation of business leaders are even more socially conscious than their parents, and more likely to be engaged and collaborative in philanthropy and also much more likely to adopt new tools like impact investing.

So I would say the future is very bright indeed for philanthropy. I'm less sure about impact investing. It's too early to tell, but my impression, again, is that the potential is enormous.

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You talked earlier about developing an Asian brand of philanthropy. Do you have any idea at this stage of what that brand might look like?

Not at the moment. All I can see is that certain things are different from the West. There's a closer tie between family and corporate philanthropy in most of the region because a lot of big businesses are still family-owned or run. Faith-driven philanthropy is also very prevalent in Asia.



The Circle of Care is a Lien Foundation-funded programme to support at-risk children as therapy and social work in their pre-school.

Another key characteristic is that many foundations operate their own programmes. Even when they fund NGOs, they want to have a close relationship with them. To put it another way, quite often they will only fund charities that they really know; they won't consider a charity simply because it is well regarded by others.

So the context is different, but how exactly that will play out in terms of the philanthropy, I think that's something to be created.

There is a lot on the Lien Foundation's website about radical

philanthropy, going beyond the traditional role of donor, forging progressive partnerships and investing with a long-term view. How does that approach fit into the general way philanthropy in Asia is developing?

About two thirds of our activity is in Singapore, so it makes more sense to see it in the context of philanthropy in Singapore rather than in Asia, even while we learn broadly from around the globe and region.

Our theory of change is mainly about experimenting with new models, because we feel that there's a lack of innovation in the social sector in Singapore. So almost everything that we do is new, and we are prepared to bet big on projects. The size of our grants has grown bigger and

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bigger because we are taking on more significant projects. We're focused on three areas: pre-school education, end-of-life issues, which includes some dementia care and palliative care, and water and sanitation in Asia. We also support advocacy, because if you are trying to have impact in a specific field, you want to influence the field's practice and its understanding, as well as public policy. So we invest significant efforts in public dialogue and debates, for example trying to get Singaporeans to address end-of-life issues, where typically death is such a huge taboo topic.

And is this different from what other foundations in Singapore are doing?

We're doing something that few are prepared to do currently, but we're hoping to encourage others to take more risks and to take on more innovation. Many philanthropists have entrepreneurial instincts that they use in business, and it's my hope that they will start to use them in the social sector, too.

Philanthropists do not have to be driven by short-term outcomes and can think longer term than, say, the public sector. We hope that philanthropists and foundations can use that asset to its full advantage. A lot are still playing it extremely safe so, hopefully, the next generation will have more courage.



Hospice resident Mr Tan at the Mid Autumn Festival. Palliative care is one of the key areas.

How important is it that the Lien Foundation is a family foundation controlled by the founding family?

I think it's important for transmitting family values, and philanthropy is a value that we want every member of the family to have. That doesn't mean that everyone is going to be involved directly in the foundation, but they have a stake in it certainly.

We now have a democratic process of appointing and electing representatives to the foundation board, which is fairly new. When my grandfather who set up the foundation was alive, appointments were controlled by the patriarch. But now it's in the hands of the third generation and we are a lot more democratic in our approach. There are five members of the board and three of them are family members.

What would you most like to achieve as a philanthropist, or through your involvement in philanthropy?

I've got two answers to this. The first is that I still have a responsibility for the family's philanthropy. We continue to create social impact in the areas we are committed to, and I'd like people to remember us not so much for trying to do things differently as for being serious in solving

complex problems.

Second, I want to mobilize philanthropists in Asia to have greater impact, to be more collaborative, to create our own Asian brand of philanthropy. I think that is going to be a lifetime's work, so I'm not underestimating what's involved.

For more information

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Lead image: Laurence Lien in Mumbai, introducing Asia Philanthropy Circle to philanthropists and NGO partners.