

# The Bellagio Initiative

Global Dialogue Summary

November 2011

## Consultation on Middle Income Countries – Hungary

The consultation addressed the trends, opportunities and challenges for the future of philanthropy in Middle Income Countries . Trends which can be observed are: growing local resource mobilisation; greater use of new technologies; continued lack of a culture of giving; lack of credibility of the non-profit sector; no tax deductions or complicated procedures for charitable giving; suspicion by government of foreign funding; greater involvement of younger people in decision-making.

The opportunities identified included: growing citizen participation; solidarity through social networks; exponential growth in use of social networking; increased entrepreneurship; greater emphasis on non-profit impact and investment; youth leadership; withdrawal of government and international funding; 'clean' corporate culture; favourable legal environment for philanthropy; growth of the non-profit sector; importance of civil society; positive resonances of 'charity' in religion/ culture.

Challenges include: public lack of understanding of, and trust in, the sector; lack of incentives for philanthropic giving; complicated system for or lack of tax incentives for giving; scepticism about foreign funding; inflexible laws and excessive reporting requirements; lack of a tradition of philanthropy in former communist countries; low use of credit cards and lack of trust in on-line giving; only younger generation use internet; lack of communication between non-profit and private sectors; weak implementation of corporate social responsibility and scepticism towards it.

New resources for promoting wellbeing which were identified included: youth; community networks; solidarity movements; endowments;

high net worth individuals; religious/ faith based groups; new media; venture philanthropy; corporates; wealthy managers and middle-income managers.

Ideas on how better to capitalise on these opportunities included: networks/ consortia of wealthy individuals; community foundations and local resource mobilisation; debt forgiveness for philanthropy; cross subsidy from oil rich to poorer countries; more strategic corporate giving; target middle level managers; cultivate children and make them more socially aware; financial education; social innovation using indigenous technologies; developing a more business-like approach in the sector; capacity-building, developing best practice.

Practical proposals developed included the following proposals: support greater involvement of youth; build cross-sectoral collaboration and trust; recognize different understandings of philanthropy; develop the human capital of the philanthropic sector; share cross-border best practice; develop a global strategy to promote local philanthropy; institutionalise a culture of giving; create a legal and tax environment which facilitates giving; and capitalise on opportunities presented through new media.

Proposals for further development at the Bellagio Summit included: examination of the relationship between private philanthropy and international organisations (UN, EU) and exploring the role of communications in philanthropy – how news is shared and stories are told, as well as understanding of communication as a strategy and tool.

The logo for the Bellagio Initiative, featuring the text "Bellagio Initiative" in a white serif font on a dark, abstract background with overlapping circular shapes.

# Bellagio Initiative

The Future of  
Philanthropy and  
Development in the  
Pursuit of Human  
Wellbeing

Credits  
'Consultations on Middle  
Income Countries -  
Hungary', Bellagio  
Summary, Brighton: IDS

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publication, visit:  
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The Bellagio Initiative is a series of global consultations to produce a new framework for philanthropic and international development collaboration in pursuit of human wellbeing in the 21st century. The project is led by the Institute of Development Studies (IDS), the Resource Alliance and the Rockefeller Foundation.

