

How to do good

ESSAYS ON BUILDING A BETTER WORLD

A collection of extraordinary personal stories from thought leaders, celebrities, statesmen and women, Nobel Prize winners, social entrepreneurs, philanthropists and others driving and inspiring positive change.

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Philanthropy Age



All Gyan Shala photographs David Goff, volunteering for Insaan Group

On being human

Farahnaz Karim

There is no single path on the journey to doing good. It is, however, more important than ever to measure the ongoing impact of doing good, and to have the end-user at the heart of this process, writes Farahnaz Karim, founder of nonprofit social enterprise Insaan Group

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Farahnaz Karim is a political scientist, development entrepreneur and academic, as well as a mother passionate about legacy. A former country director for French NGO ACTED in Afghanistan, and UN field officer, she is also the founder of social enterprise Insaan Group

In graduate school we were asked to write our own obituary – an exercise I highly recommend. It seemed a little morbid at the time, but mine contained quite a bit on ‘how to do, and be, good’. And it still would. But, how do you do it? Humankind has struggled to tackle this question for thousands of years.

Most belief systems try to guide us towards living a good and moral existence, despite unintended consequences. However, what it means to be moral, or to ‘do the right thing’ in today’s parlance, takes a slightly different dimension in a world where both wealth and inequality have reached unprecedented levels. Never in human history have we come close to a scenario where, proportionately, the richest 300 people on earth have amassed the same amount of wealth as the next 3 billion people sharing the planet.

This shocking level of inequality, however morally disturbing and generally unsustainable, is precisely what struck me on a visit to Calcutta, India, as a child with my family in 1983: how crowded, how polluted and how unfair it was that children my age, who even looked like me, were sleeping on the streets.

That unsettling memory has stayed with me ever since. And so have many more from my time in the field. Memories of women who had been raped in Bosnia during the war, and of homes deliberately targeted because of the religion or ethnicity of a particular group. Women made invisible by the Taliban in Afghanistan; the fear of voting for a preferred candidate. The sight of destitute orphans in that country’s capital, Kabul, and the abject poverty among Afghans displaced in their own country. And also the deplorable working conditions of craft workers in the slums of Nairobi.

But in every crisis zone and stricken country I have worked, I have always been amazed at the astonishing resilience of the human



race, and its ability to seek and stay hopeful for better times. This is how Insaan, which means 'human', emerged. It was born from the reality that we are all connected, all in search of better – of a life fulfilled. A not-for-profit social enterprise, Insaan brings together a group of committed international experts with some generous and inspirational funders. In that paradigm, those who are both fortunate and motivated – philanthropists – play a key role in reducing inequality, making many lives better, and in so doing derive a deep sense of fulfillment.

But if 'how to be good' takes work, how to actually do good is even more challenging.

In the field, one quickly learns that the machinery of aid and philanthropy often operates on autopilot, like an industrial-era factory scene from one of Charlie Chaplin's silent movies. There is considerable attention focused on all of the inputs – money, effort, and personal egos – but much less care taken about what comes out of that system.

The idea of measuring not just the money we disbursed, or the schools we built, but of going much further – actually analysing the educational outcomes, and staying engaged longer-term to measure how they will transform the lives of children – is still fairly new, but it is something Insaan has embraced, and sits at the heart of our approach.

Insaan works with philanthropists who want their giving to be more impactful. We call it high impact philanthropy. We do this by investing in innovative social enterprises that create opportunities for the poor through education and entrepreneurship.

Despite the recent development of impact metrics within philanthropy, the original conundrum has not yet been fully resolved. In a business, the market offers the feedback loop to establish that the product or service provided is relevant. In philanthropy and aid, the poor cannot shop around for the best nonprofit or aid agency, nor can they call to complain that the school that has been built has no trained teacher, or that the well has a broken hand pump.

Because of this basic missing piece, the equivalent of the market mechanism, we believe the end-user needs to be consulted to determine actual value, to define the metrics that have changed his or her life, and ultimately to define what it means to be successful when it comes to philanthropy and doing good. Not the metrics concocted in a boardroom, but the real world metrics of change that the end-user will use to measure how their lives have improved or been impacted.

Another unintended consequence of this conceptual peculiarity is that the response of many organisations now active in this space is often over-simplified: they mistakenly believe that for greater results or impact, one should focus on for-profit entities only. Again, the reality on the ground is slightly more complex. While backing

Insaan Group projects include support for Gyan Shala, a low-cost school model in Gujarat that has already transformed the lives of over 50,000 slum children.



for-profits can make sense to create large-scale employment, or support an innovation, the market is not always right, nor is the market solution always the best choice for the poorest in society.

Consider elementary education. Shouldn't high quality elementary school be a universal right for everyone, regardless of the capacity to pay?

Insaan is a humble response to these two systemic weaknesses: the need to put the end-user at the centre of any measurement, and the still fairly unusual thesis that both great nonprofits and innovative for-profit ventures can and should be supported by the philanthropic world.

We have learned much on our journey. We know that to reduce inequality and build inclusive economies, one has to start with investing in high-quality education early on. Sometimes that is achieved by backing an impactful, scalable nonprofit, and sometimes disruption is best introduced by for-profit models.

We have learned that investing in for-profit social enterprises may in some cases be more effective in creating large-scale, more sustainable employment, or backing the innovation of a particular product or service that the poor actually need. Hence, we are open to all sectors that are relevant to end-users, and to the country or countries of interest. Insaan takes an equity stake and financial returns are reinvested – thereby further multiplying the impact of any donation.



All Soko photos Jacob Balzani Lóby, volunteering for Insaan Group.

We know that regardless of the legal nature of the entity, both financial and social metrics matter; the same level of financial accountability and cost effectiveness applies. What is more, the same rigour in consulting end-users, the people we are servicing at every stage, should also apply in measuring that we are indeed changing lives for the better – and hopefully for the many.

We have learned that doing good seriously is similar to building an investment portfolio: you need diversification. At any one time the portfolio may include support for relief efforts, philanthropic investments in organisations like Insaan, or financial investments that also aim to address or redress societal ills. Investments across the whole range are not mutually exclusive.

On the entrepreneurial journey towards being good, and doing one's part to heal the world, there is no single path; no two identical journeys or ideal answers. There are only multiple narratives or facets of the human experience. The departure point, however, is often a sense of awareness about how we are all connected, about what it simply means to be human. ◦

Insaan Group has joined other early investors to help develop a technology company called Soko, which connects small-scale artisans in Kenya to global consumers of ethical fashion, and in doing so provides a living to a growing number of families and dependents.

