



## World Bank – Health Systems Development — September 2006

### Leadership Forum



Mari Kuraishi, Founder and President of GlobalGiving, describes the origins and role of her organization in mobilizing corporate sponsorship for development projects in low- and middle- income countries.

### Featured Reading



[Management Models for Corporate Social Responsibility](#), by Jan Jonke and Marco Witte

### Related Event



[2006 World Bank Annual Meetings](#), Singapore, Sept 13th-20th, 2006

### Bulletin Board

- [Global Giving](#)
- [Center for Corporate Social Responsibility](#)
- [News on Corporate Social Responsibility](#)
- [Eldis on Corporate Social Responsibility](#)

### Archives

- [Leadership Forum](#)
- [Economic Viewpoints](#)
- [Editorials](#)
- [Featured Events](#)
- [Featured Readings](#)
- [HSD Newsletter](#)

### Newsletter Subscription

You are subscribed to the **HSD Newsletter**

The purpose of this list is to provide policymakers, health professionals, practitioners, and development experts an open forum for the posting and discussion of news and information relating to Health Systems Development (HSD). We are looking forward to a dynamic and informative discussion. Please share your knowledge and views.

- Join HSD News List: [join-hsdnews@lists.worldbank.org](mailto:join-hsdnews@lists.worldbank.org)
- Posting to the List: [hsdnews@lists.worldbank.org](mailto:hsdnews@lists.worldbank.org)
- Unsubscribe: [leave-hsdnews@lists.worldbank.org](mailto:leave-hsdnews@lists.worldbank.org)
- List Manager: [listmanager@lists.worldbank.org](mailto:listmanager@lists.worldbank.org)

**Contact:** Editor: Alexander S. Preker (Lead Economist) [apreker@worldbank.org](mailto:apreker@worldbank.org)



[Search](#) | [Index](#) | [Feedback](#) | [WB Home](#)

© 2004 The World Bank Group, All Rights Reserved. [Terms and Conditions](#). [Privacy Policy](#)

## Mobilizing Funds for Development



In this Leadership Forum, Mari Kuraishi, Founder and President of GlobalGiving, describes the origins and role of her organization in mobilizing corporate sponsorship for development projects in low- and middle-income countries.

[GlobalGiving](#) is a marketplace of initiatives to improve communities worldwide, and of people interested in supporting them. Our mission is to help people—whether community leaders or citizen-philanthropists—to tap into and leverage their potential to make a difference, and to do it in a way where they can hold each other mutually accountable.

I was asked to describe how [GlobalGiving](#) fits into the whole context of the international development industry, and on reflection, the easiest way to put it in that context would be to explain why we started GlobalGiving, how we saw ourselves then, and how our perspective has since evolved.

As many readers might know, [GlobalGiving](#) grew out of [Dennis Whittle's](#) and my work at the World Bank on business innovation, specifically the [Development Marketplace](#), which debuted in 2000. The initial push for the marketplace—including the internal [marketplace](#) held in 1998—was to stimulate innovation around fighting poverty. Coming from the technocratic, government-focused world of World Bank operations, it was astonishing to discover that the possibility of startup grants (puny amounts by World Bank standards) could stimulate as much creativity, passion, and commitment as we saw at the first [Development Marketplace](#). Just as the [X prize](#) stimulated a great deal more than \$10m (the actual amount of the prize) in research and development on issues around civilian space flight, the Development Marketplace was critical in affirming that other people had better ideas than what the strategy team at the World Bank could come up with. It was also very effective in making the challenges in international development more public—by the very nature of the public call for submissions. We conceived of [GlobalGiving](#) as a platform to connect that energy with the generosity of citizen philanthropists in the US, specifically by using web technology that could make international giving more immediate and transparent.

But there was more driving us to design [GlobalGiving](#) as a marketplace, though. One was that as operational staff at the World Bank, both Dennis and I had spent a good number of years working on official, technocratically determined flows of aid. The risks inherent in limiting development work with essentially a single client in any given country, as well as the limitations of working with clients that were not always capable of delivering on the implementation of large scale interventions, whether because they were weak or corrupt, were also weighing on us. The idea of creating alternatives simply to spread the

risk, and to make it possible to take a lot more smaller risks with a decentralized and diversified supply of initiatives was attractive.

The flip side to this was that if we could drive down the cost of entry to the marketplace, we could give local organizations and community leaders access to funding they had never had access to before. Just as the wealthiest economies is supported by a huge base of small and medium sized enterprises, we thought that it was worth seeing what could happen if smaller, less well known social entrepreneurs had a chance to try things out—especially with what in the venture capital world might be called “angel” investments.

And finally, there is new literature on decision making processes by large numbers of people (such as [James Surowiecki's \*Wisdom of Crowds\*](#)) as well as the recognition that simple rules and actions can sometimes yield complex results (publicized by [Steven Johnson](#) as the phenomenon of [emergence](#)) that gave us some confidence that asking citizen-philanthropists to make fund allocation decisions was not reckless. But it might even have some interesting logic to it as long as we could present the information and set the rules right. The jury's still out on that, but we are definitely analyzing the patterns and trends of fund allocation on GlobalGiving.

### How it works

Our supply of projects comes to us in two different ways. About two-thirds of our projects come to us through our [Project Sponsors](#), a group of over 40 organizations that we partner with to vet and source projects for us. These organizations are grant-makers themselves, membership, or operating organizations. In addition, about a third of our projects are sourced openly—we run competitions to bring in a subset of the organizations that approach us directly about getting on the site as well as sourcing specific projects for corporate or other [clients](#).

Donors also find us in one of two ways. Some of our donors find us through [custom websites](#) that their employers or associations have asked us to create for them. Other donors find us through search or word of mouth.

We focus on projects rather than organizations to make the giving experience more tangible for donors; we suspect that international giving gets a smaller proportion of US philanthropy (estimates vary between 5-15% of total US giving, which was \$260 billion in 2005) because it strikes most people as being both far away and vague. After all, when your son comes home with a request for a donation to his Boy Scout troop's camping trip, you know exactly where the money is going. The idea behind projects on GlobalGiving is to let potential donors know what project leaders plan to do with their money, and to have project leaders [report back](#) on what happened.

Ultimately, for the marketplace to add up to more than the sum of its transactions, the transactions must build on each other. This happens naturally in physical marketplaces—whether the Grand Bazaar in Istanbul or Tysons Corner, VA—but also online, at sites like eBay or Amazon. eBay is greater than the sum of its parts in part because a critical mass of buyers and sellers have created an online community that help each other. Amazon has leveraged its first mover advantage through incessant innovation and the addition of new product lines. Other sites like [Flickr](#) have pulled off this trick without a transaction dimension, based on a simple but powerful sharing tool that allows for the emergence of a [folksonomy](#).

### Impact so far

In the last calendar year, we disbursed funds to over 400 projects, and quadrupled the volume of donations

going to projects from the year before that. For most organizations we are a supplemental source of funding, although our value and importance to the organization increases as their size and scale diminishes. The same picture holds on the donor side. GlobalGiving gives smaller donors the type of control and reach that was only available to very large donors with their own staffed foundations. Our niche—and value proposition—really rests with lowering the barriers to entry on both sides of the marketplace. It is too early to declare victory, but the trend so far has been encouraging.

[Several journalists](#) have compared GlobalGiving to eBay, and the most appealing aspect of that comparison is that eBay has been a real engine for small business development in the US. ([In 2003, 430,000 Americans made part or all of their income on eBay.](#)) Being able to provide that kind of opportunity to social entrepreneurs worldwide is exactly what we had in mind when we started GlobalGiving. We should be so lucky.

---

### References

- Easterly, William. *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. Penguin Press, 2006.
- Easterly, William. *The Elusive Quest for Growth*. MIT Press, 2002.
- Johnson, Steven. *Emergence: The Connected Lives of Ants, Brains, Cities, and Software*. Scribner, 2002.
- Rheingold, Howard. *Smart Mobs: The Next Social Revolution*. Basic Books, 2003.
- Surowiecki, James. *The Wisdom of Crowds: Why the Many Are Smarter Than the Few and How Collective Wisdom Shapes Business, Economies, Societies and Nations*. Doubleday, 2004.



[Search](#) | [Index](#) | [Feedback](#) | [WB Home](#)

© 2004 The World Bank Group, All Rights Reserved. [Terms and Conditions](#). [Privacy Policy](#)