

The Center on Philanthropy at Indiana University

Increasing the understanding of philanthropy, improving its practice and enhancing participation in philanthropy.

*Buffett and Gates, You and Me:
Different Approaches to Philanthropy*

Gene Tempel
September 4, 2008

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THE CHRONICLE OF HIGHER EDUCATION

NICK HOBART

"I'd like to be a philanthropist. They always seem to have plenty of money."

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GOOD NEWS/BAD NEWS



Dear Busy Classmate: The bottom line — send your Annual Giving check today. Sincerely yours, Huck Fulmer, Class Agent.

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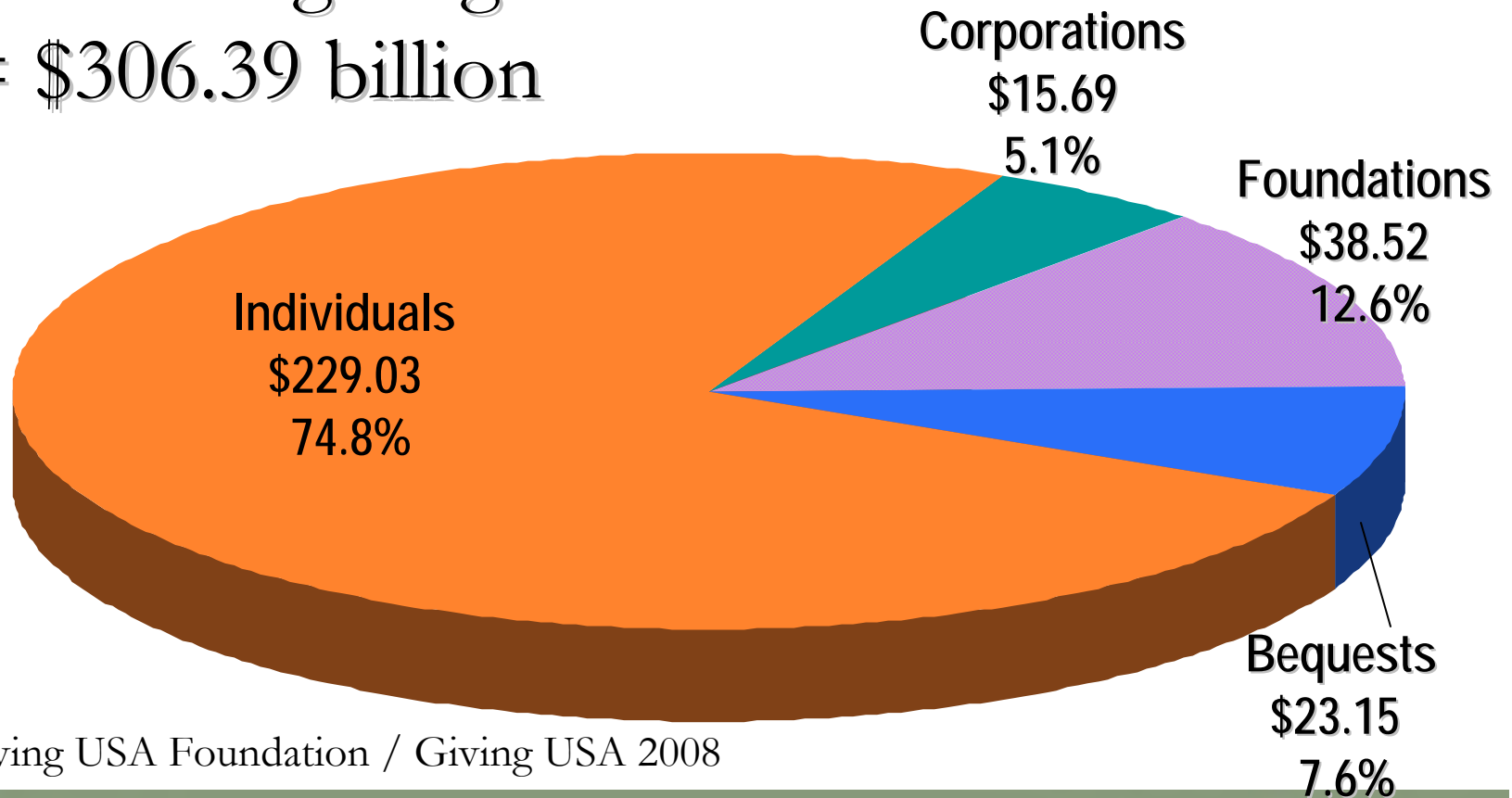
Roles of Philanthropy

- Reduces human suffering
- Enhances human potential
- Promotes equality and justice
- Builds community
- Human fulfillment
- Supports experimentation and stimulates change
- Fosters pluralism

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2007 charitable giving
Total = \$306.39 billion



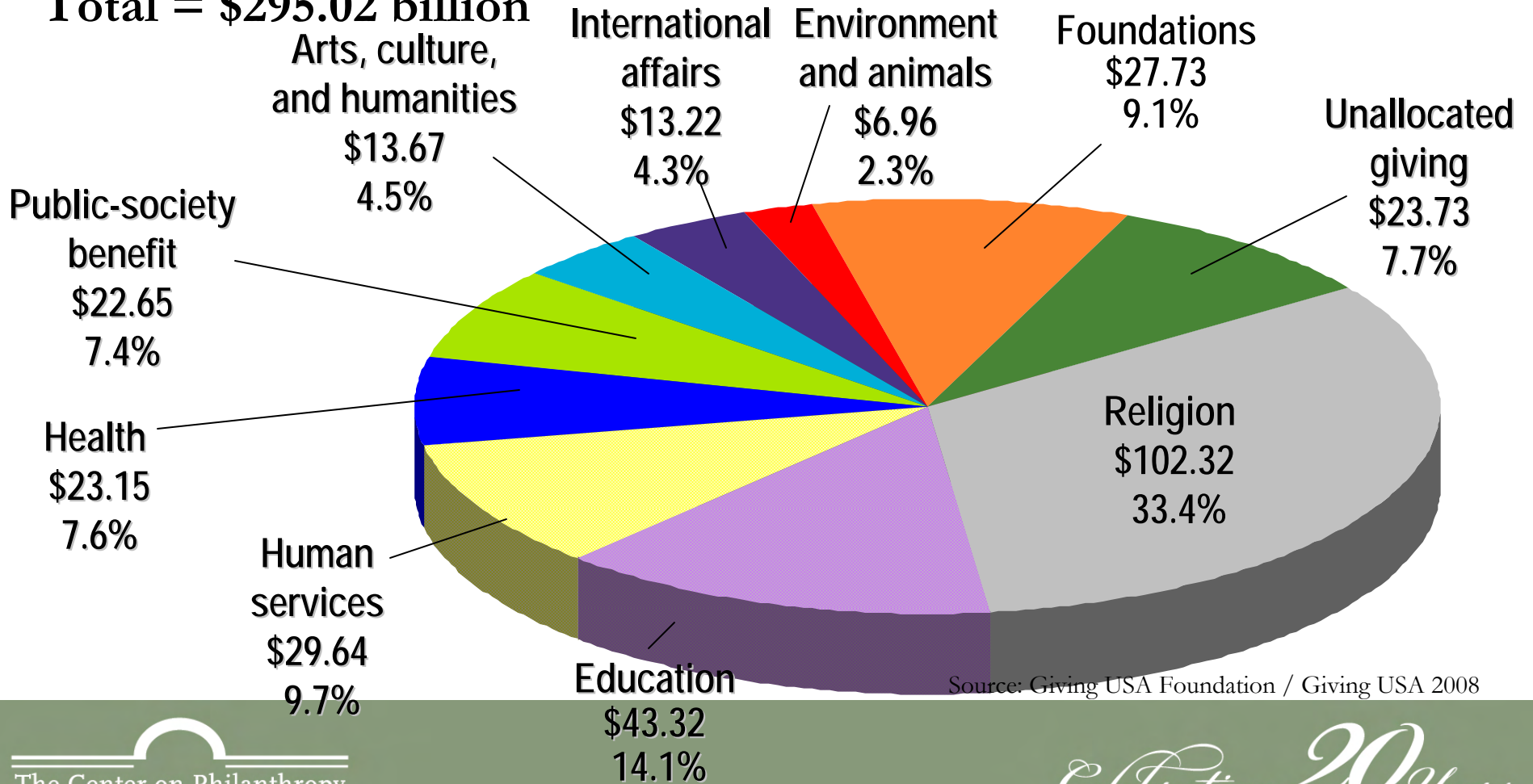
Source: Giving USA Foundation / Giving USA 2008

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Types of recipients of contributions, 2007

Total = \$295.02 billion



Source: Giving USA Foundation / Giving USA 2008

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Andrew Carnegie's 7 charitable priorities

- *Universities
- *Free public libraries
- *Hospitals/medical colleges
- *Public parks
- *Public halls
- *Public swimming pools
- *Churches

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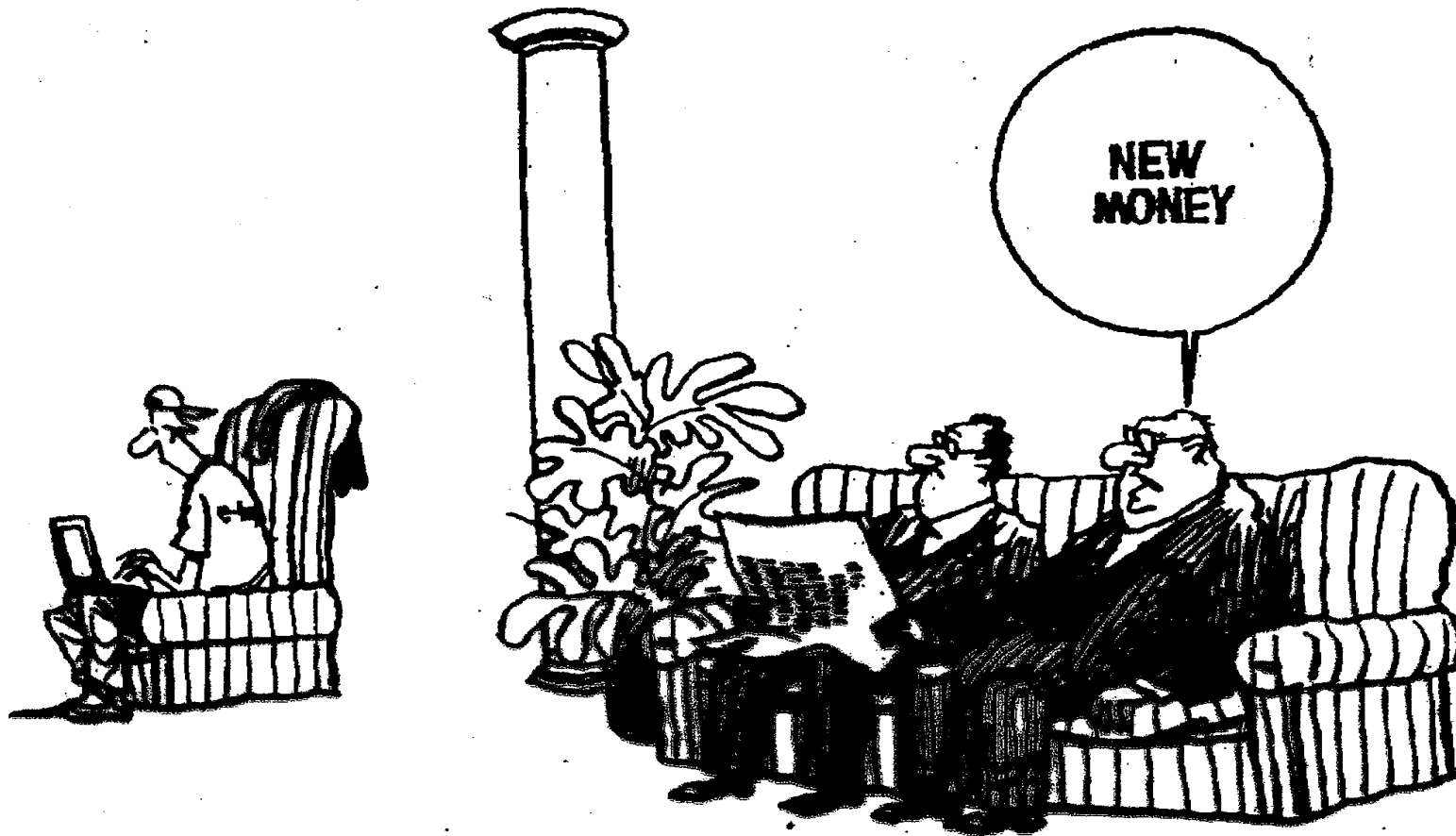
Gates Foundation Funding Priorities

- *Global agricultural development
- *Global financial services for the poor
- *Global libraries
- *Global health – treatment and prevention of priority diseases
- *Breakthrough science
- *U.S. education - strengthening high schools and increasing access to college
- *U.S. libraries

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THE NEW YORK TIMES, SUNDAY, JANUARY 31, 1999



Jeff Stahl
The Cincinnati Post
Newspaper Enterprise Assoc.

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Old Philanthropy

- “Check book” giving
- Unrestricted
- More trust in organizations
- Smaller gifts to more organizations
- More responsive to organizational/
community needs

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New Philanthropy

- More restricted gifts
- Strategic philanthropy
- Larger gifts to fewer organizations
- Focus on measurable outcomes
- Leveraging
- Based on donor interests

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Buffett, Gates, You & Me

- Do we trust our philanthropy to someone else, like Buffett?
- If Gates is targeting the 20 most prominent diseases, should we only participate in 20 local organizations?

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Buffett, Gates, You & Me

- How do we set our own philanthropic priorities?
- Values
- Personal experience
- What matters to us

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Philanthropic Autobiography

- What was your earliest experience with philanthropy and volunteerism?
- What are some of the ways you or your family has benefited from philanthropy and voluntary action?
- What are some of the key philanthropic acts of others that are memorable to you?
- Who are some of the philanthropic role models that have influenced your life?

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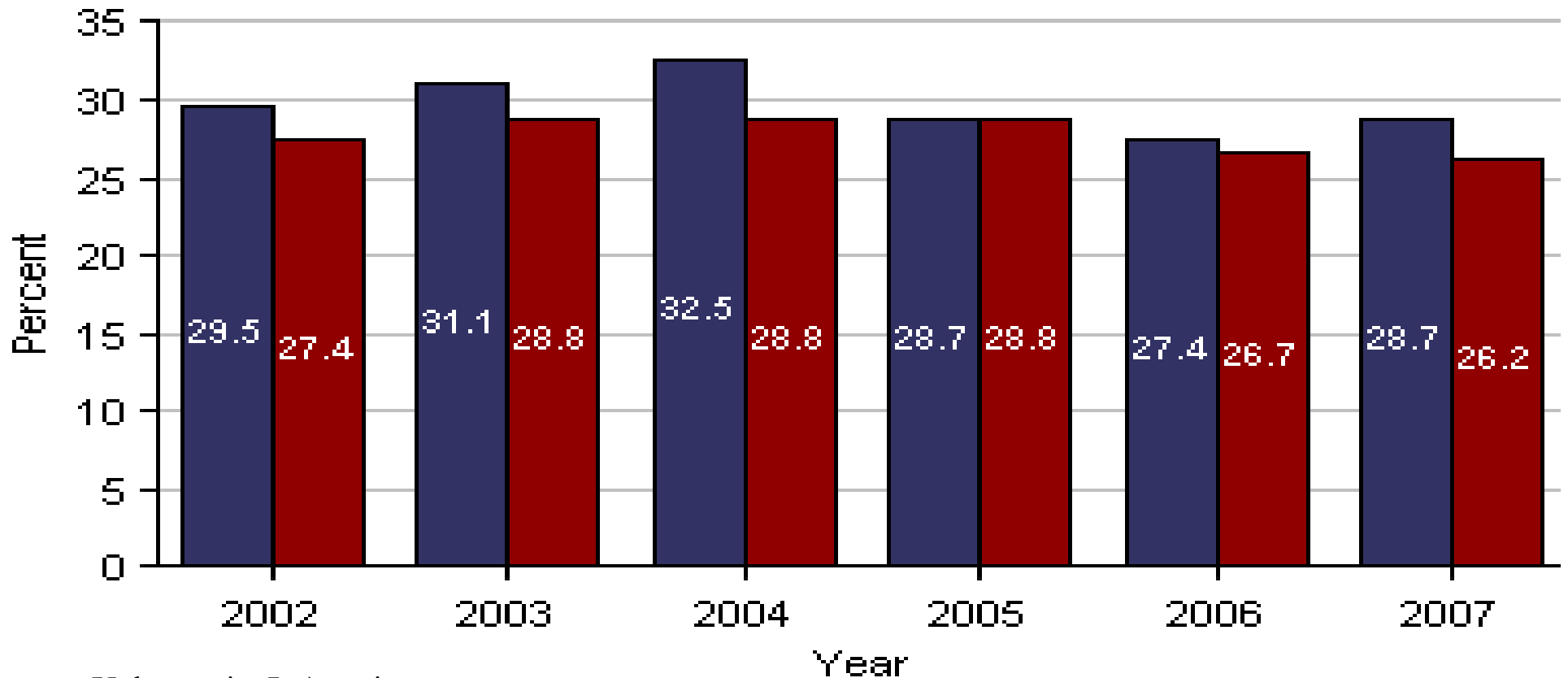
Philanthropic Autobiography, Cont.

- What does philanthropy mean to you?
- How did you become interested in (working in the sector) or (doing organized philanthropy)?
- What motivates you to continue your work in the sector and/or your volunteerism?

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Pennsylvania Volunteer Rate



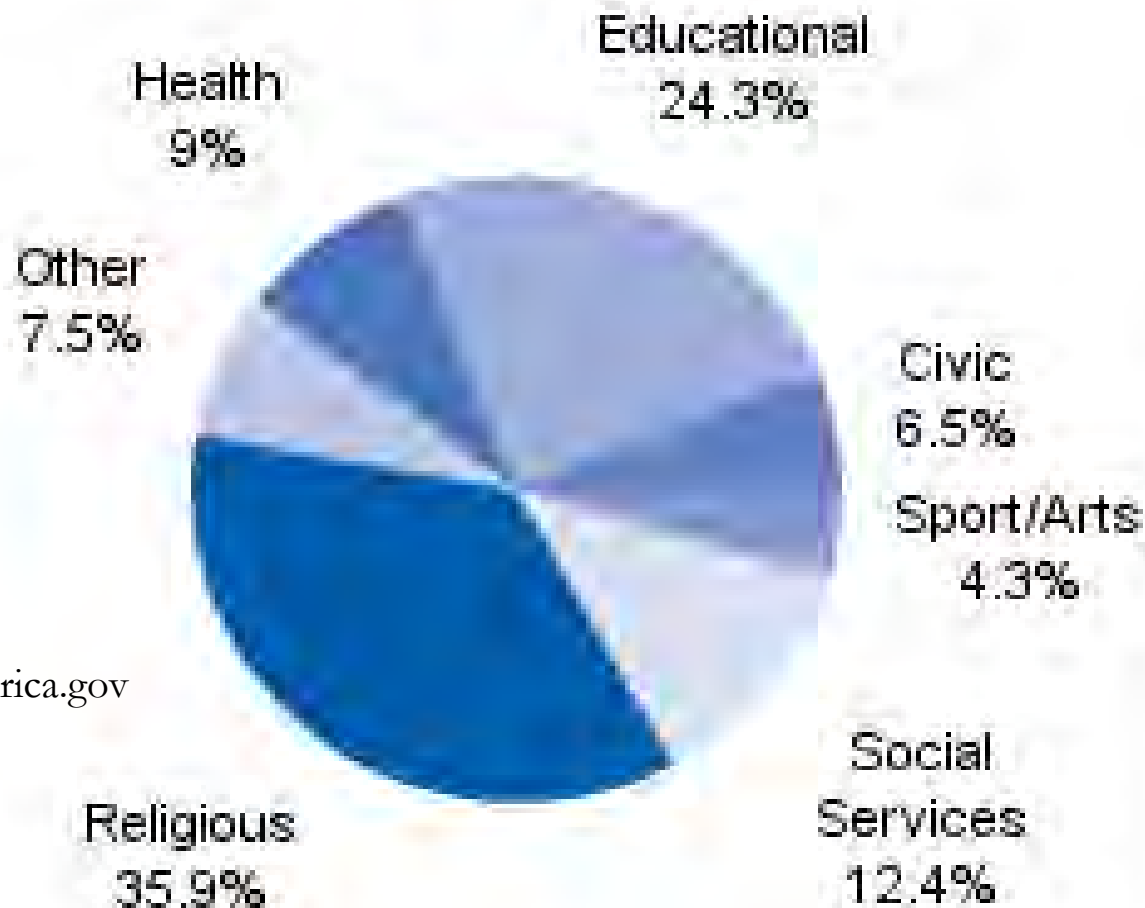
www.VolunteeringInAmerica.gov

■ Pennsylvania ■ U.S.

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Where People in Pennsylvania Volunteer

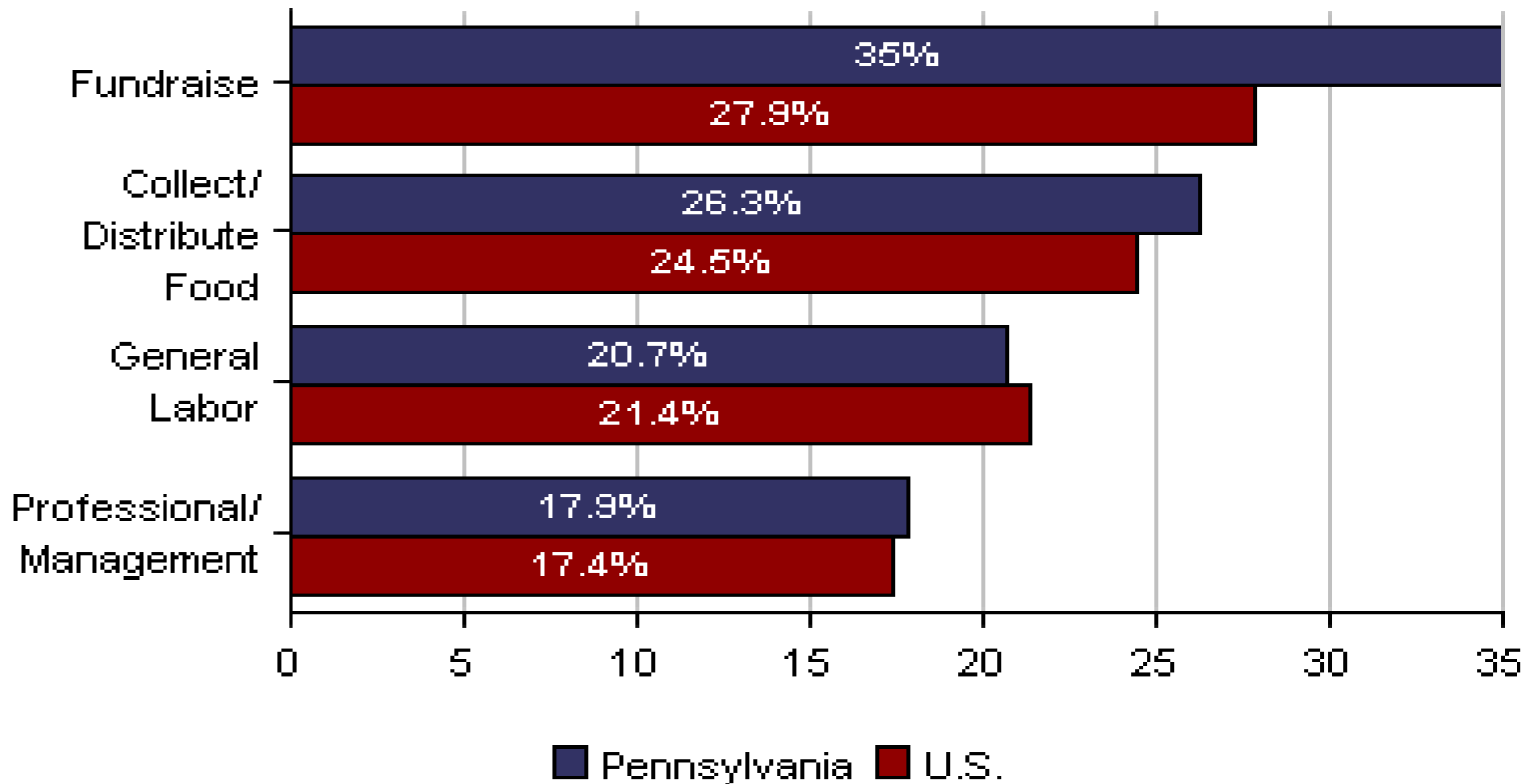


www.VolunteeringInAmerica.gov

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Main Activities for Pennsylvania Volunteers



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Communities of Participation

Peter Drucker:

The major challenge for nonprofits is **to give community a common purpose**. Forty years ago, most Americans no longer lived in small towns. But they had still grown up in one. They had grown up in a local community. It was a compulsory community and could be quite stifling. Still, it was a community. Again and again, when I talk to volunteers in nonprofits, I ask "Why are you willing to give all this time when you are already working hard in your *paid* job?" And again and again, I get the same answer: "Because here I know what I am doing. Here I contribute. Here I belong. Here I am a member of a community." Community is an important part of what philanthropy is about.

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