

THE SOCIAL AND ECONOMIC JUSTICE DIALOGUE

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AT THANKSGIVING TIME: AMERICAN PHILANTHROPY – OFTEN FOCUSED ON SOCIAL JUSTICE

As we consider all that we have to be thankful for at this traditional time of Thanksgiving, it is encouraging to know that as a People, Americans continue to share their wealth, no matter if that is counted in the dollars, hundreds, thousands, millions or billions, to help those in need.

Americans are the most generous “givers” as a People. They give as individuals and families, through their volunteer and service organizations, their churches and denominations, businesses and corporations, trusts, foundations, endowments, and in other various and ingenious ways.

According to the cover story in the November 29 *Business Week* magazine (published Thanksgiving week), the lifetime total of money donated to charitable work by America’s “Top 50” most generous individual donors has now exceeded \$65 billion. (To get on the Top 50 list, an individual or couple had to give away at least \$116 million during the past five years.)

In the #1 rank were **Bill and Melinda Gates (Microsoft founder and wife)** who have donated (so far) \$27 billion (that’s with a “b”), or almost 60% of their total wealth. Recently, Microsoft Corporation distributed cash to its shareowners; as major shareowners, the couple received \$3 billion and immediately donated *all* of it to their foundation, which focuses on child and maternal health, education and community assistance, and information access for populations in need, especially in developing nations. **The International AIDS Vaccine Initiative** has received millions from the Gates’s, beginning with a \$100 million grant in December 1998 to deliver four types of vaccines to developing nations. (This does not include what Microsoft Corporation separately contributes.)

Among the top ranked individuals, Microsoft co-founder **Paul Allen** has given away about \$800 million, focused on art and culture. CNN founder **Ted Turner** has pledged \$1 billion to the United Nations, and so far has given away in excess of 60% of his personal wealth. Famed investor/billionaire **Warren Buffett** has given away \$2.7 billion over his lifetime (he still has at least \$40 billion left, most believed to be distributed upon his passing), while his wife, **Susie**, who recently passed away, donated \$2.5 billion to their family foundation for distribution.

TV star **Oprah Winfrey** is well known for her generosity – she has given away \$175 million for education and encourages her many fans to donate through her “Angel Network” as well.

Many of the top givers guide their philanthropy through individual, couple or family foundations. (The same is true of many large companies, who direct giving through company foundations.)

Commenting on the growing generosity of the wealthiest Americans, *Business Week* editors wrote: “*Rather than hoard their fortunes, many top givers became more extravagant this year; urged on by a growing belief that the value of solving problems today is greater than bequeathing the money when they die. By accelerating their giving and doling large sums, they have a better chance of effecting change.*”

Everyday Givers: But you don’t have to be wealthy to be generous. The nation’s wealthiest one percent own 60% of American wealth and donate 2% of their income each year – while families in average income ranges donate three times that amount! Much of the estimated \$240 billion donated in 2002 was by individuals of less than billionaire means – **we share because we care.** **Giving USA** says about 70% of households donate to 1.4 million charities (including all churches) each year, totalling about \$184 billion, or three out of four dollars donated in the USA.

Socially minded corporations are also major donors. The companies in the *Standard & Poor 500 Index* gave away \$3 billion last year, according to *Business Week* survey (203 companies responded to the magazine editors, most providing data for their 2003 cash and in-kind giving).

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*At Thanksgiving Time: American Philanthropy –
Often Focused on Social Justice
(continued)*

The largest cash givers were **Wal-Mart** (\$175 million, an increase of 13% over 2002); **Ford Motor Co** (\$120 million); **Altria** (formerly Philip Morris, including Kraft Foods, \$115 million); **Johnson & Johnson** (\$100 million); **Exxon Mobil** (\$97 million); **JP Morgan Chase** (\$86 million); **Bank of America** (\$85 million); **Pfizer drugs** (\$83 million); **Wells Fargo** (\$83 million); and **Citigroup** (including Citibank, \$81 million).

Other companies donate “in-kind” services, products, volunteer efforts: **Merck**, the pharmaceutical company long admired but recently in the headlines for its problems with Vioxx, donated almost \$800 million; **Johnson & Johnson**, almost \$300 million; **Eli Lilly**, more than \$200 million in 2003. The familiar **Hasbro** toy company donated \$5 million in cash and toys, including gifts for needy children.

Actor **Paul Newman** – famed for his “Newman’s Own” line of food products, with profits all directed to charities – lent his fame and star power to the effort organized in 1999 by CEOs and Board Chairs to get more companies donating cash and in-kind services and to local communities. Mr. Newman serves as co-chair of the board of **The Committee to Encourage Corporate Philanthropy**, which says that too many of American companies give *no money* at all, and that billions more dollars are needed from large companies to help meet growing social and economic justice needs in the nation’s communities. (See the Web site for the list of corporate leaders in this effort, and links to their Web sites for more information on their own company’s philanthropy. The Committee claims that more than half of all US corporate giving comes from their respective companies.)

As we learned in the Gospels, Matthew 25:34- 36 and 40 (King James Version):

“Then shall the King say unto them, Come ye blessed of my Father, inherit the kingdom prepared for you from the foundation of the world. For I was hungered and ye gave me meat; I was thirsty, and ye gave me drink; I was a stranger and ye took me in. I was naked, and ye clothed me; I was sick, and ye visited me; I was in prison and ye came onto me...”

“And the King shall answer, I say unto you, inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me.” (:40)

YOU CAN LEARN MORE AT:

See the *Business Week* issue of November 29, 2004 –
additional information on line at
www.businessweek.com
Copies at the library or at newsstands.

See
corphilanthropy.org
for information on the
Committee to Encourage Corporate Philanthropy

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The dialogue is intended to help further understanding
of current events and trends in social and economic justice,
and in corporate social responsibility.

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