

A Golden Age of Philanthropy? An Analysis of The Giving Pledge's Commitment Letters

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Abstract

Philanthropy claims to play a key role in advancing social justice and equality in the United States and elsewhere. Many wealthy donors have substantially increased their efforts to shape public policies, insist on measurable results of their investments, and advance market-based solutions to social ills. One of the most prominent recent expressions of these efforts is the 2010 Giving Pledge, created by Warren Buffett and Bill and Melinda Gates. Signatory billionaires promise to give away at least half of their wealth during their lifetime or at their death. An analysis of the Giving Pledge letters shows a rather traditional approach to philanthropic giving, and very limited evidence of transformational efforts by the world's super rich. The vast majority of pledgers come from outside of the technology sector, and the average age is 70 years. The letters express a wide range of ethical principles for giving, but are generally unspecific about how to give away the wealth. Education and health dominate the causes identified in the letters. The Giving Pledge may be able to increase giving from those with billions to spare, but there is no evidence that it will actually contribute to narrowing the expanding wealth gap.

Introduction

The expanding wealth gap in the United States and elsewhere has increased public interest in understanding the power of the ultra-rich shaping public policies through their philanthropy (Callahan 2017, Giridharadas 2018). Accelerated wealth accumulation is rapidly changing the philanthropic landscape, as wealthy individuals are making increasingly bold claims about their capacity to address societal ills and advance human rights as well as social justice (Bishop and Green 2008, Horvath and Powell 2016). New philanthropic institutions created after 1990 are responsible for half of foundation giving today (Ferris 2016: 322).¹ For example, Bill and Melinda Gates are today major actors in the global health field, rivaling the role of the World Health Organization (WHO) and other government-backed international institutions. The rich are not only becoming richer, but they have learned how to turn their giving into an instrument of shaping public agendas and policies at global and national levels (Skocpol 2016).

The accumulation and concentration of vast wealth may signal a new “golden age of philanthropy,” but it also creates major challenges as the ultra-rich intend to give away their fortunes to worthy causes. One such challenge is that their wealth often grows more rapidly than their capacity to find worthwhile, “shovel-ready” philanthropic endeavors to invest in. Another challenge is that 80% of wealthy donors in the United States express that fostering social change is a priority for them, but only 20% of their actual spending supports societal transformation (Foster et al. 2016). “In fact, the great majority of wealthy Americans’ philanthropic giving goes to large institutions—such as universities, hospitals, and cultural institutions—that are vital to a healthy society, but may not make progress against donors’ stated priorities” (Ditkoff et al. 2018: 11). Foundation funding focused on people of color in the United States has never exceeded 8.5 percent of total spending (Villanueva 2018).

Enter the Buffet-Gates Giving Pledge created in 2010 and since 2013 also open to signatories outside of the United States. The pledge was initially signed by 40 wealthy individuals who committed to giving away half or more of their fortune. By the end of 2018, the number has increased to a total of 186. In contrast to the traditional model of bequests, the pledge “aims over time to help shift the social norms of philanthropy toward giving more, giving sooner, and giving smarter” (The Giving Pledge). While this type of “super-philanthropy” (Hay and Muller 2014) is

¹ In a more recent trend, an increasing number of billionaires rely on creating LLCs to oversee their philanthropy. This includes the Chan Zuckerberg Initiative, the Emerson Collective, the Omidyar Network, and the Arnold Foundation. An LLC provides greater flexibility in channeling funds to advocacy as well as outside the nonprofit sector.

increasing the power of individuals over public policy (Skocpol 2016, Horvath and Powell 2016), our understanding of these actors remains limited and often shaped by a focus on a few, high-profile individuals. Understanding better how billionaires think about their societal responsibility offers some basic insights into the motives and goals of this type of philanthropic giving.

The purpose of this project is to provide basic insights into who has joined the Giving Pledge and how these individuals and couples explain in letters their commitment to philanthropy. While much has been written for and against the influence of the ultra-rich on public and nonprofit sectors, there are not many representative and systematic analyses. Initial findings show a rather traditional picture of philanthropic giving. The letters make extensive references to ethical principles of why giving away wealth is the right thing to do, but offer limited critical perspectives on how wealth was accumulated in the first place. Education and health dominate the causes identified, while very few letters express specific principles guiding the disbursement of wealth.

The paper first provides an overview of the Giving Pledge and its history. The subsequent section reviews recent treatments of the billionaire philanthropy with a particular focus on how analyses have promoted a relatively narrow focus either on a specific sector generating philanthropic giving (e.g., technology) or a specific ideological orientation of givers. The findings section covers two main areas: a basic analysis of demographic information about the pledgers and a preliminary reading of the motivations, selected causes, and philanthropic principles invoked.

Background: The Giving Pledge

The Giving Pledge was created in 2010 by Warren Buffett and Bill and Melinda Gates. They invited their fellow billionaires to pledge “to give at least half of their wealth to charity in their lifetime or at their death.” As explained on the Giving Pledge website “The pledge is a moral commitment to give, not a legal contract.” The secondary goals of the pledge are to “Inspire conversations, discussions, and action, not just about how much but also for what purposes / to what end,” and “Bring together those committed to this kind of giving to exchange knowledge on how to do this in the best possible way” (Giving Pledge FAQ). The reliance on moral nudging among peers focuses not just on increasing giving but extends to proposing a need for talking about causes as well as effective modes of giving. While the Giving Pledge explicitly leaves the actual giving entirely up to the pledgers and is agnostic about causes, the website expresses the hope that “a group coming forward to be explicit about their intentions” will improve the effectiveness of

philanthropy by sharing information about the selection of worthy causes as well as about how to organize philanthropic actions with a focus on effectiveness.

While the Giving Pledge is not the first effort to bring together wealthy peers around issues of philanthropy, one key inspiration was Chuck Feeney and the Atlantic Philanthropies' "Giving While Living" campaign. In 2009, Buffett and the Gateses organized a number of informal meetings among a small group of wealthy donors sharing their philanthropic experiences. Once the idea of a Pledge emerged, Feeney's example of giving away all his wealth inspired Bill Gates to settle for a commitment of at least half of total wealth while also choosing a campaign of personal appeals to fellow billionaires. "Chuck's long-standing commitment to Giving While Living has been a guidepost for Melinda and me" (Bill Gates, cited in: (Soskis 2017: 46). While Feeney was part of the early conversations establishing the Giving Pledge and had already given away more than half of his wealth, he initially had no interest in signing on. Feeney's reservations focused on the absence of accountability as well as the fact that there was no explicit focus on spending down fortunes while living (Soskis 2017: 47). After additional conversations with Buffett and Gates, Feeney joined the Pledge as the 59th participant in February 2011. In his letter, he emphasizes the personal reward of giving while living and urges others to not "postpone their giving or personal engagement."

The Giving Pledge signers have, with few exceptions, articulated their reasons for giving in letters that frequently also outline the charitable work they have already undertaken or plan to undertake. Most have submitted letters, published on the pledge's website, outlining in varying levels of detail their motives for giving and the charitable causes they support. Although funds are not actually pooled as they are in philanthropic giving circles, the pledge does promote the idea of further enhancing the social capital of billionaires generated by strategizing and acting together. An annual retreat has become a major gathering point providing the members with opportunities for shared learning, including how to invest in scientific research and other causes (Callahan 2017: 26).

Billionaire Philanthropy as a Research and Public Policy Challenge

There are three core areas of concern defining an expanded research agenda on billionaire philanthropy. The first one relates to how wealth is generated in a capitalist system and how inputs define and change the overall system of philanthropy. The second issue emphasizes how the philanthropic system actually operates and in what ways foundations' internal and organizational practices are aligned with espoused goals (throughput). Finally, the third major issue concerns the

results of philanthropic activities and in what ways philanthropists shape the everyday lives of their fellow citizens (outputs).

First, the massive accumulation of wealth and its philanthropic outputs present a key public policy challenge today. Philanthropists with extensive financial holdings not only greatly shape the nonprofit sector and policies through their giving, but do so aided by the general public and the generous tax benefits offered (Reich 2018). The rise of the super-rich privatizes vast sums of wealth, while turning governments into tools to protect wealth accumulation for the few and bail out the rich when disaster strikes (Freeland 2012). “Billionaire wealth has risen by an annual average of 13 percent since 2010 – six times faster than the wages of ordinary workers” (Oxfam International 2018). The vast majority of wealth generated today ends up in the pockets of the wealthy.

Second, philanthropy is also defined by its internal norms and organizational practices. Critics have taken issue with the very idea of operating foundations separately from communities and the often-resulting gaps between internal practices and external rhetoric embracing moral commitments to advancing societal well-being, participation, or social justice. The persistent power imbalance created by the wealthy appearing as equally benevolent and indispensable undercuts the claims of these actors to advance ambitious goals of equity, inclusion, or fundamental rights. These challenges are often particularly stark when considering how foundations operate and struggle to implement internally what their missions prescribe to society overall.

“Up until now, diversity and inclusion tactics have been about getting different kinds of people in the door, and then asking them to assimilate to the dominant white culture... Tradition and the status quo are worshipped, resulting in conformity, formality, and arrogance in many organizations. Anyone who pushes against that culture immediately becomes a target” (Villanueva 2018).

Finally, much of the popular writing on billionaire philanthropy focuses on the societal benefits and harms associated with the rise of ultra-rich giving. Proponents argue that foundations emerging from private wealth can pursue innovation and long-term social change beyond what markets and governments are willing to invest in (Reich 2016). Others have emphasized the agility and innovativeness of the business sector as a way of advancing “philanthrocapitalism,” i.e. the well-intentioned pursuit of public goods using the principles of private enterprise (Bishop and Green 2008).

Critics point out that this privatization of public wealth effectively undermines democracy by handing control of essential public services to the ultra-rich. In the United States, Detroit has become a playground for philanthropists using the New Economy Initiative to transform social

services, schools, and law enforcement (Whyte 2014). Decisions about public health or school systems are increasingly made in the offices of grantmakers, not at the ballot box (Barkan 2011). In response, calls to “decolonize wealth” (Villanueva 2018) have highlighted the detrimental effects of a continued dominance of a small class of white and male philanthropists.

While critiques of this type of philanthropy are now commonplace, there is little agreement on which particular harm dominates and should be remedied. Many argue that the main problem consists of billionaire philanthropists advancing market-based and/or technical solutions to social problems (Giridharadas 2018). This variant primarily blames billionaire philanthropy for pushing both market-based solutions as well as business practices to be adopted in the nonprofit and governmental realm. The main target of this type of critique are the new generation of philanthropists pushing a socially liberal agenda while being unable to recognize the underlying causes of inequality and discrimination in the United States and elsewhere.

Giridharadas dissects the sphere he calls “MarketWorld,” comprised of the high-minded technocrats of Silicon Valley, the Aspen Institute, the Clinton Global Initiative, and similar venues. He makes the case that while these donors claim to promote programs and policies aimed at alleviating poverty and inequality, their frequent insistence on market and/or technical solutions to social problems is inherently self-serving. Worse, the manner by which fortunes are created directly contributes to the exacerbation of social and economic inequalities (McGoey 2016, Eikenberry and Mirabella 2018). Contrary to what one might expect, “three and a half decades’ worth of wondrous, head-spinning change [have had] zero impact on the average pay of 117 million Americans” (Giridharadas 2018: 4).

Another stream of critics emphasizes the rise of “dark money” shaping public policy by funding think-tanks and aligned institutions (Callahan 2017). The focus here is less on how philanthropy spreads capitalist principles, but how it creates its own world of nonprofits and foundations to expand its undemocratic influence on politics. In this view, the Koch brothers’ philanthropy is qualitatively very different from the investments in higher education or gun control by socially liberal Michael Bloomberg (Callahan 2018).

In contrast to Giridharadas, Callahan (2017) as well as Page, Seawright, and Lacombe (2018) argue that the real problem are not fashionable and highly visible tech billionaires, but the far more influential group of conservative donors who over the past 40 years have changed the national conversation through their gifts to conservative think-tanks such as the Heritage Foundation, the American Enterprise Institute, and the Cato Institute. By promoting public policies designed to shift

wealth from labor to capital and then further exacerbate the wealth gap through fiscal contraction, these donors have pushed the United States to become extremely conservative on economic issues, thus creating a greater impact than anything accomplished by the new generation of socially liberal philanthropists. The key to their success is to not publicly lobby for their causes, but stay as silent as possible and engage in “stealth politics” (Page, Seawright, and Lacombe 2018). While billionaires are highly active and donate vast sums of money, they deliberately avoid the accountability associated with being directly and publicly identified with the causes they advance. This creates a threat to democracy not necessarily because private foundations take over public services and spread corporate business practices, but because major influences on policy making remain invisible.²

The focus on conservative donors may reflect a bias in some of the more journalistic treatments of billionaire philanthropy. Scholars focused on more representative samples have consistently shown that liberal causes dominate (Goss 2016: 446), while conservatives tend to engage in specific areas such as public school reform and fiscal policy.

Methods

The letters were downloaded in their entirety from the Giving Pledge website, then read for an initial analysis of their content. In a future second phase of analysis, the letters will be analyzed more systematically using qualitative software NVivo. For secondary sources, we consulted a number of websites tracking the wealth of billionaires, including Forbes. For the present analysis, we used a basic Excel sheet to track three separate issues: the motivations for giving expressed (1), the causes identified (2), and the philanthropic principles visible (3). We started by simply adding up distinct expressions under each of the three categories and then coded each for presence across all letters. In an initial round, this process generated 21 separate motivations, 31 causes mentioned, and six underlying principles expressed. This approach generates a basic frequency count of what is revealed in the letters, although the length of the letter has a central effect on how much there is to code. The main limitation of this effort is related to possible missing information simply due to a predisposition of a pledger to not write extensive accounts of their giving.

Limitations of studying Giving Pledge letters. We can't claim that the letters are a proxy of actual philanthropic behavior, especially since many of these donors participate in events organized by the Giving Pledge designed to shape how available funds are distributed. The Pledge has a very low bar

² For a counter perspective in the educational arena, see Reckhow's scholarship on recent foundation influence on school policies (Reckhow 2016).

beyond the level of wealth required and the letters have very limited predictive value in terms of philanthropic behavior. They provide some insights into the mindset of billionaires and express their response to the normative pressure to do something about the expanding wealth gap.

Another major limitation of this research is its implicit acceptance of billionaire philanthropy as an appropriate social practice. Studying philanthropy likely generates legitimacy for the very idea that very rich people not only monopolize a massive share of societal wealth, but then also deserve accolades for spending their fortunes based on personal preferences and very little accountability. Such research does not get at the underlying reasons for why such behavior is acceptable in contemporary society and it does not question the wealth accumulation in the first place. This research should be considered in the context of broader debates about how very few individuals accumulate wealth (Bregman 2017), and if public policies should be designed to prevent the emergence of super-philanthropy in the first place.

Findings

The findings are presented in two main sections. The first offers basic demographic information about the pledgers. It provides insights into the sources of wealth, nationality, gender, and generational distribution. The second section then shifts the focus to a preliminary analysis of letter contents as expressed motivations and goals of philanthropic giving.

Demographic analysis

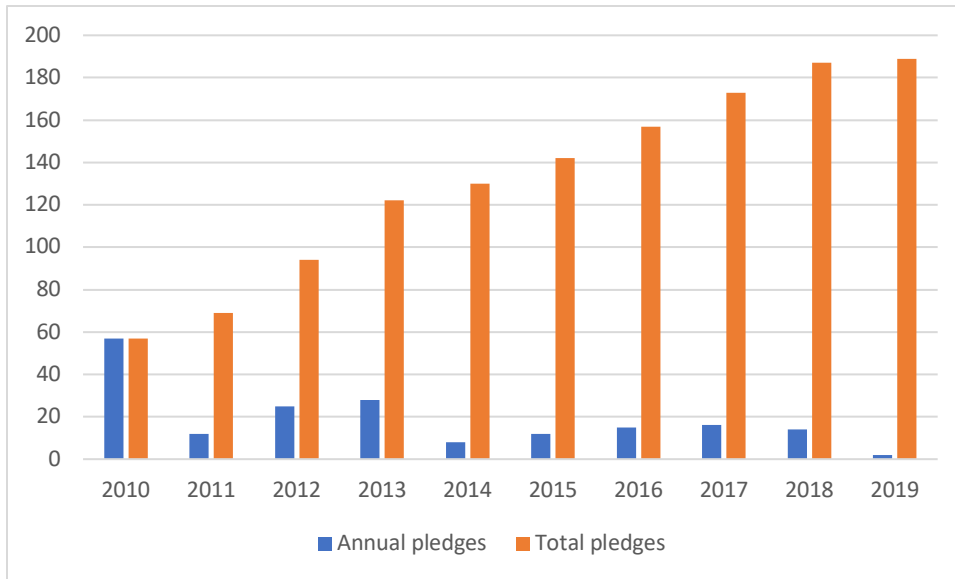
All letters of the Giving Pledge signers have been collected and a basic analysis of age, gender, marital status, nationality, residence, source of wealth, and size of fortune has been completed. As of February 2019, the initial group of 40 signatories had grown to a total of 189.³ The average age of pledgers still living is 70 years (median: 68.6). Thirteen pledgers are now deceased. The website contains 162 letters, while 24 pledgers are named with no accompanying letter.⁴

In 2010, 57 billionaires signed the Giving Pledge. Since then, the Giving Pledge has added an annual total of: 12 (2011), 25 (2012), 28 (2013), eight (2014), 12 (2015), 15 (2016), 16 (2017), and 14 (2018).

³ The 189 signers of the Giving Pledge comprise a little over ten percent of the more than 1,500 billionaires worldwide.

⁴ These numbers will be updated to the current total of 189 letters.

Table 1. Annual Growth of The Giving Pledge, 2010-2019



Size of Fortunes. The pledgers have an average fortune of \$10.74 billion, with a median of \$2.3 billion. This encompasses a significant range, from Bill Gates, at the top with \$94.4 billion, to a few pledgers who are not actually billionaires, with fortunes of approximately \$500 million each.⁵ Data were not always available regarding the size of fortune, particularly for pledgers outside the United States, or for those whose fortune was less than one billion. Forbes only collects data on those individuals with a net worth of one \$1bn or more. The total wealth represented by all 186 pledgers is \$940.12bn. Many of the pledgers assert that they will give away up to 99 percent of their fortune during their lifetime, although The Giving Pledge does not contain any means to enforce the pledges.

Sources of wealth. We categorized all pledgers into three general sources of wealth: technology, finance, and a residual, “old wealth” category comprising more traditional industries including the energy, retail, real estate, health care, and other sectors.

⁵ The Giving Pledge accepts from anyone with a fortune of \$1bn or more as well as those whose current wealth and previous donations combine to equal \$1bn.

Table 2. Disaggregating pledgers by industries

	“Brick and mortar” economy	Finance	Technology
Number of pledgers	90	52	43
Wealth	\$279.2bn (average: 3.1bn)	\$310.6bn (average: \$5.97bn)	\$373bn (average: \$18.2bn)
Age (average/range)	73.3/41-90	68.9/44-90	58/34-76

“Old wealth” dominates in terms of overall number of pledgers, but the technology sector far outpaces the other two sectors with regard to accumulated and average wealth. Pledgers in this category are also significantly younger, about a decade compared to the finance sector and 15 years compared to “old wealth.” Nineteen signatories in the technology sector have founded companies in 1990 or later. This subset of pledgers has an average age of 47.1 years, a total of fortune \$137.9bn, and an average fortune \$7.26bn.⁶

Generations/gender/marital status. The average age of those pledgers still living is 70 years, and the median age is 68.6 (U.S. population median age: 38.1 years). Eight are members of the Greatest Generation (born before 1928), 71 belong to the Silent Generation (1928-1945), 69 are Boomers (1946-1964), 27 are Generation X (1965-1976), and three are Generation Y/Millennials (1977-1995).⁷ At the time of signing, of the 186 total pledgers 110 were married heterosexual couples, 69 were single men and seven were single women. In two cases, married couples who pledged together are now divorced and listed separately. There are a total of 175 men and 121 women listed as pledgers. In the case of the couples, statistics for individuals refer to either the spokesperson for the couple (i.e., the one in whose name the letter was written, although in many cases both signed it); or the person for whom data (from Forbes) were available. In all cases, this proved to be the husband. Thus, the only cases for which data refer to women are those of single women – in itself, of course, a telling indicator of the gendered nature of wealth acquisition and accumulation. The Giving Pledge and its eligibility criteria reflect how dominant males are in the area of super-philanthropy.

⁶ These numbers will be updated to the current total of 189 letters. The initial analysis was performed in late 2018 based on 186 pledgers.

⁷ There are no generally agreed upon time demarcations for Generations X and Y. The term “Millennial” is frequently used in the popular press to refer to those born from the 1980s until the early 2000s (Bump 2014).

National origin. Of the 186 pledgers, 126 (about 68%) are from the United States.⁸ Another 20 (11%) are from Canada, eight from the United Kingdom, six from India, four from China, four from Russia/Eastern Europe, three from the Persian Gulf, three from Africa, three from Western Europe. The remaining nine individuals are from other regions, including Southeast Asia, Australia and Latin America.

Expressed Motivations and Goals of Billionaire Philanthropy⁹

The letters themselves, on the whole, ranged in length from one brief paragraph to several pages – even including in one or two cases, as attachments, documents already in use in the Pledgers’ existing charitable enterprises. The invitation to join The Giving Pledge and provide a letter often seemed to inspire reflection on the pledgers’ own life journeys, philosophical guideposts, and family relations (both the legacies of their parents’ teachings and the legacies they wished to leave their own children). They were, in short, and with few exceptions, deeply personal documents.

The academic literature establishes some baseline expectations about what we should be finding in the letters. Philanthropy is both an obligation and a sign of privilege and status. The wealthy are socialized into giving through their every-day social activities and the organizational ties emerging as part of their business activities (Ostrower 1997). The wealthy also have a sense of “hyper-agency” (Schervish, cited in Callahan, p. 40) based on their proven capacities to get their way. They typically have no inhibitions to claiming that their successes in the business world or elsewhere qualify them to also shape the nonprofit sector and public policy. The overwhelming majority of Pledgers have a strong interest in changing public policy (Goss 2016: 445).

Apart from the documented significant propensity to give, these donors struggle to live up to effectively supporting the causes they claim to pursue. Prior research on these donors has shown significant gaps between their aspirations to support social change and their actual spending as well as an ever-widening gap between philanthropic spending and rapidly increasing wealth. “Moreover, almost 60 percent of these Giving Pledge signatories reference the American Dream in their own experiences or funding priorities, further highlighting the pervasive interest in helping to build a vibrant, economically mobile society” (Ditkoff et al. 2018: 10).

⁸ The Giving Pledge was not opened to individuals outside the United States until 2013. In revising the paper, we will update to the current total of 189 pledgers.

⁹ The preliminary findings about letter contents are based on all letters available as of February 2019 (total of 189 pledgers).

Motivations to Give

The central focus of the letters are the motives expressed by the pledgers. We identified four broader ideas, including ethical principles (1), psychological benefits (2), references to their children (3), and ‘leading by example’ (4). A total of 172 mentions¹⁰ of ethical principles prompted us to further disaggregate the category into mentions of work ethic/humble upbringings (66), civic duty/gratitude (41), a desire to support the American Dream (29), a sense of noblesse oblige (22), religious motives (nine), and equity/fairness (five). Psychological benefits of giving are mentioned 41 times, while a desire to prevent the harm of inherited wealth to their children occurs in 25 letters. Finally, 33 letters suggest that joining the Pledge was not necessarily their initial choice, but that they have come convinced that this would set an example for others.

Gratitude as a theme is expressed in various ways. For example, Sue and John Arnold state: “We are deeply indebted to our community and our country for the many opportunities granted to us... We consider it our responsibility to ensure the same opportunities for others.” Even more pithily, Dong Fangjiun writes, “A famous Chinese saying is, ‘When you drink water, think of its source.’ I cannot make achievements without the help of others.” Apparently inspired by the ‘effective altruism’ movement, Bill Ackman explicitly references the Rawlsian conception of the original position to explain his decision to give:

“Rawls advised that you should imagine yourself in what he called ‘the Original Position.’ Pretend that you have not yet been born, and don’t know to what family or in what country or circumstance you will find yourself. He argued that the world should be organized from such a vantage point. In other words, I believe the fairest distribution would require something along the lines of the Giving Pledge. Rawls proves that charitable giving is the right thing to do from an objectively fair vantage point.”

B.R. and C.R. Shetty state: “Bill, Melinda and Warren, you have personally inspired us and are on the right track of bridging the gap of wealth distribution. If really today 10 percent of the world’s population can resolve 90 percent of the world’s problems then we all better get moving...”. Along similar lines, George Kaiser makes the case for giving even more forcefully when he says, “I am entranced by Warren’s and Bill’s visionary appeal to those who have accumulated unconscionable resources, to dedicate at least half of them back to purposes more useful than dynastic perpetuation.” He also states, “America’s ‘social contract’ is equal opportunity. It is the most fundamental principle in our founding documents, and it is what originally distinguished us

¹⁰ The total mentions reported here are preliminary counts.

from the old Europe.” Curiously, however, he goes on to conclude that “the democratically-directed public sector is shirking, to some degree, its responsibility to level the playing field,” for which reason “more of that role must shift to the private sector.”

The Gateses themselves refer to effective altruism when they state, “Our animating principle is that all lives have equal value.” Or as Paul Farmer, founder of Partners in Health (a charity supported by Pledgers Joyce and Ed Cummings) has put it, “The idea that some lives matter less is the root of all that’s wrong with this world.” A similar idea was treated with nuance by Rohini and Nandan Nilekani: “We do remind ourselves... of what John Adams wrote to Thomas Jefferson – ‘Power always thinks it has a great soul... There’s great danger that I will fall in love with my own virtue’”. They recall a verse from the Bhagavad Gita that “reminds us that we have a right to do our duty but no automatic right to the fruits of the doing. So it is the idea of action itself that should motivate us much more than the ego-driven desire for its results.”

Pledgers also frequently cited the psychological benefits of giving, usually in terms of satisfaction or fulfillment, and sometimes even “fun.” The following quote from the letter by Lydia Hill reflects this and also hints at the sense of hyper-agency: “Walt Disney once said, ‘It’s kind of fun to do the impossible,’ and like the three of you, I am in the fortunate position to help tackle some of life’s most challenging ‘impossibilities.’”

A unique motivation is the wish to protect one’s own children from the harmful effects of being saddled with more wealth than they could handle. John W. Jordan II expresses this view succinctly: “We all know second and third generation wealth where the recipients were actually born on third base but think and act like they hit a triple.” Vladimir Potanin states that he was motivated to join the Giving Pledge for similar reasons: “I also see it as a way to protect my children from burden of the extreme wealth, which may deprive them of any motivation to achieve anything in life on their own.” Tom Steyer and Kat Taylor claim that they have sought their children’s input and go on to state:

“In that regard, John Gardner long ago counseled us to "do" things as opposed to trying to "be" someone; in his opinion, seeking "to be" inevitably leads to egocentric outcomes. Traditionally, societies focused on ancestor-worship, but as Americans, we have mostly descended from penniless, indentured, or fugitive antecedents, so it really makes no sense to us to try to derive importance from our birth, and thank goodness for that.”

A few pledgers outside the United States explicitly referenced their wish to set a good example for their compatriots (sometimes, too, for their co-religionists), or to let the world know about the philanthropic traditions of their own country or religious faith. For example, Tan Chee

stated, “It is my hope that with my joining the Giving Pledge, more wealthy Asians, and in particular Malaysians, will be inspired to use their wealth and resources, and perhaps even pledge to donate at least half their wealth, for philanthropic purposes.”

Patrice and Precious Motsepe wrote,

“[A] selfless and compassionate characteristic is part of the age-old African culture of giving and caring for your neighbour and other members of your community. In South Africa it is embodied in the spirit and tradition *Ubuntu/Botho*, in terms of which your well-being, happiness and success is dependent upon and influenced by the wellbeing, happiness, and success of others.”

Causes

We identified nine broad categories of causes (arts/culture, community development, education, environment, health, human rights/social justice, human services, international, research/public policy). A frequency count across the letters (multiple mentions possible) yielded the following list:

Table 3. Ranking of causes mentioned across all letters

Cause	Number of mentions
Education	72
Health	71
International (including foreign donors)	47
Human rights/social justice	36
Environment	31
Arts/culture	24
Research/public policy	23
Human services	12
Community development	8

The fact that education and health lead the list of causes suggest a relatively traditional approach to choosing causes. The health category can be further disaggregated into a focus on medical research (39 mentions) and emphasis on health care (30). Within the education category, 40 mentions are categorized as ‘general’, 19 mention higher education, eight support for public schools,

and five ‘education reform.’ Among international causes,¹¹ 17 mentioned poverty alleviation/humanitarian aid, 14 mentions were classified as ‘generic,’ seven indicated support for Israel, six referred to peace and conflict issues, and two support for nuclear non-proliferation. Children and youth dominate the human rights category (17 mentions), while women’s issues received seven mentions and social justice in general a total of four.

The low ranking of community development and dominance of traditional causes show that high-value donors have very limited experience with more innovative causes and seem to follow long-established patterns of giving. Of course, the causes mentioned only offer a rough proxy, and what really matters is how funds are ultimately distributed across and within causes. For example, a donation to a university can produce a wide variety of benefits depending first on the institution (e.g., Ivy league vs. community colleges) and, second, specifications of the gift (e.g., another named building vs. scholarships for low-income students).

Expressed Principles and Theories of Change of Philanthropic Giving

Compared to the issue of motivations for giving, the letters are much less explicit about principles guiding philanthropic giving. Those pledgers who spoke to one or more principles of giving were comparatively few – although the need for return on investment was a theme common to several. We identified six distinct ideas related to how to spend the resources: 1) the promotion of innovation and/or the harnessing of innovation to solve intractable problems; 2) the search for long-term, even transformative solutions, not short-term “fixes;” 3) solutions to problems that the market has left unsolved; 4) effective altruism, or the idea of maximizing the results of giving by identifying the most compelling causes; 5) philanthropy as an investment, combined with an emphasis on data-driven, evidence-based approaches; 6) promoting changes in government policy as a way to deliver intended results. Overall, we counted only 32 total mentions of any of the six principles across a total of 23 letters. Only slightly more than 10% of letters mention how the pledgers plan to give away their wealth. About half (15) emphasized results-based giving (8% of total letters), eight mentioned innovation, five an emphasis on long-term change, two each explicitly pushed changing government policies and addressing market failures, and one used the term ‘effective altruism.’

¹¹ We did not distinguish yet between U.S.-based and foreign pledgers, which means that the international category also includes mentions of pledges to support causes in the home countries of non-U.S. pledgers.

The first, second, fourth and fifth of these principles together encapsulate most of what is distinctive about new, strategic philanthropy (Brest and Harvey 2018). George Kaiser expresses the fifth principle in this way: “We tend to direct our purposes and carefully monitor targeted results on a contemporaneous basis rather than scattering gifts and trusting to retrospective general narratives of success from the beneficiaries.”

Stewart and Sandy Bainum claim that “With every donation, we ask ourselves, ‘Where can we make the most difference?’” They answer this question by setting out a set of criteria for good investments:

“So far, that question has led us to focus on well-governed, sustainable, results-oriented and data-driven organizations with high potential leaders that are 1) saving and/or transforming children’s lives; 2) scalable, but overlooked and under-funded; 3) adept at changing government policy; and 4) open to our suggestions for building strong governance.”

While results-based giving is mentioned by a number of pledgers, there is no prevailing sense across letters that market-based solutions are the future of philanthropy. Charles Feeney reflects on limitations of a business approach to philanthropy when he states,

“Thoughtful and effective philanthropy requires that the above issues, and more, be addressed with the same acumen, creativity and tenacity that many of us learned and applied in our business careers. Philanthropy, though, also brings with it a different set of complexities, attractions and distractions.”

Tom Steyer and spouse Kat Taylor express similar reservations:

[W]e harness wherever possible the power of markets to direct investment effectively, even as we recognize their inherent limitations. People of all income categories know what they value and will demonstrate that most convincingly by where they are willing to dedicate their scarce resources. At the same time, we know that markets do not price externalities and shouldn’t be expected to support adequately public goods like education or clean water. There is, after all, an abidingly important place for government, social compact, and social conscience.

Mark Zuckerberg and Priscilla Chan cite their intent to learn by donating as a reason to begin giving now – the better to hone their philanthropic expertise:

“We’ll learn from each project and apply those lessons to future work. That’s why we’re starting and making this commitment now while we’re still early in our careers – so we can gain experience early and become more effective in our giving over time.”

The letters provide very limited insights into the goals and principles of giving. Slightly over 10% of the letters made any mention of such principles, indicating that ideas of strategic

philanthropy or effective altruism may dominate debates about philanthropy, but may not resonate as much with those promising to give away vast sums of their wealth.

Discussion

Far from embodying the stereotype of young, evidence-obsessed technology entrepreneurs, the population of Giving Pledge billionaires is much older and made its fortunes in oil, real estate, retail, finance (including but not limited to hedge funds), and other industries. Their political leanings and giving missions are similarly varied. Thus, in all three respects – source of wealth and political and philanthropic priorities – the members of the Giving Pledge would seem to be more representative of the philanthropic world generally than are the inhabitants of Giridharadas' MarketWorld; and they may or may not share the policy priorities of Page, Seawright and Lacombe's "stealth givers." This preliminary analysis found a pretty traditional set of motives, causes, and giving strategies.

The Giving Pledge is growing at a relatively healthy rate, and its pledgers come from broad sections of the economy. The letters are long on personal motives and ethical principles, but short on critical self-reflection or commitments to specific details on how giving will take place. The dominance of health and education also indicate a status quo orientation that ignores the inequities generating wealth gaps and emphasize instead the idea (fiction?) of giving people equal opportunities to succeed.

Conclusions

The Giving Pledge offers a weak remedy for the systematic injustices generated by rising economic inequality. Even in a best-case scenario of all the mobilized resources going to valid social justice causes, its ambition seems to be to provide a Band-Aid treating an illness, rather than stopping or preventing wealth accumulation by the few. The personal fortune of Bill and Melinda Gates rose from \$54 billion in 2010 to about \$94 billion in late-2018. While his case represents the extreme of rapid wealth accumulation, it is emblematic of an overall trend for the ultra-rich: The quest to shed one's wealth – expressed in such Giving Pledge statements as "I have always planned to give most of what I had," or, more vividly, "We don't want to be the richest guys in the graveyard, we want to 'do good' while we are still alive. Why let others have all the fun?" becomes

an almost quixotic one.¹² A recent study found that 10 deceased pledgers failed to give away half of their fortune (cite in: Soskis 2017: 47). This may simply be due to the relative newness of the pledge, but it may also point to a fundamental weakness of such a voluntary approach to promoting social justice with regard to the wealth gap.

As part of the continuing research, the study will develop descriptive statistics before moving on to a more systematic analysis of the pledge letters. With the use of computer-assisted qualitative data analysis software (NVivo 12), the content of the letters will be analyzed for insights into motivations and areas of philanthropic focus. The research will allow us to adjudicate whether the “new age of philanthropy” is truly different with regard to the expressed motives of giving, specific goals pursued, and strategies used.

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¹² From Commitment letters by Hamdi Ulukaya, and Sir Tom and Lady Marion Hunter, respectively, The Giving Pledge, found at www.givingpledge.org.

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