A Common Humanity

Money has long been the measure of achievement in American society. We keep score by it. Who's up? Who's down? Who's on top? Our incentive system is built upon financial reward. The purpose of work, if one has to work, seems to be to amass wealth. During the 1980s, the country's one million millionaires grew at the rate of another 100,000 a year.

For those who lack wealth, and that's most of us, money has its attractions. There are few who do not want to live comfortably. Yet there is a trend, visible recently, toward working not for money alone but for something different, something of human, not cash, value. Even some of the young rich are shifting to using their money for nonprofit social ventures.

But before going into why and how this is happening, let's look at philanthropy itself. The dictionary says the
word means "love for mankind, devotion to human welfare, goodwill to all." What it calls for are acts of goodwill that contribute to people's well-being.

How philanthropic are we? In 1990 Americans gave $122.6 billion to charities. The total rose to $124 billion in 1992. (See box, p. 36.) The largest share of contributions, over half, went to religious groups and institutions. Smaller sums went to education, health care, and the arts and humanities.

Who gave the money? Individuals gave by far the most, with nine of every ten dollars coming from them. Bequests from estates, foundations, and business enterprises were much below that figure.

About 75 percent of all U.S. households donate to charity. They give an average of $790 a year to such causes as education, the environment, health care, homelessness, and the arts. As one commentator said, "Few nations rival the United States in its collective lust to get. But none rival it in its collective urge to give."

There is a civil war in our society today, a conflict between two American cultures, each holding very different values. The adversaries are private profits versus public responsibility; personal ambition versus the community good; quantitative measures versus qualitative concerns.

—Joan Konner
dean, Columbia School of Journalism
Note a curious fact: During the 1980s, while the incomes of the rich rose at a pace unmatched since the 1920s, they gave a far smaller share of their income to charity. It dropped from 7 percent of their after-tax income to less than 4 percent. So although the rich were getting more and more, they were giving less and less. And at the other extreme, the poor were getting less and less, and needing more and more.

It was John D. Rockefeller, together with Andrew Car-
negie, the steel magnate, who created the institutional model for American philanthropy. Back in 1913 Rockefeller, using some of his huge fortune from the Standard Oil Company, created the Rockefeller Foundation. Today it is one of the country's ten wealthiest philanthropies, with assets of $2 billion. Its money has financed other great institutions besides the foundation, such as the University of Chicago and Rockefeller University.

Recently the Rockefellers challenged the country's biggest foundations to help alleviate poverty in the third world and to protect the endangered global environment. Peter Goldmark, the Rockefeller Foundation's president, said, "In a period of planetary environmental danger, global communications, intercontinental missiles, a world economy and an international marketplace of ideas and arts and political trends, there is simply no excuse not to."

In 1990, the ten largest American foundations, which had $25 billion in assets, were spending about $100 million for such international programs. One of the world's richest men, Prince Karim Aga Khan, gives away about $130 million a year, much of it to aid schools, medical facilities, and housing in poor African communities.

To offer a helping hand to human beings in distress would seem so natural a thing to do it hardly needs praise as a virtue. But when multimillionaires like Andrew Carnegie and Rockefeller launched their philanthropies the aim was to erase their public image as ruthless industrial barons. Rockefeller piously proclaimed, "I believe the power to make money is a gift of God... to be turned to
the best of our ability for the good of mankind.” That, replied Mr. Dooley, a popular humorist of that period, makes the rich “a kind iv a society f’r th’ previntion iv croolty to money.” One millionaire of Rockefeller’s heyday was blunt about his wealth: “We are the rich,” he said, “we own America, we got it, God knows how, but we intend to keep it if we can.”

That arrogance was witnessed in two of the most notorious incidents in labor’s long struggle to organize. They were the 1892 Homestead steel strike in Pennsylvania and the 1913 Ludlow coal strike in Colorado. Indifferent to the human needs of their employees, companies controlled by Carnegie and Rockefeller brought about the deaths of many workers.

Such bloody disasters horrified the nation. To regain public support, the public relations advisers of the tycoons erected charity by the wealthy into a supreme excellence. What they were trying to do, observed John Dewey, the philosopher and educator, was to make charity an excuse for maintaining law and social arrangements which ought themselves to be changed in the interests of fair play and justice. “Charity” may even be used as a means for administering a sop to one’s social conscience while at the same time it buys off the resentment which might otherwise grow up in those who suffer from social injustice. Magnificent philanthropy may be employed to cover up brutal economic exploitation. Gifts to libraries, hospitals, missions, schools may be employed as a means of
rendering existing institutions more tolerable, and of inducing immunity against social change.

To a degree, the public relations strategy was a success. At the same time, it is true that the philanthropy of the wealthy has done a great amount of good. In 1989 the private foundation of the Coca-Cola Company said it would distribute $50 million during the 1990s to support educational institutions and programs throughout the United States, from elementary schools to universities. At the same time RJR Nabisco announced its foundation would spend $30 million a year to spur minority programs in the schools. General Electric set aside $20 million and IBM $25 million for programs to help education. These commitments were welcomed as examples of "enlightened self-interest," for without a well-educated workforce, American business would be badly handicapped in the competitive world market.

Concerned to better the educational performance of poor children, especially those from minority groups, the Rockefeller Foundation in 1990 said it would spend $15 million in the next five years to build the partnership of teachers, parents, and pupils. The program was developed by Dr. James Comer, a professor of child psychiatry at Yale. He introduced it over twenty years ago in a New Haven public school, and since then it has been adopted in more than seventy schools in nine regions. Under the Comer plan local schools are managed by an active partnership of school staff and students' parents that works to improve students' self-confidence and ultimately their performance.
The many heirs to the Rockefeller dynasty are examples of a younger generation of the rich using their money for a social purpose. There are now twenty-two fourth-generation members of the family. These cousins include physicians, lawyers, educators, and environmentalists. They contribute to the schools where they studied, the communities in which they live, and to a range of very diverse interests: the arts and sciences, health, civil rights causes, and both local and global environmental projects.

In the mid-1980s a group of wealthy young men and women decided it wasn't enough to invest their assets and give away only a small part of their income. They found, after some research, that they weren't alone. Dozens of others had given away assets, ranging from hundreds of thousands to tens of millions of dollars. Strengthened by their discovery, members of the group gave away large parts or nearly all of their wealth. To help others come to the same decision, a few of them collected the personal stories of people who have devoted themselves and their wealth to peace, justice, and the environment.

Their book, We Gave Away a Fortune, contains many first-person accounts of how their lives took an altruistic direction. One of them, Chuck Collins, is the great-grandson of Oscar Mayer, founder of a meatpacking fortune. Collins is now director of technical assistance at the Institute for Community Economics (ICE). He helps low-income community groups set up community land trusts and run cooperative banks.
trusts and housing cooperatives. And he himself lives in ICE housing on some $8,000 a year. He says:

I have great sources of support which give me enough security to let go of my money: good work, community, friends, a support group, and loving relationships. Being part of a larger social movement also increases my sense of security. Perhaps we're only a union of fools trying to build a new society and change our own lives, but I feel inspired and optimistic, knowing that others are doing similar work. Lord knows, I would like to work on behalf of people in Central America, Zaire and the Philippines, but as one person I can do only so much. I feel gratified knowing that I am part of a social movement of people who are doing all this work, and who respect me for doing my piece.

We are all utterly interdependent with other human beings. On some deep level we all realize that, but having money can cover it up. So many of us pay someone to grow our food, build our house, pick up our refuse, educate our children. We even have Third World slaves we never meet, mining our fuel and growing our food at ridiculously low wages. I used to buy services and material comforts, which kept me from relying on the spirit, friends, loved ones, my community. But now I am developing a quality of life more connected with others, with less dependence on money. I feel that I have a lot to gain, personally and spiritually, from living more simply; I am learning how to give back my privilege for the long-term...
security and sustainability of the earth. Why should I wait for someone else to take the first step in giving up First World privilege?

A new development is the greater role played by wealthy women in philanthropy. As one of them put it, “We women should use what we have to change the world.” In 1981 the Women’s Foundation was launched in San Francisco to fund projects of benefit to Bay Area women and girls. It became a bridge between people in need and people with the resources to help them. Since then, other women’s funds have been created—nearly fifty by 1990—all serving poor women and girls. Their tendency is to appoint community people to their boards, because who would know better what’s needed? As women take greater control of foundation money, the old paternalism is slowly changing. Instead of trying to do for people, the funds seek ways to enable them to do for themselves. Such forward-looking leaders see the rich who limit themselves to attending charity balls as self-indulgent, as hungry for publicity on the charity circuit, as not attempting to solve the problem by playing an active role in social change. The newer female philanthropists seek long-term commitments to social needs, rather than brief gestures.

Yet what the rich do is more than matched by what ordinary people do. They give more and volunteer more than the people of any other nation. The facts: As of 1989, 75 percent of all families gave an average of $790 a year to the causes of their choice, 20 million gave 5 per-
cent or more of their income to charity, and 23 million volunteers gave five or more hours a week.

After pointing out with facts and figures the enormous and ever-widening gap between the incomes of rich and poor in the United States, the young philanthropists who wrote *We Gave Away a Fortune*, made this comment:

To answer why there are rich and poor in the U.S.—or more precisely, why a small percentage of us have fantastically more wealth than the vast majority—takes sorting through a maze of factors about capitalism: the way money makes money; the way many people’s labor is turned into a few people’s capital; the way our tax structure benefits the wealthy; the effects of racism and sexism; the impact of the huge military budget on social spending; and so on.

Eventually those of us who gave principal sorted out our personal understandings of these issues and resolved that the differences between rich and poor in this country were not justifiable—nor inevitable, nor tolerable. Perhaps our grandfathers who started factories were brilliant and bold, but they still didn’t deserve to end up with 100,000 times more money than their employees. And when our $500,000 in stocks brings us a return of $50,000 a year without lifting a finger, while millions of hardworking families work a whole year to earn far less (often finding themselves deeper in debt)—that’s not fairness, that’s a painfully skewed economic system.
Where does all this generous activity come from? "The truth is," said Brian O'Connell, a professional in the field, "we don't know. Most likely our generosity comes from a combination of religious ethics, a determination by those who fled oppression to never again be controlled by central government, the freedoms of speech and assembly and the exhilarating experience of being able to band together for influence and to create alternatives."

Several popular notions about generosity don't hold up, according to a study made by O'Connell's group, Independent Sector:

- It isn't the generosity of America's rich that is responsible for the high standard of giving. The not-rich—the middle and working classes—lead the way. Even people who make under $10,000 give 2.8 percent of what they have. Generally, the higher up the economic ladder you go, the smaller the percentage of income given.

- Americans were not more generous with their money and their volunteered time in earlier days. A much bigger part of the population now gives money and volunteers time.

- People in big cities do care. Mutual aid groups are just as common in the cities as in the towns. Almost every problem or crisis finds groups of people who have weathered that storm reaching out to help those facing depression, substance abuse, rape, divorce, death of a spouse or child, and so on.
It isn’t the foundations and big corporations that are the most generous. Important as their help is, they give only 10 percent of all that’s contributed. The other 90 percent comes from individuals.

Tax policies making it easier to donate to charity are not responsible for a large part of the generosity. Giving existed long before there was an income tax, and despite a recent more restrictive tax policy, it goes on rising. The sense of community and compassion is not crippled by tax laws.

It isn’t true that the great increase in women now working for pay makes it harder to get them to volunteer. Such women are more likely to volunteer than the others.