Giving In Smart Ways: How Does Industry Shape The Philanthropy Of Giving Pledgers?

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Bill and Melinda Gates and Warren Buffett launched the Giving Pledge in 2010 to solicit the commitment of America’s richest to donate at least half of their wealth to charitable causes in their lifetime or at their death. At its launch in 2010, it had 40 American billionaires to pledge; as of today there are 105 signatories, including the first group of joiners from outside the United States. The pledgers are not required to follow any giving guidelines, they are simply requested to explain and commit to their giving decisions in a letter made available publicly on the Giving Pledge website.

For most pundits, two field-defining events signaled the birth of philanthrocapitalism: the Giving Pledge and its prequel, the Good Club convened in 2009 “to decide which of the world’s problems were most pressing and should be the target of high-power philanthropic giving” (Rogers 2011: 376). Philanthrocapitalism, a term coined by Matthew Bishop in 2006, is the marriage of philanthropy (common good) and capitalism (the market) (Bishop 2006; Bishop and Green 2008), “the use of business tools and market forces, especially by the very wealthy, for the greater social good” (Rogers 2011: 376). If philanthrocapitalism is to infuse techniques and values of capitalist entrepreneurship to giving, we need to research the source industries of the Pledgers in order to understand why today’s super-philanthropists may choose different giving strategies than their philanthropic counterparts a century ago.

The industries where Pledgers amassed their wealth will shape the strategies and priorities of their charitable giving. The kind of enterprise they were engaged in and the competencies they are bringing to the philanthropic realm will influence the kind of philanthropic projects these pledgers commit to. For instance, in their Pledge letter, Herb and Marion Sandler highlight how they transport their competency of “due diligence” from banking into grantee management. Similarly, pledgers with wealth from industrial manufacturing are less likely to follow the venture capital model of those who earned their stripes in the software and technology industries. Matthew Bishop (2006) notes that blending market sensibilities into philanthropy is of special importance for those coming out of finance. Thus only some industries may produce philanthropists with an interest in strategic giving, while others from industries less affected by venture capitalism may stick to more traditional methods of charitable giving. Making this link between industry and philanthropy is important not only for philanthropy research but also for fundraisers in search of effective discourse strategies.

This paper draws on my previous analysis of Pledge Letters that used qualitative content analysis to track the values that motivated the super-wealthy to join the
Giving Pledge. Through employing the theoretical framework of critical discourse analysis (Ainsworth and Hardy 2004; Berry 2004; Chouliaraki and Fairclough 2010), I will advance this study by identifying key signifiers in the discourse of Giving Pledgers that reveal their industry’s imprint on their philanthropic activities. I will add a sample of industry speeches, op-eds, and corporate annual reports to the content analysis of Pledge Letters. In addition, I will analyze how the values and ideas emerging from the discourse analysis are related to the charitable activities, philanthropic vehicles and priorities of the Pledgers (related foundations, charitable or social enterprise projects) and the characteristic business models in their industries. The study draws on information collected by the Foundation Center’s Eye on the Giving Pledge project and its Foundation Directory, and it hopes to contribute to the findings of the Million Dollar List research project (Center on Philanthropy at Indiana University 2011).

References