



Bill & Melinda Gates

PHILANTHROPY

A New Generation of Thoughtful Givers

IN FLUX

BY ERIK JAY

A growing number of wealthy and generous groups and individuals—individuals like Bill Gates, boards of directors at Starbucks and General Motors, foundations representing elite American families like the Rockefellers and Carnegies, celebrities like Angelina Jolie and Brad Pitt—are changing the face of modern philanthropy.

They believe in helping as much as they ever have, some even more passionately. But they and others are hard at work rethinking old models of charity and assistance, and creating new ones, in order to maximize the amount of good that a well-placed dollar can do.

They are the vanguard of a new generation of thoughtful givers.

Theresa Lloyd is the author of *Why Rich People Give*, published by Philanthropy UK,

“an initiative of the Association of Charitable Foundations (ACF)” in the United Kingdom that seeks to “develop new philanthropy by promoting and disseminating knowledge and best practice to all those involved in giving.” Since a “key objective” of the ACF is “to widen participation in the giving community,” it was essential to find out what motivates the wealthy to give. The results of Lloyd’s research were surprising to many, both within and outside the philanthropic community.

Some psychologists have contended that altruism on the part of the wealthy may be driven by guilt. However, Lloyd found little of that. Instead, she discovered five main motivations for acts of charity: (1) “belief in the cause”; (2) wanting to be a “catalyst for change”; (3) the “satisfaction of personal development”; (4) “duty and responsibility” and the desire to “put something back” into society; and (5) a certain amount of “fun, enjoyment and personal fulfillment” in having “relationships with a range of people.”

Of course, guilt may play a small part in one or more of these motivating factors, but it did not “rear its ugly head” as a prime culprit. In fact, Lloyd found that donors are reinforced in their decisions by “knowing that they are making a differ-

ence, being properly thanked and meeting like-minded people.” In other words, wealthy givers don’t want emotional succor, they want to know that their giving is effectual and appropriate. This indicates a desire for intimate involvement that springs from the workings of the heart, not the keys of a calculator.

CHANGES AT THE TOP

Thoughtful, focused giving is one hallmark of the new generation of charities and foundations. Motivated by belief, a desire to bring change, the obligations incumbent on the privileged, and other factors, the leaders of this movement are injecting a new passion and resolve into helping the less fortunate. And they are making the money work smarter, as well as harder, to have the maximum possible impact.

Unsurprisingly, the world’s richest man, Bill Gates, also heads the world’s richest charity, the Bill & Melinda French Gates Foundation, which has endowment of \$31.9 billion and 300 employees at its Seattle headquarters. Gates, a creative and strategic thinker, is one of the prime movers in the new generation of thoughtful givers.

With a focus on such fundamental areas as health and infrastruc-



The Bill and Melinda Gates Foundation provide assistance to the Maputo Hospital, Mozambique
Picture by Eric Miller



Melinda Gates in Chura Village

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Health Clinic, Nigeria by Curt Carnemark
Picture by Eric Miller

ture, the charity sponsors four initiatives to fight disease around the world: the Malaria Vaccine Initiative, the Grand Challenges in Global Health Initiatives, the Breakthrough Science Initiative, and a program to prevent and treat AIDS in Africa. “If we can prove the effectiveness of microbicides and preventive drugs,” Gates wrote in the UK newspaper *The Independent* earlier this year, “we can revolutionize the fight against AIDS.”

Gates is a true exemplar of how the “can-do” spirit and the communitarian impulse can be conjoined in one individual for dramatic effect. He applied his genius, as everyone knows, to the operating system of the personal computer at the dawn of the “cyber age,” and followed good management practices, common sense, and his own unceasing dreams to build the world’s largest personal fortune. Along the way, he never forgot to express his gratitude to his family, friends, colleagues, employees, community, and country through countless acts of generosity, small and large.

The foundation that bears Bill and Melinda Gates’ names operates on the same common-sense principles as his life and his company: do something good, help people help themselves, and never stop trying to get better. Simple words, but apparently so difficult for so many to understand. Bill and Melinda Gates, through their eponymous foundation, truly are living examples of altruism in action.

BILL GATES IS A PRIME MOVER AMONG THE NEW PHILANTHROPISTS



Tiger Woods and President Bill Clinton join students for the ribbon cutting ceremony at the Tiger Woods Learning Center in Anaheim, California.

“PAR FOR THE COURSE” NOT GOOD ENOUGH

Started in 1996, the Tiger Woods Foundation is committed to young people. On his web site, Woods explains that through the foundation’s “personal enrichment programs, scholarships, direct grants, junior golf teams and the new Tiger Woods Learning Center, the foundation is helping millions of children reach their dreams.” Scoring “par for the course” is not good enough for Woods, on or off the links.

The Tiger Woods Learning Center in Anaheim, CA, began operations in January 2006, offering after-school classes in forensic science, engineering, aerospace,



The Tiger Woods Learning Center in Anaheim, California

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video production, and home design. On its 14-acre campus, the center has 35,000 square-feet of “learning space” that includes seven classrooms, a computer lab, multi-media center, student lounge, 200-seat auditorium, and café.

The foundation’s National Junior Golf Team provides college scholarships to inner city youths for participating on the team; scholarship winners have gone on to study at UCLA, Texas Southern University, the University of Tulsa, and other institutions. Like many others in the new generation of philanthropists, Tiger Woods accomplished his own dreams a thousand times over, and through his foundation is intent upon helping other young people do the same.

PUBLIC HEALTH WITH A PERSONAL TOUCH

To raise funds for the Dalai Lama, New York society maven Diane Goldman used to design scarves with the help of celebrities in France. In a perfect example of the personal touch in public health, now she’s come up with a similar plan to benefit the Elizabeth Glaser Pediatric AIDS Foundation.

A lavish coffee table book will feature celebrities modeling Savoy jeans, with all profits going to the Glaser Foundation. Goldman will ask the celebrity models to autograph the jeans; she will then auction them off (along with photos of the models wearing the pants) at a gala fundraiser. Half the auction proceeds will go to the Glaser Foundation, half to charities of the celebrity models’ choosing.

Another mover and shaker in the new generation of active, involved givers, Goldman plans to design more limited edition scarves to raise funds for pediatric AIDS. When she isn’t immersed in her various charity projects, this busy socialite—who is married to film producer Marc Goldman, with whom she has a son, Simone—can be found visiting exotic locations on her yacht, “Milk & Honey.” Goldman says she loves being able to enjoy the sunshine of the Caribbean, which amplifies an important character trait of this new generation of philanthropists: they do not feel guilty about their wealth.

THEY GIVE, THAT OTHERS MAY LIVE

Nothing exemplifies the guilt-free thinking of the “new philanthropists” better than the new Red campaign, in which such diverse companies as Motorola, Armani, and American Express are jointly launching a new brand. It is yet one more charitable enterprise tied to the ubiquitous Bill and Melinda Gates Foundation. The idea took final shape in the UK in May, after U2 singer Bono had worked with both the Foundation and Bobby Shriver, of the Kennedy/Shriver clan, for a solid 18 months. Together, they found a way to provide commercially viable, ongoing aid to Africa.



Diane Goldman with husband Marc and son Simone in front of their yacht.



Diane Goldman gets the support of Paris Hilton and sister Nikki for her pediatric AIDS project.

As opposed to other corporate charity efforts, the Red campaign left the profit motive intact so that the program would be self-sustaining. Len Short, chief marketing officer for Red in Los Angeles, says he told the companies, “If you keep the profits it becomes a business for you and it will sustain.” The companies are already developing new Red products, and each will market its products individually, although Short says that they will all be working from the same “brand playbook.”

Historically, marketing-charged charity projects have enjoyed some success, with Nike turning the anti-cancer LiveStrong bracelets into a must-have item for every teenager. The LiveStrong effort, however, began to lose traction within a couple of years. On the other hand, Red, like Paul Newman’s “Newman’s Own” line of salad dressings, is a for-profit brand that donates a portion of its earnings—and each company has made a five-year commitment to the effort.

Before the launch, brand consultancy Wolf Olins was brought in to refine Red as a unique brand. The June 19, 2006 issue of *Brandweek* reported that “the agency insisted that Red had to be sexy and attractive, rather than a charity effort.” According to Wolf Olins CEO Karl Heiselman, “Don’t lead with guilt” were the watchwords for Red. This slogan captures the spirit of the new generation of givers: that there is no reason to feel guilty about one’s bank account if a portion of it goes to help others who are sick, suffering, and dying.

Bill Gates, Tiger Woods, and the other subjects of this story cherish and enjoy their own lives because they know what is truly valuable—life itself. And so they give, that others may live.

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