

Varieties of Philanthropic Experience

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Philanthropy: Voluntary Action for the Public Good

No one denies that a system needs enough indifference to hold it together and enough involvement to make it move. The question is: how much is enough?

Dennis F. Thompson

The Democratic Citizen

The title is borrowed from *The Varieties of Religious Experience* by William James. James drew from a vast array of writings of responsible people and tried to infer from what they said about their own religious experiences and understandings a classification of the principal forms that emerged.

This essay is an attempt to make a map of the territory. What do we include within the definition of the word *philanthropy*? What must we leave out? Why?

In addition to boundaries, what are the practices and values that we may justly call *philanthropic*?

What follows is an outline of the philanthropic tradition: an outline in the literal sense, first, followed by commentary and interpretation.

I think it is important to seek a rough consensus about such an outline, knowing that it is too simple and arbitrary and also that it is constantly changing. Our work will suffer unless we achieve some greater shared understanding suffer from avoidable internal conflict and suffer from external attacks and intrusions.

Philanthropy is one aspect of religion; there are also philanthropic dimensions to economics and politics. One can approach philanthropy from the perspective of any of the humanities and social sciences: history, literature, anthropology, and so on. One can also look at its functions: how money is raised, how it is given, and how it is used. There are also the people involved: the volunteers and professionals. Some approach philanthropy from the vantage point of the structure of the society and its institutions, and see in it only the expression of class struggle, domination, alienation, and false consciousness. Others look on philanthropy as a subset of exchange social as well as economic ruling out the sublime emotions in favor of what they term more rigorous analysis.

This long chapter (not half long enough!) attempts to relate to the following outline of the philanthropic traditions. You will notice that some categories overlap and are not as distinct as the outline suggests. You should try to bear in mind, too, as I have, that it isn't possible to design a definitive outline of a dynamic tradition. (I welcome your improvements of it.)

The Philanthropic Tradition

1. A living tradition

- a. Core values and themes
- b. Constantly changing

2. Philanthropy will always be with us, because

- a. Things go wrong, and some people need help
- b. Things could always be better for all of us

- 3. The need for public goods**
 - a. Limitations on the marketplace
 - b. Limitations on government

- 4. Philanthropy is the manifestation of two values**
 - a. Compassion (charity)
 - b. Community (philanthropy)

- 5. The philanthropic dialectic**
 - a. Self and other
 - b. Love and fear
 - c. Mercy and justice
 - d. Voluntary and obligatory
 - e. Relief and development

- 6. The works of mercy**
 - a. Corporal
 - b. Spiritual

- 7. Methods of philanthropy**
 - a. Mutual aid
 - b. Empowerment and self-help
 - c. Without strings
 - d. A mixed economy (welfare issues)

- 8. The dynamic of philanthropy**
 - a. From impulse to habit
 - b. From simple to complex
 - c. From individual to collective
 - d. From voluntary to obligatory
 - e. From private to public

- f. From relief to development
- 9.** There are two basic types of philanthropic activity
- a. Organizing, recruiting, fund raising
 - b. Contributing services, expertise, money
- 10.** There are six major areas of philanthropic activity
- a. Religion
 - b. Health
 - c. Education
 - d. Welfare
 - e. Culture
 - f. Civic and community affairs
- 11.** There are two categories of personal participation
- a. Volunteer
 - (1) Expert
 - (2) Non-expert
 - b. Paid
 - (1) Professional/managerial/technical
 - (2) Secretarial/clerical/maintenance

A Living Tradition

Philanthropy is a tradition, "a sequence of variations on received and transmitted themes," as Edward Shils put it in *Tradition*. It is not a body of laws, nor is it a fixed set of institutions. As a tradition it has common roots, themes, practices, and values. As a tradition it is also dynamic and changing, and the themes, practices, and values change so that even tracing the roots becomes a continuing problem. It is "the social history of

the moral imagination" (to borrow a wonderful phrase from Clifford Geertz's *Local Knowledge*, p. 8), or at least one prominent thread in it.

Philanthropy in some organized form appears in all the major cultural and religious traditions, and it might be argued that philanthropy is an essential defining characteristic of civilized society.

Things Go Wrong

The disturbances of our domestic tranquility in the late 1960s and early 1970s serve as a reminder that things can go seriously wrong even in a society as blessed and favored as this one. Given the right circumstances, in every society there will be opportunities to improve the quality of life in the community and there will be reasons for acts of mercy and compassion. In sum, as John Gall declared, "All systems operate in a failure mode most of the time." That is a caution to all the idealists, optimists, Utopians, and other true believers that "the best-laid schemes o' mice and men gang aft a-gley." Religion sometimes puts a good face on it, and declares that the poor offer opportunities for charity that will win us credit in heaven.

The reason this simple idea is important is because there are two fallacies of the modern age that would eliminate philanthropy entirely. Both are blindly Utopian. The first is a misinterpretation of the "invisible hand" that applies economic self-interest as the criterion of *all* behavior. The second is an interpretation that argues that the state best understands the needs of the society and of individuals and has the primary responsibility for their welfare; the state, therefore, must have the power and authority to plan and provide for them as necessary. Whatever labels we put on them, neither has a place for philanthropy.

Self-interest as the principal acceptable motive for economic behavior seems to me far superior to the notion that the state can plan economic activity with such wisdom as to produce a humane and free society. But the self-interested society tends to pay for its wealth by a loss of humanity; the planned society certainly pays for distributive justice by the loss of freedom, political as well as economic.

Philanthropy—to paraphrase James Douglas's splendid book, *Why Charity?* is the instrument that societies have used to compensate for the indifference of the marketplace and the incompetence of the state. *Voluntary acts of compassion and acts of community are always needed, in all societies, and always will be.*

Public Goods

The quality of life even in modern America and in other economically advanced societies makes the scale of resources required beyond the reach of private, voluntary giving. Churches, corporations, universities, artists, and intellectuals willingly and properly accept government funds: It is in their self-interest to do so; most will argue that it is also in the public interest for them to do so. The scale of need is so great that voluntary contributions inevitably fall short.

Less often voiced is a second theme: Many of the needs of community are what economists call public goods which

... bestow benefits that are often so widely diffused that it is impossible to allocate their costs to the individual beneficiaries in a commensurate proportion. Moreover, in

the case of pure public goods their enjoyment by some will not curtail their enjoyment by others. The market will not produce such goods for a variety of reasons, but chiefly because if everyone can enjoy what it produced for someone else, no one will want to reveal his demand for a public good. (Henry W. Spiegel, *The Growth of Economic Thought*)

If someone else will pay for something that I will then be able to use, why should I pay for it? Mr. Jones built a private road and a private bridge; when others began to use it, Mr. Jones concluded that the next road and bridge would be built by someone else. When no one stepped forward when no one volunteered —" the public" had to pay for it, or it wasn't built at all.

The reason I prolong this is because not enough attention is given to the range and variety of public goods, and which among them should be provided by taxation and which might be left to the marketplace and to private philanthropy. This becomes a powerfully important question in my mind because it involves a determination of the best way to preserve the freedom of thought. For example:

HOW SHOULD PHILOSOPHERS BE PAID?

If, as has been the case in recent years, philosophers are primarily dependent on income derived from teaching, and if it is true that there has been a decline in the number of students who take courses in philosophy; and if it is the case that those who provide financial support to colleges and universities through gifts and grants either neglect philosophy or attach strings to their gifts to philosophers; and if the popular culture is bored with philosophy and philosophy can claim little share of the vast

sums generated by television advertising, say, or the more profitable books clubs ... Or if philosophers have to spend so much time teaching in order to earn a living that they have no time for reflection, discussion, debate, and research on questions that may not prove to be fruitful (the same problems plague mathematicians, by the way), then perhaps there is a place for philanthropic support. The marketplace usually ignores philosophy because it isn't "useful"; the state usually becomes very heavy-handed in making sure philosophers are useful, but in one Right Way.

Some philosophers now find employment as "ethicists" on the staffs of hospitals or an occasional business corporation. Some abandon philosophy for other, more practical and profitable occupations.

Almost everything about the work of philosophers must be subsidized. How? By whom? Philosophers, whether in the narrow professional sense of the term or more broadly considered, are the ones who advise us about the Good, the Beautiful, the True; about compassion, justice, and community. Do we have enough philosophers? Is their work as good as it ought to be? Are they working on the right problems?

The foundation with which I was associated considers these to be relevant and important questions, even though the corporation that supports the foundation is almost entirely engaged in the production of energy resources. Why should such a company make contributions to support the work of philosophers?

I raise the question here as a means of focusing on how things are paid for in American society, obscure things like philosophy as well as obvious things like health. The questions are usually segmented into questions of how money is raised, and by whom, and by whom it is given, and for what purposes. Philanthropic activity that thinks about health while ignoring

philosophy, that thinks about science but not about religion, will lead us into the temptation of believing that only our bodies are important.

Two Values

"Words are tools that break in the hand."

We can press words too hard, misapply them, let them lose their shape and utility. Trying to write about philanthropy makes painfully clear how many of our problems stem from an inadequate, often rusted and even broken vocabulary. It would be timely to find a word that could replace *philanthropy*, much as philanthropy replaced charity. Awkward coinages like "voluntaryism" are unlikely to catch on; others like *pluralism*, leave too much out.

Until a better word is found, philanthropy will have to do. It is a protean word, like *society* or *religion*. There are two central ideas embraced by it in its present usage: *compassion* and *community*. Compassion is another of the many terms we have employed to get around the hopeless ambiguity of the word *love*. It implies an understanding, sympathetic concern for another who is in some way in distress or need, and who cannot cope with the situation alone, without help.

Community relates to the things that bring us and hold us together. The emphasis is on mutuality and sharing, common values that override or discipline our self-interest and competitiveness; a healthy community not only permits but encourages vigorous individual development within a few powerful constraints.

Compassion, then, has a strong emotional quality; it is not thoughtless, but it is not calculating, either. *Community* has a more rational tone, more reflective; it can be emotional with a vengeance but it implies organization, plan, prudence, calculation.

Given that warning, one might accept an interpretation that attributes the dimension of compassion in the philanthropic tradition to origins among the Jews and Christians of the ancient Near East, and the origins of the dimension of community to the Greeks and Romans of the classical period.

As a tradition in the Western world that emerged out of the cultures of the ancient Near East and the Mediterranean region, the philanthropic tradition is very old. It is difficult for us to think in terms of decades, much less centuries and millennia. It would be as easy to overestimate as to underestimate the importance of this fact: The philanthropic tradition is older than democracy, older than Christianity, older than formal education, perhaps as much as 2,000 years older than the oldest university.

The Philanthropic Dialectic

There is tension, even conflict, within philanthropy. We often say that philanthropy expresses a concern for others, but the two notions of self and other are inseparable. As the Mishnah asks:

If I am not for myself who is for me?
and being for mine own self what am I?
and if not now, when?

Philanthropy, in my view, occurs at the juncture of economics and religion; it may appear at the juncture of politics and religion as well. "A fence about riches is alms," according to the Mishnah: The philanthropic is a restraint on self-interest, selfishness, acquisitiveness, greed. The philanthropic is also a bridle on power; it introduces compassion into community, but--and this has become increasingly important in the modern era--it is also a goad to the public conscience.

Kenneth Boulding has been an important contributor for me in trying to think about philanthropy. The original title of his principal book on the subject is *The Economy of Love and Fear*. There is a dialectical tension between the two.

Boulding's notions of "love" and "fear" are revealing of our values. The late 1960s and early 1970s were filled with dramatic evidence of philanthropic acts motivated by fear. There is, in fact, a long history of arguments for helping the poor (more recently including the foreign poor) based on fear: If you don't feed them now, the angry mobs will rise up and destroy you.

Why do we make gifts to others? Boulding speaks of gifts without return, gifts that may bring satisfaction but no compensating material benefit. He calls them "one-way transfers of exchangeables." With the poetry that Boulding has always brought to economics (and everything else he writes about), he describes the two basic motivations as love and fear.

But there are other kinds of fear that motivate philanthropic behavior: fear of divine retribution, fear of loss of self-esteem, fear of not "living on" in your works after your death.

Love is an accepted philanthropic motivation; fear probably isn't; greed never is. An act of compassion might prompt gratitude; an act of fear is likely to inspire contempt. Some philanthropic acts seem to rise out of both emotions.

What is the place of guilt in our philanthropic behavior? It is certainly a powerful motivator for many people, as is the desire to have our works survive us. To what extent are we expressing guilt not about our own behavior, but for that of earlier generations?

Are other psychological forces at work-sublimation, for example?

Memories of one's own past needs might prompt sympathy for the needs of another later on. How others responded to you yesterday may inspire or deflate your inclination to respond to others tomorrow.

Similar arguments appear in philanthropic service to the Third World. If we help underdeveloped countries to educate themselves, they will be able to develop economically; if they develop economically, they will provide markets for our goods and we will buy more of theirs.

Some will then assume, though not out loud: "and then they will owe us something for helping them." Foreign aid is a way of buying allies, according to such a rationale; it often becomes an exchange of food for military bases.

Does the present generation in Western Europe "owe" the present generation in the United States for the Marshall Plan? Does one generation inherit the moral credit or guilt for the acts of an earlier generation? Do they inherit gratitude and resentment?

Can gratitude and friendship be bought? If so, why aren't we more popular? Is it because we've used our philanthropic resources for political purposes? People look at what we do and conclude that we are like the Water-man, in John Bunyan's *The Pilgrim's Progress*, looking one way and rowing another. Has the mixture of political, economic, and philanthropic motives simply won us a reputation for hypocrisy? Do we act from a sense of compassion and a concern for world community, or from fear and greed?

One-way transfers are not all philanthropic, but all philanthropic transfers are one-way.

Throughout the other chapters of Part I there is direct or indirect reference to the trade off between "mercy" and, 'righteousness," between compassion and justice. I won't expand on it here, except to offer a reminder that mercy and justice prompt very different responses: The anger of righteous indignation often overwhelms the tender concern of sympathy; mercy without justice may merely perpetuate the need for alms. Implicit in this dialectical tension are the struggles of the Roman Catholic Church in Latin America, to cite but one current example.

There seems to be an inexorable movement from the voluntary to the obligatory. It can be traced in the ancient books of the Jews, from a divine mandate to help the poor and defenseless to a precisely specified set of instructions about how much to give. (I would argue—although there is not room for it here that the roots of the philanthropic tradition are religious; a distinguished anthropologist tells me that religion is not necessary to explain philanthropic behavior. I think there is an important issue involved, and not just a semantic dispute.)

Can an act mandated by God be thought of as "voluntary"? Is a charitable gift that responds to social pressure to be thought of as "voluntary"? Can a voluntary sector dominated by paid professionals be thought of as "voluntary"? These questions weaken a bit what might otherwise be thought to be a comfortable generalization about philanthropy: *All philanthropic giving is private and voluntary.*

Those questions seem to lead to some troubling conclusions: that *state philanthropy* is a contradiction in terms, for example. Such questions also seem to imply the conclusion that *corporate philanthropy* is a contradiction in terms as well. (Some people like to contend that corporate philanthropy is a tax on shareholders and employees, a tax imposed without giving them a right to decline to participate.) The critics of the idea of "public altruism" make their case on the grounds of the missing voluntary dimension in mobilizing the resources in the first place. If the funds are not voluntarily given, but collected, their transfer to someone else is not voluntary, therefore not philanthropic.¹ The state and the corporation are thus seen to be agents in giving away "other people's money," yours and mine, as taxpayers and shareholders, as employees of government and of corporations. The purpose of the gift is not determining, in other words; it is the voluntary initiative that makes the gift possible that makes it philanthropic.

Is an act philanthropic if it means that you merely have discretionary use of funds not your own? What credit or blame, if any, carries over from a collective act to the individual's participation especially central participation in it?

¹ A friend of mine recalled Robert Sherrill's line that "military justice is to justice as military music is to music." Does this, he asks, provide a parallel to corporate philanthropy? Is corporate philanthropy to real philanthropy as corporate advertising is to literature?

If the government uses my taxes to pay for grants of food for starving Ethiopians, have I somehow participated in a charitable act? This is the other side of the argument of the good bishop who is withholding a share of his tax payments from the IRS to detach himself from arms expenditures by the government. The argument against the bishop is that he can't designate his taxes the way he might earmark a gift; the government may apply all the taxes the bishop does pay to armaments and apply none of it to welfare. That is the argument against my claiming a share in the aid to starving Ethiopians and denying a share of the military help to warring Salvadorans.

Is the voluntary dimension of collective giving by governments, corporations, and churches symbolic? Something that I read in an essay by a British theologian prompted this very awkward and troublesome question: "Does a Christian meet his Christian obligations to his fellow man by paying taxes in a welfare state?" (To phrase the question differently: Does a corporate employee share in the giving of his or her corporation in such a way that he or she can not only claim "I gave at the office," but even claim that "the office gave for me?")

Is it important? Americans allocate several hundred billions of tax dollars to welfare programs that include substantial sums for widows, orphans, and strangers as in ancient times, and for old age pensions, unemployment insurance, and other benefits of the modern era. If one expends 40%, say, of his or her gross income in taxes, and some substantial share of that is used for the poor, needy, and disabled (including some of those in other countries), why should one *voluntarily* give even more?

Answer: The requirements of compassion and community go far beyond what we are willing to tax ourselves for.

Must charity be coerced? In its simplest form, it says that the needs that we have sought to meet by voluntary giving in the past exceed what voluntary giving will ever produce. However we organize ourselves to raise money from private contributions, the demands of just economic distribution go far beyond what our voluntary efforts will generate.

The secular that is, long -term trend appears to be to shift the responsibility for the material needs of the poor from voluntary charity to public welfare. Compassion becomes bureaucratized.

The more recent trends would also indicate that efforts to improve the quality of life the dimension of community are also shifting from the private to the public sector, from voluntary to obligatory support of the arts, the humanities, the sciences, even to economically driven activities like engineering and technology.

The Works of Mercy

I speak with no authority about the work of St. Thomas Aquinas but I greatly admire his work and find it useful in thinking about philanthropy. The volume on charity in the *Summa Theologiae* includes a "question" on almsgiving, and introduces a perspective that spells out what is meant by being personally and directly engaged in philanthropic work. The Roman Catholic tradition divides almsgiving into corporal and spiritual works of mercy, and makes convenient lists of them that Aquinas reduces to a few words. (It is worth comparing this list with those from the Organizing Committee Report mentioned in the "Introduction.")

The corporal works of mercy "are summed up," Thomas writes, "in the verse, *Visito, poto, cibo, redimo, tego, colligo, condo* [visit, give drink, feed, rescue, clothe, gather, bury]."

"Then," St. Thomas continues, "there are the seven kinds of spiritual almsgiving that are usually listed: instructing the ignorant, giving advice to those in doubt, consoling the sorrowful, reproofing sinners, forgiving offenses, putting up with people who are burdensome and hard to get on with, and finally, praying for all." (*Consule, solare, castiga, remitte, fer, ora*, with the word *consule* covering both advice and instruction.)

The spiritual works of mercy cannot be wholesaled. We may be able to increase the amount and improve the distribution of corporal alms, but not the spiritual ones. Not, at least, if our purpose is to awaken and develop the moral imagination.

- Trevor Farrell is an 11-year-old from suburban Philadelphia who provides help to the homeless and derelict "street people" as part of a "family ministry." (*New York Times*)
- Since 1970 Lola Martin has run a program to provide volunteer tutors (whom she has trained) to help adults who cannot read or write. Lola Martin is herself legally blind. She has worked without public money, contributing from her own savings and raising money by selling cakes and crocheted dolls. Faced with loss of her storefront reading center, she said, "I was doing so good. I'm not ready to give up. I can't. There are too many people out there who need me." (*Newsday*)
- A volunteer at the Bowery Residents Committee center is himself a former derelict and alcoholic. "I've never felt so needed ... since working

here I've never felt so useful. I help people here as much as I can, but I help myself tenfold." (*New York Times*)

There is in such statements a reflection of experience that cannot be derived authentically as well as vicariously, merely from reading about it or observing it. Voluntary *service* is clearly critical to the philanthropic understanding.

Those who are personally involved speak to us with the authority of their witness; it may be the closest we can get to sharing the suffering we seek to alleviate.

We can attend to misfortune but we may also have to judge it: Not all sufferers are innocent.

In the mid-17th century, Jeremy Taylor attempted to elaborate on the lists of the corporal and spiritual works of mercy:

According to thy ability give to all men that need: and, in equal needs, give first to good men, and then to bad men; and if the needs be unequal do so too; provided that the need of the poorest be not violent or extreme: but if an evil man be in extreme necessity, he is to be relieved rather than a good man who can tarry longer, and may subsist without it.... The best objects of charity are poor housekeepers, that labour hard, and are burdened with many children; or Gentlemen fallen into sad poverty, especially if by innocent misfortune ... persecuted persons, widows, and fatherless children, putting them to honest trades or schools of learning ... And search into the needs of numerous and

meaner families: for there are many persons that have nothing left but misery and modesty. (P. 236)

Noel Timms, in his *Social Work Values*, discusses acceptance, self-determination, and respect for persons as positive values in social work, and identifies manipulation and paternalism as examples of "disvalues." The positive values are inseparable from personal contact; the disvalues thrive on the impersonal. It is only on the basis of personal involvement and understanding that we can make judgments of "desert," judgments of who should come first, judgments of when our help will be helpful and when it might undermine a tentative effort of someone to stand on his or her own feet.

Charles Loch and his fellow-Victorians are roughly treated in the literature, and "friendly visiting" became the target of scorn of authors like Charles Dickens. Yet in those days volunteers—presumably "delicate and sensitive ladies"—went into neighborhoods that even paid professionals are reluctant to enter these days. As many writers have pointed out (such as Kathleen McCarthy in her book, *Noblesse Oblige*), professionals replacing volunteers removed the necessity of direct contact between the rich and the poor, between the haves and have nots, the comfortable and the distressed.

To what extent do the personal needs of donors for self-esteem affect the integrity of the relationship with recipients? The resentment of "bureaucrats" makes it clear that relationships free of the germs of emotion are empty in part because of their antiseptic quality. Where can we turn for an appropriate perspective?

I am an admirer of Adam Smith's *The Theory of Moral Sentiments*. One of the intriguing ideas in it is that of the "impartial spectator"—the notion

that we should conduct ourselves as if there were an impartial spectator, fully informed, observing us. Our self-respect should be based not on how other men actually judge us, but how they would judge us were they to be in the position of the impartial spectator.

To what extent are these intimate personal connections appropriate to the dispassionate work of philanthropy? They seem unavoidable in charitable relationships that grow out of hardship and call for sympathetic understanding. How well do they apply to the philanthropic relationship—in the arts, say, or in education? The impartial spectator idea works there, too, but we have less of an understanding of the protocol. Our expectations of ourselves and of those with whom we deal are less well established.

For that reason, some applicants behave as supplicants, and some grantmakers affect the airs of patrons.

Methods of Philanthropy

There is a "norm of reciprocity" that governs our lives. A personal gift, once accepted, is likely to lead to an effort to return the favor. Some cultures have built elaborate structures of relationships around such gifts. More familiar to us is the tradition of mutual aid, the voluntary associations in which people contribute as a form of group insurance against the needs of members—assuming some equity of distribution, but not insisting on it.

If I help you with a loan when you're in distress, you not only have an obligation to repay me, you take on an obligation to make a loan to me should our circumstances be reversed. Carried further: If you don't ever

need the loan from me, perhaps another will; my assistance to you is expected to serve as a model for your assistance to others later on. *Pass it on* is one of the philanthropic commonplaces of our culture.

Who knows where it will end? A scientist, I'm told, has written an article asking, when does an experiment end? A literary critic has asked, when does a poem end? When does a teaching" end? When does a good deed end?

Self-help is another commonplace: "God helps those who help themselves" is trite for good reason. It is the central value of a culture that puts a premium on individualism. If these things ring true:

First, there is the ultimate moral principle of the supreme and intrinsic value of the individual human being....

Distinct from the first idea is a second: the notion of individual self-development....

The third element of individualism might be called the idea of self-direction, or autonomy....

The fourth unit idea is the notion of privacy, of a private existence within a public world. (Steven Lukes, "Types of Individualism.")

If these things incur your assent and agreement, then self-help is obviously a central factor in your understanding of philanthropy. It is, as Maimonides put it in the 12th century, and as Rockefeller echoed early in the 20th, the highest form of charity to help someone become self-supporting and self-sustaining. It is the core idea of the effort to achieve

equality of opportunity; the assumption is that one is owed no more—has no right or just claim to more—than a chance to help himself or herself.

There is an important implication in the emphasis on self-help: The least worthy condition in life is that of dependence on others.² Adulthood is the time of freedom to stand alone, liberated from dependency. "Liberation" in "liberation movements" is liberation from political or economic oppression in order to achieve a level of self-sufficiency.

Is it any wonder that *charity* as almsgiving became a word of shame? Is there any wonder that accepting aid becomes demeaning? If individualism and self-reliance are supreme values, dependency implies disgrace. Large numbers of people who are eligible for public assistance refuse it because their pride—their belief in individualism and self-help—prevents it. "I'd rather starve" is a statement sincerely felt by those to whom being able to stand on one's feet is more important than anything else. (Another variant appears in ethics courses in the questions about the man who steals a medicine to save his child's life, rather than let her die because he can't pay for it. Is the pharmacist culpable for not giving the medicine away in those circumstances? How could such circumstances exist in the first place?)

The asymmetries of the human condition, the mismatches of needs and resources, wants and abilities, desires and power, are corrected in three ways: by self-interest; by rights guaranteed by the state; and by philanthropy.

² There are said to be mendicant religious orders in the East whose dependence on alms helps their benefactors gain entrance to heaven.

Welfare Issues

At the turn of the century there was an intense intellectual struggle to shift the burden of responsibility for such conditions as poverty from the individual to the society. The struggle has broadened to become a principal theme of contemporary society; it continues to be one of the main agenda items of political parties. As many commentators have observed, the argument has shifted attention from individual responsibilities to individual rights: Where past generations made claims that were too great for many individuals to meet, many in the current generation make claims of rights that exceed the ability of the state to provide.

In 1895, C. S. Loch of the Charity Organization Society in England said this:

The truest charity often lies in the righteous fulfillment of duty, whether personal or public; and next to it must often be placed that charity which is vigilant to see duty done....
Charity that helps others to do their duty is the most genuine and salutary.

The best way to help people who have neglected their responsibilities to themselves and to their families is to put them back on the right track, to call them back to their duty. There is an assumption that among any number of people who are idle, some are idle by choice. They are perhaps supported by others—not by relatives or friends, but by strangers. Some are idle by birth defect, accident, or lack of opportunity; others are idle by self-indulgence. One approach is to deal with the problem presented by the

idlers (some of whom don't want our help) by trying to reform them; another is by trying to reform society. In American history, one can read about the debate under the heading of the "Social Gospel" movement in the religious literature, and in the histories of the reforms of progressivism in the political literature.

One can read about this debate more currently, too, in the pages of *To Promote Prosperity*, for example, a study of domestic policy by the Hoover Institution, and in *Beyond the Waste Land*, a wide-ranging critique and "democratic alternative to economic decline . . ." by the three most interesting economists of the left in the United States—or any where today' " (according to John Kenneth Galbraith). The Hoover Institution excerpt that follows deals only with the issue of poverty and welfare; the page drawn from *Beyond the Waste Land* is the authors' outline of their proposed agenda of reform.

TOWARD WELFARE REFORM

Welfare reform is urgently needed. But to achieve reform there first must be widespread agreement on the general principles that shape and govern the welfare system. The following four principles seem eminently reasonable:

- 1.** *Most people can and should take responsibility for supporting themselves and their families.* In the absence of physical or mental impairment, individuals should perceive that society expects them to support themselves and their families, and this perception should be reinforced by the operation of the welfare system.

2. *Short-term help should be available to many; long-term help should be reserved for a few.* A humane welfare system is one that readily provides temporary and emergency help to those in need. A responsible welfare system is one that provides permanent help to only the very few who cannot support themselves.

3. *The welfare system should not encourage the breakup of the family.* Family members should not find it in their economic self-interest to dissolve the family unit. One of the reasons why families exist in every culture is that there are economic advantages to specialization and division of labor within the family. The welfare system should not undermine these advantages.

4. *The goals of the welfare system should be achieved at minimum cost.* As with every other social goal, it is in our self-interest to find the most effective ways of operating welfare based on these principles.

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AN ECONOMIC BILL OF RIGHTS

I. Right to Economic Security and Equity

1. Right to a Decent Job
2. Solidarity Wages, Comparable Pay, and Equal Employment Opportunity
3. Public Childcare and Community Service Centers

4. A Shorter Standard Work Week and Flexible Work Hours
5. Flexible Price Controls

II. Right to a Democratic Workplace

6. Public Commitment to Democratic Trade Unions
7. Workers' Right to Know and to Decide
8. Democratic Production Incentives
9. Promoting Community Enterprises

III. Right to Chart Our Economic Lives

10. Planning to Meet Human Needs
11. Democratizing Investment
12. Democratic Control of Money
13. Promoting Community Life
14. Environmental Democracy
15. Democratizing Foreign Aid
- IV. Right to a Better Way of Life
16. Reduced Military Spending
17. Conservation and Safe Energy
18. Good Food
19. A National Health Policy
20. Lifetime Learning and Cultural Opportunities
21. Payment for Home Child Care in Single-Parent Households
22. Community Corrections and Reduced Crime Control Spending
23. Community Needs Information and Reduced Advertising Expenditures
24. Equitable Taxation and Public Allocation of Resources

(Samuel Bowles et al., p. 270)

I chose these two examples, despite their incomparability, because they are current and because they reflect sharply contrasting perspectives. I chose them, too, because each of these positions seems to me to be further from the middle than close to it. More extreme positions often have the advantage of showing how the consequences of ideas work themselves out as they are carried further toward their implied conclusions.

The struggle implicit in "self-help," as discussed earlier touches the most sensitive nerve of the philanthropic tradition. The continuing public policy debates are carried on, however, largely without reference to the philanthropic tradition, or in ways that simply draw on it for ammunition (by both sides). The issues are so important that they are considered broadly political—the Hoover Institution underwrote one study and the Progressive Alliance inspired and supported the other—yet there remains great difference of opinion about how directly ideas developed with philanthropic resources should influence political decisions.

The Dynamic of Philanthropy

The section on the "dialectic" of philanthropy stressed the tension between paired ideas and values. There is also a dynamic visible in the tradition, one that struck me first in reading about the early religious expression of these ideas.

The response to particular suffering amid widespread suffering probably meant that emotional sensitivity to the needs of others was a gradual but profoundly significant development. Two kinds of response may have appeared over the centuries: first, a spontaneous reaching out beyond the family, clan, or tribe to defenseless strangers; then a move to make that response more reliable, less quixotic.

My working hypothesis is that there is an inherent tendency in philanthropy to move from the spontaneous to the planned, from the impulsive acts of individuals to the organized acts of groups. That dynamic imposes order and reason on a powerful but notoriously unreliable emotion.

There is certainly anthropological evidence that I don't know about that would help to support or disprove such a hypothesis. The history of religions might reveal, in its study of tithing, how the voluntary gift was transformed into the coercive power of a tax. Philosophers could help me out of my confusion about the question of free will and its place in the voluntary act. Historians will correct my reading of the emergence of the Poor Laws in England, a still confusing history for the layperson of public and private, coercive and voluntary measures to cope with economic and social change. Political economists and others working on problems of the poor countries of the world are trying to find ways to link relief and development, to build on acts of mercy to create the means to avoid recurrent tragedy.

The modern expression of this dynamic is expressed in language more familiar in western Europe than in the United States: from "sentiment" or "privilege" to "right." The accepted interpretation of modern history among Europeans who hold such views sees the emergence first of basic political rights followed by equally valid basic economic rights.

My hypothesis is intuitive and tentative; what it seeks to provide is a framework for discussion of certain central issues for philanthropy: what should be voluntary and private, and what should be the role of the state. You should also bear in mind what I have passed over, and thought too little about as yet: how things sometimes flow in the other direction.

Gathering and Dispensing Organization, Leadership, Participation

There is another inseparable pair we should always keep in mind but seldom do: fund raising and grantmaking. Those are the most familiar aspects of two much more complex forms of philanthropic activity: Organizing determines the purpose; recruitment brings together the people who make things work; fund raising is essential to both.

There has been much less attention paid to the organizational aspects of grantmaking: Edwin Whitehead is only the most recent millionaire to claim that giving money away is more difficult than acquiring it in the first place. But planning and organizing are essential aspects of bringing resources to bear on problems. Without them there will be harm done rather than good, and certainly there will be waste rather than efficiency.

Organization requires leadership. The problems of leadership are important because the genius of American philanthropy—and of modern society generally—is organization.

In order to organize, one has to persuade others to come together in some common pursuit. That is the function of leadership. In order to enable the people who come together in the organization to pursue their goals, money has to be raised. All that is true of private, for-profit activity, too, of course; the differences lie in what happens to the surplus of income over expenditures.

We can't divide simply by purpose, although purpose is an important element: Education, health, the arts, and most of the other things that fall in the independent sector have private, for-profit counterparts. A discussion of particular tension now is that of competition between for-

profit and not-for-profit organizations offering similar services. The expenditures go for similar things: salaries, telephones, heat, word processors.

That controversy is mild compared to the struggle between services provided by government in competition with services provided by not-for-profit institutions. The best publicized controversy is in higher education, but there are serious disagreements in the health field as well.

How should such differences be resolved? Who speaks for the public interest in these matters? Politicians? Professionals? Trustees?

Democratic values have tended to reward modesty and to punish boldness; we may have created an environment in which anonymity—rather than modesty—is a virtue. An environment based on consensus is one that muffles the subtleties that would be revealed by disagreement. It presents to the outside world a deceptively bland consistency that the Russians, for example, seem to consider the highest form of social discourse.

Max Weber said that authority is based on one of three factors: tradition, charisma, and legality. I've come to the conclusion that *in a society that minimizes the past, tradition is no longer a guide; in a society that makes anonymity a virtue, leadership fades away; in a society that is governed not by laws but by legalism and litigiousness, life is bureaucratized.*

Independent sector organizations have more problems of democratization than do business corporations and government agencies. The dependence on voluntary participation means that paid leaders often risk stepping on the egos of volunteer leaders, leaving the volunteers in the dank shadows while claiming the place in the warm and nourishing sunshine for themselves. Volunteers, who are often people of great distinction and

accomplishment in other spheres of activity, sometimes seek personal visibility by intruding on the proper terrain of the professional.

Some Preliminary Conclusions

Interrupting the commentary on the outline, some interim conclusions come to mind:

1. Philanthropy is an important theme of "the social history of the moral imagination." It is easy to lose sight of the moral dimension in the profusion of our activity—unlike a kaleidoscope, there is no way of shaking it down into some pleasing and rational pattern that might be called "moral."

2. There may be more efficient ways to allocate resources than the philanthropic. There may also be allocation procedures that achieve a more equal, even a more just and equitable distribution of wealth and services. If we focus on distribution, there are simply better alternatives than the philanthropic.

To choose philanthropy is to choose an option that has virtues that the marketplace and government lack—in some circumstances. The crucial difference is the voluntary dimension, and not simply doing something that may benefit others, because that can happen as an externality of our self-interest in the marketplace or as the result of redistribution of wealth by taxation.

3. The irreducible core of the sector is its voluntary dimension. By organizing our society so that important work depends on voluntary action, we activate the moral imagination. We employ the model of

voluntary action as a means of teaching virtue: of caring for others, in its simplest and most familiar expression. Voluntary participation, however, must be more than reflex action, more than a once-a-year initialing of a payroll deduction form. Voluntary action must engage us personally and directly if it is to shape our values, beliefs, and principles.

Defining "Public Interest"

The independent sector offers a miscellany of activities that range from the most profound to the extremes of inane triviality. Senator Proxmire would find countless candidates for his "Golden Fleece Award" in our sector. To justify the sector in terms of purpose is to risk controversy at times, even ridicule.

Under the definition of not-for-profit, philanthropy provides an array of goods that allegedly will not be provided in sufficient measure by the marketplace or with sufficient discrimination by government. Such goods tend to be those that have no strong economic or political force behind them: reruns of old "Honeymooners" episodes at the Museum of Broadcasting; the preservation of a log cabin on Long Island (built in the 1920s, but Annie Oakley, Vernon and Irene Castle, and Will Rogers may have slept there); a study by a public policy foundation that argues that population growth is a 44 great triumph of humankind" even now; the *Encyclopedia of Southern Culture*, with biographies of race driver Richard Petty, novelist William Faulkner, and so on.

There is one now-famous question about the services that the marketplace, government, and voluntary service might each provide, a question that probably has become the best known question about philanthropy: How do

we structure the relationship between donor and recipient when the gift is blood?

The contribution of blood is the most dramatic gift, yet one that has become routine in our society. A full-page advertisement in the New York Times is dominated by a photograph of eight people, each with a sleeve rolled up and holding a small piece of white cloth against the crook of the arm:

THESE TOP EXECUTIVES PROVE THEY DON'T
HAVE ICE WATER IN THEIR VEINS

You're looking at people with responsibilities like Chairman of the Board, President, and CEO.

But each one of them has a greater responsibility. The responsibility to life.

That's why they've volunteered to be the leaders of this year's blood donor campaign.

A baby is in open heart surgery. A little boy has leukemia. A grandmother is hit by a car.

Hour after hour, there are people here, neighbors, who are fighting for their lives.

They need you to join the fight. By giving blood. It's true, they won't know who you are. But you will.

LIFE IS WORTH FIGHTING FOR.

GIVE BLOOD.

The Greater New York Blood Program

All of the crucial elements are there: organization, volunteers, and money. Contributions of service, talent, and money are described in order to persuade donors to give their very blood, even for strangers. Moral purpose, voluntary action, and demonstrable need are present. If voluntary contributions fail to provide the supplies of blood that are needed, would a plan to buy blood work better? Should we organize a publicly funded national blood bank, centralizing in a single place information about the whereabouts of people with particular types of blood, and *require* them to give it when it is needed?

The Gift Relationship by Richard Titmuss started this debate years ago; *Tragic Choices* by Guido Calabresi and Philip Bobbitt is an interesting place to pursue the question further. Is the denial of the gift of blood when the consequences of the denial may be tragic a choice that society should permit professionals to make, or should we democratize the decision process?

Fund Raising

There is an abundant literature on how to raise money. It is a practical literature, written largely by practitioners. It rarely asks questions that might stir doubts or second thoughts in the minds of those it is intended to persuade. Much of it is written in a tone similar to that William James talked about in describing "the religion of healthy-mindedness." (Not all positive thinkers are good salespersons, but all good salespersons are positive thinkers.)

There are those, on one extreme, who consider fund raising enjoyable; they are in the minority. Most people don't like to ask other people for money; the trouble is that an attitude like that threatens a system based on voluntary contributions—of money, time, expertise, even of blood. One evidence of this may be in the trend that one professional fund-raising consultant called to my attention: the increasing reliance on direct-mail fund raising that eliminates the need for volunteers. The dramatic success of some efforts to raise money using televised appeals—World Vision is one of the best-known examples—suggests a further erosion of direct, personal, volunteer-to-volunteer fund raising.

Most academics detest fund raising; they often treat the campus fund raising staff with ill-concealed disdain. The attitudes that work in fund raising don't work in scholarship; fund raising brings commercial values and commercial practices onto the campus; commercial values are thought to infect everything they touch with a corrupting profit motive; commercial techniques undermine the esteem in which scholarly work is held by the general public.

Yet only a few academics know much about fund raising, and most academics have not thought very much about the philanthropic relationship. They seem to be surprisingly willing to rely on opinion and anecdote in passing judgment in these matters—to an extent they would consider unpardonable in their own fields of specialization.

I don't know whether distaste for fund raising is the cause, but *the most serious barrier to public education we face in this field results from the widespread ignorance of the philanthropic tradition among college professors.*

In spite of such lack of support intellectually and educationally, those engaged in fund raising professionally are striving to raise standards, to become more "professional," to provide better training and "mentoring" for young people entering the field. Part of their efforts reflect their understanding that fund raising is often betrayed by the outrageous practices of some who find their way into it; the future of the serious professionals depends on raising the average level and finding ways to screen out the hustlers and con artists. (Disreputable fund raising often colludes with dishonest giving; some schemes are possible only because they are collusive.)

There is a vast gulf between donors and fund raisers; there is not sufficient mutual respect based on shared knowledge and purposes. Fund raisers and donors too seldom realize that they are participants in one enterprise, not two.

The Philanthropic Agenda

EDUCATION

There is a recent and well-publicized example of the problem in the reports of conflict as well as competition between the public and private sectors of higher education. (Please bear in mind that neither term accurately describes either sector: Public institutions receive private funds and private institutions receive public funds.)

In the face of projected sharp declines in enrollments, private colleges and universities think they will be priced out of business by artificially low tuition charges in public institutions. Public institutions believe that they are already expected to do more in service to the public than the public

provides funds for. Both sides argue their case in terms of the American tradition and the public interest.

Least often examined is the public policy question of how higher education should be organized in this country. The Hoover Institution and the Progressive Alliance will come to different conclusions and will seek to elicit our agreement. The independent sector becomes a useful source for generating prospective answers to such public questions, and it usually does so long before political parties decide to make particular recommendations or legislators are willing to risk re-election by proposing legislation.

Compassion is a powerful force in addressing issues of welfare; community is the determining influence in addressing issues of education. Compassion is determining in issues of the health of individuals; community values guide us in dealing with public health problems. Cultural and public policy question are almost exclusively matters building on the value of community.

When we tackle the question of who should go to college, for example, to study which subjects for how long, and who should pay for it, we are dealing not so much with mercy as with freedom and justice, with equity and excellence, with personal advantage and private as well as public gain.

Philanthropy can be helpful in supporting public discourse about the economics of our system of higher education. Philanthropy cannot be expected to solve the problems themselves. The base budgets of colleges and universities are met by income derived from enrollments, primarily, whether the institutions are public or private. Philanthropy works at the margin; it deals with special problems, it can help to introduce important improvements in quality, it can underwrite some experimentation and

innovation. Philanthropy cannot replace tuition income and public allocations.

In that context, consider the role of philanthropy in shaping higher education today. This array of news was reported, for example, in the August 1984 issue of *The Chronicle of Higher Education*:

- A federal panel appointed by the U.S. Department of Education has concluded that Fisk University will require "bold steps" if it is to survive. Specific recommendations are forthcoming.
- The Law School of the University of California, Berkeley has set up a graduate program on "jurisprudence and public policy."
- Florida Memorial, another black college like Fisk, "rebounds from hard times," according to a *Chronicle* headline.
- "Recent legislative changes in the Tax Code that place new levies on the tuition benefits that employers provide to their workers should be repealed, educators and business representatives told Congress last week."
- The McKnight Foundation advertises its Black Doctoral Fellowship Program in the Arts and Sciences, Mathematics and Engineering.
- "Princeton University," reports the "Ideas" column, "has completed the first year of a three-year project aimed at improving the university's relations with the parents of students and involving them in the life of the university in much the same way alumni have been involved in the past."
- An advertisement for "innovative approaches utilizing hypnosis and hypnotic communication in professional practice" carries this note: "Tax

deduction: An income tax deduction is allowed for educational expenses (including tuition, travel, meals, and lodging) undertaken to maintain and improve professional skills."

- The regular "Gazette" section headline reports that "U. of Washington and U. of Pennsylvania Get IBM Computer Equipment Grants."

The common thread would seem to be the action and interaction among government agencies, private business, and the philanthropic sector—including a reminder of the private as well as public interests of philanthropic institutions. The list also illustrates the fearful complexity of the system and the challenges to people within it to make it work.

CULTURE

Culture and the arts are not much simpler:

London, August 14 (AP)—Last minute donations by a British fund and a son of the late billionaire John Paul Getty appear to have saved a treasured painting from leaving Britain for the J. Paul Getty Museum in California.

The 14th-century work, *The Crucifixion of Jesus*, attributed to the Sieneese master Duccio di Buoninsegna, was scheduled to leave Thursday unless \$2.36 million was raised to match the price of the Getty Museum. The work has been in Britain since 1854.

So much for a painting? What is the son of the Getty fortune doing—bidding against his late father? ("It's widely known the family

relationship was not as warm as it might have been,” according to the director of the National Arts Collections Fund.) Why did the picture go to Britain from Siena 130 years ago—because no one was around to pay to keep it there? Are we in some kind of bidding war with Britain? With everybody?

A recent story about Patrick Hayes, the "cultural impresario" of Washington, DC, described Mr. Hayes's efforts to bring Washington up from the level of a "cultural wasteland" as he had found it when he established the Hayes Concert Bureau in 1947. He is also considered the founder of the Washington Performing Arts Society in 1966, an organization that presents a full season at the Kennedy Center, while sponsoring over 700 free concerts in schools each year.

The Getty Museum competes with a museum in Britain; Washington, DC competes with other cities; all are seeking to escape the charge of being a "wasteland." Those who have been arguing for a national industrial policy should know that there are advocates of a national arts policy; there is a new council that is intended to play a role for the arts equivalent to that of the Foreign Policy Association and the world affairs councils.

The painter Lee Krasner, who died in June 1984, widow of the late Jackson Pollock, left funds in her estate to establish a public museum in the house and studio that she and her husband occupied in East Hampton on Long Island. The museum would display works by Pollock and Krasner as well as provide funds for study and research on the work of other Long Island artists.

The Pushcart Foundation, in cooperation with The Literature Program of the National Endowment of the Arts, advertised recently in the *New York*

Times Book Review Section its "Writer's Choice," "a monthly listing of the best in contemporary literature as selected by today's outstanding writers."

In the arts, as in science, education, and health, the philanthropic presence comes mixed with marketplace and government influences and pressures.

We have democratized the arts in recent decades, investing in a wide variety of efforts to make the arts more accessible to the general public. Outreach efforts often extend overseas: Citibank recently sponsored an Asian tour of the New York Philharmonic that met with intercultural controversy in Indonesia along the way. (Should a host government have the right to dictate to a visiting American orchestra the content of a concert program?)

Hardin's Law applies to philanthropy, too: *You can never do merely one thing.*

Why ask for such trouble? Why do people—individuals, foundations, corporations, even government agencies, in a sense—continue to volunteer? Why do people stick their necks out voluntarily in a society that will just as readily punish and ridicule them as it will praise and reward them for doing so?

Are we less respectful and more skeptical about volunteers than we used to be? Are the psychic rewards that people so often talk about diminishing? (The question of volunteers and professionals is discussed again in the section "Philanthropy as a Vocation.")

Further Preliminary Conclusions

The most serious problem facing the sector is not its lack of compassion, but its lack of community. There seems to me to be a deficiency in interest as well as of understanding of the system as a whole. That is itself understandable, given its extraordinary complexity. But if the result is a system so fragmented that its professional cadres are concerned only about their narrow field of interest and activity, the system as a whole becomes vulnerable to alternative solutions.

We are not philanthropic about philanthropy: We are too tightly bound to our own self-interest. We act as if we believe that in philanthropy, too, as in the marketplace, an invisible hand will guide our individual activities toward a common end.

Basic questions of tax policy toward philanthropy are perhaps the only questions that result in collective action and concern. We know little and talk too little about the values that we might share—whether the terms of *compassion* and *community* that I've used here are truly descriptive, for example, or whether they are merely euphemisms for other words that don't carry much impact any more.

My own convictions on the importance of philanthropic tradition are fairly strong. I have confidence in the marketplace and in government to provide many of the important things in life and in American society, but I am persuaded that philanthropy is simply essential to the survival of this country as a free, open, and democratic society. The interaction among the sectors helps to offset and limit the imperfections of each.

I say something more on this subject in a separate discussion on values elsewhere in this book ("Philanthropy and Its Discontents"). I mention it here because I believe that getting this far means going further. My commentary, questions, and opinions are certainly different from yours; what I hope this overview accomplishes is to bring your ideas to bear on what has been said. That will make this a joint effort to improve upon what both of us understand.

Chester Barnard brought out the dimensions of organization and system that we must hold firmly in mind as we think about the philanthropic tradition and our places within it. In *The Functions of the Executive* (still in print since publication in 1938), he wrote: "This general executive process is not intellectual in its important aspect; it is aesthetic and moral."