HOUSE OF LORDS

Library Note

Debate on 2 December: Philanthropy

This Library Note provides background reading for the debate to be held on Thursday 2 December:

"The case for encouraging philanthropy"

The Note provides statistics on philanthropy, outlines perspectives on the case for and against encouraging philanthropy, discusses obstacles which may prevent philanthropic giving and describes Government and other initiatives which have been taken to encourage philanthropy in the UK.

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1. What is Philanthropy?

The *Oxford English Dictionary* defines philanthropy as “love to mankind; practical benevolence towards men in general; the disposition or active effort to promote the happiness and well being of one’s fellow men”. In terms of its current usage, Cathy Pharoah, co-director of the Centre for Charitable Giving and Philanthropy, points out that “the practice of philanthropy means different things in different cultures”. However, she suggests, its common meaning is “activities of voluntary giving and serving to individuals and communities beyond one’s family” (Cathy Pharoah, *Family Foundation Philanthropy*, July 2009). A more narrow definition is applied by the Institute for Philanthropy which states “philanthropy is the investment of private capital for public benefit”. The Institute differentiates between philanthropy and charity, suggesting that “charity is reactive to immediate need, such as aid in the event of famine; the donor’s giving is essentially transactional, in that he or she writes a cheque to the beneficiaries and has no further involvement”, whereas “philanthropy is proactive and outcome-led; it influences or creates systems that deliver broad change beyond a limited number of beneficiaries” (Institute for Philanthropy website).

For the purposes of this Note, philanthropy will be defined as the practice of private individuals, corporations or voluntary organisations giving money to public causes. This is to be distinguished from public giving to public causes, in other words Government funding for international aid or public services.

2. Statistics on Philanthropy in the UK

The *UK Civil Society Almanac 2010* suggests that the voluntary sector receives most of its funding from individual donations. According to *UK Giving 2009*, a report produced by the National Council for Voluntary Organisations and the Charities Aid Foundation:

> The majority of adults in the UK gave to charity in 2008/09: 54 per cent donated in a typical month, equivalent to 26.9 million adults. The proportion of adults giving is two percentage points lower than in 2007/08. The recession has effectively driven the participation rate back to 2006/07 levels. In real terms, this decline in participation equates to 774,000 fewer donors in a typical month.
>
> (National Council for Voluntary Organisations and Charities Aid Foundation, *UK Giving 2009*)

The report estimates that the total amount donated by individuals was £9.9 billion in 2008/09. This is less than in 2007/08 when £11.2 billion was donated (after adjusting for inflation) but a similar amount to that given in 2006/07, when £10.3 billion was donated. The report goes on to explain that “the recession has not changed the causes that donors choose to support”:

> The top three causes donors support are medical research (20 per cent), hospitals and hospices (15 per cent) and children and young people (14 per cent). The proportion giving to these causes has remained relatively stable over the past few years, suggesting that the recession has had little or no impact on the popularity of these causes.
>
> (*ibid*)

The *2008–09 Citizenship Survey: Volunteering and Charitable Giving Topical Report* (29 April 2010), also offers insights into the level and nature of individual donations to charity. It found that "people who regularly participated in formal or informal volunteering were more likely to give to charity than people who were not regular volunteers".

The *Coutts Million Pound Donor Report 2010* aims to collate data on "the largest charitable donations made in the UK each year", including those made by individuals, charitable trusts and corporations. The report's author suggests "this is a difficult topic to research and it is likely that some donations will be missed, as no donor or recipient is under any obligation to share with us—or indeed any other body—the occurrence, size or destination of philanthropic transactions". She also cautions that "undue weight should not be placed upon year-on-year trends as the 'universe' of million pound donors is very small... Therefore, what may appear to be a significant development (in either a positive or a negative direction) may simply reflect the decision of one or two donors to make, delay or withhold a donation within any given financial year". However, with those caveats in place, the report suggests:

> 201 charitable donations worth £1 million or more were identified in 2008/09, with a combined value of £1.548 billion. This represents the largest number of separate 'million pound donations' in the three years we have been collecting this data. The total value of these donations is £143 million higher than the previous year, but £70 million less than the total recorded in the first year of this study.
>
> The number of individuals and institutions making million pound donations has dropped from 102 in 2007/08 to 95 in 2008/09—despite the value of their donations increasing from £1.405 billion to £1.548 billion. This means that the number of donors willing or able to commit £1 million or more has dipped, but the average value of their donations has risen.
>
> (Beth Breeze, *Coutts Million Pound Donor Report 2010*, 11 November 2010).

Family Foundation Philanthropy looks at family foundation giving in the UK. The report suggests that:

> There are around 10,000 UK foundations whose main purpose is grantmaking. Total giving of the largest 500 of these, who account for the vast majority of giving through foundations, is worth £2.7 billion if the Big Lottery is included, and £2.1 billion without it. The assets of the largest 500 are worth around £33.5 billion.
>
> (Cathy Pharoah, *Family Foundation Philanthropy*, July 2009)

The Charities Aid Foundation report *Charity Trends 2007* found an upward trend in the charitable donations of the top 500 companies, suggesting that "in 2005/06, the top 500 corporates donated over £1.1 billion, which is a real-terms growth of 3.6 per cent". The report suggests "the banking sector dominates the top 500's giving". An update to these figures will be published shortly. Please see the Charities Aid Foundation website at www.cafonline.org for details.

3. Statistics on Philanthropy in the World

It is difficult to compare philanthropy across the world because countries measure charitable giving differently. However, the Charities Aid Foundation have attempted to measure attitudes to and levels of charitable giving by producing a *World Giving Index*. This report suggests that 30 per cent of the world's population gives money to charity, and identifies Australia and New Zealand as the most 'giving' countries in the world, with the United Kingdom ranking eight in the list. It also offers a comparison of the amount which people donate to charity in relation to their country's GDP.

In 2006 the Charities Aid Foundation published another paper, *International Comparisons of Charitable Giving*, which compared individual giving across the world. This report found that the amount individuals give to charity varies from 0.14 per cent of GDP in France to 1.7 per cent in the US, while the UK records the second highest percentage at 0.73 per cent, not including legacies and trusts or any tax-recovery (Charities Aid Foundation, *International Comparisons of Charitable Giving*, November 2006).

In May 2010 a United States think tank, the Hudson Institute, produced an *Index of Global Philanthropy and Remittances* which collated data on the amounts that different countries donated to international aid including both Government spending and private donations. It found that in 2008 the United States Government gave 0.19 per cent of national income in aid whereas United States citizens' private philanthropy to developing countries added another 0.26 per cent, making the figure 0.45 per cent in total. The report suggested the equivalent figure for the UK was 0.67 per cent. The report's authors argued that "developed countries provide far more to the developing world through private actors than through Government aid. Private investment, remittances, and private philanthropy far exceed Official Development Aid".

Family Foundation Philanthropy provides information on differing levels of philanthropic activity from family foundations. It suggests that:

> US charitable family foundations give more than those in the UK and the rest of Europe combined. The largest 100 family foundations in the US gave over £3 billion in 2004/05, well ahead of their counterparts in the UK at £908 million and the rest of Europe at £1,257 million.
>
> (Cathy Pharoah, *Family Foundation Philanthropy*, July 2009)

The Charities Aid Foundation America attempts to measure the impact of the recession on charitable donations worldwide in *The Recession and Global Giving* (December 2009).

4. The Case for Encouraging Philanthropy in the UK

The Government has recently announced that it intends to make public spending cuts of £81 billion over the next four years (*Spending Review 2010*, 20 October 2010). This has implications for the voluntary sector. 13 per cent of charities in the UK receive over half their income from the Government, and for some this figure rises to more than 90 per cent. Total Government funding to the voluntary sector amounted to £12.8 billion in 2008/09—a third of the sector's income (Iona Joy, *Preparing for Cuts*, New Philanthropy Capital, October 2010). In the wake of the Spending Review, New Philanthropy Capital has predicted that the voluntary sector's income will decrease by "between £3.2 billion and £5.1 billion" (Iona Joy, *Preparing for Cuts*, New Philanthropy Capital, October 2010). *Civil Society Finance* magazine have produced a guide to the effect of the Spending Review on the voluntary sector: 'At a glance: Departmental spending cuts and their effect on the sector' (Vibeka Mair, *Civil Society Finance*, 21 October 2010).

While statutory funding streams are falling, private funding for charitable causes has also decreased. According to a briefing produced by the National Council for Voluntary Organisations and Charities Aid Foundation, *The Impact of the Recession on Charitable Giving in the UK*, "the total amount of charitable giving has declined during the recession, down by 11 per cent from 2007/08. A combination of fewer people giving and smaller average donations has led to the decline". In particular, they found that "during the recession, donations from people in managerial and professional occupations have declined, as well as giving by people in the top-half of the income distribution". A survey this year discovered that 44 per cent of respondents had considered reducing their spending on charitable donations because of the recession ('Donor attitudes to giving in the credit crunch Monthly Monitor Report', Just Giving, May 2010).

In this context, the Government has called for an increase in philanthropic spending. In a speech in May 2010, Secretary of State for Culture, Media and Sport, Jeremy Hunt, called for philanthropists to support the arts: "In the tough public spending environment we now face", he said, it would be necessary to "shift to a society with a deeper commitment to cultural philanthropy". Civil Society Minister Nick Hurd said last year that he wanted to "create new 'social norms' around higher levels of giving, both of time and money" ('A Manifesto for Philanthropy: Giving on the Political Agenda', Philanthropy UK, December 2009). In September, Jeremy Hunt praised Lord Sainsbury's philanthropic work, and urged others to follow his lead, suggesting: "John Sainsbury's generosity is a fantastic example of the potential there is to boost philanthropy." ('Wealthy urged to follow Lord Sainsbury's philanthropic lead', *The Guardian*, 12 September 2010).

There is evidence to suggest that there is an increasing appetite for philanthropy among wealthy individuals in the UK. A report published by Barclays Bank claims that "we are at the beginning of a new age of philanthropy". Their research found that wealthy people "consider philanthropy as a key expense. They would sooner give up comforts including luxury goods, staff, eating out and holidays, before cutting back on their charitable giving". The report predicts that in the next few years:

> Some wealthy individuals will increase their funding of charitable causes, as they realise charities may face a shortfall in donations during a downturn. The research shows young donors, aged under 45, are the most likely to be "contrarian givers", increasing donations by three to four per cent in an attempt to help their charities survive the downturn. Similarly, entrepreneurs are, on balance, increasing their donations.
>
> (Barclays Bank and Ledbury Research, *Tomorrow's Philanthropist*, July 2009)

It has been suggested that the financial crisis has increased awareness of social inequality, and thereby prompted some donors to give to social causes (Anthony Gardner, 'Spend big to accrue karma credits; a surge in philanthropy might be one positive emerging from the financial crisis', *The Daily* Telegraph, 29 May 2010). On a corporate scale, it also seems the crisis has led to renewed interest in philanthropy, with banks in particular looking for ways to use philanthropy to re-engage with the public and win back trust (Sharlene Goff, 'Charity is about more than handing over a big cheque', *Financial Times*, 17 November 2010 and Gillian Tett, 'Philanthropy and banker-bashing', *Financial Times*, 20 November 2009).

In addition to these financial and moral considerations, there is also a socio-political argument in favour of philanthropy. The Government has indicated their intention to increase third sector or private provision of public services, a policy which they have described as "the big society" (Number 10, 'Government launches "Big Society" programme', 18 May 2010). In a speech in July, Prime Minister David Cameron explained why he intended to scale back state provision of services, suggesting it was "about liberation, the biggest, most dramatic redistribution of power from elites in Whitehall to the man and woman on the street". For Mr Cameron, philanthropists working with third sector providers have the potential to provide more responsive, targeted public services. He suggests Government can be too inflexible:

> For years there was the basic assumption at the heart of Government that the way to improve things in society was to micromanage from the centre, from Westminster. But this just doesn't work. It has turned able, capable, individuals into passive recipients of state help with little hope for a better future. It has turned lively communities into dull, soulless clones of one another. So we need to turn Government completely on its head. If it unleashes community engagement—we should do it. If it crushes it—we shouldn't.
>
> (David Cameron, speech on 'Big Society', 19 July 2010)

This theory is supported by those who argue that, because philanthropists have more flexibility in awarding grant funding, they have the ability to reward innovation and fill gaps in provision, in a way that Government cannot do ('What will be the impact of the 'new philanthropy'?, *The Sunday Times*, 8 August 2010). It has also been suggested that philanthropists are able to improve services by using their business expertise. A report by the World Bank suggests that donors from the business world are able to bring "a heightened emphasis on business discipline, accountability, planning and results, but also a more risk-taking, entrepreneurial culture" to their philanthropic work (Michael Jarvis and Jeremy Goldberg, *Business and philanthropy: The blurring of boundaries*, World Bank Institute, 2008). Some commentators suggest that the big society model reflects a key motivation for much philanthropy: taking power from the state. Francie Ostrower, in her book *Why the Wealthy Give* (1997), suggests "distrust and scepticism toward Government" are "integral components" of the motivation to give.

5. The Case Against Encouraging Philanthropy in the UK

Although the Government would like philanthropists working with the third sector to become more involved with public service provision, there are some who are sceptical that this will happen. Some commentators suggest that cuts to state funding may discourage rather than encourage philanthropic activity. Director of the National Theatre Nicholas Hytner recently described the "symbiotic relationship between private giving and public subsidy", suggesting "it is almost invariably the case that private sponsors gravitate to those institutions that are most reliably supported by the State. They are understandably attracted by stability and success" (Nicholas Hytner, 'Big players take all in the philanthropy game; we at the National will be OK, but smaller theatres will struggle if American-style patronage is rushed through', *The Times*, 16 July 2010).

Others suggest that the type of philanthropic activity necessary to replace Government spending is unlikely to appeal to donors, who tend to pursue projects which allow them to have a personal impact. Academics at the Centre for Charitable Giving and Philanthropy surveyed donors this year and found a key motivation for giving is "desire to have a personal impact, such that their contribution makes a difference and is not 'drowned out' by other donors and Government funding". Donors "were particularly keen to avoid their donations becoming a substitute for Government spending" (Beth Breeze, *How Donors Choose Charities*, June 2010). Think tank Policy Exchange also identified this desire for personal impact in a report on philanthropy in the City of London, describing how philanthropists see themselves as a “catalyst for change” and are driven by “great expectations and grand aspiration” (Rob John et al, *Give and Let Give*, December 2007).

It has been argued that the desire for personal impact leads donors to select causes of personal interest, which may not be the most needy causes. Beth Breeze argues that UK donors “do not give to the most urgent needs, but rather they support causes that mean something to them” (Beth Breeze, *How Donors Choose Charities*, June 2010). Academics in the United States have drawn similar conclusions. Pablo Eisenberg, senior fellow at the Georgetown Public Policy Institute, argues that philanthropy in the US fails to address the most urgent needs:

> The bulk of individual and institutional giving is channelled to the large, established institutions in higher education, health and the arts. Only a small slice goes to those who require the greatest assistance. Several academics have estimated that not more than 3 per cent to 5 per cent of all foundation money goes to organizations serving the poor, people of colour, women and children at risk, gays/lesbians, disabled and troubled youth—almost 50 per cent of the American population. Though universities and colleges, hospitals, museums and arts groups devote a small part of their budgets and programs to these constituencies, their contribution lifts the percentage of philanthropic dollars spent for this purpose to no more than 12 per cent to 15 per cent of the total. This is hardly a fair and equitable distribution of funds.
>
> (Pablo Eisenberg, ‘What’s wrong with charitable giving—and how to fix it’, *The Wall Street Journal*, 9 November 2009)

Robert Reich, the former US Treasury Secretary, has also argued that United States philanthropists do not spend enough on social disadvantage. Robert Reich has argued that there should be tax breaks for charities that direct support to the poor and help to reduce inequality, and not for others (Robert Reich, ‘Philanthropy and its Uneasy Relation to Equality’ in *Taking Philanthropy Seriously: Beyond Noble Intentions to Responsible Giving*, William Damon ed, 2006). Similarly, Martin Brookes, Chief Executive of New Philanthropy Capital, has suggested that the UK Government should consider introducing “differential tax reliefs” which correlate with “a system of classification of charities to inform donor choices” about how beneficial for society a cause may be (Martin Brookes, *The Morality of Charity*, 29 September 2010).

In a similar vein, it has been suggested that the tendency of philanthropists to seek causes with which they share a personal tie may create a “post code lottery”, as philanthropists may tend to focus on projects in their local area. Nathan Yeowell, of the Local Government Association, recently expressed the following concerns about the Government’s big society policy:

> In affluent areas, or those where there are self-interested groups that want to take over, a voluntarist approach to providing services for one’s fellow citizens might have more traction. But in other areas where there is a high level of poverty... we can’t just keep our fingers crossed there will be people there. Councils don’t have the capacity or the wherewithal to actually provide for people in those situations—so we could end up in a pretty sticky situation.
>
> (‘Coalition’s first 100 days: Cameron’s Big Society’, Politics.co.uk, 20 August 2010)

Sir Stewart Etherington, Chief Executive of the National Council for Voluntary Organisations, has also suggested that "the public must accept... that a post code lottery is the consequence of greater local discretion and responsibility" ('Building a better society', 3 November 2010).

Those that suggest philanthropists do not effectively target social need tend to argue that wealthy citizens should instead contribute more through the tax system. Some commentators have suggested that people engage in philanthropy in a cynical attempt to avoid paying taxes (see for example, 'Philanthropy: just giving', *The Guardian*, 7 August 2010). Others do not doubt that philanthropists have good intentions, but question their right to dictate social priorities, suggesting it is undemocratic. In a study for the US think tank Demos, Michael Edwards asked:

> Why should the rich and famous decide how schools are going to be reformed, or what drugs will be supplied at prices affordable to the poor, or which civil society groups get funded for their work?
>
> (Michael Edwards, *Small Change: Why Business Won't Change the World*, Demos and Future Positive, January 2010)

A recent *Financial Times* article echoed this sentiment:

> Governing through money is what most present-day philanthropy does. Very few billionaires "give away" their money, in the sense of surrendering control over it. They deploy it, through tax-exempt foundations, to ends of their own choosing, and this can have disruptive effects on democracy, no matter how noble the hubristic billionaire believes his aims to be.
>
> (Christopher Caldwell, 'Billionaires bearing gifts', *Financial Times*, 17 July 2010)

6. Obstacles to Philanthropic Activity in the UK

Commentators have often considered why there is more philanthropic giving in the United States than in the UK. One explanation which has been offered is that the US tax system is more sympathetic to philanthropic activity (see for example 'The Giving Age: wealthy individuals in Britain could do a lot more with their fortunes', *The Times*, 28 October 2010). In the UK, the Gift Aid programme is intended to encourage charitable donations. The HM Revenue and Customs website explains "Gift Aid increases the value of donations to charities and Community Amateur Sports Clubs (CASCs) by allowing them to reclaim basic rate tax on your gift. If you pay higher rate tax you can claim extra relief on your donations". For further details of how the scheme works, please see 'Giving to Charity Through Gift Aid' (HM Revenue and Customs website).

However, critics argue that the Gift Aid programme is too complex, and is not well advertised, so philanthropists miss out on the tax relief which they are currently entitled to, and others may be unnecessarily put off from donating. A study commissioned by HM Revenue and Customs in 2007 found that many wealthy people were unaware of some of the tax incentives available to them (*Charitable Giving by Wealthy People*, April 2007). A more recent study by the Charities Aid Foundation, *The public bond with tax-effective giving in the UK*, found that 90 per cent of higher-rate taxpayers were aware of the concept of tax-efficient giving, but suggested that "only 50 per cent of higher-rate taxpayers were aware before the survey that they could reclaim the 20 per cent tax relief for themselves". There are several groups campaigning for various aspects of Gift Aid to be reformed. An article provides a summary of these: 'Gift Aid Reform—The Big Debate' (Melanie Clayton, Just Giving website, 29 July 2010).

There are also cultural differences which may come into play when explaining the difference between US and UK patterns of giving. It has been suggested that our socio-political history tends towards public provision of services where the United States tradition favours services being provided privately (for example, see 'What will be the impact of the 'new philanthropy'?', *The Sunday Times*, 8 August 2010 and 'The benefits of being generous', *The Times*, 5 August 2010). This is arguably reflected in the fact that a third of US giving goes to healthcare, education and social services (Rob John et al, *Give and Let Give*, Policy Exchange, December 2007).

Other factors which may prevent potential philanthropists from giving may be less culturally specific. Academic studies have pointed out that "being objectively rich is no guarantor of feeling financially secure, as even people with abundant financial resources may experience feelings of 'nothing to spare'" (Pamala Wiepking et al, *Feeling Poor, Acting Stingy: The Effect of Money Perceptions on Charitable Giving*, May 2009). An Institute for Public Policy Research report suggests that perceptions of wealth are relative, and identifies objectively wealthy people who choose not to engage in philanthropy because they feel others have more to give (Laura Edwards, *A Bit Rich*, May 2002). There can also be reluctance to donate because it is seen as boastful. Philanthropy UK suggests that "philanthropy is a taboo topic" since "philanthropists do not like talking about their giving, or even discussing the issue with their advisors" (Cheryl Chapman, 'The Role of the Donor', Philanthropy UK).

7. Initiatives to Encourage Philanthropy in the UK

The previous Government launched a number of initiatives intended to encourage philanthropy. The 1999 Getting Britain Giving measures created new tax incentives for charitable giving. In 2001, the Government launched a Giving Campaign in conjunction with the charitable sector. In 2005, the Government published *A Generous Society*, the Office of the Third Sector's strategy for charitable giving. Using a £1 million funding stream, the Government set up several initiatives including: Philanthropy UK, to offer independent advice to philanthropists; The Community Funding Network, to expand charitable giving at a local level; Giving Nation, to support the teaching of charitable giving as part of the citizenship curriculum; the Beacon Fellowship, a philanthropy awards scheme; and the Institute of Fundraising, a membership association for fundraisers. In *Real Help for Communities: Volunteers, Charities and Social Enterprises*, the Government pledged £42.5 million to support the third sector during the recession (Cabinet Office, *Real Help for Communities: Volunteers, Charities and Social Enterprises*, February 2009). Dame Stephanie Shirley was appointed a 'Giving and Philanthropy Ambassador'. She set up a website, Ambassadors for Philanthropy, to "give philanthropists a voice".

The current Government have pledged to "take action to support and encourage social responsibility, volunteering and philanthropy" (*The Coalition: Our Programme for Government*, Cabinet Office website, 20 May 2010). On 8 November 2010, the Department for Culture, Media and Sport published a Business Plan. This document sets out the Government's intention to:

> Introduce incentives to increase charitable giving:

- Work with Cabinet Office and the Treasury to bring together proposals to incentivise more social investment, philanthropy and giving, including a strategy to boost giving from private individuals to cultural institutions, incorporating insights from behavioural science

- Implement measures to facilitate fundraising by cultural and charitable institutions

- Agree with national museums a framework for creating charitable trusts, which will encourage and manage museum donations and private income

- Implement new framework and establish trusts

> (Department for Culture, Media and Sport, *Business Plan 2011–2015*, 8 November 2010)

The Government has announced that it intends to publish a white paper on charitable giving by March 2011 (Cabinet Office, *Business Plan 2011–2015*, 8 November 2010).

In addition to these initiatives which focus on philanthropic donations, the Government has also signalled that it will seek to involve philanthropists in investment in public services. For example, the Social Impact Bond pilot scheme aims to use private investment to reduce reoffending (Ministry of Justice website, 'Social Impact Bond Launched', 10 September 2010).

This type of initiative has also been mirrored in the third sector. In June the charity Scope launched a private equity-style finance scheme, aimed at "venture philanthropists", which they suggest is "capable of generating a return of £18,000 for every £1,750 donated, using a layered model of donations, tax breaks and soft and commercial loans" (Scope website, 'Investment platform to fund service transformation at Grangewood', 1 June 2010). Coutts Bank has launched an advice service for philanthropists who are interested in investing in social enterprises. This type of philanthropic activity has been described as "philanthro-capitalism" or "venture philanthropy". The National Council for Voluntary Organisation suggests that:

> The term 'Venture Philanthropy' is used to describe a variety of giving by individuals, companies and trusts. Much of this giving does not fall into the straightforward category of a grant (with no financial return expected) or a loan (where financial return is sought) as the provider of the funds will individually determine the conditions with which the money is given.
>
> For example, a high net worth individual may decide to give a substantial amount of money to a charity, but sees it as an investment, rather than a donation. As such they may want a say in how the money is spent and in addition will offer their business expertise. In return they want to see a return on the investment, but this may be in the form of either cash, social benefits or a combination of the two.
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> (NCVO website, 'Venture Philanthropy')

A number of other initiatives have been taken to encourage philanthropy in the UK. Philanthropy UK has noted that "more donors are joining together to leverage their funding and to share learning. These include 'giving circles' such as The Funding Network, as well as funding vehicles such as ARK and the Private Equity Foundation"

(Philanthropy UK, 'Top 10 trends in British philanthropy', December 2007). The Big Give, a programme set up set up by the Reed Recruitment founder Alec Reed, links donors to relevant causes and offers match-funding (see www.theBigGive.org.uk). United States philanthropists Bill Gates and Warren Buffet have launched a campaign to persuade philanthropists to publicly sign a Giving Pledge, whereby they commit to give 50 per cent of their wealth to charity (http://givingpledge.org/).

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