



Be the pebble in the pond

Clay Nelson © 21 November 2021

As your minister one of the riskier things I do is to offer choosing a sermon title to bid on at the Service Auction. Perhaps one of the more challenging ones I have been given was concocted by Paul Henriques. He wants me to muse on "**Unitarian Universalism and Philanthropy: Past, Present and Future.**" I confess I would never have come up with this topic on my own. Even if it had crossed my mind I would have quickly discovered very little has been written about it, and what has been written is in scholarly articles I am unable to access without enrolling in an academic institution. So thanks Paul for a mission impossible.

Your topic did remind me of my wiseacre response — before my vocational path became clear — to the question of what I wanted to do when I grew up. I said I wanted to make a million dollars (that was back when that was “real” money and not a down payment on a house) so I could be a philanthropist. As I never achieved the prerequisite, I have given up making my first million, so now I’m working on my second. I still think being a philanthropist would be a great career choice even though achieving it is incompatible with a minister’s stipend. But after delving into the topic I have learned being a philanthropist is a can of worms that is not necessarily compatible with my Unitarian Universalist values.

If you are surprised, so was I. I associate both charity and philanthropy with generosity, which is certainly something UUs value. Charity, after all, is derived from the Latin word for love, *caritas*. Philanthropy in Greek means love for humanity.

Since their meanings are nearly synonymous they are often thought to be interchangeable. Yes, they are both about giving, but they have different motives for doing so and different outcomes from the act. While it is not quite this simple, charity aims to relieve the pain of a particular social problem, whereas philanthropy attempts to address the root cause of the problem.

Both have a long history going back to before the Common Era. Both have evolved in their practice over several millennia. Both have been affected by the cultures in which they are practised. Both have done considerable good in the world when focused on social justice. Both have frequently failed to live up to their purposes. And both have been subject to criticism from Unitarians.

Before Unitarians were a formal denomination there were unitarian charitable organisations that focused on social justice, particularly helping the poor, civil rights and political reform.

These were not the goals of traditional Victorian philanthropy. In 1795 the English Unitarian George Dyer set out his vision of the relationship between philanthropy and justice. "There would be less occasion to erect so many temples to Charity, if we erected more to justice."

Early Unitarian, philanthropist and feminist Catharine Cappe transcended traditional philanthropy by developing relationships with its recipients. She didn't create justice through financial largess but by establishing with women, children and the poor the schools and training in trades to make a difference.

Unitarian author Elizabeth Cleghorn Gaskell wrote three novels that criticised Victorian philanthropy. She saw it as perpetuating class distinctions that raised up the elite and diminished the poor and working class. Too much of the philanthropy did not further social justice but benefited the middle class, ignoring those for whom it was intended.

A significant Unitarian critic of philanthropy was, of course, Charles Dickens. In the last of his serialised novels, *Martin Chuzzlewit*, his overall theme is selfishness. In it is Dicken's quote, "Charity begins at home, and justice lives next door." By which he means the selfish take advantage of others for their own benefit, while justice is ignored. While in the midst of writing *Chuzzlewit*, Dickens published the counterpoint to that novel, the story "A Christmas Carol", clearly a tribute to redemption through generosity.

We need to move to the present day and the need to carry on the Unitarian role of critic of modern philanthropy.

Philanthropy is supposed to transfer money from the rich to the poor. This is not what happens. In the US, which statistics show to be the most philanthropic of nations, barely a fifth of the money donated by big givers goes to the poor. A lot goes to the arts, sports teams and other cultural pursuits, and half goes to education and healthcare.

The biggest donations in education in 2019 went to the elite universities and schools that the rich themselves had attended.

The common assumption that philanthropy automatically results in a redistribution of money is wrong. A lot of elite philanthropy is about elite causes. Rather than making the world a better place, it largely reinforces the world as it is. Philanthropy very often favours the rich — and no one holds philanthropists to account for it.

Philanthropy is always an expression of power. Giving often depends on the personal whims of super-rich individuals. Sometimes these coincide with the priorities of society, but at other times they contradict or undermine them. Increasingly, questions have begun to be raised about the impact these mega-donations are having upon the priorities of society.

There are a number of tensions inherent in the relationship between philanthropy and democracy. For all the huge benefits modern philanthropy can bring, the sheer scale of contemporary giving can skew spending to the extent that it can overwhelm the priorities of democratically elected governments and local authorities.

The late German billionaire shipping magnate and philanthropist Peter Kramer called some philanthropy “a bad transfer of power”, from democratically elected politicians to billionaires, so that it is no longer “the state that determines what is good for the people, but rather the rich who decide”.

Then there is the reality that what the rich are giving away in their philanthropy is not entirely their own money. Tax relief adds the money of ordinary citizens to the causes chosen by rich individuals.

Most western governments offer generous tax incentives to encourage charitable giving. Super-rich philanthropists, therefore, find themselves in a position where a large percentage of their gift is funded by the taxpayer.

Tax exemptions for charities have existed in the UK since income tax was introduced in 1799, though charities had been largely exempt from certain taxes since the Elizabethan age. Indeed, British tax relief is still largely confined to the categories of charity set out in the 1601 Charitable Uses Act, which lists four categories of charity: relief of poverty, advancement of education, promotion of religion, and “other purposes beneficial to the community”.

Both the US and UK offer additional incentives where donations are made to endow a charitable foundation. This enables a philanthropist to escape liability for tax on the donation, yet also retain control over how the money is spent, within the constraints of charity law. The effect of this is often to give the wealthy control in matters that would otherwise be determined by the state.

Through family trusts this is the major form of philanthropy in Aotearoa.

The choices made by philanthropists tend to reinforce social inequalities rather than reduce them.

That said, philanthropy can be compatible with justice. But it requires a conscious effort on behalf of philanthropists to make it so. The default inclines in the opposite direction. Reinhold Niebuhr, in his 1932 book *Moral Man and Immoral Society*, suggests why: “Philanthropy combines genuine pity with the display of power [which] explains why the powerful are more inclined to be generous than to grant social justice.”

Philanthropy can recover a genuine sense of altruism only by understanding that it cannot do the job of either government or business. For it belongs not to the political nor the commercial realm, but to civil society and the world of social institutions that mediate between individuals, the market and the state. They are called not to be in league with either but a reformer of both, seeking justice.

As members of Auckland Unitarians we are part of a charitable trust. Corporately we are philanthropists. Individually, we may never be numbered amongst the rich, but that does not absolve us from seeking reforms in our society that promote justice and protect our democratic institutions.

We may be small like a pebble, but tossed in a pond we can make ripples. We have before. It is our calling.

Meditation / Conversation Starter: