

Forbes
INSIGHTS

2014 BNP PARIBAS INDIVIDUAL PHILANTHROPY INDEX

PHILANTHROPIC JOURNEYS: THE IMPORTANCE OF TIMING



BNP PARIBAS
WEALTH MANAGEMENT



BNP Paribas
**Individual
Philanthropy
Index**

Forbes
INSIGHTS



BNP PARIBAS
WEALTH MANAGEMENT

MEASURING COMMITMENT IN EUROPE | ASIA | USA | MIDDLE EAST

CONTENTS

Key Findings.....	2
2014 BNP Paribas Individual Philanthropy Index.....	4
Discussion of Index Results.....	6
Comparisons to 2013 Results	7
Projected Giving: The Giving Pledge.....	8
If Not Now, When?	9
Urgency—Profile: To Stop the Suffering	17
The Philanthropic Journey, Stage One: Motivation.....	18
The Philanthropic Journey, Stage Two: The State of Wealth	20
The Philanthropic Journey, Profile: A Thousand Fires	23
The Philanthropic Journey, Stage Three: The How—Resources and Laws.....	24
The Philanthropic Journey, Stage Four: The Results.....	26
Executive Summary	28

KEY FINDINGS

Commitment measurement of individual philanthropists, according to the 2014 BNP Paribas Individual Philanthropy Index, reveals that the United States, Europe and Asia are roughly halfway to a philanthropic ideal; the Middle East seems to be about a third of the way there, a score that is adversely affected by lower points on promotion but may not fully acknowledge the strong cultural heritage of philanthropy in the region.

The total Index score (max = 100) is as follows:

• United States	53.2
• Europe	46.3
• Asia	42.4
• Middle East	29.4

The categories ranked are Giving (Current and Projected), Innovation and Promotion. (See page 4 for Index methodology and full Index results.)

Causes: Among the top causes in the world, respondents from Europe, Asia and the Middle East cite the **environment**, whereas **health** is the predominant cause for the United States—a cause cited as top cause in 2013. This year the question asks about both local and global causes, and health remains the top local cause. The Middle East and the U.S. also stand out by selecting **social change** as one of the top three issues for philanthropy in the world (page 12).

Giving scores: Both Current and Projected Giving declined versus last year for all three regions included in last year's Index—in the case of Current Giving, by up to two and a half points. This may be due to political and economic uncertainty, leading to a wait-and-see attitude. Yet **all three regions retain last year's ranking relative to one another** (Europe, Asia, Middle East) (page 7).

Promotion scores: As per last year, Promotion is where each region scores the lowest, not getting close to earning even half of the maximum of 25 points. This shows that despite all the possibilities of the digital age and social media, philanthropists frequently **prefer to stay under the radar** (page 6).

Innovation scores: Innovation **remained fairly steady**, changing little versus last year. These scores are also the most tightly grouped of all the categories. Yet relative rankings shifted, with Europe slipping into last place (page 7).

Urgency of need for philanthropy: The need for philanthropy in the world is **extremely urgent**, according to the majority of philanthropists overall (56%). However, more respondents from the U.S. (64%) and the Middle East (61%) see the world as in extreme need of philanthropy. The U.S. and the Middle East are in tandem also because they perceive their own countries as being in more urgent need than the rest of the world (page 12).

State of wealth: European perceptions of their state of wealth have a higher impact on their propensity to give. The survey also shows that most respondents from the Middle East and Asia are **feeling most positive about their wealth levels**, while respondents from the U.S. fall in the middle of the spectrum (page 20).

Time frame: Middle Eastern philanthropists **are the most patient**, with 55% of them willing to wait for results of their charity for more than 25 years. Philanthropists from Asia are the least patient, with just 11% willing to wait that long (page 26).

Profile of the philanthropist, by years of experience in philanthropy

Beginner		Intermediate		Experienced	
Stays with causes and areas despite current events	57%	Changes priorities and areas of focus due to current events	59%	Stays with causes and areas despite current events	70%
Expects meaningful impact in less than 5 years	43%	Expects meaningful impact in 5 to 24 years	65%	Expects meaningful impact in more than 25 years	56%
Involved in local philanthropy	32%	Involved in national philanthropy	30%	Involved in local philanthropy	39%
Motivated by altruistic desire to help others	22%	Motivated by a sense of duty	17%	Motivated by personal experience with area of focus	31%

(Based on most popular answers.)

Beginner = involved in philanthropy less than 3 years

Intermediate = 3 to 10 years

Experienced = more than 10 years

Most urgent focus/need for philanthropy in the world according to

Beginner philanthropist

#1 Health 38%

#2 Environment 37%

#3 Hunger/Food 31%

Intermediate philanthropist

#1 Environment 39%

#2 Social change/Diversity 38%

#3 Health 30%

Experienced philanthropist

#1 Hunger/Food 49%

#2 Environment 48%

#3 Preserving national/Cultural heritage 33%

2014 BNP PARIBAS INDIVIDUAL PHILANTHROPY INDEX

(Methodology)

This report analyzes individual giving in Europe, the United States, Asia and the Middle East based on the BNP Paribas Individual Philanthropy Index by Forbes Insights, which is geared toward the measurement of replicable, sustainable and efficient philanthropy. In the highest-scoring regions, not only do individuals give the most, but they also approach philanthropy in an innovative way and actively promote their causes.

The data for the Index is derived from a survey of 414 individuals—divided equally among the four regions and with at least \$5 million in investable assets—conducted by Forbes Insights between October and December 2013.

For a maximum score of 100, a respondent would have to get the highest marks in three categories: Giving (Current and Projected), Innovation and Promotion.

For the highest Giving score, a philanthropist would have to currently donate at least 25% of his or her annual income to charity, and plan to leave at least 50% of his or her fortune to charitable causes.

For a top Promotion score, a philanthropist would also have to promote a charity or cause by using a variety of traditional and social media to advance their cause, as well as building their public reputation around their philanthropy.

For a top Innovation score, an individual would have to spend money effectively and employ tools to measure this effectiveness. Philanthropists would have to assess the impact of their initiatives via both quantitative and qualitative measures and have an exit strategy, among other criteria.

The weighting afforded to the subcategories is 30% for Current Giving, 20% for Projected Giving and 25% each for Promotion and Innovation.

Comparisons to last year's Index must be approached carefully, as a result of some changes made to survey questions regarding Promotion and Innovation. In addition, the U.S. was not included in last year's survey.

When applied to the survey results for the four regions analyzed for this report, the total scores, out of a maximum of 100, were:

Total Index Score (max = 100)	
United States	53.2
Europe	46.3
Asia	42.4
Middle East	29.4

The subcategory scores for the regions were as follows:

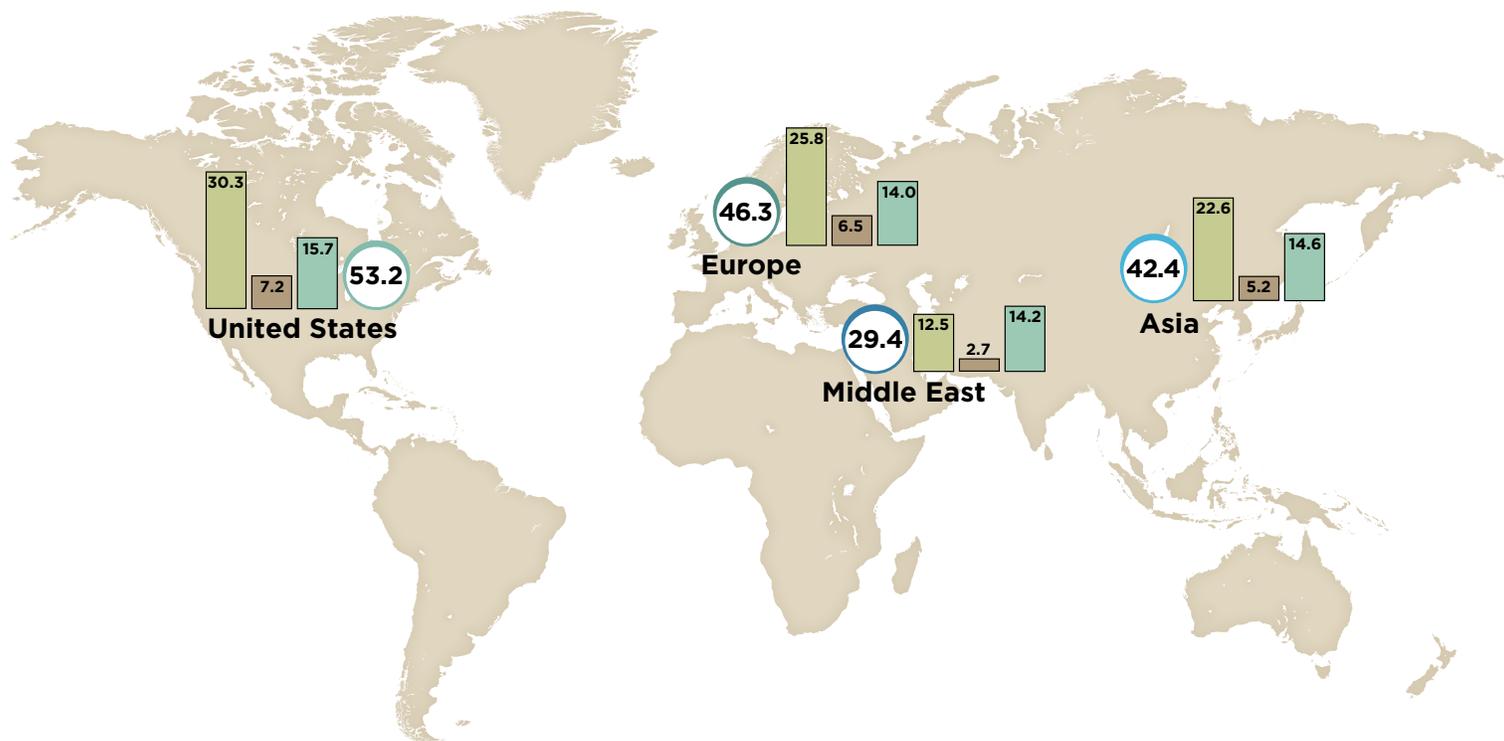
Current Giving (max = 30)	
United States	18.8
Europe	16.3
Asia	14.3
Middle East	7.4

Projected Giving (max = 20)	
United States	11.5
Europe	9.5
Asia	8.3
Middle East	5.1

Promotion (max = 25)	
United States	7.2
Europe	6.5
Asia	5.2
Middle East	2.7

Innovation (max = 25)	
United States	15.7
Asia	14.6
Middle East	14.2
Europe	14.0

BNP Paribas Individual Philanthropy Index



○ **TOTAL INDEX SCORE**

■ **Current Giving** (max score = 30) reflects the percentage of annual income respondents say they give to philanthropy on average. **Projected Giving** (max score = 20) reflects the percentage of total fortune they plan to eventually contribute.

■ **Promotion** (max score = 25) reflects the extent to which respondents strive to publicize their charitable causes.

■ **Innovation** (max score = 25) reflects the extent to which respondents say their philanthropic efforts take a results-oriented, entrepreneurial approach, with an emphasis on quantitative metrics, cost-effectiveness, sustainability of beneficial effects and replicability. (Other types of philanthropic innovation are outside the scope of this study.)

The sum of these components equals the Total Index Score on a 0-100 scale. A perfect score of 100 would imply an ideal philanthropic world of extreme generosity, advocacy and effectiveness.

NOTE: Questions in both the Promotion and Innovation sections of the survey have been streamlined since last year. This was done in Promotion to better allow for cultural/religious differences among regions in publicizing one's charitable efforts, and in Innovation to eliminate some highly technical questions that did not serve to illuminate the issues being examined.

DISCUSSION OF INDEX RESULTS

The BNP Paribas Individual Philanthropy Index, which measures the level of Giving, Innovation and Promotion of philanthropic causes, shows that three of the regions are around halfway to a philanthropic ideal, with the Middle East about a third of the way to this ideal (100 points), which would entail extreme generosity, rigorous measurement of impact and effectiveness, and enthusiastic promotion of charitable efforts.

What is notable is that the United States, which is included in the Index for the first time and tends to be viewed as a leader in philanthropy in all categories—Giving, Promotion and Innovation—is not that far ahead of other parts of the world. This is particularly striking given that the U.S. is the source of the Giving Pledge, a commitment by the world’s wealthiest individuals and families to dedicate the majority of their wealth to philanthropy (see The Giving Pledge, page 8).

Interpreting the BNP Paribas Individual Philanthropy Index results with a “glass half full” mindset, one could argue that, according to the methodology, Europe, Asia and the Middle East have been catching up with the U.S. That in itself is an accomplishment, considering that unlike in the U.S., which offers generous tax deductions for charitable contributions, philanthropists in some other parts of the world do not have equally generous incentives.

Another reason that the positions of Europe, Asia and the Middle East are remarkable relative to that of the U.S. is that in these regions people often look to governments to take care of people’s basic needs, such as education, health and other social benefits. The U.S., on the other hand, has a long tradition of individualism and of “taking matters into our own hands.” In fact, the charitable tax deduction, which has been in place since 1917, is a very popular one, with the majority of the population supporting it.

The BNP Paribas Individual Philanthropy Index survey, on which the Index is based, questions respondents with investable assets of at least \$5 million. Such a level of wealth in many regions of the world outside of Western Europe and the U.S. is a relatively new phenomenon. Philanthropists in these areas are often not involved in philanthropy via inheritance, as is sometimes the case in Western Europe and the U.S., but are themselves

trailblazers in wealth creation and philanthropy. This makes their relative proximity to Europe and the U.S. in the Index rankings a true achievement.

Interpreting these results with a “glass half empty” mindset, one could argue that all regions in the world still have a long way to go in terms of philanthropy, as even the leader in the Index ranking is still just a little past the halfway mark.

Interestingly, no particular region stands out in any category, with each category mirroring total results. Only in the Innovation category is this hierarchy not maintained, with Europe falling behind Asia and the Middle East. The lead of the U.S., viewed as an innovator, is not wide. Commenting on the relatively narrow lead of the U.S. in the Innovation category, Melissa Berman, chief executive of Rockefeller Philanthropy Advisors, a nonprofit organization that advises donors, points out that the U.S. is one of a handful of places where most philanthropy takes the form of donating to another organization that executes the project. Outside the U.S., on the other hand, more philanthropists are operating their own programs.

Promotion is where each region scores the lowest, not getting close to earning even half of the maximum of 25 points. This shows that despite all the possibilities of the digital age and social media, philanthropists frequently prefer to stay under the radar. The reasons often come down to religion or modesty, a sense that making donations public would take away from the idea of charity. This modesty is especially pronounced in the Middle East, which results in a low Promotion score that significantly lowers the region’s overall ranking. Clearly, philanthropists still see talking about their initiatives as tooting their own horn, and not as a means of promoting their causes.

COMPARISONS TO 2013 RESULTS

The Giving questions remain the same and so are directly comparable to last year's. Projected Giving dipped slightly across the board, but the largest drop was only seven-tenths of a point (for Asia). The three regions included last year retain their relative rankings in this category (in order, Europe, Asia and the Middle East).

The same three regions also declined in Current Giving versus last year, and more significantly, yet they also retain the same relative ranking here. Europe slipped by almost a point (from 17.1 to 16.3), Asia by almost two points (from 16.2 to 14.3) and the Middle East by 2.5 points (from 9.9 to 7.4).

Thus, the fact that Promotion scores dropped across all three regions ranked last year—in Europe's case, by almost four points—is of dubious significance. This drop, however, accounts for a good part of the decline in total scores for those regions. (Declines in total scores range from almost four points for the Middle East to almost eight points for Asia.)

Interestingly, the Innovation scores refused to budge more than a few tenths of a point, despite revisions to the survey questions. They remain the most closely grouped scores, with the leader and laggard separated by less than two points.



“Philanthropists still see talking about their initiatives as tooting their own horn, and not as a means of promoting their causes.”

—KASIA MORENO
Editorial Director,
Forbes Insights

THE GIVING PLEDGE

The idea of the Giving Pledge came from Bill and Melinda Gates and Warren Buffett.

“It is an effort to help address society’s most pressing problems by inviting the world’s wealthiest individuals and families to commit to giving more than half of their wealth to philanthropy or charitable causes either during their lifetime or in their will. The Giving Pledge is specifically focused on billionaires or those who would be billionaires if not for their giving,” according to the Giving Pledge website, www.givingpledge.org.

“The goal is to talk about giving in an open way and create an atmosphere that can draw more people into philanthropy,” the website continues. “Each family or individual who chooses to pledge will make this statement publicly, along with a statement explaining their decision to pledge.”

The Giving Pledge website carries a statement from each of the pledgers. As of this writing there are 122 pledgers, the majority of them from the U.S.

One of the signatories of the Giving Pledge is Tad Taube, founder of the Woodmont Companies, a real estate investment and management organization, as well as the chairman and founder of Taube Philanthropies.

He tells Forbes Insights: “Wealth in the U.S. is fairly concentrated. The vast majority of the public can’t participate in philanthropy because they are doing all they can to support themselves....The philanthropic burden is falling on a smaller percentage of the population because a smaller percentage of the population has the money to give.”



“It’s a moving wave.
Philanthropic
vacuums shift from
one area to another
depending upon
whether government
funding is
available or not.”

—TAD TAUBE
Chairman and Founder,
Taube Philanthropies

IF NOT NOW, WHEN?

The BNP Paribas Individual Philanthropy Index shows that most philanthropists see the need for philanthropy as urgent or extremely urgent. Is the world, in fact, urgently in need of more philanthropy or does it only feel this way? After all, as a result of new communications technologies, everyone is more aware of all the suffering and inequality on the planet.

Nathalie Sauvanet, head of Individual Philanthropy at BNP Paribas Wealth Management, attributes this feeling of urgency to the increased access to information and its propagation on social media. These days philanthropy has entered the everyday vernacular, with newspapers ranking the biggest donors and carrying philanthropy coverage, and individuals including information about their philanthropic interests and involvement on their Facebook profiles or their CVs.

“One need only watch or read the news on any given day for evidence of those who need help, who need support. I believe that individuals can, and do, make a difference,” says Saudi businessman Sheikh Mohamed Issa Al Jaber, founder and chairman of MBI International.

This new information age has also generated a psychological need for philanthropy by creating the connected but often lonely individual, looking for true value and an emotional connection that can be attained by helping others, says Sauvanet.

Richard Stone, chairman of the Reuben Foundation, a philanthropic arm of the billionaire brothers David and Simon Reuben, agrees that “we live in a highly interconnected world, where the challenges can seem overwhelming: food insecurity, poverty, water, health, education.”

His point is to take advantage of all these connections to enhance philanthropy. “In today’s world we have the potential to innovate and spread ideas in ways never possible before. I see an important role in philanthropy supporting those who are innovating in spaces previously left out of the global conversation,” he says.

Rockefeller Philanthropy Advisors’ Melissa Berman stresses that the urgency results not only from the needs themselves but also from increased expectations of philanthropic giving by the wealthy. Some of these expectations, she notes, are due to income inequality globally, and especially its rise in the U.S., which has the highest income inequality among developed countries. “As people are more aware of inequalities on a global basis, they tend to hold those with resources responsible for at least trying to be helpful. And so there’s more pressure to be doing something about the worst problems in the world,” she says.

Another reason for this increased need for philanthropy is the public sector’s pulling back in the U.S. and also in Europe, and to a lesser extent in Asia. In the U.S. this is a big hit, because government funding is the second-biggest revenue source for nonprofits (after earned income). It provides three times the revenue that private giving does and 40 times the revenue of corporate giving, according to the New York Times.

“Philanthropy covers everything from feeding African children to public works,” says Taube. “It’s a moving wave. Philanthropic vacuums shift from one area to another, often depending upon whether government funding is available or not.”

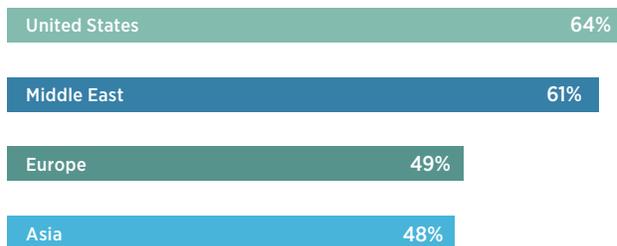
The Reuben Foundation’s Stone agrees that “traditional institutions of state and society are currently resource-constrained, unable to be flexible and nimble, and often have short-termist views (often because of election cycles). Now more than ever we need philanthropists’ ability and commitment to take risks, to tackle gaps left by resource constraints and to do proof-of-concept experiments to bring new ideas to fruition.”

URGENCY AND NEEDS: GLOBAL

The need for philanthropy is extremely urgent, according to more than half of the respondents to the BNP Paribas Individual Philanthropy Index survey (ranking it 8 or above on a scale from 1 to 10, with 1 being Not Urgent at All and 10 being Extremely Urgent), while the other half believes mostly that it is somewhat urgent, with just 3% believing it’s not urgent.

How urgent is the need for philanthropy in the world?

Extremely Urgent



Interestingly, philanthropists from two seemingly disparate regions, the U.S. and the Middle East, are outliers. Many more, 64% in the U.S. and 61% in the Middle East, consider the situation in the world in urgent need of philanthropy (see chart below) than do respondents from Europe and Asia. Both regions also stand out by selecting social change as one of the top three issues for philanthropy in the world (see table, page 12).

Barbara Ibrahim, founding director of the John D. Gerhart Center for Philanthropy and Civic Engagement, at the American University in Cairo, explains why respondents from the Middle East feel so strongly about the level of urgency: “Philanthropy is a basic value in Arab and Muslim culture. It is reinforced by the religious edict that all believers must give a portion of their wealth, however small, to those less fortunate. In that sense, giving is almost ‘written in the DNA’ of people in this part of the world.”

She also comments on the similarities between the U.S. and the Middle East: “The United States is still a deeply religious country, with high proportions of adults attending church and giving through religious institutions. I think this is a major common feature between the U.S. and the Middle East. A secondary consideration is that both regions

have low or absent taxes, which makes it incumbent on citizens to fund many kinds of social services the governments are not providing.”

In terms of the U.S. and Middle East respondents choosing social change as one of the top issues, Ibrahim observes that “in both parts of the world there is a heightened sense of the gap between rich and poor, and a feeling that private citizens should do more to close the gap. Europeans are more likely to expect their governments to address these problems. In addition, in both the U.S. and the Middle East, there is intense dissatisfaction with the current state of governance and desire for reform—or in some cases, revolution.”

In its interviews with philanthropy experts and philanthropists themselves, Forbes Insights delved into the reasons behind and the thinking about the urgency for philanthropy in the world.

The heightened perception by Americans may be because they generally see philanthropy as an important factor much more than people in other countries. Philanthropy has been part of the fabric of American life for 200 years. In addition, in America, many organizations that in other countries are funded by the state, such as premier research institutions (e.g., Harvard, Stanford), as well as some medical research, are funded by private philanthropy. The philanthropic sector plays a much bigger role in the economy in the U.S. than in other countries.

The philanthropists’ involvement in research organizations is reflected in Taube’s approach. “One area for me that is key is the support of scientific research. The U.S. government has diminished funding in this area. Philanthropy is filling in more than normal. This is true in science, medicine, research and development of new products. There used to be support from government research grants. Now they are either not available or more difficult to get,” says Taube.

When asked about the need for philanthropy, Sheikh Mohamed Issa Al Jaber displays a humanistic approach: “Regardless of nationality, background or gender, everyone has equal value; everyone should have the freedom and opportunity to shape their own destiny. This, of course, is not the case for so many people throughout the world, for different reasons. To be in the privileged position where I am able to give something back is, for me, perhaps the single most important measure of success. Now more than ever, philanthropy must address social and cultural change in an effort to create a better tomorrow for those who need help most. It is important that people are aware of their social responsibilities and act upon them.”



“We live in a knowledge-based economy, but without universal mutual understanding. Greater understanding will be achieved through improved awareness and respect for each other’s cultures.”

—SHEIKH MOHAMED ISSA AL JABER
Chairman and Founder,
MBI International

What are the causes most urgently in need of philanthropy in the world? (Top Three)

Europe		Asia		United States		Middle East	
Environment	35%	Environment	44%	Health	33%	Environment	59%
Hunger/Food	35%	Hunger/Food	34%	Hunger/Food	33%	Social change/ Diversity	43%
Health	34%	Health	33%	Social change/ Diversity	28%	Arts	41%

Among the top causes in the world, respondents from Asia and the Middle East have put environment ahead of such seemingly more pressing causes as health and hunger. John Koppisch, editor of Forbes Asia’s Heroes of Philanthropy, is not surprised by the high importance of the environment in Asia, as vast parts of the region have air pollution problems. These problems are currently on the front burner in India, China and Hong Kong. China is trying to combat pollution from coal mine fires in Western China—and from coal-fired mills, factories and smelters—which blocks the sun over Beijing. Fighting pollution has traditionally been seen as the government’s domain in Asia. The government of Hong Kong spearheaded replacing gasoline-fueled taxis with cars fueled by clean-burning LPG (liquefied petroleum gas). Philanthropists are now clearly entering areas that have been traditionally seen as government policy issues.

Steven J. McCormick, president and a trustee of the Gordon and Betty Moore Foundation, says, “There is

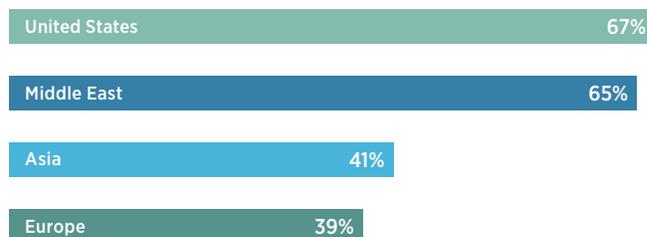
urgency in our environment program.” Since its inception the foundation has been funding traditionally protected areas in the geographies in which it works. It is the largest private funder in environmental conservation, for example, in sites like the Amazon Basin. The foundation is trying to deflect the major drivers of deforestation in the Amazon by working in the market system. It aims to position itself to influence the for-profit sector, to help it take into account the finite supply of natural resources.

URGENCY AND NEEDS: HOME COUNTRY

Interestingly, both European and Asian respondents see the need for philanthropy in their countries as less urgent than in the world. Respondents from the U.S. and the Middle East, on the other hand, walk in tandem again, as they believe that the need for philanthropy is more urgent in their own country than in the world overall (see chart below).

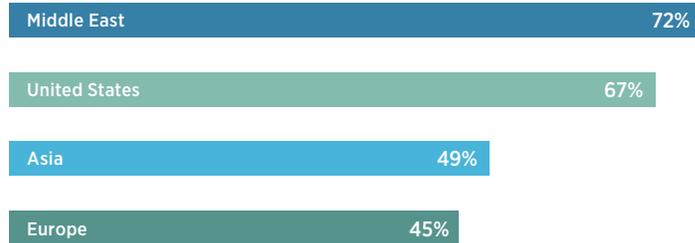
How urgent is the need for philanthropy in your country?

Extremely Urgent



How urgent is the need for philanthropy in your region/town?

Extremely Urgent



Americans’ local bent is not caused solely by the income disparity and the pulling back of government funding. One of the reasons that Americans see more urgency inside the U.S. is because some are still much less focused on world affairs than citizens of other countries, according to Berman. They are more likely to feel uncertain about providing philanthropy outside the U.S., feeling that problems outside the U.S. can’t be solved by Americans.

While Americans’ awareness of international issues has heightened since the 9/11 attacks, a central question is whether U.S. philanthropists feel empowered to be helpful internationally. The challenges include knowing how to help while not being on the ground, and navigating cultural sensibilities.

Taube describes his giving as predominantly concentrated in the U.S., particularly in the San Francisco area. He does give internationally, but that represents only 20%

of his philanthropic dollars. Internationally, his focus is on Poland and Israel, particularly Jewish causes. “We are naturally more sensitive to needs that are not being attended to in our local world. It’s a moving target, but the goal is always to achieve a positive community result,” says Taube.

Donors who are advised by Rockefeller Philanthropy Advisors see several different causes as the most urgent within their country. These include education (with one philanthropist setting up a loan forgiveness program for students who go into public service, including teaching), climate change (providing the planning and early-stage funding to help the City of San Francisco figure out whether it could use tidal power as a source of energy, for instance), as well as income inequality and equal opportunity.

What are the causes most urgently in need of philanthropy in your region/town? (Top Three)

Europe		Asia		United States		Middle East	
Health	49%	Health	54%	Health	52%	Education	56%
Environment	35%	Environment	38%	Environment	32%	Health	48%
Preserving cultural/national heritage	26%	Education	35%	Education	29%	Social change/ Diversity	43%



—SALMA ALI SAIF
SAEED BIN HAREB
Chief Executive,
Jebel Ali Free Zone, UAE

Philanthropists in the Arab world see as the most immediate need the alleviation of the suffering tied to recent upheavals in the region. Sheikh Saleh Kamel, founder and chairman of the Dallah al Baraka Group, a Saudi conglomerate, puts the level of urgency in his region at the highest level of 10. However, Salma Ali Saif Saeed Bin Hareb, chief executive of the Jebel Ali Free Zone in the UAE, takes a more measured attitude. She sees the urgency at more moderate levels and says that she prefers to evaluate situations on their own merits.

Saudi businessman Sheikh Mohamed Issa Al Jaber starts from a local focus but puts it in a global context: “For me, it is in affording the next generation of talent from the Arab world the freedom and opportunity to shape their future and that of their community, country and region. This is why I originally established the MBI Al Jaber Foundation, to ensure that more people of the Arab world not only have these rights, but can use them to make a positive difference, both at home and in the wider world. We seek to bring together people from a diverse range of countries and cultures, in order to promote cultural dialogue and exchange, with education as a catalyst for change.”

Al Jaber takes a broad view of the way current information-based societies are not applying information about one another to its full benefit—and how philanthropy can alleviate this problem: “We live in a knowledge-based economy, but without universal mutual understanding.

Greater understanding will be achieved through improved awareness and respect for each other’s cultures. It is an all too regrettable fact of our world that it seems unable to exist without narratives of conflict. Should the Arab Spring usher in another winter of discontent, it may only perpetuate parochial stereotypes. Yet the ‘awakening’ of 2011 remains a springboard for reform, freedom and opportunity. We are witnessing history in the making, and democracy will prevail. As the Arab world enters a new chapter, I urge everyone to learn more about a region and its peoples so often misheard, misinterpreted and misjudged,” he says.

To this end, his foundation, the MBI Al Jaber Foundation, whose motto is “Building Bridges Through Education,” offers grants to all Arab residents of the Middle East and North Africa who have an unconditional offer from a well-respected university outside of the region. The foundation currently maintains partnerships with University College London (UCL), the London School of Economics (LSE) and INSEAD in France, among others.

“We want to contribute to an age of mutual understanding, where global misconceptions about the people of the Arab world are a thing of the past,” adds Sheikh Al Jaber. “This is in all our interests.”



—SHEIKH SALEH KAMEL
Chairman and Founder,
the Dallah al Baraka Group

Preserving cultural heritage is one of the top three causes for European philanthropists. Diego Della Valle, chief executive of Italian leather company Tod's, has pledged \$33 million to fund renovations at Rome's crumbling Colosseum. He told Forbes Insights that he is very happy that after three years [of legal wrangling] the work of restoring the Colosseum has finally started.

He puts the level of urgency for philanthropy at 10. "In Italy, the culture issue is very urgent. Over 50% of the world's cultural heritage is in our country, but more often than not it is left to decay. Besides being an important economic resource, we have the duty to protect this heritage for everyone. I think that we need to preserve our cultural heritage all over the world. It's a duty that we owe to our children."

THE URGENCY OF GIVING: PHILANTHROPISTS' VIEWS

Interviews with philanthropists from around the world reveal how they think about the urgency of their giving. They go beyond the immediate urgency of, for example, supplying help to victims of natural disasters and delve into the deeper urgencies of philanthropy in the context of their societies or economies.

Laurence Lien is the chairman of the Lien Foundation and the Community Foundation of Singapore and CEO of the National Volunteer & Philanthropy Centre (NVPC). He is also a nominated member of Parliament, appointed by the president, and advocates for the social sector and civil society.

Lien has a philosophical, systemic view on the issue of the urgency for philanthropy in Singapore. This urgency, according to him, does not result from lack of money but the need to change social attitudes. "Philanthropy is not about the money," he says. "It's about developing a civil society where people connect with those who are being left behind. From my point of view, the urgency is because the social capital of our citizens is low, and the sense of ownership of all of our issues and people has not been there. We have to change the nature of the relationship between government and the people, in the sense that the government needs to do less and citizens need to do more."

Carlo De Benedetti, an Italian industrialist and philanthropist, is chairman of the Rodolfo De Benedetti Foundation in Milan, which he founded in 1998 in memory of his father. It promotes research into economic policy decisions regarding the labor market and welfare systems in Europe.



"It's about developing a civil society where people connect with those who are being left behind."

—LAURENCE LIEN
Chairman, Community
Foundation of Singapore, and
CEO, National Volunteer &
Philanthropy Centre



“I feel it is time to focus on issues such as accountability and transparency.”

—ROHINI NILEKANI
Chairperson, Arghyam

De Benedetti’s perception of the approach to philanthropic giving in Italy is not unlike Lien’s thoughts about Singapore. “There is not enough culture [of philanthropy] and attention to philanthropy in Italy,” he says. “My country should do more, especially at the institutional level. There is not necessarily a barrier to entry, the problem is that philanthropy is not developed as a concept. It is not widespread.” De Benedetti adds, “In Italy the situation is made even more complicated by a context made up of laws that are often incomprehensible, a seriously lacking infrastructure and an absent political class.”

The social capital and approach that Lien and De Benedetti are striving for seems to be the life philosophy of Taube, who, in an interview with the *Silicon Valley Business Journal*, said: “I definitely don’t want to be remembered by how much money I made. I want to be known as someone who cared about other people, and who went the extra mile to be called upon to help a friend or another human being through philanthropy or in business.”

Charlotte Dauphin, the youngest daughter of Claude Dauphin, chairman and CEO of privately owned, Netherlands-headquartered commodities trading firm Trafigura Beheer BV, is active in foundations funded by Trafigura Group companies. These foundations focus on sustainable development, education and integration, and health in the countries where they operate. She puts philanthropic urgency at the most extreme level and agrees with philanthropy experts that, thanks to technology, we

are able to increase knowledge and raise awareness of this urgency across the globe.

She also zeroes in on an important message when she says: “The reason for urgency has always been there. The longer we wait to address these issues, the harder the job becomes.”

Rohini Nilekani, chairperson of Arghyam, an Indian foundation focused on groundwater and sanitation, sees the big-picture goal of transforming philanthropy itself as an urgent issue. “India is at a critical juncture both socially and economically,” she says, “and there’s a lot that good philanthropy can achieve in actuality as well as in what I would call ‘signaling.’ A lot of wealth has been created in recent years in the country, but the case has not been well made for the responsibility that comes attached to this wealth creation. There’s an urgent need for visible and strategic philanthropy right now.”

Nilekani adds, “I’m already looking at the next direction for my philanthropy. To me it is clear now that my focus should change from looking at ‘verticals’ such as education, health, etc., to the ‘horizontal’ issue of governance. I feel it is time to focus on issues such as accountability and transparency. This is critical: otherwise philanthropy becomes equivalent to pouring water into leaky buckets. So I’ve started backing organizations that tackle a wide range of governance issues.”



“The reason for urgency has always been there. The longer we wait to address these issues, the harder the job becomes.”

—CHARLOTTE DAUPHIN
Philanthropist

PROFILE: THE PHILANTHROPIC JOURNEY OF BERNARD MAJOIE

TO STOP THE SUFFERING

Dr. Bernard Majoie, Ph.D., founder and president of the Fournier-Majoie Foundation, is at heart a researcher, which is how he started his career at Fournier. He became the CEO of the Fournier Group, and under his direction, the pharmaceutical sales of the group multiplied 20 times in 30 years through a policy of permanent innovation, internationalization and partnerships.

But despite all his successes, Majoie is a humble man who speaks fondly about his early years, when he had the freedom to do basic research. This is the kind of freedom that he would like to give researchers today. After leaving Fournier he abandoned the corporate world and put \$27 million of his own money into the Fournier-Majoie Foundation, whose mission is to recognize and support entrepreneurial researchers who are willing to develop solutions to significantly benefit cancer patients. The focus is diagnostic and prognostic tools to improve the good use of existing or future therapies. “We want to deliver something in favor of the patient,” says Majoie. “We are not willing to just discover new things and bring new knowledge down the road.”

He speaks with pride about a project that deals with a rare cancer in children, called neuroblastoma. There are 20 new cases per year in Belgium. The treatment options are brutal and hard, or impossible for children to withstand. Majoie says that four out of five children who are receiving such treatment are suffering needlessly, or, on the contrary, one out of five may not receive the appropriate treatment and may be exposed to the worst evolution of the disease. A team of researchers sponsored by his foundation is pursuing the prognostic tool, to identify those children that are really in need of the heaviest treatment for the disease.

One reason Majoie supports the neuroblastoma research is because few others would. “I’m sure no [for-profit] company would have supported the neuroblastoma program. When a discovery is really new, there is a high risk of failure. That is not a premium selection criterion in our case,” he says.

The foundation is in effect a philanthropic venture fund, with the idea that foundation laureates who succeed in generating revenues through discoveries and their development will return a part of the revenues to the foundation to provide funding for new projects. In its seven years of existence, the foundation has underwritten 12 projects, out of which seven are still ongoing, with an average grant of some \$400,000.

Majoie is now working on enlarging the capacity and capabilities of the foundation by expanding it outside Belgium. He has achieved success in his corporate career by building a pharmaceutical powerhouse, and now he is well established on his philanthropic journey—to the benefit of cancer patients.



—DR. BERNARD MAJOIE
Founder and President,
Fournier-Majoie Foundation

THE PHILANTHROPIC JOURNEY

STAGE ONE: MOTIVATION

The BNP Paribas Individual Philanthropy Index findings expand on previous research commissioned by BNP Paribas in the field of philanthropy. In their research paper “Wealth and Philanthropy in Continental Europe: France, Spain, Italy and Belgium,” professors Marc Abeles and Jerome Kohler defined the characteristics of continental European philanthropists.

Their research led to the following conclusions:

- Philanthropy in Europe is a family affair, seen as a heritage, a duty that must be transmitted and that consolidates the family structure.
- When looked at through the religious prism, philanthropy in Europe is considered a moral duty within a system of values, in which religious virtues are cited first.
- In Europe, emotion guides philanthropic projects, and philanthropic activity is a means of individual expression.
- Philanthropy in Europe is not a question of performance. This tendency does not apply to European philanthropists under 50 years old and entrepreneurs who are closer to the American way of doing things.
- Philanthropy in Europe is a private, personal decision, with many philanthropists adopting the “I don’t want people to know [about my philanthropy]” attitude.

The findings from the BNP Paribas Individual Philanthropy Index confirm the importance of personal experience as motivation for giving throughout the world. Religious faith and altruistic desire are also common types of motivation across the regions. “Our clients’ motivations are diverse and often deeply personal. As clients increasingly search for impact in their philanthropy, they require support in translating their motivation into concrete action,” says Sofia Merlo, co-CEO, BNP Paribas Wealth Management.

As the BNP Paribas Individual Philanthropy Index reveals, at the core of philanthropic motivation is often a personal experience or personal beliefs. In the case of Taube, it is his immigrant experience. He was born in Poland and fled with his family just months before the Nazi and Soviet armies invaded. His philanthropy is a way of giving back to the country that gave him new opportunities.

What motivates your philanthropy? (Top Five)

Europe		Asia		United States		Middle East	
Altruistic desire	22%	Desire to give back to society	19%	Personal experience with area of focus	22%	Personal experience with area of focus	29%
Personal experience with area of focus	16%	Altruistic desire	19%	Religious faith	16%	Religious faith	21%
Sense of duty	16%	Sense of duty	16%	Sense of duty	14%	Ethnic or national identity	13%
Family legacy	15%	Personal experience with area of focus	11%	Family legacy	12%	Sense of duty	12%
Desire to apply business know-how	10%	Religious faith	11%	Desire to give back to society	11%	Family legacy	7%

However, in the letter accompanying his Giving Pledge, Taube stresses that the challenges he perceives today are vastly different from those that drove his earlier philanthropy: “I was privileged to grow up in a country dedicated to equal opportunity...Unfortunately, we seem to have lost our way...Our government policies serve to diminish work ethic and personal responsibility...I share a strong belief with other similar-minded philanthropists that, in part through our effort, our great American experience will survive and prosper stronger than ever.”

Serena Kao, daughter of Kao Shin Ping, founder of San Teh Group, is on the board of directors for the Kao’s family foundation, San Teh Foundation. She became involved in philanthropy through a combination of carrying out family traditions and the personal experiences of her youth. “Our family giving [foundation] is purely from the heart,” says Kao. “It’s not even a not-for-profit foundation, as it declined tax breaks. It’s just for the family giving. We give to education, healthcare, infrastructure and catastrophe.”

Kao notes that while the phrase “impact investing” has become very popular, she believes that in her family “we actually have carried this out since my father’s generation. When [as a business] you want to make X amount of profit and then try to rectify your wrong by doing CSR, then for me, it doesn’t come to real philanthropy. For us, when we talk about philanthropy, we really mean it.”

Kao explains how the company takes a holistic view of development and combines business with impact investing: “We went into [China] and built a cement plant. We literally changed the entire township. We hired professional evaluators to evaluate the entire place. We used the best technology to reduce pollution as much as possible. Then we enhanced the lifestyle by building roads.”

She is now working on developing her own philanthropic vehicle, a website and mobile application called Go Purpose, a platform that focuses on resolving

real issues with positive approaches. Kao describes it as reaching to the next generation.

Charlotte Dauphin was also influenced by her family’s philanthropy. “Ever since I can remember, I was aware that my parents and siblings were always helping others,” she says. “Each member of our family has their unique manner of doing this, whether it be emotionally, physically or financially.” Her older sister visited an elderly neighbor every Saturday, helping with household tasks, cooking and cleaning, as the neighbor had no family of his own to help him. Her brother dedicated afterschool hours and weekends to giving football lessons.

It was from such close-to-home observations that Dauphin’s passion for charity emerged. In the past decade Dauphin was able to take her philanthropic journey to the next phase, when in 2007, after graduating from university, she dedicated her time to foundation work. It was during her visit to Peru with her mother to attend a foundation meeting that she came to the realization that the way to help was not just by providing cash, but by working with communities together as a team.

For example, due to harsh weather conditions, very little in the way of food crops can grow in the remote community of Pampa Galeras in Peru, which is 3,650 meters above sea level. The only way to grow crops is with a greenhouse, but the materials are hard to find in that location. With the help of the community, the foundation used local techniques for home building—mud bricks and plastic—to build the first greenhouse. “The foundation provided the seeds,” says Dauphin, “and within the first year we saw amazing results. Due to the success of the trial project, each family now has its own greenhouse, which allows them to grow fruit, vegetables and leafy greens, which many people, particularly the grandparents, had never eaten before in their lives. This sustainable project has led to healthier adults and children with a different way of life, no longer dependent on help from foundations or others.”



.....
 “As clients increasingly search for impact in their philanthropy, they require support in translating their motivation into concrete action.”

.....
 —SOFIA MERLO
 Co-CEO, BNP Paribas
 Wealth Management

STAGE TWO: STATE OF WEALTH

The philanthropic journey for those who choose to fund causes, as opposed to volunteering, often begins with a question about resources. Do I have enough to give? Partly, it is a question related to the economy. In fact, in the U.S. overall giving is very strictly correlated to its gross domestic product. American giving has always hovered around 2% of the nation’s GDP, boom or bust, and was 2% in 2012 as well, according to “Giving USA 2013.”

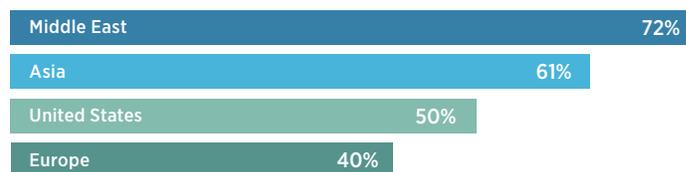
It is also a question on an individual level, pertaining to a person’s relative view of his/her wealth, generosity and perception of his/her own needs. The view varies by geography. “Americans often start feeling comfortable about their level of wealth quite early and begin to start thinking about giving around the time they make their first million,” says BNP Paribas’s Sauvanet. “It’s the optimism of the American dream, the belief that even if they make a mistake and lose money, they will succeed again and get even wealthier. Europeans, on the other hand, do not start feeling secure until they amass much larger

fortunes. Sometimes even those who have from \$50 million to \$70 million do not feel secure about their finances.”

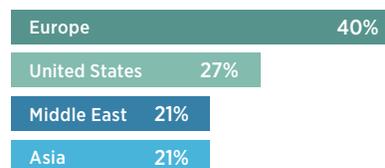
The BNP Paribas Individual Philanthropy Index supports Sauvanet’s observations. Indeed, giving among Europeans seems to be most negatively influenced by how they perceive the current state of their wealth. The survey also shows that respondents from the Middle East and Asia are feeling most positive about their wealth levels, while respondents from the U.S. are in the middle.

How does the current state of your wealth influence your philanthropy?

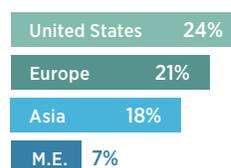
Urge me to increase giving



Urge me to decrease giving



No impact



In the case of the Middle East, the perception of the ultra-wealthy may come from more than just rich, resource-based economies, but also from comparing themselves to so many people in the region who have been impoverished or exiled as a result of political upheavals.

“I think the main reasons are religion and tradition,” says Barbara Ibrahim of Cairo’s American University. “Islam and Orthodox Christianity require a percentage of one’s wealth on an annual basis, so as income grows, generosity should increase.”



“We certainly see a correlation between increased wealth and increased engagement in philanthropic projects.”

—VINCENT LECOMTE
Co-CEO, BNP Paribas
Wealth Management

Philanthropists from the Middle East whom Forbes Insights spoke with for this report are all committed to giving. Al Jaber set up his first charitable trust in the mid-1990s after an exceptionally successful decade. He later founded the MBI Al Jaber Foundation, which is solely funded by him, because he wanted to stay directly and actively involved in the delivery of his philanthropy. “I have always considered it a great privilege to be in a position to make potentially life-changing donations,” he says.

Salma Bin Hareb says that the state of her wealth will not have a great effect on her giving, as she will contribute to a cause regardless of her level of wealth. Sheikh Kamel says that the state of his wealth and his giving has not changed because he applies the teaching of Hadith, an interpretation of the Quran, according to which “wealth is not reduced by giving to charity.”

“The sustained growth and surge in wealth experienced in Asia has triggered a parallel growth in philanthropy in the region. We certainly see a correlation between increased wealth and increased engagement in philanthropic projects,” says Vincent Lecomte, co-CEO, BNP Paribas Wealth Management.

Forbes Asia’s Koppisch explains that Asians’ positive feeling about their state of wealth is based on Asia’s economic boom. Asia has not suffered the shocks that the U.S. and Europe have in the past few years. The 2008 financial crisis was pretty short-lived in Asia. All the countries bounced back pretty quickly, and China and India are still growing relatively fast. People are optimistic and see growth ahead. “They don’t have that sense of limits that Americans are starting to get,” says Koppisch.

Asians believe that their business will be good for a long time, and their kids will inherit it, and their grandkids will carry it on. They don’t suffer from the pessimism of Europe, according to Koppisch.



“In the U.S., at the very highest levels of wealth, there is very little insecurity.”

—MELISSA BERMAN
Chief Executive,
Rockefeller Philanthropy Advisors

“The crash had a very short-lived effect in Singapore,” says Lien. “We had a very, very short V-shaped recovery in Singapore. And economic growth has been pretty strong the last few years. Individuals’ philanthropy definitely did not suffer at all in Singapore, even when economically we took a little hit. Corporate philanthropy, yes. Some of it went down because you can do gifts as a percentage of your profit, and when profitability goes down, they will reduce their funding accordingly. Not individuals.”

However, while feeling good about their wealth, Asians do not have that American drive to share described by Sauvanet. “They also don’t have that tradition of the U.S.,” says Koppisch. “Philanthropy is not the first thought that comes to mind when they make that first \$1 million. Their first thought is to invest, expand and move into other countries.”

Interviews with philanthropists reveal that in most cases they are committed to their giving, irrespective of market fluctuations. For example, Nilekani says that stock market gyrations don’t really affect her philanthropy, as she is committed to her strategy and giving. She has recently sold shares worth \$28 million to further her philanthropy.

“In the U.S., at the very highest levels of wealth, there is very little insecurity,” says RPA’s Berman. However, at lower levels of wealth people are much more concerned about economic fluctuations. Individuals who are worth anywhere between \$10 million and \$200 million are much more likely to have a sense that their wealth is precarious, and to be worried about another economic meltdown, according to Berman. Her clients are philanthropists with a net worth ranging from \$50 million to billions, who give away millions every year.

There are also some who feel that because of the budget deficits in the U.S., and the expenses they see as associated with healthcare reform further adding to the deficits, the country is heading off a fiscal cliff. As a result, they are very concerned about the overall financial situation and more likely to hold back. One may only hope that the American optimism described by Sauvanet will in the end prevail.



“Europeans do not start feeling secure until they amass much larger fortunes. Sometimes even those who have from \$50 million to \$70 million do not feel secure about their finances.”

—NATHALIE SAUVANET
Head of Individual Philanthropy,
BNP Paribas Wealth Management

PROFILE: THE PHILANTHROPIC JOURNEY OF MARK WEINGARD

A THOUSAND FIRES

The philanthropic journey is by no means over for Mark Weingard, a British-born philanthropist with a Maltese residence, who is now opening a new business in Thailand, and has worked in philanthropy in Thailand, Indonesia, Bali and India, among other countries. But at the age of 47, his philanthropic passion, as well as the lessons he has learned along the way, have led him to sketch a road-map of how he wants to engage in philanthropy in the future.

Weingard's first role model in philanthropy was British multimillionaire Michael Spencer, chief executive of ICAP, an interdealer broker company, who bought an interbank brokerage firm founded by Weingard in 2007. It was through that connection that Weingard came to know Spencer's annual "charity days." On one day of each year the company gives a whole day's revenue to charity.

This first lesson in charity has inspired Weingard, who is now opening a lifestyle hotel and spa called Iniala in Thailand: Weingard will dedicate 10% of Iniala's room revenue, and 5% of all of its other revenue, directly to charity.

The emulation of a mentor could have been a complete philanthropy story. But Weingard's life has taught him many more lessons, including many painful ones. A man of boundless energy, whose father died before his 36th birthday, Weingard did not expect to survive

past the same age and has lived a life in the fast lane of entrepreneurship and good works.

Roughly a decade ago two major tragedies led him to a renewed focus on philanthropy. Back in 2001, he was in New York when the terrorist attack took down the Twin Towers—he narrowly avoided being inside for a meeting. Weingard raised \$100,000 for the victims. A year later his fiancée, Annika Linden, was killed in the Bali terrorist attacks. In her memory Weingard founded the Annika Linden Foundation, renamed the Inspirasia Foundation 10 years later. Today the foundation focuses on education and disability.



“Everything I do has to have some philanthropy aspect, otherwise I’m not interested.”

—MARK WEINGARD
Founder,
Inspirasia Foundation

Another tragedy that Weingard witnessed personally was the 2004 tsunami in Thailand, which he survived by climbing to the roof of the building he was staying in while the wave washed by. Seeing the chaos on the ground, Weingard took a month off work and set up an organization called Thai Together. Its aim was to bring all the NGOs together and help coordinate their work. “When a major disaster happens, it’s almost like a magnet,” says Weingard.

“Hundreds and hundreds of charities from all around the world just suddenly congregate in one place. I organized lots of meetings, so they all knew what the others were doing.”

STAGE THREE: THE HOW— RESOURCES AND LAWS

Although philanthropists Forbes Insights spoke with consider philanthropy their moral obligation, the legal climate—such as fiscal policies and regulations—also affects giving.

The BNP Paribas Individual Philanthropy Index shows that the lowest number of respondents from Asia are urged to increase their giving due to the available legal and financial structures, with U.S. and Europe in the middle and the highest number of respondents from the Middle East saying that current policies promote giving.

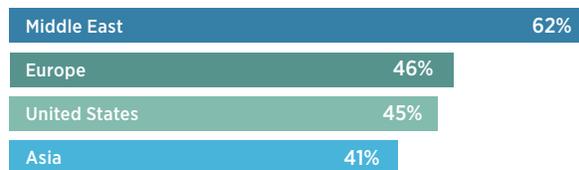
While Asia scored the lowest, Sauvanet believes that the region is on the right track: “In Asia, they’re really improving their legal and fiscal environment. There was nothing before, so they are starting to build it now. The approach is smart, as they are analyzing what was done in other countries and learning from the mistakes of others.” Sauvanet specifically points to the creation of the Community Foundation of Singapore as a positive example.

Chaired by Laurence Lien, the Community Foundation of Singapore (CFS) is an independent company limited by guarantee that was established with the support of the Ministry of Community Development, Youth and Sports in 2008. The nonprofit organization’s mission is to inspire philanthropy in Singapore and connect donors, both corporations and individuals, with worthy causes and programs. CFS also holds community leadership events such as philanthropy symposiums and roundtable discussions, so donors can network with other donors, learn more about the giving process and put the knowledge into practice with their own giving plans.

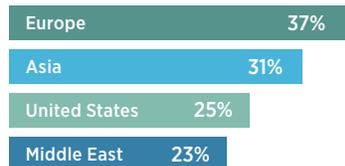
Lien sees the role of the organization as enabling a civil society that is based on philanthropy. The structure of the organization is, in effect, a partnership of the government

How do current policies promoting giving influence your philanthropy?

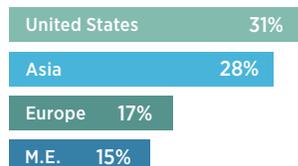
Urge me to increase giving

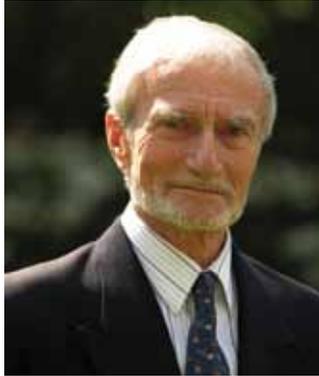


Urge me to decrease giving



No impact





.....
 “We would like to spend our time on our philanthropy, not on dealing with regulators.”

—**BERNARD MAJOIE**
 President,
Fournier-Majoie Foundation

with non-government organizations and philanthropists. Forbes Insights wondered if this type of structure is unique to Singapore, being a city-state, or if it could work elsewhere. “I think it can work in parts of Asia, even though strong partnerships between the government and civil society are not commonly found,” says Lien. “I don’t think it can work in the U.S. because of a very deep suspicion of government funding there.”

Forbes Asia’s Koppisch may be displaying these suspicions when he notes the double-edged sword of a government’s active role in charity. In some countries the governments have favored charities that they like philanthropists to donate to, such as disaster relief. Whenever there’s a big earthquake in China, for example, the government will pressure the ultra-wealthy to help. There are charities, however, that are not in favor, which limits philanthropists’ freedom. On the other hand, China does promote giving, because every year the state puts out a list of the leading donors.

Tax incentives for charitable giving in Asia are not as important as in the U.S. Many Asian countries are either

abolishing the estate tax, as is the case in Hong Kong and Singapore, or lowering it substantially. Thus, estate tax avoidance is not what influences Asian families to give, as would be the case in the U.S., says Mimi Hutton of Withers Worldwide. “Tax relief for charitable giving is generally not a driver in Asian philanthropy,” she adds. The fact that the Asian ultra-wealthy are not that sensitive to tax incentives may also be part of the reason that the fewest respondents from Asia say that they are urged to give due to tax relief policies. They may simply be influenced by such policies to a lesser degree than respondents from other regions.

In the U.S., of course, tax relief policies are crucial for philanthropy. From time to time, there is talk of the government limiting itemized deductions. Charitable gifts under most laws are deductible against income. If that charitable deduction were somewhat reduced or cut back, many people predict that such a step would decrease philanthropic donations in the U.S.

European governments, according to Sauvanet, are sending mixed messages to philanthropists. “On one hand you’ve got governments counting on private initiatives,” she says. “But at the same time, they try to master or control it, as a result entangling philanthropists in bureaucracy.”

Says Italian philanthropist Della Valle, who is restoring the Colosseum: “In our country we are not accustomed to this kind of initiative, especially because people always think of an economic return. Maybe after the restoration of the Colosseum something will change, since there is also a legal emptiness that must be filled. Many businessmen want to give, in addition to money, also their energy and their international experience to improve situations where the State doesn’t intervene. The intervention of private citizens in cultural initiatives must be supported by the government and not obstructed, ensuring the creation of new jobs and a real economic recovery.”

For his part, Bernard Majoie, who is now expanding his Fournier-Majoie Foundation internationally, would like some pan-European consistency. He has been a promoter of the European status of foundations that would eliminate differences among countries in areas such as the recognition of public interest, tax deductions and principles of establishment. “We would like to spend our time on our philanthropy,” he says, “not on dealing with regulators.”

STAGE FOUR: THE RESULTS

A philanthropic journey ends once its goal has been achieved—an orphan given a home, a poor student granted funds for education, a disease eradicated, a social wrong righted.

Some of these goals take a longer time to achieve than others. Some are, in fact, forever a work in progress. Thus, the patience of philanthropists depicted in the chart below—showing that the biggest number of respondents

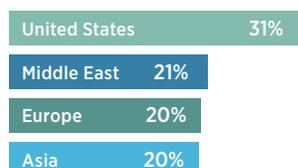
from the Middle East are willing to wait longest, while Asians are more short-term-oriented—may, in fact, better illustrate the type of charity they undertake, rather than the level of patience.

How long are you willing to wait to see results?

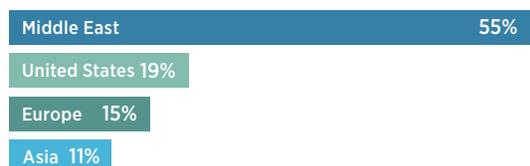
Under 10 years



10 to 25 years



More than 25 years



As for the Middle East, “I do not think the patience is the result of having long-term development goals,” says Ibrahim. “Rather, most people in the region believe that the value of the gift is in the giving and not announcing it publicly. They do not necessarily give to make change but rather to bring relief or comfort, according to cultural tradition. A new generation of ‘strategic philanthropists’ are strong champions of impactful giving, but they are still the minority.”

Serena Kao says that sometimes her family wants to see immediate results: “If you want to talk about how fast we like the results, I can tell you immediately. We give grants and bursaries to needy children. The day we give grants it immediately solves their problems because they need this money to solve this issue.

“But if you’re talking about food safety,” Kao adds, “or trafficking in women, then it’s a day-by-day process. It’s a longer process. So I would say it depends on the things we do.”

In a world of philanthropy where impact investing and ultimate results (e.g., eradicating disease and not simply healing the symptoms) define current trends, giving money may seem outdated. And giving money to solve a problem may seem to some philanthropists like a Band-Aid solution, like giving a man a fish instead of teaching him to fish.

Berman, for her part, believes that the pendulum may have swung too far in that direction. “You ought to ask the person, ‘Do you want to fish? Do you think fishing is a good idea or not?’ And we don’t really have good ways to do that,” she says. “So I’m interested in some of these programs that just identify communities where people don’t have enough money and give them money. And they use the money as they see fit for themselves in their lives.”

De Benedetti may put it best when he says, “I am not interested in how fast but how effective the initiative is.”



.....
“If you want to talk about how fast we like the results, I can tell you immediately.”

—SERENA KAO
Board Member,
San Teh Foundation

.....

EXECUTIVE SUMMARY

The world has slipped somewhat in its journey on the road to achieving a perfect philanthropic state in the categories of Giving, Innovation and Promotion, according to the 2014 BNP Paribas Individual Philanthropy Index. A perfect score of 100 would imply an ideal philanthropic world of extreme generosity, advocacy and effectiveness. We are aiming to move closer to that goal.

It's all in the timing. The longer we wait to address the issues, the harder the job becomes. Do we feel enough urgency for philanthropy? Do we know where we are heading? Do we have what it takes to succeed? What have we learned from our philanthropic journeys?

ACKNOWLEDGMENTS: Forbes Insights would like to thank the following individuals for their expertise and time:

PHILANTHROPISTS

Carlo De Benedetti, Chairman, the Rodolfo De Benedetti Foundation

Charlotte Dauphin, Philanthropist and international PR and marketing executive

Salma Ali Saif Saeed Bin Hareb, CEO, the Jebel Ali Free Zone

Sheikh Mohamed Issa Al Jaber, Chairman and Founder, MBI International

Sheikh Saleh Kamel, Chairman and Founder, the Dallah al Baraka Group

Serena Kao, Board Member, San Teh Foundation

Laurence Lien, Chairman, Community Foundation of Singapore, CEO, National Volunteer & Philanthropy Centre and Chairman, the Lien Foundation

Bernard Majoie, President, Fournier-Majoie Foundation

Steven J. McCormick, President and Trustee, the Gordon and Betty Moore Foundation

Rohini Nilekani, Chairperson, Arghyam Foundation

Richard Stone, Chairman, the Reuben Foundation

Tad Taube, Chairman and Founder, Taube Philanthropies

Diego Della Valle, CEO, Tod's

Mark Weingard, Founder, Inspirasia Foundation

BNP PARIBAS WEALTH MANAGEMENT EXECUTIVES

Vincent Lecomte, Co-CEO, BNP Paribas Wealth Management

Sofia Merlo, Co-CEO, BNP Paribas Wealth Management

Nathalie Sauvanet, Head of Individual Philanthropy, BNP Paribas Wealth Management

FORBES WEALTH/PHILANTHROPY EXPERTS

Naazneen Karmali, Forbes Wealth and Philanthropy analyst

John Koppisch, editor of Forbes Asia's Heroes of Philanthropy

Tatiana Serafin, Forbes Wealth and Philanthropy analyst

PHILANTHROPY EXPERTS

Melissa Berman, President and CEO, Rockefeller Philanthropy Advisors

Richard Cassell, Partner, Withers Worldwide

Mary Ellen (Mimi) Hutton, Of Counsel, Withers Worldwide

Barbara Ibrahim, Founding Director, the John D. Gerhart Center for Philanthropy and Civic Engagement at the American University in Cairo

Anna Sumner, Associate, Withers Worldwide

This document has been produced by Forbes in cooperation with the Wealth Management Métier of BNP Paribas, a French Société Anonyme with a capital of 2.490.325.618 Euros, Head Office 16 boulevard des Italiens, 75009 Paris, France, registered under number 662 042 449 RCS Paris, registered in France as a bank with the French Autorité de Contrôle Prudentiel (ACP) and regulated by the French Autorité des Marchés Financiers (AMF).

Prior to entering into a transaction each investor should fully understand the financial risks, the merits and the suitability of investing in any product including any market risk associated with the issuer and consult with his or her own legal, regulatory, tax, financial and accounting advisors before making his or her investment. Investors should be in a position to fully understand the features of the transaction and, in the absence of any provision to the contrary, be financially able to bear a loss of their investment and willing to accept such risk. Investors should always keep in mind that the value of investments and any income from them may go down as well as up and that past performance should not be seen as an indication of future performance. Save as otherwise expressly agreed in writing, BNP Paribas is not acting as financial adviser or fiduciary of the investor in any transaction.

Although the information in this document has been obtained from published or not published sources which Forbes and BNP Paribas reasonably believe to be complete, reliable and accurate, neither Forbes nor BNP Paribas do represent or warrant, whether expressly or implicitly, and accept any responsibility for, its exhaustiveness, reliability or accuracy; any opinion expressed in this document is subject to change without notice. Forbes and BNP Paribas accept no liability whatsoever for any consequences that may arise from the use of information, opinions or projections contained herein.

By accepting this document, you agree to be bound by the foregoing limitations.

© BNP Paribas (2014). All rights reserved

© Forbes (2014). All rights reserved

Forbes

INSIGHTS

ABOUT FORBES INSIGHTS

Forbes Insights is the strategic research and thought leadership practice of Forbes Media, publisher of *Forbes* magazine and Forbes.com, whose combined media properties reach nearly 50 million business decision makers worldwide on a monthly basis. Taking advantage of a proprietary database of senior-level executives in the Forbes community, Forbes Insights conducts research on a host of topics of interest to C-level executives, senior marketing professionals, small business owners and those who aspire to positions of leadership, as well as providing deep insights into issues and trends surrounding wealth creation and wealth management.

Bruce Rogers

CHIEF INSIGHTS OFFICER

Brenna Sniderman

SENIOR DIRECTOR

Kasia Moreno

EDITORIAL DIRECTOR & REPORT AUTHOR

Brian McLeod

MANAGER, NORTH AMERICA

Matthew Muszala

MANAGER

Lawrence Bowden

MANAGER, EMEA

Curtis Bergh

DEPUTY DIRECTOR, APAC

Dianne Athey

DESIGNER

