

# Giving while they Can

*Philanthropic trends are changing. Instead of allocating funds for posthumous use, the philanthropic super-rich are getting involved, actively streaming their donations to specific causes. And it doesn't hurt that awards and other incentives recognise this generosity. Alexandra Kohut-Cole investigates*

Philanthropy was on the schedule of the Davos World Economic Forum 2007, the Davos aspiration being to open up the lines of communication with insurers, bankers and the corporate sector to debate how to better work with governments to distribute the risks associated with natural disasters.

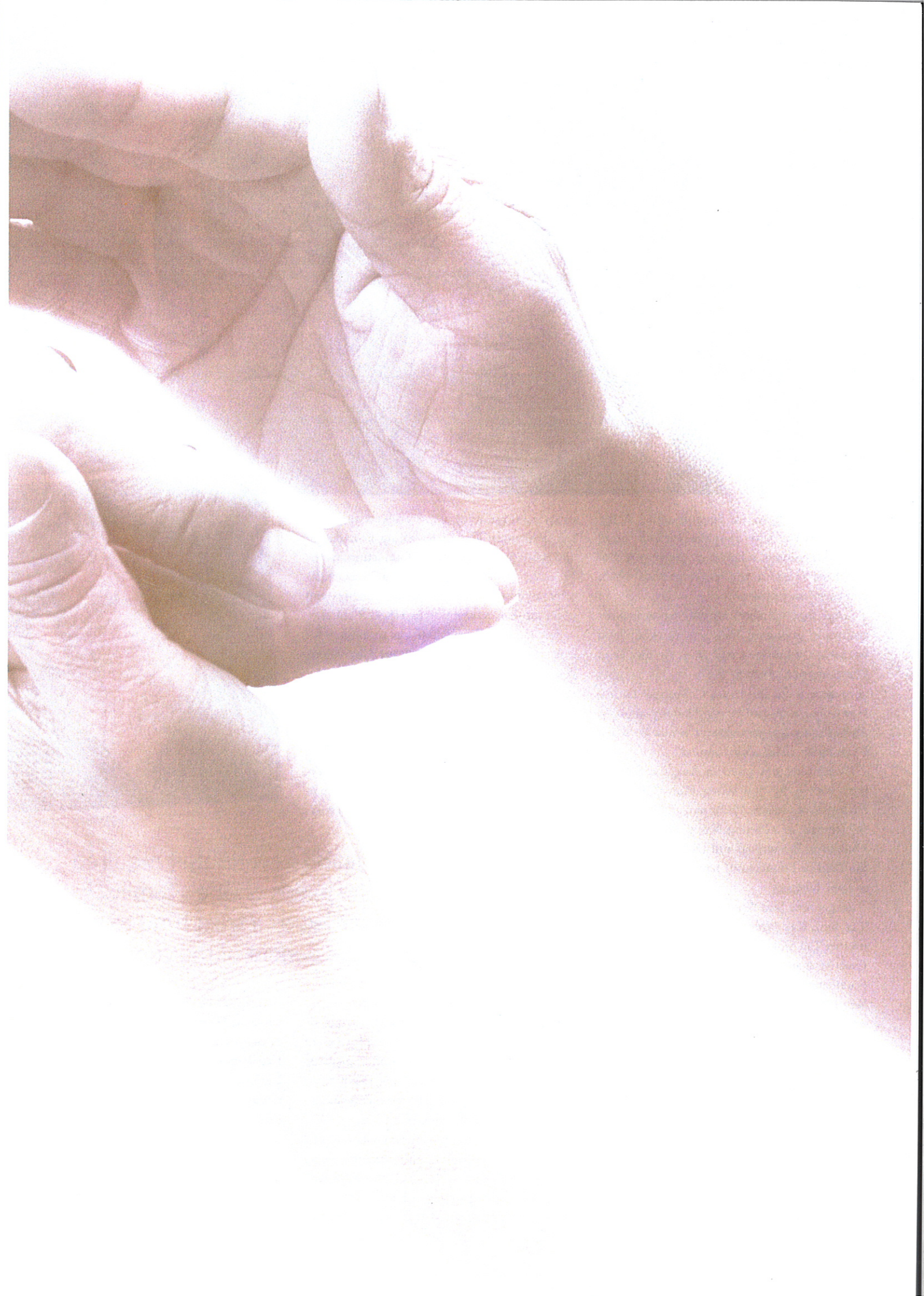
Andrew Carnegie, 19th century steel baron and reportedly one of the first philanthropists, stated in 1889, over 100 years ago, that the rich have a moral obligation to give their fortunes away. In *The Gospel of Wealth*, he asserted, "All personal wealth beyond that required to supply the needs of one's family should be regarded as a trust fund to be administered for the benefit of the community," his motto being, "He who dies rich dies thus disgraced."

Indeed, a new generation of philanthropists are giving it away as fast as they earn it. In the past, foundations were established after the death of the benefactor but now it is fashionable to set one up in your lifetime, following headline news surrounding major

philanthropists in the US, such as Warren Buffet and Bill Gates.

In June 2006, Warren Buffet, CEO of Berkshire Hathaway, gave the bulk of his wealth (he's said to be worth \$44 billion) to the Bill and Melinda Gates Foundation, the world's largest philanthropic organisation. He donated, in the form of stock in his company, to five foundations: The Bill and Melinda Gates Foundation; the Susan Thompson Buffet Foundation; the Howard G Buffet Foundation; the Susan A Buffet Foundation; and the NoVo Foundation. The majority, however, was donated to the Bill and Melinda Gates Foundation which focuses on global health issues, especially HIV prevention and treatment; improving education; and reducing poverty in the developing world.

Said Buffet in *Fortune* magazine in 2006, "I know what I want to do and it makes sense to get going." He's certainly not waiting until he's on his deathbed. In his letter to Bill and Melinda Gates, he states, "Working through the foundation, both of you have applied truly unusual intelligence, energy and heart to improving the lives of millions of fellow







Bill and Melinda Gates with Warren Buffet

humans who have not been as lucky as the three of us. You have done this without regard to colour, gender, religion or geography. I'm delighted to add to the resources with which you carry on this work."

Gates shares Buffet's attitude towards philanthropic giving in that he's working hard to donate while he's still alive. At The Tech Humanitarian Awards 2006 in his acceptance speech for the James C Morgan Global Humanitarian Award he said, "I always thought philanthropy was something I would do when I was much older, after I retired."

Continuing this trend in Asia, the foundations set up by Sim Wong Hoo (CEO and chairman of Creative Technology), Li Ka-shing (Chairman of Cheung Kong Holdings and Hutchison Whampoa) and Della Lee (chair of the DS Lee Foundation) have been established in their lifetimes.

Singapore's Sim Wong Hoo set up the Sim-Tan Siok Kee Foundation in memory of his mother Tan Siok Kee. He donated one million Creative shares to the recently announced Sim Foundation and renamed it the Sim-Tan Siok Kee Foundation in January this year to commemorate the 25th anniversary of Creative Technology. The Foundation focuses its charitable efforts on education, the arts, the poor and the aged. The shares will go to two foundations, namely the Kuo Pao Kun Foundation and the Sim Foundation.

In 1980, Li Ka-shing established a charitable foundation, its mission being to nurture a culture of giving in our society. The Li Ka Shing Foundation was set up to co-ordinate donations to medical, education, cultural and

other community welfare projects in a systemic manner. The Li Ka Shing Foundation and other private charitable foundations established by Li have supported numerous charitable activities with grants, sponsorships and commitments amounting to HK\$8.3 billion.

The DS Lee Foundation was established for one special cause. Says Lee: "Our foundation's primary objective is the advancement of nurses and the provision of financial assistance to enable them to reach the highest level of service quality possible. My experience as a doctor and hospital administrator helped shape my view on the importance of nurses and the nursing profession. Their role in society is very important. My passion for nursing care and to help the disadvan-

*"All personal wealth beyond that required to supply the needs of one's family should be regarded as a trust fund to be administered for the benefit of the community"*

tagged has shaped my long-term goal to enhance the education of nurses in qualitative and quantitative terms. Any appeal received must have merit and justification. Before a donation is approved and made by us, it must show cause that it meets our objectives as stipulated in our memorandum and the articles of our foundation."

This approach to philanthropy has emerged from a new generation of entrepreneurs, entertainers and financiers. "Today's philanthropists are bold, working almost as hard to give their money away as they did to make it," reported



Sim Wong Hoo, CEO of Creative Technology

*Business Week* in December 2002. As Lee explains, "Foundations have always been one of the main sources of donation to be tapped. Foundations will continue to be the main philanthropists as the donations are usually substantial and frequent. A foundation will be more beneficial to a donee who needs a continuing source for recurring and ongoing expenditure. Our intention is to pursue the continuous education and upgrading of our nurses, and a foundation-led approach provides a long term and structural benefit to the project."

The Kellogg Foundation in the US reported at the end of 2006 that during 2005-6 it had awarded nearly USD\$287 million in grants, the largest annual total in its history. "While our emphasis will always be on helping people to help themselves, there's no question that having more funds at our disposal allows us to extend the impact of our work," said Sterling Speirn, president and CEO of the Kellogg Foundation. "This growth puts us in a better position to face the challenges – planned and unplanned – that lie ahead."

The Kellogg Foundation's primary programme areas are: health; food systems and rural

development; youth and education; and philanthropy and volunteerism. WK Kellogg established the eponymous foundation in 1930 during the Depression. It was the next logical step for a man who had for many years contributed to a broad range of charities. In creating the foundation, Kellogg sought to make his giving more focused and purposeful. As he admitted at the time, "It's been much easier to make money than to know how to spend it wisely."

There's now a market in advice to the rich on which charities to channel their wealth into. In the US, Melissa Berman runs Rockefeller Philanthropy Advisors. They provide an inde-

pendent, non-profit service based in New York, their mission being to, "help donors create thoughtful, effective philanthropy throughout the world." They identify what the donor wants to achieve through their giving, developing solutions.

In the UK, New Philanthropy Capital is run by Nigel Harris, chief executive. The organisation bridges the gap between charities and potential supporters. It advises private donors and provides them with guidance on how to ensure their money has high impact. Their aim is to "increase the quantity and quality of resources available to the charitable sector."

Are the new philanthropists more globally aware in their giving? "Yes," says Lee. "With the availability of more informed sources such as the media and use of the internet, together with the information provided by the donee, it's now becoming a more global environment for existing and new philanthropists to gather more information before making a decision."

But are philanthropists in Singapore changing their regional focus to a more global outlook? According to Lee, "Philanthropy in Singapore has not changed its regional focus to a more global focus. To quote Mother Theresa: 'If you can't feed a hundred people, just feed one.' I believe everyone who has the heart to help, be it in Singapore or other parts of the world, will do their part for charity. It's always on the basis of priority and who needs most assistance."

In Singapore, however, donors don't want to shout about their charitable behaviour. Asia is different from the US in that many philanthropists don't want to be too public. As Michael Koh, CEO of The National Heritage Board, says, "Some donors give us collections but they

*In Singapore, donors don't want to shout about their charitable behaviour*

would rather remain anonymous and we have to honour that. Their reasons are personal ... they don't need the glare of the press and like to keep on living their lives, but they still give. Cultural philanthropy is gaining momentum in Singapore: Private individuals are giving more generously and various collectors hope it will go further. Some want to pass it on to the next generation and some want to give to the city for the country and the people."

To encourage cultural philanthropy, create awareness and make donating more inviting to potential philanthropists, the National



Li Ka Shing, receiving the Malcolm S Forbes Lifetime Achievement Award from Forbes magazine



Della Lee, chair of DS Lee Foundation with Khaw Boon Wan, minister for health



Heritage Board is offering incentive schemes. Says Koh, "We are quite progressive in that we offer double tax deductions for donations to museums." The Public Art Tax Incentive Scheme (PATIS) is designed to encourage private organisations and individuals to participate in the areas of donating, commissioning, displaying and maintaining public art by allowing them to claim a double tax deduction. Says Koh, "As we are a younger country, we don't have the same history as the US. Some foundations support museums, for example, the Guggenheim and the Getty but in Singapore it's a different scene. The tradition of cultural philanthropy does not date back as far as in the US so it's not directly comparable and our history is very different."

Philanthropy awards are all part of the new charitable landscape. City Developments Limited (CDL) in conjunction with PATIS



Michael Koh,  
CEO of the  
National  
Heritage Board

unveiled the *Reed* sculpture by Peter Chen in January this year. The *Reed* sculpture is the winning entry of CDL's Singapore Sculpture Award. This first public artwork, commissioned under the award scheme, stands along the Singapore River at Robertson Quay. This arts programme is the first of its kind to be initiated by a real estate company in Singapore. Kwek Leng Joo, CDL's managing director, says, "The CDL Singapore Sculpture Award and its support of the public art tax incentive scheme are in line with our commitment as a major developer to offer a gra-

cious living environment for Singaporeans. Together with our partners, we hope to help propel Singapore into a global city for the arts, as well as to leave a legacy in the cultural and physical landscape of Singapore."

Another incentive from the National Heritage Board is the launch of its Patron of Heritage Awards in November last year. The aim is to "create a formal platform to celebrate and profile these supporters and benefactors on a national level and raise the level of heritage philanthropy in Singapore." Through the awards, heritage and museum sponsorship can take on a higher profile and be recognised as worthwhile causes to support. Says Koh, "The Patron of Heritage awards are positioned as a signature event which reflects how much we value big-hearted gifts from friends and sup-

porters of the heritage sector. Many have provided financial support and donated their collections. They have also invested personal time and energy to support heritage causes. Their selfless acts have made possible the wide range of developmental and programming activities in the dynamic, fast growing heritage sector."

Philanthropic foundations are also giving awards. The Tan Chin Tuan Nursing Awards in November last year, presented by the DS Lee Foundation and administered by SingHealth, are the first national level awards specifically recognising enrolled

## A new generation of philanthropists are giving it away as fast as they earn it

nurses. These awards, established by the DS Lee Foundation, recognise exemplary enrolled nurses who have demonstrated professionalism, dedication and contributions in advancing the nursing profession.

The awards are named in memory of the late banker and philanthropist, Tan Chin Tuan. "In his old age, Uncle Chin Tuan benefited tremendously from the professionalism and caring service of many nurses who looked after him," says Lee. "What better way to honour his legacy than to establish an award for nurses who share the same values of dedication, kindness and generosity as he did and, in doing so, show our gratitude to Uncle Chin Tuan."

The Tan Chin Tuan Foundation was established in 1976 by Tan Chin Tuan with the aim



Tan Chin Tuan  
Nursing Awards

of providing assistance to the deserving and to services which help build a sustainable society. The type of assistance provided reflects the founder's philosophy as to how money should be utilised for social good. Rather than focusing on any one segment of society, the foundation attempts to support projects or causes which are viable, sustainable and well managed with definable social outcomes, taking into consideration evolving social needs. The Tan Chin Tuan Foundation is overseen by a governing council headed by Tan Kheng Lian as chairman and managed by a professional secretariat.

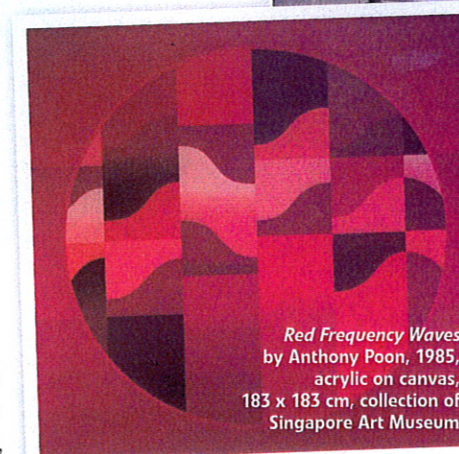
"Living artists give quite a number of their works," says Koh. "But, needless to say, our budgets can only go so far." The late Singapore abstract artist Anthony Poon specified in his will that he wanted to donate his work to the Singapore Art Museum (SAM). The donation ceremony was held earlier this year in the Glass Hall of the Singapore Art Museum. The family of the artist were there to follow Poon's final wishes and they donated 23 of his works to the museum. A moving speech was given by the artist's daughter, in which she paid a glowing tribute to her late father. The works range from the late 1960s to 2005 and include three sculptures, two wall reliefs and 19 paintings.

Director of SAM, Kwok Kian Chow says, "Since SAM's establishment in 1996, it has



Singapore Art Museum

Photo courtesy Singapore Art Museum



Red Frequency Waves  
by Anthony Poon, 1985,  
acrylic on canvas,  
183 x 183 cm, collection of  
Singapore Art Museum

consistently supported Singapore artists through acquiring their works for the museum's permanent

collection; through presenting their works in exhibitions; and through undertaking research, scholarship, publication and documentation. Ten of the 15 Anthony Poon works in the museum's current collection since the 1990s were acquired, with the rest being donated. Hence, the donation from his family notably enhances the museum's collection of the late artist's work. Since January 2003, SAM has received almost 1,500 artefacts from donors estimated to be valued at S\$26 million."

Equally, the Asian Civilisations Museum has been on the receiving end of generous beneficiaries. The late Tan Tsze Chor was one of Singapore's early pioneer entrepre-

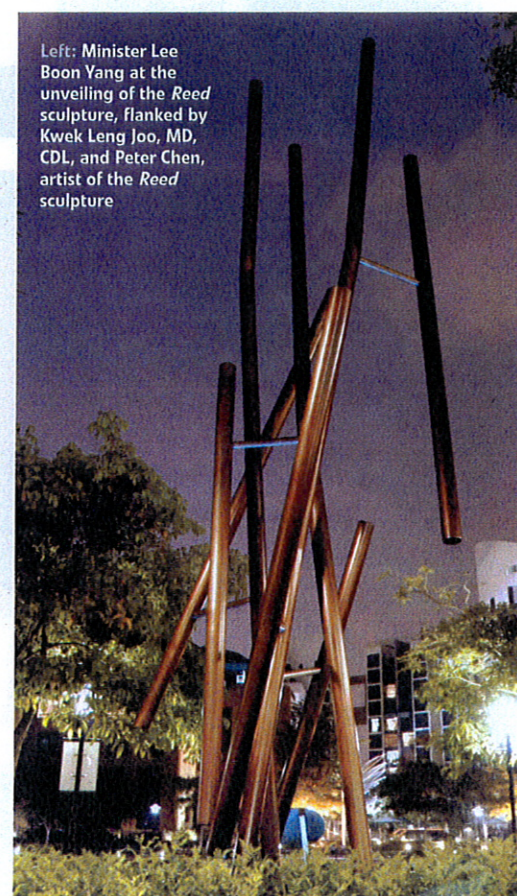
neur-philanthropists who endured great hardships to make his fortune during the early years. Tan's legacy is to donate his Xiang Xue Zhuang collection of Chinese art back to society on behalf of the Asian Civilisations Museum. His son, Tan Gek Gnee, maintains the collection's current value is over \$10 million. Today, the Tan family continues his legacy and tradition by giving regularly to the Tan Tsze Chor Trust Fund which he set up together with the Singapore Art Society in 1977. This fund, which has reached \$700,000, is used to support the local artist community through annual arts awards.

The single biggest contribution to the Asian Civilisations Museum was the donation of S\$2.8 million from the Hong Leong Foundation. In November 2003 the Hong Leong Foundation, the charity arm of the

Hong Leong Group, was honoured for outstanding contributions in support of heritage in Singapore. One of the galleries at the museum has also been named after the group's founder, the late Kwek Hong Png. The foundation is one of the National Heritage Board's top 10 benefactors.

"People are not changing their donation style," says Lee. "Recent sagas may have caused donors to be more careful in parting with their money. Given more transparency and informed documentation provided, people will continue to help deserving causes."

Significant cultural donors in Singapore are being awarded for their philanthropy and, to encourage more, incentives are being devised. Cultural philanthropy in the island state is evolving towards taking on a more global standpoint. It's clearly fashionable to give away money as fast as you earn it. □



Left: Minister Lee  
Boon Yang at the  
unveiling of the *Reed*  
sculpture, flanked by  
Kwek Leng Joo, MD,  
CDL, and Peter Chen,  
artist of the *Reed*  
sculpture