

# Billionaires' wealth is skyrocketing. Their philanthropy is not

**Bloomberg  
Businessweek**

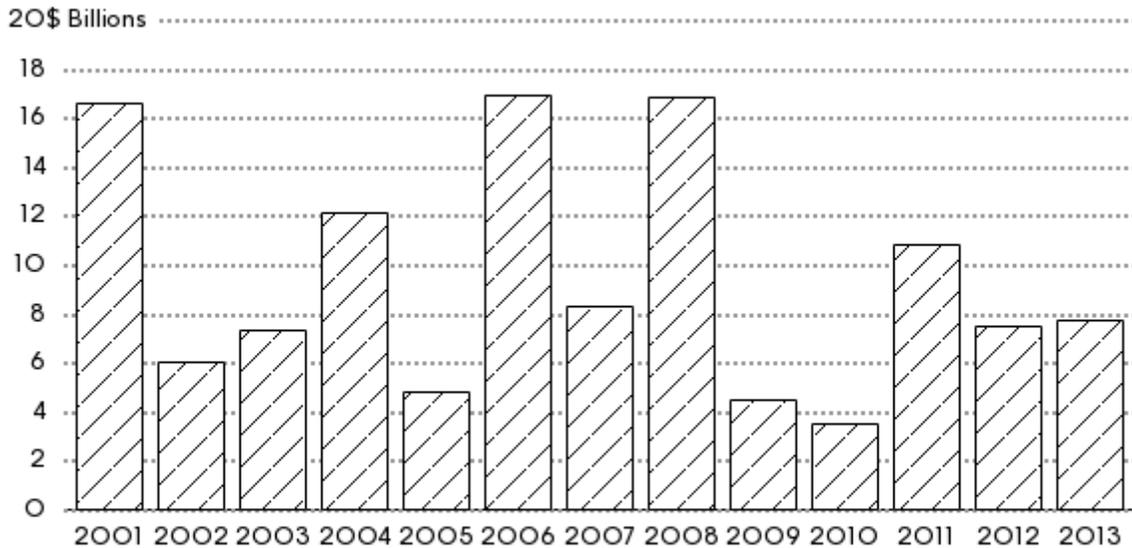
*By Nick Summers 2/15/14*



The Chronicle of Philanthropy released its annual “Philanthropy 50” list this week, detailing the gifts of the most generous donors in America. These individuals are “ditching the caution that marked so much of their giving as the economy stalled and are roaring back” with \$7.7 billion in contributions, 4 percent more than in 2012, the publication says.

Some \$7.7 billion is nothing to scoff at. It’s also possible that the figure would be higher if anonymous donations were included. The Chronicle publishes an excellent data set, however, and a closer look at the numbers suggests there is not quite a “surge” or “boom” in the largest gifts. This chart shows the top 50 over the last 13 years, adjusted for inflation—with an asterisk:

## Chronicle of Philanthropy Top 50 (minus Buffett)

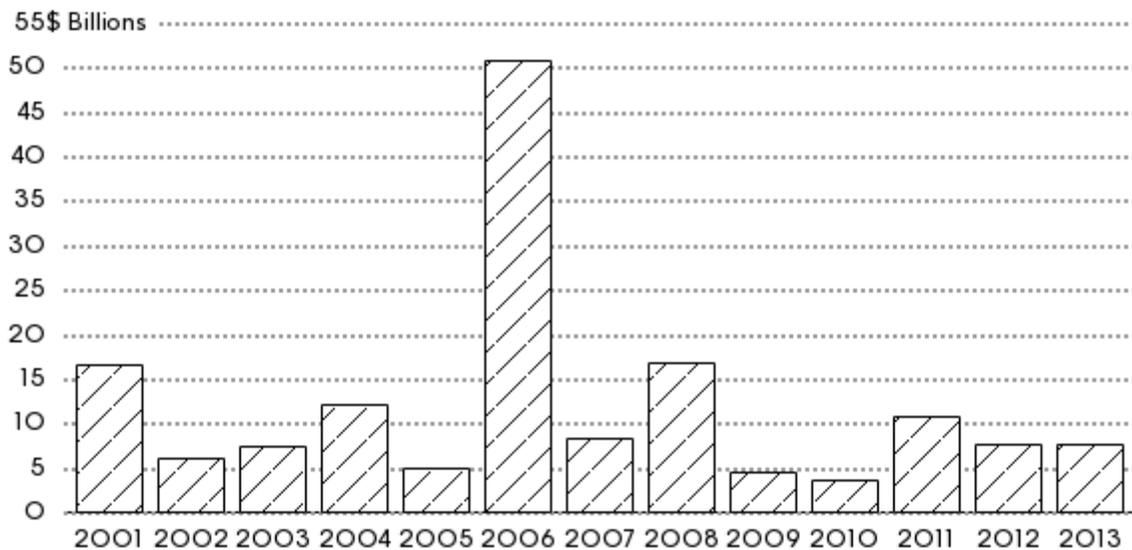


Data: Chronicle of Philanthropy

Adjusted for inflation. Excludes Warren Buffett's \$36.1 billion gift in 2006.

Why the asterisk? To make the trend more readable, that chart omits the most sizable gift in memory: Warren Buffett's 2006 commitment of \$36.1 billion to the Bill and Melinda Gates Foundation. Here's the complete picture:

## Chronicle of Philanthropy Top 50 (including Buffett)



Data: Chronicle of Philanthropy

Adjusted for inflation.

Giving is up since the financial crisis. But while the stock market has made a complete recovery, top-50 philanthropy has clearly not. And this kind of giving has not nearly kept pace with the rise in American

billionaires' wealth over the past decade. The Forbes 400 list, which tracks the richest people in the U.S., had a total net worth of \$955 billion in 2003. By 2013, it had more than doubled, to \$2 trillion.

The Bloomberg Billionaires index, which launched in 2012 and tracks the 300 richest people worldwide, saw a [\\$524 billion increase](#) in wealth during 2013 alone. Tech billionaires gained 28 percent on the year, led by Tesla founder Elon Musk, whose wealth climbed 233 percent.

This puts the 4 percent increase the Chronicle of Philanthropy hails in context. At a time when the richest Americans' wealth is skyrocketing, it's appropriate to ask whether their giving is skyrocketing as well.

The country's non-billionaires are giving their share. As the *New Yorker* [noted](#) on Feb. 10, total annual giving by all Americans stands at about \$230 billion, dwarfing the top 50's \$7.7 billion.

Tom Perkins, the near-billionaire venture capitalist, triggered a fresh round of soul-searching on American inequality in January, when he compared criticism of the rich to the persecution of Jews in Nazi Germany. He apologized for causing offense in a subsequent interview, while reiterating his argument about "class warfare."

"Do you worry at all that you are divorced from reality?" Emily Chang of Bloomberg TV asked Perkins on Jan. 27. "Are you divorced from reality?"

Perkins [responded](#), "I don't know if anybody can answer that. Truthfully, I don't think so. I give and have given and will give millions and millions of dollars to a long list of charities. I have in mind some more chairs at universities."

Gifts to higher education [rose 9 percent](#) in 2013, according to the Council for Aid to Education, led by Stanford University, which has a \$18.7 billion endowment, and Harvard, with \$32.3 billion.