

Gifts that last

by BRIAN LOCKHART

It was announced this week that the world's richest man will be donating \$10 billion to a new initiative that will fund programs to combat the effects of climate change.

Jeff Bezos, founder of Amazon, has been criticized over the years for not contributing some of his multi-billion dollar fortune to charity. He has finally decided to part with some of his cash.

It's up to the person as to what they want to do with their money. However when you are smart enough or lucky enough to amass a fortune, sharing it to help charitable organizations or causes is probably the right thing to do.

Most people donate to a charity each year. I would think most people who donate do so according their ability and income. Most people cannot afford to make a donation of several thousand dollars.

If you happened to have a few thousand left over at the end of the year, you'll probably spend it on your favourite charity ? yourself. Whether that is for a vacation you have planned or a new roof for your house a couple of thousands dollars is a lot for the average person.

So what can be done with \$10 billion? That's a lot of money.

With that kind of cash a lot of things could be accomplished, however, with an initiative that is so broad as climate change, it would be interesting to check back in ten years to see what happened to the money.

If it's anything like other big charities, most of that money will disappear into 'administrative' costs and other non-tangible expenses. In the end, the \$10 billion will probably not have accomplished much at all other than ensuring lawyers, bean counters, clerks, and other office staff had a salary for a few years.

It's not hard to find out the numbers the big charities work with. Many organizations whose name you would easily recognize spend only pennies from every dollar they raise on charitable activity.

The rest is spent on 'administrative' causes including huge salaries, sometimes in the seven figures, for those at the top.

If I'm going to donate with good intentions to a charitable organization, it certainly won't be to help pay for the CEO's new sailboat.

Charity is only charity if it benefits someone who can be helped. Paying for a new pool in the backyard of the Chief's mansion is not charity.

There has been much mention in the news in recent years about certain charitable donations by rich people, notably Microsoft founder, Bill Gates, and some of his fantastically rich pals.

However, the concept of giving away vast amounts of money for good causes is not new.

Andrew Carnegie, was one of the richest men in American history. He accomplished a lot his time and amassed a huge fortune by leading the expansion of the American steel industry in the late 19th century.

During the last 18 years of his life he gave away \$365 million ? in today's dollars that would be around \$65 billion.

The difference with Carnegie is the money he gave away produced tangible projects with well-defined goals. He funded projects across North America and the British Empire.

The famous Carnegie Hall concert house in New York City is just one building that he funded and bears his name.

One of his philanthropic endeavors was to finance public libraries. In total he built around 3000 public libraries, including around 130 in Canada.

Those projects include the public Libraries in Orangeville, Shelburne, and Grand Valley.

These libraries didn't come as a no-strings-attached gift. To achieve a grant for a new library, a community would have to invest in it themselves by providing the land and the budget to operate the new facility.

That way the community itself became vested in the project.

The charitable donations Carnegie made in his lifetime continue to thrive more than 100 years after his death.

There was another self-made millionaire in the U.S. a few years ago who had his own newspaper column as well. He decided he had enough money and would give away millions to deserving causes and even individuals.

The gentleman would receive requests, usually in small mounts of several thousand dollars, and then give out money based on need and the good tangible results these donations could provide.

While I applaud Mr. Bezos for sticking a crowbar in his wallet and prying it open to give money for a good cause, will money given to fight climate change produce an actual result? It seems more likely that fighting climate change should be the result of government policy rather than cash.

Besos could be the Andrew Carnegie of his day if the \$10 billion is donated to projects that could, like the libraries, still be relevant in 100 years.