

Philanthropy, September 11 and the Family

by Eileen Gallo, Ph.D.

"Kids have an innate sense of justice ("Daddy, that's not fair!"). By the values we hold and the actions we take as parents, we can help connect that belief in justice beyond the home to the larger society."

George Pillsbury, quoted in [Robin Hood Was Right](#), by Chuck Collins and Pam Rogers, W.W. Norton & Company (2000)

"If I am not for myself, who will be for me, and if I am only for myself, what am I? And if not now, when?"

Hillel, Ethics of the Fathers

One effect of September 11 that has been commented upon by numerous observers is the increased interest in philanthropy. I am intentionally using the term philanthropy rather than charity. Charity, which comes from the Latin *caritas* meaning "from the heart," largely refers to voluntary gifts of money to those in need or to organizations that help them. Philanthropy, however, is far more encompassing. It is a combination of two Greek words (*philein*, to love + *anthropos*, man) and refers to a desire to help mankind. Philanthropy encompasses all forms of activity and endeavor that help make the world a better place in which to live.

An obligation to our fellow man is recognized by all of the world's great religions. Christianity ("Love your neighbor as yourself"), Judaism ("What is hateful unto you, don't do unto your neighbor") and Islam ("None of you believes (completely) until he loves for his brother what he loves for himself") all give us versions of the Golden Rule. Christianity provides us with tithing; Judaism gives us Tzedakah (charity) and Tikkum Olam, the requirement that man has a responsibility to work with God in perfecting the world; Zakaat, or alms giving, is one of the Five Pillars on which Islam is based.

Although philanthropy can play a major role in the affluent household, it is important not to link philanthropy with affluence. As my friend and colleague Jilliene Schenkel has observed, "giving back to society to make the world a better place should be part of your basic structure. The responsibility to help others isn't tied to money; it's tied to existence. Money is incidental; if you have it, it becomes a tool. Affluence is simply an additional opportunity to make the world better." Marion Wright Edelman has described helping others as "the rent we pay for living."

Helping others provides significant psychological benefits. You help yourself when you help others. Perhaps no one has better expressed the psychological and emotional benefits of philanthropy than Alfre Woodard, the Emmy and Golden Globe winning actress and co-founder of Artists for a New South Africa, who observes in the preface to [Robin Hood Was Right](#) that "generosity links us, beyond time and place, to people of conscience and action everywhere who have made our world freer, kinder, and more just. Philanthropy and activism are a gift to one's self. By giving, we lessen our own cynicism and alienation...."

Getting Clients Involved

Helping your clients become involved in philanthropy can be an aspect of your financial services practice. Involvement in philanthropy helps us and our children navigate life's developmental stages. Erik Erikson, trained as a psychoanalyst by Anna Freud, identified eight developmental stages that we pass through during our lives. Philanthropy can play an important role in many of these stages. As early as age three, children begin to develop the ability to feel empathy for others. By age six, our children want and need to feel useful. Philanthropy helps build a sense of empathy and accomplishment—"I'm helping others"—while counteracting a potential sense of superiority or privilege. And in the teenage years, philanthropy helps them know who they are and identify their social roles. Helping others—and the internal sense of satisfaction that comes from offering that help with joy and respect for those receiving it—helps them learn to master life successfully. By giving of themselves and their time, they find a positive and fulfilling answer to the question, "Who am I without my family's money?" Equally important, it provides teenagers with an activity that can be shared with the entire family.

Philanthropy also helps us navigate the adult developmental stages. Erickson identified three development stages that we pass through in adulthood. In young adulthood we either seek love and companionship or become isolated from others. In middle adulthood we are either productive, perform meaningful work and possibly raise a family, or we become stagnant and inactive. In the final stage of adulthood, we try to make sense out of our life, either seeing our life as a meaningful whole or despairing at goals we never achieved and questions that were never answered. Doesn't philanthropy literally jump off the page as a necessary positive component of these stages?

Involvement in philanthropy should be viewed as a shared family resource. Hands-on volunteerism should be combined with giving money to organizations. Both are necessary and satisfying, although I think that we will find that giving our time (which is likely to be in shorter supply and more difficult to give than our money) turns out to be more soul satisfying.

A word of caution about volunteerism. There is a saying in the planned giving community that there is no such thing as bad philanthropy. After all, no matter what your motive, your money will eventually help someone. But when it comes to being a volunteer, it is actually possible to do more harm than good. Being a volunteer is not for everyone. We must be able to separate the people we are working with from the problems that charity and social activism seek to solve. The problems we are addressing may be poverty, homelessness, substance abuse or lack of education, but the people we deal with must be approached with respect. Nothing causes more ill will than volunteers who parachute in with all the answers, devote eight hours of their superior intellect and social standing to helping the downtrodden, and retire to the church, synagogue or country club to pat themselves on the back. If we cannot approach hands-on philanthropy with a sense of respect for the people we are helping, it's far better to stick with writing checks.

Family foundations can offer our clients triple benefits: neutral ground on which to talk to their children about money; an opportunity to involve them in the process of selecting charities to which contributions will be made; and an opportunity to get to know charitable and philanthropic organizations with which our clients and their children can become involved.

Neutral Money

There are few opportunities to talk about money in environments that are emotionally neutral. Most of the time, money discussions with our children occur in the context of "our money" or "your money." Either we're explaining how we use or manage our money, or the conversation is about our children's use or management of their allowance or the money they are earning from a part-time job. No matter how hard we try, there is always room for lecturing and emotions to sneak into the conversation.

Family foundation money is neither "ours" nor "yours." It's money that has been contributed to the foundation and now needs to be managed so that it produces at least the five percent that must be given away yearly to public charities. I have found in my practice that parents who are uncomfortable with discussing the family's financial information with their children or inviting them to attend meetings with the family's investment counselors often have no problem inviting their kids to attend meetings with the family foundation's money managers. Opportunities are created to discuss such general topics as types of stock and bond investments and issues involved in budgeting. If children are interested in attending such meetings, the money managers should be informed in advance and asked to put together a presentation keyed to the children's level of sophistication.

Philanthropy is among the most meaningful activities that any one can engage in. Philanthropy can help unify the family, provide meaning for our children and help us see our own lives as meaningful.

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