Why Philanthropy Matters

While consumers can drive their own satisfaction with innumerable goods & services, many consciously choose to give their resources away. Neoclassical economics lays the groundwork for just how crucial philanthropy is to wealth creation in American capitalism.

Procedure

Setting the Stage – Key Economic Thought Literature Review
- Adam Smith | “Theory of Moral Sentiments” | Benevolence
- Milton Friedman | Self-Interest vs. Other-Interested Behavior
- Kenneth Boulding | Grants Economy
- Nancy Folbre | Caring Behavior | Contemporary Feminism

Testing Relevant Variables – Global Social Survey & IRS Data
- Linear Regression & Probit Marginal Effects

<table>
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<th>Mean</th>
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Case Study of Impact Investing - The Giving Pledge
- Wealth Creation & Recycling
- Wealth is best dispersed by those who generated it
- America’s Social Contract: Equal Opportunity

Policy Implications
- Increased Funding to Education, Healthcare, & Technology Sectors
- Increased University Research
- Increase Estate Taxes

Motivations
- Economic Mobility & Prosperity
- Ovarian Lottery
- Work Ethic | Social Responsibility

Variables
- Behavioral: Altruism | Empathy | Volunteer
- Characteristics: Empathetic | Entrepreneur
- Demographic: Income | Education Level | Savings

Goals
- Increased Opportunity via Giving Cycle
- Greatest Impact, not necessarily Greatest Need
- Initiative, Creativity, Innovation, & Wealth Creation

Giving credit to data sourced from Global Social Survey, IRS, & The Giving Pledge