

Seattle Post-Intelligencer



January 18, 2007

Giving back is 'megatrend' that's doing a world of good

Executives focus on philanthropy

By Tom Paulson, P-I Reporter

At an annual meeting usually focused on regional economic concerns such as housing starts, employment trends and interest rates, participants this year spent at least half the conference talking about helping poor people on the other side of the planet.

"This is one of the great megatrends in the world today," said Matthew Bishop, a U.S.-based editor for the Economist magazine who served as moderator for a panel discussion on the "Economics of Global Philanthropy" featuring some of the local organizations working at fighting disease, poverty and other inequities across the developing world.

The conference was the 35th Annual Economic Forecast, held at the Washington State Convention and Trade Center. Populated by dapper folks in suits and power ties, it's not typically the forum for discussing poverty in Asia or children dying of measles in Africa.

"The fact that something like this is on the agenda for this event says something significant," said Paul Shoemaker, executive director of Social Venture Partners, an organization that directs investments toward local charitable or non-profit initiatives.

Part of what it says, of course, is that the world's largest philanthropy happens to have headquarters here. The Bill & Melinda Gates Foundation, with \$32 billion in assets and an additional \$30 billion or so soon-to-be-donated from friend and fellow billionaire Warren Buffett, is unquestionably the leader of international philanthropy today.

But this happenstance should be viewed as more than simply a source of regional pride operating in a realm

of wealth well beyond the concerns of middle-class mortals, Bishop said. It should be seen instead as a rapidly growing part of the economy, he said.

"This is now a global industry," Bishop said, and the Puget Sound region is uniquely suited to expand its leadership advantage in this "new industry of giving."

The panel featured brief presentations by representatives of PATH, a Seattle firm handling many of the Gates Foundation's biggest public health projects; Global Partnerships, an organization working on "microfinance" loans to the poor of Latin America; and the Initiative for Global Development, a group that works to fight poverty by pushing for policy changes.

Jennifer Potter, spokeswoman for the Initiative for Global Development, noted its founders (which include Bill Gates Sr., former Gov. Dan Evans and Weyerhaeuser Co. heir Bill Clapp) originally had the word "Seattle" in the organizational title but quickly dropped it when they realized their focus was at the federal and international level.

Cheryl Scott, chief operating officer for the Gates Foundation and keynote speaker at the conference, said the philanthropy can barely keep up with its own pace of growth. In anticipation of Buffett's donation and the requirement to soon be spending something like \$3 billion per year, Scott said it will be a challenge to keep spending wisely and well.

"We are living in a unique time," she said. Many of the world's most powerful people truly believe they can significantly reduce poverty and inequity for billions of people, Scott said. But it will require more than just the billionaires and the do-gooders, she said.

It will require that businesses get involved in a big way, Scott said, and a new way of thinking about investing in the future.