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COUNCIL *on* FOUNDATIONS

Is the Government Social Contract Fraying in Real Time?

Concurrent Session – April 8, 2013

Government, Philanthropy, and the Social Contract: Context

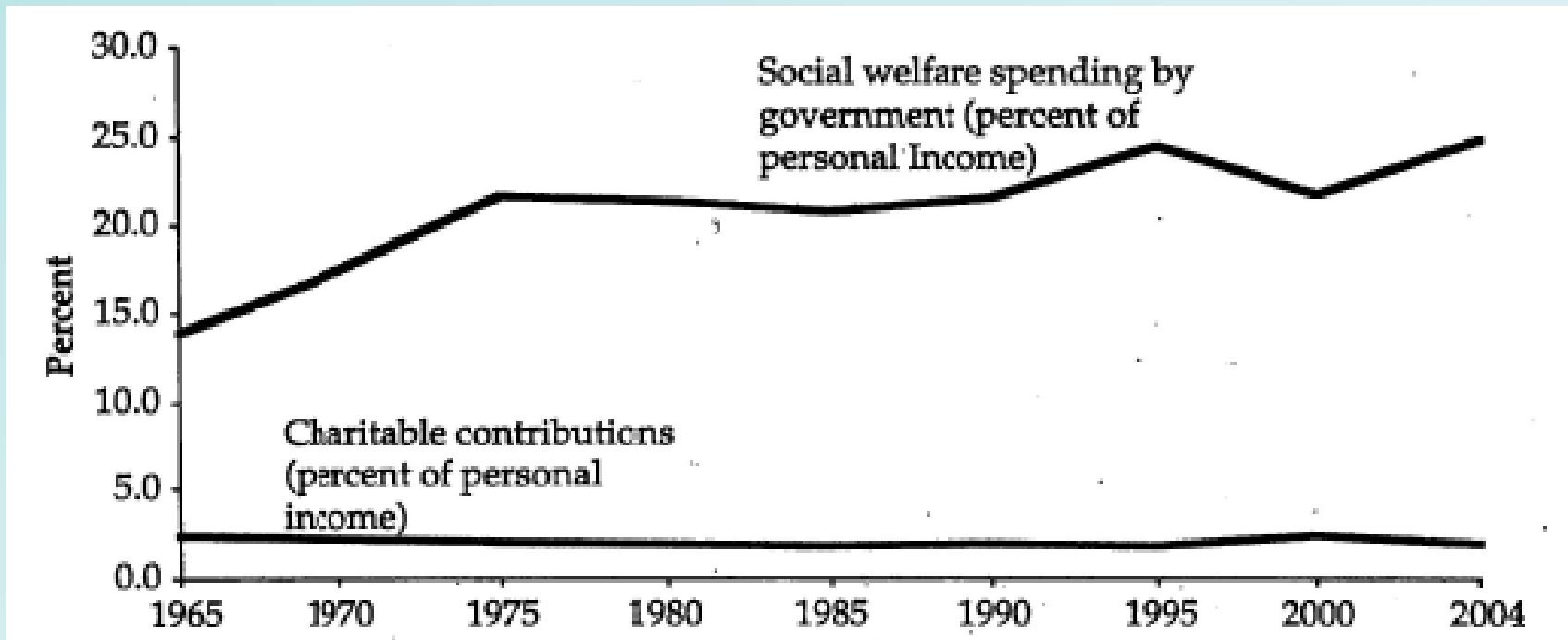
Alan Abramson
George Mason University
April 2013

History and Culture

“Americans of all ages, all conditions, and all dispositions constantly form associations... Wherever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association.”

Alexis de Tocqueville, *Democracy in America* (1835, 1840)

Meeting Social Needs: Government and Philanthropy



Source: C. Eugene Steuerle and Virginia A. Hodgkinson, "Meeting Social Needs: Comparing Independent Sector and Government resources," in Elizabeth T. Boris and C. Eugene Steuerle, eds., *Nonprofits and Government: Collaboration and Conflict*. 2d ed. Washington: Urban Institute Press, 2006.

Sources of Nonprofit Revenue, 2010

- Earned revenue (fees, charges): 50%
- Government: 32%
- Philanthropy: 13%
- Investment Income: 3%
- Other: 2%

Source: Amy S. Blackwood, Katie L. Roeger, and Sarah L. Pettijohn, "The Nonprofit Sector in Brief: Public Charities, Giving, and Volunteering, 2012," Washington, DC: Urban Institute, 2012. Excludes private foundations and most religious congregations.

Sources of Philanthropy

Total Private Giving in 2011:
\$298 Billion

Individuals: 73%

Foundations: 14%

Bequests: 8%

Corporations: 5%

Source: *Giving USA 2012*, a publication of the Giving USA Foundation, researched and written at the Center on Philanthropy at Indiana University.

Can Increased Private Giving Offset Federal Budget Cuts?

Federal Cuts in
Nonprofit
Program Areas

-5%

-10%

-15%

Needed Private
Giving Increase

+6%

+12%

+18%

Source: Author's estimates based on budget and giving data. Excludes federal spending and private giving for health and income assistance, and giving for sacramental, religious purposes.

A circular inset image showing the Chicago skyline at night, with the Willis Tower prominently featured on the left. The city lights are reflected in the water in the foreground.

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