

The Golden Age of Philanthropy

<https://ejewishphilanthropy.com/the-golden-age-of-philanthropy/>

May 22, 2018

By Moshe Hecht

Ahh, the golden age ... a time of prosperity and abundance. That perfectly in between era, when the waves are high and the taps floweth over.

Take the Golden Age of Aviation.

In its early years, flying was for the few and privileged, rare and inconvenient, one-dimensional and uncompetitive, a niche specialty, serving a non-existent market and thus, drum roll please, unprofitable.

And then came the 20's, the 30's, the years between the two world wars. The years of Charles Lindbergh and Amelia Earhart. The years of daring air races and record-breaking flights dominating the skies. Gone were the wood-and-fabric biplanes. Here were streamlined, sleek, metal monoplanes. The military services embraced air power. Aviation came of age.

During the Golden Age of Aviation, governments, corporations, and individuals began exploring air travel's virtually infinite potential. Airplanes were engineered, airlines formed, airports built, pilots trained, and a heavenward world where even the sky's not the limit was born.

During this golden age, innovation ran rampant and, as a result, air travel was, highly competitive, mainstream, massively marketable and profitable, full of opportunity.

This astronomical success has also contributed to its present challenges. Over the past few decades, aviation has hit its inflection point. Today, air-innovation consists of charging \$5 for headphones, its golden age morphing into ubiquity, chronically delayed flights, LaGuardia (I guess that's a redundancy), and addressing the next passenger lawsuit.

Farewell Golden Age of Flight. You were loved.

Now, I'm just going to say it:

I believe we have just begun the Golden Age of Philanthropy.

Here's why.

Since its invention, until just a few years ago, philanthropy was for the few and privileged. Sure I'll tithe and add to the plate; I'll help my neighbor but unless I'm making a mega-gift, how much impact am I really able to make?

Back in the day, philanthropy was rare and inconvenient. Passing money from one place to another took days, weeks! It was one-dimensional and uncompetitive: Before the social graph that we live in today, little information was shared among different nonprofits. There was no competitive edge. A niche specialty – serving a small market and thus unprofitable. With only a few nonprofits, most of the world, and its people, was largely unhelped.

But all is changing now – in this Golden Age of Philanthropy. Here's why:

1. Democratization: What was once top-down giving by a few major philanthropists and foundations has become a crowdfunded, social media-driven carnival. With tech and innovation, every single person on planet earth can fly the skies of charity and make a meaningful impact.
2. Opportunity: A few years ago, rarely would one even consider dedicating his/herself to a philanthropic cause. And if one did, one would be hard-pressed to find one. Today, any millennial worth his/her artisanal salt, would commit to a cause, if not start one outright.
3. Competition: Competition naturally, generates increased innovation, proactive research, and more cutting edge opportunities. There are hundreds of global nonprofits trying to solve the same issues, and vying for overlapping donor bases is keeping everyone at the edge of their seat, ultimately inspiring more people to give more.
4. Mainstream: The wall between profit and nonprofit has been obliterated. Back in the day, "fundraising" was the dirty F word. Today, every corporation has various foundations. Just watch a pink football game during Breast Cancer Awareness month.
5. Monetization: Follow the money. Perhaps the best capitalistic sign of a Golden Age is found in the bottom line. From Blackbaud to Gofundme to 2U, high-profile companies are servicing the nonprofit space. For-profits are investing in nonprofits, which in turn generates more profits and so the cycle goes.

This past year, \$390 billion was given to charity, more than any year in recorded history. Save for the recession, collective giving increases annually. Yet, only 2.1 percent of total GDP is donated to charity. This means philanthropy's Golden Age is only just beginning. Charity's inflection point will be reached when the world gives 7-10% of its money to causes.

In air travel terms: philanthropy would have reached its inflection point when fundraising companies allow no carry on bags and must charge \$5 for headphones just to break even.

The airline and air travel industry may be experiencing significant delays and shaky turbulence. Philanthropy, however, is flying high.

Moshe Hecht is chief innovation officer at Charidy. An entrepreneur whose passion lies at the intersection of technology and charitable giving, Moshe personifies the company's "why" and is a driving force in its vision and success. [@moshehecht@wearecharidy](mailto:moshehecht@wearecharidy)