

## Capital and Philanthropy: Donations from the Wealthy

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The purpose of this paper is to examine the trends of charitable giving from wealthy individuals in both the United States and China. This paper includes a history of philanthropy in each nation, as well as the impact of notable wealthy figures on philanthropy. We also assess the motivations of wealthy donors and review the charitable areas that receive the most donations from this population. This paper analyzes and compares the donation trends from the top fifty philanthropists in both the United States and China. Finally, this data is compared with the total asset trends of the fifty wealthiest individuals in each nation. This data depicts that in both the United States and China, asset size increases more rapidly than donation rates over time. Capitalism offers a possible way to advance for humanity; however, increasing income inequality may damage the advancement. While substantial philanthropic engagement from wealthy individuals may be an important mechanism to balance capitalism and income inequality, the statistics indicate that collective sharing of capital has a long way to go.

## Introduction

Though many societies have made substantial social progress, economic inequality and poverty are still challenging problems in our world. In fact, income inequality in the United States has been on the rise since the mid-1970s, with a prominent increase in the income of the very wealthy (Hatch & Rigby, 2015). The Gini coefficient, an income inequality measure, was around 0.391 in 1970s, continually rose to 0.481 in 2013, the highest level in history (Jongsung & Tebaldi, 2013; Noss, 2014). Top 0.1% families owned 10% of total national wealth in 1970, the share was 22% in 2012. Likewise, their relative shares for top 10% families were 70% and 77%, respectively (Saez & Zucman, 2014). This rising income of the wealthy and overall economic inequality contributed to start of the Occupy Wall Street movement in November 2011, which depicted how serious the American public perceives the problem of income inequality. Likewise, the income inequality increases substantially in China. The Gini coefficient was about 0.30 in 1970, kept stable between 1970 and 1979, and started to increase after the economic reforms in 1979, the coefficient reached 0.40 by 1995, 0.50 by 2005, and was around 0.55 in 2012 (Xie & Zhou, 2014).

Thomas Piketty (2014) depicts inequality in *Capital in the Twenty-First Century* by describing that the income produced by capitalism tends to be concentrated in the hands of a small group of people, whereas income from labor is dispersed throughout the entire population. This problematic economic inequality is bound to worsen if the economy expands at a slower rate than capital earnings. Piketty (2014) illustrates this with his equation  $r > g$ , where  $r$  is the average rate of return on capital and  $g$  is the rate of growth of the economy. Therefore, inequality

expands when  $r > g$ , because this means that the rate of return on capital exceeds economic growth. The idea is that when the returns on capital exceeds the returns on labor, the wealth gap will continually widen between people who have a lot of capital and those who have less capital and rely more heavily on labor.

Piketty (2014) also depicts inequality in terms of the forces that can lead to snowballing wealth, such as that most children of wealthy people often receive access to networks and opportunities that lead these children to also be very wealthy adults. Hence, governments should play a constructive role in offsetting this snowballing of wealth and the inequality it perpetuates. Piketty (2014) proposes a progressive annual tax on capital, instead of on income. He argues that this type of tax “will make it possible to avoid an endless inegalitarian spiral while preserving competition and incentives for new instances of primitive accumulation” (Piketty & Goldhammer, 2014, p.572). Bill Gates agrees with this, as he feels that “it doesn’t make any sense that labor in the United States is taxed so heavily relative to capital” (Gates, 2014). Gates (2014) further suggests a progressive tax on consumption, which would involve wealthy people living a lavish lifestyle paying more taxes than wealthy people participating in philanthropy. This would encourage more wealthy people to participate in philanthropy. Piketty (2014) also supports estate tax, which can be utilized to invest in education and research in order to strengthen society. The significant conclusion to draw from Piketty’s book (2014) is that unregulated capitalism has led to immense economic inequalities, which cannot be solved solely by a free-market economy.

Lu (2015) supports this view, and that addressing problems related to capitalism and the free market will

need innovative reforms. As Dr. Lu points out, capital is a unique form of wealth since it can be utilized to produce more wealth, and that the wealth generated from capital should serve the majority. This is an essential component of social development. Lu (2015) also furthers this idea of a productive relationship between capital and philanthropy by describing modern philanthropy. Modern philanthropy is a practice that facilitates the collective sharing of capital, and Lu (2015) describes this as the best means to achieve the collective sharing of wealth. Capital can be utilized in this way to be a source of economic and social development. The use of enormous contributions is what distinguishes modern philanthropy from traditional charity (Lu, 2015). To further develop modern philanthropy, it is essential for more wealthy individuals, who are the people with the largest amounts of capital, to take part in philanthropy.

Like Lu and Piketty, Gates believes that capitalism has the ability to improve society if utilized in the most effective ways. However, he also notes that while it has positively impacted the lives of billions, there are still billions that have been left out by capitalism (Gates, 2008). Those that do not reap the benefits of capitalism have to rely heavier on government services and nonprofit organizations. While these institutions currently play a crucial role in assisting the less fortunate, they cannot compensate for the large income inequalities on their own. Therefore, Gates (2008) suggests the need for a more creative capitalism, in order to create new ways to bring more people into the system of capitalism, a system that has done so much good in the world and can do so much more with the right innovations. Though contributions to philanthropy made by wealthy individuals such as Gates also play an essential role in ad-

vancing social development, he proposes that innovators and businesses get more involved through creative capitalism (Gates, 2008). He furthers that in order to get more companies involved, the companies need to earn some kind of return as an incentive, which Gates depicts as the “heart of creative capitalism” (2008).

Piketty, Lu, and Gates each offer innovative proposals for enhancing capitalism and philanthropy to better serve the majority. Piketty focuses on a punitive tax approach to reduce income inequality, Gates emphasizes creative capitalism that employs capitalism to be actively involved in reducing income inequality, and Lu focuses on philanthropy that encourages wealthy individuals to voluntarily and wisely share their wealth. In this paper, we will focus on the level and trends of donations from wealthy people in both the United States and China.

### Notable Wealthy Figures in America's History

There have been many notable figures throughout America's history that have utilized their capital in philanthropic ways. These figures often put their wealth towards philanthropic causes that they felt would best benefit society as a whole. This includes John Harvard, who in 1638 donated a library and half of his estate to the new university of his name in Cambridge, Massachusetts (National Philanthropic Trust, 2012). Education continued to be a popular philanthropic trend when America was establishing itself. In 1731, Benjamin Franklin and friends established The Library Company of Philadelphia, which was America's first circulation library. This institution was established so that people with less means could better themselves through reading (National Philanthropic Trust, 2012). Benjamin Franklin continued by founding the Academy

of Philadelphia in 1751, which was open to all deserving men, as opposed to just the sons of wealthy families like other colleges at the time. The Academy of Philadelphia, later the University of Pennsylvania, was established to prepare students for business and public service, and became America's first liberal arts college (National Philanthropic Trust, 2012). Harvard University and the University of Pennsylvania remain top regarded universities today; and therefore the contributions from John Harvard and Benjamin Franklin have not only benefited the students who attended these universities, but also the millions of people worldwide that have benefitted from those students' contributions to society. Furthermore, Benjamin Franklin's will established trusts in Boston and Philadelphia, which gathered interest for 200 years. Boston utilized the millions of dollars left in the trust to establish a trade school, while Philadelphia created scholarships for local high school students (Levenick, 2015).

Andrew Carnegie is one of the most well-known philanthropic figures of the 1800s. Carnegie, a rags-to-riches story, elected to utilize his wealth in ways that benefited the “common man.” In 1889, Carnegie wrote *The Gospel of Wealth* to depict the need for the Wealthy to support the common good through philanthropy. In his book, he is famous for saying “the man who dies thus rich dies disgraced” (Carnegie, 1889, p. 18). He also depicted how the rich should distribute their wealth in a way that is “best calculated to produce the most beneficial results for the community” (Carnegie, 1889, p.15). This relates to Carnegie's support of scientific philanthropy, because he wanted to financially support programs that would help the most people, for the longest amount of time. Carnegie also created the matching-grant requirement in order to guarantee that grant recipi-

ents had their own funds to support the project in the future (Nasaw, 2006). Carnegie's new system of scientific philanthropy was unprecedented, and had a large impact on the development of philanthropy in the United States. He practiced what he preached as he utilized his capital to build 1,680 public libraries in the United States and libraries in 2,509 communities worldwide (The Carnegie Corporation of New York, 2014). Carnegie also established the Carnegie Corporation of New York in 1911, a philanthropic foundation which has been known to focus on education, science, and international affairs. Carnegie donated about \$350 million during his lifetime, which was over 90% of his wealth, and would be equivalent to several billion dollars today (Carnegie Corporation of New York, 2014). As a man who grew up with little means himself, he knew firsthand the benefits of education, and he felt that the most beneficial way to utilize his capital was through philanthropic education initiatives.

Another self-made tycoon at that time was John D. Rockefeller, who built his fortune by dominating the oil industry. By 1914, Rockefeller's net worth was over \$1 billion (Hylton, 1992), which would be equivalent to approximately \$23.5 billion today. Rockefeller was inspired by the philanthropic work of Andrew Carnegie, and even wrote to him, saying: “I would that more men of wealth were doing as you are doing with your money, but be assured, your example will bear fruits and the time will come when men of wealth will more generally be willing to use if for the good of others” (Nasaw, 2006). In 1913, Rockefeller established The Rockefeller Foundation in order to “promote the well-being of mankind throughout the world,” which has continued to benefit people worldwide after Rockefeller's death (Rockefeller Foundation, 2014). Rockefeller also donated enormous

amounts to his church, as he felt that God had given him this money, so it was his duty to put the money to good use (Gordon, 2015). John D. Rockefeller gave away approximately \$540 million before his death in 1937 (Gordon, 2015). Through his philanthropy, Rockefeller created two of the world's most prominent public health research universities, assisted the American South out of unrelieved poverty, enhanced the educations of African Americans, created the University of Chicago, drastically transformed medical research and medical training in both the United States and China, and radically improved public health around the world (Gordon, 2015).

Many find similarities between past charitable capitalists Carnegie and Rockefeller, and today's billionaire and philanthropist, Bill Gates. Gates has a current net worth of \$78.5 billion, which makes him currently the richest person in the world (Forbes, 2015). They are each regarded as successful self-made American capitalists, and Gates is sometimes referred to as the Carnegie of this generation (Stevenson, 2010). Like Carnegie and Rockefeller, Gates feels that his wealth gives him a great responsibility in terms of giving back to advance societal development. Gates also donates to initiatives similar to Carnegie's philanthropic record. In fact, Gates has donated more than \$325 million towards libraries (Stevenson, 2010).

Gates once put most of his energy towards building his Microsoft-empire and fortune, but now spends most of his time in philanthropy. Gates coordinates his philanthropic activities with his wife, through the Bill and Melinda Gates Foundation. The Gates couple donated \$2.65 billion in 2013 and have donated \$30.2 billion total, which is 37% of their net worth (Forbes, 2015). Their large donations make this couple #1 on Forbes' list of "America's biggest givers" (Forbes, 2015). Number four on

that list is another notable wealthy figure in America, Facebook co-founder Mark Zuckerberg. Zuckerberg's total giving in 2013 was \$991 million and his lifetime giving is \$1.5 billion, which is approximately 4% of his current \$34.7 billion net worth (Forbes, 2015). Similar to Gates' philanthropic interests, Zuckerberg mainly donates to education and healthcare initiatives.

### Current Donation Trends of Wealthy Americans

The U.S. Trust Study reported on giving patterns, priorities, and attitudes of America's wealthiest households in 2013 (Bank of America, 2014). This study only included households with incomes greater than \$200,000 and/or net worth more than \$1,000,000 (discounting the monetary value of their home), and found that 98.4% of wealthy households donated to charity in 2013, which represents a 3% increase in this group's donation rate from 2011 (Bank of America, 2014). Research also found that this population often uses strategies and techniques when donating their funds. Most wealthy households (72.5%) have a specific giving strategy to guide their charitable donations. Additionally, 53.4% of the wealthy households reported that they monitor or evaluate the impact of their charitable giving (Bank of America, 2014). About 12.6% of high-income households even reported using strategies such as: "program-related investments, mission-related investing and social impact bonds" (Bank of America, 2014). The use of strategies by current wealthy individuals relates to Andrew Carnegie, who also donated his wealth in strategic ways. This demonstrates that not only do the majority of wealthy individuals utilize their funds for charitable causes; the majority of this population also donates their wealth in an informed and formulated way.

It is also interesting to examine why high net worth households are motivated to donate their funds. For example, 72.4% in the U.S. Trust Study reported being motivated to give because they believe that their gift can make a difference (Bank of America, 2014). Furthermore, 91.6% of wealthy households reported having some confidence or a great deal of confidence in the ability of nonprofit organizations to solve societal issues. However, the wealthy population reported much lower levels of confidence in the government solving societal issues, with only 25.2% being confident in congress's abilities (Bank of America, 2014). This is a crucial comparison, and depicts that wealthy households have more trust in nonprofit organizations than the government when it comes to solving social problems. In 2012, most wealthy households donated to education causes (85.2%), which included 73% who donated to higher education and 59% to k-12 education. Additionally, 56% of wealthy households feel that education is the most important current policy issue (Bank of America, 2014). This can be connected to the charitable trends of notable philanthropists in America's history, such as Andrew Carnegie and Benjamin Franklin, who stressed the importance of education. Education also received the largest amount of donated dollars from the wealthy population, which was 50% of all donated funds in 2013 between general education and higher education initiatives (Bank of America, 2014). After education, the next charitable subsectors were: religious (12.2%), environmental causes (5.4%), the arts (3.5%), health (3.4%), and basic needs (3.3%). It is notable that America's population donation trends reflect that only 16% of all American donations went to education, while the majority (31%) went to religion (Giving USA, 2014). This trend reflects a major difference in the donation trends of wealthy

Americans and the total American population.

Furthermore, 89% of wealthy households' total donations were \$100,000 or less, with the average total gift in 2013 being \$68,580, which is a 28.1% increase from the 2011 average of \$53,519 (Bank of America, 2014). However, the percentage of income used for giving has decreased from 8.7 percent in 2011 to 7.8 percent in 2013 (Bank of America, 2014). This is a part of a continued decline, as wealthy Americans, who earn at least \$200,000, also reduced their percentage of income given to charity by 4.6% between 2006 and 2012 (Daniels, 2015). During the same time, Americans who earned less than \$100,000 donated 4.5% more of their income (Daniels, 2015). This reflects the possible impact that America's economic recession, which occurred from 2007 to 2009, had on charitable giving during that time. The financial crisis may have worried wealthy individuals, in regards to their own salaries as well as their investments, which may be partially responsible for the decline in percentage of income given to charity from this population during that time. However, while wealthier Americans donated a smaller percentage of their income, the total amount donated still increased by \$4.6-billion, to hit \$77.5-billion in 2012, using inflation-adjusted dollars (Daniels, 2015). Therefore, wealthy households play an important role in the funding of various charitable initiatives.

### Donation Trends in China

Like in America, the wealthy individuals in China have also impacted both participation in charitable giving and the development of philanthropy in China. Prior to 1994, China's philanthropy mainly relied on foreign donations (Deng, 2014). In fact, domestic donations were so restricted during this time that they were not even in-

cluded in the annual statistical report of the development of civil affairs, which is released by the Ministry of Civil Affairs each year. Between 1996 and 2002 (with the exclusion of 1998, due to a severe flood), the total donations received annually remained between 1.4 and 2.8 billion RMB, and foreign donations continued to outsize domestic donations (Deng, 2014).

However, as the number of wealthy individuals in China increased, so did this population's charitable giving. An increase in giving from China's wealthy individuals is especially noticeable beginning in 2003. From 2003 to 2010, donations from the wealthy dramatically increased, while proportion of wealthy individuals donating to charitable causes also saw growth (Deng, 2014). The amount of individuals in China with investable assets of at least 10 million RMB increased from 361,000 in 2006 to 1,185,000 in 2011 (China Private Banking Development Report, 2012). By 2011, approximately 85% of wealthy Chinese individuals with net assets exceeding 10 million RMB had participated in charitable activities during that year (Bank of China & Hurun Research Institute, 2011).

The increasing charitable support from wealthy individuals in China is related to several events. For example, the government's attitude towards philanthropy has influenced the giving behavior of China's affluent population over the years. Between 1949 and 1978, the government held a negative attitude towards philanthropy. Also during this time, social welfare was controlled by the government, which impeded the activities of private charitable organizations (Deng, 2014). From 1978 to 1994, the Chinese government created government-owned foundations to address social issues, but mainly focused on accruing foreign donations (Deng, 2014). Since 1994, the government has encouraged donation

and began to use the word "charity" more regularly. In 2004, the positive influence of charity was recognized for the first time in documents released by the Communist Party (Deng, 2014).

The growth of the economy, which created growth in private wealth, has also influenced charitable donations from the wealthy in China. Particularly since 2003, the wealth of the rich has grown exponentially, which had a significant role in the rapid increase in giving by this population. By 2011, the wealth held by the 50 wealthiest people in China had grown to be 10.89 times that amount in 2003 (Deng, 2014). Also during this time, China's regulatory structure improved as a result of the Chinese government amending the Regulations on the Management of Foundations in 2004. This was significant for charitable giving because the newly amended regulations allowed for the establishment of private foundations by corporations and individuals. In 2007, the Chinese government also further amended regulations regarding personal income taxation, which advanced how individuals can deduct charitable giving from their taxable income (Deng, 2014).

Significant events in China have also impacted charitable giving. Like in many other parts of the world, natural disasters and major crises evoke both compassion and national pride from the country's citizens, which then causes an increase in charitable giving. This can be seen in China after events such as: the SARS crisis in 2003, the Wenchuan earthquake in 2008, and the Yushu earthquake in 2010, which all motivated an increase in donations from Chinese people, including wealthy individuals (Deng, 2014). In response to the SARS crisis in 2003, donations in China reached 5.83 billion RMB, which was 2.8 times the amount donated in 2002 (Deng, 2014). Therefore, charitable giving in

China has been largely impacted by government attitudes, economic development, laws, and substantial national disasters throughout the years. While domestic charitable donations were once very limited and static in China, a trend of rapidly increasing levels of donations has been displayed in recent years.

### Top 50 Donors in the U.S. and China

Though wealthy individuals in both the U.S. and China have donated a portion of their assets in effort to eradicate social issues, there is still vast room to grow in this area. Data indicates that assets clearly increase more rapidly than donations over time. Figure 1 depicts the total amount donated in billions by America's top 50 philanthropists from 2001 through 2014. A large spike in donations is visible in 2006, which is as a result of Warren Buffet's \$43 billion donation to the Bill Gates Foundation during that year. The years with the next largest donation amounts were: 2008 (\$15.5 billion), 2001 (\$12.6 billion), and 2011 (\$10.4 billion). The years with the lowest amount of donations from this population were: 2010 (\$3.3 billion), 2005 (\$4 billion), and 2009 (\$4.1 billion). There is no clear trend in terms of consistently increasing or decreasing over the past 15 years, which possibly demonstrates the impact of national events on wealthy individuals' donations. For example, the U.S. financial crisis in 2007, which led to a global recession from 2008-2012, may have played a role in the low donations in 2009 and 2010, as even the wealthiest individuals may have been more cautious with their funds during that time. Furthermore, the terrorist attacks on the United States in 2001 led to an increase in national pride, and very likely influenced the spike in donations during that year. Since 2012, donations from the top 50 philanthropists in the United

States have been slowly increasing, from \$7.4 billion to \$9.9 billion. However, 2014 still saw lower donation rates among the top 50 philanthropists than in 2011, 2008, 2006, and 2001.

Figure 2 depicts that the assets of the 50 wealthiest people in America during the same time period have increased more rapidly than the amounts donated from America's top 50 philanthropists. Many, but not all, of America's top 50 wealthiest individuals are also among America's top 50 philanthropists. While 2011 (\$727 billion), 2012 (\$780 billion), 2013 (\$895 billion), and 2014 (\$1.5 trillion) represent a steadily increasing trend, as well as the largest asset totals since 2001, this trend is not visible in terms of donations from America's top 50 philanthropists. Although assets have been steadily increasing among this population since 2009, there was actually a decrease in donations after 2011, and the donations of 2014 were still lower than in 2011. This is contrary to the fact that the fact that the 50 wealthiest people in America had the largest total asset size (\$1.5 trillion) in 2014. The decrease in total assets from 2008 to 2009 could have a relationship with the aforementioned financial crisis; however, the total assets rebounded quickly and have been above the total assets of 2008 since 2011. Therefore, while wealthy individuals in the U.S. donate billions of dollars to charitable initiatives each year, the steadily increasing total asset size of this population does not translate to an increasing total donation size from America's top philanthropists.

Trends among the top philanthropists in China are harder to examine since there was no single-year donation data in 2006, 2007, and 2010. Furthermore, the 2006 list included donation from previous three years, the 2007 list contained aggregated donation in previous four years, and the 2010 list covered the aggregated dona-

tions in the previous five years. A large spike in total amount donated is visible in 2013 (\$20 billion RMB) due to the \$14 billion RMB donation from Yun Ma, founder and Executive Chairman of Alibaba Group. Like in the United States, national events have had both positive and negative impacts on the donations from the top 50 philanthropists in China. For example, a large donation increase occurred in 2008 (\$13.6 billion RMB) due to an earthquake in China during that year. However, donations were negatively impacted after the 2011 scandal involving Guo Meimei and the Chinese Red Cross. This scandal caused those in China to lose trust in charitable organizations. This is reflected by the total amount donated by China's top 50 philanthropists declining to \$8.87 billion RMB in 2011 and just \$4.7 billion RMB in 2012. Afterwards, the total amount more than quadrupled from 2012 to 2013 (\$20 billion RMB). It is certain that recent donations among the top 50 philanthropists in China are much higher currently than 10 years ago.

When comparing donations in the U.S. and China, it can be estimated that in 2011, the total amount of giving in China was equal to only 4.6% of the total amount of giving in the United States (Deng, 2014), with the total amount donated by wealthy Chinese being between 1.5% and 3% of the total amount donated by wealthy Americans (Deng, 2014). Likewise, the total donation from the top 50 philanthropists in China in 2013 was 19.9 billion RMB (about \$3.3 billion, 1 US dollar=6.1 RMB), and the relative number from their American counterparts was 76.8 billion; thus, the total amount donated by wealthy Chinese was 4.3% of the total amount donated by wealthy Americans in 2013. The wealthy Chinese have donated substantially more in recent years, but still lag behind their American counterparts by far.

Data from the Hurun Research Institute indicates that the average amount given by the top 100 Chinese philanthropists account for only 1.3% of their wealth (Hurun Report, 2012). In contrast, the average giving among America's wealthy population was 7.8% of their net worth in 2013 (Bank of America, 2014). Since 2003, the amount given by wealthy individuals in China has continued to increase. Conversely, both the current amount and the proportion (of total national donations) given by wealthy Chinese is still behind levels observed in other countries. This illustrates that there is still room for continued growth in terms of the level of giving among China's wealthy individuals.

Figure 4 depicts a trend of increasing total assets among the 50 richest people in China, which mirrors the increasing trend for America's 50 richest individuals as well. The most recent data shows that in 2014, the total assets in billions RMB for China's 50 wealthiest people was \$2330. Like in America, 2014 is the year with the highest total assets among China's wealthiest individuals. The data clearly demonstrates that the wealthiest individuals in China have had their assets increase dramatically over the past decade. After 2014, 2013 had the greatest total asset amount for this population, with total asset size of \$1728 in billions RMB. This was also reflected in the 2013 spike in donations from China's top 50 philanthropists. However, while there was a large spike in wealth for China's wealthiest people from 2010 to 2011, China's philanthropy did not benefit from this as there was actually a decrease in donations from this population between the same years. As previously discussed, this decrease in donations reflects the impact of the scandal during that year on philanthropy in China.

Therefore, like in America, the asset size of the wealthiest people in Chi-

na is growing at a more rapid pace than China's donation size from the top philanthropists. This portrays that there is more to a nation's donation size than just the asset size of its wealthiest citizens. National events such as scandal, national disasters, terrorist attacks, and financial crisis each play a role in charitable activity. Furthermore, as previously discussed, factors such as changing government attitudes and reformed regulations have also positively influenced philanthropy in China in recent years.

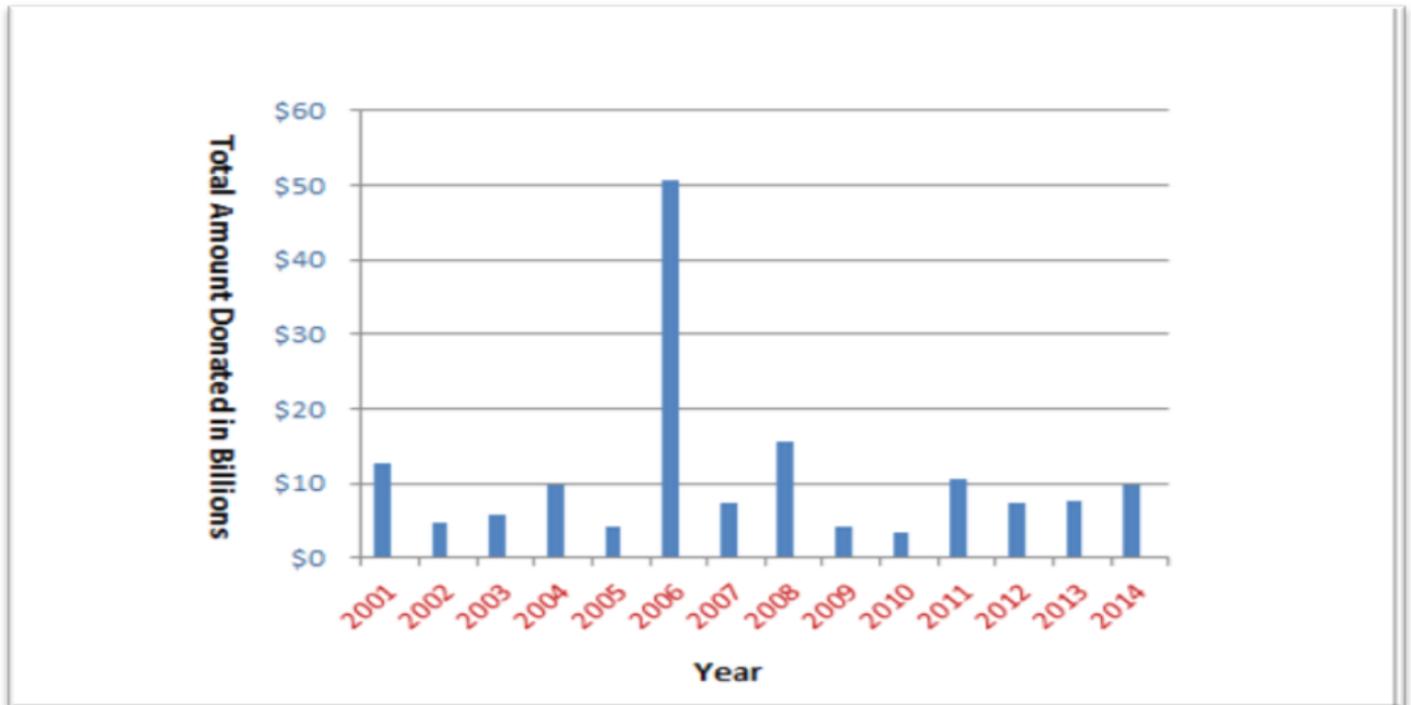
### Conclusion

Both the United States and China have utilized philanthropy to advance social progress; however, income inequality remains a challenging problem in both nations, as well as worldwide. Capitalism offers some solution to poverty, but most income produced by capital tends to be in the possession of a small group of wealthy individuals. Notable wealthy individuals throughout America's history have recognized the need to share their assets. Past wealthy individuals such as Andrew Carnegie and John D. Rockefeller, and current wealthy individuals such as Bill Gates, have influenced social progress in America through both donations and the establishment of charitable foundations. To continue the development of philanthropy, it is essential for more wealthy individuals to take part in philanthropy at a more substantial level.

While the vast majority of American wealthy households donated to charity in 2013, the percentage of income donated actually decreased. Unfortunately, this is a part of a continued decline of giving from this population since 2006. It is interesting for future research to explore the causes behind the declining giving from wealthy Americans. In China, donations from the wealthy have increased dramatically since 2003. Still, the dona-

tions from this population in China remain behind the donations from the wealthy in other nations. In both the United States and China, the data depicts that assets increase much more than donation rates over time. However, it should be kept in mind that the wealthy population in each nation has had a large impact on philanthropy with billions of dollars donated. Future research in this area should assess the impacts of donations from the wealthy. Philanthropy is one possible solution to income inequality, but there is still huge room to grow in this area, including with the wealthiest population in both the United States and China.

**Figure 1: Top 50 Philanthropists in America 2001-2014**



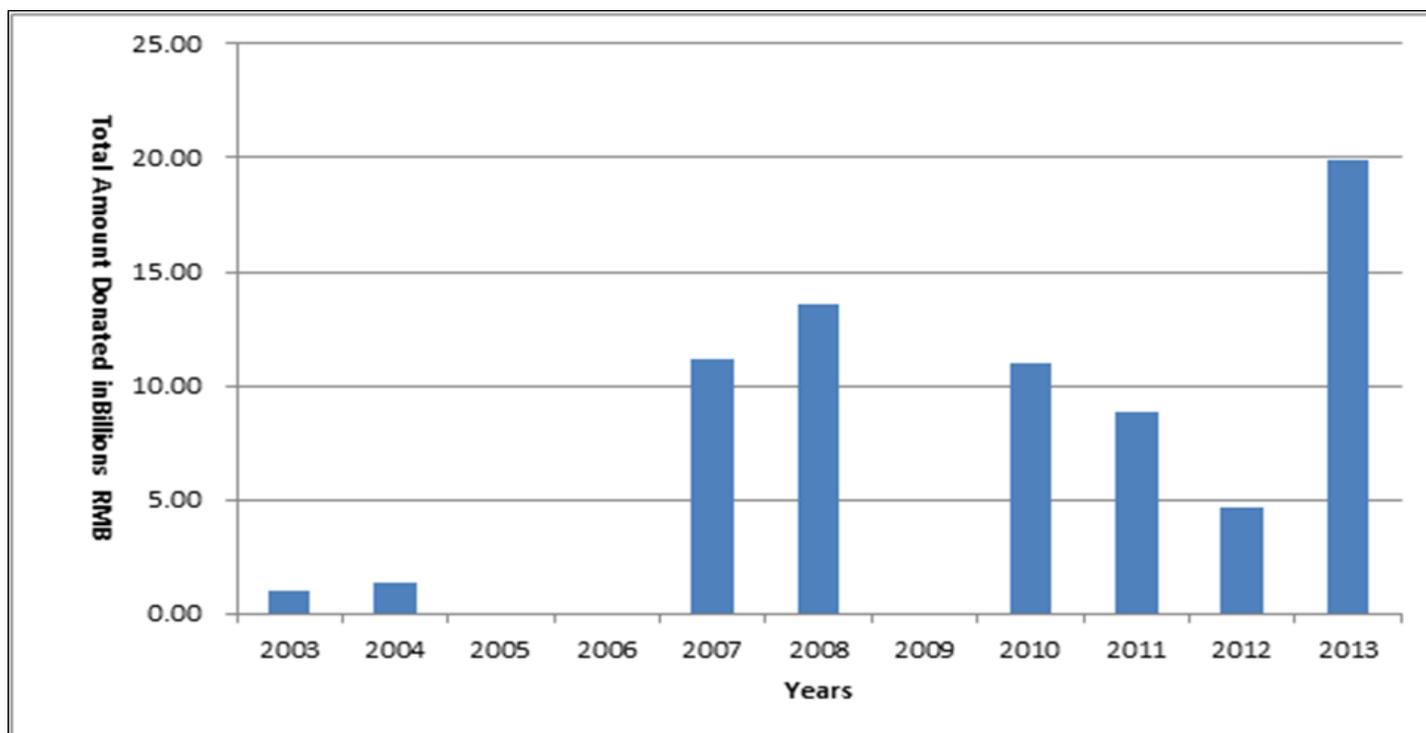
Source: The Chronicle of Philanthropy, 2001-2014, <https://philanthropy.com/interactives/phil-50>.

**Figure 2: Top 50 Wealthiest People in America 2001-2014**



Source: Forbes 400, 2001-2014, <https://forbes.com>

Figure 3: Top 50 Philanthropists in China, 2003-2013.



Source: 2004-2014 Hurun Philanthropy List, Hurun Report, 2004-2014.

Figure 4: Top 50 Wealthiest in China, 2003-2014



Source: 2004-2014 Hurun Richest List, Hurun Report, 2004-2014.

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