The Quiet Philanthropist

Famous family foundations have been lending a philanthropic hand for decades now. But where are the new philanthropists? asks MICHELLE BONG.


For decades now, these families have been operating foundations linked to all manner of philanthropic work. They are the somewhat faceless forces behind fundraising events, scholarship endowment funds, arts-related activities, environmental awareness projects and so on.

Set up by notable sons of Singapore, these foundations are now run by second and third generation philanthropists following in the footsteps of their elders. Their good work is public knowledge, and they have certainly made their presence felt in the people sector. But this same presence highlights a noticeable paucity of new living philanthropists who are doing their bit.

Over in the United States, this is clearly not the case. Microsoft chairman Bill Gates, businessman Warren Buffett and media mogul Oprah Winfrey are just three examples of individuals who believe in giving back to the community in the form of massive monetary donations through self-established foundations. Instead of leaving the bulk of their massive wealth to future generations, they are putting their money to work now – and enjoying the satisfaction of seeing the difference it brings about.

Gates and his wife set up the Bill and Melinda Gates Foundation, the world’s largest philanthropic organisation, in 2000 to help reduce inequities in over 100 countries around the world. The foundation is internationally famous for its focus on world health, its relentless fight against HIV/AIDS and efforts to improve libraries and high schools in the United States. In 2005 alone, it reportedly made grant payments worth US$1.36 billion.

Investor-philanthropist Buffett, who amassed a vast fortune worth some US$44 billion, raised more than a few eyebrows last June when he committed 85 per cent of his wealth (approximately US$30.7 billion) to the Bill and Melinda Gates Foundation. He also pledged smaller sums of money to foundations headed by his three children, and even allowed himself to be “sold” for US$620,100 at an online eBay auction as a lucky bidder’s lunch date.

Meanwhile, talk show host Winfrey’s Oprah Winfrey Foundation is her vehicle to empower women, children, and families by furthering education and welfare for low-opportunity communities around the world. To date, hundreds of grants have been awarded to organizations that carry out Winfrey’s vision while millions have been raised through Oprah’s Angel Network, set up in 1997 to inspire people to make a difference in the lives of others.

Is There No One?

Which begs the question: do Singaporean versions of Gates or Winfrey exist? Such a comparison may seem unfair, but then again, Singapore is certainly no Johnny Come Lately when it comes to producing high net worth individuals who are more than capable of flying the donor flag – with or without a foundation to their name.

According to the 2006 World Wealth Report by Merrill Lynch-Capgemini,
Singapore was one of the best performing markets in terms of the creation of high net worth individuals despite being a smaller, less developed financial market. Singapore is home to some 55,000 US-dollar millionaires, and is the world’s fastest growing market for people who need wealth management services.

Experts agree that there are individual philanthropists out there doing their bit; however, most request for anonymity, wanting neither press coverage nor acknowledgement for their work.

Education leads the list of social causes supported. Professor Saw Swee Hock, a Professorial Fellow at the Institute of Southeast Asian Studies and an alumnus of the National University of Singapore (NUS) gifted several million dollars to his alma mater over a number of years. The gifts have funded, among other things, student bursaries, medals, professorships and the Saw Centre for Financial Studies at the NUS Business School.

Similarly, another NUS alumnus, ophthalmologist Professor Arthur Lim, has raised millions in the name of education through dinner events and private fundraising auctions of his paintings. He also chaired the NUS Endowment Fund for over a decade and is a well-known advocate of the importance of educating future generations.

The Singapore Management University (SMU) website lists businessmen Tommie Goh and Dato’ Low Tuck Kwong and various professors and associate professors as individual donors who personally contributed sums of money between S$10,000 and S$9,999,999.

Robert Schlesinger, director of SMU’s Office of Advancement and Alumni, says he wouldn’t know what to do without these benefactors—be they individual or corporate-givers. “I sit on scholarship committees, and I know of students whose parents don’t even earn S$500 a month. Financial aid makes a real difference in their lives, and bursaries are our biggest focus.

“You hardly hear about such donations because most individuals request for anonymity, which we have to respect. But it doesn’t mean [such] giving doesn’t happen. We have received many nice gifts in 2006, the most recent being a million dollar donation by businessman Wong Kwok Leong—which received a little press mention because he was alright with the donation being made public knowledge. The money will go towards the Wong Kwok Leong Endowment Scholarship to be awarded to up to three undergraduates in 2007/2008 academic year.”

Local technopreneur and Creative Technology CEO Sim Wong Hoo, newly hailed by some as Singapore’s Bill Gates, is another example of an erstwhile quiet philanthropist. He has faithfully made quiet
contributions over the years to various initiatives; these include the delivery of S$2 million worth of monthly household essentials such as rice and sugar to needy families for an entire year, and half-a-million dollars in a matching grant to The School Pocket Money Fund organised by the Straits Times.

He also co-funded the Theatre Training & Research Programme, a division of local arts company Practice Performing Arts Centre. "If you just donate to each charity, that will be an easy job. But I am not one who would do an easy job – charity is good, but a good cause is better," he told the Straits Times. Most recently, he made the news with two sizeable donations in the form of Creative Technology shares; the first was S$20 million to charity followed by another S$10 million to the Sim Tan Sisk Kee Foundation, named in honour of his mother who passed away on Boxing Day last year. To date, the total number of cash, shares and dividends donations he has made is said to amount to some S$49 million. With this new foundation, the quiet philanthropist has gone public.

On The Right Track
Terry Farris, head of Philanthropy Services (Asia Pacific) at wealth management company United Bank of Switzerland says the tide is turning and the next five years will herald a rise in the number of local social capitalists and entrepreneurs like Sim.

"Today, we are starting to see a new type of philanthropists. Generally aged between 40 and 55, they are looking at how they can make the greatest impact with the least amount of funds. They want to partner with other organizations or corporations to identify what it takes to make their projects enjoy the greatest impact," he says.

"These people come forward because they have reached that phase in their lives where they have received their education, they've made a good living, and they are now finding a new purpose.

Farris adds that "at the same time, older, established foundations are bringing in people who understand the sector. The second and third generations of these foundations also want to be more professional; they want accountability, focus, transparency, and be able to measure the impact of their actions and decisions and, more importantly, to leverage the giving."

A larger transformation also exists in that full-time staff are hired to facilitate personal giving by others. For instance, SMU's Office of Advancement and Alumni was formed to develop relationships between the school and the community and invite individuals and alumni alike to stake a vested interest in the development of SMU into a world-class teaching and research institution. Similarly, the NUS's Development Office works to inspire gifts that will take the university to the next level, and give their donors a remarkable philanthropic experience while allowing them to make a difference by giving.

From the Ground Up
Now that the proverbial ball has started rolling, further measures can be put in place to nurture more individual giving. Private banks, for one, can help the acceleration process along. Maretta Emery, Head of Philanthropy Services, Asia at Fortis Private Banking says those looking to start their own foundations will do well to work with a trusted professional who can advise on the legalities and legwork of setting up a foundation.

UBS also offers high net worth individuals an opportunity to network or leverage a mutual vision. Farris notes that the bank is able to bring together such like-minded individuals "to address issues and make a difference collectively. Such individuals can then partner with organisations like NVPC and the National Council for Social Services to do the kind of work they want. Think of it as a small cell group that can collectively address the greatest needs of the community."

Farris adds that the Singapore government too is doing its own part. "They are already looking at how they can change laws to increase and induce greater giving. I have seen great interest on the part of the government to support the people sector – it's a common dream that can be shared. The challenge is also getting NPOs to focus on being active and taking the time to cultivate their relationships with their stakeholders. Not many NPOs understand how social investors work, and need to understand and leverage on that."

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Source: Reproduced with permission from National Volunteer & Philanthropy Centre (NVPC).
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Community foundations, an increasingly active arm of philanthropy overseas, can also play a part. Emery notes that “these independent organisations, founded on trust, can help donors achieve their charitable goals and invest financial capital in their communities – by bringing together people who care about their communities.”

Foundations such as these are, in the main, volunteer-driven and Emery explains their aim is to “strengthen their communities by facilitating philanthropy, by partnering with donors to build permanent endowments and other funds that support community projects, and by providing leadership on issues of broad community concern. Social scientists call these vital connections ‘social capital’ and have found that they are linked to many measures of community and individual well-being. Community foundations have a leadership role in building social capital – the glue that holds communities.”

Creating Opportunities
In the effort to find ways for all financially-able individuals to embark on their journey of philanthropy, Singapore will do well to look to its own expatriates who call Singapore home, Farris concedes that, for them, their priority is to their family and home community overseas.

However, there has been a grassroots interest from key individuals and families living and working in Singapore to identify global and regional philanthropic groups and associations to speak in Singapore.

Says Farris, “I also believe that we will see international and regional philanthropic associations bringing in their expertise. For instance, global organisation Association of Fundraising Professionals has set up a chapter here in Singapore to help raise fundraising standards and to educate its members on ethical fundraising which also gives them the global connect to learn from others abroad and to network around the world.”

Now is the time for individual philanthropists in Singapore and the region to work together to donate generously to worthy causes, and be inspired by their American counterparts whose gestures prove that when it comes to giving, it’s never too soon. This new breed of donors can take a leaf from Singapore’s key families who have already staked their claim in the arena of generous giving, and by latter day philanthropists like Sim Wong Hoo.