



Giving to Charities Reflects Growing Wealth Gap

OCTOBER 31, 2018

America's growing economic divide is evident in American giving patterns, a new [Chronicle of Philanthropy](#) study finds.

Based on the total value of cash and stock received in 2017 from individuals, corporations, and foundations (excluding government grants, product donations, and contributions to donor-advised funds), [America's Favorite Charities 2018](#) found that gifts to wealth-driven institutions such as colleges and hospitals soared over the past decade, while giving to [United Way Worldwide](#) and other household-name "blue-collar" charities that rely on donations from middle-class Americans fell.

In 2017, United Way Worldwide topped the *Chronicle's* list with \$3.26 billion raised, followed by the [Salvation Army](#) (\$1.46 billion), [ALSAC/St. Jude Children's Hospital](#) (\$1.31 billion), [Harvard University](#) (\$1.28 billion), the [Mayo Clinic](#) (\$1.14 billion), [Stanford University](#) (\$1.1 billion), [Boys & Girls Clubs of America](#) (\$909 million), [Compassion International](#) (\$819.4 million), [Cornell University](#) (\$743.5 million), and [Lutheran Services in America](#) (\$731.5 million).

Between 2007 and 2017, however, the United Way saw contributions fall 28 percent, with several other groups, including the [American Cancer Society](#) (No. 14 in 2017; down 34 percent over the past decade) and the [Jewish Federations of North America](#) (No. 75; down 41 percent) also posting steep declines. By contrast, giving to colleges and hospitals, which typically run big-gift operations aimed at wealthy alumni and patients, increased 44 percent between 2007 and 2017, as equity markets rallied. Among them were the [Mayo Clinic](#) (No. 5 in 2017; up 202 percent over the decade), the [University of Notre Dame](#) (No. 39; up 100 percent), the [University of Nebraska](#) (No. 96; up 77 percent), and Harvard (No. 4, up 63 percent).

"The great universities have adapted very quickly to the new economic conditions," Bruce Flessner, a principal at Bentz Whaley Flessner, told the *Chronicle*. "They chased extraordinarily wealthy people and brought them into the family in a big way. Most other charities aren't set up to do that kind of thing."

While [Fidelity Charitable](#) and other organizations that offer donor-advised funds are not included in the ranking, the *Chronicle* did note that Fidelity collected \$6.8 billion in 2017, more than twice the cash contributions received by United Way, and up more than 260 percent from 2007.

The hollowing out of the American middle class over the past decade has hurt small-donation organizations, United Way Worldwide CEO Brian Gallagher told the *Chronicle*. "The question of the health of the United Way is almost a question of the health of middle-income philanthropy," he added. "There's not a healthy middle right now in the country."