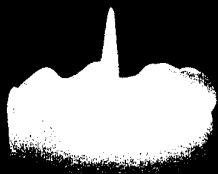


Religious Giving

FOR LOVE OF GOD



EDITED BY DAVID H. SMITH

PHILANTHROPY • RELIGION

“Each of the essays is insightful and informative on its own merits, and they stand up quite well as a whole. . . . I know of no comparable book with this focus that travels the same ground and offers the same kinds of insights.”

—WILLIAM J. JACKSON, INDIANA UNIVERSITY-
PURDUE UNIVERSITY INDIANAPOLIS

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Religious Giving considers the connection between religion and giving within the Abrahamic traditions. Each contributor begins with the assumption that there is something inherently right or natural about the connection. But what exactly is it? To whom should we give, how much should we give, what is the relationship between our giving and our relationship to God? Writing for the introspective donor, congregational leader, or student interested in ways of meeting human needs, the authors focus on the philosophical or theological dimensions of giving. The contributors' goal is not to report on institutional practices, but to provide thoughtful, constructive guidance to the reader—informed by a critical understanding of the religious traditions under review.

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72. Elliot Dorff, "Nonprofits and Morals: Jewish Perspectives and Methods for Resolving Some Commonly Occurring Moral Issues," in *Good Intentions*, ed. David H. Smith, 121.

73. Webb, *Gifting God*, 141.

74. Johnson, "The Life of Faith and the Faithful Use of Possessions," 5.

75. *Ibid.*, 6.

76. *Ibid.*

77. Leon Kass reflects the opposite view of Christian life: "For unlike our natural loves, which are inspired by the beautiful or the virtuous, Christian love is unconditional and unmerited. Indeed, it stands out for its capacity to love the naturally unlovable—not only the poor, the weak, the deformed, and crazed, but even the wicked and vicious" ("Am I My Foolish Brother's Keeper?" 3).

78. Abstract statistical appeals can even hinder generosity; see "To Increase Charitable Donations, Appeal to the Heart—Not the Head," <http://knowledge.wharton.upenn.edu/article.cfm?articleid=1767>; Nicholas Kristof, "Save the Darfur Puppy," <http://select.nytimes.com/2007/05/10/opinion/10kristof.html?th&emc=th>.

79. Rob Reich, "Philanthropy and Its Uneasy Relation to Equality," *Philosophy and Public Policy Quarterly* 26 (Summer/Fall 2006): 21–22.

80. *Ibid.*, 17–26.

81. Oates, *Catholic Philanthropic Tradition in America*, 174–75. See www.philanthropy.iupui.edu/Research/WorkingPapers/reconciling_religious_giving_estimates.pdf, and www.eco.utexas.edu/~stuntz/charity1006.pdf.

82. Elliott, *Kindness of Strangers*, 29–46.

83. William F. May, introduction to *Ethics of Giving and Receiving*, ed. May and Soens, xxvii.

84. Frumkin, *Strategic Giving*, 372.

85. See, for example, Edward Vacek, S.J., "Contemporary Ethics and Scheler's Phenomenology of Community," *Philosophy Today* 35 (Summer 1991): 161–74.

Religious Discernment of Philanthropic Decisions in the Age of Affluence

PAUL G. SCHERVISH

My focus here will be on a *religious discernment process* as a guide for wealth holders in the allocation of their wealth. The hope is that religious discernment—as a key element of religious giving—will shape the spiritual horizons of wealth and philanthropy to the same extent that findings on the ongoing wealth transfer are shaping the material horizons.¹ Providing a religious discernment process is the key ingredient missing from current efforts to expand philanthropy among wealth holders. Implementing a methodology of financial planning and fundraising that is spiritually oriented as well as donor-oriented will create a more respectful and engaging path toward charitable decision making and financial morality in general. The effect will be a *discerned philanthropy*, one that is more highly motivated, personally meaningful, financially magnanimous, socially effective, and culturally formative.

In the first section of the chapter, I review the material and cultural conditions brought about by today's burgeoning financial capacity. The unprecedented nature of these conditions calls for a process of religious discernment that is capable of guiding the use of vast material resources as a tool for deeper purposes. In the second section, I propose that the goal of a discernment process is to develop a moral biography of wealth, and I indicate what makes a moral biography spiritual and religious. In the third section, I identify care of others and the exercise of friendship love as the end of a moral biography. In the fourth section, I discuss the need of wealth holders for a discernment approach in applying their resources to achieve desired ends. In the fifth section, I set out one general approach to discernment whereby, in a context of spiritual or religious

reflection, people clarify their philanthropic resources and aspirations, and implement them as a form of discerned philanthropy. In the conclusion, I summarize my argument and suggest the implications for a new spirituality of financial life.

MATERIAL AND CULTURAL CONTEXT

MATERIAL CONTEXT

Several distinct forces affecting wealth holders are changing the meaning and practice of wealth allocation. Over the past two decades, the Center on Wealth and Philanthropy (CWP) at Boston College has identified and analyzed these new forces. In particular, our analysis of the ongoing \$41 trillion transfer of wealth (measured in 1998 dollars) has changed the way many fundraisers, charities, and financial professionals approach their work.² We estimate that over the next five decades, in *2007 dollars*, an unprecedented \$52 to \$173 trillion in wealth transfer will occur—despite recent economic downturns—and that this will produce between \$2.5 and \$10.5 trillion in charitable bequests. In a separate projection for the same period, we estimate that lifetime giving will provide an additional \$19.4 to \$53.3 trillion in charitable contributions. Taken together, charitable bequests and lifetime giving will range from \$22 to \$64 trillion, with between 52 and 65 percent of this amount being contributed by households with \$1 million or more in net worth. Given the fact that the real annual rate of growth in wealth between 1950 and 2006 (including nine recessions) has been over 3.3 percent, there is every reason to expect that the actual wealth transfer and amount of total charitable giving will be closer to the upper estimates than to the lower ones. Over the 25 years from 1980 to 2005, the real annual rate of growth in individual charitable giving has averaged 3.34 percent, and the growth in charitable bequests has averaged 5.09 percent.

CULTURAL CONTEXT

As bountiful as the foregoing projections are, they are based conservatively on current dispositions toward philanthropy. They do not take into account the potential that, under certain identifiable conditions, wealth holders—indeed, the population at large—are likely to become more charitably inclined in the future. It is already clear that charitable giving is spurred by material and spiritual wherewithal.³ As I discuss in this chapter, I believe philanthropy will be advanced even further to the extent that

individuals participate in a process of discernment by which they identify their financial capacity and clarify their personal aspirations.

Today, increasing numbers of individuals are approaching, achieving, or even exceeding their financial goals with respect to their material needs and are doing so at younger and younger ages. A level of affluence that heretofore was the province of a scattering of rulers, generals, merchants, and industrialists has come to characterize whole cultures. Never before have questions like the following, of how to align broad material choice with spiritual character, been placed before such a large segment of the population:

- How can wealth become a tool to achieve the deeper purposes of life, including charitable giving, when acquiring more wealth or augmenting one's standard of living have ceased to be of high importance?
- How can religious discernment help individuals choose and carry out those deeper purposes for the use of their resources?

If wealth holders address the foregoing issues in a conscientious manner, they will increase the probability that something will occur that has never before been possible in history: *a level of wealth that the world has never seen before will accomplish what the world has never been able to do before—to solve so many of its pressing needs for so many of its people.*

THE MORAL BIOGRAPHY OF WEALTH AS A SPIRITUAL AND RELIGIOUS CALLING

MORAL BIOGRAPHY

What I am suggesting here, as a means for aligning material choice with spiritual character, is that wealth holders develop a moral biography. The term *moral biography* refers to the way we conscientiously apply a moral compass to the use of our personal capacity. Moral compass is the array of purposes or aspirations to which we devote our capacity. Personal capacity is simply the set of resources—financial, intellectual, and physical—that we have at our disposal to accomplish our goals. What distinguishes a moral biography of *wealth* is not merely the existence of great financial, intellectual, physical, creative, or personality capacity, but the presence of a moral compass that contains the nobler aims of life for which wealth—and one's other capacities—serve as instruments, that is, to combine prosperity and purpose in a spiritually fulfilling, culturally formative, and socially consequential way.

Much about the essence of a moral biography can be found in Aristotle's *Nicomachean Ethics*. Aristotle reasons that the goal of life is happiness, and that happiness is achieved by closing the gap between where we are and where we want to be. We close this gap by making wise choices, that is, by combining the freedom to choose among a range of alternatives (a matter of personal capacity) with the virtue of practical wisdom (a matter of moral compass)—that is, by living a moral biography.

In more contemporary terms, a moral biography is the daily story of how we, as choosing agents, conscientiously strive to close the gap between where we are today (*genesis*) and where we want to be (*telesis*). Genesis is the set of chosen and unchosen constraints, resources, knowledge, feelings, and values that we bring to our choices—for example, a happy or homeless childhood, a prospering or failing business, a confident or hesitant personality, an affluent or modest financial condition. Telesis is about aspiration; it is the constellation of possibilities, hopes, needs, desires, and interests that mobilize us to transform our past and shape our future.

If genesis is about the past, and telesis is about the future, agency is about what we do in the present. Agency derives from the Latin *agere*, meaning “to do” or “to act.” Agency in a moral biography is revealed in the sequence of wise choices that we implement to close the gap between where we are and where we want to be.

THE MORAL BIOGRAPHY OF WEALTH

The difference between a moral biography and a moral biography of wealth is that wealth holders are endowed with such great material capacity that they must work out a moral compass that is as complex and consequential as their capacity. Great capacity, if it is to be in the service of good, must gain its bearing from an especially discerning and wise moral compass. In terms of capacity, wealth holders are not just agents, but hyper-agents. Their wealth makes them world builders. While agents seek to *find* the best place for themselves within existing alternatives, hyper-agents, when they choose, are *founders* of the institutional framework within which they and others live and work. What takes a social, political, or philanthropic movement for agents to accomplish, hyper-agents can accomplish relatively single-handedly. They can design their houses from the ground up, create the jobs and businesses within which they work, tailor-make their clothes and vacations, endow their children, create foundations, and initiate new philanthropic directions.

Just as wealth provides a capacity of great possibilities, it calls for a moral compass wise enough to guide great expectations. Those who have achieved or are close to achieving financial security can have what they want in the material realm and can strive to fulfill their psychological and spiritual needs. Great capacity does not guarantee a conscientious moral compass, but it opens the door to a more responsible one. Those for whom acquiring more wealth is no longer of high importance can choose to develop a moral compass that includes discerning a proper scale of consumption, an appropriate inheritance for their children, a path of personal development, and a strategy for business and investment. But today more than ever before, a moral compass of wealth has come to include, for many, an aspiration to more fully and freely devote their time, talent, and treasure to the philanthropic causes they care about.

SPIRITUAL AND RELIGIOUS MORAL BIOGRAPHIES

Thus far I have used the term *moral* biography to refer to how individuals implement their unique combination of capacities and purposes. I do not use the term “moral” in the narrow sense of ethical precepts or philosophical principles. My use follows that of Emile Durkheim, for whom it means a normative orientation or direction by a full range of formal and informal *mores*—the horizon of laws, customs, and conscience that direct daily practice. What Durkheim does not recognize is the reality of genuine spiritual or religious life in the way today's believers would understand that reality.

In defining the spiritual or religious dimensions of a moral biography, the first thing to note is that there is a close affinity between what may be considered spiritual and what may be designated as religious. Life's questions posed and answered in personal or philosophical language are often indicative of, or answered in terms of, the respondents' religious horizons. By spirituality, I mean the array of deeply seated thoughts, feelings, and actions that individuals pursue in the light of their ultimate origin, ultimate destiny, and ultimate depth. By religiosity, I add to the definition of spirituality the orientation to *devote worship* to the source of their ultimate origin, ultimate destiny, and ultimate depth—that is, as Rudolf Otto says, to *bow their head to the numinous*. According to Otto, such worshipful relation to the numinous entails the experience of awesome dependence and attractive engagement with the holy, even if not explicitly enshrouded with religious terminology. As such, a spiritual moral biography is one lived in the light of ultimate genesis, telesis, and depth. A religious moral

biography is one that adds the aspects of worship, for instance, of a divine presence, an ontological being, an ultimate force, or a personal God.

Today it is important to remain open to what constitutes the spiritual or religious experience and language of a moral biography of wealth. For each era, a fresh experience and language of the spiritual or of the Divine needs to emerge. One way they are emerging is through the wealth holders. As wealth holders learn the particulars of their moral biographies through the process of religious discernment, they and those who study and work with them will gradually formulate a constellation of elements for a contemporary experience and language of the Divine.

CARE AND FRIENDSHIP LOVE: THE PURPOSE OF A MORAL BIOGRAPHY

Thus far I have discussed the material and cultural context of today's wealth holders, the nature of a moral biography, what is distinctive about a moral biography of wealth, and the aspects that make a moral biography of wealth spiritual or religious. Continuing this move from the general to the particular, the next question is: What is the proper content of a moral biography? If the intersection of capacity and purpose constitutes the general framework of a moral biography, what is the *content* that connects capacity and purpose? In all areas of life, but particularly relevant to a moral biography of wealth engaged in charitable giving, the practical content is care and friendship love.

Jesuit philosopher and theologian Jules Toner formulates a notion of care grounded in a phenomenological analysis of *radical love*. Toner defines radical love as the affection by which a lover "affirms the beloved for the beloved's self (as a radical end) . . . [and] by which the lover affectively identifies with the loved one's personal being, by which in some sense the lover is the beloved affectively."⁴ If love is the affection of identifying with another as a radical end, care is the practical or implemental aspect of love. As Toner insists, care is love directed at meeting the true needs of others. Figuring out just what the true needs of others are is never easy. But it is always the right question.

We can come upon the deeper content of philanthropy from a second direction. We do this by exploring the root meaning of *philanthropy*, which comes from the Greek words *philia* and *anthropos*—concepts developed ages before the world had any notion that doing good or being financially virtuous was tied to what today we call the nonprofit sector. The two terms in combination are almost always translated simply as "love of

humankind." No special attention is given to the particular kind of love connoted by *philia*, although we get a hint of the root meaning when we call *Philadelphia* the City of Brotherly Love.

For Aristotle, *philia*, or friendship love, extends out in concentric circles from the family to the entire species. *Philia* originates in the parent-child bond and becomes expanded to the species in *philanthropeia*. Friendship love is a relation of mutual nourishment that leads to the flourishing of both parties. Just as generosity finds its root in *genus*, the origin of *philia* is connected to *species*. Thus, friendship love implies that, as people mature, mutual nourishment extends to the entire species.

"A friend is another self." "Friends share one soul in two bodies." "One friend loves the other for the other's own sake." Aristotle used these phrases when speaking of the kind of friendship that brings individuals together for mutual benefit. The best friendship is the friendship that inspires all parties to develop their virtues and become more fully their true selves.

It is these profound notions of care and friendship that define the responsibility of all moral biographies and all moral biographies of wealth: we are to meet the true needs of others as we enter into expanding horizons of mutual nourishment. Through discernment, wealth holders heighten their alignment to care and friendship love and choose how to implement them.

DISCERNMENT AND THE NEEDS OF WEALTH HOLDERS

Having affirmed the general content of a moral biography to be care and friendship love, I now elaborate aspects of the discernment process by which that general moral content can become specified for individuals through an inductive spiritual process.

THE NEEDS OF WEALTH HOLDERS

The discernment approach focuses first on the needs of wealth holders. Wealth holders need: (1) to clarify how to apply their resources to achieve a deeper effectiveness and significance in their own life and in the lives of the beneficiaries, and (2) to disentangle themselves from pressure by financial advisors, charities, and financial institutions, whose primary aim is to obtain the use of the wealth holders' assets. The discernment approach is more akin to marketing than to sales strategies. While the goal of a sales strategy is to get people to do what the seller wants them to do, the goal of a marketing strategy is to provide the opportunity for people to choose among an array of options to meet their needs. In the case of wealth holders,

a critical need is to clarify and carry out a self-chosen moral purpose for the use of their wealth.

The distinctive trait of wealth holders is that they enjoy the fullest range of choice in selecting and fulfilling who they want to become and what they want to do for themselves, their families, and the world around them. Wealth holders who have achieved or are approaching financial security do not need to own more money. Rather, they need to discern how to make wise choices in the use of their wealth. They need to define their capacities, clarify their moral purposes, and implement the combination of the two in a way that creates a moral biography of wealth for them and an enhanced moral biography for their beneficiaries.

EXISTING APPROACHES

Over the past several years, many new initiatives have been undertaken to expand charitable giving. In a widely circulated report, Dan Siegel and Jenny Yancey of the Donor Initiative Project review “the state of donor education today and a leadership agenda for the road ahead.”⁵ In 2003 they identified 172 for-profit and nonprofit organizations that participate in some form of donor education to encourage philanthropy. Since that time, the number of donor education programs has expanded. For instance, there has been a dramatic increase in philanthropic advisement programs in financial institutions and independent financial advisement firms. Siegel and Yancey conclude that, despite the abundance of such programs, donor education remains largely a “cottage industry.” It is relatively unsystematic, generally works with those who are already connected to the philanthropic world, and does not yet possess a method that attracts the participation of business-oriented wealth holders or generates a consistently positive outcome.

My interviews with wealth holders, financial professionals, and development officers reveal an additional reason for this lack of success. Many of the current programs use a counterproductive “admonishment” approach to donor motivation, as my interviewees attest.⁶ This approach seeks to spur philanthropy by setting charitable quotas and admonishing individuals implicitly, if not explicitly, about not giving enough to the right causes at the right time and in the right way. Wealth holders are determined and self-possessed agents who are resistant to being pushed into financial decisions, especially those that are deemed to be voluntary and to have a special personal significance. Many people give regularly and generously, and some form a habitual philanthropic identity that many

hope will become more universal. But many wealth holders admit to being stalled at the margins of philanthropy and will not be moved by a hectoring tone. No matter how amiably it is framed, the admonishment model is incapable of generating a culture of self-motivated charitable giving.

NEW DIRECTIONS

Our research shows that it is not innate selfishness or lack of generosity that curtails greater charitable involvement among wealth holders. Nor is it the technical or organizational complexities of implementing a philanthropic strategy. Rather, the curtailment is due to wealth holders’ lack of clarity about their financial potential and their charitable aspirations.

I believe that wealth holders (1) have a greater desire for a discernment process than is currently appreciated, (2) find the admonishment model personally offensive and financially simplistic, and (3) would welcome a refined and accessible discernment process for clarifying their philanthropic potential and purposes. Yancey and Siegel support this assessment: “Many organizations that service donors, whether financial or philanthropic, lack either the inclination or skill set to engage donors in the very personal learning journey to assess their own values—what Paul Schervish at Boston College calls ‘the discernment process.’”⁷ Promoting and developing a discernment process will address the “tremendous shortage of donor educators highly skilled and trained in both the hard and the soft sides of philanthropic education and advising.”⁸ In addition, the discernment process will appeal to a wider range of wealth holders, especially the self-determined entrepreneurs, executives, and professionals who look to philanthropy as both a field of active financial engagement and a venue for expressing and deepening spiritual life.

DISCERNMENT AS A PROCESS OF GUIDANCE

People of means need to see more clearly through the fog that descends upon them when their task shifts from accumulating to allocating wealth. They need the new spiritual teaching and learning that is developing, in large part, outside formal religious settings. It often springs from the teaching and learning that are guided by a reflective discernment process. Such reflection can occur either through solitary contemplation or through conversation with one’s spouse and family, one’s pastor, or, increasingly, with financial professionals. Such discernment leads wealth holders to allocate their wealth in accord with what they perceive to be the most effective, significant, and generous way.

The leading motif revolving around discernment and discerned giving is that the responsibilities of philanthropy are best understood and generated, not as deriving from abstract principle or imposed duty alone, but as growing from a spirituality of care. In order not to return to a reliance on deductive precepts, there must be a process of conscientious decision making by which individuals chart what needs to be done and their place in doing it. In the process of discernment, which was originally proposed by Ignatius Loyola, the founder of the Jesuit religious order, and subsequently fleshed out by others, individuals discover their duty, not by eliminating predilections and desires, but by discovering them at a deeper level. According to Jesuit theologian Michael Buckley (1973), discernment is most explicitly and regularly carried out as an encounter with the Absolute; but it is also a process that is relevant for all who are seeking guidance for important decision making.⁹ In both its religious and nonreligious contexts, then, discernment is a spiritually attuned process by which individuals review and decide upon the conditions and directions of their decision making.

DISCERNMENT

Figures 1 and 2 outline the key concepts and relationships for applying discerned decision making to the meaning and practice of philanthropy. The term *discern* derives from the Latin *cernere*, “to sift,” and *dis*, “apart.” The process is thus one of archeological exploration in which the discrete aspects of life are unearthed, sifted through, and ordered into meaningful patterns and purposeful decisions. It is a process of self-reflection, often aided by the questioning and direction of an advisor, by which individuals clarify and make decisions. The discernment process requires a *via negativa*, or an unlearning of the obstacles to voluntary virtue and generosity. It also requires a *via positiva*, or a learning of the aspirations and purposes that spur voluntary virtue and generosity.

Although the discernment process eschews imposing dictates, it does not eliminate duty. Rather, the discernment model allows duty to be self-discovered in an environment of liberty and inspiration, and hence to be more wholeheartedly pursued and sustained. Liberty is material and psychological freedom from unfounded assumptions, fears, and anxieties; inspiration is the array of desires and aspirations that motivate a commitment.

Discernment is a mediating variable in the model of charitable giving in the sense that it influences the way other variables have their effects. In regard to charitable giving, the discernment process first helps individuals

Figure 1
Charitable Giving as a Social Relation of Care

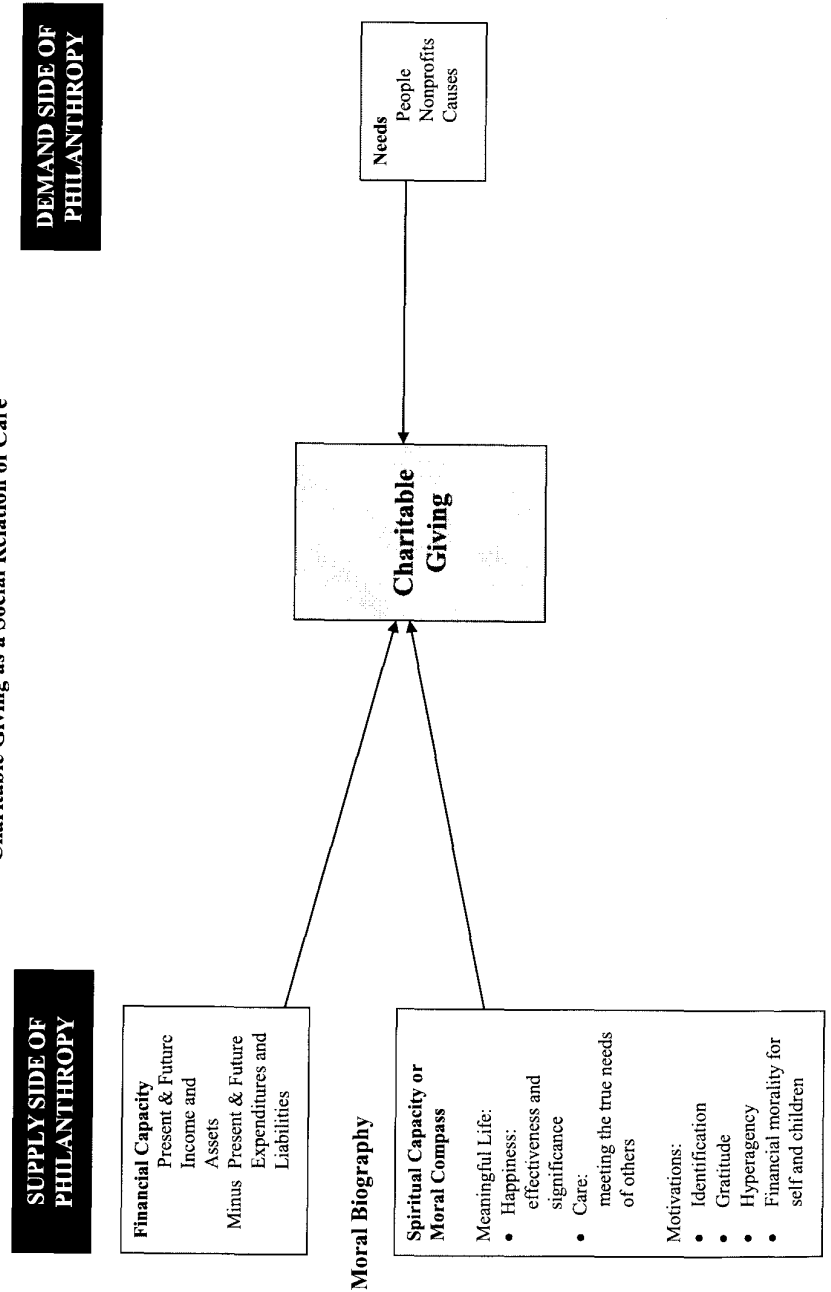
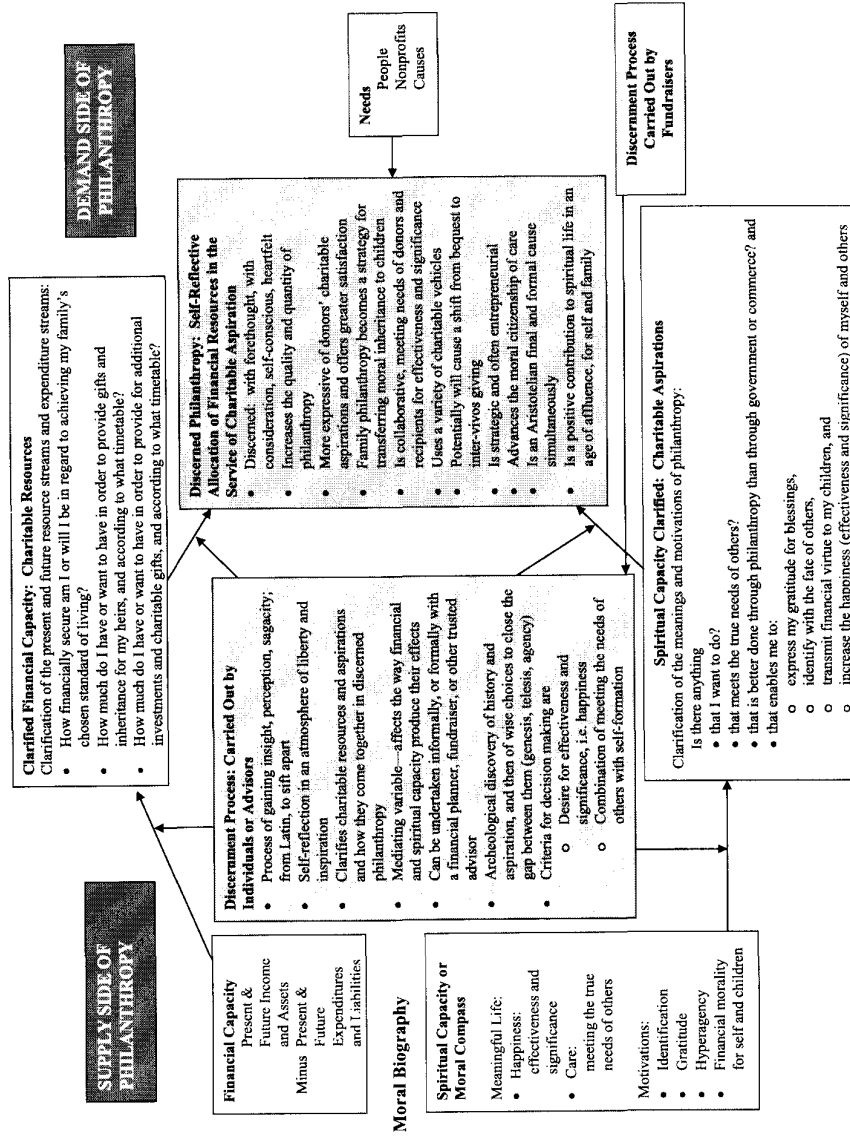


Figure 2
Discerned Philanthropy



clarify what they have to give (arrow 1, fig. 2) and their meanings and motivations for giving (arrow 2, fig. 2). Then, combining individuals' understanding of what they have to give with their meanings and motivations for giving, it helps them decide upon and implement what we call *discerned philanthropy* (arrows 3 and 4, fig. 2). When advisors and counselors, hired or chosen by the donor, assist in discernment, it takes place on the supply or donor-side of the philanthropic relationship. When fundraisers and charity professionals assist in discernment, it takes place on the demand side of philanthropy. Neither supply-side-led nor demand-side-led discernment necessarily produces a more propitious charitable decision. However, on the demand side, fundraisers often feel such pressure to garner support for their causes that they need to be especially attentive to ensure that liberty and inspiration—and hence the integrity of any decision, including the decision not to make a gift—are preserved throughout the discernment process.

DISCERNMENT OF FINANCES, ASPIRATIONS, AND PHILANTHROPY

Although discernment is a process of decision-making in all realms of our extraordinary and ordinary choices, I here focus on discernment as it applies especially to philanthropic giving. Discernment is a unified and recursive process touching on all aspects of a decision at the same time. But for clarity of exposition and to suggest how it can be an orderly method, I distinguish three realms and phases where it comes into play to meet the needs of wealth holders:

- clarification of their general financial capacity and charitable resources
- clarification of their broader moral purposes and charitable aspirations
- clarification of how to forge charitable resources and charitable aspirations into specific philanthropic practices.

Figure 1 illustrates the understanding of philanthropy as a social relation of care connecting the supply of resources to the demand of needs. On the demand side are the needs of ultimate beneficiaries, which are enunciated to donors by the media, by associates, and in the person of fundraisers and other representatives of intermediary charitable organizations that serve beneficiaries. On the supply side, donors combine their

material resources with their personal meanings, aspirations, and motives to provide donations that meet the needs of beneficiaries through the instrumentality of charitable organizations.

Figure 2 indicates the key concepts and relationships that I will now explore in more depth. Once again, the model distinguishes between the supply and demand sides of philanthropy. Although demand-side factors are integral to philanthropic decision making, our primary focus is on supply-side variables and on the use of discernment by donors or by their advisors.

THE DEMAND SIDE: NEEDS AND THE USE OF THE DISCERNMENT PROCESS IN FUNDRAISING

The demand side of needs is a prominent consideration in the discernment process of donors as they clarify their financial and spiritual capacities and bring them together in shaping a specific or general philanthropic plan. The demand side of philanthropy—the effectiveness of nonprofit organizations in meeting the needs of beneficiaries or the organizational dynamics of nonprofit management, board relations, and so forth—will not be part of our research. However, there are two aspects of the demand side that do come into our next phase of research: (1) how the *needs* of ultimate beneficiaries and the causes and charities that serve these beneficiaries enter into the decision-making process of donors, and (2) the use of the discernment process in fundraising.

THE SUPPLY SIDE: CAPACITY AND MORAL COMPASS COMBINING TO FORGE A MORAL BIOGRAPHY OF PHILANTHROPY

The combination of financial capacity and moral compass, or spiritual capacity, forms the moral biography of philanthropic giving. In the following sections I elaborate what is generally involved in clarifying how financial capacity becomes translated into charitable resources, how general hopes and desires come to be specified as charitable aspirations, and how charitable resources and aspirations become combined to implement sometimes a specific philanthropic gift and at other times a broader philanthropic strategy.

CLARIFYING MATERIAL CAPACITY AND CHARITABLE RESOURCES

Financial capacity is the level of financial resources that individuals command at a particular point in time. Charitable resources are the subset

of financial resources that individuals view as available for charitable purposes.

The formal discernment process comes into play as part of a technically informed methodology carried out with a trained financial professional of one's choice. The goal is for wealth holders to grasp (1) a conservatively defined stream of present and future financial resources; (2) a liberally defined stream of present and future expenditures to support the standard of living they desire for themselves, their family, and other heirs; and (3) a stream of excess resources potentially available for philanthropy. The discernment approach ensures that all information important for subsequent decisions emerges from insights that wealth holders themselves formulate about how long and in what way they want to continue to accumulate wealth; how financially secure they are in regard to providing the standard of living they want for themselves and their heirs; how much and when they wish to provide gifts and bequests to their heirs; and how much and when they want to provide for additional investments, business formation, and charitable giving.

Ultimately, discerned financial capacity entails clarifying whether, given their level of resources and desired standard of living, donors are at the point in their lives of (1) *financial dependence*—still in the accumulation phase and not yet at a level of financial security to confidently think about disbursement of resources other than for self and family; (2) *financial independence*—able to shift their focus partially or wholly to allocation decisions; or (3) *financial transcendence*—able to focus on their wealth as a tool with which they can shape the world, including through substantial entrepreneurial philanthropy.

In this way, potential charitable resources are determined inductively from the bottom up. Usually, but not necessarily, personal, business, and family considerations are addressed first; what remains is a trusted *minimal* amount available for philanthropy. An informal polling of financial and estate planners indicates that, for the very wealthy, this remaining amount tends to be greater than individuals conceived it to be before they clarified their resource and expense streams. At the same time, the amount first designated for philanthropy tends to be lower than the amount they eventually allocate because over time they realize that their original assessment underestimated their resource stream, overestimated their expense stream, and underestimated the accomplishment and satisfaction of their charitable giving.

CLARIFYING MORAL COMPASS AND CHARITABLE ASPIRATIONS

Spiritual capacity is the inclinations that animate individuals both to pursue their ultimate life goal (happiness, union with God, service, and so forth) and to care for self and others as the path to that ultimate goal. By meeting the true needs of others through financial care, donors increase their own effectiveness and significance (or happiness) as well as that of others, thereby closing the gap between where they are in their lives and where they want to be. The inclinations that animate individuals to care for others include identifying with the fate of others, expressing gratitude for blessings, being active agents in shaping and not just supporting the organizational aspects of care, and fashioning a positive path of financial morality for themselves and their children. In sum, moral compass is the constellation of meanings, motivations, aspirations, and responsibilities that directs individuals in the use of their material capacities.

Discernment helps individuals uncover the ideas, emotions, and activities that shaped their moral compass in the past and helps them identify the moral bearings and purposes that they wish to advance now and into the future. It offers the opportunity to examine the major turning points in life, the people and circumstances that shaped them, the hurts and happinesses that ensued, and an agenda for the future.

Just as charitable resources are a subset of general financial capacity, charitable aspirations are a subset of one's broader moral compass. In identifying charitable aspirations, discernment focuses on clarifying what one wishes to do voluntarily so as to address the needs of others personally and directly rather than through business or government. Unlike the admonishment model that requires assent to expectations, the discernment model invites consideration of questions like the following:

Is there anything you want to do with your wealth

- that meets the true needs of others?
- that you can do better through philanthropy than through business or government?
- that enables you to identify with the fate of others and to express gratitude for the blessings you have received?
- that will help you fashion a financial morality for yourself and your family?

- that will achieve greater happiness in the form of effectiveness and significance for yourself and others?

As with financial discernment, discernment of aspirations is an ongoing process that generates new insights in light of subsequent experience. As such, charitable aspirations are the outcome of a process of discernment in which spiritual capacity is clarified. As a result of discerning spiritual capacity, individuals figure out which, if any, endeavors of financial care they want to pursue to experience in a deeper way the unity of love of God, love of self, and love of neighbor—or in my terms, the unity of the moral biography of God, self, and neighbor.

DISCERNED PHILANTHROPY: CLARIFYING CHARITABLE ENDEAVORS

The next step in the application of the discernment model is to select specific philanthropic endeavors and ascertain how to carry them out. Discernment at this stage is about practical execution, since donors have already deliberated about what they would like to do and whether they have the resources to do it. Discerned philanthropy is the outcome of the process of discernment by which an individual applies a conscientiously decided-upon level of financial resources to implement a conscientiously decided-upon aspiration to care. Discernment can be useful for donors across the economic spectrum, since there are no essential elements of discerned philanthropy other than that it be self-reflective. Nonetheless, when we consider discerned philanthropy, several—and sometimes all—of the characteristics indicated in figure 2 are manifest.

The most general outcome of discerned philanthropy is that it tends to result in an increase in the quality and quantity of individual gifts and charitable giving in general. A quantitative increase in giving is not a *defining* element of discerned philanthropy, but it is likely to occur over time because self-reflection provides donors with a better appreciation of their financial capacity and of the importance of charitable needs in relation to their own needs. More likely, however, is that the philanthropy that emerges from discernment will be as much a formative activity for the donor as it for the beneficiary. Such philanthropy is a biographical event of character and vocation. It derives from a personal history of identifications, gratitude, blessings, and troubles and is destined toward a final end of care for self and others.

My early research identified several giving strategies that most wealth holders mix and match, depending upon the circumstance.¹⁰ A giving strategy is a way of thinking, feeling, and acting to achieve a complex set of purposes involving self, family, and the needs of others. As such, each strategy requires a decision about the size of a gift, the recipient, the timing, and the giving vehicle. Each strategy also requires a decision about the kind of personal engagement one desires. In a *contributory strategy*, donors limit their engagement to making a financial contribution. In an *entrepreneurial strategy*, donors fund and carry out a charitable endeavor that they conceive and manage. In a *consumption strategy*, which can have either contributory or entrepreneurial components, donors direct funds toward institutions and causes that have benefited them or their families, such as schools, hospitals, churches, and performing arts organizations.

No matter what specific strategy wealth holders undertake, either in general or for a specific contribution, there is a sense in which all discerned philanthropy tends to be entrepreneurial. That is, it is self-directed, at least in disposition, even when not also in actual practice. This means that it is sufficiently thought through and planned as to often result in either new philanthropic initiatives or new directions in existing ones. But even when it is not explicitly innovative, it is entrepreneurial in the sense that it is self-consciously expressive of an entrepreneurial disposition of the donor to be a producer of effective outcomes.

Another characteristic of discerned philanthropy is that it is not tied to any particular charitable vehicle, nor is it particularly tax-driven; instead, it is the donor's biography that orients the financial and moral content and the timing of substantial giving. The element of "planning" in discerned giving is more holistic than the term "planned giving" usually implies. Planned giving technically refers to the charitable vehicles that are connected to trusts, bequests, and other mechanisms related to financial events that occur at the death of the donor. Discerned giving does include this type of "planned giving," but also includes any mode of giving that comes under the broader definition of "planning" as a process in which donors purposefully chart and time their giving in light of their life's purpose. As such, discerned giving includes conventionally defined planned giving as well as any form of inter vivos gifts, both outright and pledged that are carried out as a self-reflective translation of financial capacity into charitable gifts. Discerned philanthropy, then, is a financial and biographical event that produces a collaborative relationship

that meets the needs of both donors and recipients for effectiveness and significance.

While financial gifts flow to meet the needs of recipients for happiness and to close the gap between their history and their aspirations, moral and spiritual gifts flow to the donors as a result of charitable giving that fulfills their true needs for happiness. This flow of mutual benefits, in turn, advances a more caring society characterized by a moral citizenship of care. By a moral citizenship of care I mean the array of privileges and responsibilities that express a conscious aspiration of citizens to freely attend to the true needs of others in a self-chosen manner. Although the moral citizenship of financial care has always been part of an ascetic way of life, it is an especially valuable element of spiritual life in an age of affluence. As personal and social wealth expands the horizon of choice for individuals, it becomes increasingly important that we develop a positive spirituality for affluent living and for making wise choices among the obstacles and opportunities of affluence.

ARCHEOLOGICAL DISCUSSIONS AND CONVERSATIONS

The major mechanism for carrying out discernment about capacity and aspiration is archeological conversation. Because it is not easy for wealth holders to decipher the moral compass that will guide their great capacity, we hear much from them about the turmoil, worry, and dilemmas they face in regard to how their riches shape the moral biographies of themselves, their children, and those they affect in business and in philanthropy. Acquiring great wealth, it turns out, is the beginning, not the end, of a moral biography of wealth. As a result, there is a growing need for a process of conscientious self-reflection by which wealth holders discern how to complement the growth in their material quantity of choice with a commensurate growth in the spiritual quality of choice.

Of course, individuals and their families can carry out this process of clarification informally and without the assistance of others. But most wealth holders will benefit from engaging in what I call an extended archeological conversation with their trusted advisors, including development professionals. As I describe below, there is a special role for gatherings of wealth holders in which archeological conversations will occur away from the agendas of financial and development professionals. Such conversations follow the principle that archeology precedes architecture, that self-discovery comes before defining and implementing a financial

or estate plan. The methodology of archeological conversation can be easily taught to professionals (retreat directors, spiritual directors, etc.) working with wealth holders.

These archeological facilitators would help wealth holders to uncover the ideas, emotions, and activities that shaped their moral biography in the past and to identify the moral bearings and purposes that they wish to advance now and into the future. These facilitators and counselors will offer wealth holders the opportunity to examine the major turning points in life, the people and circumstances that shaped them, the hurts and happinesses that ensued, and an agenda for the future. In an archeological conversation, wealth holders discern their capacities, clarify their moral purposes, and combine the two in a way that creates a moral biography of wealth for themselves, their children, and others throughout the world for whom they care. When this process of discernment is carried out with no hidden agendas and with the purpose of helping wealth holders uncover their true aspirations, a deeper commitment to philanthropy invariably ensues.

CONCLUSION

In this chapter I have proposed that an important aspect of “religious giving” is a spiritual and religious process of discernment. In my thinking, all giving that is chosen and implemented through reflection on ultimate origins and ultimate goals is religious. Religious giving is not limited to contributions that go to congregations or religiously affiliated organizations. Religious giving occurs whenever individuals, while abiding in the presence of God flowing through them, freely develop down-to-earth and competent choices about the resources they possess and the wise purposes for which they seek to use those resources.

The broadest context for this is the material growth in wealth and the cultural and spiritual questions this poses. Most generally, these questions revolve around how to carry out a moral biography of wealth in our contemporary era. This means becoming attuned to the aspirations of care and friendship love, which link us to others through gratitude for blessings and identification with the fate of others. Individuals who harbor these dispositions are those whom Ignatius Loyola says are “going from good to better in their lives.” Such souls, which include the majority of us, are then encouraged to chart the particular details of their wealth allocation with liberty and inspiration. They do not *deductively* obey the mandates of traditions, ideologies, or theologies. They *inductively* “seek and find,” “taste and see” what they are to do in their own time, place, and circumstances.

For those going from good to better, discernment results in finding the will of God, not in what is the hardest or most sanctioned thing to do, but in the most inspiring thing to do.

We have arrived at a historical turning point in the accumulation and allocation of wealth that has the potential to increase philanthropy not just among those with substantial wealth but also among the highly affluent. Developing and implementing a discernment process will address the needs of individuals to find the deeper prospects and purposes of their wealth. It will also contribute to the mutual benefit of donors, charities, and beneficiaries. To the extent that individuals are guided to and through a process of conscientious self-clarification about their material capacity and moral purposes, philanthropy will emerge as an ever more familiar way to be “economically purposive for others even after it has ceased to be reasonable for oneself.”¹¹ Spiritual discernment has the promise to make the early twenty-first century the first era in which the conscientious allocation of extraordinary wealth for the care of others becomes an ordinary path of financial spirituality.

NOTES

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2. John J. Havens and Paul G. Schervish, *Why the \$41 Trillion Wealth Transfer Estimate Is Still Valid: A Review of Challenges and Questions*, Social Welfare Research Institute (now the Center on Wealth and Philanthropy), Boston College, January 6, 2003.

3. Paul G. Schervish and John J. Havens, “The Mind of the Millionaire: Findings from a National Survey on Wealth with Responsibility,” *New Directions for Philanthropic Fundraising: Taking Fundraising Seriously*, ed. Eugene R. Tempel, no. 32 (Summer 2001): 75–107.

4. Jules Toner, *The Experience of Love* (Washington, D.C.: Corpus Books, 1968), 183.

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8. *Ibid.*

9. Michael J. Buckley, "The Structure of the Rules for the Discernment of Spirits," *The Way*, Suppl. 20 (Autumn 1973): 20-37.
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Consumer Debt and Christian Money Management: Messages from the Large U.S. Denominations

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Religious giving is naturally a core concern of denominations and religious organizations not only for the survival of these institutions but also for the spiritual development of their members. One would expect, therefore, that the problem of consumer debt, which is growing among all demographic groups, would be a major denominational concern.¹ Thus, it is striking how little public discourse from major Christian denominations deals with consumer debt in the context of faithful living, despite the fact that people with a burden of debt obviously have less money available to give to religious organizations (see Rooney, chapter 1 of this volume) or to engage in low-paying ministries:

Denominations sponsoring traditional missionary appointments find their candidate pool shrinking, as candidates must be largely debt-free to serve in subsistence settings. . . . Loans provide a hidden incentive to pursue higher-paying forms of ministry. (Ruger, Miller, and Early 2005, 35)

This chapter examines the ways in which debt is framed in the publications of large Christian denominations in the United States and proposes that balancing the individualistic, prescriptive approach, which these publications tend to stress, with a structural, descriptive approach could help to build more robust religious identities around the subject of money. Rather than focusing on debt as a matter of individual sin, I would ask denominations and other religious bodies teaching about money management to consider the following: