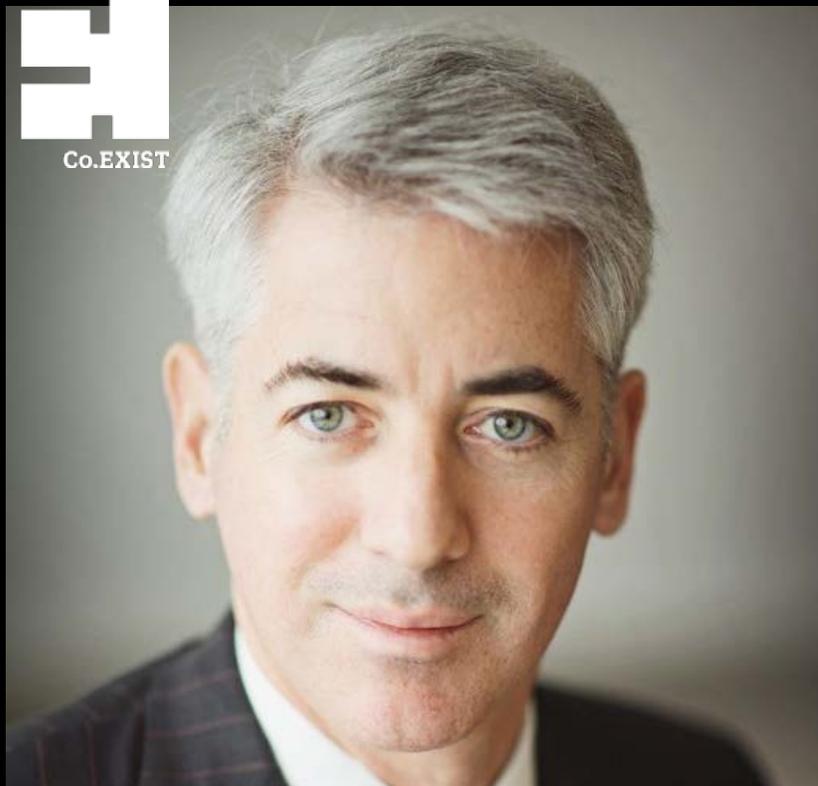




Co.EXIST



Bill Ackman is the entrepreneur behind Pershing Square Capital Management.



The 5 Most Generous On Wall Street

WRITTEN BY: [Alexander Stein](#)

As part of our series on generosity in business, we're looking at some of the financial wizards who are using their skills and assets to give back to society in the most impressive and inspiring ways.



Generosity is an emerging market. Social-good philanthropy is forging into territories once the domain of conventional

EDITOR'S NOTE

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Co.Exist
WORLD CHANGING IDEAS
AND INNOVATION

Editor: Morgan Clendaniel

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TWO THOUSAND
AND THIRTEEN

charities and donor-grantee philanthropy. This month, the *Co.Exist / Catchafire Generosity Series* singles out an elite group who've pivoted from exceptional success in the financial sector to launching world-changing social giving initiatives.

But, even for these wealthy donors, being generous is more complicated than you might think.

Rather than being inspirational, giving of this magnitude can generate rip tides of envy. Could the astronomical wealth and mammoth institutional resources behind these ventures overshadow their missions? Avoiding that is the first challenge. Remember, positive impact matters more than who's giving and how much.

As Warren Buffet puts it, "the most precious asset a person can give is time." To Buffet, gifts of time and talents to help others "often prove far more valuable than money." A struggling child, he suggests, "befriended and nurtured by a caring mentor, receives a gift whose value far exceeds what can be bestowed by a check."

How can this serve as a model for emulation? To be optimally leveraged, we need to better understand generosity. Generosity is commonly defined as "liberality in spirit or act, especially in giving" and a "willingness to share with others." Its etymology is linked with nobility, nearly every world religion vaunts its moral virtue and, as any child can tell you, it's better to give than to receive.

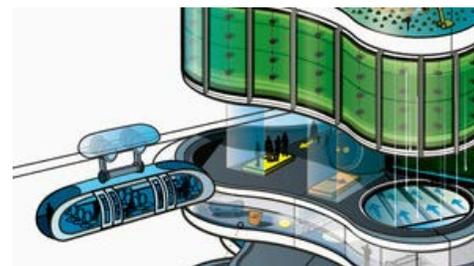
This is the latest entry in *Catchafire's Generosity Series*, a multimonth celebration and investigation of bold generosity with the goal of understanding its causes, its benefits, and how to inspire more giving. We'll be interviewing a long list of impressive change makers who have demonstrated their generosity through acts of service, rather than exclusively through deep-pocketed philanthropy.

This month, we're honoring some of the most generous on Wall Street. We've already looked at *Social Media Mavens* and *designers*. The series will run through the winter with more profiles of generous Tech Founders, Marketing Gurus, and Filmmakers.

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Being generous is more complicated than you might think.

But generous behavior isn't itself an accurate indicator of true generosity. People donate time, service, knowledge, and money for lots of reasons--exhibitionism, social pressure, to be influential, in control, or feel powerful, guilt, conformity, moral posturing, self-gratification, tax advantages, even disguised hostility. While, to varying degrees, these are legitimate catalysts to giving, they have little to do with actual generosity or altruism.

Social scientists explain generosity as "prosocial behavior"--actions that benefit others learned through role models in the home or school. But the underlying psychology--how our capacity for giving develops and functions--is more complex. Why is this important to know? Because true generosity isn't just about generous acts. It means being generous knowledgeably and thoughtfully--understanding generosity inside and out.

Taking generosity from blueprint to delivery can get deformed or derailed by any number of under-the-radar obstructions. Hard to see, looking at the members of this list (see below). They epitomize mission-aligned giving. They also present an opportunity to study, by contrast, some problematic giving types, whose generosity is mitigated by ulterior motives.

EXPERT PERSPECTIVES



Knowing the signs of the wrong kind of generosity can help you spot them, in others or even in yourself, in advance.

Important? Very. The social good sector--and generosity in particular--pivots on the human element. In a successful giving venture, psychology is a critical factor equal to any. Punt it aside, and you're handicapped.



This is the latest post in a series on generosity, in conjunction with [Catchafire](#).

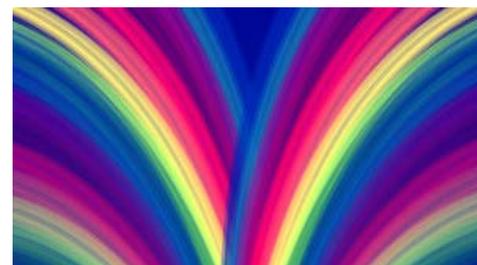
Here's the short list:

- **5-Alarm:** Generosity catalyzed by catastrophe. Natural disasters, 9/11, and other social trauma generate outpourings of mass-empathy. Active interest can exceed the news cycle but eventually subsides once a semblance of 'normalcy' has returned.
- **Mother Teresa:** These givers' generosity is boundless. Their need to help others seems insatiable.
- **Guilty:** Its familiar face leaves the recipient feeling guilty for accepting the giver's munificence. A sense of ingratitude is baked-in; no amount of thankfulness can fully acknowledge the sacrifice made in having given so much. The underbelly is the guilt driving the giver: his generosity is an imperative of tithing or expiation, an attempt at compensating for something forever owed. This substructure is often invisible, as many appear to give quietly, anonymously, or selflessly.
- **Investment:** Generosity (actually pseudo-generosity) delivered with an unspoken expectation for a return. It's not tangible ROI like admiration or bragging rights; the giver's generosity is an esoteric hedge. Potential returns could be an internal "get-out-jail-free card," to feel deserving of respect or love, enhanced self worth, or delivering a model of how he hopes to be treated.
- **Little Big Man:** The giver dreads being "too much." The ramifications of too muchness are presumed dire. The solution? Divestiture and redistribution. The quotient deemed dangerously over the line is reducible to safe levels with a noble bonus: giving to others.
- **Pollination:** Scattering small seeds of generosity to multiple recipients. Each parcel is too insignificant for sustainable positive impact but sufficient in the aggregate to create the appearance of great magnanimity (distinct from potentially useful micro-giving, a variation of strategically thoughtful micro-lending).
- **Tyrant:** Generosity delivered with militaristic precision and vice-grip control. All effective philanthropy requires structure and regulation. But this is stiflingly hyper-codified. The consequent, inappropriate focus is on giver, contract and performance. The recipients' needs are eclipsed.
- **Atlas:** Generosity borne of a sense of over-responsibility. Usually derivative of a childhood devoted to emotionally subsidizing a weak, sick, or immature parent. A deep reservoir of resentment flows under the generosity.
- **Bling:** The charitable gesture is really camouflaged boastfulness. Generous acts are a contrivance for trumpeting and memorializing the giver's resources and generosity.
- **Strip Mall:** Unrelenting and over-abundant generosity. The giver can never give enough (and may never stop) irrespective of how much the recipients need.
- **Trojan Horse:** Largesse with a hidden time-deferred agenda. The recipient doesn't learn of the contingent expectations bundled into the ostensible gift until after the fact.
- **Tony Soprano:** As in, "it would be a cryin' shame if you didn't accept this gift."
- **Jackass:** Wasteful, mind-bogglingly ludicrous pseudo-charitability (as one of many Technicolor examples, see Leona Helmsley's bequeathing her multimillion dollar fortune to her dog).
- **Carrot on a Stick:** Keeps the recipient hopeful but perpetually suspended in need. The promised generosity comes tantalizingly close to fulfillment, or is sparingly apportioned

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Thanks for coming to Co.Exist. This site is focused on groundbreaking innovation, innovation that's going to change the way we live and the resources we use. We're for brash and creative solutions, that make everyone rich while helping the people of the world lead lovely, clean, and fulfilling lives.

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THE ARCHIVES

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over time. But is always attached to a string. (Similarly: “YoYo”: generosity serially offered and retracted).

- Madoff: Fraudulent generosity. Can involve the giving of stolen or misappropriated assets. Can also be a deceptive practice: generosity as red-herring, straw entity, or disguise for intentional malice or, purely psychologically, as a veil for hatred, envy, or rage. Hostility and sadism are parts of the human condition. Social imperatives to conceal them are embedded in language: the German word "gift" means ‘poison’ in English.

I've given these psychological categories cheeky names to help explain them. But the issues are serious. In each, beneath the generous act, the giver's internal conflicts and self interests dominate. Concern for the other is subordinate and functional. That's a fundamental perversion of accepted generosity best practices.

Is there a fix? Can these archetypes be avoided?

Yes. Harnessing generosity's full potential as an enterprise tool requires understanding both its negatives and positives.

That these mental systems exist and can intrude in our daily affairs isn't a dismal forecast for future giving. People are dazzlingly resilient and adaptable. These psychological mechanisms, and others too, start as ingenious coping responses--giving instead of receiving in a formative zero-sum environment where giving *and* receiving wasn't feasible.

Generosity isn't limited to giving. It also involves being accepting, emotionally charitable toward ourselves and others.

The capacity for empathy--a leap of imagination to understanding the experience of another based on one's self--is a cornerstone of generosity, and a remarkable trait of our humanity. It's present in varying degrees in nearly everyone. Being truly generous is to be humane.

THE FIVE MOST GENEROUS WALL STREETERS

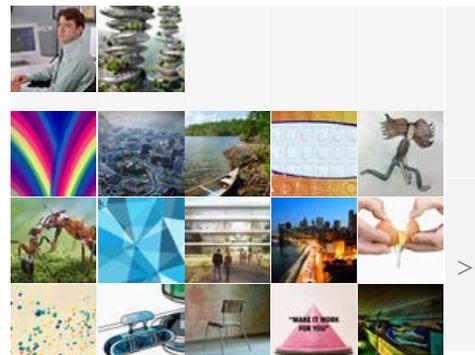
The Most Generous on Wall Street is different from the other groups we have featured in the Generosity Series thus far. They are very modest about sharing their experiences with philanthropy, so much so that many prominent figures have declined their nominations to avoid the public attention this series would bring for the reason that philanthropy is a very personal matter. But here are a few who are comfortable sharing how they're using their success in the financial markets to give back.

Come back every Monday for the next five weeks to read about a new honoree who uses their success off of Wall Street, influence in the world of finance, or post career life to make the world a better place. We've gathered in depth profiles that get to the heart of who these people are, their philosophies on giving, why they are generous and how they are using their time and talents (not just their bank accounts) for good.

BRENT KESSEL

CEO and co-founder of Abacus Portfolios.

Abacus is a B-Corp that invests in socially responsible and sustainable investment portfolios, it's also the largest investment



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advisor to invest in microfinance equity funds. An active Acumen Partner, Kessel's generosity stretches over the global and is linked to his ability to bridge the worlds of finance and spirituality.



MARGO ALEXANDER

Former CEO and Chairman of UBS AG Global Asset Management

Alexander is the first woman to head a major research department, first woman to oversee a trading floor and the first to head a large asset management company. Alexander is the former CEO and Chairman of UBS AG Global Asset Management and a dedicated leader with the Acumen Fund. She served as the Fund's Board Chair for nine years and remains actively involved in their social impact investing efforts.



JEFF WALKER

Former chairman of CCMP.

Walker is the former chairman of CCMP (the successor of JPMorgan Partners) and a dedicated philanthropist whose philosophy on giving is very much tied to his practical spirituality. Known for integrating business strategies with the nonprofit world, his influence has reached renowned charitable initiatives.



BILL ACKMAN

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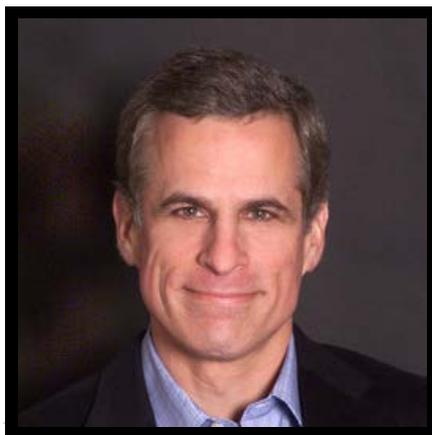
Ackman is the entrepreneur behind the activist hedge fund Pershing Square Capital Management. In 2006, he amplified his philanthropic efforts by starting the Pershing Square Foundation to support innovation in economic development, education, human rights, healthcare, and arts and urban development.



ROB KAPLAN

Former Vice Chairman, Goldman Sach

Kaplan, the former Vice Chairman of Goldman Sachs, is now a professor of Management Practice at Harvard Business School, and a co-chair at the early stage global venture philanthropy firm, [Draper Richards Kaplan Foundation](#).



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ALEXANDER STEIN

Alexander Stein advises CEOs and established entrepreneurs on the psychological underpinnings of leadership, corporate culture, and organizational governance.

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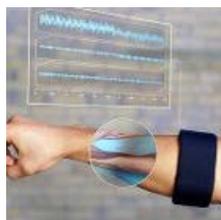
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Alexander Stein advises CEOs and established entrepreneurs on the psychological underpinnings of leadership, corporate culture, and organizational governance.

Alexander Stein advises CEOs and established entrepreneurs on the psychological underpinnings of leadership, corporate culture, and organizational governance. Also a specialist practitioner in the psychology of fraud, he is the founder of [Dolus Counter-Fraud Advisors](#) which provides cutting-edge resources to corporate leaders and boards in situations involving institutional fraud, and partners with asset recovery litigators on behalf of victims in high-value multinational fraud cases. Dr. Stein is a principal in the [Boswell Group](#), a member of the advisory board of [Catchafire](#), and a former monthly columnist for [Fortune Small Business](#).

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