Joseph Galaskiewicz


This classic study of corporate giving was originally published by the Russell Sager Foundation in 1952. It was an important study then and is worth reading today. As noted by Michael Useem, who wrote a new introduction for this edition, this volume was published at a time when corporate giving on a large scale was a relatively new phenomenon. Its purpose was both to inform the educated public and provide guidance to companies thinking about expanding their contributions activities.

For those who are not familiar with the original publication, Emerson drew on IRS data and survey data from 326 companies in 1951. The first half of the book provided a history of company giving up to 1950, compared company contributions to other forms of giving (e.g. individual, foundation, etc.), identified the correlates of company giving (e.g. profits, number of employees, industry, geography), described company guidelines (e.g. amounts and programme areas) and the administration of contributions programmes, and recounted the reasons that companies gave for making contributions. The second half described fund-raising practices among non-profits and the situation of non-profits that were active at the time, e.g. community chests/united funds, voluntary welfare associations, educational and research organisations, and religious agencies. He concluded with a discussion of legal and taxation issues. The appendices contained the relevant tax legislation and court decisions that dealt with corporate contributions at that time.

Can we learn anything today from a study that was done in 1951? The main contribution of the volume is to provide a context for recent developments in the area of corporate giving. Although Andrews' response rate was very low (27 per cent) – probably because many of the non-respondents gave nothing or only trivial amounts to charity, much of what he found in his 1951 survey was the precursor of what we see in corporate contributions today. For example, back in 1951 there was a movement afoot to routinise or professionalise contributions, e.g. establish corporate foundations, set formulae to determine the level of contributions, hire corporate giving officers, establish contributions committees, set formal guidelines for giving. Today, in many firms the function is fully institutionalised in precisely the ways he described them in the book.
He also called on firms to be more adventurous in their giving, focusing their efforts, and trying to use their unique expertise in different areas to pursue exciting new alternatives. Half of his respondents gave from 90 per cent to 100 per cent of their contributions to annually-recurring drives, and companies scrupulously avoided donee organisations that represented special interests. Community relations were confined to making cash contributions to the local United Fund of Community Chest, hospitals or national health agencies. He would have been pleased to see the extent to which companies have become involved in community redevelopment, housing, K12 education, higher education and the arts, surprised to see firms funding the Urban League, Planned Parenthood, gay rights organisations, and even political candidates (through corporate political action committees), and disappointed that companies haven’t funded more religious denominations.

Furthermore, he recounted the debate whether donations should only go to causes that directly benefit the firm, that never benefit the firm (altruistic gifts), or that indirectly benefit the firm (so-called enlightened self-interest). In 1950 legal doctrine was ambiguous with respect to gifts to charities that did not benefit the firm directly (this changed in 1953 with \textit{Smith vs Barlow}), yet many companies as early as World War I gave to charities (the Red Cross, War Chests, and later Community Chests) that provided no direct benefit to the donor. Although the institutional context has certainly changed, the debate over self versus other-serving gift giving goes on. Cause-related marketing, providing computers and software to schools and universities, and sponsoring ‘mega-events’ for charity are all evidence that a more traditional view of corporate contributions, one focused more on direct benefit, may be making a comeback in corporate circles.

Other phenomena that we regard as ‘contemporary’ were also in evidence back in 1951, e.g. community efforts to establish formulae for company giving (the precursor to corporate tithing clubs), corporate executive and employee volunteering, tying contributions budgets to profits and numbers of employees, focusing contributions on the local community instead of tackling national problems (with the exception of war relief and national health campaigns), well-orchestrated campaigns by behind-the-scenes fund-raising firms, use of executives for ‘peer solicitation’, nefarious fund-raising schemes and information services and licensing procedures to police them, workplace campaigns, tension between federated campaigns and independent agencies, the emergence of national charities of all sorts competing with local agencies for corporate donations, and industry-university partnerships to facilitate technology transfer. All of this was happening in the 1940 and 1950s; it’s nothing new.

So far none of this is too startling, but there were three sets of