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BARRON'S COVER

The 25 Best Givers

By SUZANNE MCGEE

With money tight, top philanthropists insist on more bang for the buck. Meet the 25 most effective givers.

THE NAME OF THE GAME IN PHILANTHROPY this year is to make your dollars go far -- very far. With the recession squeezing donors and charities alike, it's more important than ever to make sure your giving really makes a difference.

Ideally, each dollar you give will transform itself into \$3 or \$4 of benefits for your chosen causes -- from improving local schools to easing world poverty. That's high-impact giving, and some philanthropists are raising it to a high form of art.

The best of the best are ranked and profiled on the following pages. *Barron's* developed the listing in collaboration with consulting firm **Global Philanthropy Group**. While rankings in other publications highlight those who give the most money, we chose to focus on those who are getting the results.

Some of the findings will surprise you. Who would imagine, for instance, that a targeted effort to alleviate the worst poverty in a single country, Ethiopia, could end up having a greater impact than the massive \$34 billion Bill & Melinda Gates Foundation and its myriad education and health programs worldwide? By our standards, the Ethiopian initiative, launched by Donna and Philip Berber, wins by dint of immediacy.

It could take a decade for some of the Gates Foundation's research into vaccines to translate into an impact on

people's lives. By contrast, when the Berber's Glimmer of Hope digs a well and provides clean water to an Ethiopian Community, people's lives are improved immediately and critically.

Of course, if even some of the Gates' long-term initiatives bear fruit, the foundation would tower over all other philanthropic efforts in terms of impact. But for now, we rate it No. 7.

Global Philanthropy Group and *Barron's* considered scores of philanthropists, rating them on such criteria as innovation, quality of alliances with other groups, the ripple effects of their giving and the extent to which their successful projects can be replicated. We gravitated to philanthropists whose causes address severe problems, like children's health in high-poverty regions of the world, but a broad range of causes, even in the arts, are reflected in the final cut.

By its nature, this exercise involves a lot of subjective calls. Facts and figures about philanthropy are much harder to come by than data on corporations. One giver's definition of success can differ sharply from another giver's -- or from ours. But even if you disagree with some of our judgments, you are bound to learn some useful lessons from each of the 25 philanthropists on the list.

Many of them are fixtures in American business, such as billionaire Eli Broad, a huge supporter of education and the arts, and Paul Tudor Jones, the commodities trader who founded the Robin Hood Foundation, one of the country's most high-powered anti-poverty crusades.

Nearly 20% of the list is from donors overseas, like Indian telecom entrepreneur Sunil Mittal, a big supporter of schools. Though America has long stood out for its philanthropy, the tradition clearly is taking root around the world.

Some of the top 25 are true celebrities, like Brad Pitt and Magic Johnson, while others are people you've probably never heard of before, like John Wood. The former Microsoft executive distributes a book every three minutes to children in nine developing countries.

The two philanthropists we think are having the biggest impact happen to have each made their fortune at eBay, the giant flea market. Pierre Omidyar, No. 1, and Jeffrey Skoll, No. 2, have similar missions, too: They focus on supporting the work of other philanthropists and providing them with networking and leverage opportunities. That is a hallmark of a high-impact practice known as venture philanthropy.

The best strategies have a real ripple effect. Says Maggie Neilson of Global Philanthropy: "A key ingredient here is what we call connectivity -- does the cause the philanthropist supports have implications for other issues?"

Britain's Chris and Jamie Cooper-Hohn are a case in point. By helping to prevent a woman in a poor country from dying in childbirth, they also help her children, her broader family and her community.

for more tips on effective giving, read on.

1. Pierre & Pam Omidyar, Omidyar Network

EBay founder Pierre Omidyar says the best piece of philanthropic advice he ever received was this: Don't set up a foundation. The Omidyar Network operates more like a venture-capital outfit, investing in businesses and nonprofits that aim for social change. The network and other efforts have huge multiplier effects: A \$100 million fund the couple established at Tufts University is set to produce \$1 billion in microloans in developing countries while also turning a profit for Tufts, Pierre's alma mater.

Wiki Money: Committed \$300 million since '04 to such innovations as Wikipedia, "micro insurance" and technology to improve government transparency.

Mind Over Matter: "Philanthropy isn't a function of the size of your wallet."



View
Full
Image

JB Reed/Bloomberg News

No. 1-ranked Pierre Omidyar applies a venture-capital approach to recipients ranging from microloans to Wikipedia.

Soloist, which highlights homelessness.

3. Chris and Jamie Cooper-Hohn, The Children's Investment Fund Foundation

As the manager of one of Britain's largest activist hedge funds, Chris Cooper-Hahn has earned the label "ruthless." The children of India and Sub-Saharan Africa sure wouldn't know it. Chris sends a good chunk of the fund's profits

2. Jeff Skoll, Skoll Foundation

Skoll, eBay's second employee, makes sure in his giving that "the positive social returns vastly exceed the amount of time and money involved." He's done that for 10 years by awarding unrestricted three-year grants to 59 entrepreneurial groups trying to build a more peaceful and prosperous world. The results can be stunning: One of this year's grant recipients has trained armies of large rats to sniff for landmines in Africa, remnants of brutal civil wars there.

Class in Session: Founded a center of social entrepreneurship at the University of Oxford in England.

Auteur: His Participant Media produces Hollywood films such as *The*

and fees to a foundation run by his wife Jamie, swelling it to \$2.5 billion in assets. The foundation then uses leverage of another kind, aiming, for instance, to save kids by saving their mothers.

Helpful Friends: Foundation piggybacks on work of Bill Clinton, Elton John and others.

Best Advice: "You have to be able to define what success looks like," Jamie says.

4. Eli & Edythe Broad, The Broad Foundations

For Eli Broad to pursue a philanthropic cause, it has to survive one test: "Is it something that no one else is doing?" The Broads find plenty of ideas -- from starting the Broad Art Foundation, a lending library to thousands of galleries and museums, to training superintendents to run more efficient schools. They also fund young doctors' medical research that isn't yet ready for grants from the National Institutes of Health. All those projects add up; the Broads have given away more than \$400 million since 1999.

Mantra: Carnegie's "He who dies with wealth, dies with shame."

In the Genes: A 2001 visit to a lab led to the creation of the Broad Institute, now the leader in genomics research.



David Yellen for *Barron's*

Helen Hunt, with her sister Swanee, has tapped wealthy women for \$180 million in three years for women's causes.

5. Thomas Siebel, The Meth Project

Tech billionaire Siebel zeroed in on methamphetamine after a pal in Montana, who happens to be a sheriff, showed him how the homemade drug was devastating rural America. Siebel, 57 years old, bankrolled a massive ad campaign in Montana -- 2,000 billboards across the state, 61,000 TV spots -- to warn teens. Result: Montana dropped from its No. 5 ranking in the country for meth abuse to No. 39. Arizona, Idaho, Illinois, Wyoming, Colorado and Hawaii all have replicated the program, with more states to come.

Defining Moment: Meeting with three teen addicts at a diner: "It rips your heart out."

Foundation Foe: "A lot of philanthropy is a joke."

6. Donna & Philip Berber, A Glimmer of Hope Foundation

After Philip Berber sold his online trading firm, CyBerCorp, to Charles Schwab in 2000 for \$100 million, he and his wife Donna focused their philanthropic firepower on just one country: Ethiopia. So far, they have financed 3,600 water wells, 400 schools and 6,500 microloans, reaching an estimated two million Ethiopians. "We'll spend our lifetime going deep," says Philip. "The longer we spend in the country, the more effective we can be."

Reality Check: Learning to sleep with rats in one family's hut.

Best Advice: "You can't get lost in the giving and forget the people themselves," says Donna Berber.

7. Bill & Melinda Gates, Bill & Melinda Gates Foundation

With \$34 billion in assets and more on the way from Warren Buffett, this is by far the world's largest foundation. It's also hugely ambitious, aiming for such goals as an AIDS vaccine. That could take a decade or more to realize, but Bill Gates doesn't mind. "I am pretty optimistic," he says. "That's why I keep signing the checks." If the foundation's long-term initiatives do pay off, it would set an entirely new standard for high-impact philanthropy.

Irons in the Fire: Projects in more than 100 countries. Notable success in curbing childhood malaria.

Advice to Newbies: "The first thing is in your own community, and then take the next step in poor countries."

8. Paul Tudor Jones II, Robin Hood Foundation

In a modern take on 19th-century charity, hedge-fund manager Paul Tudor Jones II set up his foundation in 1988 to raise money from his peers to help New York's poorest. Robin Hood's board, including GE's Jeffrey Immelt, hedge-fund giant Steven Cohen and actress Gwyneth Paltrow, funds all expenses, meaning every penny raised goes directly to programs that help the poor survive or move out of poverty altogether. Former Robin Hooders are replicating the model in San Francisco and other cities.

Party Animals: A lavish annual gala draws more than 3,000 people to the Javitz Convention Center, with tickets starting at \$2,000.

Street Smarts: Jones says giving to education has "the greatest multiplicative powers."

9. Helen and Swanee Hunt, Women Moving Millions

These two daughters of Texas oil mogul H.L. Hunt are harnessing the power of other wealthy women to help women at large. They tap successful women across the country to write checks for at least \$1 million for women's causes ranging from basic health to job training. They have raised \$180 million in just three years. "For the first time ever, women's organizations are no longer getting the leftovers," says Helen, 60.

Role Model: Matilda Joslyn Gage, co-author of *History of Woman Suffrage*.

Hard Sell: "I'm not above shaming people into giving," says Helen.

10. Richard Branson, Virgin United

After launching his own airline to challenge the giants, the British magnate is taking on some of the world's most

intractable social and environmental problems. His Carbon War Room, for instance, rewards individuals and scientists for coming up with new ways to control global warming. The entrepreneurial approach is vintage Branson, who in 2006 pledged all his profits from transportation businesses over the next 10 years -- perhaps \$3 billion -- to developing green energy.

Thinking Big: "I have trouble saying 'no' to good ideas in business or philanthropy," he says.

Eyes on the Prize: He's offering \$25 million for a plan to remove carbon from the atmosphere.

11. John Wood, Room to Read

Wood's mission -- to get books into the hands of as many kids as possible -- "started as a hobby that turned into a passion that became an obsession fairly quickly," he says. The former Microsoft executive moved from donating books to Nepalese schools to building and stocking entire libraries in nine countries, from Zambia to Laos. By now his programs have reached more than three million children; he distributes a new book every three minutes.

Unlikely Inspiration: Found a school library in Nepal with nothing but Danielle Steele novels, left by backpackers.

Book Mobile: Hiked 11 days to get books to one isolated community.

12. Arpad Busson, ARK: Absolute Return for Kids

"Arki" Busson, a London-based financier, runs his philanthropic group just like a hedge fund, promising "absolute returns" for donors. To that end, he takes a cue from one-time boss Paul Tudor Jones II and makes sure patrons cover all costs, so 100% of donations go to kids. He demands measurable results and gets them: The group has freed 1,700 kids in Eastern Europe from institutionalized care, and ensured that 50,000 children of AIDS patients in South Africa can attend school.

Bullish on Action: "We aren't holding back cash in an endowment -- people are dying today."

Star Power: The annual London galas are the place to bid on yoga sessions with Sting.

13. Bill & Hillary Clinton, William J. Clinton Foundation

Few bully pulpits can match that of a former president of the United States, which helps explain why two such men are on our list. Clinton amplifies his voice through partnerships; the Clinton Global Initiative challenges governments, business, academics and other leaders to develop innovative solutions to lingering problems. That's brought about access to schooling for 10 million children, safe drinking water for 12 million, and a reduction of 40 million metric tons of carbon-dioxide emissions.

Comeback Kid: The foundation looks to be back on its game after the diversions of last year's elections.

In Focus: "We have to know where we can make a difference and then concentrate our efforts there," says Bill Clinton.



Gary Spector for *Barron's* John Wood, inspired by an understocked Nepalese library, now works to get books to poor children.

14. Jane Rosenthal, Craig Hatkoff & Robert De Niro, Tribeca Film Festival

This trio of filmmakers transformed the horror of September 11, 2001, into a spirit of cooperation and rebuilding in Manhattan's Tribeca. "The world didn't need a new film festival -- but Tribeca did, in order to bring it back to life," says Rosenthal. In a striking case of art spurring economic development, the first festival, in 2003, generated an estimated \$50 million for local merchants. The event has now drawn 2.3 million moviegoers to the downtown neighborhood.

Block Party: 5,000 teens danced at one outdoor screening in Manhattan.

New Voices: Related programs give kids, minority film-makers and others a way to tell their stories.

15. Jimmy Carter, The Carter Center

As in his presidency, Jimmy Carter champions global peace and human rights in his philanthropy. He started by monitoring elections in more than 70 different nations through his Carter Center, founded in 1982. He has gone on to use his stature to help resolve conflicts -- famously in a 1994 mission to North Korea -- and to focus attention on homelessness and treatable diseases such as malaria and river blindness. At 85, he still picks up a hammer each year and leads a week-long homebuilding project for Habitat for Humanity.

Trophy Shelf: Carter snagged the Nobel Peace Prize in 2002, in addition to dozens of others, for philanthropy.

Bridge Burner: He has alienated some with support for Hugo Chavez and criticism of Israel.

16. Sunil Mittal, Bharti Foundation

After building his Bharti Group into India's largest telecom concern, Mittal is using his financial influence and government ties to spread the country's economic gains to more of the population. The Bharti Foundation focuses tightly on improving education, a critical need: Nearly 300 million Indian children older than seven are illiterate. When Mittal opens a school -- more than 200 so far -- he also trains the teachers and sets up libraries nearby, helping the broader communities. Bonus: scholarships for college.

Networker: Mittal has many partnerships with IBM, Vodafone, Oracle and the like.

Rule of Rules: "You must give back what you take."



Kevin Dietsch /Landov

Thomas Siebel launched a program to eradicate meth abuse in the heartland.

there's another flood.

No Excuses: "We can no longer tell ourselves that implementing this technology is too complex a problem."

18. John Fisher, The KIPP Foundation

GAP Stores founder Donald Fisher, an alumnus of San Francisco's public schools, couldn't stand by idly as public education slipped. "He always felt that the opportunities it had given him should be available to anyone," says son John, who became head of the Fishers' philanthropic activities after Donald's death in September. The Fishers have launched 82 free schools in 19 states, mostly in inner cities. They also gave critical seed money to the now-huge Teach for America, which sends college grads into the poorest school districts.

Cap and Gown: KIPP schools have educated some 20,000 kids.

Hot Jobs: Teach for America last year drew applications from 11% of all Ivy League seniors.

19. George Soros, Open Society Institute

The Hungarian-born hedge-fund manager has championed nonviolent democratization since the 1970s. He helped spark the nation of Georgia's democracy, financed college scholarships for black students in apartheid-era South Africa and, most recently, donated \$100 million to cushion the impact of the economic crisis on the poorest of Central and Eastern Europe, the focus of his philanthropy. He operates via a strong network of governments, organizations and individuals around the world. Total gifts to date? About \$6 billion.

Root of Evil: "Most of the poverty in the world is due to bad governance."

Agitator: Made a controversial and unsuccessful bid to oust President George W. Bush.

20. Howard G. Buffett, Howard G. Buffett Foundation

Warren Buffett in 2006 gave each of his three children an extra \$1 billion or so to fund their philanthropic endeavors. "Now we can really take risks," says Howard, 54, the eldest son. A farmer himself, Buffett has been a leader in helping displaced African farmers return to their homes and resume work in areas like Kenya, Somalia and Darfur. "They are risking their lives," he says. "We're doing the easy part." And Dad's own impact in philanthropy? It's implicit in the results from his kids and Gates.

Shutterbug: Spotlights the world's needy in *Fragile*, a new book of his own photos and writings.

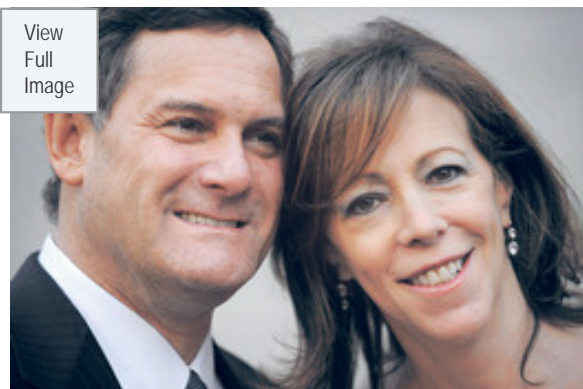
Reach: Funded Global Water Initiative for crucial, rural water-projects in 13 countries.

21. Earvin "Magic" Johnson, The Magic Johnson Foundation

When basketball great "Magic" Johnson announced in 1991 that he had tested positive for the HIV virus, AIDS was seen as a death sentence and people diagnosed with it were often shunned. In the nearly 20 years since, Johnson has done as much as anyone to change all that. He has been the unofficial spokesman for people living with HIV/AIDS and, through his foundation, has provided free testing to more than 38,000 Americans in 16 major cities.

Expansion Team: He has branched into a host of other efforts -- community centers for kids, computer training and more.

Deluxe Plan: His scholarships come with mentors, internships, computers and invitations to an annual conference.



AP Photo/Peter Kramer

Craig Hatkoff and Jane Rosenthal's Tribeca Film Festival targets post-9/11 rebuilding.

22. Marcos de Moraes, Zip Educação/Instituto Rukha

In his day job, Brazilian business star Marcos de Moraes tries to persuade the privileged twenty- and thirty-somethings of Europe and North America to take to *cachaca*, the sugar-cane-derived Brazilian liquor. After all, he is chairman of Sagatiba, the spirits concern. In his giving, he is improving the lives of their younger counterparts in some of his home country's poorest neighborhoods. Two years after the founding of Instituto Rukha, to help keep children off the streets, 93% of those targeted have enrolled in school.

Wired: Provides free Web services to six million students (de Moraes is

also an Internet entrepreneur).

Synergy: De Moraes is part of a global circle of philanthropists sponsored by the Synergos organization.

23. Jennifer and Peter Buffett,
NoVo Foundation

Peter Buffett, the second son of Warren Buffett, and his wife, Jennifer, focus their philanthropy squarely on helping women and girls in developing nations. "If you support them, you end up having an impact in a lot of other community areas, because it's the women who are involved in everything from fetching water to delivering health care," says Peter. One of the Buffett's microfinance initiatives funneled \$3 million in grants to 14,000 Bangladeshi girls, helping them start businesses.

Striking a Chord: A composer, Peter contributed to the Grammy-winning score of *Dances With Wolves*.

Next Up: Adding emotional learning to North American schools' curricula.

24. William Barron Hilton,
Conrad N. Hilton Foundation

William Barron Hilton's clan may be better known for living large than giving large, but the hotelier hopes to change that by giving 97% of his wealth to the Conrad N. Hilton Foundation. That means another \$2 billion will flow to the foundation, to be routed to myriad small, high-impact causes. It supplies sewing machines to nuns to run vocational training in Vietnam, helps to educate disabled toddlers across the U.S., and backs housing for homeless, mentally ill individuals in Los Angeles.

Nobel for Nonprofits: The annual Hilton Humanitarian Prize of \$1.5 million draws attention to a range of obscure causes and groups.

Into the Mix: Helped launch a 76,000-volume library on culinary arts.

25. David and Cheryl Duffield,
Maddie's Fund

When David Duffield was creating Peoplesoft, he made a promise to his beloved miniature schnauzer, Maddie: If he struck it rich, he would give to her and her kind. In 1998, he gave \$200 million of PeopleSoft stock to set up the Maddie Foundation, which finds homes for some 70,000 dogs and cats each year and fights euthanasia at shelters. It has given \$70 million to animal-welfare groups, veterinary establishments and others, making the Duffields the most generous donors to animal rights.

Better Shelter: Launched a program at Cornell University that trains veterinary students in medical practices for

animal shelters.

Fur-Splitting: Philanthropy means "love of mankind." Man's best friend also counts.

E-mail comments to editors@barrons.com

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