
✱ The insider: philanthropist

Matthew Bowcock

When you have surplus wealth you can either play Monopoly with it – seeing how much more you can make – or you can try to achieve some positive social changes, even on a very small scale. I made my money developing a number of software, technology and biotech companies in the UK, Australia and the US. I come from a reasonably privileged family. My father was a lawyer, I was blessed with a good education, and my mother was very

religious – those value systems have stayed with me, though I'm not particularly religious myself. As a self-made entrepreneur I wanted to be proactive about giving. Charity is about divesting wealth; philanthropy is about investing and expecting a social return.

*“He who dies rich
dies disgraced.”*

Andrew Carnegie

Originally my wife and I set up a family charitable trust, but we found we weren't using it effectively (we only managed to give away about 20% of what we'd intended because we became swamped with applications from appealing causes. So we became more involved in local philanthropy through community foundations, which to the UK from America about 15 to 20 years ago. You run your fund through your local foundation. The great thing is that you see where your money goes and you can visit the projects.

We've funded computers for our local community centre with special software for the elderly and those with arthritis, and we've funded someone who's providing literacy and numeracy training to single mothers to get them back into employment. These are very local but also very effective projects. You can do all sorts of interesting things with a relatively small amount of money and achieve real positive change.

I feel that because the government has intermediated in community issues over the last 50 years, we've lost the instinct to say, when we see a problem: 'We should do something.' In the US there's a more implicit social contract which says that if you're given the freedom to make a lot of money you should carry some obligations. I'm not sure we have that contract here.

Philanthropists are in a position to tackle issues that are unpopular. For example, knife crime is one of our real social problems, but it doesn't make good advertising copy if you're trying to raise funds. I know of one stock-broking firm, though, which has set up a charitable fund to tackle violent crime.

I've tried to kick the habit of starting up new companies, and now spend three of four days a week involved in philanthropy. I'm much more involved in trying to make people think about the moral obligations associated with having surplus wealth. There's now a very large proportion of the population which is defined as the 'mass affluent' – with around £200,000 liquid assets plus an income of £80,000 a year. This group could get a lot more involved in philanthropy by giving £10,000 a year - £2,000 to £3,000 to three or four projects and personally signing off on applications. Philanthropy is not just about super-rich billionaires giving away huge sums. **MATTHEW BOWCOCK**

Matthew Bowcock is a self-confessed serial entrepreneur

■ The world's five biggest givers

Warren Buffett The US investor and the world's third –richest man donated \$30 billion (£15bn) to the Bill & Melinda Gates Foundation in 2006, taking his lifetime giving to \$40.7bn (£20.5bn).

Bill and Melinda Gates Created the Bill & Melinda Gates Foundation, to which they have given approximately \$27bn (£13.6bn) since 1996.

Gordon and Betty Moore The founder of Intel and his wife have given an estimated \$7.4bn (£3.75bn) to conservation and environmental causes.

George Soros The Hungarian-born business mogul and political activist has given away \$5.9bn (£3bn) since the Seventies.

Eli and Edith Broad The real-estate billionaire couple has donated £2.1bn through foundations they set up for education, science and the arts.