



**November 10,
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**SEND A LETTER TO
THE EDITOR**

The Platte Institute strongly believes in the importance of citizens participating in the public dialogue on issues important to

PLATTE CHAT

Report Shows Charitable Spirit of Entrepreneurs

One of the core reasons why the free-market system has proven to be successful in building the United States into the greatest nation in the world is that it rewards hard work. Some try to perversely classify the incentive of financial gain as greed.

[A report recently conducted by the Center for Data Analysis and The Heritage Foundation](#), however, demonstrates just how wrong it is to try and correlate entrepreneurial spirit with financial greed. The report found that entrepreneurs of all success levels give more of their incomes to charity than non-entrepreneurs.

The first chart below shows the charitable levels of entrepreneurs compared with non-entrepreneurs. The second chart illustrates where entrepreneurs focus their giving.

Nebraska. Writing a letter to the editor is an outstanding way to partake in the discussion and have your voice heard by thousands of people. To make the process easier, the Platte Institute has assembled a list of links which allow you to submit a letter to the editor to nearly all Nebraska newspapers. Simply [CLICK HERE](#) for a listing of the newspapers and follow the appropriate link to submit your letter.

In its conclusion, the report states that, “free markets rely on the entrepreneurial spirit, but that urge to create, innovate, and succeed is not grounded in self-centeredness. Entrepreneurs are no greedier than anyone else. On the contrary, the typical entrepreneur gives generously from the wealth he creates. Believing that government redistribution of wealth is harmful for the economy does not signify supporting a society where, ‘You’re on your own.’ Free markets enable entrepreneurs to become wealthy – and they often use this wealth to benefit others.”

This information seems especially timely as Thanksgiving approaches and we take time to be thankful for blessings in our lives, such as the ability to innovate, create and control our own destiny.

Mean AGI Given to Charity

Mean of Adjusted Gross Income Given by Income Class, in Nominal Dollars

Household Income Class	Entrepreneurs	Non-Entrepreneurs
Top quintile (\$65,480+)	3.23%	2.41%
4th quintile (\$37,381–\$65,480)	3.47%	1.83%
3rd quintile (\$21,661–\$37,380)	3.29%	1.14%
2nd quintile (\$10,661–\$21,660)	2.25%	0.74%
Bottom quintile (\$0–\$10,660)	1.55%	0.35%
Total Average	2.53%	1.27%

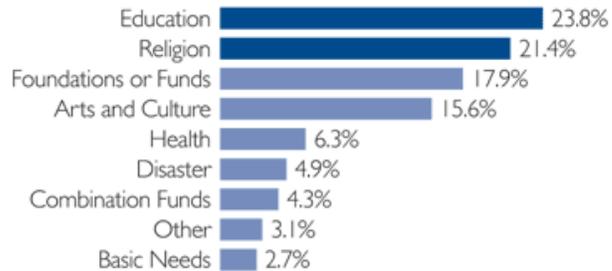
Note: Each difference between entrepreneurs and non-entrepreneurs is significant at the 1 percent level.

Source: Data from Internal Revenue Service, Statistics of Income Division, 2002 Statistics of Income.

Table A2 • CDA 08-07  heritage.org

Beneficiaries of Entrepreneurial Good Will

Education and religion are the two main recipients of entrepreneurial charitable giving, comprising 45 percent of the total.



Source: Adopted from Figure 1 in Patrick M. Rooney and Heidi K. Fredrick, "Bank of America Study of High Net-Worth Philanthropy: Portraits of Donors," Indiana University, Center on Philanthropy, December 2007, p. 54.

Chart 2 • CDA 08-07  heritage.org

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