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# Philanthropy and Public Policy

FRANK G. DICKINSON, Editor

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Sponsored by
National Bureau of Economic Research
and
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NATIONAL BUREAU OF ECONOMIC RESEARCH
1962

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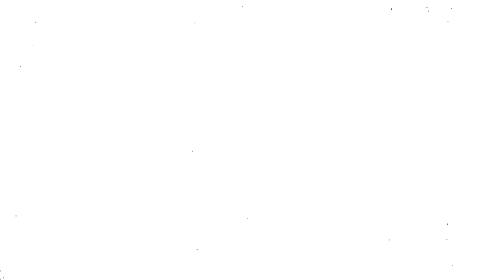
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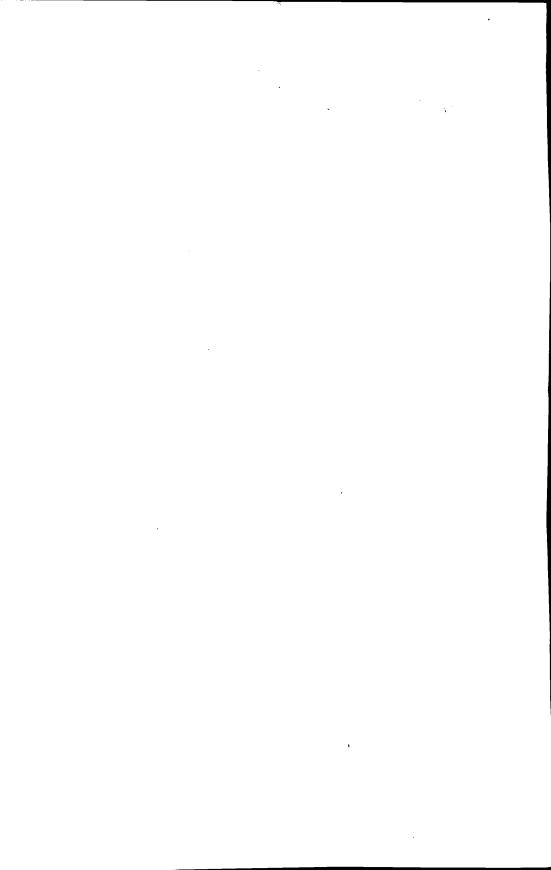
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Since the present volume is a record of conference proceedings, it has been exempted from the rules governing submission of manuscripts to, and critical review by, the Board of Directors of the National Bureau. It has, however, been reviewed and accepted for publication by the Director of Research.

(Resolution adopted July 6, 1948, as revised November 21, 1949)

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## **Preface**

THE National Bureau of Economic Research in cooperation with the Merrill Center for Economics held a conference on philanthropy at the Merrill Center, Southampton, Long Island, from June 26 through June 30, 1961; the conference was continued by the latter through July 7. Willard L. Thorp, Director of the Merrill Center, was chairman of the eighteen sessions held.

The conference was organized to examine economic aspects of philanthropy with particular attention to public policy. The scope of the conference is indicated in the following suggestive questions which were included in a statement sent in advance to the conferees:

What is the appropriate "division of labor" among government, the market, and private philanthropy, in meeting human needs most effectively? Have the appropriate lines of division changed; do they continue to change; in what direction should they change? Should government continue to subsidize (or encourage) private philanthropy through the various provisions of the tax system (for example, tax exemption of property and of income; inclusion of philanthropic contributions among deductions for personal and corporate tax purposes)? Should government expand or contract its direct support, or alter the ways in which it directly supports private philanthropy? What of the respective roles of the federal, state and local governments? Should philanthropy, for purposes of governmental support, be redefined in any way? In what directions should private philanthropy concentrate its efforts, taking account of past and prospective expansion of govern-

## Preface

mental activities and of market developments (private insurance, etc.)? What media of giving should be favored by private givers?

Five papers prepared for the conference and two earlier papers (by Fabricant and Dickinson) were sent to the conferees for use as background materials, but not for formal discussion at the conference. One of these, "Voluntarism in America—Attitudes and Behavior," by James N. Morgan, presenting data on contributions to church, charity, and other individuals as well as attitudes toward interfamily support, will be largely printed in *Income and Welfare in the United States*, to be published by McGraw-Hill in 1962. After the conference, Willard L. Thorp prepared a paper entitled "The Poor Law Revisited." His paper, the other six papers, and my brief digest of what was said at the conference comprise this volume.

Special acknowledgment is made to Amherst College and the Merrill Center for Economics, and especially to the Director and Assistant Director of the Center, Willard L. Thorp and Clarice Brows Thorp, for cosponsoring the conference and for permitting us to utilize the discussions of both weeks; to the Russell Sage Foundation which aided in financing the conference; to the authors of the papers and the participants in the conference; and to Edward J. Kane, who served as rapporteur and whose mimeographed summaries of the individual sessions proved helpful. The preparation of the volume was greatly aided also by the extensive notes taken at each session by Natalie Naylor. H. Irving Forman drew the charts.

It is our hope that these papers will illuminate this ill-defined area of our economy and stimulate economists and others to delve much deeper into a dynamic subject which is not bounded by market forces.

FRANK G. DICKINSON

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# Philanthropy and Public Policy

