



US recession cuts charitable donations

by **RODNEY J. JALECO, ABS-CBN North America News Bureau** | 03/22/2009 1:54 AM

CHEVY CHASE, Maryland--Most guests came in their best 70s attire – as requested by the birthday celebrant – from the stratospheric hairdo down to the bell-bottom pants.

Joel Nicolas, who turned 65, had another request. In lieu of presents, he asked those willing to gift him instead with donations to STOPPED or Stop Poverty Through Education.

Nicolas is one of the founding officers of the United Filipino Americans (UFA), a Maryland-based non-profit organization, which launched STOPPED.

“I’ve always been impressed with people who have managed to stop poverty in their own backyard,” he explained.

Donations decline

The Association of Fundraising Professionals (AFP) reported a 10 to 20 percent drop in charitable donations. Some studies put the figure higher at 30 percent since the start of the economic recession last year.

But this same condition is exacerbating the effects of poverty and economic dislocation, raising the pressure for even greater gift-giving.

Citing a survey by former Clinton domestic policy director Bruce Reed and former Bush domestic policy director John Bridgeland, the AFP said churches' fund-raising activities dropped by \$3 billion to \$5 billion in the last quarter of 2008.

More than half of non-profit organizations in America reported reduced donations.

According to the group Giving USA, American gift-giving peaked in 2006 with total donations of \$295 billion.

The National Philanthropic Trust (NPT) said charitable giving grows about one-third as fast as the stock market, which is currently reeling from a severe financial crisis.

Challenges ahead

Francis Busa, UFA president, admitted that raising funds for their STOPPED project will be a challenge.

"We know there are many deserving students in the Philippines who cannot afford to go to school," he said.

Busa explained that \$1,000, which is not considered too big even by Fil-Am community standards, would translate to almost P50,000.

"We can't really say it's big, but in the Philippines a thousand dollars can really go far," he stressed.

Most of the Fil-Am non-profits in the region support one project or another in the Philippines. Gift-giving usually intensifies following a major calamity back home.

Education is no. 1

A NPT survey revealed that 80 percent of donors give for education, followed by religious reasons and for health projects.

"Filipino Americans focus a great deal of their giving to the Philippines," observed Jessica Chao in her study on Asian-American philanthropy.

Busa said the tough times have pushed them to come up with novel ways to encourage people to give.

"Right now, because it's not easy to ask people to donate, within our group, we ask everyone to give voluntarily every month," he explained, pointing to Nicolas who decided to use his birthday party.

From poverty to success

Nicolas said people who were most likely to help poor students in the Philippines are those who came from similar circumstances but succeeded in America.

He acknowledged two patrons, Hermenigildo Manaloto and Dr. Fred Saure.

Saure was described as a self-made physician in Baltimore, who experienced the travails of living in the countryside where he had to walk miles to attend school.

UFA is also trying its hand in organizing sports events to raise funds.

He pointed out they can't let the hard times get in the way of a helping hand.