Opinion

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High-Tech Scrooges

Despite their newfound wealth, many IT professionals remain stubbornly stingy when it comes to philanthropy

BY PAULINA BORSOOK

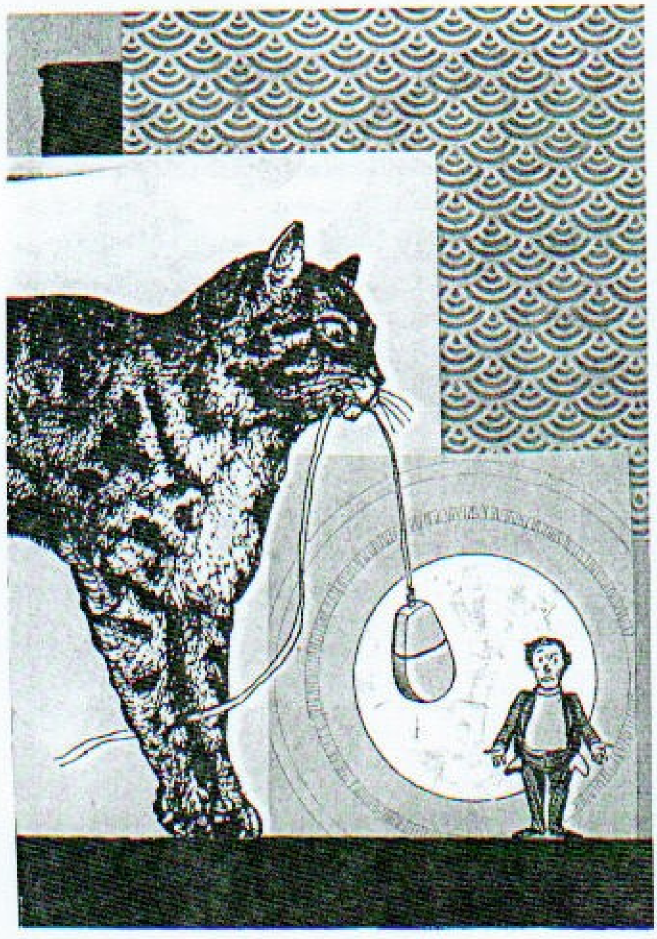

ILLUSTRATION BY ANTHONY FREDA

AS SOMEONE WHO has studied high-tech's culture for many years, I remain baffled by one particular aspect of this culture, something I like to call the cat-dead-rat syndrome. It works as follows: If a cat loves you, it will give you a dead rat, whether you want a dead rat or not. In high-tech, the same holds true when it comes to philanthropy. Instead of donating money, which is really what most nonprofits need, the high-tech community donates computers.

This metaphor of high-tech cats and their dead rats is about the most benign explanation that can be given for why about 50 percent of corporate giving in high-tech is in kind—that is, stuff—as compared to a national average in other kinds of businesses of about 12 percent. Never mind that nothing obsoletes faster than high-tech gear. Any IT manager knows that support, upkeep and service cost far more during the lifetime of the equipment than the capital cost of the equipment. And consider the fact that folks ranging from historian Theodore Rozak to University of California-Berkeley professor Cliff Stoll to the recently formed Alliance for Childhood have had smart and knowing things to say about why the use of computers in education is at best a not-so-bad idea—if applied in limited doses—to at worst an impediment to the healthy growth of minds, hearts, spirits and bodies.

Financial Anorexia

Silicon Valley has had a cat-and-dead-rat reputation for quite a while now. True, Bill Gates has done a laudable job of setting up the Bill and Melinda Gates Foundation. But it's not as if his doing so has inspired would-be rivals Larry Ellison, Scott McNeally or Jim Clark to keep up.

And these less-than-generous billionaires seem to have a lot of company. While personal wealth in Silicon Valley grew by

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$100 billion from 1991 to 1998, the regional United Way goal remained at a modest $25 million through the same period. The percentage of corporate philanthropy, expressed as a percentage of profits before taxes, also dropped in that time period. And one-third of the wealthiest Silicon Valley households (those earning $100,000 per year or more) gave less than $1,000 per year to charity.

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Nonprofits such as the nationally renowned Plugged In, which got its start years before the term *digital divide* became fashionable, sought to bring computer skills and Net access to the underprivileged of East Palo Alto, Calif. Plugged In is located—literally—just off the east exit of the main University Avenue/Palo Alto exit on Highway 101. In other words, it's a five-minute drive from the heart of Silicon Valley. And its mission—bringing high-tech to the have-nots of the digital divide—should have a lot of appeal to Silicon Valley corporations. But even Plugged In has had a difficult time raising money, according to *Secrets of Silicon Valley*, a documentary by Berkeley filmmakers Deborah Kaufman and Alan Snitow.

Such miserliness seems to me a peculiar sort of hypocrisy. While people in high-tech like the idea of throwing a computer or website at a charitable cause, they rate each other by money, because they know it's money that really counts and not the accumulation of computer and communications equipment. A good friend of mine (who happens to be a high-ranking poobah in the video games industry) and I were discussing this financial form of snobbery during dinner one night, when he suddenly burst out with, "I make $175,000 per year, and I still feel like a gas-station attendant!"

We can be amused at the narcissism of cats—and perhaps, that of young children (you know, kids who think a kitten is a fine gift for Dad's birthday)—but it is not so swell in adults or as a defining characteristic of a culture.

Funny Money?

Lots of explanations have been given over the years for this sorry aphilanthropic state of high-tech affairs: that it's new money. That it's money made by folks who are still young. That it's funny money—insecure money that might turn to wallpaper when the stock market goes fickle or technology fashion changes. That would-be engineers were scorned by the arty kids when they were in high school, and no way 10 or 20 years later are they going to help their former tormentors or anybody else for that matter. That engineers and MBAs don't tend to score high on empathic imagination and emotional intelligence, and are suspicious of and puzzled by subjects that can't be quantified (art) or that suggest vulnerability (social services).

There is some truth to all these arguments, but that doesn't excuse this sorry state of affairs or obviate the search for ways to change it. CIOs, for example, know that IT exists in support of a larger mission and is not a goal in itself. So IT leaders might consider using this wisdom next time they are asked to contribute to their community: Is technology what's really needed by that school or nonprofit? Or would time, money and participation really further its goals?

Keep in mind that estate-planning, where you get the tax write-off and the nonprofit of your choice gets the gift, is an excellent way to make sure your money goes where you want it to go, and not to the government.

After all, IT itself exists in an imperfect, interdependent world where people work and live, and no one would need IT if it weren't serving human needs. In a broader sense, we need to be able to rely on each other for help along the way. Whether it's supporting the Red Cross or an after-school music program, we must all share the cost of living in this world. CIO

To share your philanthropic tales, contact us at *difference@cio.com*. Paulina Borsook is the author of *CyberSelfish: A Critical Romp Through the Terribly Libertarian Culture of High-Tech* (Public Affairs, 2000). She can be reached at *loris@well.com*.