

# KIM: Facebook founder rocks philanthropic world

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Facebook co-founder and CEO Mark Zuckerberg and wife Priscilla Chan made a huge splash when they announced the birth of their first child, daughter Maxima, by posting a “Dear Max” letter, revealing the couple’s pledge to give away 99% of their Facebook shares (currently valued at **\$45 billion**) over their lifetime.

<https://www.facebook.com/notes/mark-zuckerberg/a-letter-to-our-daughter/10153375081581634>

The couple wrote their hopes for Max’s generation focus on **advancing human potential** and **promoting equality**. Further, this mission will require a new approach: making long-term investments of 25, 50 or even 100 years; engaging directly with the people they serve; building technology to make change; participating in policy and advocacy to shape debates and backing the strongest leaders in each field.

A key component of their unconventional approach is the establishment of the Chan Zuckerberg Initiative, a limited liability company they will own and operate. Unlike traditional charitable foundation, the Initiative will have the flexibility to both fund for-profit businesses and seek to influence public policy to advance its mission.

Understandably, Chan-Zuckerberg’s decision to not go the traditional foundation route has generated some anxiety, criticism and fear of “ending philanthropy as we know it.” History will judge, so relax.

In 2010, Warren Buffett and Bill and Melinda Gates announced the Giving Pledge, which has resulted in 138 billionaires worldwide pledging at least 50% of their wealth to philanthropy. Buffett’s and Chan-Zuckerberg’s letters announcing their pledges can be found at [www.givingpledge.org](http://www.givingpledge.org).

According to Buffet [http://givingpledge.org/pdf/pledge-letters/Bufett\\_Letter.pdf](http://givingpledge.org/pdf/pledge-letters/Bufett_Letter.pdf):

“More than 99% of my wealth will go to philanthropy during my lifetime or at death. Measured by dollars, this commitment is large. In a comparative sense, though, many individuals give more to others every day.

“Millions of people who regularly contribute to churches, schools, and other organizations thereby relinquish the use of funds that would otherwise benefit their own families. The dollars these people drop into a collection plate or give to United Way mean forgone movies, dinners out, or other personal pleasures. In contrast, my family and I will give up nothing we need or want by fulfilling this 99% pledge.

“Moreover, this pledge does not leave me contributing the most precious asset, which is *time*. Gifts of this kind often prove far more valuable than money. A struggling child, befriended and nurtured by a caring mentor, receives a gift whose value far exceeds what can be bestowed by a check.

“What I can do, however, is to take a pile of Berkshire Hathaway stock certificates -- “claim checks” that when converted to cash can command far-ranging resources -- and commit them to benefit others who, through the luck of the draw, have received the short straws in life.

“My wealth has come from a combination of living in America, some lucky genes, and compound interest. My luck was accentuated by my living in a market system that sometimes produces distorted results, though overall it serves our country well. I've worked in an economy that rewards someone who saves the lives of others on a battlefield with a medal, rewards a great teacher with thank-you notes from parents, but rewards those who can detect the mispricing of securities with sums reaching into the billions.

“In short, fate's distribution of long straws is wildly capricious.

“The reaction of my family and me to our extraordinary good fortune is not guilt, but rather gratitude. Were we to use more than 1% of my claim checks on ourselves, neither our happiness nor our well-being would be enhanced. In contrast, that remaining 99% can have a huge effect on the health and welfare of others.

“That reality sets an obvious course for me and my family: Keep all we can conceivably need and distribute the rest to society, for its needs. My pledge starts us down that course.”

According to Chan-Zuckerberg [http://givingpledge.org/pdf/pledge-letters/Zuckerberg\\_Letter.pdf](http://givingpledge.org/pdf/pledge-letters/Zuckerberg_Letter.pdf):

“The needs of our world are great. We believe passionately that people should not wait to give back. Our giving is just starting and we commit to being active learners, listeners and participants for years to come. We’ll devote our resources as well as our personal time and energy. We will spend our lives working to make sure future generations have the greatest opportunities possible.”

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