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# A Government Safety Net Is Not Enough

*Charitable giving by companies grows, despite the recession.*

By [MARC MORIAL](#) and [JANET MURGUIA](#)

FDR's New Deal helped lift the country out of the Great Depression. But government didn't act alone. Small and large businesses created and funded visionary projects that helped heal the sick, educate the young, and lift the nation's spirits.

Remarkably, Americans doubled their donations to charitable organizations between 1933 and 1941 -- one of the largest such booms in our nation's history. The commitment to help one another was essential to our recovery.

Now we face the worst economic crisis since that era, and Americans are suffering. Unemployment is at 8.5%, the highest rate in a quarter century. More than 4.4 million jobs have been lost since December 2007, including 2.6 million in the past four months.

Families are struggling to pay the bills: More than 11% of all mortgages are either delinquent or in foreclosure, and credit card defaults are up more than 50% since the fourth quarter of 2007. Economists say conditions will get worse before they get better. The impact is felt most in our African-American and Hispanic communities, whose unemployment rates are 13.4% and 10.9%, respectively.

President Barack Obama and Congress have enacted a stimulus bill to boost economic growth. But it's time again for all of us -- individuals, nonprofit organizations, and the business community in particular -- to step up to the plate.

The government's safety net won't catch everyone. Of 99 federal programs targeting housing, nutrition, health care and other social needs, only 22 received funding boosts beyond the inflation rate from fiscal 2005 through 2009, according to the Coalition on Human Needs.

Nonprofits can pick up the slack, but they, too, are struggling. A 100-point drop in the S&P 500 results in a \$1.85 billion decrease in itemized charitable deductions, according to the Center on Philanthropy at Indiana University -- and the S&P 500 is down 710 points since October 2007. That equates to a \$13.1 billion shortfall in donations.

In short, government alone can't get us out of this rut, and the nonprofit community is increasingly overstretched. At the end of the day, business leaders represent the "make or break" difference.

Yet even as the cable news networks parlay daily stories of corporate profligacy, we're currently witnessing a renaissance of patriotic, charitable giving among U.S. corporations that could rival that of Rockefeller and Carnegie. For instance, Avon Products is donating hundreds of millions of dollars toward critical breast-cancer research, ending domestic violence, and supporting women's empowerment programs in communities around the country.

Similarly, Comcast, in helping to forge a new spirit of public service, sponsored its biggest-ever "Comcast Cares Day" last Saturday. Some 58,000 Comcast employees, families and friends -- including the National Urban League and the National Council of La Raza -- volunteered at more than 550 projects around the country, including painting schools, rebuilding playgrounds and parks, and cleaning up city blocks. This year's Comcast Cares Day brought the total time contributed through this program since 2001 to an impressive 1.3 million volunteer hours.

And UPS, one of the nation's largest employers, also is expanding its award-winning volunteerism activities -- which include lending its logistics expertise to disaster-relief agencies and food drives, and arranging for UPS workers to volunteer for such programs as Habitat for Humanity in impoverished communities.

The current economic crisis, painful as it may be, provides us with an opportunity to revive the cooperative spirit in which all Americans -- and all businesses -- recognize our common destiny and our shared responsibility. The inestimable gift of "giving back" will be critical to our economic recovery and maintaining our strength as a nation.

And with all the bad news today, this, too, is a story that should be told.

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