

Funding the Future

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Bill Gates likes to be thought of as a great philanthropist. He's referred to as such, so I guess he's happy about it. And [in some senses he is](#).

But remember he gets tax relief as a result.

Remember something else too: the value of Microsoft has undoubtedly [been inflated by its tax planning](#). Low taxes equals higher value is a golden rule of the stock market: it's the motive for tax avoidance.

So ask a question: how much of Gates' philanthropy has been paid for by the US Exchequer? Quite a lot, I suspect. It's still philanthropy, but not quite as it first looks.

And does philanthropy subsidised by the Exchequer really give a right to try to direct how state funding is spent, as so many philanthropists of this sort seem to think? I question that.

I'd go further: I'd rather less philanthropy, less hype, less high profile giving to publicity laden causes and rather more tax paid to ensure that the government in each country in which a multinational corporation trades has the tax due to it to ensure it can supply the public services the people in that country deserve.

That's a judgement: Gates is allowed to act as he does.

But I question whether it's all quite such a good cause as some would claim, or even as generous as it might seem. There's too much tax distortion in it all for me to feel comfortable with any such suggestion.