

Summary thesis 'For the Love of Mankind. A Sociological Study on Charitable Giving' Pamala Wiepking, VU University Amsterdam, the Netherlands

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In the thesis 'For the Love of Mankind. A Sociological Study on Charitable Giving', we present four different sociological studies on the understanding of charitable giving. We derive hypotheses from general sociological theories, and test these hypotheses in order to provide new sociological answers to the main question of this study: 'Why do some people donate more money to charitable organizations than others and why do they choose to donate to different organizations?' The four studies are based upon four different sub-questions, answered in four research chapters. In addition, the thesis includes a general introduction to the sociological research on charitable giving, a methodological chapter in which the most pressing methodological issues for the research of charitable giving are discussed, and a general conclusion with answers to the main research question.

The giving standard

The first sub-question considers the effect of income on charitable giving. What is the effect of income on the incidence and proportion of income given? In addition, we investigate how these effects can be explained. In line with previous research, we undisputedly found that people with a higher income donate more money to charitable organizations (Auten and Rudney 1990; Bekkers 2004; Rooney, Steinberg, and Schervish 2001; Schlegelmilch, Love, and Diamantopoulos 1997). The results for the effect of income on the incidence of giving and on the proportion of income donated are more interesting. Up to now, researchers have failed to present conclusive evidence for these effects (compare for example James III and Sharpe 2007; McClelland and Brooks 2004; Schervish and Havens 1995). We use the Giving in the Netherlands Panel Study 2003 (GINPS03 2003) to investigate the effect of income on the probability and incidence of giving, for both total and religious charitable giving in the Netherlands. We find that there is no effect of income on the incidence of giving. People in different income categories have the same probability of donating to charitable organizations, no matter whether only religious or total organizations are considered. We do find strong evidence for a persistent negative effect of income on charitable donations as a proportion of income, irrespective of whether these donations are total donations or religious donations. The higher a household's income, the smaller the proportion of income a household donates: The poor donate a larger proportion of their income to charitable organizations. These results support what we define as the giving standard hypothesis. The giving standard refers to norms concerning the level of donations in specific situations that people in different income groups share. Many people in higher income groups donate only slightly higher absolute amounts than people in lower income groups, when considering separate incidences of giving. Consequently, the total donations of people with a lower income consist of a larger proportion of their income than the total donations of people with a higher income. With this giving standard we also find support for the theoretical argument that people are 'conditionally cooperative' (Fischbacher, Gächter, and Fehr 2001; Frey and Meier 2004). People contribute more often to a public good when they have information that others also contributed, and people are sensitive to social influences concerning the amount other donors contributed. They adjust the amount they donate according to their beliefs about the donations of others (Bekkers 2006a; Shang and Croson 2005).

The intertwined effects of social and human resources on charitable giving

In the second research chapter of the thesis, we describe and explain the effects of different social and human resources on the amount people donate to charitable organizations. The main goal of the chapter is to answer whether and how social and human resources make one more generous. In order to answer this question, we expand on previous research by constructing a model combining insights from economics, psychology, and sociology. With these insights we formulate hypotheses on the importance of human and social resources for charitable giving. Furthermore, we attempt to explain why these different resources promote higher levels of charitable giving. We tested the hypotheses using the second wave of the longitudinal Giving in the Netherlands Panel Study 2003 (GINPS03 2003). Our results show that social and human resources do make one generous, but how exactly this happens is rather complicated.

For a sociological answer to the question why people with more social resources are more generous, we apply Durkheim's ([1897] 1952) integration thesis to the case of charitable giving. We deduce the hypothesis that people with more extended networks donate more money to charitable causes, because it is more likely that they are integrated in networks with strong positive norms regarding charitable giving. Our results indeed show that having a more extended social network increases charitable donations. For a large part this is due to the fact that those who are more integrated in religious networks also have larger social networks. And in religious networks strong positive norms are present for making regular and substantive charitable donations. Thus, being more integrated in a religious network increases the level of charitable giving, and reduces the positive effect of a social network on charitable giving. This result is in support of Durkheim's general integration thesis, applied to the case of charitable giving.

In addition, we also find support for other explanations for the higher donations of people with more extended social networks. First of all, people with a more extended social network are more often exposed to solicitation by charitable organizations, very likely through people in their own network, which explains part of their generosity. To a lesser extent, the positive effect of having a more extended social network on level of charitable giving can be explained by the individual resources of trust, empathic concern, and cognitive ability.

Our results support Uslaner's (2002) theory that trust in other people is a prerequisite for group membership, and that more trust also leads to higher levels of charitable giving. Our results specifically show that people with larger social networks partly donate higher amounts to charitable organizations because they have more trust in other people. Furthermore, our results show that the higher donations of people with larger social networks can be explained by their higher levels of empathic concern. This is in line with the social psychological theory that empathy is important for forming and maintaining more relationships (Twenge et al. 2007). Additionally, we show that donations of people with more extended social networks can be explained by their higher cognitive ability. This result is in support of the social brain hypothesis, which states that cognitive abilities correlate with the size of the social group people are capable of participating in. People with a higher cognitive ability are thus better able to form and maintain more extended social networks (Barrett, Henzi, and Dunbar 2003; Stiller and Dunbar 2007).

In line with the hypotheses we deduced from human capital theory (Coleman 1988), we find that having a higher level of formal education also increases charitable donations. As expected, this effect is partly due to the larger financial resources people with a higher education have access to. But the generosity of the higher educated is not only caused by their better financial situation. People with a higher level of formal education also have higher cognitive abilities, which facilitate a better understanding of needs of (distant) other people, increasing charitable donations. In addition, people with more formal education and a higher cognitive ability also have more trust that donations will be spent well, which also leads to higher donations.

Picturing generosity: National campaigns for charitable causes in the Netherlands

In the third research chapter we investigate one specific example of charitable donations: national campaigns for charitable causes. Campaigns for charitable causes are defined as *national campaigns* when these campaigns are once-only and can potentially reach the entire Dutch population. Additionally, the main goal of the campaign must be to raise money for a charitable cause. We start with a concise description of the historical development of national campaigns in the Netherlands. Between 1951 and 2005, 59 national campaigns for charitable causes were held in the Netherlands. For example, there were national campaigns to cure cancer, national campaigns for disabled athletes, and many national campaigns for victims of natural disasters and war. Examples of the most famous national campaigns are 'Open het dorp' (Open the Village) in 1962 and 'Hulp aan Azië' (Aid for Asia) in 2004. We differentiate between three periods of national campaigns: 1) the start of the national campaigns (1951-1962); 2) the galas for charitable causes (1963-1983); and 3) the era of the national SHO campaigns (1984-2005).

As well as this descriptive research, we investigate why some national campaigns are more successful than others. What factors explain why some national campaigns raise much

more money than others? In this study, we formulate hypotheses explaining the success of national campaigns. We test these hypotheses with the data on the 59 national campaigns.

We find that success of national campaigns is positively affected by the number of viewers. The more people watched a national campaign on television, the more money was raised. Furthermore, we find support for the economic hypothesis that higher macro economic growth in a year lead to higher amounts raised for national campaigns held in that year. And finally, we find that the higher the number of national campaigns held in a period, the less successful these national campaigns were. This result is in support of the hypothesis derived from compassion fatigue theory (Kinnick, Krugman, and Cameron 1996). When there are too many national campaigns in too short a period, the public becomes insensitive to national campaigns.

Matching preferences: Donations to particular organizations

In the last research chapter, we focus specifically on why people donate money to particular charitable organizations. We examine how individual (donor) characteristics are related to organizational (charity) characteristics, and how these relations affect giving to particular organizations. We formulate hypotheses using three mechanisms that facilitate charitable giving to particular charitable organizations: knowledge, incentives, and confidence. We test these hypotheses with conditional logistic regression analysis using the Giving in the Netherlands Panel Study 2003 (GINPS03). GINPS03 includes information on donations to 64 particular charitable organizations.

The results show that all three mechanisms influence charitable giving to particular organizations to some extent. Knowledge about the opportunity to give has an effect on the specific organizations at which donations are directed, either through solicitation by charitable organizations or through awareness of beneficiaries' needs. Organizations employing door-to-door fundraising receive more donations, except from older people. On the other hand, organizations soliciting by means of direct mail appeals have a higher probability of receiving donations from the elderly. Organizations supporting beneficiaries with less visible needs, for example beneficiaries with little news value, in general have a lower probability of receiving donations. The results indicate that people's educational level and cognitive ability do not facilitate awareness of, and consequently donations to, organizations supporting beneficiaries with less visible needs.

Incentives for donations also have a substantial effect on the organizations people donate to. People with more materialistic values donate more often to psychologically close organizations (organizations supporting Dutch beneficiaries and causes). This result is in support of the theory that especially people who strive for more materialistic goals use charitable giving to increase their positive self-image (Bennett 2003; Ciagouris and Mitchell 1997). In addition, the results show some support for the theory that people experience incentives for making donations to particular organizations because they long for 'world change', and donate out of the love for mankind. We find that people with a stronger left-wing political orientation have a higher probability of donating to organizations active in the nature, environment, and animal protection sectors and the international relief sector. This is in line with the theory that left-leaning people are generally more concerned about environmental protection and animal welfare (Neumayer 2004). An unexpected result is that people with a stronger left-wing political orientation do not have a higher probability of donating to organizations active in the public- and social benefits sectors. A post-hoc explanation for this deviant result is that people with a stronger left-wing political orientation believe that the government should take responsibility for the tasks carried out by organizations active in the public- and social benefits sectors. Furthermore, in this chapter we apply Bourdieu's theory of cultural reproduction (1977) to deduce a hypothesis on incentives for giving to particular organizations using social status. The results show that people with a higher socio-economic status have a higher probability of donating to higher status charitable organizations. This supports the theoretical argument that people with a higher socio-economic status use charitable giving in order to distinguish themselves from people in lower status groups by making donations to higher social status organizations.

A surprising finding is that, although people with religious values have a higher probability of donating to religious organizations, the probability that religious organizations receive donations is lower than is the case for other organizations. This could be because religiously affiliated people donate to their church, rather than to the particular faith-based

organizations included in our sample. Finally, people's confidence in charities increases the probability of donations to organizations with less quantifiable goals, such as general international relief organizations. This result supports the theory that when uncertainties are higher in charitable giving—like in other forms of social interaction—a higher level of confidence is needed in order to make donations (Coleman 1990).

Conclusions for research on charitable giving and further questions

The main objective of this thesis is to use general sociological theories in order to derive and test hypotheses explaining charitable giving. What can we conclude on the use of these general sociological theories in research on charitable giving?

In this thesis, we applied Durkheim's integration thesis ([1897] 1952) to derive hypotheses explaining charitable giving. Durkheim ([1897] 1952) states that people who are more integrated in intermediary groups with specific norms will be more inclined to act according to the norms of these groups. We stated that charitable behavior is a social action, influenced by people's social environment. When people's social environment has stronger positive norms for charitable giving, they will be influenced to make more and larger charitable donations. For example, people belonging to religious networks have stronger positive norms for charitable giving. In this thesis, we showed that people belonging to religious networks indeed donate more. Applying Durkheim's integration thesis to the case of charitable giving proved to be useful.

There are more tests of Durkheim's integration thesis to the case of charitable giving imaginable. For example, people belonging to service club organizations also have more positive norms for charitable giving. According to the integration thesis, people belonging to service club organizations should also be larger charitable donors. Future research could use Durkheim's integration thesis to explain level of charitable giving by different groups in society, for example giving by ethnic minorities. It would also be interesting to test an application of Durkheim's integration thesis to the case of charitable giving in international research. Do people in different countries have different norms for charitable giving, leading to different levels of giving in these countries?

Over the course of this thesis, we found that one of the more successful sociological explanations for charitable giving concerns the opportunity to give. People experience the opportunity to give when they gain knowledge about the possibility of making a donation to a specific charitable organization. We concluded that people with more social resources donate more money to charitable organizations because they have more opportunities to give: They receive more requests for donations. In addition, we were able to explain donations to particular organizations with the opportunity to give. Some people experience more opportunities to give to particular organizations (through different methods of solicitation), which increase the probability to give to these organizations. In the chapter on national campaigns for charitable organizations we also found evidence for the importance of the opportunity to give. The success of national campaigns can partly be explained by the number of viewers, which very likely is the same number of people that have the opportunity to give to these telethons. The conclusion that opportunity to give is important is in line with Bekkers' (2004) conclusion that social conditions are very important for charitable giving.

The finding that the opportunity to give is a successful explanation for charitable giving can be important for future research. Up to now, with the exception of marketing research, in scientific research on charitable giving very little attention has been paid to the effects of fundraising on charitable giving. Although the idea of the opportunity to give is simple, it is a necessary prerequisite for people to make charitable donations. Not controlling for the different opportunities that different people have to give could easily lead to drawing false conclusions.

Next to the importance of the opportunity to give, we found support for the theory that people are 'conditionally cooperative' when it comes to charitable giving (Fischbacher, Gächter, and Fehr 2001; Frey and Meier 2004). The giving standard implies that different people donate roughly the same amounts on separate occasions. People will contribute more often to a public good when they have been informed that others also contributed. This can be explained by the fact that people are sensitive to social influences about charitable behavior by other donors (Shang and Croson 2005). Information about the size of other

donors' contributions influences donations made by new donors. People donate more when they believe others will also donate more (Bekkers 2006a).

In this thesis, we did not provide a conclusive test of the existence of a giving standard. Future research is needed, in which it would be interesting to test the giving standard for different areas of giving. In chapter 3, we found that there might be a stronger giving standard for religious donations than for total donations. Are there different giving standards for different areas of giving? In addition, it would be interesting to investigate the giving standard for different methods of giving. Do people donate the same amounts when solicited in a door-to-door collection, or when they are requested to donate by means of a direct mail appeal? And how does the level of personal interaction affect the giving standard? Is there a stronger giving standard when people are requested to make a donation in person, which is the case with the door-to-door solicitation, than when they are asked to make a donation in an impersonal way, which is the case with the direct mail appeal?

In this thesis, we also applied Bourdieu's theory of cultural reproduction (1977) to the case of charitable giving. Bourdieu (1977) states that when social inequalities are diminishing in a society, the societies' upper class uses compensating strategies in order to keep hierarchical distinctions in place. Charitable giving could be used as such a strategy, both promoting cultural and economic distinction. Charitable giving can be used to promote cultural distinction by means of displaying refined cultural tastes. The elites can use charitable giving to high-status organizations, such as museums and the opera, to distinguish themselves. Elites have been using charitable giving as a means of economic distinction for centuries. In the Netherlands, taking care of the poor was historically considered a privilege of the elites. It gave the elites many advantages: While maintaining social order among the dregs of society, their charitable donations raised and guaranteed their social status, and was believed to lead to their salvation (Van Leeuwen 1994; De Swaan 1988). In this thesis, we showed that charitable giving is still being used today as a means to promote distinction. People with a higher socio-economic status have a higher probability of donating to higher-status charitable organizations, including those taking care of the poor. Applying Bourdieu's theory of cultural reproduction (1977) to the case of charitable giving thus proved to be useful.

Bourdieu's theory of cultural reproduction could also very well be applied to study charitable giving in an international context. Could the different level of giving to particular high-status organizations in different countries be explained by the elites in these countries using compensating strategies? Countries differ in the presence of elite classes. It would be interesting to examine the relationship between elites, level of economic inequality, and level of charitable giving to high-status organizations in different countries.

As stated in the introduction, social capital theory (Coleman 1988) has become an important source for explanations of all kinds of social phenomena. Charitable giving turned out to be one of these phenomena, as in this thesis we showed that social capital theory is very useful for deriving hypotheses on charitable giving. We showed that people's social resources are important for their level of charitable giving. For one thing, people with more social resources are more often exposed to the solicitation of charitable donations. They experience more opportunities to give, which explains part of their generosity.

We found another successful explanation for giving in the level of confidence and trust people have in charitable organizations and other people in general. General theory on trust states that when the risk of a certain action is higher, people need higher levels of trust to engage in that action (Coleman 1990). In charitable giving, confidence in the capacities of charitable organizations is very important for people in order to give money (Bekkers 2003; Bekkers 2006b; Bowman 2004; Sargeant, Ford, and West 2006). In addition, people need to trust the charitable organizations to spend their money well (Cheung and Chan 2000). We found that people's confidence in charities increases the probability of making donations to organizations with less quantifiable goals, such as general international relief organizations. This is in line with the theory that when there is a greater degree of uncertainty in charitable giving, a higher level of confidence is needed in order to make donations. In addition, we found that part of the larger donations by people with more social and human resources can be explained by their higher levels of generalized trust.

Naturally, the list of sociological theories that can be applied to the case of charitable giving is not limited to the theories used in this thesis. There are other (sociological) theories that seem promising for explaining charitable giving. One of these theories is social

movement theory (Klandermans, Kriese, and Tarrow 1988). It is likely that there are similar mechanisms that drive both engaging in social movements and donating money to charitable organizations. The same holds for theories on political participation (Verba, Scholzman, and Brady 1995). There might be very similar processes influencing people to vote and to make charitable donations. Future research could examine the application of these theories to the explanation of charitable giving.

Overall, we can conclude that the sociological explanations applied in this thesis have been very useful for a better understanding of charitable giving. However, from this thesis it also becomes clear that the most successful explanations of charitable giving can be found when applying interdisciplinary research, using explanations from many disciplines, including—but not limited to—sociology, economy, and social psychology. The fact is, however, that up to now sociological explanations of charitable giving have been underrepresented in research on charitable giving (Bekkers and Wiepking 2007). With the sociological explanations for charitable giving used in this thesis, we have created new insights into explanations for charitable giving.

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