Giving Innovation Summit:
Are Fewer People Giving to Charity, or Are They Just Giving Differently?

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The Economy and Charitable Giving

Jonathan Meer
Department of Economics
Texas A&M University
Changes in the S&P 500 versus Changes in Charitable Giving from 1970 to 2009 with Trendlines

Figure 1: Likelihood of Giving, by Income

Source: Meer and Priday (2021), “Generosity Across the Income and Wealth Distributions”
Figure 2: Likelihood of Giving, by Wealth

Source: Meer and Priday (2021), “Generosity Across the Income and Wealth Distributions”
Income, Wealth, and Giving

Figure 15: Fixed Effects, Unconditional Winsorized Amount Given, by Income

Source: Meer and Priday (2021), “Generosity Across the Income and Wealth Distributions”
Figure 16: Fixed Effects, Unconditional Winsorized Amount Given, by Wealth

Source: Meer and Priday (2021), “Generosity Across the Income and Wealth Distributions”
Broader Attitudes

Possible Causes and Implications

• Fisman, Jakiela, and Kariv (2015), “How Did Distributional Preferences Change During the Great Recession?”

• Crowding out?
  – Meer and Tajali (2022), “Charitable Giving Responses to Education Budgets”

• The Long Run
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Faith and Giving: On Shifting Ground

Elizabeth Lynn
Lake Institute on Faith & Giving
June 28, 2022
Changes in Charitable Giving, 2019 - 2021
(adjusted for inflation)

Charitable giving of all kinds  +7.4%
Foundations giving to charity    +13.3%
Individual charitable giving     +4.7%
Giving to religious institutions -0.7%

Giving USA (2021-2022)
2020 Contributions: $471.44 Billion by Type of Recipient Organization

Giving USA (2021)
Giving USA (2021)


- Religion
- Human Services
- Education
- Foundations
- Public-Society Benefit
- Health
- International Affairs
- Arts, Culture, & Humanities
- Environment & Animals
- The rest

Giving to Religion: A shrinking piece of the giving pie
But … What Counts as ‘Religious Giving’?

DISTRIBUTION OF GIVING TO CONGREGATIONS, RIOS, AND NRIOS

Congregations 41%

RIOs 32%

NRIOs 27%

Connected to Give (2013)
And … What Counts as Religiosity?

Religious Affiliation

Belonging: Identification with a religious tradition

Religious Intensity

Believing: Profession of specific beliefs

Behaving: Engagement in specific practices (e.g., attendance)
### Total Average Annual Giving

<table>
<thead>
<tr>
<th></th>
<th>No Affiliation</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$695</strong></td>
<td><strong>$1,590</strong></td>
<td></td>
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</tbody>
</table>

*Giving USA Special Report (2017)*
“From the Age of Association to Age of Authenticity”

Dwight Zscheile | Luther Seminary | August 2021
“The vast majority of congregations in America were birthed in and designed for the Age of Association.”
“They are sustained by voluntary membership, giving, and participation—

—all of which make less and less sense in the Age of Authenticity, especially to emerging generations.”
“People feel less and less of a need to affiliate with an organization to find meaning, community, and purpose; that is understood instead as a highly personalized journey.”
Nearly 3 in 4 of young people are religious, 

Only 16% see their faith community as a place they can turn to in times of uncertainty.

52% of affiliated young people have little to no trust in organized religion.

"Every young person you talk to about what they believe in, you're going to get a different answer."

—Zalina, 15

Springtide Research Institute (2020)
Two Questions for Further Research:

1) What does religious giving look like in the *Age of Authenticity*?

2) What happens to associations in the *Age of Authenticity*?
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Declining Social Capital and Charitable Giving

Caroline W. Lee
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What is social capital?

- Informal networks (bonding ties)
- Formal associations (bridging ties)
- Generalized trust
Why does social capital matter?

*SC generates collective goods*

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**Table 2. Unstandardized Coefficients From Multilevel Models Explaining Generous Behaviors.**

<table>
<thead>
<tr>
<th></th>
<th>Volunteering&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Charitable donating&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Informal helping&lt;sup&gt;b&lt;/sup&gt;</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
<td>Model 1</td>
</tr>
<tr>
<td>Individual-level social capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>0.007***</td>
<td>0.007***</td>
<td>0.010***</td>
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<tr>
<td></td>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
</tr>
<tr>
<td>Social ties</td>
<td>0.025***</td>
<td>0.026***</td>
<td>0.023***</td>
</tr>
<tr>
<td></td>
<td>(0.002)</td>
<td>(0.002)</td>
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</tbody>
</table>
Has social capital really declined?

• Research finds
  – Declines in generalized trust
  – Declines in organizational memberships (period, not cohort effect)

Both correlated with rising economic inequality
What is the effect of social capital on charitable giving?

Giving “depends on the factors that generate the individual's and household's communities of participation, namely the density and mix of opportunities and obligations of voluntary association.”

(Schervish and Havens 1997)
“Social capital is an important contextual influence on generosity because community integration and trust increase information about opportunities for generous activities and the motivation for participating in these activities.” (Glanville et al. 2016)
Larger social trends affecting declining social capital and giving contexts

• Changes in quality, strength, and density of ties through new technologies
• Increasing instrumentalization of ties
• Proliferating invitations for episodic engagement from all types of organizations
• Celebrations of individualized “prosocial” behaviors
References


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