

HUMAN NATURE

4. Why Don't We Give More?

The world would be a much simpler place if one could bring about social change merely by making a logically consistent moral argument. But it's clear that even people who believe that they should give more don't always do so. We've learned a lot, in recent decades, about the psychological factors that lead people to behave in various ways. Now it's time to apply some of that knowledge to our problem: why people don't give more than they do, and what might lead them to give more.

If everyday life has not already convinced you that there is a human tendency to favor our own interests, psychologists have set up experiments to prove it. For example, Daniel Batson and Elizabeth Thompson gave participants in an experiment tasks to assign themselves and another participant, who was not present. One of the tasks was described as relatively interesting and included a significant benefit, while the other was described as boring and had no benefit. The participants were also told: "Most participants feel that giving both people an equal chance—by, for example, flipping a coin—is the fairest way to assign themselves and the other participant the tasks." A coin was provided for that purpose. Nobody except the participant could see how the coin fell. Interviewed after they had assigned the task, all of the participants said that the most moral response was either to flip the coin or to give the more rewarding task to the other participant. Yet about half chose not to flip the coin, and of those who did not use the

coin, more than 80% gave themselves the more rewarding task. More remarkably, however, it seems that on 85% of the occasions when the coin was tossed, it landed on the side that assigned the more rewarding task to the person who tossed it!¹

Yet we often do kind and generous things. The medical services of most developed nations rely for their blood supply on the altruism of ordinary citizens who donate their own blood to strangers. They give up their time and go through having a needle inserted in a vein—an experience many find unsettling—for no reward except perhaps some juice and a cookie. They don't even get priority if they should need blood themselves. And when people say without the slightest hesitation that they would save the drowning child, they are probably telling the truth. So why don't we save children in developing countries, if the cost of doing so is modest? Beyond the simple battle between selfishness and altruism, other psychological factors are at work, and in this chapter I will describe five of the most important ones.

The Identifiable Victim

Researchers seeking to find out what factors trigger generous responses paid participants in a psychological experiment and then offered them the opportunity to contribute some of the money to Save the Children, an organization that helps children in poverty both in the United States and in developing countries. One group was given general information about the need for donations, including statements like “Food shortages in Malawi are affecting more than three million children.” A second group was shown a photo of a 7-year-old Malawian girl named Rokia;

they were told that Rokia is desperately poor and that “her life will be changed for the better by your gift.”

The group receiving information about Rokia gave significantly more than the group receiving only general information. Then a third group was provided with the general information, the photo, and the information about Rokia. That group gave more than the group that had received only the general information, but still gave less than the group that had received *only* the information about Rokia.² Indeed, even adding a second identifiable child to the information about Rokia—while providing no general information—led to a lower average donation than when only one child was mentioned. The subjects of the experiment reported feeling stronger emotions when told about one child than when told about two children.³

Another study produced a similar result. One group of people was told that a single child needed life-saving medical treatment costing \$300,000. A second group was told that eight children would die unless they were given treatment that could be provided for all of them at a total cost of \$300,000. Again, those told about the single child gave more.⁴

This “identifiable victim effect” leads to “the rule of rescue”: we will spend far more to rescue an identifiable victim than we will to save a “statistical life.” Consider the case of Jessica McClure, who was 18 months old in 1987 when she fell into a dry well in Midland, Texas. As rescuers worked for two and a half days to reach her, CNN broadcast images of the rescue to millions of viewers around the world. Donors sent in so much money that Jessica ended up with what was reported to be a million-dollar trust fund.⁵ Elsewhere in the world, unnoticed by the media and not helped by the money donated to Jessica, about 67,500 children died from

avoidable poverty-related causes during those two and a half days, according to UNICEF. Yet it was obvious to everyone involved that Jessica must be rescued, no matter what the cost. The same reaction led to the extraordinary efforts mentioned in the previous chapter, to save the 12 boys and their coach trapped in a cave in Thailand. Similarly, we do not abandon trapped miners or lost sailors, even though we could save more lives by using the money spent on such rescues on making dangerous intersections safer. In providing health care, too, we will spend much more trying to save a particular patient, often in vain, than we are willing to spend promoting preventive measures that would save many people from becoming ill.⁶

The identifiable victim moves us in a way that more abstract information does not. But the phenomenon doesn't even require particular details about the person. People asked by researchers to make a donation to Habitat for Humanity in order to house a needy family were told either that the family "has been selected" or that the family "will be selected." In every other detail, the wording of the request was the same. In neither case were the subjects told who the family was, or would be, nor were they given any other information about the family. Yet the group told that the family had already been selected gave substantially more.⁷

Paul Slovic, a leading researcher in this field, believes that the identifiable—or even predetermined—person appeals to us so much because we use two distinct processes for grasping reality and deciding what to do: the affective system and the deliberative system.⁸ The distinction was popularized by Daniel Kahneman in his 2011 bestseller, *Thinking, Fast and Slow*. The affective system is grounded in our emotional responses. It works with images, real or metaphorical, and with stories, rapidly processing

them to generate an intuitive feeling that something is right or wrong, good or bad. That feeling leads to immediate action. The deliberative system draws on our reasoning abilities, rather than our emotions, and it works with words, numbers, and abstractions rather than with images and stories. These processes are conscious, and they require us to appraise logic and evidence. As a result, the deliberative system takes a little longer than the affective system, and does not result in such immediate action.

An individual in need tugs at our emotions. That's our affective system at work. Mother Teresa expressed this well: "If I look at the mass I will never act. If I look at the one, I will."⁹ If we pause to think about it, we realize that "the mass" is made up of individuals, each with needs as pressing as "the one." We also know that it is better to act to help that individual *plus* an additional individual than to help just the one, and even better to help those two individuals *plus* a third individual, and so on. We know that our deliberative system is right, yet for Mother Teresa as for many others, this knowledge lacks the impact of something that tugs on our emotions the way a single needy person does.

More evidence about the distinctive ways in which these two systems work comes from further experiments carried out by the same team that compared the responses of people given information about "Rokia" with those given more general information. This time the researchers were investigating whether arousing the emotions of the research subjects would lead them to respond differently to the two kinds of information. Once again, the participants all completed a standard survey, and then one randomly selected group was given emotionally neutral questions (for example, math puzzles) while the other group was given questions designed to arouse their emotions (for

example, “When you hear the word ‘baby,’ what do you feel?”). Then everyone was given the opportunity to donate some of their participation payment to a charity, but for half of each group the information included Rokia only, while the other half was given the more general information about people in need. Those who had answered the emotionally arousing questions and received the information about Rokia gave almost twice as much as those who were given the same information but had responded to the emotionally neutral questions. But the amount given by those who received the general information was not significantly affected by the questions they had answered. Our response to the images and stories—and thus to identifiable victims—is dependent on our emotions, but our response to more-abstract facts, conveyed in words and numbers, remains much the same whatever the state of our emotions.¹⁰

Parochialism

Two hundred and fifty years ago, philosopher and economist Adam Smith invited his readers to reflect on their attitudes to distant strangers by asking them to imagine that “the great empire of China, with all its myriads of inhabitants, was suddenly swallowed up by an earthquake.” Consider, he then asked his readers, “how a man of humanity in Europe,” who had no special connection with that part of the world, would receive the news. Whatever that person might say, Smith contends, “he would pursue his business or his pleasure, take his repose or his diversion, with the same ease and tranquility, as if no such accident had happened.”¹¹

The tragic earthquake that struck China’s Sichuan province in 2008 showed that Smith’s observation still holds. Though the

earthquake killed 70,000 people, injured 350,000, and made nearly 5 million homeless, its impact on me was quite temporary. Reading about the deaths and seeing the devastation on television aroused my sympathy for the families of the victims, but I did not stop work, lose sleep, or even cease to enjoy the normal pleasures of life. No one I knew did. Our intellect—our deliberative system—takes in the news of the disaster, but our emotions are rarely disturbed by tragedies that occur to strangers far away with whom we have no special connection. Even if we are moved to donate to emergency relief, hearing such terrible news does not change our lives in any fundamental way.

At our best, we give far less to help foreigners than we give to those within our own country. The tsunami that struck Southeast Asia just after Christmas 2004 killed 220,000 people and rendered millions homeless and destitute. It prompted Americans to give \$1.54 billion for disaster relief work, the largest amount that Americans have ever given after any natural disaster outside the United States. But it was less than a quarter of the \$6.5 billion Americans gave the following year to help those affected by Hurricane Katrina, which killed about 1,600 people and left far fewer homeless than the tsunami. An earthquake in Pakistan in October 2005 that killed 73,000 people elicited a comparatively low \$150 million in donations from Americans. (The earthquake was the only one of these three tragic events that was not caught on video and so did not result in dramatic and oft-repeated television coverage.) Bear in mind that the victims of the American disaster were also being helped by a government with far greater resources than the governments of the countries struck by the tsunami and the earthquake.¹²

Discomforting as our relative indifference to people in distant countries may be, it is easy to understand why we are like this. Our species has spent millions of years evolving as social mammals with offspring who need their parents' care for many years. For most of these millions of years, parents who did not care for and help their children survive during this period of dependence were unlikely to pass on their genes.¹³ Hence our concern for the welfare of others tends to be limited to our kin and to those with whom we are in cooperative relationships, and perhaps also to members of our own small tribal group.

Even when nation-states formed and tribal ethics began to be superseded by the requirements of the larger entity, the intuition that we should help others usually extended only to helping our compatriots. In *Bleak House*, Charles Dickens lends his support to parochialism by ridiculing the "telescopic philanthropy" of Mrs. Jellyby, who "could see nothing nearer than Africa." She dedicates herself to a project that aims to educate the natives of Borrioboola-Gha, on the left bank of the Niger, but her house is a mess and her children are neglected.¹⁴ It was easy for Dickens to make fun of Mrs. Jellyby, for such philanthropy was, in his day, misguided. It was hard to know whether people far away needed our help; if they did, it was even harder to find effective ways of helping them. Anyway, there were many British poor in circumstances scarcely less desperate. In noting the limits to our sympathy for those far away, Adam Smith said that this state of affairs "seems wisely ordered by Nature," since those far from us are people "we can neither serve nor hurt." If we cared more, it would "produce only anxiety to ourselves, without any manner of advantage to them."¹⁵ Today, these words are as obsolete as the quill with which Smith wrote them. As our response to the

tsunami vividly demonstrated, instant communications and air travel mean that we *can* help those far from us in ways that were impossible in Smith's day. In addition, the gap between the living standards of people in affluent countries and those in low income countries has increased enormously, so that those of us living in industrialized countries have greater capacity to help those far away, and greater reason to focus our aid on them: far away is where the vast majority of the extremely poor are, and where charitable dollars can go the farthest.

Futility

In one study, people were told that there were several thousand refugees at risk in a camp in Rwanda and were asked how willing they were to send aid that would save the lives of 1,500 of them. In asking this question, the researchers varied the total number of people they said were at risk, but kept the number that the aid would save at 1,500. People turned out to be more willing to help to save 1,500 out of 3,000 people at risk than they were to help to save 1,500 out of 10,000 at risk.¹⁶ We seem to respond as if anything that leaves most of the people in the camp at risk is “futile”—although, of course, for the 1,500 who will be saved by the aid, and for their families and friends, the rescue is anything but futile, irrespective of the total number in the camp. Paul Slovic, who coauthored this study, concludes that “the *proportion* of lives saved often carries more weight than the *number* of lives saved.” As a result, people will give more support for saving 80% of 100 lives at risk than for saving 20% of 1,000 lives at risk—in other words, for saving 80 lives rather than for saving 200 lives, even when the cost of saving each group is the same.¹⁷

Perhaps Gaetano Cipriano, who we met in Chapter 3, reveals an element of this way of thinking when he says “I can’t change the world, but I try to make my little corner of the world a little bit better every day.” Cipriano is a wealthy man, but he can’t really change Newark, New Jersey, either—he can only help some of the poor there. Still, he can help a bigger proportion of the poor in Newark than of the world’s poor. People say that donating to the poor is “drops in the ocean,” implying that it is not worth giving because no matter how much we do, the ocean of people in need will seem just as vast as it was before. The high school students introduced in the previous chapter said, referring to poverty, “It’s going to go on” and “There will never be enough money to help all these people.” These are all examples of what psychologists label “futility thinking.”

The Diffusion of Responsibility

We are also much less likely to help someone if the responsibility for helping does not rest entirely on us. In a famous case that jolted the American psyche, Kitty Genovese, a young woman in Queens, New York, was brutally attacked and killed while 38 people in different apartments reportedly saw or heard what was happening but did nothing to aid her. The revelation that so many people heard Genovese’s screams, but failed even to pick up the phone to call the police, led to a national debate about “what kind of people we have become.”¹⁸

The public debate that followed the Kitty Genovese murder led psychologists John Darley and Bib Latané to explore the phenomenon of diffusion of responsibility. They invited students to participate in a market research survey. The students went to an

office, where they were met by a young woman who told them to sit down and gave them some questionnaires to fill out. She then went into an adjacent room separated from the office only by a curtain. After a few minutes, the students heard noises suggesting that she had climbed on a chair to get something from a high shelf, and the chair had fallen over. She cried out: "Oh, my God, my foot" "I . . . I . . . can't move . . . it. Oh, my ankle. I . . . can't . . . can't . . . get . . . this thing off . . . me." The moaning and crying went on for about another minute.¹⁹ Of those students who were alone in the adjoining room filling out the market research survey, 70% offered to help. When another person who appeared to be a student completing the survey—but was in fact a stooge—was also present, and that person did not respond to the calls for help, only 7% offered to help. Even when two genuine students were together in the room, the proportion offering to help was much lower than when there was only one student. The diffusion of responsibility had a marked inhibiting effect—the "bystander effect." Other experiments have yielded similar results.²⁰

The Sense of Fairness

Nobody likes being the only one cleaning up while everyone else stands around. In the same way, our willingness to help the poor can be reduced if we think that we would be doing more than our fair share. People considering giving a substantial portion of their disposable income can't help but be aware that others, including those with a lot more disposable income, are not doing the same. Imagine that, instead of traveling somewhere warm for your winter vacation, you decided to stay at home and use the money you would have spent on the

vacation to donate to Helen Keller International's vitamin A supplementation program, which is a very low-cost way of preventing blindness and reducing the risk of severe infections. Then you run into your neighbors and they tell you about the great time they had sailing and scuba diving in Grenada. Would that make you less likely to forego your vacation next year, so that you could donate?

So strong is our sense of fairness that, to prevent others from getting more than their fair share, we are often willing to take less for ourselves. In the "ultimatum game," two players are told that one of them, the proposer, will be given a sum of money—say \$10—and must divide it with the second player, the responder; but how the money is divided is up to the proposer, who can offer as much or as little as she wishes. If the responder rejects the offer, neither will get anything. The game is played only once, and the players' identities are not revealed, so their decisions will not be influenced by any thoughts of payback if they should meet again. If the players acted purely from self-interest, the proposer would offer the smallest possible amount and the responder would accept it, because after all, even a little is better than nothing at all. But across many different cultures, most proposers offer an equal split of the money. That offer is invariably accepted. Occasionally, however, proposers behave as economists would expect them to, and offer less than 20%. Then most responders confound the economists by rejecting the offer.²¹ Even monkeys will reject a reward for a task if they see another monkey getting a better reward for performing the same task.²²

Responders who reject small offers show that even when dealing with a complete stranger with whom they will never

interact again, they would rather punish unfairness than gain money. Why would people (and monkeys) act in ways that seem contrary to their own interest? The most plausible answer is that moral intuitions like fairness developed because they enhanced the reproductive fitness of those who had them and the groups to which they belonged. Among social animals, those who form cooperative relationships tend to do much better than those who do not. By making a fair offer, you signal that you are the kind of person who would make a good partner for cooperating. Conversely, by rejecting an unfair offer, you show that you are not going to put up with getting a raw deal, and thus you deter others from trying to take advantage of you.

There are also social advantages to such intuitions. A society in which most people act fairly will generally do better than one in which everyone is always seeking to take unfair advantage, because people will be better able to trust each other and form cooperative relationships.

Psychology, Evolution, and Ethics

To many, the intuitions discussed in this chapter amount to a reasonable rejoinder, gathered under the general notion “It’s not in our nature,” to arguments for the moral necessity to give to the distant poor. And at first glance, the moral judgment that we should help the victim we can see, rather than the victim we can’t, does feel right. If we think again, however, the intuition doesn’t stand up to examination. Suppose that we are in a boat in a storm and we see two capsized yachts. We can either rescue one person clinging to one upturned yacht, or five people whom we cannot see but we know are trapped inside the other upturned yacht. We will have time to go to only one of the yachts

before they are pounded onto the rocks and, most likely, anyone clinging to or inside the yacht we do not go to will be drowned. We can identify the man who is alone: we know his name and what he looks like, although otherwise we know nothing about him and have no connection with him. We don't know anything about those trapped inside the other yacht, except that there are five of them. If we have no reason to think that the single identifiable victim is in any way more worthy of rescue than each of the five non-identifiable people, surely we should rescue the larger number of people. What's more, if we put ourselves in the position of the people needing to be rescued—but without knowing which of the six we are—we would want the rescuers to go to the capsized yacht with five people, because that will give us the best chance of being rescued.

The same is true for each of the other four psychological factors we have investigated. Our parochial feelings are a restriction on our willingness to act on our capacity, both financial and technological, to give to those beyond the borders of our nation and thereby to do much more good than we can do if our philanthropy stops at those borders. Bill Gates, the master of global technology, has understood and acted on the ethical implications of the fact that we are now one world. His philanthropy is primarily focused on doing the most good in the world as a whole. When asked by an interviewer for *Forbes* what advice he'd offer the next U.S. president to improve American competitiveness and innovation, Gates batted the question straight back, saying: "I tend to think more about improving the entire world as opposed to relative positions. Otherwise you could say, 'Hey, World War Two was great because the U.S. was in its strongest relative position when that was over.'"²³

Even less defensible than parochialism are the feelings of futility that lead us to focus on the number of people we cannot help, rather than the number we can. The “drops in the ocean” response to the argument for giving aid overlooks the fact that my aid will help specific individuals, families, or even villages, and the good that I do for them is not lessened by the fact that there are many more needy people I cannot help.

Others find intuitive appeal in the diffusion of responsibility. Thus they believe that I have a stronger obligation to save the drowning child than to donate to provide bed nets that will save the lives of children who would otherwise die from malaria, because I am the only person in a position to save the drowning child, whereas a billion or more people could donate to provide bed nets. But even though at least a billion others *could* help the children who will be helped by your contribution, what difference does that make if you know that they won't, or anyway that not enough of them will for all of the families in malaria-prone regions to be provided with nets?

Patterns of behavior that helped our ancestors survive and reproduce may, in today's very different circumstances, be of no benefit to us or to our descendants. Even if some evolved intuition or way of acting were still conducive to our survival and reproduction, however, that would not, as Darwin himself recognized, make it right. Evolution has no moral direction. An evolutionary understanding of human nature can explain the differing intuitive responses we have when we are faced with an individual rather than with a mass of people, or with people close to us rather than with those far away, but it does not justify taking those feelings as a guide to what we ought to do. On the other hand, concluding that others' needs should count as much as our

own is not the same as feeling it, and hence we fail to respond to the needs of the world's poorest people as we would respond to someone in need of rescue right in front of us.²⁴

Skeptics doubt that reason has any influence on whether we act ethically. It's all a matter of what we want, or desire, they say, of what feels good or bad to us, of what we find attractive or repugnant. They deny that understanding or argument—in a word, the kind of thing that philosophers do, and of which this book largely consists—is ever going to lead anyone to action. I now have a growing collection of anecdotes that are difficult to reconcile with that view. I've already mentioned, in Chapter 3, Charlie Bresler's response to the first edition of this book, and what happened as a result of that. Here are a few others who have responded to the ethical arguments I have put forward:

- In the same *New York Times* piece about global poverty that the Glennview High School students read, I included telephone numbers that readers could call to donate to UNICEF or Oxfam America. These organizations later told me that in the month after the article appeared, those phone lines brought in about \$600,000 more than they usually took in. That's not a vast sum, given how many people read *The New York Times* on Sundays. Still, it does indicate that the article persuaded a significant number of people to give. Some of those donors have continued to do so. Several years after the article was published, I have been told, someone came to the Oxfam office in Boston, took a carefully preserved copy of my article out of her bag, and told the staff that she had been meaning to give to the organization ever since reading it. She has since become a major donor.

- Kate Grant, the Executive Director of Fistula Foundation (one of The Life You Can Save's current recommended charities), has told me that many donors come to her organization as a result of reading my work. On one occasion she wrote: "Next month the young man who has given us a total of \$700,000 will be traveling with me and our board to Kenya to see our hospital network there. He found us because of you."
- Dean Spears and his wife, Diane Coffey, were so impressed by reading my article "Famine, Affluence and Morality" that they read the story of the drowning child in the pond at their wedding. More significantly, instead of seeking academic jobs, the newlyweds went to live in India, where they started an organization called r.i.c.e., which stands for Research Institute for Compassionate Economics. The organization is dedicated to understanding the lives of poor people—especially young children—and to promoting their well-being. Dean and Diane began working on the problem of open defecation, then a neglected issue with, in his words, "terrible and lasting consequences for early-life health." They wrote a book on the topic, called *Where India Goes*. Since then, r.i.c.e. has broadened its work to include maternal nutrition, air pollution, and social inequality more generally.
- Chris Croy's ethics class at St Louis Community College, in Meramec, Missouri, was told to read "Famine, Affluence and Morality"²⁵ as well as a critique by the philosopher John Arthur asserting that if my argument was sound, it wouldn't just require us to donate money to charities, but also to donate our kidneys because that

would also do a lot of good without causing comparable harm to the donor. Arthur thought that implication couldn't be right, and therefore my argument must be mistaken. Chris questioned that: perhaps he really should donate a kidney to a stranger? He discussed it with a friend, and thought about it for a long time before calling a hospital and, eventually, donating a kidney to "whoever could use it most." Later he got a call from the grateful recipient, a schoolteacher at a school that served mostly poor children.

5. Creating a Culture of Giving

We have just seen that there are several aspects of human psychology that make us less likely to help people in extreme poverty, especially if they are not conspicuous to us as particular individuals. Can we combat these traits, create a culture of giving that lessens their impact and increases our willingness to provide assistance where it will do the most good? Yes, we can! Here are some of the approaches that have been shown to work.

Getting It into the Open

If our sense of fairness makes us less likely to give when others are not doing so, the converse also holds: we are much more likely to do the right thing if we think others are already doing it.¹ More specifically, we tend to do what others in our “reference group”—those with whom we identify—are doing.² And studies show that the amount people give to charity is related to how much they believe others are giving.

Psychologists Jen Shang and Rachel Croson used a funding drive for an American public radio station to test whether the amount that callers donated varied when the person answering the call mentioned that a recent caller had donated a particular sum. They found that mentioning a figure close to the upper end of what callers generally gave—to be precise, at the ninetieth percentile—resulted in callers donating substantially more than

a control group not provided with this information. The effect was surprisingly enduring: donors who were told about another member's above-average contribution were twice as likely to renew their membership a year later. Those receiving this information by mail reacted in roughly the same way.³

A similar effect was seen in a study carried out at a Swedish university, in which some students were told that 73% of school attendees had contributed to a charity helping children in Uganda. That information boosted the number of students donating from only 43% to 79%. Telling them that 73% of students throughout Sweden (rather than just at their own university) had donated also resulted in an increase, but only to 60%, so at least for Swedish students, local norms have a greater influence than national ones.⁴ On the other hand, a separate study found that providing information about how many hours someone else volunteered for a charity had no effect on the number of hours for which the recipient was willing to volunteer.⁵

These studies suggest that letting others know about our giving is likely to encourage them to give; yet we don't think well of people who boast about how wonderful they are, and talking about how much we give to good causes can easily sound like doing just that. That concern is boosted, at least for Christians, by the passage in the Gospel according to Matthew that describes Jesus as telling his followers not to sound a trumpet when we give to the poor, "as the hypocrites do in the synagogues and in the streets, so that they may be honored by men." Instead, Jesus advises, we should give so secretly that not even our left hand knows what our right hand is doing. Then we will be rewarded in heaven, rather than on earth.⁶ It's natural to think that if people are motivated only by a desire to "be honored by men"—that is, to build a reputation for

generosity—they are not *really* being generous, and will not be generous when no one is looking. Similarly, today when people give large sums with a lot of fanfare, we may suspect that their real motive is to gain social status by their philanthropy, and to draw attention to how rich and generous they are. But does this really matter? Isn't it more important that the money go to a good cause than that it be given with "pure" motives? And if by doing the equivalent of sounding a trumpet when they give, they encourage others to give, isn't that better still?

Jesus was not the only advocate of keeping donations anonymous. The 12th-century Jewish thinker Maimonides drew up a celebrated "ladder of charity" in which he ranked different ways of giving alms. For Maimonides, it was important that the recipient not feel indebted to the donor, or be publicly humiliated by the need to accept charity. Hence, giving when either the donor is known to the recipient or the recipient is known to the donor ranks lower than giving anonymously and without knowing the recipient of the gift. Almsgiving was local, which makes this concern more understandable: the donor and the recipient lived in the same community and may have crossed paths in daily life. But in an age of global philanthropy, the risk of the recipient being burdened by a feeling of indebtedness to a particular donor is far less significant, and is outweighed by the importance of developing a culture of giving.

Admittedly, making sure that everyone knows about one's donations can be taken to extremes, as the *New York Times* theater critic Charles Isherwood observed when he attended the opening performance at the new home of the Shakespeare Theatre Company in Washington, D.C. The building is Sidney Harman Hall, but the naming doesn't stop there:

You enter through the Arlene and Robert Kogod Lobby. From there you may choose to ascend to the orchestra level by taking either the Morris and Gwendolyn Cafritz Foundation Grand Staircase West or the Philip L. Graham Fund Grand Staircase East. . . . Should you arrive with time for a drink before the curtain, you can linger near the James and Esthy Adler Orchestra Terrace West, or the less personal-sounding American Airlines Orchestra Terrace East. And don't forget to check your bulky outerwear at the Cassidy & Associates Coat Room, before entering the Landon and Carol Butler Theater Stage to watch the performance.⁷

Isherwood laments that this "philanthropic graffiti" cuts against the "ideally selfless spirit" of giving in order to provide a public good. (He doesn't ask why people with an ideally selfless spirit would be giving millions for a grand new theater in the capital of one of the world's wealthiest nations: that may be too subversive a thought for a theater critic.) In any case, since we know that people will give more if they believe that others are giving more, we should not worry too much about the motives with which donors give. Rather, we should encourage them to be more open about the size of their donations. By making it known that they give a significant portion of what they earn, they can increase the likelihood that others will do the same. If these others also talk about it, the long-term effect will be amplified, and over a decade or two, the amount given will rise. The need to be public about how much one gives, and not simply about the fact that one is giving, was revealed by a survey finding that 75% of American donors with a household income above \$80,000 think they give more than average, whereas in fact 72% are giving less than the average.⁸

Strength in Numbers: Pledges and Giving Communities

In 2007, Toby Ord was a graduate student in philosophy at Oxford University. He had read my “Famine, Affluence and Morality” article, and decided to calculate how much good he could do for others, over the course of his life. First he calculated how much he would be able to give away if he set a modest limit on how much he would spend on himself, and how much he would put aside in savings for the future, and then donated everything else he earned. He was planning to become an academic, and the pay scale for academics in the United Kingdom is public, so it wasn’t too difficult to get a ballpark figure on what he was likely to earn in each year. Adding up his anticipated annual salaries for each year until his retirement yielded the sum of £1.5 million, then worth about US\$2.5 million. Toby decided he could live on one-third of that, and donate the rest. He then looked around for the most cost-effective way of helping people, and found a treatment to prevent trachoma, a common cause of blindness in some low-income countries. The treatment was so cheap that the £1 million Toby planned to give away over his lifetime would be enough to prevent 80,000 people from becoming blind. Toby was amazed that he could do so much good, without earning a lot of money, simply by living modestly. He decided that more people should know how easy it is to make the lives of others better. He founded Giving What We Can, the first of the new wave of organizations promoting what has come to be known as effective altruism. The organization asks members to pledge to give at least 10% of their income to doing good as effectively as possible. Ten years after its founding, it has over 4,000 members who report having donated

nearly \$150 million and have pledged to give, over their working lives, more than \$1.5 billion. Toby himself has donated more than £100,000 to effective charities and is on course for giving away £1 million over his career.⁹

If you ask people to pledge to give 10% of their income over their entire working lives, will they really keep that pledge? Giving What We Can sees forming a community as a way of making it more likely that those who have pledged will reinforce each other's commitment to giving, as well as sharing knowledge and experience on how to give as effectively as possible.

In the first edition of this book I also asked people to pledge to give to effective charities, in accordance with a Giving Scale (in this edition, the details are in the Appendix) that, like a progressive income tax scale, asks those who earn a lot to give a higher percentage of their income than those who earn little. A friend helped me set up a website so that people could pledge online, and in a surprisingly short time, more than 17,000 people signed up. Word about the pledge must have reached Bill and Melinda Gates, because in 2010 someone from their office got in touch to tell me that, together with Warren Buffett, they were planning to ask their fellow-billionaires to make a moral commitment to give more than half their wealth to philanthropy or charitable causes. Would I be willing, they asked, to be quoted in a press release in support of their approach, called The Giving Pledge? I had to think about that, because The Giving Pledge is very broad: it covers "philanthropy or charitable causes," which could include not only helping the poor, but also building an opera house that bears the donor's name. I asked why, given that the Gateses and Buffett themselves were focused on improving the lives of people in extreme poverty, that wasn't part of the pledge. I was

told that while it was hoped that many of those pledging would follow the example set by the Gateses and Buffett, they feared that making that requirement part of the pledge would shrink the number of people willing to take it. I accepted that answer, and in my comment, emphasized the importance of a public pledge in changing the culture of giving.

The Giving Pledge was launched in 2010, with 40 billionaires or billionaire families making the pledge. A line in the media release said that though The Giving Pledge was intended for billionaires, “the idea takes its inspiration from other efforts that encourage and recognize givers of all financial means and backgrounds.” The Pledge isn’t just a list by means of which billionaires can show that they are really good people. The Giving Pledge website now states that one aim of the pledge is to “shift the social norms of philanthropy toward giving more, giving sooner, and giving smarter.” To that end, The Giving Pledge organization provides opportunities for members to come together to hear experts talk about effective giving and to “discuss challenges, successes and failures, and how to be smarter about giving.”¹⁰

By 2019, The Giving Pledge had 204 pledgers from 23 countries. In addition to Bill and Melinda Gates and Warren Buffett, other well-known pledgers include Laura and John Arnold, Nicolas Berggruen, Michael Bloomberg, MacKenzie Bezos, Ray and Barbara Dalio, Ben DeLo, Barry Diller and Diane von Fürstenberg, Larry Ellison, Mo Ibrahim, Carl Icahn, Dustin Moskovitz and Cari Tuna, Elon Musk, Rohini and Nandan Nilekani, Pierre and Pam Omidyar, T. Boone Pickens, Azim Premji, David Rockefeller, Sheryl Sandberg, Jeff Skoll, Robert Frederick Smith, Ted Turner, You Zhonghui, and Mark Zuckerberg and Priscilla Chan.

The Giving Pledge is an example of how the public actions of one's peers can motivate others to give, and give effectively. The co-founders of Airbnb—Brian Chesky, Joe Gebbia, and Elizabeth and Nathan Blecharczyk—decided to join The Giving Pledge in 2016 because their growing realization of how wealthy they were led them to think more explicitly about what they should do with their money. Chesky was impressed by the examples set by Bill and Melinda Gates and by Mark Zuckerberg, as well as by a quote from Buffett to the effect that, for those who are already wealthy, there comes a point at which more money has no benefit to oneself, but it can have great benefit to others. Nor does Chesky have a problem with being public about giving: “I’ve always believed that you should [be public about giving], such that you can be very public about your values and what you stand for.”¹¹

If you want to know which super-rich people are the most philanthropic, you can now find the answer in *Forbes*, the magazine best known for the Forbes 400 list of the world's richest people. At the Forbes 400 Summit on Philanthropy in 2014, Bill Gates referred to a comment from a Middle Eastern magnate about the Quran saying that the reason to talk about one's philanthropy is that it encourages others to give too. In this spirit, *Forbes* now publishes a ranking of the most generous among the rich.¹² Let's hope that the existence of a generosity ranking will induce people to compete to be near the top of the generosity list as well as near the top of the rich list..

Founders Pledge, another organization created to connect and inspire high-net-worth donors, is a global community of startup founders and investors who have made a legally binding commitment to donate to charity a specific percentage (they choose what that is) of the money they receive following a successful “exit”

from the company—for example, selling it to another company. As with many of the other philanthropic communities, they come together to discuss the different causes to which they might donate, and how they could contribute to building a better world. At the time of writing, over 1,200 members from 30 countries have pledged \$708 million to charity, with pledges worth \$91 million having been already carried out. Entrepreneurs who have taken the pledge include Miguel McKelvey, Founder and CEO of the co-working space WeWork; Kathryn Minshew, CEO and co-founder of The Muse, a career-development platform; and Uma Valeti of Memphis Meats, which is at the forefront of the sustainable cultured meat industry.¹³

The growth of effective altruism, known among those within the movement as EA, has led to the formation of EA groups all over the world: I've spoken to many of them, often over a videolink. There are groups in the United States, Canada, Australia, and New Zealand, in every major European country, and in places like Abu Dhabi, Hong Kong, and Singapore, providing venues for people to come together to discuss and act upon ideas like those in this book. Local Effective Altruism Network (LEAN) now supports over 350 groups that aim to use reason and evidence to guide their efforts to do as much good as possible.¹⁴ The Centre for Effective Altruism runs conferences in several cities that bring together people from all over the world who are interested in being both altruistic and effective. There are student Effective Altruism groups at universities from Oxford and Cambridge to Harvard and Stanford, and I have spoken, over a videolink, to one at Nazarbayev University in Kazakhstan. One for The World, an organization that encourages students to pledge at least 1% of their post-graduation income to effective nonprofit organizations

helping the global poor, was started by students at the Wharton School of the University of Pennsylvania, and now has chapters in 15 other universities including Harvard, MIT, Stanford, Columbia, Tufts, and the University of Melbourne.

On Your Own

The support of like-minded people certainly makes it easier to start giving, but it isn't necessary. Andrei Smith, a car sales representative in the San Francisco Bay Area, read *The Life You Can Save* and found something in it that I had never imagined was there: "the ultimate strategy for how to stay positive in sales." The strategy is to set aside 5% of the sales commissions he earned for donating to effective charities. By doing that, he says, he is able to maintain discipline at work better than he could previously. He posted a sign on his desk inviting customers to "Ask about the 5%," and he has now given thousands of dollars to The Life You Can Save's recommended charities. (His favorite is Fistula Foundation.) He also helps grow the culture of giving by sharing his approach at company meetings. Andrei says, "Now I sell for myself, but also for others. Every extra dollar I make gets split between me and those in need. It's an awesome feeling."¹⁵

Boris Yakubchik was born in Russia and moved to the United States at the age of 11. As a college student working part-time, he read "Famine, Affluence, and Morality," which helped inspire him to begin making small monthly donations to Oxfam and UNICEF. For his 25th birthday, he created a "BirthdayForCharity" website and encouraged friends to give money to a charity he picked, rather than give him gifts. When he learned of GiveWell's research, he became even more certain his giving was making a positive difference. He joined Giving What

We Can, taking their pledge to begin giving 10% of his income to charity, and for a time ran their Rutgers chapter (through which he met his future wife). Once he started working full-time, he also joined an organization called Bolder Giving, and at one point he gave 50% because others in Bolder Giving and Giving What We Can set that standard, observing that “When there’s a new norm, it’s easier to make the leap.” And lest you think Boris was doing this as a high-paid techie, he was not. “Giving 50% may seem exorbitant,” he said at the time, “but I’m keenly aware that as a high school math teacher, my starting salary of \$47,000 puts me in the richest 1% of the world’s population and in the top 75% of the U.S. wage earners. Even after giving 50% (pre-tax) I’m still among the wealthiest 5% of the world’s population!” In 2014, Boris spoke at TEDxRutgers about cost-effective charities. He’s now back to giving 10% but aspires to return to 50% before long. He has switched to computer programming, believing that a higher income will make living on 50% more sustainable for the long term. He gives nearly all of the proceeds from sales of a piece of software he wrote to Against Malaria Foundation. Boris is confident that by engaging with interested colleagues he has helped nudge people towards being more philanthropic and more mindful of how they donate:

In my experience, these conversations are friendly and welcome when you share your excitement about the opportunity most of us have to improve the lives of others. The feedback loop is long: conversations you have today might not result in actions until years down the line. Don’t be discouraged. I once gave a short talk in my office about charitable giving; it generated a few lively conversations that week. It’s been a year, and I still have coworkers

occasionally approach me to talk about giving. It's a topic that many people want to talk about, and finding someone who is eager to chat about it is just great.¹⁶

Catherine Low wasn't particularly altruistic until about five years ago when she discovered the Effective Altruism movement. Then, as a high school physics and science teacher, she came across a podcast (Rationally Speaking) on which I was interviewed, and talked about our moral obligation to help those who are suffering, even if they are far away, or of a different species. Catherine says that she found my arguments compelling, and was even more inspired by hearing about intelligent, caring people who changed their lives as a result of my arguments, and started making significant positive impacts on the world. This motivated her to donate to effective organizations, both those combating global poverty and those seeking to reduce the suffering we inflict on animals. She became a vegan, started a local Effective Altruism group in her home town of Christchurch, and co-founded Effective Altruism New Zealand Charitable Trust to enable New Zealanders to make tax deductible donations to more effective charities. She also began running annual retreats that bring together effective altruists from all over New Zealand, and workshops on effective altruism for classes, university clubs, professional associations, and religious and secular groups. "Talking to people about effective altruism is very enjoyable for me," Catherine explains, "and the most rewarding part is hearing from people later to find out they've started donating to an effective charity as a result of the workshop." Some of her activities in the school where she teaches lead to activities with very tangible results, including student-led campaigns that raised over \$10,000 for effective charities; "meatless Mondays" in the school cafeteria; and the school itself

becoming carbon neutral by donating to effective climate charities that offset its emissions.¹⁷

Social Media and Growing the Effective Giving Culture

Social media are sometimes responsible for misleading and harmful information, but when it comes to giving, they make it much easier to spread new and beneficial ideas. In the United States, social media contributed to establishing “Giving Tuesday”—the Tuesday after Thanksgiving—as a day on which to donate to people in need and to celebrate giving. The idea began in 2012, as an antidote to “Black Friday,” the Friday after Thanksgiving, which was traditionally the big day for retail sales and huge crowds trying to take advantage of them. As online shopping grew, “Cyber Monday” (the Monday following Black Friday) became more significant for online shopping, and now that is followed by Giving Tuesday. According to #GivingTuesday, over \$1 billion has been given globally on this day since 2012.¹⁸

Unfortunately the correlation between great ideas and ideas that spread rapidly on social media is far from perfect. The Ice Bucket Challenge involved dumping a bucket of ice and water over a willing victim to raise money for Lou Gehrig’s disease, or ALS. It went viral and brought in a whopping \$115 million during the summer of 2014. According to the ALS Association, the funds went to research (\$77 million), patient and community services (\$23 million), and public and professional education (\$10 million) with \$5 million going to fundraising and processing fees. ALS is a horrible disease, but it is relatively rare: there are about 80,000 new cases each year worldwide. Although the money raised for ALS research has done some good,

it has not resulted in any dramatic breakthrough in preventing or treating the disease.¹⁹ In general, donating to fund research on diseases that affect people in high-income nations—as ALS does—is less cost-effective than research on diseases or conditions that only affect people in low-income countries. That’s because most research funds come from governments in high-income countries, and most of their funding is for research into diseases that affect their own citizens. Individuals in high-income countries are also much more likely to donate to find cures for the diseases that affect them and their families. So all the remaining low-hanging fruit in medical research—that is, the research that has the best chance of making a large reduction in the global burden of disease—is in the field of diseases that are largely or entirely restricted to poor people. The \$115 million raised by the Ice Bucket Challenge could, if donated to Project Healthy Children, have provided 44 million people in countries such as Malawi or Liberia with ten years of food-based micronutrient fortification. Given to Helen Keller International, it could have protected the sight of over 85 million children in sub-Saharan Africa with vitamin A supplements. If applied to Malaria Consortium’s seasonal malaria chemoprevention program in Burkina Faso, Chad, and Nigeria, which saves lives at an estimated cost of approximately \$2,000, it could have saved the lives of 57,500 children.²⁰ The Ice Bucket Challenge would probably have done more good if it had raised money for one of these charities.

Putting a Face on the Needy—Connecting Donors to Recipients

We have seen that donors typically respond most generously when they feel a connection to the beneficiaries of their philanthropy.

To tap into people's greater willingness to help people who are identifiable, the British organization Foster Parents Plan created a sense of connection by linking poor children in developing countries with "foster parents" in affluent nations who sent the child money for food, clothing, and education. In return, they received letters from "their" child. This approach avoided all five of the psychological barriers to aiding the poor mentioned in Chapter 4. In addition to the fact that the foster parents were helping an identifiable child, they felt that their aid was not futile, because they got letters from the child telling them what a difference it made, and they were not focused on other needy children they were unable to help. Their responsibility for "their" child was very clear: If they stopped donating, the child might have to go without food, clothing, or education, because there was no guarantee that anyone else would step in to help that particular child. Their sense of fairness was satisfied, because they were supporting just one child, generally not an especially onerous burden, and they knew that many other people were doing the same. And although the child was far away, the idea that they were the child's "foster parents" made the child part of their family and helped overcome the barrier of parochialism. So this seems to be an ideal arrangement for tapping into the feelings of affluent people so that they will help the poor in distant countries. But it comes at a cost, because giving money to individual children isn't a particularly effective way of helping the poor. It doesn't assist families in providing for themselves, and it can lead to envy and dissension if some children get money and others don't. Problems like lack of safe drinking water, sanitation, and health care can be addressed only by projects undertaken at the level of the community rather than the family.

Foster Parents Plan, to its credit, did not deny the existence of these problems. That left them with the challenge of making their messaging more honest while still speaking to the donor impulse of wanting to feel a connection to the charity recipient. To do this, the organization renamed itself Plan International and shifted to a more community-based approach. It does its best to retain the appeal of the identifiable recipient by continuing to invite potential donors to “Sponsor a Child,” and it says that donors may exchange letters and photos with, and receive updates about, a particular child. But donors are told that their donations do not go directly to a sponsored child. Instead they are combined with other donations to fund projects that are important to the community in which the child lives.²¹

Fortunately, we now have technologies that can enable donors to feel connected to people in a community they are helping. GiveDirectly, for example, has a feed on its website that enables the people to whom they have given cash to provide uncensored feedback on how they’ve used the money. In this way, donors see some of the people they may have helped, though without any implication that one’s dollars are supporting a particular recipient. Against Malaria Foundation’s website provides detailed information about its antimalarial net distributions, along with photos and videos. This level of reporting connects donors with the people and places they are helping, while also displaying the organization’s commitment to accountability and transparency. Charities are also using the web to convey what life is like for the less fortunate. UNICEF has created a virtual reality experience that places the donor inside a refugee camp, while the Fred Hollows Foundation has created an online sight simulator showing what it’s like to be visually impaired.²²

Giving People the Right Kind of Nudge

Using an understanding of human psychology to steer behavior in a desired direction is a cornerstone of all sorts of campaigns, from politics to public health and much else besides. Although this isn't always done for noble motives, it can be. One such instance is an approach that has made it possible for some countries to achieve dramatic increases in the rate of organ donation. Could this also be applied to building the culture of giving to combat extreme poverty?

In Germany, for every million people in the population, there are only 11.5 deceased people from whom organs may be taken. In Austria, the comparable figure is 25.4.²³ Germans and Austrians are not so different in their cultural backgrounds, so why should more than twice as many Austrians be organ donors upon their death? The difference is explained by the fact that in Germany you must put yourself on the register to become a potential organ donor, while in Austria you are a potential organ donor unless you object. Although other factors play a role, several studies have found that countries requiring explicit consent for organs to be removed after death have fewer organ donors than countries in which consent is presumed unless one explicitly refuses consent.²⁴ Just as we tend to leave unchanged the factory settings on a computer, other kinds of “defaults” can make a big difference to our behavior—and, in the case of organ donations, save thousands of lives.

Even when we are choosing in our own interests, we often choose unwisely. When employees have the option of participating in a retirement-savings plan, many do not, despite the financial benefits offered by the plan. If their employer instead automatically

enrolls them, giving them the choice of opting out, participation jumps dramatically.²⁵ This is what Richard Thaler and Cass Sunstein, professors of economics and law, respectively, refer to as a “nudge,” in their book *Nudge: Improving Decisions About Health, Wealth, and Happiness*, which advocates using defaults to prompt us to make better choices.²⁶ The lesson is that often it doesn’t take much of a nudge to overcome the apathy that gets in the way of our doing what we know would be best for us. The right kind of nudge—whether it comes from government, corporations, voluntary organizations, or even ourselves—can also help us do what we know we really ought to do.

In the first edition of this book, I suggested that businesses should give employees a nudge to participate in giving programs by changing the default presented to them. Instead of inviting staff to opt in to donating a proportion of their salary to organizations fighting global poverty, companies can make participation the default, so that, for example, 1% of every employee’s salary is automatically deducted and donated to effective organizations helping people in extreme poverty *unless* the employee opts out of the program. I don’t know if my suggestion had any impact, but some Australian companies have since implemented opt-out workplace giving programs and they are seeing significantly higher participation rates than with the opt-in model; examples include Bain & Company, CommBank, and The Good Guys.²⁷ If you work for an organization that does not have such a default arrangement, why not propose it?

Another situation in which the right kind of nudge could make a huge difference occurs when we write our wills. In the United States, the United Kingdom, and Australia, for example, no more than 6.5% of wills include a charitable gift.²⁸ If the templates

people use to write a will standardly came with a bequest clause, and if lawyers, as a default, suggested that their clients include an effective charity in their will, more people would save lives after their own life is over.

Company Giving

The giant investment bank Goldman Sachs is at the heart of corporate capitalism, but nevertheless has created a culture of giving by setting up a charitable fund called Goldman Sachs Gives, to which its partners give some of their earnings. Although the percentage of income that the partners give is not public, the fund, which commenced in 2007, has given nearly \$1.5 billion in grants and partnered with 6,000 nonprofits in 90 countries.²⁹ Goldman Sachs also has a program matching charitable gifts made by eligible employees who are not partners, as do 65% of Fortune 500 companies, with an estimated annual total of more than \$2 billion donated through such programs. According to The Big Give, 84% of people say they're more likely to donate if a match is offered, and 1 in 3 say they gave more because of the match. Other corporations allow or encourage employees to give time or money to good causes. Google has set up its own innovative philanthropic arm, Google.org, which in 2017 pledged to give, over the next five years, \$1 billion in grants to nonprofits around the world, as well as contribute 1 million employee hours volunteering.³⁰

Pledging to give is spreading among companies, as it is with individuals. Pledge 1% invites companies to pledge to give 1% of their equity, time, product, or profit—or any combination of these—to any charity. Led by Salesforce, Atlassian, Rally for Impact, and Tides, Pledge 1% has now been taken up by

8,500 companies in 100 countries, donating a total of over \$1 billion in a range of resources. At Salesforce alone, donations had, as of 2018, added up to over \$240 million in grants, 3.5 million hours of community service, and product donations to more than 39,000 nonprofit and educational institutions. Scott Farquhar, co-founder and co-CEO of Atlassian, an Australian software company, says that pledging has “given huge benefits to the company and our staff, we’ve helped hundreds of thousands of children in the developing world, we have this engaged workforce who come to work every day and feel like they’re giving back with everything they do.” Companies taking the 1% pledge can support any type of cause.³¹ MediaMath, which develops marketing platforms, has made a decision to focus its pledge on supporting charities that demonstrate proven effectiveness, including three nonprofits recommended by *The Life You Can Save*: Seva, Living Goods, and Project Healthy Children.

At the other end of the corporate scale from Goldman Sachs, Google, and Salesforce is VivCourt Trading, based in Sydney, Australia. Rob Keldoulis, its founder, began his career as a trader for a stockbroker, a job he describes as working “right at the coalface of pure capitalism.” It is also, in his view, the most self-serving of all jobs, because unlike people who make products for others to use, traders work only to make money for themselves. For many traders, that doesn’t bring satisfaction, even when the pay is good. They need their work to have its own purpose or value, and not just be a means to earning money. So Keldoulis, who describes himself as a “small ‘b’ buddhist,” decided to pursue the Buddhist teaching that by acting for the benefit of all sentient beings, we liberate ourselves. In setting

up VivCourt Trading, he did not follow the standard business path of seeking investors who would subscribe capital and then own company shares on which they would expect dividends or capital growth. Instead, he set up a charitable trust, and made it the sole shareholder. That enabled him to raise capital from investors who were willing to act philanthropically and lend money at low interest to establish a social enterprise. At the end of the financial year, 50% of the company's net revenue goes to charity, and the rest goes to the employees. In that way, the employees receive generous bonuses, but they also get a social bonus—the chance to direct an equal sum to charities of their choice. That gives all the employees a purpose larger than themselves.

Keldoulis argues that while the corporate sector needs to drive growth and change, it also has “a moral imperative to use its vast reserves of money to help find solutions to our social issues.” The business structure he has developed does more than increase employee satisfaction; it also eliminates the pressure of shareholders seeking short-term profits, and enables the company to take a longer-term view. It is, Keldoulis believes, the kind of sustainable business model that the world needs.³²

Yanik Silver is another entrepreneur with a vision for a sustainable business model that contributes to improving the world.³³ Yanik's story brings together several elements of growing the culture of giving: as an individual, as a group, and as a business. Around 2005 he began donating 10% of his publishing company's profits to charity. Among the organizations he supports is Village Enterprise, which, as we shall see in Chapter 7, delivers a multi-faceted program to

support extremely poor people in starting small businesses. In 2008, Yanik decided to pursue his belief that business is a force for good in a bigger way, and founded Evolved Enterprise, an entrepreneurial education company that seeks to make business a lever for making a positive difference to the world. He also started Maverick1000, an invitation-only group for bringing together entrepreneurs who share his vision. Ten percent of member dues goes to an Impact Fund: Yanik reports that to date they've raised and donated over \$3 million to a variety of organizations.³⁴ Maverick1000 holds events and trips at which members share ideas for improving their businesses, including how to leverage their work for the greater good. In 2015, Maverick1000 invited Village Enterprise to present their work to the group, and brainstorming sessions led to a fundraising idea called Fund-a-Village: for \$25,000, an individual or company could support Village Enterprise in transforming an entire village. Yanik was so excited about the initiative that he began donating 50% of the initial launch proceeds from a book he had recently written, *Evolved Enterprise*, to Village Enterprise, and within a short time, he raised \$25,000—enough to fund 50 new microenterprises in a village in East Africa.³⁵

Other Maverick1000 members and colleagues volunteered their time and expertise to the book campaign, and one of them, Anik Singal, donated \$25,000 to fund another village.³⁶ Anik, who once lived in a luxury apartment in Mumbai just three minutes from one of the city's slums, has sought to grow the culture of giving in other ways as well, including starting an organization that supports the creation of quality schools in Indian slums. In 2016, he gave a TEDx talk setting out what he thinks we can and should do about poverty.³⁷

The Next Generation

If we want to bring about lasting cultural change, it is important that parents model effective poverty giving so their children see it as a normal part of what decent people do. Talking to children about money and giving can go hand in hand, and according to one study, parents who do so can positively impact their children's philanthropic behavior.³⁸ Scott Pape, the author of the international best-seller *The Barefoot Investor for Families*, subsequently published a family-focused edition of the book to help parents teach kids about money. In it, Pape recommends a "Three Jam Jar" system to help children manage their pocket money. The three jars are labelled "splurge," "smile," and "give," and each "pay day," children have to put a proportion of their pocket money in all three jars. Money in the "splurge" jar is for day-to-day spending such as movies, the "smile" jar is for saving up for something important, and the "give" jar is to donate to help others.³⁹

Young people who come from families without a giving tradition have few opportunities during their formative years to learn how to give productively. It's easy to talk about it in an ethics class, though, so I include it in some of the classes I teach, including my free online course, *Effective Altruism*, in which I discuss some of the ideas in this book.⁴⁰ To give students a hands-on experience with effective giving, I get the students to take part in a Giving Game. Giving Games were developed by Jon Behar. Behar worked at a hedge fund, and gave to charity, but did not give much thought to where he was donating. His colleagues happened to include the future founders of the charity evaluator GiveWell. When they offered to share their research on which charities do

the most good, Behar was struck by how a simple conversation led him to a giving strategy that was obviously superior to what he had been doing for many years. Later, he wondered if there was a way to replicate, and scale up, his “aha!” moment about giving. The Giving Game Project is his solution to that problem. “Giving Games” are workshops that provide the experience of philanthropy. People learn by giving away real money (often provided by The Life You Can Save, where Behar now works). The workshops usually last around an hour, during which participants learn about several pre-selected charities, discuss their relative merits, and vote to decide which organization receives the money. They’re designed to encourage participants to be intentional, informed, and impactful in their giving. Educators and advocates around the world use Giving Games to teach good giving, and more than 13,000 participants in 25 countries have now taken part. The most common venue for Giving Games is a university, but they have also been run in primary and secondary schools and in a range of other settings, including conferences, corporate gatherings, and religious institutions.

Challenging the Norm of Self-Interest

When corporations make giving normal behavior, and when generous people speak openly about how much they give away and share their giving ideas on social media, they do more than encourage others to do the same. They also challenge an assumption about our behavior that permeates western, and particularly American, culture: the norm of self-interest.

Alexis de Tocqueville, that sharp observer of the American psyche during the formative years of the United States, noticed

the norm even then: “Americans,” he wrote in 1835, “enjoy explaining almost every act of their lives on the principle of self-interest.” He thought that in doing this they were underplaying their own benevolence, because in his view Americans were, just like everyone else, moved by spontaneous natural impulses to help others. But in contrast to Europeans, Americans, he found, were “hardly prepared to admit that they do give way to emotions of this sort.”⁴¹

Despite the increasing popularity of philanthropy, in some circles it is still unacceptable to be altruistic, and not only among Americans. Hugh Davidson, who is British, was president of Playtex in Canada and Europe, and has written several successful books on marketing and business management. Although he set up his own philanthropic foundation, he says: “If you’re a philanthropist, you don’t tell your friends you’re spending your money on charity. You’d sound damn stupid.”⁴² As this suggests, many of us believe not only that people are generally motivated by self-interest, but that they *ought* to be—if not necessarily in the moral sense of “ought,” then at least in the sense that they would be foolish, or irrational, if they were not self-interested.

Conversely, when people appear to act contrary to their own interests, we tend to be suspicious, especially if the action is carefully considered (as opposed to something impulsive like jumping onto a subway track to save someone from being hit by an oncoming train). When celebrities like Angelina Jolie, Bono, or Amal and George Clooney support organizations that help the poor, we look for hidden selfish reasons. We readily agree with the suggestion that they are doing it only for the publicity. Truly selfless behavior makes us uncomfortable. Perhaps that is why we smile tolerantly at the practice of giving away a lot of money

in return for naming rights for a concert hall or a wing of an art gallery: it reassures us that the donor is not really selfless, and reinforces our assumptions about human motivation.

Several studies have investigated the extent to which we expect that other people will be motivated by self-interest. For example, in one study, students were told about a budget proposal to slash research into an illness that affected only women. Asked to estimate what percentage of men and what percentage of women would oppose the proposal, they greatly overestimated the extent to which attitudes were affected by sex. Similarly, the students assumed that virtually all smokers would oppose tax increases on cigarettes and restrictions on smoking in public places, and that virtually all nonsmokers would approve of these measures. In reality, people's attitudes were not as closely linked to their interest—or lack of interest—in smoking as the students had expected. As psychologist Dale Miller puts it, on these public policy issues, “the small actual effects of self-interest stand in sharp relief to the substantial assumed effects of self-interest.” Moreover, the students' own attitudes on the issues were often contrary to their interests: for instance, male participants in the study were likely to oppose the proposal to slash research into the women's illness, while at the same time predicting that most men would support it. This leads Miller to explore a puzzle: “How is it that people come to embrace the theory of self-interest when everyday life provides so little evidence of it?”⁴³

Miller began his search for the answer to this question with an experiment conducted by economist Robert Frank. At the beginning and end of a semester, Frank asked his students whether they would return a lost envelope containing \$100. Students who took an economics course that semester shifted

away from returning the envelope. Students who had taken an astronomy course did not.⁴⁴ Perhaps the economics students had gained the impression that everyone is motivated by self-interest. (Economists argue that smokers approve of tax increases on cigarettes because they want to quit, and they hope the taxes will make it easier for them to do so.) But you do not need to study economics to be affected by the norm of self-interest. Everyone in a developed society is constantly being bombarded with messages about how to save money, or earn more money, or look better, or gain status—all of which reinforce the assumption that these are things that everyone is pursuing and that really matter.

The norm of self-interest is so strong that a version of it holds even in nonprofit organizations that rely on the altruism of volunteers. Psychologists Rebecca Ratner and Jennifer Clarke asked volunteers for Students Against Drunk Driving to read applications from two students interested in volunteering for the organization. The applications differed only in that one applicant said that her sister had been killed by a drunk driver, while the other simply said that it is a very important cause. Volunteers were more encouraging and supportive of the applicant whose sister had been killed than they were of the other applicant. Ratner and Clarke suggest that this is because they understand her “self-interested” stake in the cause. They viewed with suspicion the applicant who had a more general altruistic motivation. In this case, as in many others, suspicion of those with apparently altruistic motives seems counterproductive. The organization is unlikely to achieve its objectives if its support is limited to the relatively small number of people who have experienced a personal tragedy at the hands of a drunk driver.⁴⁵

Contrary to what so many of us believe, there is an enormous

amount of altruistic, caring behavior in everyday life (even if, for reasons we explored in the previous chapter, not enough of it is directed toward the world's poorest people). However, sociologist Robert Wuthnow found that even people who acted altruistically tended to offer self-interested explanations—sometimes quite implausible ones—for what they had done. They volunteered to work for good causes, they said, because it “gave me something to do” or “got me out of the house.” They were reluctant to say: “I wanted to help.”

Literature is full of characters like Molière's Tartuffe, who pretend to be altruistically motivated when they are really self-seeking. We have a word for them: hypocrites. But there are fewer literary examples of people who are really altruistic but pretend to be self-interested, and there is, as far as I know, no single word to describe them. In his book *Acts of Compassion*, Wuthnow offers a striking real-life example of this type. We don't learn how Jack Casey earns an income, but we are told that he does at least 15 hours a week of volunteer work. He is a member of the local fire department and rescue squad, and teaches first aid and outdoor safety courses to schoolchildren. On one rescue, he swam across an icy lake and saved a woman's life. Yet Casey says that his own interests come first. On a rescue mission, “I'm number one, my crew is number two, and the patient is number three.” When he hears people say that they want to join the rescue squad to help others, Casey says that he knows this isn't the truth: “Deep down, everybody has their own selfish reason; they're really doing it for themselves.” Wuthnow traces Casey's attitude to a reluctance to be seen as a “bleeding heart,” “goody two-shoes,” or “do-gooder.” This reluctance, in turn, comes from social norms against being “too charitable” and from our belief that “caring is in some ways

deviant, the exception rather than the rule.” As Wuthnow points out, however, so many Americans engage in some volunteer work that it isn’t deviant in a statistical sense. It is deviant only in terms of the prevailing norm of self-interest.⁴⁶

There is plenty of other evidence all around us that people act from motives other than self-interest. They leave tips when dining at restaurants to which they will never return, sometimes even in towns they don’t expect to ever visit again. They donate blood to strangers although that cannot possibly increase their own prospects of getting blood if they should ever need it. They vote in elections when the chance that their vote will tip the balance is vanishingly small. All this suggests that the norm of self-interest is an ideological belief, resistant to refutation by the behavior we encounter in everyday life. Yet we are in thrall to the idea that it is “normal” to be self-interested. Since most of us are keen to fit in with everyone else, we tell stories about our acts of compassion that put a self-interested face on them. As a result, the norm of self-interest appears to be confirmed, and so the behavior continues. The idea is self-reinforcing and yet socially pernicious, because if we believe that no one else acts altruistically, we are less likely to do it ourselves; the norm becomes a self-fulfilling prophecy.

When walking in London, Thomas Hobbes, the 17th-century philosopher who famously held that all our actions are self-interested, gave a coin to a beggar. His companion, eager to catch the great man out, told Hobbes that he had just refuted his own theory. Not so, Hobbes responded: he gave the money because it pleased him to see the poor man happy. Hobbes thus avoided the refutation of his theory by widening the notion of self-interest so that it is compatible with a great deal of generosity and compassion. That reminds us that there is both a broad and

a narrow sense of self-interest. The long-running debate about whether humans are capable of genuine altruism is, in practical terms, less significant than the question of how we understand our own interests. Will we understand them narrowly, concentrating on acquiring wealth and power for ourselves? Do we think that our interests are best fulfilled by conspicuously consuming as many expensive items as possible, so that everyone knows that we are rich? Or do we include among our interests the satisfactions that come from helping others? Rob Keldoulis, as we have seen, structured VivCourt Trading so that 50% of the company's net revenue would go to charity, but he did this because it gave him more of a purpose, and thus greater fulfilment, than he had had as a trader just making money for himself. Does this make his actions self-interested? I would not describe him that way, but if you choose to do so, then I will add that we need more people who are self-interested like that.