

The 2013 World Giving Index

Host: Ted Hart

Guest: Adam Pickering – Charities Aid Foundation

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CAF America is uniquely positioned to serve as the bridge between these important partners and transforms vision into meaningful action. Guest on the *CAF America Radio Network* are leaders in their field who share tips for success and stories that inspire. Our host is Ted Hart, the CEO of the Charities Aid Foundation of America. This is a live call in show, add your voice by calling 914-338-0855. After the show you can find all of our podcasts at cafamerica.org. Don't forget to dial 914-338-0855. Now, welcome the host of the *CAF America Radio Network*, Ted Hart.

Ted: Welcome here to the latest edition of the *CAF America Radio Network*. Now as I said this is Ted Hart and it's my pleasure to be hosting the show today from New York City. Today our topic is a world giving index, which is designed to provide evidence based insight into the scope and nature of giving around the world in order to reflect a culturally diverse planet. This report looks at three aspects of giving behavior, which we're going to explore today with Adam Pickering who is the International Policy Officer at the Charities Aid Foundation in London. Adam, thank you for joining us here on the *CAF America Radio Network*.

Adam: No problem, Ted, it's great to talk to you today.

Ted: This is a very important piece of work and giving us that insight into what it means to be truly charitable. When we look at this report, which I want to talk about both the methodology and then some of the details. What I first want to start off with is there are three distinct aspects of being charitable as a human being on this planet that are explored and shown in the world giving index. What are those three and why those three?

Adam: Right, yes, exactly right. The first one that most people would identify immediately is the act of giving money to a charitable cause. That's something that we obviously want to measure, but there are another two separate indicators, which we think are particularly useful in getting to grips with the level of broader engagement in charitable activity. One of those is the extent to which people volunteer and also the extent to which people would say that they help or have helped a stranger in the last month.

Ted: I think this is one of the reasons why I think the world giving index is so very significant because it does look beyond just giving money. I think, particularly perhaps, in the West, we

have really equated being a philanthropist or being charitable with giving money, but these other two aspects, I think, really speak to the human nature of being charitable.

Adam: No, you're right and it's something that I'm sure we'll discuss in some detail on this, because I think it's actually fundamental to being able to benchmark the level of generosity in a society and the extent to which the civil society is in good health. We can get too wrapped up with the overall sum of money that's generated from charitable activities, which is obviously incredibly important. Resources are always going to be fairly central, but equally, it's a useful litmus test to be able to say, actually how many people are engaged in some form of giving. Are they engaged in the local community groups or are they just engaged in helping out with a neighbor down the street? It's a useful [crosstalk] of civil society, yes, exactly.

Ted: Yes, and I think that health of civil society is really the story behind the world giving index. Now, for those of us here in the United States, and also in North America, I'm going to let you share the wonderful story about where does the United States fit in the 2013 world giving index.

Adam: If I were to ask any of your listeners, where you thought the US would rank in terms of how much money is generated for charity, many of them might assume that they would be number one, and they would be right, that wouldn't be a surprise. What might be a lot more surprising is to realize that in terms of the proportion of society engaging in charitable activities, the US is also number one.

Ted: Exactly, and being number one this year is the news story here for 2013 here in the United States because where did the United States fall in the global ranking, the world giving index in 2012 last year?

Adam: It dropped down, I think it was down to fifth if I remember.

Ted: Yes, it was fifth last year. What this says is not only is United States a world class, giving power, which of course we are the largest philanthropic marketplace on the planet. The world giving index doesn't stop there and so many other rankings of a sort will stop that sort of the giving of money, but looking at that holistic aspect of what it means to be truly charitable, what it means to be truly philanthropic and as you said, the help of civil society. As an American, I'm very, very proud of the fact that the United States is now the most charitable nation in the world, but let's go a little bit deeper and there's a big tie, I believe for number two?

Adam: Yes, I suppose something that's worth pulling up at this point straightaway is, I guess many in the US would wonder specifically, which areas the US was strongest at. It might be surprising to know that's it's actually helping the stranger [crosstalk]

Ted: I do want to explore that, but I want to give a shout out. There's a big tie for second place in this world giving index for 2013 -

Adam: In the overall score, yes. It's a three way tie.

Ted: Yes, three way tie. Canada, Myanmar and New Zealand all tie for second place. With Canada and the United States in first and second, big shout out for North America. We're part of our neighbors who are at the North.

Adam: Yes, absolutely.

Ted: Let's go back to where you were going because I think that was very interesting to drill down into United States being number one, being the most generous nation on the planet, but there are three indices here. Why don't you go ahead and break it down? How did the United States do in each of the three areas of review?

Adam: Well, with anything like this, if you're competing, we measure, we have data for 135 countries. The winner is always going to be a nation that scores pretty highly against all categories and it's for that reason that the US is able to win this year, and it has to be said, win in the face of pretty stiff competition. If you have a look at the US score, the one that stands out immediately is the score for helping a stranger. 77% of Americans said that they helped a stranger within the last month which is really very high.

In fact, if you look at Canada sitting there in second place overall, then it scored 64 for the same score. I think that the next ties overall was a good three percentage points back. It's fairly commanding lead on that. For donating money, the US has a score of 62. There's a few countries that rank higher than that. Canada actually ranked higher than that. Myanmar or Burma has a score of 85%, which is significantly higher. There are a number of different cultural reasons for that, a lot of it is tied up in Buddhism. [crosstalk]

Ted: As did your own country, the United Kingdom, ranked higher in giving of money.

Adam: It did at 76%, but significantly lower in both volunteering and helping a stranger. You get a clear picture that the US ranks so very highly because it's an all-rounder when it comes to charitable activity.

Ted: I think that is worth noting that when it comes to giving money, the United States is still ranked very highly, but not ranked number one, but it is this holistic approach which I think makes the world giving index stand out, not only because the United States, one, but because as you mentioned this is a global survey of a 135 countries. We're looking across the planet for where are the most charitable and as you said, healthy charitable sector societies.

Let's take a little bit of a step back and let's take a look at the methodology here. We have the good news for the United States and Canada, bravo to North America. We talked about it, but I want to delve in a little bit more into each of the three categories that make up this ranking, but where does this come; from global survey of 135 countries? How is this accomplished?

Adam: The underlying data that we have for the world giving index is taken from the Gallup World Poll, which is a huge annual poll where this year 135 countries were subject to a representative survey of their population covering rural urban areas. 1,000 people in each

country were asked a whole range of questions. Now, we take three specific questions, the ones that we've alluded to earlier about charitable giving from that Gallup poll.

We've been doing that for the last four years, this is our fourth report, but we do have access to data going further back than that, so we're able to present trends that span five years in most cases. It's a survey on a really grand scale and we're really fortunate to be able to have access to this data. I guess something that we'll look at in the future is to whether we want to expand on that, but at the moment I think we've got what is the only global representative survey of charitable giving. It's a powerful tool.

Ted: What are some of the biggest trends that you are seeing in the world giving index across the planet? What trends are you seeing?

Adam: The one that jumps off the page I guess is that we've returned to what you would call growth I suppose in giving globally across all three categories after going through a double-dip recession, which saw giving across all categories drop in 2009, recover slightly in 2010, and then dip again in 2011. This year it's returned to growth, we've not reached the peak that we experienced back in 2008, but we're getting pretty close. It's a pretty positive story globally in terms of levels of giving.

The wider trends that we might want to look at, the first one that you notice this year is quite a big increase in the number of people who've helped a stranger globally. This may be in part down to series of humanitarian crisis and things like the war in Syria, for example and Libya, there's a lot of people out there that are having to help their fellow man and woman and not seen a reasonable increase in helping a stranger which accounts for a good proportion of the growth. The other two categories have grown independently, so overall it's a fairly positive story.

Looking at the US specifically in terms of trends that we might see, the one that is curious to me is quite a marked growth in the number of women giving money in particular charity, which it's been fairly stable. Giving for men has been pretty stable, but there has been a significant increase in the number of women that say that they gave to charity in the last month.

Ted: That was a significant part of the United States change in the index as well.

Adam: It was, yes.

Ted: Adam, we're going to take a quick station break here. When we come back, I want to explore a little bit further this notion that you're bringing up just now and that is the effect of economies, world economies and specific nation economies and how that reflects upon the ranking in the world giving index. We're going to be right back after this break.

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Ted: Before we rejoin Adam Pickering who is the International Policy Officer at the Charities Aid Foundation in London, I just want to make a program note that next week, next Tuesday we'll be live here again on the CAF America Radio Network celebrating the day of international giving. Make sure that you sign up for email updates so that you will be the first to know all the details of this and other programs by going to cafamerica.org and we're live here back with Adam Pickering.

Adam, I want to jump in here and have you explore for us this notion of economies, both global economies which you brought up before the break talking about how the great recession and the global downturn really affected the rankings. I suppose that when you take a look at the fact that Australia for instance, was the highest ranked nation in both 2010 and 2012, in some regards I think reports are that their economy was not hit quite as hard as some other economies. Help us delve into that. Who's hurting and how does that affect their rankings?

Adam: It's really interesting because on the face of it, you would assume that if people are feeling the strain economically, they're less likely to give and I think that's certainly true to some extent. When you look at the overall data for the world, you see that as we mentioned before the data for giving tends to go up and down in proportion with economic growth. However, when you delve down to individual countries that's not always the case.

Certainly, I think as you say, in Australia they've had a pretty boring economy and it continues to be so and that's helped see giving maintained, but also in Australia they seem to respond really well to competition, something that us Brits know all too well in the sports that we engage with, with Australia. Specifically, the US has tended to move with consumer confidence, but that's not always the case in other nations.

Ted: You suppose for instance, countries right now like Greece that are in a particularly bad economic way, where do they fall in this year's ranking?

Adam: Dead last and obviously, I think in the extremes, people respond to economic indicators, but it's often more about self confidence than it is about what's the real economic impacts. If people feel that they have money at their discretion, then they're more likely to engage, but also people can respond to need. When there are humanitarian crises, then people will often respond regardless of the waning resources.

Ted: Exactly. As you're looking into to the numbers, it's also interesting to extrapolate across populations. For instance, when you look at what's happening in India, where I gather 244 million people take money to charity

in a typical month, and that's up significantly from the year before, of 163 million. When you have countries like India with very significant populations, the world giving index also allows you to look inside that nation and see those trends as well. Is that correct?

Adam: Yes, I think it is and it can really help you to think a little bit differently and question some of your existing thoughts. Nations like India with a population of 1.1 billion people, slight changes in giving habits are going to have a profound difference on the global demographics of

giving. Over the last five years, the number of people giving money to charity every month in India has gone up by 14%. As you say, that's a huge number and has a determined impact on the overall picture of giving globally just by virtue of the weight of India's population.

It's something that I think we should really pay attention to, but also, I think there's a comparative story there. The US is sitting right at the top of the table at the moment, but as you said before, it's possibly not time to be complacent because there are other battles yet for the US to win. It's still in a race with countries like China and India to have the most people engaged in different forms of charitable activity. There's still competitions out there for the US to win I think.

Ted: When you look globally, again, as you've mentioned before, 135 nations around the planet, you then see trends and I find it very interesting in Asia where you have Thailand and Indonesia also growing and the levels of their charitable behavior as well. Do you see regional geographic growth patterns? In other words, does one country affect another where here in North America, we have the United States is number one, and Canada tying for number two, do you see other regional effects?

Adam: That's a really interesting point and that's something that I think we will look in the coming months to more analysis on. We're certainly looking to make the story spread throughout the year and I think there's room for us to bring in extra bits of data to run analysis. That kind of regional trends are not that pronounced I would say at the moment with the exception of regions where there's been a trend in that region's economy. The strongest ties across regions tend to be where there are strong cultural and religious things in common. For example, if there is a humanitarian crisis in a country that shares a religion and a culture across region, you're likely to see large increases in donations, we've certainly seen that in the past.

Ted: As I'm watching the clock, time always goes by so fast, I want to make sure that we really explore this notion of the rise of the female philanthropist; the growth that women giving. How significant is that as a trend? I know that, for instance, it's part of how the United States move back into number one is this growth in giving, but is this a global trend?

Adam: I think is a global trend. It's not as profound a change in the last year, as we've seen in the US, but it does seem to be a global trend. Over the last five years, we've gone from a stage where men were a couple of percentage points in front in terms of giving money to charity, and that's pretty much flipped. It's hard to speculate across the whole world, because there are so many different factors which are at play in each different context, but certainly, if you look at some specific regions, you might say that there's been a liberalization of policies towards women or in fact you might say that improving education statistics might be having a similar impact in charitable giving. It's really interesting to look at and it does make you wonder whether actually looking at charitable giving isn't quite an effective measure for broader societal gains and progress, which I think it is.

Ted: Well, I think it's partly that and again, I think the genius behind the world giving index as it does look at these other aspects and while we're focused on gender here, I found it particularly

interesting in the research that men were more likely to volunteer, and men were more likely to help a stranger. I thought that was an interesting gender difference.

Adam: Yes, I think it is an interesting gender difference, again, we're left to speculate as to the causes of it. While that could be said to be risky, certainly, if you look around some of the issues that are occurring in the world at the moment, it might be that men are in a position to culturally help in ways that women haven't been at the moment particularly in some areas that are hit by crisis. It does seem very interesting and again, it's something that we may well look to dig into. It's also- [crosstalk]

Ted: It's an interesting point that you bring up is that as not obviously, every aspect, every part of the world, but in some significant ways, women are moving into the workforce, therefore potentially have more access to their own resources, making it possible for them to donate money, perhaps in some parts of the world, fewer children, so they're not as tied to child rearing. It frees up their time and their ability to also-- I think you're right taking look at the cultural significance in societies where women are more equal to men, thought of and treated more equal to men than perhaps their counterparts in other parts of the world may be part of the underlying reason why women are now growing in the philanthropic and charitable world.

Adam: Right, exactly and I think it will be interesting over the next couple of months to dig down a little bit into that data and look at those countries that don't fit the mold and then try and look at all the data to tell us exactly what are the differences and what countries and governments can do to try and bridge the gap and improve giving across both genders.

Ted: I guess a way to summarize that is, maybe not terribly profound, but nonetheless insight in that a healthy civil society is one that benefits from both men and women, but it's not necessarily it is by one or the other. I think that's maybe not particularly profound, but is an important insight into what we're seeing. I agree with you, I think that overlay where do we have these very healthy civil societies which benefits the entire nation that's being reviewed in the world giving index.

I want to thank Adam Pickering, who is the International Policy Officer at the Charities Aid Foundation in London for being our guest here on the CAF America Radio Network. Before we wrap up, we only have about two minutes left here on the show, Adam, what have we not spoken about today, or in some way summarize the 2013 world giving index?

Adam: Firstly, I think it's a fantastic story for the US. I think, actually possibly more could be done to celebrate not just the amount of money that's raised in the US for charity, which I think most people know about, but the level of engagement is not something that you hear talked about a lot. The US is the most generous country in the world in terms of not just the amount of money given, but the extent to which people are willing to give up their time; ordinary people. It's a trend for everyday Americans I think, and that's a great story.

The other thing that I would pick out really strongly is this sense that emerging markets in the world are starting to pick up the slack and provide lots of extra resources for civil society. It's

really worth people thinking about the impact that people with emerging incomes in developing countries could have for the world.

Ted: Thank you, Adam, for being our guest today and bravo to the United States.

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