

2012 World Giving Index

Host: Ted Hart

Guests: Richard Harrison – Charities Aid Foundation

Announcer: Welcome to the *CAF America Radio Network*, a production of the Charities Aid Foundation of America. As the leader in global giving, CAF America offers more than 20 years of experience and expertise to corporations, foundations and individuals who wish to give internationally and with enhanced due diligence in the United States.

Through its industry leading grant management programs and philanthropic advisory services, CAF America helps donors amplify their impact. This show is dedicated to these donors and the charity they support.

CAF America is uniquely positioned to serve as the bridge between these important partners and transforms vision into meaningful action. Guests on our *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 Network*, Ted Hart.

Ted Hart: Welcome here to this next edition of the *CAF America Radio Network*. Today is an important show because today we are going to be talking about the newly released World Giving Index. This is the third year for the World Giving Index released by the Charities Aid Foundation in the UK.

This is the largest study of its kind looking at charitable behavior across the globe involving 160 countries in total. We're going to have the opportunity today to explore this report with an expert on behalf of CAF UK, helped to put together this report.

Richard Harrison is the director of research at the Charities Aid Foundation based in London. He has lived and worked as a researcher in France, Hong Kong and Beijing. His team's key project is the World Giving Index, the only global survey on giving and, for all of our Americans here, he is married to a Washingtonian.

Welcome to the *CAF America Radio Network* Richard Harrison.

Richard Harrison: Thanks very much. Good Afternoon.

Ted: Good afternoon, Richard. Thank you for joining us. We are here celebrating the release of the third edition of the World Giving Index. Let's start off with making sure that our audience today understands what is the World Giving Index and why did CAF UK decide that this was a report to put out on an annual basis?

Richard: Okay, thanks, Ted. The World Giving Index is a very, very large survey in essence. Over the last five years, Gallup, the market research company, has been asking about 100 questions to at least 1000 people in over 150 countries every year, questions such as how do you feel about society? Do you think the policy is working well, but also some questions on giving. What we've done is to work with Gallup to tease out some questions that relate to how generous we are, how much we'll give, actually three questions we saw in this ongoing survey that is funded by people like the World Bank and UN.

In order to arrive at a view of how generous the world is now and how generous countries are, and, of course, there's-- as we say in the UK, there's different ways to skin a cat, different ways to come at an answer of something, and this is only one of the ways we could use to arrive and answer to this question.

The three questions that we look at are in the last month, have you donated money to a charity? Have you helped a stranger? Have you volunteered your time? For each country, we take the three scores, three percentages of at least 1000 people who are interviewed in each country in each year, and we average them. Hence we arrive at a score.

We can do a lot with that. We can understand or we can see what's happening in terms of levels of giving in a country, so for those three behaviors individually or altogether, we can look at the proportions of males and females or young adult people in the country, in a region or globally who are giving. We can also, if you think about it in the biggest way look at an overall aggregated picture of how generous the world is.

This is not-- I must stress, it's not a judgement although as an index like this always lends to an element of that, but our intention really is to increase the amount of debate around giving and to encourage governments to start spending money on accessing or providing proper data on the nature of civil society and giving in countries around the world.

Ted: Richard, regardless of what people might think of surveys of this sort, this is a very impressive survey. Gallup, as you mentioned, is a polling company. They spoke to more than 155,000 people in 146 countries, that's no small undertaking. As you mentioned, in this particular index, what we're going to be discussing today are the rankings of these countries by a proportion of people who donated money, volunteered time or helped a stranger in the last month.

Now, specifically overall globally, let's look at the global, then obviously we want to break that down to what's happening in North America. Globally, what is the health of giving and volunteering and helping?

Richard: Well, let me start off by giving an indication of the proportion of people who are doing those three things. I'll start with the lowest one. 18% of people in 2011 volunteered their time. From the whole global community, about one in five people volunteers in a typical month, which, I don't know, to me, the first time I heard that number, it was 21% five years ago. It feels kind of good, one in five people having the time to volunteer.

Of course, a lot of countries are talking about volunteering in the way we might understand it in the States or the UK. Formal volunteering will exist, but to think that one in five of us is doing that, it was somewhat humbling to us.

The next highest number is the proportion who are donating money, which comes in at 28% in 2011. Just over a quarter of us around the world donate money to charity in a typical month, and nearly half, 45% of us in a typical month help a stranger, someone we don't know.

It could be helping someone with directions on the street or just doing someone a favor. I guess everyone will look at those three numbers differently. Some people will say the glass is half empty, some will say the glass is half full.

For us, given that it is a monthly figure and not annually or what have you, my gut feeling is it's maybe slightly higher than I had imagined before we embarked on this project, but as you alluded to earlier, a lot of the interest this year has been in how those numbers have fluctuated over the recent years.

Ted: Yes, here in CAF America, principally our job is to help corporations, foundations and individuals with their international philanthropy, but also to help with what we call enhanced domestic due diligence where we help those who want to grant dollars understand and have a more trustworthy information about the charities that they wanted to give to and make sure that they're giving safely.

Giving within the United States and giving around the world are extremely important to those who turn to CAF America. Why don't we start off with the issue of volunteerism? You just mentioned some statistics globally. How did the United States do in your rankings in the index for volunteerism?

Richard: Very well. I mean let me start off with saying that the States came in the top 10. The proportion of people who claim to have volunteered in a typical month in the United States was 42%.

That puts the United States in the top 10 that is topped by Turkmenistan, Liberia and Pakistan, and this is I don't know if we want to get into it today, but there is a discussion to be heard around whether the volunteerism happening in the countries ranked above the States is always how we might think of it. Some of those countries are accused of having human rights issues. We looked-- that's in terms of the sheer proportion of the people who are involved in volunteering, but's what's interesting is-

Ted: In this particular index though more than 105 million Americans gave their time to a good cause. That was number one in the world, wasn't it? More than any other nation?

Richard: That's right. You came top in terms of the actual number. Only in United States were more than 100 million people involved in volunteering in a typical month. Here, of course, you take the percentage of people. The 42% multiplied by the population of United States.

You come way ahead of every other country in the world. India, although it has a far larger population than United States come second, 87 million, and Indonesia was in third. There's a lot to be proud of in the state of United States, generally. Obviously volunteering is a hugely important part of, what we call here, civil society just alongside giving or being kind to each other, generally. The States can be very proud of coming top of that list.

Ted: When we've turned to donating money, the United States is known now for being a generous country. Giving in the United States is part of the fabric of this country. Giving both in the United States and growing very rapidly. Actually one of the fastest growing types of giving in the United States is giving around the world. How did the United States rank in donated money to charity?

Richard: In terms of the number of people who are donating money, actually, the States came second in terms of the number at 143 million. That's just behind India but, of course, within that story is the fact that a lot of the reason why India would come higher is because they have a far higher population.

Ted: Yes, they have a lot more people. People in India are, I think, generally regarded around the world as being very generous people as well so that would not be surprising at all. The next index that the two use is helping others. In terms of number of people helping others, how did the United States fair?

Richard: Second behind China with 178 million.

Ted: Again, very impressive much larger population in China so I think that shows the United States to really be one of the leaders around the world in terms of setting the pace for volunteering, giving, and helping others. Here in CAF America, we provide services throughout North America. I see in the index that one of the other countries here in North America did rather well and moved up in the world giving index rankings quite a bit. How did Canada do?

Richard: It did very well. It came third overall on our main index pipping the United States very marginally by 1%. Again, we take these three measures, we divide by three, get an average. Canada got a score of 58 when the States got 57. It couldn't have been closer.

Interestingly, we look at this in two ways. We look at the score for the most recent year, full year, which is, in this case, 2011 but we also look at scores for the past five years. That's a new element of the 2012 report we just published. On that perspective with some will feel is a firmer and more robust way of looking at where a country is, the United States comes third and Canada switches to fifth.

They literally changed places in terms of the one-year view and the five-year view. For those who believe that this longer term, five-year view which perhaps irons out any anomalies or nuances. Let's say the impact that either the economy or disasters and emergencies might have, United States came third in terms of average score from these three measures. That's also very impressive.

Ted: When you look at the index overall for world giving, what I've read this correctly and actually the United States would be tied for fourth with New Zealand? Same score?

Richard: That's correct only we do-- [laughs] as referred because we love playing with numbers. From the report it says the same score at one decimal place. New Zealand pip United State by the merest fraction. Hence, it's listed for the Head of the United States would start.

Ted: We don't mind. We're a big of the Kiwis. Looking at the overall rankings, Australia, wonderful country, a very generous country, they came in first in the World Giving Index rankings. For this year, they were third. Last year, staying at number two was Ireland. What's going on with Ireland in being so consistent in their rankings?

Richard: I think a big part of generosity and giving in any culture will be faith. Many countries hand list your fee. You look at the names and you immediately a country's whether it's known to be a very healthy, vibrant, faith-based community, whatever denomination that is.

Another thing that's always struck me about the countries that come high on the list is this idea that someone puts me once of a healthy work-life balance or other countries that have a healthy economy but you've also got nature or scenery or a lifestyle that allows you to have a balanced way of living.

Some people live, speculated that it might be possible or likely that countries that fair better on this index are ones where the population, the people's well-being is high. That perpetuates a healthy cycle of giving. You're happy so you give and you give because you're happy and so forth. That's something that's speculated for Ireland as well as a faith-based reasoning. What's particularly impressive about Ireland, though, I would say, is that I'm sure your listeners in the States will realize that whilst everyone in Europe right now is talking about Greece is being particularly hard-hit by the economy.

Ireland was pretty much hit as hard. Ireland is second on this list. Greece is last. Whilst it's so much more complex than just to throw a simplistic economic considerations of this discussion. I think Ireland is all the more impressive being there for what it's been through financially.

Ted: Yes. I thought given that as well. You brought up the economy. John Lowe, the chief executive of the Charities Aid Foundation has made several statements regarding this particular index.

One of them is he drew this comparison to literally hundreds of millions of people around the world donating their time, money, and helping strangers but that overall index, the overall generosity factor around the globe has been hit by the economic downturn around the globe. How much of a factor has the economy been?

Richard: Well, we're pretty confident from these numbers that there's a strong case to argue is the link between the state of the global economy and the state of giving globally. I just mentioned Australia or Ireland and Greece there but the country that comes top, Australia is one of the very few developed economies that hasn't had a recession in the last 20 years.

The reason that the report dares to go there, is because if you look at global GDP data which I must admit, I hadn't realized that there is a reliable robust concept. It's not country GDP but international GDP.

Google it. It's easy to find. The only year that global GDP shrank in this horrible recent few years of economic turmoil with 2009. It's also the worst year on record for giving in terms of averaging the proportion of those three behaviors. We knew we started looking at the States because there was something up, if you like, but it's more than that. Over the last five years of the report touches on-- If readers download the report - that there is a real synchronicity between 2007 and 2009 where global GDP was moving towards shrinking, was going to turn negative.

Then in both the economic data, the GDP and the giving, there was a rebounding in 2010. Equally they both shrank quite remarkably again. This so-called double-dipped in 2011. One hesitates to go out and say categorically, there can be no other answer but we certainly feel the economy is enough link he to get people thinking about it.

One other possible candidate is just by total coincidence that the two worst years, miss five-year space 2009 and 2011 were also the years when Red Cross - who have an excellent report on disasters and emergencies worldwide - found at least two years, in recent years where they were fewer, thank goodness, disasters and emergencies on record. There were under 600, whereas in a typical year there's many more than 600 disasters or emergencies around the globe.

We certainly think that there's a strong enough case to start getting people thinking about this relationship between how we're all doing as a global community financially and our ability to be generous.

I would flip it slightly, Ted and say "Is it that surprising?" As the guy who's in charge of the report I should say that we're police come forward with this finding but at the same time part of me wants to say, "Is it that surprising?" If we flip it and imagine that the world was becoming more affluent if we were in a giddy phase of more and more growth, wouldn't we expect to see generosity increasing? I'm not that sure that we should be surprised if indeed is true.

Ted: We're going to take just a really quick break. When we come back I just want to make sure that for the record on today's show we run down through the six most generous countries in this report. We'll be right back.

Announcer: Remember our podcasts and archives are always available 24 hours a day at CAFAmerica.org. If you're listening today, our phone lines are open. Call in and ask a question by dialing 914-338-08-55. Now back to the *CAF America Radio Network* and our host, Ted Hart.

Ted: Welcome back to the *CAF America Radio Network*, this is Ted Hart, your host. I'm live with Richard Harrison from the Charities Aid Foundation UK. Richard, is the Director of Research at CAF based in London. He and his team put together this report. Richard the report that we're looking at today is the third edition of the world giving index, a terribly important report to

serve Chronicle what is happening in philanthropy around the world? The most generous countries on the planet are which ones?

Richard: Australia comes first, Ireland is second, Canada is third, New Zealand in fourth and the United States comes in fifth.

Ted: Terrific, and rounding out the top ten?

Richard: Netherlands is sixth, then Indonesia, United Kingdom, Paraguay, and tenth is Denmark.

Ted: We see a couple of different continents represented here. Actually, several, when you look at Australia being its own continent. Where in the world are we not seeing generosity growing? Are there other areas that the notion of being generous to others doesn't seem to be a message that's getting across?

Richard: Well, we do look at all this data by continent. There is one continent which over the last five years has not only been giving showing the lowest scores but also scores are lessening. Before we go into that, I think it's important to say that we mustn't, I think, approach a higher or lower school with a definite sense that there's any reflection on the desire of people to give. Obviously, it's also going to be a reflection of their ability.

In developing parts of the world where there is so much poverty or there may be so much corruption, it's also people the literal ability to give. Equally there could be parts of the world that are so affluent. I was interviewed this morning by journalists in Singapore, they would argue that life is so good and everything's working so well that their scores are low for the opposite reason. Anyway, the continent that has the lowest scores is Africa. Where is the Americas, Asia and Europe in the around 30% or just above.

Africa is lower but only just at 27% percent, being the average of all countries and all these scores but it's not that far behind. I think, even there, this is one of the heartening things about the report, we see some exceptional examples of human kindness coming through.

My favorite is Liberia where, as your listeners will know, neighboring Sierra Leone, having gone through so much conflict and just coming out the other side of it now after a couple of civil wars. Life couldn't have been harder for the people of Liberia.

Obviously, a part of the world that has a rich bond with the history of the United States as well. It leads the world, in terms of, the proportion of people who help a stranger typical month, 81% miles ahead of the second and third place countries. It's quite unique in our report for any one country to sit so far ahead of other countries in terms of the proportion of people giving.

People on the ground who've been to Liberia, I was at a conference of the day with some other NGOs and someone said, "I really understand why the score in Liberia is so high." Because it is still reeling, if you like, or recovering from the Civil War. There's so much good stuff happening in terms of people helping each other to get through, to let Liberia be a healthier place. There were happy stories although, there are positives around the world.

Ted: Very nearly in the top 10. They come in 11th around the world, it's definitely a bright spot in Africa. I think where I was going with that is thinking of our donors and looking at where they might be able to have an impact or where there is a need. Is there a way for this index to signal an indication where philanthropic cultures could grow and could use additional support? Where, as you mentioned, this is not meant to signify people's desire to give but what they actually do. Is there a way for getting some of these lower scores as an indication of where the world might want to direct some support?

Richard: Yes. I think for me, the modern donor, the people who give to CAF America or other prominent institutions in the United States, will be people who think very seriously about a decision. They will want to understand the impact of their donation. They'll have at their fingertips a range of data. I think this is certainly, part of that armor of information people can use.

I would say, that the primary aim is to understand literally the prevalence and incidence of giving but if I was fortunate enough to be a major donor, considering what I can do internationally, I would look upon the list as an indication of social functionality or the strength of civil society.

I think it is a bit more of an art than a science. If one looks at the bottom of the list, and I read upwards from 150, 145 this year, you've got Greece, Montenegro, Albania, Togo, Rwanda, China, Burundi, Turkey. I could go on but I think it's certainly useful, in terms of, informing us, quantifying places that are just having a hard time. If you look at that list, I think as a donor, one would have poetic license to eliminate or to think differently of China's and Greece's whose problems are, Greece obviously has economic infrastructural problems, China is probably doing-- is a different kettle of fish.

You see names here toward the bottom like Rwanda and Burundi. That might help your donors, to help them think about where the places are simply having a hard time. I think it can be used for that to an extent, Ted but our real aim here with this data is to encourage the government to measure and record and to understand civil society. Giving and volunteering and other elements more in the round.

Ted: Richard, anyone with the degree is that you can't make an improvement if you can't measure it first. So, part of what this index does is provide information, Keeping an eye on the clock we are nearly out of time. Richard just in a few seconds further here, just wrap up and summarize this report. Then we'll be wrapping up the show for the day.

Richard: Well, I think this report it's like having a finger on the pulse of our ability to be kind to each other. What worries me about this report, this year is that I think, we've shown that when the world is hurting financially, it's hurting in terms of its ability to be kind to each other. I don't think that's a really in itself necessary or negative reflection on mankind, I think it's natural that if you're struggling to make ends meet, if it's difficult to buy the family groceries in a given week, you're going to have less time, less headspace, less energy to think about "They're hungry, they're sick."

Ted: I'll agree with you there, Richard. Again, thank you for being our guest here at *CAF America Radio Network* as we launch the World Giving Index.

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