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the generosity commission

THE SHIFTING LANDSCAPE OF AMERICAN GENEROSITY

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The Generosity Commission is a group of leaders from across the charitable sector committed to celebrating and supporting Americans' spirit of generosity as expressed through everyday giving, volunteering, and other forms of civic participation. Launched in October 2021, the Commission was born in response to the decline in the number of people in America who are giving and volunteering. Through commissioned research and conversations, the Commission seeks to contribute to national understanding about how individual givers and volunteers are reimagining generosity in powerful and positive ways, strengthening our society and democracy in the process. The Generosity Commission is an independent project of The Giving Institute and Giving USA Foundation™.

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Over the last century, surveys of the landscape of American generosity have been dominated by a single feature: the longstanding year-over-year increase in the aggregate dollars Americans have given to tax-deductible nonprofit organizations. **"For as long as records have been kept," noted sociologist Robert Putnam in 2000, "total giving in current dollars has risen steadily."**[1] Nearly a quarter century later, the statement still largely holds. According to the latest accounting from Giving USA (as of this writing), Americans gave $557 billion to charity in 2023, more than a third more in inflation-adjusted dollars than when Putnam made his pronouncement.[2]

There has long been something reassuring about the steady, seemingly inevitable ascent of that slope. Directing one's attention toward the statistical summit could confirm notions of American charitable exceptionalism.

In 2022, though, the view from the top began to look different, with the total amount raised representing a *decline* of 8.4% from the year before in inflation-adjusted dollars; in 2023, total giving fell by another 2.1%. Yet even before 2022 was pegged as "one of the worst years in philanthropy history," in the words of *The Chronicle of Philanthropy*, it was already clear that

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the landscape of American generosity was in fact more varied, and perhaps less welcoming, than a vista of steadily rising annual totals would suggest.[3] For one, the upward slope of charitable giving is craggier than it might seem at first inspection, featuring multiple local peaks and valleys. When giving amounts are adjusted for inflation, for instance, total charitable giving has actually declined eleven times since 1983.[4] And even commentators who have marveled at the long-term growth in charitable giving have also acknowledged the apparent limits of the phenomenon. Total charitable giving as a percentage of U.S. GDP, and individual giving as a share of disposable personal income, have hovered around 2% for nearly half a century, never veering more than 0.3 percentage points higher or lower. In at least this respect, though Americans might have given more dollars one year than the years before, we are not becoming more generous.[5]

In fact, at higher resolution, such statistics can indicate not growth but decline. In his 2000 book, for instance, Putnam announced that "trends in American philanthropy relative to our resources are dismaying." He noted that in the late 1990s Americans donated a smaller share of personal income to charity than they had at any time since the 1940s and that the proportion had been steadily falling since the 1960s. Similar observations have been made more recently. In 2022, individual giving was 1.7% of personal disposable income—matching its lowest point in the last four decades.[6]

In other words, even as recent assessments of American generosity have been dominated by the sense of assurance produced by the top-line, aggregate giving totals, they have also contained undercurrents of apprehension. In this light, the disappointing giving totals for 2022 (and, to a lesser extent, 2023) register less as a shock and more as a confirmation of persistent nagging anxieties. In fact, in recent surveys, another feature has come to rival the upward slope of total dollars donated to nonprofits: the gradual downward slope of the proportion of Americans who donate to or volunteer with them. This is not necessarily a new concern. Surveys in the 1980s and 1990s noted a decline in the proportion of American adults who reported making a contribution to charity in the last month; even before then, the influential Filer Commission (the Commission on Private Philanthropy and Public Needs), which conducted its research in the 1970s, was motivated by an aim to "broaden the base of philanthropy" and concerns that the base was shrinking.[7]

More recent household surveys, including one which offers a longitudinal perspective, have provided an even more rigorous analysis of American giving habits and have confirmed this decline.

Taken alongside the increase in aggregate amounts donated (or total hours volunteered), this is sometimes referred to as the "dollars up, donors down" phenomenon. Nathan Dietz and Robert T. Grimm, Jr. of the University of Maryland's Do Good Institute describe it this way: "While the United States recently experienced record highs in total volunteer hours and charitable dollars given to community organizations, these seemingly positive numbers mask a troubling trend: fewer Americans are engaging in their community by volunteering and giving than in any time in the last two decades."[8]

So, the landscape of American generosity is marked as much by decline as it is by increase. In recent years, surveyors of that landscape have begun to give as much attention to the former as to the latter. That perspective has dramatically reshaped contemporary assessments of the state of American generosity. Yet so too has another development: the increased willingness to expand the scope of the survey beyond monetary contributions to nonprofit organizations and direct more attention to informal modes of generosity, to giving to entities not registered with government agencies, and to all the many ways that people, either as individuals or as collectives, care for one another, their communities, and the causes they hold dear. The territory had always been there, but analysis of American giving and volunteering had rarely attended to what GivingTuesday has called "the whole generosity ecosystem."[9]

Analysts' newfound willingness to do so raises two questions that are central to this analysis—though neither is definitively answered by it. The first relates to the extent to which this shift in attention toward a broader generosity ecosystem reflects actual shifts in the practice of generosity. The second question touches on the relationship between the two coincident trends: declining participation in formal charitable giving and volunteering and shifts within the broader generosity ecosystem.

With respect to that second question, a number of possibilities have been offered, although they remain only that; as the Lilly Family School of Philanthropy explained in a 2021 report, "researchers do not yet have a full understanding of how the two trends are related."[10] The strongest causal link asserted between declining charitable participation in one domain and expansion in another poses a model of displacement. In this model, the decline in participation in giving to and volunteering with nonprofit organizations is caused by a countervailing increase in giving to and volunteering through unregistered entities, or direct giving to individuals, or other expressions of generosity outside the bounds of the nonprofit sector. But other causal arguments can be advanced as well, in part depending on whether there has in fact been a shift in practice, and not merely in public attention, toward informal and unregistered giving and volunteering. It is possible, for instance, that the causation runs in the other direction, with the decline in giving to nonprofits sparking compensatory interest in other expressions of generosity. Some have inverted the causal relationship entirely, arguing that it was the hyper-fixation on monetary gifts, and especially those from wealthy donors, that precipitated the decline in everyday donors—and that the current attention being directed to such donors, as well as to informal expressions of generosity, represents a necessary corrective.[11]

In any case, the increased focus on informal expressions of generosity has introduced a measure of indeterminacy into the study of generosity, since many of these less formalized ways of giving resist or complicate efforts to quantify, measure, or track them. Additionally, the growing popularity of private, online platforms on which an increasing amount of giving now takes place means that much of the related data is in the hands of for-profit corporations with no legal or regulatory requirement to report aggregate giving data. Finally, the spread of many of the new instruments of generosity has helped to erode the clear conceptual and legal boundaries that had facilitated tracking (and often legitimized financial support) of gifts to nonprofit organizations. As scholar Lucy Bernholz has written, "Online giving has ... helped blur the lines between giving to nonprofits, for-profits, individuals, or politics as each of these options looks basically the same on a crowdfunding platform."[12]

In the last few years, more researchers have sought to meet the challenge posed by these informal modes of generosity and to track and collect data on their growth and development; this chapter relies heavily on the fruits of those labors. Yet at the same time, surveying the more expansive generosity ecosystem will require becoming more comfortable in an uncertain terrain and embracing some elements of provisionality and imprecision in our understanding of giving and volunteering trends. This does not make the investigation any less urgent or its results any less consequential, but it does mean that findings will likely look significantly different from those that have come before.

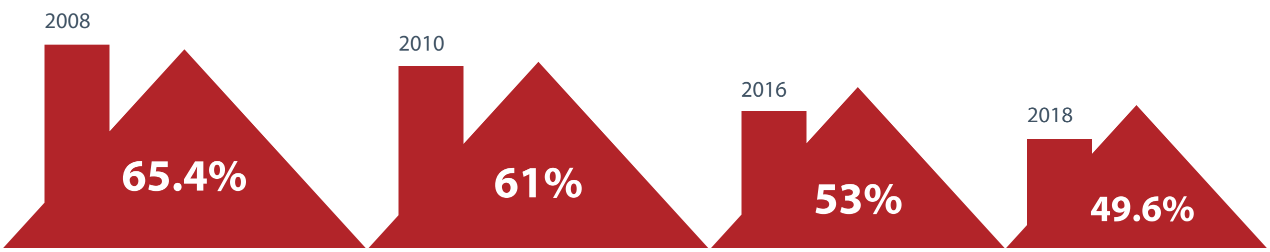
The following landscape analysis of the generosity ecosystem summarizes what we currently know about the decline in giving and volunteering rates, with a particular focus on the "dollars up, donors down" (or "volunteer hours up, number of volunteers down") dynamic and how it was manifested during the COVID-19 pandemic. The landscape analysis assesses the evidence base for this dynamic and examines why it is of concern to many within the charitable sector. It then outlines some of the most frequently cited explanations for the decline of donors and volunteers, including economic precarity and experience of the Great Recession especially, declining religiosity and institutional affiliation, reduced tax incentives for giving, declines in the public's trust of institutions, increased social disconnection, and demographic shifts and generational succession. The final section of the analysis reviews the evidence behind another potential explanation: that giving to nonprofits has been displaced by other forms of giving and prosocial behavior, such as crowdfunding, person-to-person giving, community care, and political activism. The analysis finds that there is, as of now, no clear evidence of displacement beyond anecdotal accounts, and that more data is needed—especially longitudinal data—to arrive at any definitive conclusion about the relationship between various forms of giving and volunteering participation.

Declining Donors

As noted above, the most striking and remarked-upon trend-line to emerge from research on generosity over the last few decades has been the decline in the share of American households that report donating to charitable organizations. This decline has been detected, as a 2021 Lilly Family School of Philanthropy report points out, "across multiple datasets." The most significant of these is the Philanthropy Panel Study (PPS), the philanthropy module of the Panel Study of Income Dynamics that was initiated in 2001 and is "the only existing longitudinal dataset on philanthropy based on a nationally representative sample of U.S. households."[13] Since the PPS began tracking the figure, the share of U.S. households reporting donating to charity has fallen steadily from an initial level of 66.22% in 2000. The decline was at first modest—in 2008, the figure was 65.41%—but it grew more pronounced after the Great Recession (2008–2009), tumbling to 61% in 2010, 53% in 2016, and then crossing a major threshold in 2018, for the first time falling under the 50% mark to 49.6%.[14] Crossing this 50% milestone prompted a spate of anxious commentary, as if a presumed tenet of American exceptionalism, the widespread practice of giving to charitable organizations, could no longer be considered normative. David Brooks, in a 2022 New York Times column, cited the figure as evidence that "America Is Falling Apart at the Seams." As he wrote, "As Americans' hostility toward one another seems to be growing, their care for one another seems to be falling."[15]

Of course, as an objective marker, that 50% threshold should not be forced to bear excessive weight; after all, two of the three other major surveys that have tracked American giving habits over the last two decades record giving rates above half of all households.[16] And yet those two other surveys also show evidence of a decline, though not as precipitous as the one that distinguishes the PPS. As the Lilly Family School of Philanthropy details in its 2021 report, in the General Social Survey administered by NORC at the University of Chicago, giving rates declined from 90% in 2002 to 85%

Share of U.S. households reporting donating to nonprofit organizations



Source: Philanthropy Panel Study

in 2014, while in the Consumer Expenditures Survey collected by the Census Bureau for the Bureau of Labor Statistics, they declined from 45% in 2002 to 36% in 2018.[17] More recently, a decline has also been detected based on data compiled by the Fundraising Effectiveness Project, which shows that the number of donors dropped by 3.4% in 2023, after having dropped 10% in 2022 and 5.7% in 2021.[18]

The research has also demonstrated that the decline in donor participation has been concentrated within a few demographics, especially those with "lower levels of education, income, and/or wealth."[19] Similarly, the Fundraising Effectiveness Project concludes that roughly 90% of the decline in donors it highlighted in 2022 were attributable to losses of donors of $500 and below.[20] This drop-out dynamic has created an increasingly more stratified donor base, with the divide between those who give to nonprofits and those who do not widening. So while the average donation amount across all Americans has fallen over the last two decades, "likely driven by the increase in the percentage of American households who do not donate to charity," those households that do donate are actually on average giving more. [21]

As cited above, this trend has sometimes been referred to as "dollars up, donors down." Given the decline in aggregate giving totals in 2022 and the only modest growth in 2023[22]—that is, if dollars can no longer be reliably assumed to be heading "up"— that label may soon need to be retired or revised. Yet for now it captures an essential feature of the generosity landscape, because at that landscape's heart is the fact that more and more giving, at least to nonprofit organizations, has been coming from a smaller pool of wealthy donors. Those donors had been largely responsible for much of the increase in recent years—until, in 2022, they weren't.

Indeed, top-heaviness, as the Institute for Policy Studies has termed it, has become a defining feature of contemporary philanthropic giving.[23] More and more total dollars are coming from the largest gifts, which have themselves mushroomed in recent years. As economist Nicolas Duquette has written, "In 1960, 9.8% of potential donors gave half of all donations; by 2012, half of total giving came from just 1.8% of potential donors." The concentration of charity contributions has risen over the last several decades even faster than the concentration of income or wealth.[24] This is by no means merely an American phenomenon. According to a 2024 study by Altrata, donors who are worth $30 million or more gave some $190 billion to philanthropic causes worldwide in 2022, accounting for nearly 38% of total global giving by individuals.[25]

More and more giving, at least to nonprofit organizations, has been coming from a smaller pool of wealthy donors.

The reshaping of the charitable landscape by large donations can be seen in the vast terrain now occupied by private foundations and donor-advised funds (DAFs), which absorb a significant amount of those large donations.[26] The number of private foundations has grown dramatically over the last several decades, from 32,401 in 1990 to 127,595 in 2020.[27] The growth of DAF accounts over the last decade and a half has been even more spectacular, from 205,635 in 2011 to 1,948,545 in 2022, with an annual growth rate of more than 20% from 2011 to 2020.[28] Total assets in private philanthropic foundations rose from $165 billion in 1991 to more than $1.2 trillion in 2022; total assets in DAFs rose from $38 billion in 2011 to $229 billion in 2022.[29] In fact, giving to private foundations has grown from 4% of total giving in 1991 to 11.4% in 2022; giving to DAFs has grown from 3.5% of all charitable giving in 2011 to 17% in 2022.[30]

Total giving *by* foundations and DAFs has also increased dramatically. According to the 2023 Giving USA report, "The five-year annualized average growth rate" for total giving from foundations, from 2018 to 2022, "was 9.8%, far outpacing the five-year annualized average growth rate for total giving at 3.3%."[31] Indeed, over the last decades, the share of total giving from noncorporate foundation grantmaking has more than tripled, from 5.7% in 1983 to 18.6% in 2023. Such growth, Lilly School of Philanthropy scholar Patrick Rooney has noted, "strongly suggests a disproportionately large effect of donors from the high(est) ends of the income and wealth strata."[32] Similarly, the share of total giving from grants made from DAF accounts rose from 2.7% in 2011 to 8.9% in 2021. As Rooney noted in a 2019 article, "The increase in the number of DAF accounts, their total assets and grants, and, especially, the overall 'market share' of DAFs as a percentage of household or individual giving demonstrate the growth of 'bigger' or 'big' donors."[33]

The top-heaviness of charitable giving has become a source of concern to many civil society observers for a host of reasons. First, critics worry that because gifts to foundations are required by law to pay out only 5% of their assets and DAFs carry no payout requirement, nearly one-third of all charitable donations are open to the potential for a problematic "warehousing" of charitable funds. (There are now vigorous debates within the sector about how to assess how much DAFs do pay out.)[34] In fact, given these concerns, some publications have changed how they measure philanthropic giving in their ranking of top donors, so that only gifts directed to operating charities are counted.[35]

Nonprofits' increased reliance on a relatively small cohort of donors for funding raises additional issues. One of these involves the potential for greater volatility in fundraising, as the entrance or exit of a single major donor can have dramatic consequences for an organization's fundraising, making it more difficult for nonprofits to plan, compared to support from a "plurality of donors, including small, grassroots givers," as GivingTuesday has written, which can help provide a more regular supply of contributions and weather economic shocks.[36] Increased dependence on large-scale giving also means that nonprofits must deal more frequently with conditions placed on gifts. Additionally, research suggests that wealthy donors exhibit different giving priorities than medium or lower income donors, directing resources to institutions devoted to arts and higher education and health (and especially to well-endowed larger institutions), and giving less support to religious causes.[37] Top-heavy philanthropy thus has the potential to warp civil society around the institutions (and causes) most favored by the wealthiest individuals, with smaller, local charities receiving disproportionately fewer resources than if giving was more uniformly distributed, weakening the pluralistic foundations of civil society. Critics have also raised more general alarms about the power amassed by large-scale donors, suggesting that such plutocratic arrangements do damage to the functioning of a healthy democracy.[38]

GIVING DURING THE COVID-19 PANDEMIC

Given the mounting concerns about declining donor participation, the stories that proliferated during the early days of the pandemic of resurgent volunteerism seeking to meet the needs of the moment—individuals sewing masks, delivering groceries to those who could not leave their homes, Venmo'ing strangers, and supporting local businesses to ensure they would weather the crisis—offered a measure of reassurance about the capacity of the underlying reserves of American generosity.[39]

Indeed, there was evidence that small-scale charitable giving did initially experience a resurgence during that period. According to a study in The Chronicle of Philanthropy of 116 large charities in the United States, giving to them in the second quarter of 2020 was more than 40% higher than the year before. The source of many of those gifts was also notable. "Of the 94 organizations that answered a question about small gifts, 55 said they had seen an increase in contributions that probably came

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from low-income or middle-income Americans." Similarly, the Fundraising Effectiveness Project found a 7.5% increase in charitable giving in the first half of 2020 compared with the year before, driven especially by donations of less than $250, which increased by more than 19%.[40]

In some respects, then, the first months of the pandemic witnessed a reversal of the trends that had dominated the charitable landscape for the preceding years. While the trendline of increased aggregate giving continued ("dollars up")—total charitable giving reached an all-time high of $471 billion in 2020, boosted by funding directed to pandemic relief as well as to racial justice, in the wake of the protests over the murder of George Floyd—donor participation rates initially halted their decline.[41] In fact, according to a report from the GivingTuesday Data Commons, 2020 saw a more than 5% increase in donors, with most of the uptick coming from a 11% bump in small donations of between $101 and $500. The number of micro-donations, those under $100, also showed growth for the first time in three years, while the number of major donations, from $5,000 to $50,000, contracted for the first time in the five years the organization had been collecting data. The report also noted evidence of exceptional donor mobility, as year-to-year retention also declined for the first time in the survey.[42]

Yet for all these countercurrents, there was also evidence that the reversal was not sustained into the pandemic's second year, and that in many respects, the pandemic continued and even intensified pre-existing trendlines in charitable giving. "The surge in donors in 2020 ended in the first quarter of 2021 as donor numbers retreated to pre-2020 trends of decline," noted GivingTuesday in a 2022 report. "Not only was there a large loss in donors throughout the year (–6%), but also, it was so large that all the gains in 2020 were lost. In other words, we saw fewer total donors in 2021 than we saw in 2019—a net loss (–1%) of donors through COVID."[43] This finding was seconded by a survey conducted by the University of Pennsylvania's School of Social Policy and Practice, commissioned by the Generosity Commission, which found that 65% of respondents reported donating before the pandemic, while 62% reported donating during it. At the same time, while the "number of individuals who reported

making donations of $25 or more decreased during the pandemic, those who did make donations increased their donation amounts substantially. In fact, the size of the average donation increased by over 200%."[44]

Indeed, for all the vital work that everyday donors and volunteers performed during the pandemic, evidence of the top-heaviness of charitable giving continued to emerge. "The pandemic deepened charities' reliance on donors who can make the biggest gifts," reported The Chronicle of Philanthropy in November 2021.[45] In fact, according to the Fundraising Effectiveness Project, some 43% of total dollars given to nonprofits in 2020 came from gifts of more than $50,000, up 11% from the year before; the total dollars given by those who donated $500 or less actually declined from 2019.[46] And according to data from the National Survey of Nonprofit Trends and Impacts, smaller organizations, those with budgets of less than $100,000 and that were more likely to be supported by smaller donors, were three times as likely to see a decline in donations than were the largest organizations, with budgets of over $10 million.[47]

So things changed, and things stayed the same. Ultimately, the pandemic promoted a sense that the declines in giving participation could be reversed—like in many other respects, it briefly opened up a portal of possibilities of different ways of being—while also affirming the deeply entrenched nature of the trend.[48] Yet given the experience so many had with quotidian and deeply powerful forms of giving and volunteering that sustained Americans during the first stage of the crisis, these years have also underscored how much that trend fails to capture about the condition of generosity in the United States.

Recent Trends in Volunteering

The sense that the decline in giving rates to nonprofit organizations reflects some broader crisis of generosity—or at least some significant shift in how generosity is currently expressed—can find support in the fact that formal volunteer rates have also been declining over the last few decades in the United States. The trends for volunteering do not perfectly track those of charitable giving; the timeline is different as is the steepness of the slope. But the persistence of decline is shared. (Interestingly, volunteering exhibits its own version of the "dollars up, donors down" dynamic, with total volunteer hours having increased in recent years, even as the number of volunteers has declined.)

Whereas most of the decline in donors came in the wake of the Great Recession (to be discussed in more detail below), a decline in volunteer rates was discernible several years earlier, by 2006.[49] This followed a surge in volunteering in the years after the 9/11 terrorist attacks, so that the volunteer rate reached a four-decade high of 28.8% through the years 2003 to 2005. Then, as outlined in a report from the Do Good Institute by Robert Grimm and Nathan Dietz based on analysis of the Current Population Survey Volunteer Supplement, the volunteer rate "suffered its first large and statistically significant decline in 2006 (falling to 26.7 percent)." It remained relatively steady for the next half decade, moving between 26%–27%, including during the years of the Great Recession, when the giving rate's decline commenced. The volunteer rate then began to decline again, "bottoming out at a fifteen-year low of 24.9 percent in 2015." As Grimm and Dietz have shown, this decline was general throughout the United States, appearing in 31 states, without a single state showing a statistically significant increase. It wiped out nearly all the gains from the post-9/11 surge, so that, Dietz and Grimm note, the volunteering rate in 2015 was "virtually identical to the volunteer rate measured in 1974."[50]

The decline has been even more precipitous in recent years.[51] According to an analysis from AmeriCorps, "the *formal*[52] volunteering rate dropped seven percentage points—from 30 percent in 2019 to 23 percent in 2021. This is the largest change since AmeriCorps and the US Census began collecting this data in 2002."[53] The decline began before the COVID-19 pandemic but was no doubt amplified by it—even more than with charitable giving. According to a survey by University of

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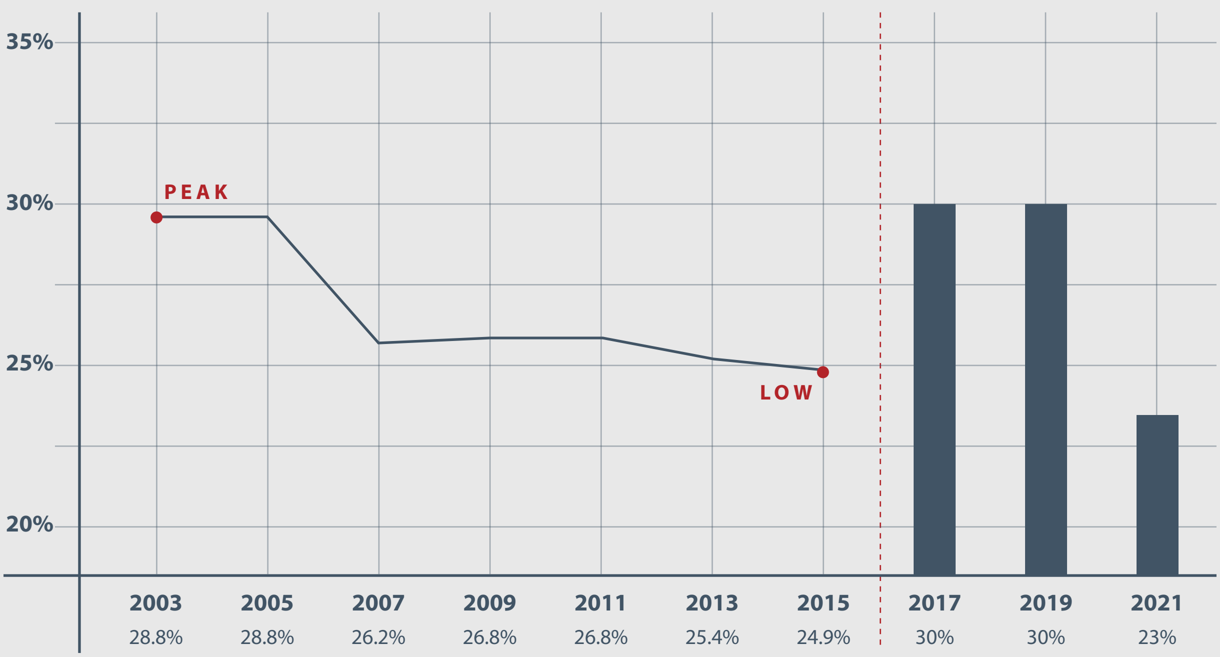
Pennsylvania's School of Social Policy and Practice, a larger share of individuals stopped their formal volunteer behavior during the pandemic than started volunteering: "More than a quarter of people involved in volunteering before the pandemic ceased to volunteer during the pandemic," the survey found, and many of those who stopped volunteering attributed the decision to the impact of the pandemic. "Between worrying about contracting the virus, the lockdowns, and the suspension of many volunteer programs, it is clear that the pandemic caused havoc in the world of volunteering."[54] Furthermore, those who volunteered during the pandemic did so less frequently than before the pandemic; research from the Bank of America suggests that the drop was especially precipitous among high-income volunteers.[55] Indeed, more than two years into the pandemic, according to a study from the University of Maryland's Do Good Institute, nonprofit leaders continued to raise alarms about a crisis in volunteer recruitment. In 2023, 46.8% of CEOs reported that recruiting sufficient volunteers is a big problem for their organization. Those numbers almost doubled from a 2003 survey, in which 29% of nonprofits saw this issue as a major problem.[56]

It is true that virtual volunteering did sharply increase during the pandemic; according to VolunteerMatch, by October 2020, 51% of nonprofits reported having increased their virtual volunteering opportunities (compared to just 7% that increased in-person opportunities). Between July and October 2020, it reported, the share of volunteers participating in virtual opportunities grew from 17% to 29%. In 2021, VolunteerMatch reported that 28% of nonprofits experienced an increase in virtual volunteering. These increases were not nearly enough to compensate for the declines in in-person volunteering, but they did show the adaptability of the system.[57]

National Adult Volunteer Rate



Source: Do Good Institute
It is difficult to compare figures from 2017 onward to those from 2002–2015, given changes in the survey approach. See endnote 51 for details.

Reasons for the Donor Decline

What are the reasons for the decline in the charitable participation and volunteering rates? This has been a subject of considerable research, inquiry, and debate in recent years. A consensus has developed regarding some of the most likely explanations, but it very much remains an open question.

The explanations can be divided into two categories, related to what could be called micro- and macro-dynamics: those within nonprofits themselves, especially related to how the organizations raise funds, and broader trends over which non-profits have little control. Of course, the two categories cannot be hermetically sealed off from each other, since the former often reflects reactions to the latter. Most prominently, critics have pointed to an increasing tendency of fundraisers and development offices to place all their eggs in the major donor basket—a pragmatic response to the deepening wealth and income inequality that has placed a greater share of resources in the hands of a smaller set of donors. Whereas many organizations had once relied on the longstanding 80/20 rule (deriving 80% of contributions from large-scale donors), that ratio has crept up to 90%, or 95% in some charities; and, in the process, critiques allege, the infrastructure catering to smaller donors has begun to atrophy.[58] This theory points to failures in solicitation: if small donors do not give, it is because many are not asked or encouraged to give. Potential everyday donors have internalized this neglect, the theory goes, and some have dropped out of the giving pool entirely. Besides focusing on an underinvestment in everyday donors, other "micro" theories point to the more general failure of many nonprofits to adapt to transformations in digital technology, marketing, or consumer culture, thereby falling behind other industries that have managed to tap into the enthusiasms of potential donors or volunteers. This chapter will not explore these critiques in any detail. But it is important to note the extent to which these concerns shadow debates about the causes of the declines in donor and volunteer participation, even if they are not explicitly invoked.

ECONOMIC PRECARITY

The most obvious macro explanation for the decline in charitable participation, given the position of the Great Recession (December 2007 to June 2009) as a hinge event, is economic precarity. The recession truly was a watershed moment. Una Osili, Chelsea Clark, and Xiao Han, scholars from the Lilly Family School of Philanthropy, write in a 2019 article that "holding other factors constant, households are 6.4% less likely to give to charity after the recession." The Recession seems to have precipitated not merely a decline in donor participation, the scholars conclude, but also a decline in the amounts given and the percentage of annual household income given to charity. “The overall average predicted giving level by all Americans dropped from $1,704 prior to the recession to $1,518 after the recession, an 11% decline.”[59]

The decline in donors after the Recession was particularly significant within certain demographic groupings. Osili, Clark, and Han found that “there was an 8.1 percentage point decline (from 58.9% before the recession to 50.1% after the recession) in predicted giving rates for single men, compared with a 5.1 percentage point decrease for single women, and a 6.5 percentage point decrease for married couples.” Certain age cohorts, specifically millennials and baby boomers, were also affected more than others. “Millennials, particularly, do not appear to be giving at rates comparable to how previous generations gave when they were at the age and life stage of current Millennials.”[60]

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Significantly, the declines in giving were localized in certain socioeconomic groups. “Only households at the lowest levels of educational attainment (less than a high school degree), annual income (<$50,000), and/or wealth (<$50,000) gave a smaller percent of their income after the Recession compared to before,” notes a 2019 Lilly School of Philanthropy report, in part due to the increase in the number of non-givers.[61] The stratification of donor categories (non-donors, small-scale donors, large-scale donors) has increasingly overlapped with social stratification based on educational and financial status in ways that will no doubt continue to shape attitudes toward, and the practice of, charitable giving in the years to come. Ultimately, as a 2021 Lilly Family School of Philanthropy report explains, according to PPS data, “36 percent of the decline in overall giving rates can be explained by declines in income, wealth, and home values.”[62]

Yet the decline in giving continued even after the economy itself recovered. Indeed, as outlined by economists Jonathan Meer, David Miller, and Elisa Wulfsberg, although some of the decline could be explained by the fact that many Americans had less to give, due to the financial hardship wrought by the economic crisis, not all of it could be. “Shocks to income and wealth do not account for this drop,” the authors note, “suggesting that broader shifts in attitudes towards giving or increased uncertainty are at work.” It is possible that the experience of economic precarity itself permanently transformed how many Americans thought about whether and how much to give to charitable nonprofit organizations.[63]

In the decade after the recession, the connection between relative economic precarity and declining participation in charitable giving continued. Whereas more than 70% of households with an income over $100,000 gave to charity in 2018, according to the Philanthropy Panel Study, only one-third of households with income less than $50,000 did. And while nearly 80% of households with more than $200,000 of wealth (not including home equity) gave to charity, only 35% of households with less than $50,000 did. Other recent research has pointed to correlations between charitable giving participation and U.S. labor force participation, as well as rates of home ownership.[64] Surveys have also confirmed the relationship between economic precarity and declining volunteering rates; analyzing data from the U.S. Bureau of Labor Statistics and the Census Bureau's Current Population Survey, Grimm and Dietz have shown that such declines were more likely to have occurred "in areas with higher levels of socioeconomic distress."[65]

DECLINING RELIGIOSITY

Economic precarity and its material and attitudinal consequences are clearly leading contributors to the declining participation rate. But they are undoubtedly one tangle of causes among many. The decline in Americans' religious affiliation and participation in religious institutions is another frequently cited explanation for the donor decline.

Religion has long been one of the strongest predictors of giving and volunteering. Especially in its institutionalized forms, religion provides networks, opportunities, and motivations that encourage giving and generosity. In fact, there is substantial evidence that religious Americans are more likely to give and to volunteer—and not merely to religious causes, but to secular ones as well. Surveys from the Pew Research Center have shown that Americans who attend religious services weekly are more than 50% more likely to have given to charity in the last week than those who do not attend, while research from the Lilly Family School of Philanthropy has demonstrated that the average annual charitable contributions of Americans who claim religious affiliation are more than twice as large as those who do not.[66]

Moreover, giving to religious institutions (defined in the Giving USA tally as gifts made to congregations, denominations, missionary societies, and religious media) has for decades remained at the top of the list as the cause area that has attracted a plurality (and before the mid-1990s, an actual majority) of charitable dollars in the United States. Defined more expansively to include faith-based organizations, religious schools, and other institutions inspired or organized by religious principles or solidarities, the share of giving directed to religion is even higher: one estimate put the proportion at nearly 75%.[67]

Therefore, as Americans' levels of formal religious affiliation and observation have plummeted over the last few decades, it would stand to reason that this decline would also have an impact on giving habits. According to Gallup, in 2020 only 47% of Americans said they belonged to a church, synagogue, or mosque. This is down from 70% in 1999 and represents a dip below 50% for the first time in the history of the Gallup survey question (two years after the charitable participation rate crossed below the 50% threshold in the PPS).[68] According to the General Social Survey, the percentage of Americans who attend religious services declined from 81% in 2002 to 67% in 2022 (and was 70% in the pre-pandemic year of 2018). And a recent survey from The Wall Street Journal and NORC at the University of Chicago reported that the proportion of respondents who said religion was very important to them declined from 62% in 1998 to 39% in 2023.[69]

> **The share of households that give to religious organizations or causes has fallen more steeply than the share of households giving to secular organizations.**

Indeed, the share of total giving directed to religious institutions (narrowly defined), while still absorbing more than any other cause area, has in recent years dropped below 30%.[70] Moreover, the share of households that give to religious organizations or causes has fallen more steeply than the share of households giving to secular organizations, dropping from more than 46.5% in 2000 to 29% in 2018.[71] Grimm and Dietz have also identified "the decline of religious participation among Americans" as a significant causal factor explaining the decline in volunteering. In the past, they write, religious organizations have tended to host more volunteers than any other institution, but the share of volunteers who served with religious organizations fell sharply over the last decade.[72]

The timeline for this decline does not perfectly align with that of the more general decline in donor participation, which was precipitated especially by the Great Recession; the decline in the share of households that give to religious organizations was evident earlier, by 2004, and the decline in the share of total giving directed to religion has been apparent for at least three decades.[73] This suggests that trends in religious giving represent a distinct strain contributing to donor decline, although they intersect with—and likely compound and were compounded by—the impact of economic precarity in ways that are not yet fully understood. Indeed, the likelihood of households giving to religious causes declined by 7.9% after the Great Recession, compared to a decline of 5.1% for secular causes. In fact, Osili, Clark, and Han observe, "most of the decline in overall giving amounts" evident after the Recession was "driven by the decline in giving to religious purposes." They found a $162 decline in religious giving after the recession, compared with a $24 decline in giving to secular purposes.[74]

It is also true that, if formal measures of religiosity in the United States are declining, other measures of spirituality are growing. In fact, according to a 2017 survey, 27% of Americans consider themselves to be "spiritual but not religious." There is some emerging evidence suggesting that a broad range of spiritual practices—including meditation and yoga and reading a spiritual or religious text—are also positively associated with prosocial behavior, including giving and volunteering.[75] It is possible that casting increased attention on the measures, practices, and communities associated with newly expanding forms of spirituality would also reveal connections to other expressions of generosity, beyond giving to and volunteering with nonprofits, that are themselves in flux.

TAX INCENTIVES

The Tax Cuts and Jobs Act (TCJA), passed in December 2017, included several provisions, most notably a doubling of the standard deduction, that had the effect of decreasing the incentives offered to taxpayers making itemized charitable contributions. **In fact, after the TCJA's passage, the proportion of households claiming a charitable deduction on their federal income tax returns fell from 25% in 2017 to 10% in 2018 (and then to 9% in 2019).** The decline was especially pronounced among upper-middle-income households. As the Institute for Policy Studies noted in a 2022 report, "Roughly 70% of households making between $100,000 and $500,000 ... claimed charitable deductions on their tax returns before the reform, but that dropped to just 29% after it."[76] The bill was largely responsible for 2018 being one of the few years in the last several decades that experienced a decline in total aggregate charitable giving, in part because donors front-loaded donations in 2017 in anticipation of the tax change. Initial research suggested that by 2021, the TCJA would result in a 5.1% reduction in total charitable dollars donated over a counterfactual scenario in which the bill wasn't passed, and a 2.6% reduction in the number of donor households.[77]

Yet subsequent analysis, utilizing state tax return data, suggests that "taxpayers who lost their charitable deductions" and thus stopped itemizing, leading to lowered reported charitable giving, in fact only "modestly reduced" their donations.[78] Moreover, the tax changes did not have a particularly significant impact on lower-income households, where the donor participation decline has been concentrated. It is possible that the TCJA carried larger signaling effects about the civic value of charitable giving that might have subtly discouraged giving (briefly counteracted by the passage of a temporary non-itemizer charitable deduction of $300 during the pandemic, one-fifth of whose claimants had adjusted gross incomes of under $30,000).[79] Ultimately, however, it is difficult to state with any degree of certainty the extent to which the TCJA is responsible for the decline in the charitable participation rate.

DECLINING TRUST IN INSTITUTIONS

Yet another possible contributing factor to declining donor rates is eroding trust in major societal institutions, including charities and nonprofits. In recent decades, amid a general decline in institutional trust—most strikingly manifested with respect to government, large corporations, and the news media—nonprofit organizations had remained, if not entirely immune to the erosion, then at least among the most trusted, and often the most trusted, institutions, according to annual surveys conducted by Edelman. But in recent years, the wave of distrust has swept over nonprofits as well, and in the latest Edelman global trust "barometer," NGOs had lost their pride of place, in 2020 slipping out of the top spot they had occupied for nearly two decades, dropping first behind government, then behind business. [80]

Since 2020, Independent Sector has partnered with Edelman Data and Intelligence to learn more about Americans' trust, or lack thereof, in the nonprofit sector. According to a 2023 report, the share of Americans who say they trust nonprofits declined from 59% in 2020 to 52% in 2023 (the decline from 2022 to 2023 for nonprofits was the largest year-over-year change for any institution tested). However, the most recent 2024 Independent Sector/Edelman Trust report showed that after four years of decline, trust in nonprofits increased to 57%, even as it declined for other major entities, like business, media, and government.[81]

Socioeconomic status and education level are highly correlated to high levels of trust in nonprofits (as they are to propensity to give to nonprofits). "Trust in nonprofits is 22 points higher among Americans rating their finances as excellent or good compared to those giving ratings of poor or fair," Independent Sector reported in 2023.[82] And, as previous reports had documented, having a college degree remained "more predictive of trust in the sector than any other demographic variable analyzed."[83] Conversely, rural populations, those making less than $35,000, members of Gen Z, and Republicans exhibited relatively high levels of distrust in nonprofits. [84]

As Independent Sector notes in its report, "The frequency of people's engagement with nonprofits as donors, volunteers, advocates, and constituents positively impacts their level of trust in the broader sector." **Those familiar with nonprofits were 39 points more likely to trust the sector compared to those unfamiliar with nonprofits.** According to the 2024 report, 79% of Americans who volunteer say their experience made them view nonprofits more favorably. "Trust also is a prerequisite for many people to engage nonprofits, creating a self-reinforcing cycle that appears to be weakening."[85] Instead, it's possible the sector has been suffering from something like a mistrust doom loop. Surveys show that trust is an important factor in leading donors to give to or volunteers to serve with an organization.[86] If donors stop giving or volunteering, they and those they associate with will also be less familiar with nonprofits, which can then lead to further declines in trust, which can lead to further declines in giving or volunteering. It is also possible that recent declines in institutional trust have translated into reduced donor loyalty to particular charitable institutions (if not to charitable institutions more generally), which in turn could help explain the drops in donor retention rates and the increase in donor mobility between organizations that many nonprofits have experienced in recent years.[87] If the rebound in trust in nonprofits continues, it will be important to assess its potential effects on giving rates.

SOCIAL (DIS)CONNECTION

Discussions of the declines of volunteering and charitable giving are sometimes nested within broader inquiries into a perceived malady of social disconnection. In the late 1990s, sociologist Robert Putnam warned of the erosion of social capital; similar alarms were raised in the late 2010s by the United States Congress's Joint Economic Committee, which framed their analysis in terms of debilities in the nation's "associational life."[88] Even more recently, Surgeon General Vivek Murthy has drawn attention to an "epidemic of loneliness and isolation," labeling it a "critical public health concern," and stating that the "mortality impact of being socially disconnected is similar to that caused by smoking up to 15 cigarettes a day."[89]

Such diagnoses are often rooted in a tangle of related trends. Over the last several decades, for instance, Americans report spending more time alone (the equivalent of 24 hours more per month spent alone from 2003 to 2020) and less time with friends. Trust in others has also declined steeply, as has the share of Americans who report exchanging favors with neighbors. Other research has pointed to long-term declines in compassion and empathy.[90]

Although it seems to make intuitive sense that an increase in disconnectedness would be correlated with, if not directly responsible for, declines in formal expressions of generosity, until recently we had little understanding of their precise relation.[91] Nathan Dietz explores the relationship between social connection and giving and volunteering in a 2024 report, commissioned by the Generosity Commission. Dietz finds that "people who belong to, or participate in, one or more community groups or organizations in the previous year are significantly more likely to volunteer (14.3 percentage points) and also significantly more likely to donate money (by 8.6 percentage points)." Using a measure of social connectedness based on the frequency of a number of household and neighborhood activities, Dietz also finds that it has a small, but significant influence on volunteering, but no independent effect on giving, after group membership is controlled for.[92] Additionally, past research from Dietz and his colleague Robert Grimm has demonstrated that pre-existing reserves of social capital do not necessarily inoculate a community against declines in giving or volunteering. The "higher the level of social capital in a state, the greater the decline in its volunteer rate," they have shown. Indeed, "recent declines in volunteering have been concentrated in rural and suburban areas," precisely the areas that historically could claim high levels of social capital.[93]

Moreover, for all the evidence that suggests the United States now suffers from declining levels of social connectedness, there is countervailing evidence pointing to increased levels of solidaristic sentiment. In the same report in which Robert Grimm and Nathan Dietz highlight declining rates of formal volunteering, they also cite survey research by the Higher Education Research Institute (HERI) that posits that "the desire to do good" is at a 50-year high among entering college students. In 2016, they note, "HERI reported that record numbers of first-year college students felt 'helping others in difficulty' and 'becoming a community leader' was an 'essential' or 'very important' personal objective." In fact, the most recent data on the empathy of American youth suggests that after a long period of decline, it has been increasing over the last decade.[94]

The causal relation between these indicators and giving and volunteering rates is complex and certainly needs further investigation; it is possible, for instance, that social disconnection might enhance a desire to help others, while reducing opportunities to actually do so. It is also worth noting that, as a 2023 Nature article argues, "U.S. Americans have been reporting moral decline at the same rate for as long as researchers have been asking them about it," since at least the late 1940s, including during periods when giving participation was increasing or remained stable. This suggests that perceptions of some of the trends associated with social disconnection, if not the underlying trends themselves, are unlikely to be leading causal factors in the more recent declines in volunteering and giving rates.[95]

DEMOGRAPHIC SHIFTS AND GENERATIONAL SUCCESSION

Explanations for the decline in donor participation also often gesture toward broad demographic shifts and the experiences and proclivities of certain age cohorts. In part, the perception of decline is the consequence of a relatively high baseline for formal volunteering and giving in the 1990s, attributable to the contributions of what sociologist Robert Putnam has called the "Long Civic Generation," those born between 1910 and 1940. It was the participation of Americans aged 60 and older that buoyed the volunteering rate in the 1980s and 1990s, for instance, even as other indicators of community involvement sagged, and even as baby boomers—those born in the mid 1940s to mid 1960s—volunteered at rates much lower than had people that same age a quarter century before.[96]

More recently, researchers have linked the decline in charitable giving rates to the divergent beliefs, practices, and life experiences of younger age cohorts who are becoming a larger share of the giving population.

For instance, many millennials—those born between 1981 and 1996[97]—came of age and developed early habits of generosity during the Great Recession, which, as we have seen, depressed overall giving rates. Other demographic shifts have also influenced the timing and resources devoted to giving. As Dietz and Grimm speculate, "delays and declines in what some characterize as the traditional markers of adulthood"—such as getting married and buying a house—"are discouraging charitable behaviors."[98]

Younger respondents more frequently express preferences for direct person-to-person giving over giving to nonprofit organizations than do older age cohorts.

Yet it is also the case that these life experiences have shaped not just whether younger age cohorts give to nonprofits, but how they give. A recent report from the Giving USA Foundation, featuring a survey by Dunham+Company, for instance, finds that millennials and Gen Z (born 1997–2012) have the highest rates of donors who had given through a charity's website or through a smartphone or tablet, as well as having the highest rates of donors who were influenced to give through social media.[99] Additionally, surveys of giving behaviors and attitudes have routinely shown that younger respondents more frequently express preferences for direct person-to-person giving over giving to nonprofit organizations than do older age cohorts. Of younger respondents (18–34) in a GivingTuesday 2022 survey, 76% agreed with the statement "I prefer to give directly to individuals-in-need, and not via nonprofit organizations, platforms, or websites," compared to 46% of those 50 years or older. It is possible that these forms of giving often do not register on surveys of giving participation, which are geared toward giving to registered charitable organizations.[100]

Yet other research suggests less that younger age cohorts exhibit clear preferences between various forms of giving than that they resist those sorts of distinctions entirely. As a report summarizing a decade of research on millennials explained, they believe "that their time, skills, talent, money, voice, purchasing power and ability to network all have equal value, and they offer them as such." Indeed, according to the previously cited survey from GivingTuesday, younger respondents also seem to have erected less rigid demarcations between different modes of giving than have older age cohorts, and are more likely to regard not just giving to nonprofit organizations, but contributing to crowdfunding platforms, individuals, as well as to political campaigns, all as co-equal forms of "giving." In other words, younger age cohorts seem to embrace a more fluid and expansive understanding of the generosity ecosystem than the one that had previously characterized analyses of giving behavior.[101]

Overlapping with these demographic shifts (as well as with economic trendlines) is the profound acceleration of ethnic and racial diversity experienced by the United States over the last few decades. In 2000, according to the Census Bureau, the white population share sat at 69%, with the Latino or Hispanic population share at 12.6%, the Black population share at 12.1%, and the Asian American population share at 3.8%. In 2023, the white population share had dropped to 58.9% while the Black share had increased to 13.6%, the Latino or Hispanic share had increased to 19.1%, and the Asian American population share had increased to 6.3%.[102] As a 2023 report from Indiana University Lilly Family School of Philanthropy states, "giving patterns exhibit variations across racial and ethnic groups." This includes shifts in giving participation in the aftermath of the 2008 reces-

sion. "From 2008 to the 2018, giving rates across almost all racial and ethnic households declined in each year measured, although at different rates," the report notes, using data from the Philanthropy Panel Study. (Giving rates among Hispanic American households, for instance, dropped by 23%, while rates among white Americans dropped by 13%).[103] On the other hand, researchers Nathan Dietz and Robert T. Grimm, Jr., using a different data set (the Current Population Survey), found that the declines in giving participation were concentrated among the non-Latino White population.[104] It is difficult, then, to state definitively the extent to which the overall decline in giving rates observed on several major surveys was accelerated by the changing ethnic and racial composition of the United States. It is also important to keep in mind that different racial and ethnic groups give in divergent ways that might not always be recorded in the surveys that registered decline.

A RECHANNELING OF GIVING?

Such a possibility points us to another potential explanation for the declining participation rate: that there has been less a decline than a rechanneling of giving practices, a movement within the generosity ecosystem from one form of giving to another, that can explain the declining participation rate in giving to and volunteering with nonprofit organizations.

This possibility has been the subject of considerable conjecture over the last few decades, but it is only recently that we have moved closer to being able to assess it with some degree of rigor. This is largely due to a shift in the way that some researchers have engaged the study of generosity, entailing a decentering of monetary giving (and especially of large-scale giving) to nonprofit organizations, and an effort to apply some quantitative measurement to a more broadly defined generosity ecosystem. This is a fraught exercise because, as scholars such as Lucy Bernholz have pointed out, the drive toward quantification itself has favored certain forms of giving—more individualized over collective modes, for instance—that can potentially warp our understanding of the ecosystem. But alongside an appreciation of the dangers of counting, there has also been a corresponding recognition of the dangers of *not* counting.[105]

One of the most significant efforts in this regard has come from the GivingTuesday Data Commons. Their research has shown that in the United States, giving to non-registered entities is more than

> **In the U.S., giving to non-registered entities is more than twice as common as giving to registered entities.**

twice as common as giving to registered entities, and that more than three-quarters "of acts of generosity are non-monetary."[106] Just as significantly, the organization also found that most people give to multiple types of recipient groups—legally registered nonprofits, organized and structured community groups that are not legally registered entities, and unstructured community groups and individuals—and gave in multiple ways: money, time, in-kind gifts. Only 8% of those who gave, GivingTuesday reported, gave only money, and only 2.6% only gave money to nonprofits. In fact, in 2021 "only 10% of giving in the United States was of money to registered charities." Of course, as GivingTuesday noted, despite the small share, this was precisely the sort of giving that usually commands the vast majority of "media coverage and industry discussion."[107]

Surveying these results, Woodrow Rosenbaum, GivingTuesday's chief data officer, has pushed back on the notion that we find ourselves in a generosity crisis—a framing that only makes sense if our assessment is limited to monetary gifts to nonprofits. "Giving is not in decline," he has insisted.[108] To reject the existence of decline is first and foremost a repudiation of a certain normative framing of change over time, one that emphasizes loss and fracture. But it does not necessarily deny the existence of change. It seeks to honor the broader generosity ecosystem, while still allowing for the possibility of significant movement within it. And yet our understanding of migration flows within that ecosystem is still relatively limited, which constrains what we can say definitively about the relationship between these shifts and the declining donor participation rate. Below are several areas in which such movement might be taking place (by no means a comprehensive list), which would benefit from increased attention from generosity researchers.

POLITICAL ACTIVISM AND GIVING

One possible explanation for a decline in charitable participation rates relates to the blurring of boundaries between charitable and political engagement. One of the more significant trends in political giving over the last two decades has been the rise of the small donor, contributing less than $200. "The total number of donors increased tenfold between 2006 and 2020, from less than 2 million to nearly 20 million," an increase that was "almost entirely driven by a steady increase in the number of small donors," until 2018, when the number of both small and large donors "increased spectacularly."[109]

It is conceivable that this sort of small-scale political giving has "crowded out" charitable giving, though the evidence regarding whether it does so in practice is mixed. Research from Blackbaud, a fundraising-software company, showed that "donors who gave to federal political campaigns in 2012 gave 0.9% more" in 2012, a presidential election year, to a set of charitable organizations

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Blackbaud tracked than they had given in 2011. (Conversely, "households that did not give any federal campaign gifts in 2012 gave 2.1% less to charities in 2012 than they gave to charities in 2011.")[110] A 2020 working paper from the National Bureau of Economic Research, on the other hand, assessed the relationship between political and charitable giving by analyzing how exposure to election ads, which they demonstrated led to increased political contributions, affected charitable giving (in this case, to the American Red Cross). The researchers found that "an increase in political donations crowds out charitable donations by a factor of 0.08." While the researchers noted that political and charitable giving functioned to some extent as substitutes for each other, they found that people did not adjust other forms of consumer spending in the face of natural disasters or political campaigns, suggesting that individuals may "have a mental account for giving that encompasses both charitable and political giving."[111]

The more provocative question pertains to the crowding-out effects not merely of monetary political donations but of a broader range of political and social activism, including attending protests, engaging in social media campaigns, and signing petitions. The 2017 Millennial Impact Report concludes that millennials regard "traditional activism—voting, petitions, protests, marches, and the like" as "still the most influential way to bring about change," and it includes donations among the "Actions Taken Related to a Cause."[112] If it is true that younger age cohorts have a more fluid notion of categories of social action and make fewer distinctions between charitable giving and other forms and expressions of generosity, might it also be true that they make use of a "mental account" that combines all these forms of social engagement, such that one form (protest for a cause) might substitute for another (charitable donations to that cause)? More research is needed to investigate such possibilities.

PERSON-TO-PERSON GIVING AND COMMUNITY CARE

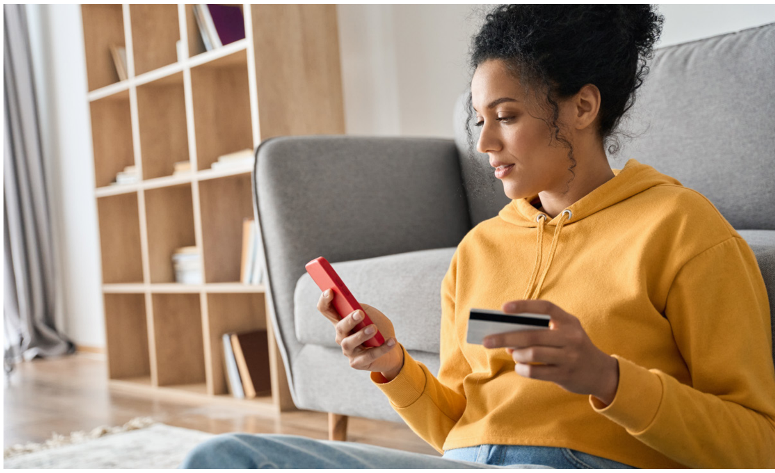
Person-to-person giving is of course one of the oldest expressions of generosity; it has existed in myriad forms for millennia, and in every society. It is also one of the most difficult to capture quantitatively, since it often occurs through informal, spontaneous interactions. Nearly all person-to-person giving, for instance, would not count in the registers of total aggregate charitable giving that serve as the sector's authoritative tallies. Yet there is evidence to suggest that it represents one of the sectors of the generosity ecosystem that has experienced some of the most significant transformations in recent years. Most specifically, the widespread uptake of digital banking, coupled with online payment applications such as PayPal (1998), Venmo (2009), and Cash App (2013), crowdfunding platforms such as GoFundMe (2010) and DonorsChoose (2000), and the multiplying hashtag constellations of social media, have expanded the networks on which calls for need can be shared and on which responses of solicitude and generosity can be routed.[113]

> **Person-to-person giving is one of the oldest expressions of generosity—and one of the most difficult to capture quantitatively.**

Even as economic insecurity might have led to a decline in some forms of charitable participation, it also fostered the growth of others.

It is difficult to know precisely how many dollars are moving through these various platforms, or through other peer-to-peer digital intermediaries, in part because many of them maintain proprietary ownership of the data and have to comply with strict data privacy standards that may limit their ability to share certain types of data, and in part because the data made available often does not distinguish between giving to individuals and to organizations.[114] In November 2020, PayPal launched the Generosity Network, a "platform that allows users to create fundraising campaigns for individuals and nonprofits. More than 500,000 people contributed to these campaigns for both individuals and nonprofits in 2021 and more than 1.1 million people contributed to them in 2022."[115] GoFundMe, now the world's largest charitable crowdfunding platform, claims that they have raised some $30 billion in donations to individuals and nonprofits worldwide, with more than 150 million individuals either sending or receiving assistance, since its founding in 2010.[116]

GoFundMe demonstrates how, even as economic insecurity might have led to a decline in some forms of charitable participation, it also fostered the growth of others. As sociologist Matthew Wade has written, "inseparably connected with the decade of GoFundMe's dramatic rise was the equally striking expansion of the American precariat." The platform, initially called "Coin Piggy" and later "Create-a-Fund," was initially conceived to be more like an online gift registry, catering to special occasions. But very quickly it became a way to raise funds for personal crises, and especially for medical expenses. By 2020, according to Wade, "around 20 million Americans had started a crowdfunding campaign raising funds for medical expenses, while one in five American households had contributed to campaigns of this kind." In recent years, the platform has sought to expand beyond personal crisis-inspired giving and to serve as a conduit for giving to social movements—functioning, in the words of its CEO, as the "take-action button" of the internet.[117]



The COVID-19 pandemic precipitated a surge in direct digital giving, as Americans became increasingly accustomed to conducting even more of their commercial and social lives online. These practices transferred into the charitable realm, as many donors bypassed large-scale institutions to help friends, neighbors, and even strangers in need, using payment apps and crowdfunding platforms. According to GoFundMe's CEO, in the half year after March 1, 2020, more than 150,000 fundraisers were started on the platform for COVID-related assistance, and by February of the next year, "an American ha[d] started a COVID-related fundraiser on GoFundMe every two minutes."[118] A September 2020 survey by the Lilly Family School of Philanthropy found that around one-third of respondents contribute to crowdfunding campaigns in a "typical year," and that nearly 90% of crowdfunding donors indicated that they planned to increase or maintain their charitable crowdfunding over the next three years—suggesting, the report wrote, that "momentum around crowdfunding is growing."[119]

The pandemic also led many Americans to turn to local networks of community care and mutual aid. Much like direct cash transfers, these have been in place in the United States for centuries, created by immigrant communities and communities of color who were excluded or alienated from mainstream charitable organizations or public systems of social welfare provision. During the early period of the pandemic, when the federal government was still developing a response, some measure of the precarity long endured by those communities was experienced more generally, which led to a "discovery" of mutual aid networks by broader swaths of the public. New mutual aid organizations were founded, and older ones swelled with new participants. In the fall of 2020, a survey by GivingTuesday reported that 11% of respondents said they had participated in some form of mutual aid in the previous year (they tended to be younger than those who had not participated, and a greater proportion of them were people of color).[120]

Here again, the notional landscape of generosity was transformed by some combination of increased attention to long-standing practices of generosity and actual changes in such practices.[121] A similar dynamic has been at play in the growth of giving circles over the last decade, another collective form of giving with deep historical roots.[122] Giving circles and especially mutual aid groups played important roles in addressing the immense human needs brought on by the pandemic, as well as in challenging the dominance of individuals' monetary giving to nonprofit organizations as the paradigmatic expression of generosity.

SHIFTS IN THE GENEROSITY ECOSYSTEM

So how does the growth of these forms of giving relate to the declining participation rate of giving to or volunteering with charitable and nonprofit organizations? The answer to this question hinges in part on whether that growth is occurring largely in terms of practice or in terms of attention. On the one hand, it is now increasingly common for person-to-person giving or giving to informal and unincorporated groups to be justified through an explicit contrast to giving to nonprofits. A 2020 survey from GivingTuesday, for instance, reported that 62% agreed with the statement "I prefer to give directly to individuals-in-need, and not via nonprofit organizations, platforms, or websites" (the proportion went up to 76% for respondents ages 18–34). And according to a more recent survey by Independent Sector/Edelman, more than half of respondents believe that donating directly to the people or causes they support makes a greater impact than giving to a nonprofit.[123]

The pandemic and the various anti-institutional sentiments it provoked (as well as the various experiments in direct cash transfers it prompted) seemed to heighten this contrast, stoking a sense of rivalry between giving to nonprofits and giving directly to individuals and to and through informal entities. As one donor told *The Chronicle of Philanthropy* in September 2021, explaining her decision to use Cash App and Venmo to channel funds "to people she believed might not otherwise receive help in an immediate or direct way ... 'Giving to a nonprofit during the pandemic is less interesting to me right now.'" An author of a December 2020 article on the rise of direct giving during the pandemic noted that for many donors, such giving had become "a commentary on the role and efficacy of conventional nonprofits."[124]

The contrast was developed most starkly in the attention directed to mutual aid organizations, many of which explicitly positioned themselves as operating outside a "nonprofit industrial complex" viewed by some as ensnared in systems of racist and capitalist exploitation. As Dean Spade, a leading theorist of mutual aid, writes, "Mutual aid projects, in many ways, are defined in opposition to the charity model and its current iteration in the nonprofit sector."[125] But the contrast was also invoked by early promoters of crowdfunding platforms, who purposefully differentiated them from "outmoded telemarketing and mail-based campaigns and 'shaking tins outside the church hall.'"[126]

Yet, as the attitudes of younger age cohorts discussed above indicates, there is also evidence that the increased attention directed to community care reflects not a zero-sum contest between categories of generosity but a reduction of the salience of those categories as meaningful demarcations of generosity. Survey research from GivingTuesday, for instance, suggests that individuals who participate in mutual aid are "less likely to see distinctions between various forms of giving or between giving to organizations and other recipients." They are also more likely to understand political giving and crowdfunding as forms of charitable giving, "even if these acts are not directed to formally registered charities."[127] Those blurred boundaries can also be detected within the organizational landscape of generosity. As the COVID-19 pandemic subsided, some newly formed mutual aid groups have adopted nonprofit status as a means of securing a more permanent organizational presence. And many nonprofit organizations have begun to partner with crowdfunding platforms, promoting and raising funds on them, and in the process, dampening competition between these two modes of giving.[128]

Indeed, for all the rhetoric of contestation between categories of generosity, we do not yet have clear evidence of active displacement that would explain the declining charitable participation rate in terms of an increase in other expressions of generosity. In fact, the little evidence we do have points in the opposite direction, suggesting that different forms of generosity are not "cannibalistic," in the phrasing of GivingTuesday, but "catalytic" and "accretive." Recent research has underscored this dynamic with respect to volunteering and giving—those who do one are more likely to do the other.[129] Research from the GivingTuesday Data Commons suggests that this is also true with informal modes of generosity. So even as they have reported that respondents to their surveys expressed a preference for direct giving over giving to nonprofits, GivingTuesday found that those who engage in direct person-to-person giving were actually more likely to give to nonprofits than those who did not. Indeed, their research concludes that "giving is highly correlated" among the three recipient groups that GivingTuesday identified: legally registered nonprofits, organized and structured community groups that are not legally registered entities, and unstructured community groups and individuals. "When a person gives to one recipient group it is likely they also give to one or more of the others."[130] Similarly, a Lilly Family School of Philanthropy report on charitable crowdfunding found that only 6.4% of respondents reported giving through crowdfunding platforms but not to nonprofit organizations. "This data suggests," the report concluded, "that crowdfunding does not replace typical charitable giving but complements it."[131]

There is other research which seems to support this view, if only by highlighting the lack of evidence for displacement between one form of giving and another. Survey research from the University of Pennsylvania's School of Social Policy and Practice, for instance, tracked both formal and informal giving before and during the COVID-19 pandemic. The researchers assumed that, as rates of formal giving declined, there would be a commensurate increase in rates of informal volunteering or donation behavior. They found instead that "the percentage of respondents who reported informal volunteering and/or donating was hardly affected by the pandemic." In other words, informal volunteering did not "fill the gaps" produced by a decline in formal volunteering.[132]

> **Those who engage in direct person-to-person giving were actually more likely to give to nonprofits than those who did not.**

This finding was echoed by an AmeriCorps analysis of Census survey data, which showed that, even as formal giving to nonprofits declined during the first year of the pandemic, "the rate of Americans informally helping others remained stable" between 2019 and 2021.[133] Similarly, in their examination of giving before and after the Great Recession, Osili, Clark, and Han found that reductions in giving to nonprofits during the economic crisis did not lead to a compensating increase "in private transfers to non-household family members and friends who had difficulty meeting basic needs." Instead, households also reduced this form of giving as well, although not as significantly.[134]

Conclusion: Tending to a Shifting Landscape of Generosity

These findings are themselves incomplete and do not fully address the question of the relation between declines in donor and volunteer participation to nonprofits and shifts in other modes of generosity, in part because they do not provide a sufficient longitudinal perspective. Because it is only recently that quantitative researchers have expanded their aperture to take in the full generosity landscape, we do not yet know enough about how giving and volunteering practices have changed over the last decade and are continuing to change. We likely will gain more insights on those questions in the years to come. **The current moment, then, is a peculiar one, in which we find ourselves freshly surveying a landscape that is both as familiar as millennia-old traditions of person-to-person giving and as novel as the latest giving platform to sprout online.**

This is a moment to get our bearings, to take stock of the landscape. We are aware that it is changing, even as we recognize its established landmarks. We intuit that some of the changes are likely permanent, while others are reversible. Some we acknowledge as the product of broader social transformations which seem beyond our immediate control, while others we know are the products of decisions we have made and attitudes we have developed that are within our power to change or to reinforce, if we mobilize to do so. We welcome some of the changes as salutary adaptations—to technological advances or to socioeconomic conditions—while we acknowledge that other changes will likely mean reduced charitable resources making their way to nonprofits across the country, with deleterious consequences for those they serve. So, we inhabit this shifting landscape of generosity with some apprehension at its transformed terrain, with resolve to cultivate it purposefully where we can, and with excitement about how it will continue to develop in the coming years. If this moment represents in any respect a crisis of generosity, then it is one that we can approach with resolve, and even with wonder, at the opportunities that lie ahead.

Endnotes

1 [From full report] Over the last four decades, there have only been four years in which charitable dollars declined in real terms by more than 1%. In 1987, 2008, and 2009 these declines were largely attributable to economic crises (though the 1987 decline was also caused by a surge in giving the year before, a reaction to changes in the tax code). In 2022, high inflation and poor stock market performance have most often been cited as causes for the decline. *Giving USA: The Annual Report on Philanthropy for the Year 2023 Key Findings* (Chicago: Giving USA Foundation, 2024), 33; Rasheeda Childress and Emily Haynes, "Drop in Giving From 2021 to '22 was Among the Steepest Ever, 'Giving USA' Found," *Chronicle of Philanthropy*, June 22, 2023; Robert D. Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon & Schuster, 2000), 122.

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3 *Giving USA: The Annual Report on Philanthropy for the Year 2023,* 27; Childress and Haynes, "Drop in Giving."

4 *Giving USA: The Annual Report on Philanthropy for the Year 2023,* 33.

5 *Giving USA: The Annual Report on Philanthropy for the Year 2023*, 42, 54.

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12 Bernholz, *How We Give Now*, 33.

13 Lilly Family School of Philanthropy, *Giving Environment: Understanding*, 7; Lilly Family School of Philanthropy, *Changes to the Giving Landscape* (2019), 1.

14 Lilly Family School of Philanthropy, *Changes to the Giving Landscape*, 6; Lilly Family School of Philanthropy, *Giving Environment: Understanding*, 5.

15 David Brooks, "America Is Falling Apart at the Seams," *New York Times*, January 13, 2022. See also David Brooks, "How America Got Mean," *Atlantic*, August 14, 2023.

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