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Upfront

Love, Honor, and Don't Bargain **When couples haggle over charity, total giving drops**

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PHILANTHROPY

Love, Honor, and Don't Bargain

When couples haggle over charity, total giving drops

Spousal haggling is bad for charity. So say the authors of a new study in the *Journal of Human Resources* (Winter 2003), which finds that when partners with different giving preferences bargain, their total charitable giving goes down.

There is growing evidence, according to the study, that men and women have different tastes for giving. But if this is true, how are these conflicts resolved in marriage?

Economists James Andreoni of the University of Wisconsin-Madison and Eleanor Brown of Pomona College, along with Isaac Rischall, a member of Citigroup's decision science department, propose that households are characterized by bargaining between spouses with different tastes – and with this bargaining comes costs.

The authors analyzed surveys of households conducted in 1992 and 1994 by the Gallup Organization, designed to measure giving and volunteering behaviors. The sample results from 3,572 randomly selected households confirm much existing literature on charitable giving, finding for instance that single men and women are significantly different in their giving. For example, across 12 areas of charitable giving – including education, the arts, youth development, and the environment – women are more likely than men to give to every category except adult recreation.

To the 2,560 married couples included in the study, the survey posed



the question “Who in your household is considered most involved in deciding which charities your household will give to?” Fifty-three percent of respondents reported that decisions about charitable giving were made jointly, 19 percent said the husband was most involved in deciding, and 28 percent responded that the wife was the primary decision maker.

The authors found that when decisions are made by one spouse, they tend to reflect that spouse's tastes (so, couples with women deciding give more to health and education causes, and couples with men deciding give more to adult recreation). But, when decisions are made jointly, they tend to reflect the husband's tastes more than the wife's; the “compromise” achieves about 68 percent of the husband's preference and only 26 percent of the wife's.

“Couples deciding jointly seem to look more like couples with husbands in charge than ones with wives in charge,” the authors wrote.

Part of that reason may be that the decision maker tends to be the one who earns more and is better educated in the relationship.

Overall, the authors' analysis indicates that marital bargaining reduces giving by an estimated 6 percent. But a more sophisticated statistical analysis examining different giving propensities resulted in a startling suggestion: If couples transferred decision-making authority to the husband

alone, total giving would have increased by 24 percent; transferring it to the wife alone would have increased total giving by 29 percent.

“Joint decision making is associated with depressed levels of giving,” the authors write, arguing in short that bargaining may not be worth the hassle.

And fundraisers who look to married couples for support should, where possible, be cognizant of how alternate perspectives play out in a marital context. Fundraisers for large gifts should, for instance, get to know both partners and find an appeal that works with both. “To make the strongest possible case to both parties, do it in person so that you can listen to what the more reluctant partner may be interested in,” advises fundraising consultant Lisa Hoffman. If you can find a program or activity within your nonprofit that the more reluctant partner could get excited about, you should highlight that.”

–Andrew Nelson