

# The PHILANTHROPY PARADOX:

PUBLIC ATTITUDES AND FUTURE  
PROSPECTS FOR PLANNED GIVING.

A THINK PIECE COMMISSIONED BY  
PRISM THE GIFT FUND.

Researched and written by Dr Beth Breeze,  
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# INTRODUCTION.

# JAMES LIBSON

## CHAIR, PRISM THE GIFT FUND

I am absolutely delighted to introduce this Think Piece that Prism the Gift Fund, 'Prism' has commissioned. Dr Beth Breeze has produced a brilliant piece of research with findings that are apposite and critical, even more so than we could have anticipated when the idea was conceived before the onset of the pandemic. Measuring the role of philanthropy, the responsibility of the philanthropist and the attitude of the public towards the sector has never been more critical than today when societies across the world have experienced such shocks to their systems and social orders.

This piece was due to be released to coincide with Prism's first conference which was delayed as a result of the pandemic. Covid-19 has magnified divisions and thrown a legitimate spotlight on the response and responsibilities of those able to give. The principal paradox that Dr Breeze identifies is, therefore, of real concern. Suspicion about philanthropists and their motivation undermines the broad acceptance of the benefit of philanthropy. It is a matter for the philanthropy sector to address and we at Prism are committed to doing so. It is our objective to increase the flow of

funds to the charitable sector and we will collaborate across the sector with the benefit of this research to tackle the issues it identifies.

The research is particularly relevant for us in that it also identifies the low awareness of the Donor Advised Funds (DAFs). The two issues are connected. The benefits of DAFs – governance, efficiency and value – can contribute to improve the reputation of both philanthropy and philanthropists. Prism's challenge is to respond to this research by playing its part in addressing the paradox Dr Breeze has identified. When we look at the way in which Dr Breeze has so compellingly set out philanthropy's role in society in the context of today's very pressing issues, it is a challenge that could not be more urgent.

Thanks to the insight of Dr Breeze and the vision of the professional team at Prism, in particular our CEO, Anna Josse, I am sure that this Think Piece will contribute positively to the debate around philanthropy in these uncertain times. Finally, I would also like to pay enormous thanks to Lombard Odier, BDO LLP and Mishcon de Reya LLP for their generous support of the thought paper.

# FOREWORD.

DR

MAXIMILIAN

MARTIN

**GLOBAL HEAD OF PHILANTHROPY, LOMBARD ODIER**

I am delighted to introduce Dr Beth Breeze's paper "The Philanthropy Paradox: Public Attitudes and Future Prospects for Planned Giving." The UK has a longstanding culture of giving and volunteering, which inspires donors and the public at large.

This culture is an especially important asset in the context of the Covid-19 pandemic, which could well turn out to be the deepest crisis in several generations. In addition to being a health emergency, the pandemic is having dramatic implications, particularly for low-income communities and those who are particularly vulnerable and who tend to fall through the cracks of public services. Groups at increased risk include the elderly and minorities; people experiencing poverty, unemployment, or homelessness; and asylum-seekers.

Philanthropy and philanthropists play an important role in funding civil society's response to the current pandemic, as well as many other challenges. Yet Dr Breeze's empirical research points to a paradox: while the public holds philanthropy's contribution to society and non-profits in high regard, it has more mixed views regarding the philanthropists behind these activities.

This and other valuable empirical findings were established via a rigorous research methodology, involving a random sample of the population, and 1,215 interviews.

The result points us to the need to reconsider the narrative surrounding philanthropy and its operating environment. Philanthropic action is an activity where many stakeholders play a vital role, and where donors' generosity merits recognition. At the same time, we should not ignore the need to render philanthropy more effective, responsive and transparent. If we expect civil society organisations and charitable funders to make an even larger contribution to our societal well-being, we need to think strategically about how to boost the vitality of the philanthropic sector and all of its participants.

While it is clearly important to improve the efficiency of giving and keep transaction costs (the costs associated with fundraising and grant making) within reason, another finding in the report is both striking and surprising. The research clearly demonstrates a lack of public awareness of Donor Advised Funds (DAFs) amongst the general public in the UK. This finding is somewhat concerning given the important role that DAFs – as

giving vehicles that are established at a public charity and which allow donors to make a charitable contribution and receive an immediate tax benefit – play in raising the efficiency of giving and lowering the barriers to entry to philanthropic giving for affluent and high-net-worth donors.

We are proud to support this research from Prism the Gift Fund, as key players in DAFs and fellow 'rethinkers' in the philanthropic space, with a clear vision to increase the flow of funds into the charitable sector. Lombard Odier's tradition of supporting individuals, families and charitable foundations in their philanthropic endeavours spans more than two centuries. Our independent ownership and long-term focus also mean we put sustainability at the heart of our investment philosophy, and our management of clients' assets.

I am certain that you will enjoy reading Dr Breeze's report, and will find that it offers valuable food for thought for everyone who is actively involved in giving, or in continuously improving the framework conditions of the philanthropic ecosystem in the United Kingdom so that it can rise to the challenges we currently face.

# EXECUTIVE SUMMARY.

This think piece describes and illustrates a paradox that has implications for all who care about building a stronger charitable sector: that the British public feels far more positively about the fruits of philanthropy than it does about those who fund it. Whilst this is a long-standing problem, the need to understand and tackle it is made more urgent by new demands placed on philanthropic funding as a result of the 2020 global pandemic. The COVID-19 crisis has led to increased demand on charities, especially those on the frontline of health provision and meeting basic needs such as emergency food and shelter, combined with decreased income due to restrictions on fundraising activities that require physical interaction, such as challenge and social events.

New data, gathered in an online survey with a robust representative sample, shows higher support for philanthropic donations than for philanthropic donors. In addition, we identify low levels of trust in donors, a range of problematic connotations that are associated with the word 'philanthropist', and ongoing low levels of awareness of charity tax reliefs.

The report begins with a reminder that philanthropy is a universal norm that has always been subject to debates and concerns. Private giving for the public good is part of every culture and society, yet it looks different – and is viewed differently – according to the local context.

Two known paradoxes are noted – that donors tend to benefit alongside those they intend to help, and that wealth accumulation tends to precede distribution – before new data is presented to illustrate a third paradox about philanthropy in the UK: that the public holds a generally positive view about the things philanthropy pays for, whilst at the same time holding many negative opinions about those doing the paying.

This think piece concludes that we need to better understand and address the slippage between appreciating what donations achieve and those who make the donations. We also need to increase efforts to educate the public on the opportunities and benefits of giving, supported by the range of available tax reliefs and appropriate vehicles for making charitable donations, in order to continue building a stronger culture of giving in the UK.

FIVE  
FINDINGS.

Charitable giving is a very common but largely private matter in the UK, rather than something discussed openly and frequently. This creates problems for establishing giving as a social norm and for creating opportunities to ask each other to support our favoured causes. Younger women (aged 18-29) are the most likely to talk about their giving.

01

Most people believe  
that philanthropic  
donations make a positive  
contribution to society,  
and there is a generally  
held expectation -  
regardless of gender, age  
and income - that people  
should donate money  
to charity.

02

# 03

There is less fulsome and widespread agreement that philanthropists are good for society - only a bare majority (53%) of the lower income group concur, and most people do not trust donors to do what is right with their donations.

When asked to define 'philanthropist', most suggestions are positive (e.g. 'Generous', 'Caring', 'Kind') but a tenth associate the concept primarily with financial connotations ('Wealthy', 'Rich', 'Money', 'Affluent') and notable minorities are either unable to answer the question, or offer negative definitions (e.g. 'Bad', 'Crafty', 'Egotist', 'Greedy', 'Idiot', 'Liar', 'Ruthless', 'Self-centred', 'Tax-dodger'). Such perceptions are understood to be problematic, with almost a fifth (18.2%) agreeing that negative perceptions of philanthropists might deter people from giving more to charity.



GENEROUS

CARING

KIND

WEALTHY

AFFLUENT

RICH

MONEY

BAD

CRAFTY

IDIOT

LIAR

RUTHLESS

SELF-CENTRED

TAX-DODGER

Awareness of, and support for, tax incentives to encourage charitable giving are highest amongst older and higher income people. The total value of charity tax reliefs is c.£5.1 billion each year, yet we find ongoing low levels of awareness of governmental support for donors and charities. One in five (22.8%) disagree with this use of public money, with the youngest age group least likely to agree.

04

22.8%

disagree with using public money for charity tax reliefs

# 05



Awareness of Donor Advised Funds (DAFs) is very low, but they appeal to many different types of donor. Only a tiny fraction (2.5%) had pre-existing knowledge of DAFs. Once it was explained that DAFs are charitable accounts run by non-profit entities that enable time- and tax-efficient giving, interest rose considerably, especially amongst younger donors and men.

This think piece concludes that we need to better understand and address the slippage between appreciating what donations achieve and those who make the donations, and also that we need to increase efforts to educate the public on their responsibility to give which could then be supported by the range of available tax reliefs and appropriate vehicles for making charitable donations, in order to continue building a stronger culture of giving in the UK.

# WHAT IS PHARMACOPHY?

Philanthropy is not an easy word to pronounce, nor – in the UK at least – is it a word that we use much in everyday conversation. Most people who support charitable activity tend to describe themselves as ‘donors’ or ‘givers’, perhaps feeling that the ‘p’ word should only apply to

those who make very big donations. Yet in my experience of interviewing major donors, including many who’ve given away £1m or more, these people also tend to avoid calling themselves “a philanthropist”. Why is this?

The etymological roots of ‘philanthropy’ – a combination of the Greek words ‘philo’ (love) and ‘anthropos’ (mankind) – simply mean ‘love of humankind’. This ought to be an uncontroversial good thing, yet the idea and practice of philanthropy provokes strong feelings today because it sits at the intersection of two highly contentious issues: money and morality.

Being philanthropic includes all kinds of private action for the public good, including giving our time and talent to help unknown others, but it is the third ‘T’ of treasure (also known as ‘money’) – particularly large sums of money – that most readily comes to mind when we hear the word philanthropy.

Gifts of these three Ts (time, talent and treasure) occur in every part of the world, in every period of history, and are encouraged by every major world religion, as well as by secular humanitarianism<sup>1</sup>. The activities that benefit from these gifts cover such an immense range – from the arts to zoology and every alphabetic cause in between – that it’s no wonder most of us struggle to get a handle on what philanthropy is. One way to grasp the nature and contribution of philanthropy is to think about the different roles it plays in society<sup>2</sup>:

## Service role:

Delivering services that the state and market can't or won't provide.

## Vanguard role:

Funding social innovation, experimentation and entrepreneurial interventions.

## Advocacy role:

Advocating for reform, for particular interests, for particular populations or for particular views of the public good.

## Cultural role:

Providing a vehicle for expressing and preserving values, traditions, identities and other aspects of culture.

## Civic role:

Building community, generating 'social capital' and promoting and increasing civic engagement.

## Private role:

Meeting the psychic and social needs of donors – shaping the world around them, transforming their self-image and how they hope to be perceived by others.

<sup>1</sup> Some useful further reading on the scope of philanthropic activity and impact includes: Warren Ilchman, Stanley Katz, & Edward Queen (1998) *Philanthropy in the World's Traditions*; Pamala Wiepking and Femida Handy (2015) *Palgrave Handbook on Global Philanthropy*; Michael Moody and Beth Breeze (2016) *The Philanthropy Reader*.

<sup>2</sup> These roles are set out in a book called 'Understanding Philanthropy: It's meaning and mission', by Robert Payton and Michael Moody, published in 2008.

The first five roles usefully highlight the great variety of activity and outcomes that philanthropy helps make happen. And the sixth role reminds us that donors also benefit at the same time as they use their resources to try make the world a better place for other people. This is the first paradox of philanthropy. Put simply: in giving we receive. Much ink has been spilt over whether philanthropy is truly altruistic given that donors usually get something back – be it an obvious benefit like public recognition, or a more subtle feeling of personal satisfaction at making something good happen. Selfish or selfless? The debate is ultimately irresolvable because all gifts bring a return, and we can never know whether that was a prime motivation or more of an unintended consequence. What we do know is that it is historically and globally typical for philanthropy to advance the welfare of both benefactors and beneficiaries.

A second paradox of philanthropy is that accumulation precedes distribution: donors need to have wealth before they can give it away. This sequence causes some observers to further question the role of self-interest in advancing other-directed goals, and raises concerns about plutocracy – the unhealthy combination of money and power. Others note that, despite popular assumptions of a causal link between the possession of wealth and being philanthropic, money is necessary but not sufficient as an explanatory factor: the capacity to give must be coupled with the desire to do so.

This think piece reveals and explores a third paradox of philanthropy: that people largely like and support what it pays for, but feel less positively about those doing the paying. Most of us regularly benefit from donations made by others that have funded things we need and want in our daily lives: medical research and hospice care, a better local environment, access to the arts and education, and a stronger community that is a more pleasant, safer place to live and work. Yet whilst the fruits of philanthropy are largely unproblematic, there is growing criticism of those providing the funding. A number of recent books, articles, talks and media comment have depicted big giving as inherently problematic, undemocratic<sup>3</sup>, or even a ‘charade’ to keep elites on top<sup>4</sup>. New philanthropic announcements often prompt viral and vitriolic responses on social media, questioning the character, motivation and existential rights of those making the gift.

The study presented here is an attempt to better understand the nature of public attitudes towards philanthropy and philanthropists, and to contribute to debates about whether and how these might affect current and future funding of charitable activity. The findings are based on a robust and representative sample of the UK population, details of the research designs and sample are given in the Methodology appendix.

<sup>3</sup> A number of people have pointed out that private giving is a challenge to societies based on democratic decision making, because it allows donors a say beyond the ballot box.

<sup>4</sup> This argument is made by Anand Giridharadas in his book ‘Winners Take All: the elite charade of changing the world’, published in 2018.



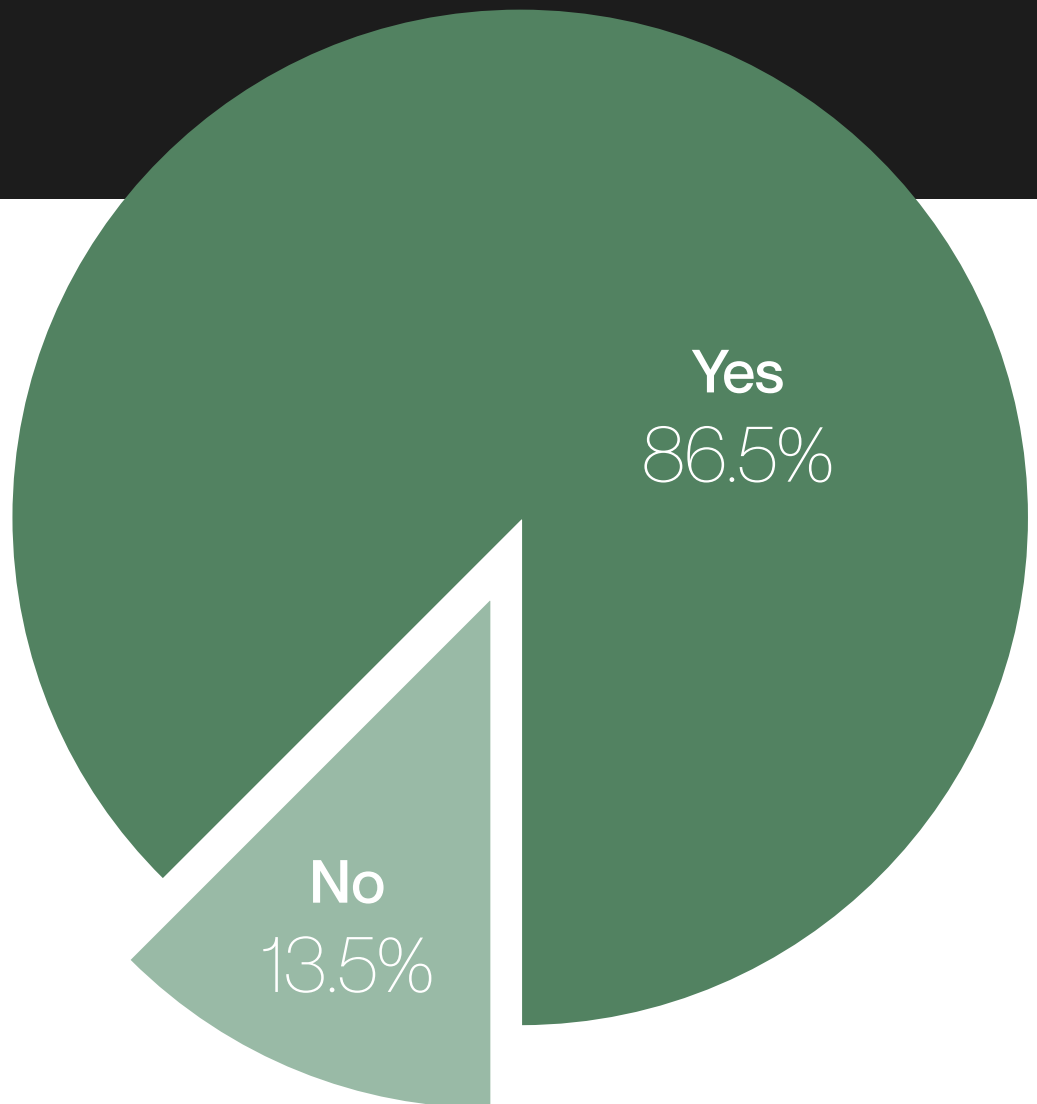
FINDING 1:

GIVING IS  
A VERY  
COMMON  
BUT  
LARGELY  
PRIVATE  
MATTER.

FIGURE 1

Existing research showing that most people in the UK make donations to charity each year<sup>5</sup>, is confirmed by our data, as shown in figure 1.

# Have you donated money to charity in the last 12 months?



<sup>5</sup> See for example, the regular UK Giving surveys published by the Charities Aid Foundation, available via their 'Publications' homepage: <https://www.cafonline.org/about-us/publications>.

Despite the very high levels of participation in charitable giving, it tends to be a largely private matter rather than something discussed openly and frequently, even with those we are closest to, as shown in figure 2. Just one in ten of us 'strongly agree' that we talk about the charities we support with our families and friends, and a third (33.4%) indicate this is something they do not do. Whilst younger women (aged 18-29) are the most likely to talk about their giving, with 49% agreeing or strongly agreeing with the statement, overall there is little difference between the genders, and people of different age and income levels.

Talking helps to establish giving as a social norm, and it also provides opportunities for us to ask each other to support our favoured causes. A fifth (23.2%) of us agree that we usually give after being asked – whether by someone we know or a professional fundraiser, as shown in figure 3. The youngest age group (18-29) are the most likely to respond to prompts, and those with the highest incomes are least likely, perhaps suggesting that they are more likely to have a plan for their giving.

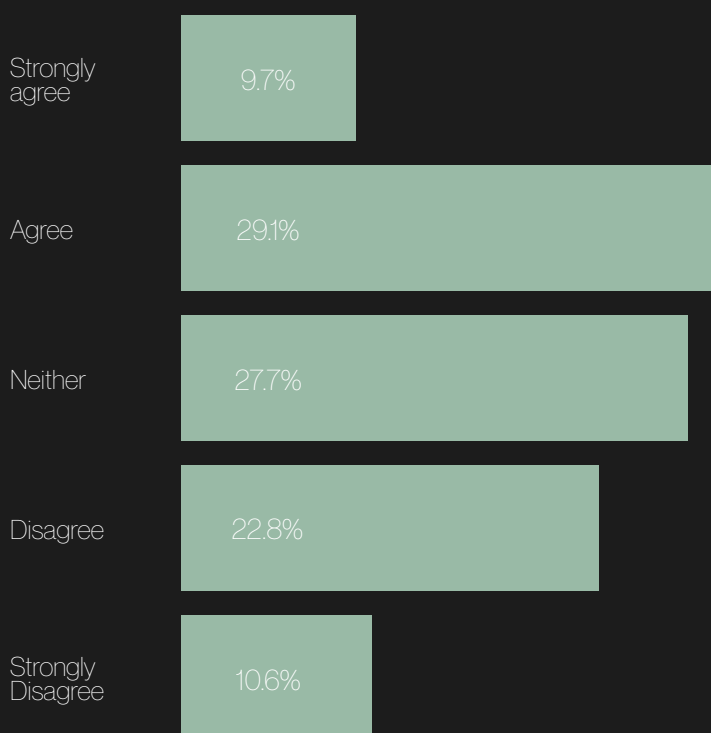


FIGURE 2

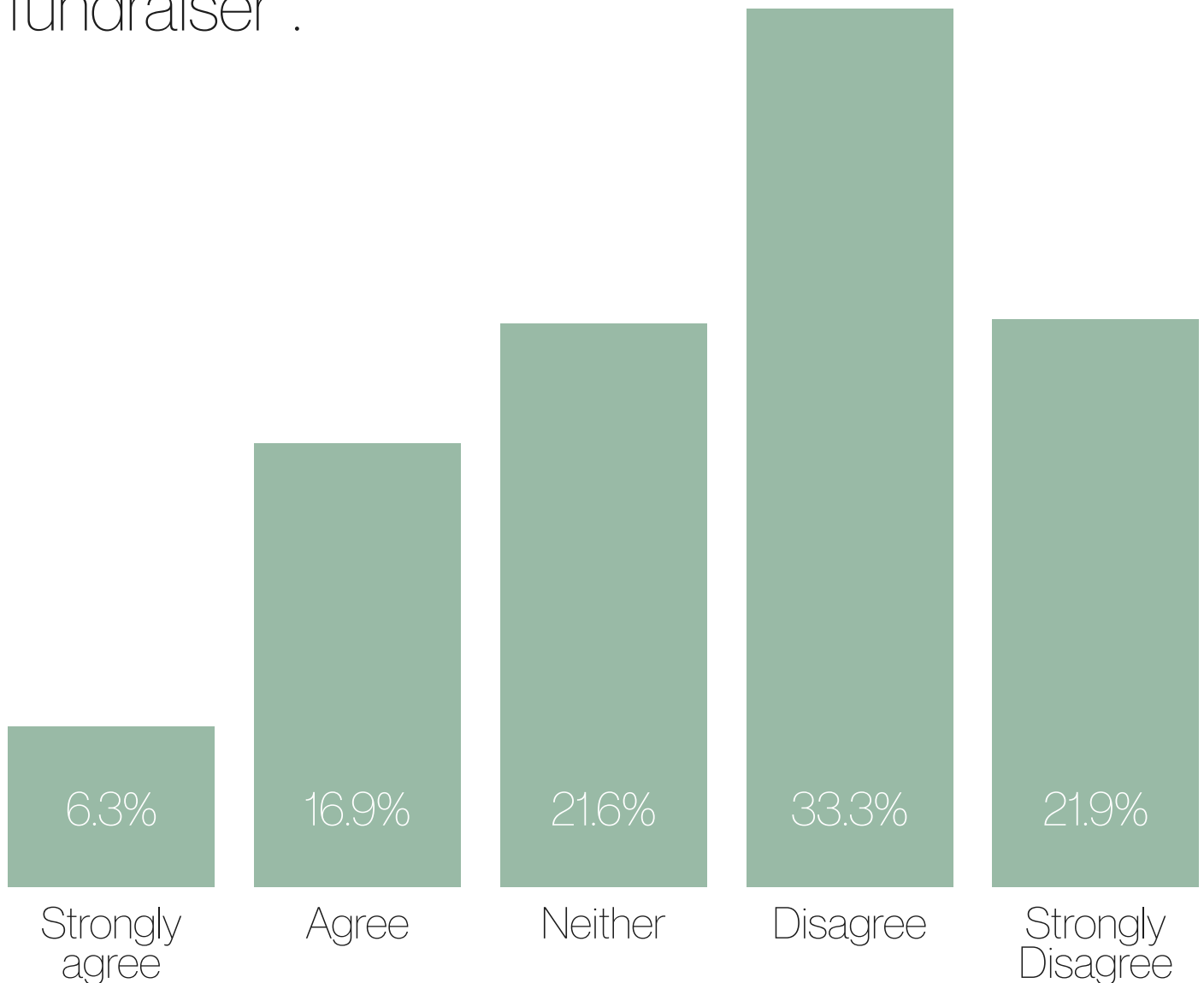
Percentage agreeing with the statement:

‘I talk to my family and friends about the charities that I support’.

FIGURE 3

Percentage agreeing with the statement:

‘I usually only give money to charity after being asked by a friend, family member, colleague or professional fundraiser’.



<sup>5</sup> See for example, the regular UK Giving surveys published by the Charities Aid Foundation, available via their 'Publications' homepage: <https://www.cafonline.org/about-us/publications> k 'Winners Take All: the elite charade of changing the world', published in 2018.

FINDING 2:

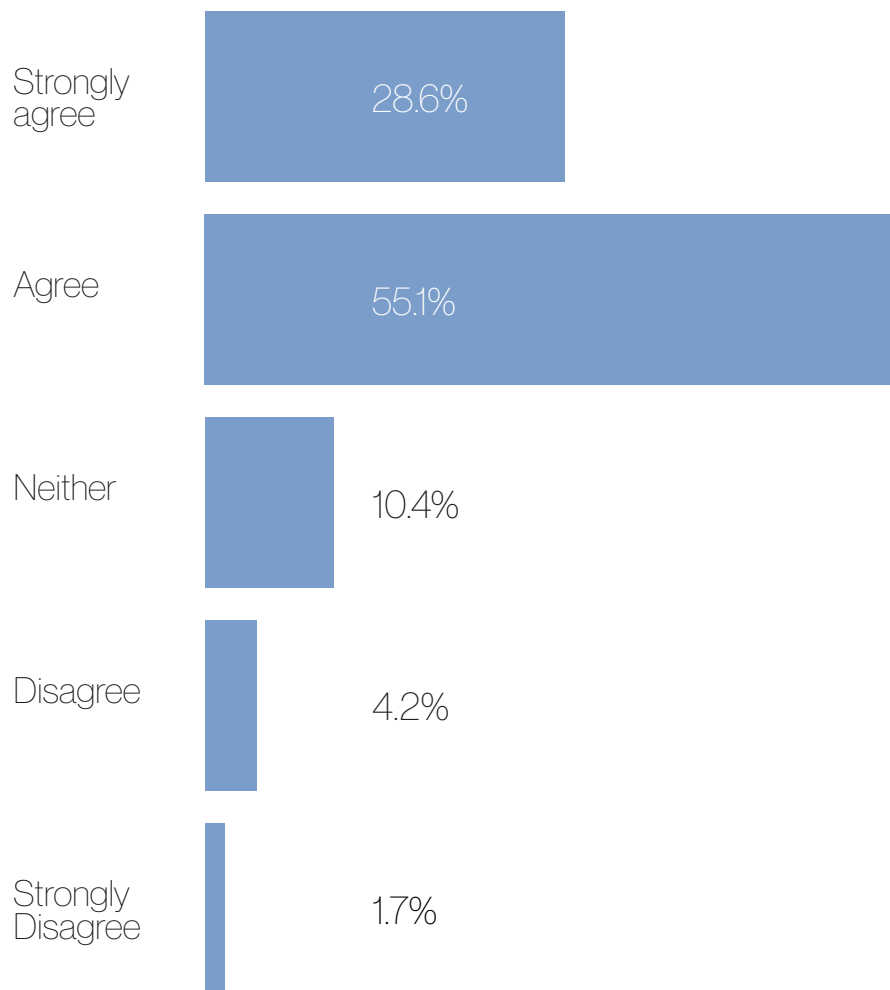
MOST PEOPLE  
BELIEVE THAT  
PHILANTHROPIC  
DONATIONS  
MAKE A  
POSITIVE  
CONTRIBUTION  
TO SOCIETY.

The vast majority of people (83.7%) agree that donations help make things better for other people and society, and only a tiny fraction (1.7%) strongly disagree with that statement, as shown in figure 4. This holds true across gender, age, and income, with women and those with the highest incomes even more likely to agree.

FIGURE 4

Percentage agreeing with the statement:

‘Donations help make things better for other people/society’.

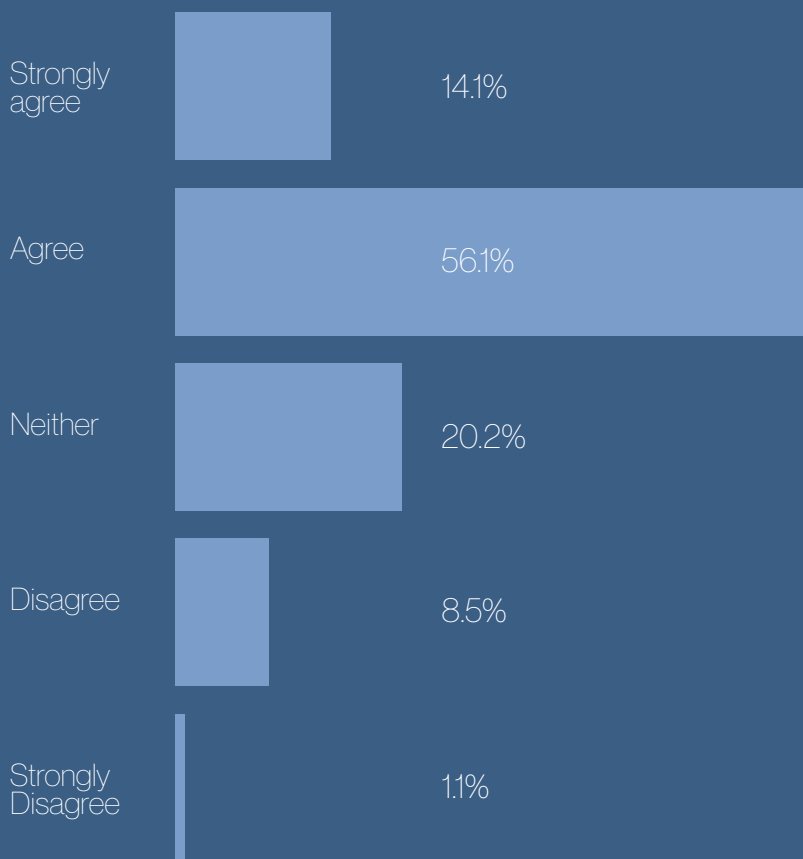


Because of the very high level of support for the positive impact of donations, it is unsurprising that a majority of us (70.2%) also agree there is a general expectation – held across gender, age and income – that people should donate money to charity, as shown in figure 5.

FIGURE 5

Percentage agreeing with the statement:

“There is a general expectation in society to donate money to charity”.



FINDING 3:

THERE IS LESS  
FULSOME  
AGREEMENT  
THAT  
PHILAN-  
THROPISTS  
ARE  
GOOD FOR  
SOCIETY.

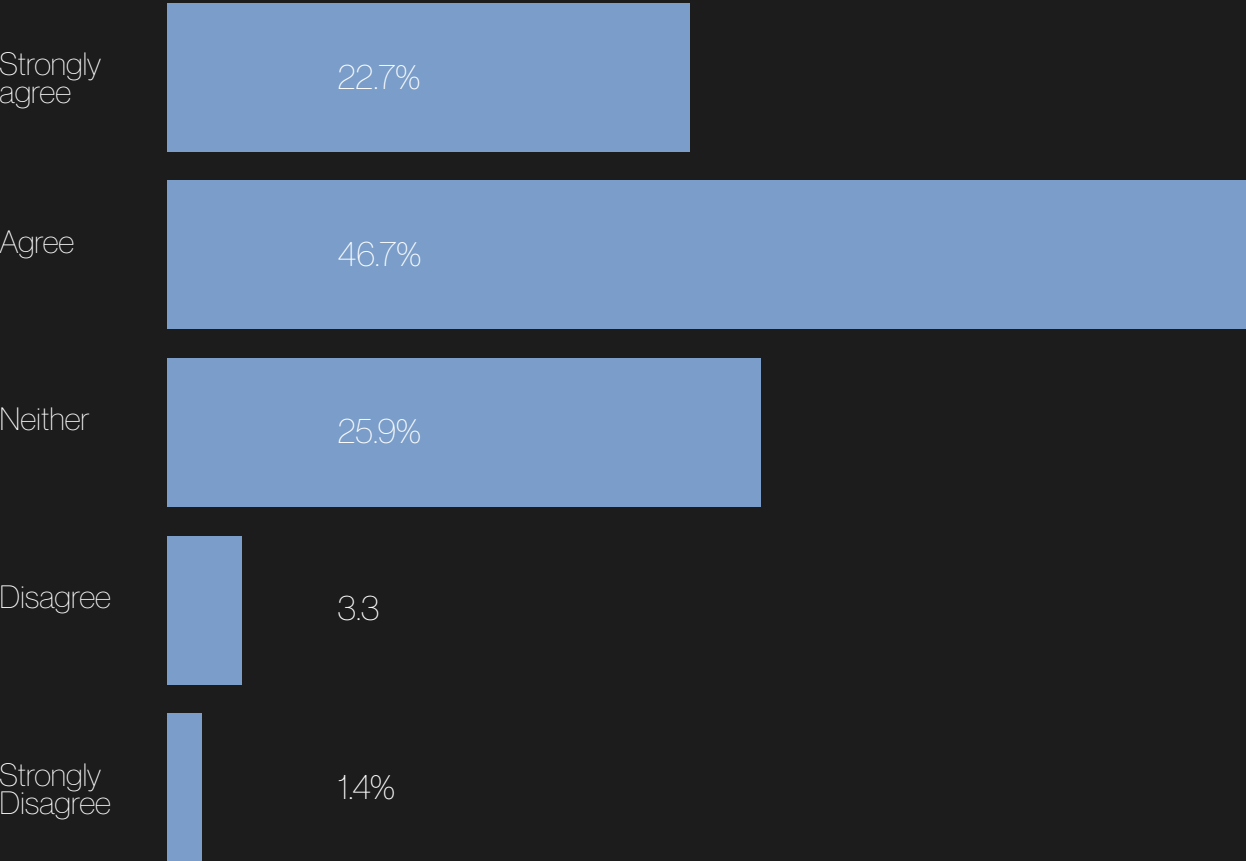


When we move from thinking about the act of giving, to the people behind those acts, the picture starts to change somewhat. A smaller majority (69.4%) feel that philanthropists are good for society, as shown in figure 5, although this view is held more strongly by those who are older and with a higher income. Amongst the lowest income group, only a bare majority (53%) agree that philanthropists are good for society;

FIGURE 6

Percentage agreeing with the statement:

“Philanthropists are good for society”.



In line with this less fulsome view of the donors behind the donations, on the whole, people do not trust donors to do what is right with their donations. Less than half of us agree with that statement, as shown in figure 7. Women are significantly more trusting than men, and those age 70+ are the only age group where a majority express trust of donors.

FIGURE 7

Percentage agreeing with the statement:

“I trust donors to do what is right with their donations”.



How would you define a philanthropist in three words?

GENEROUS

CARING

GIVER

CHARITABLE

KINDNESS

HELPFUL

WEALTHY

HUMANITY

RICH

DONOR

TO FURTHER EXPLORE  
PUBLIC ATTITUDES  
ABOUT GIVERS, WE ASKED  
RESPONDENTS TO DEFINE  
'A PHILANTHROPIST' IN  
THREE WORDS. THIS  
EXERCISE GENERATED  
2,878 ANSWERS, OF WHICH  
TEN WORDS (INCLUDING  
SOME VARIATION  
ON THOSE WORDS)  
COMPRISED MORE THAN  
HALF (52%)  
THE RESPONSES.

TABLE 1:

WORD	NUMBER OF MENTIONS	PERCENTAGE
GENEROUS/GENEROSITY	398	13.8%
CARE/CARER/CARING	213	7.4%
GIVING/GIFTS/GIVER	149	5.2%
CHARITABLE	144	5.0%
KIND/KINDNESS/KIND HEARTED	123	4.3%
HELPFUL/HELPING/HELPS	107	3.7%
WEALTHY	99	3.4%
HUMANE/HUMANITARIAN/HUMANITY	97	3.4%
RICH	87	3.0%
DONOR/DONATOR/DONATE/DONATION/DONATING	80	2.8%

WHILST TABLE 1 SHOWS THAT DEFINITIONS OF 'PHILANTHROPIST' ARE PRIMARILY POSITIVE (E.G. GENEROUS, CARING, KIND) OR DESCRIPTIVE (E.G. GIFT, CHARITABLE, DONATE), A SIGNIFICANT PERCENTAGE ARE FOCUSED ON THE PECUNIARY ASPECT AS THE FOUR WORDS WEALTHY, RICH, MONEY, AND AFFLUENT ACCOUNT FOR ALMOST 10% OF RESPONSES.

A significant percentage (c.3%) respond that they are unable to answer the question, giving responses such as:

DON'T KNOW;  
NOT SURE;  
NO IDEA;  
NOT A CLUE;  
A WHAT?



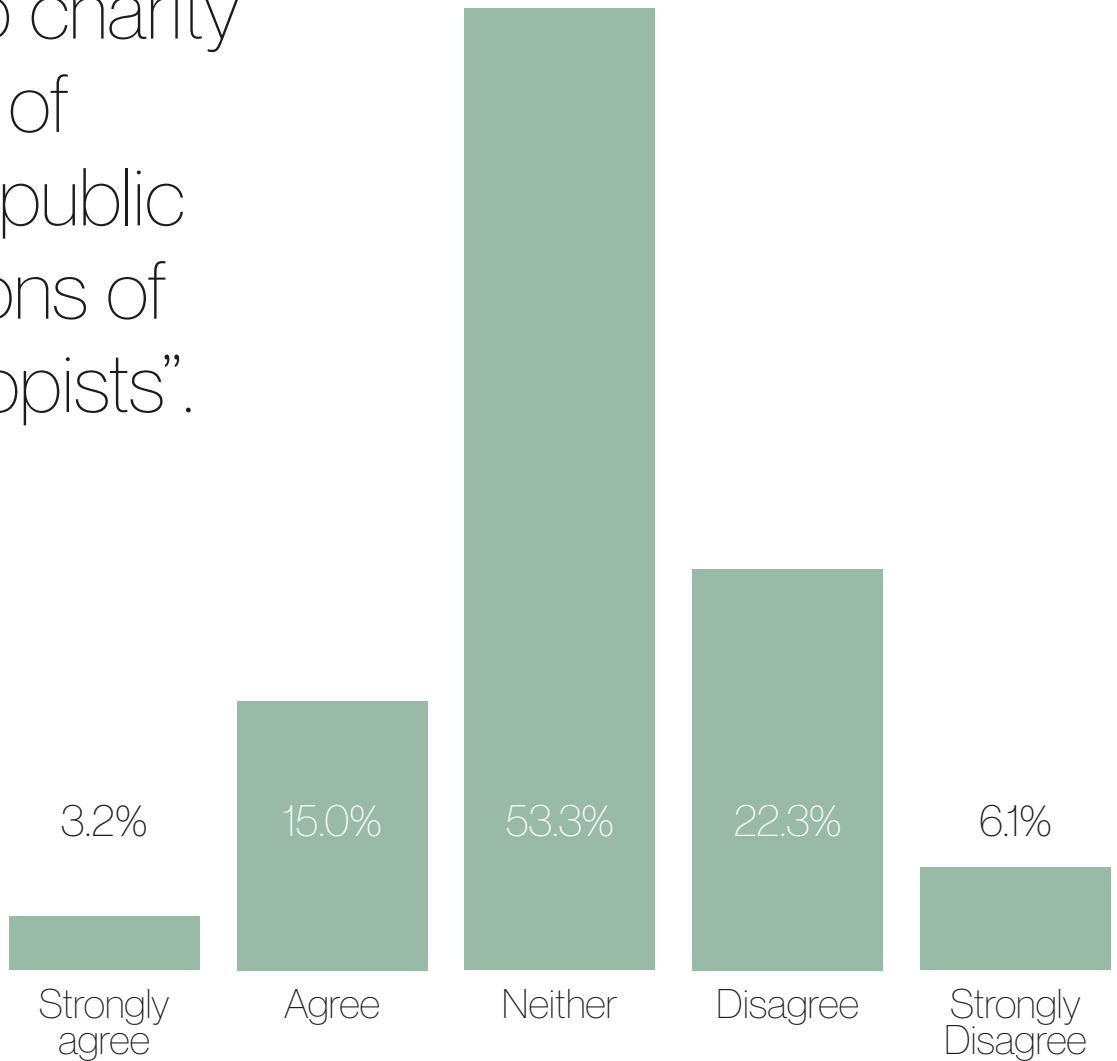
Those choosing negative words were almost twice as likely to be non-donors as donors, are slightly more likely to be female, and are unlikely to be in the oldest age group (70+).

When asked to reflect on whether such negative perceptions of philanthropists might deter people from giving more to charity, almost a fifth (18.2%) agreed, as shown in Figure 8.

FIGURE 8

Percentage agreeing with the statement:

“I think people are deterred from giving more money to charity because of negative public perceptions of philanthropists”.





Women, older people and those on lower incomes were slightly more likely to agree that negative public perceptions have a deterrent effect.

Overall, this research highlights an interesting lack of alignment between the extremely positive public attitudes to philanthropy and appreciation of its impact on society, compared to the rather more luke-warm public reaction to philanthropists. It is obviously illogical to appreciate what donations achieve but not those who make the donations. If we wish to build a stronger culture of giving in the UK, this slippage needs to be more fully understood and, hopefully, addressed.

FINDING 4:

AWARENESS OF,  
AND SUPPORT  
FOR, TAX  
INCENTIVES TO  
ENCOURAGE  
CHARITABLE  
GIVING ARE  
HIGHEST  
AMONGST  
OLDER AND  
HIGHER INCOME  
PEOPLE.

A key plank of government support to encourage philanthropic activity is the provision of tax breaks<sup>6</sup>. The total value of charity tax reliefs is worth around £5.1 billion each year. The larger part (c. £3.6bn) is claimed by charities, and around £1.5bn is claimed by individual donors. The most significant reliefs available for individual donors are Inheritance tax (relief on charitable bequests) worth c.£860m, Gift Aid claimed by higher rate tax payers, worth c.£490m, relief on gifts of shares and property donated to charities, worth c.£70m, and relief on donations made through the pay roll, worth c.£40m<sup>7</sup>.

Just under half of respondents (45.6%) express support for the government providing such tax incentives to people who give money to charity, as shown in figure 10, with a further third (31.7%) being unsure either way. Men and those on higher incomes are more likely to agree, and the youngest age group are the least likely to agree.

<sup>6</sup> Up-to-date information on the full range of UK charity tax reliefs is available online here: <https://www.gov.uk/donating-to-charity>

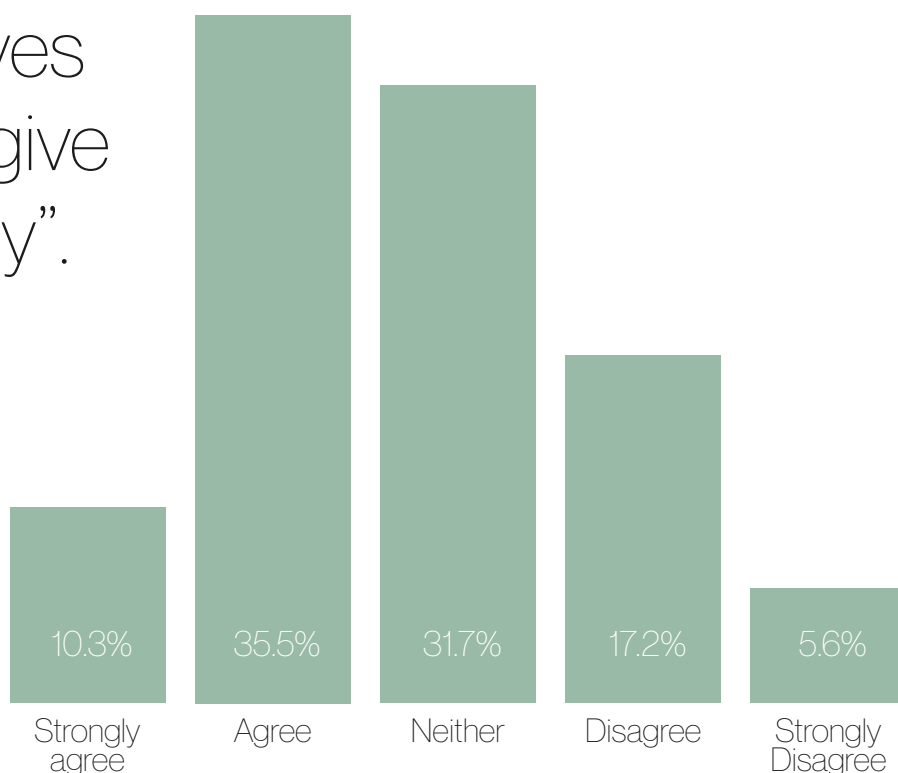
<sup>7</sup> These figures all come from 'UK Charity Tax Statistics Overview' published by the Charity Tax Commission, available here [https://www.ncvo.org.uk/images/documents/policy\\_and\\_research/funding/CharityCommissionResearchReport\\_3.pdf](https://www.ncvo.org.uk/images/documents/policy_and_research/funding/CharityCommissionResearchReport_3.pdf)

<sup>8</sup> A study commissioned by HMRC in 2016, focused on Gift Aid, found that only a quarter of the population have a 'good' understanding of that relief. <https://www.gov.uk/government/publications/charitable-giving-and-gift-aid-research>

FIGURE 10

Percentage agreeing with the statement:

“I think the government should give tax incentives to people who give money to charity”.



Despite the significant value of these reliefs and only one in five (22.8%) disagreeing that such reliefs should exist, prior research shows some problems with public awareness and understanding of fiscal incentives for charitable giving, which results in large quantities of tax relief going unclaimed.

Amongst our respondents, less than one in five (17.9%) felt they knew a 'great deal' about tax incentives for those who give to charity, and the majority only know 'some', 'not very much' or 'not at all', as shown in figure 9.

FIGURE 9

To what extent, if at all, are you aware of the tax incentives (such as Gift Aid) that government offers to those who give to charity?

GREAT DEAL	17.9%
QUITE A LOT	24.3%
SOME	35.1%
NOT VERY MUCH	12.7%
NOT AT ALL	10.1%

Awareness of charity tax reliefs increases with both age and income levels, with a majority of those aged 70+, and the highest income group, claiming to know 'a great deal' or 'a lot'.

FINDING 5:

AWARENESS  
OF DONOR  
ADVISED  
FUNDS IS VERY  
LOW, BUT  
THEY APPEAL  
TO MANY  
DIFFERENT  
TYPES OF  
DONOR.

Awareness of the ability to organise charitable giving through a Donor Advised Fund (DAF) is extremely low. Only a tiny fraction of people know ‘a great deal’ or ‘a fair amount’ about DAFs, and almost nine in ten (87.7%) either know nothing about them or have never even heard of DAFs, as shown in figure 11. The youngest age group are the most likely to have never heard of DAFs and awareness amongst women is slightly lower than amongst men.

FIGURE 11

How much, if at all, would you say you know about what a Donor Advised Fund is?

GREAT DEAL	0.6%
A FAIR AMOUNT	1.9%
JUST A LITTLE	9.8%
HEARD OF, KNOW NOTHING ABOUT	15.4%
NEVER HEARD OF	72.3%

However, once DAFs were explained to respondents, a third were interested in the option and only one in five said they would not give this way, as shown in figure 12.

“A DONOR ADVISED FUND IS A CHARITABLE ACCOUNT RUN BY A NOT FOR PROFIT ENTITY THAT ALLOWS DONORS TO MAKE CHARITABLE CONTRIBUTIONS, IN A TAX AND TIME EFFICIENT WAY, AND RECOMMEND GRANTS OVER TIME.”

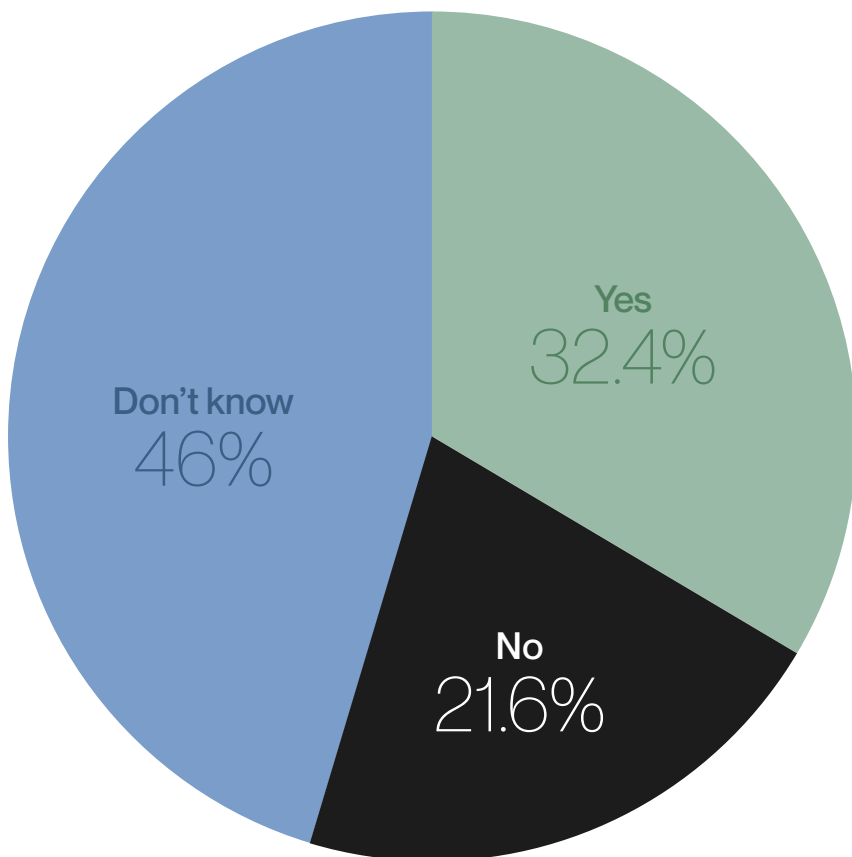


FIGURE 12

If you were to donate money, would you consider using a Donor Advised Fund?

Once explained, DAFs appealed to all types of donors, with some interesting variations: younger donors were twice as interested as those aged 70+, men were more likely to say 'yes' they would consider a DAF, whilst women were more likely to be open to persuasion (responding 'don't know').

# CONNO THOU

This think piece began by noting that philanthropy is being called on in new, urgent ways to respond to the COVID-19 pandemic. Whilst some new donors and new money are emerging to offer a swift, responsive and compassionate response, the scale of need now - as it was before the current crisis - is greater than the supply of current giving levels. All of us can play our part by giving what we can, especially to those charities that are on the front-line of the crisis, and supporting those organisations whose funding model is most severely impacted by the new restrictions. But a thoughtful, long-term response must also include reflecting on how we think about philanthropy and philanthropists, and whether some ingrained negative attitudes about donors and how society encourages giving, are holding back the non-profit sector's full potential. The goal of this think piece is to make a contribution to that longer-term response.

The research presented in this report has shown that, paradoxically, the public think more positively about donations than they do about the donors who make those philanthropic gifts. In addition, we identify a range of problematic connotations that are associated with the word 'philanthropist, low levels of trust in donors to 'do the right thing', and ongoing low levels of awareness of charity tax reliefs.

It is already well known that philanthropy involves two paradoxical elements. Firstly, that donors tend to benefit alongside those they seek to help - however much one may wish to make selfless gifts, it is hard to avoid getting some positive payback (as folk wisdom has it: giving is good for you!). Secondly, many people find it paradoxical that wealth accumulation tends to precede distribution - that one must create and possess wealth before it can be shared, which leads to concerns about the ethics of the accumulation process and the motivations of the 'haves' helping the 'have nots'. As if philanthropy were not complex and contested enough, this report has highlighted a third paradox about philanthropy in the UK: that the public holds a generally positive view about the things philanthropy pays for, whilst at the same time holding many negative opinions about those doing the paying. This is not a merely rhetorical problem as one in five (18%) of respondents agree that such negative perceptions of philanthropists might deter people from giving more to charity.



# CLUDING IGHTS.

How have we got to a point where it can be more problematic to give money away to help other people and wider society, rather than keeping it for entirely personal consumption? It's worth recognising that philanthropy has long been a problematic word and concept, attracting both admiration and scepticism. But in recent years philanthropy has got increasingly caught up in the cross fire of debates about wealth and inequality, and its positive value has been affected as a result. Even big donors themselves often resist describing themselves as 'philanthropists' for fear of drawing attention to their wealth, or sounding pompous and out of touch. A number of recent books and articles that depict philanthropy as inherently problematic, undemocratic<sup>9</sup>, or even a 'charade' to keep elites on top<sup>10</sup>, combined with viral – and often vitriolic – posts on social media in response to philanthropic announcements, mean people are unlikely to embrace this label anytime soon.

This is an untenable situation – it does not make sense to think well of donations but not donors, nor is it sensible to continue with low levels of understanding of the existing incentives to encourage giving. As we emerge from the current crisis, part of re-building our civic society must involve tackling problematic public perceptions in order to remove barriers to giving. We need to make a greater effort to better understand and address the slippage between appreciating what donations achieve and those who make the donations, and to increase efforts to educate the public on the range of available tax reliefs and appropriate vehicles for making charitable donations. However, the paradox that has been identified will not be solved solely by the promotion of tax efficient structures - there also needs to be a wider and more successful explanation of the purpose of philanthropy and the benefits it brings for donors, beneficiaries and wider society. Only then can we hope to continue building a stronger culture of giving in the UK.

<sup>9</sup> These roles are set out in a book called 'Understanding Philanthropy: It's meaning and mission', by Robert Payton and Michael Moody, published in 2008.

<sup>10</sup> This argument is made by Anand Giridharadas in his book 'Winners Take All: the elite charade of changing the world', published in 2018.

# METHODOLOGY APPENDIX

The findings reported in this report are based on data collected in 1,215 interviews by NatCen Social Research in November and December 2019.

NatCen conducted a random probability survey amongst its panel members on behalf of Prism the Gift Fund to understand public attitudes to philanthropy and charitable giving.

Panel members are recruited from the British Social Attitudes survey (BSA) which interviews those aged 18 and over across Britain (south of the Caledonian canal). The BSA is a high-quality, random probability face-to-face survey: this means that households and individuals are selected at random, and then considerable effort is expended by field interviewers to achieve an interview, including visiting the selected addresses multiple times. The NatCen panel uses both web and telephone fieldwork to boost response rates and allow coverage of those without access to the internet, and a longer fieldwork period to ensure everyone has the opportunity to take part, not just those that are 'readily available'.

As the panel was recruited via the face-to-face British Social Attitudes (BSA) survey, and panellists are interviewed regularly, a wealth of background information on panellists is available in addition to the commissioned questions.

Non-response for NatCen's probability panel surveys can occur at three stages: non-response at the survey used for recruitment (the British Social Attitudes survey), refusal to join the panel at the end of that interview and non-response in the survey of panel members itself. A weight is computed to account for non-response at each of these three stages.

The fieldwork approach for the panel survey employed a sequential mixed mode design, where panel members were first invited to participate in the research online (using multiple points of contact by post, email and text) before being contacted by telephone if they had not yet completed the interview after two weeks (and if telephone numbers were available). In this way we were able to access those who do not have regular access to the internet or, for instance, those who may have literacy or language barriers. A £5 love to shop gift card was sent as a 'thank you' to those who participated.



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