



***“Just a Thought...”***

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## **Giving and Volunteering During a Recession**

The following is a brief outline of some perspectives on philanthropic behavior during a recession.

### ***First the gloomy news....***

- As a retrospective guide, the typical American household reduced charitable contributions by nearly 20% during the last major recession from 1989 to 1991. (Gallup Poll Survey commissioned by the Independent Sector) There’s no reason or recent evidence to indicate that this reduction will be any less during the current economic downturn. .
- A similar reduction in volunteerism occurred: people who regularly volunteered their time devoted 440 million fewer hours in 1992 than they did in 1989. (Gallup Poll Survey commissioned by the Independent Sector). There is no reason to believe that dedicated volunteers will be less distracted from serving their favored charities during these economic times.

### ***With some encouragement....***

- 6 out of 10 Americans with wealth surpassing \$30 million intend to give more to charity this year than last. And, of those intending to donate more 87% cited greater charitable need as a motivation. (2008 Prince & Associates Survey). This is reflected in a dramatic increase in the number announced gifts above \$1 million over the past year throughout the United States.
- There were 60 individual donors of \$15 million and above in 2000. Last year, there were 50 individual donors of \$39 million and above. (*The Chronicle of Philanthropy – American’s Top Donors*) The bar is being raised!
- Over \$306 billion was contributed last year, a record high for our nation’s

philanthropy sector. (*Giving USA 2008 Report*)

***And some observations....***

- Organizations that postpone, or ease-up on fundraising initiatives for reasons of “the economy” are likely to be out-hustled by other worthy charitable organizations seeking support. The economy is down, but the competition for charitable gifts and grants is not.
- When an organization delays or scales-down fundraising initiatives it may well signal to supporters that perhaps the funds weren’t really needed after all.
- When the economy improves, and the question is not whether but when, the loss of fundraising momentum may make it difficult to catch-up

***Is your organization continuing to compete for peoples’ time, attention and resources in the philanthropic marketplace?***

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