

# The Psychology of Ineffective Altruism

*Sam Johnson*

University of Bath School of Management

# Annual global giving: ~£500,000,000,000

- How much is £500 billion?
  - Eradicating malaria: £70–90 billion (Gates Foundation)
  - Ending world hunger: £8–200 billion annually (IFPRI)
  - Reducing CO<sub>2</sub> emissions by 2/3: £170–300 billion annually (McKinsey)

# Why haven't these things happened?

*Altruistic acts vary widely in effectiveness*



\$350 million AI research institute



\$150 million student center

# Effective altruism

- A philosophical movement devoted to solving world problems by channeling resources more effectively



Peter Singer



Will MacAskill



Bill & Melinda Gates

# Why do people donate?

- To *do* good (utilitarianism)
- To *feel* good (“warm glow” giving)
- To *look* good (signaling)

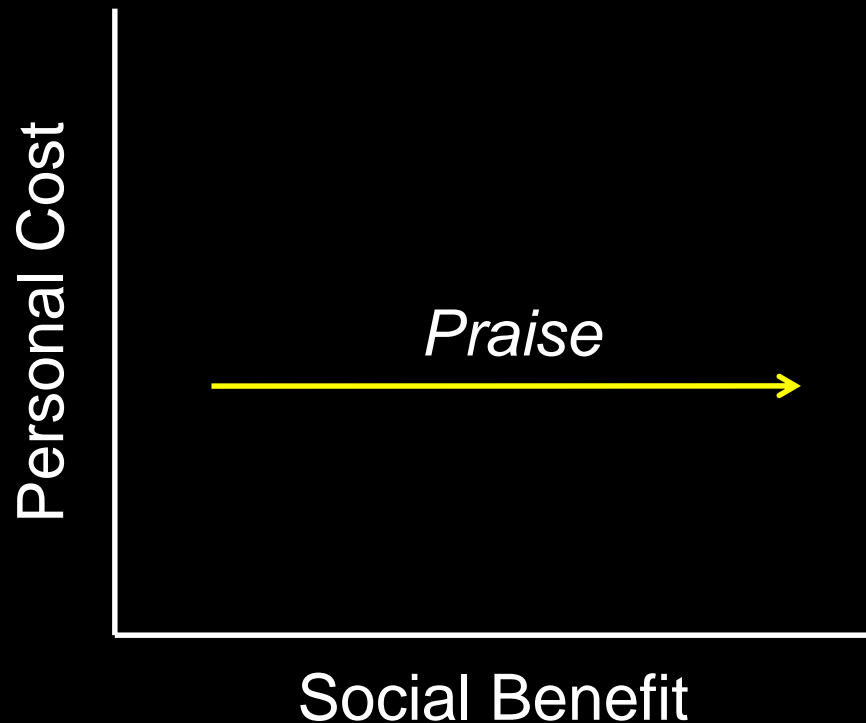
Key question:

Does doing the most good *look* the most good?

- *Does reputation track social benefit or personal sacrifice?*
- *Is reputation better-served by donating time or money?*

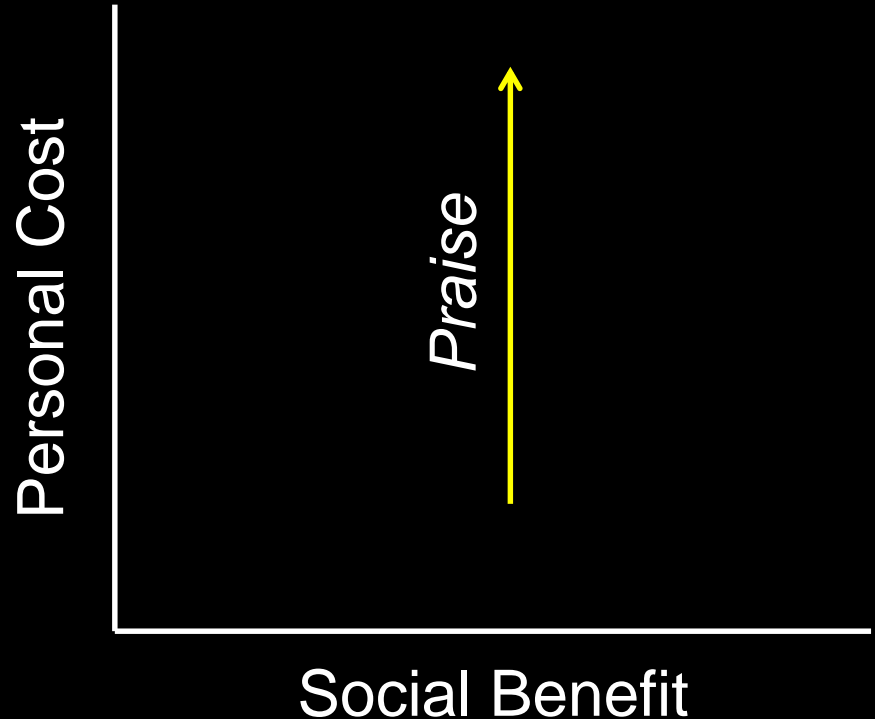
# Why do we admire altruists?

- *Because their acts produce social benefits?*
  - Effective altruists think reputation should track benefits



# Why do we admire altruists?

- *Because their acts produce social benefits?*
  - Effective altruists think reputation should track benefits
- *Because their acts require personal costs?*
  - Costs are morally irrelevant
  - But they are good signals – observable, controllable, hard-to-fake



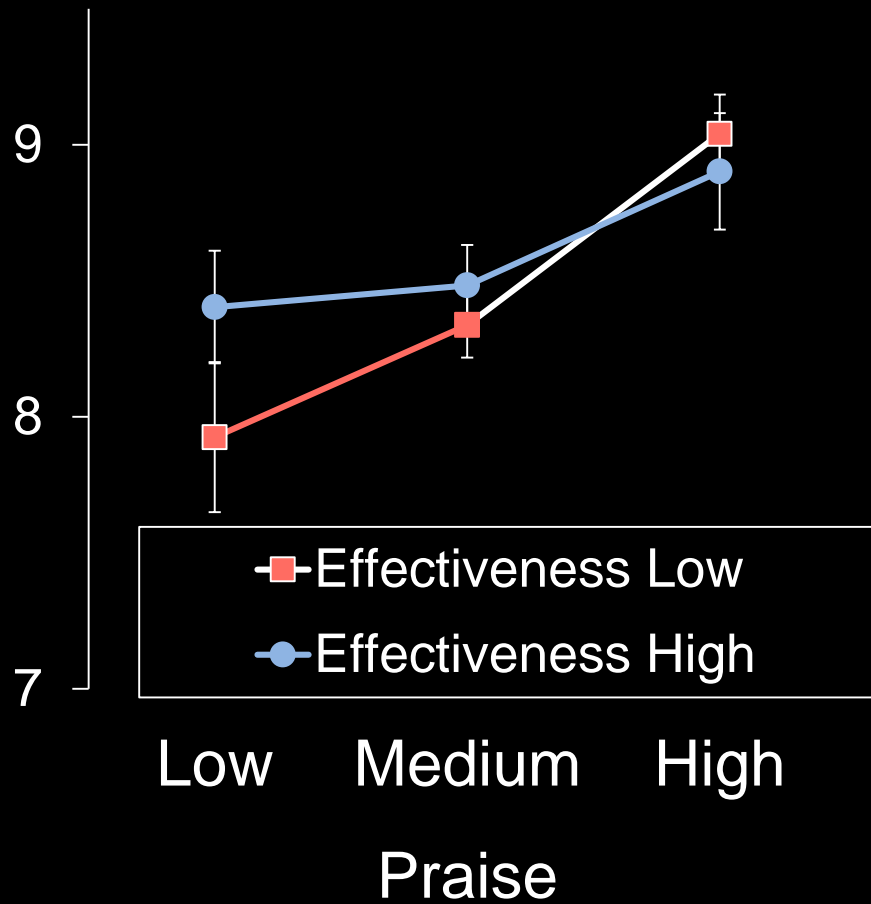


# Study 1

Julia decided to make a donation to charity. She donated [\$20 / \$200 / \$2000] to a charity focused on international health. Her donation was used to cure [a child's / 10 children's] blindness in Ethiopia.

*Please rate the moral praiseworthiness of Julia's action. (0–10)*

*Please rate Julia's moral character. (0–10)*



Contribution

# Does doing the most good *look* the most good?

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  - Moral praise tracks costs, not benefits
    - We replicate this in many other experiments
  - This is bad: Social incentives do not reward effective giving
- *Is reputation better-served by donating time or money?*

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  - Effective altruists note that money-donations are usually more effective
  - But time may better signal emotional investment and thus moral reputation

(with Seo Young Park – Bath Uni undergraduate)

# Study 2

Megan and Kate both work in Columbus, OH and earn about \$70,000 per year.

- Megan volunteered for one week with Build a Dream, a charity that transports people to Nepal to build houses for villagers.
- Kate donated \$1350 to Care Builders, a charity that hires local carpenters to build houses for villagers in Nepal.

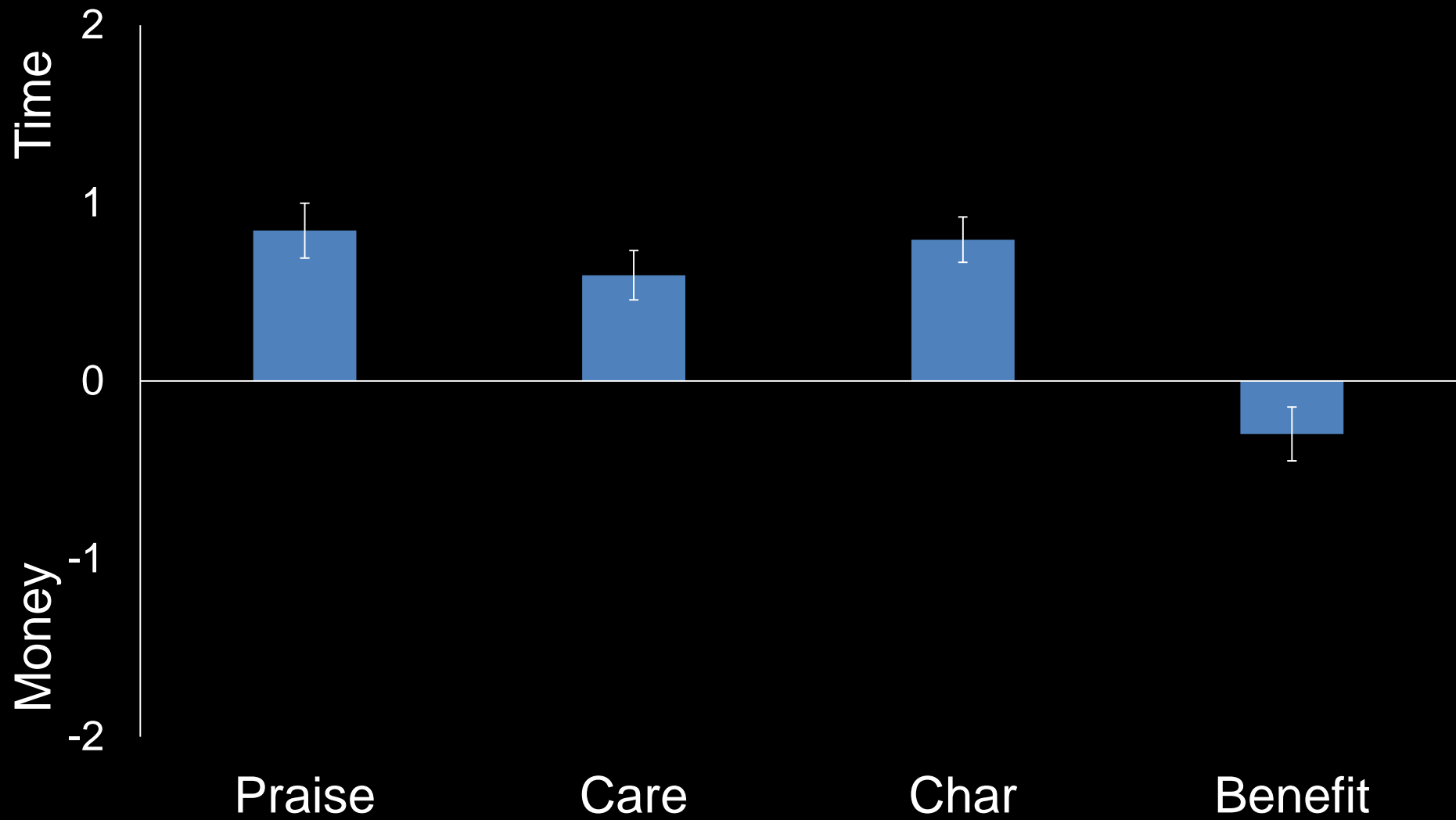
*Which of these two acts do you think was more morally praiseworthy?*

*Who do you think cares more about people in Nepal?*

*Who do you think has stronger moral character?*

*Which of these two acts do you think resulted in greater benefit to people in Nepal?*

–5 (Megan's volunteering) to 5 (Kate's donation)



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- *Is reputation better-served by donating time or money?*
  - People acknowledge that money-donations help more people
  - But they still praise time-donors more

# Why aren't donations more effective?

- The market for charity is a market for reputation, and reputation does not follow the dictates of moral philosophy
  - Driven by costs rather than benefits
  - Prioritizes donations of time over money
- To develop solutions, we need to understand the problems
  - Encouraging comparison shopping among charities
  - Framing donations in terms of time



Thanks!