

# A psychologist's guide to donating more effectively to charities

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The decision to donate to a charity is often driven by emotion rather than by calculated assessments based on how to make the biggest impact. In a review article published on April 29 in the journal *Trends in Cognitive*

*Sciences*, researchers look at what they call "the psychology of (in)effective altruism" and how people can be encouraged to direct their charitable contributions in ways that allow them to get more bang for the buck—and help them to have a larger influence.

"In the past, most behavioral science research that's looked at [charitable giving](#) has focused on quantity and how people might be motivated to give more money to charity, or to give at all," says first author Lucius Caviola, a postdoctoral researcher in the Department of Psychology at Harvard University. "Our paper focuses on the effectiveness of giving—how people decide which charity to give to and ways that people can be motivated to give to charities that are more effective."

In the paper, the authors present a framework that distinguishes between motivation-based and knowledge-based influences on charitable giving. They note that although people often say they want to give effectively, they may be drawn to charities that are less effective and may not know how to determine which charities are more effective. The authors also discuss interventions that could encourage more effective altruism, such as providing more tangible details about a charity's intervention strategies and how donors' money is used.

Caviola believes that overhead ratios, which report what portion of donations goes to a charitable organization's costs of operation versus its cause, and which many people focus on, are not the best way to measure a charity's effectiveness. "These are completely different things, and I would argue that overhead ratio is irrelevant," he says. "When someone does research before buying a car, they want to get the best car for their money, not the one where the company devoted the highest percentage of its profits directly to manufacturing costs."

Instead, he says, more people should defer to experts that evaluate charities based on their effectiveness. "According to expert estimates,

the most effective charities are often a hundred times more effective than typical charities," the authors write. "A \$100 donation can save a person in the developing world from trachoma, a disease that causes blindness. By contrast, it costs \$50,000 to train a guide dog to help a blind person in the developed world. This large difference in impact per dollar is not unusual." The authors cite the organization GiveWell as a reliable source of such information, based on its criteria designed to help donors do as much good as possible with every donation they make.

The authors acknowledge the importance of emotion in donating to [charity](#) and suggest that dividing donations between charities that are emotionally appealing and those that have the greatest impact can be an effective way to address both sides of this issue. "Research has shown that there are psychological conflicts between these two preferences," Caviola says. "We have demonstrated that if you allow people to split their contributions, it can help them to resolve these conflicts."

**More information:** *Trends in Cognitive Sciences*, Caviola et al.: "The Psychology of (In)Effective Altruism" [www.cell.com/trends/cognitive-.../1364-6613\(21\)00090-5](http://www.cell.com/trends/cognitive-.../1364-6613(21)00090-5) , DOI: [10.1016/j.tics.2021.03.015](https://doi.org/10.1016/j.tics.2021.03.015)

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