The Purpose of Giving
*Solving Problems or Building Character?*
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What is the purpose of philanthropy? Do we measure giving by its effects in solving social problems or rather its value in cultivating virtue among those who give? Is the focus on the recipient or the giver? The age old question has particular resonance for those of us attending to religious giving. Despite trends indicating that giving to specific religious congregations may be slowing, giving broadly motivated by religious values has not. In defining religious giving, focusing on the recipient or the giver is an important distinction and probably more than an either/or dichotomy.

Current debates over the purpose of philanthropy, however, have also begun to turn on the question of effectiveness. One particularly persuasive current movement is known as effective altruism. Heralded by utilitarian philosopher Peter Singer, effective altruists believe philanthropy should be defined by a rigorous, non-sentimental approach that allows donors to make the maximum difference in the world. In his recent book, *The Most Good You Can Do*, Singer advises against supporting institutions such as universities, art museums, churches, or synagogues. While these gifts might allow for affiliation, recognition, and emotional connection, Singer would say giving directly to efficient nonprofits designed to end preventable diseases such as river blindness or malaria would be more effective and save more lives. As an ethicist, Singer forces us to ask whether saving hundreds of lives in Africa is not more effective and ethical than supporting a single academic scholarship at our alma mater.

Singer makes a good case. Popular websites such as GiveWell rank the most effective charities by cost-effectiveness. Prominent philanthropists such as Bill and Melinda Gates are proponents of Singer’s effective altruism. Some young people are banking on Singer’s notions for their professions as well. In embracing lucrative careers in sectors like finance, a handful of Singer’s Princeton students, realize they can make more money as hedge-fund managers than case-workers. As effective altruists, they seek to earn more in order to give more away. While many of Singer’s disciples are admirable, is this the full picture of philanthropy?

For those of us at Lake Institute focused on questions of faith and giving, we are concerned with where people give, how they give, but also why they give. With these larger complexities in mind, rarely does Singer’s utilitarian approach seem sufficient. Our research as well as the countless stories we hear demonstrate that giving itself is transformative. The act of giving shapes us into different people, and it cannot simply be measured by efficiency and effectiveness. Giving is a practice; it is also a virtue. In fact, it is often through the practices of our giving that we shape our virtues and character.
In contrast to Singer’s utilitarianism, New York Times editorialist David Brooks has revived our focus on virtue. In his recent book, *The Road to Character*, he examines the significance of vocation and the power of following one’s calling for a greater purpose. In fact, Brooks would offer a pointed response to Singer’s effective altruism. While he might commend young hedge-fund managers who seek to make money in order to give half their income away, Brooks cautions us to remember that “a human life is not just a means to produce outcomes, it is an end in itself.” The work that we do, the calling we pursue, and the gifts that we give lead us to become different people. They are transformative.

For non-profit leaders, development professionals, and clergy, Brooks cautions us to avoid becoming “a specialist without spirit.” Do not forget why you do the work that you do and never simply see fundraising as simply a means to an end. In fact, it may be through the act of giving out of our particular motivations to our particular passions that we are transformed. Measuring efficiency and effectiveness are vital for our work, but alone they are not enough. Philanthropy is about both the recipient and the giver, and the power of philanthropy often resides in that relationship and the transformative nature of the gift.

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