Authors
Dean Karlan
Northwestern University

Margaret McConnell
Harvard School of Public Health

Hey Look at Me:
The Effect of Giving Circles on Giving*

*Dean Karlan and +Margaret A. McConnell

May 15, 2013

Abstract

Theories abound for why individuals give to charity. We conduct a randomized field experiment with a Yale service club and find that the promise of public recognition increases giving. Some may claim that they give when offered public recognition in order to motivate others to give too, rather than for the more obvious expected private gain from increasing one's social standing. To tease apart these two theories, we also conduct a laboratory experiment with undergraduates. Our evidence is not consistent with individuals giving primarily because of a desire to influence the gifts of others. We conclude that social image motivations are a central determinant of giving when gifts are publicly recognized.

Keywords: prosocial behavior, experiments, voluntary contributions, social image

JEL: D64, C90, L30

*Department of Economics, Yale University, National Bureau of Economic Research, Innovations for Poverty Action and the M.I.T. Jameel Poverty Action Lab: dean.karlan@yale.edu

+ Harvard School of Public Health, Innovations for Poverty Action and the M.I.T. Jameel Poverty Action Lab: [illegible]

We would like to thank the staff of Dwight Hall and Jacob Marcus for their help in implementing the randomized field experiment. We are grateful to Lint Barrage and the staff of the Decision Lab at Yale for assistance running lab experiments at Yale. Thanks to Brooke Berman, Yu-Ting Chuang and Angela Vargas for research assistance. We thank Sera Linardi for input on experimental design. We thank Ragan Petrie, Sara Solnick, Li Hao, Danila Serra, Paula Cordero Salas, Jane Zhang and audiences at ESA and CSWEP for helpful feedback.

1

Hey Look at Me: The Effect of Giving Circles on Giving

Theories abound for why individuals give to charity. We conduct a randomized field experiment with a Yale service club and find that the promise of public recognition increases giving. Some may claim that they give when offered public recognition in order to motivate others to give too, rather than for the more obvious expected private gain from increasing one's social standing. To tease apart these two theories, we also conduct a laboratory experiment with undergraduates. Our evidence is not consistent with individuals giving primarily because of a desire to influence the gifts of others. We conclude that social image motivations are a central determinant of giving when gifts are publicly recognized.

Innovations for Poverty Action

May 13, 2013