

## **Towards a Geronto-philanthropy<sup>1</sup>**

A focused research program on determinants of philanthropic contributions of the elderly in the EU

### **Paper presented at the ERNOP international conference in Paris, July 10th 2015**

Prof. dr. Th. Schuyt, prof. dr. R. Bekkers, prof. dr. J. Smit, D. Karamat Ali MSc VU University Amsterdam (Giving in the Netherlands/ Longitudinal Aging study Amsterdam) in collaboration with Maastricht University, Department of Finance (Pension-research and asset management) prof. dr. R. Bauer and dr. P. Smeets

[t.schuyt@vu.nl](mailto:t.schuyt@vu.nl)

[r.bekkers@vu.nl](mailto:r.bekkers@vu.nl)

[p.smeets@maastrichtuniversity.nl](mailto:p.smeets@maastrichtuniversity.nl)

### **Summary**

Academic research on the elderly dominantly regards the problematic aspects of growing old. Gerontology, geriatrics, social gerontology all focus on diseases and /or loneliness. However, the foreseen “Golden Age of Philanthropy” will be shaped by the philanthropic contribution, specifically by the elderly as most of the High NetWorth individuals are beyond the age of sixty. They give and will give their wealth, their savings, time and expertise in favor of the public good. Major donors, legacies, bequests, new family foundations are increasingly recognized by fundraisers, fundraising foundations, non-profits, financial intermediaries, banks, charity desks and even governments.

Scholarly interest of this sunny side lags behind. This paper is “always looking at the bright side of life”<sup>2</sup>, including the process of growing old. Geronto-philanthropy aims to label a new research-program, covering and gathering different disciplines and research traditions. In the coming years it will be part of the “Giving Europe” research project of the European Research Network on Philanthropy (ERNOP).

---

<sup>1</sup> The term has been used in: Schuyt, Th. (2013) *“Philanthropy and the Philanthropy Sector; an Introduction:* London: Ahsgate p. 60.

<sup>2</sup> Monty Python (1979). Life of Brian.

## Introduction

The increasingly aging population has – in many Western European countries - made “the elderly” a political, policy and societal issue. The expected growth of the needed social and medical care and services has contributed to a public opinion shortly characterized as “the elderly as a burden”. As a result or consequence much scientific research grants – governmental and non-governmental – has been allocated to those research studying the decrease of competence and health during the aging process. Most gerontology research is medical in kind and pays attention to issues as dementia, Alzheimer, psychological and / or physical shortcomings. Geriatrics grew out towards a new, promising academic discipline.

In the sub-discipline of gerontology - the social gerontology, studying the social and societal aspects of growing older – the focus too seems at the problematic aspects: see, for instance, the overwhelming number of publications on loneliness and lack of informal support.

Of course, a positive sound is also heard: those scholars stressing the research theme of “successful aging”. In this new trend of research the factors, opportunities and conditions to grow old healthy, and happily are scrutinized. Be active, train you brain, attend courses for reactivating memory, put yourself in a challenging environment, eat healthy food, etc. , because, “what you don’t use you lose”. Research on preventing stumble and fall of elder people by ‘human movement sciences’ also belong to this kind of interest. “Successful aging”, in this respect, seems the positive side of the “burden” side of the medallion: it is up to the elderly themselves to avoid – as long as possible – dependency.

## A different approach

Economists at the Social Welfare Research Institute in Boston have been trying to assess the volume of capital that will be transferred between generations in the USA in the next fifty years. The lowest estimate is 41 thousand billion dollars; the highest is 136 thousand billion. They also expect the testators not to leave everything to their children or the state: in many cases the children are already pretty well-off and the tax benefits and other advantages of donating to ‘good causes’ are plentiful. This may go some way to explaining the phrase the ‘Golden Age of Philanthropy’.<sup>3 4</sup> Bekkers made - in collaboration with the National Statistical Bureau (CBS) – an estimation of the expected volume of legacies for good causes in the Netherlands and came to the same conclusions<sup>5</sup>.

---

<sup>3</sup> Havens, J.J. en P.G. Schervish, 1999, *Millionaires and the Millennium: New Estimates of the Forthcoming Wealth Transfer and the Prospects for a Golden Age of Philanthropy* Paper. Boston: Social Welfare Research Institute Boston College.

<sup>4</sup> Havens, J.J. en P.G. Schervish, 2003, ‘Why the \$ 41 trillion wealth transfer estimate is still valid: a review of challenges and questions’ *Journal of Gift Planning*, 7 (1) 11-15; 47-50.

<sup>5</sup> Bekkers, R. (2013) *De maatschappelijke betekenis van filantropie*. Amsterdam: Vrije Universiteit, Oratie

A steady increase is expected in private philanthropic contributions in the years ahead. Taking only the US and Western Europe, what factors can explain the 'revival' of philanthropy?

The first factor is of an economic nature. The industrialized world has untold wealth, albeit unevenly distributed. The post-World War II generation in industrialized countries has become wealthy and is transferring its money to the next generation. A general increase in wealth is an important prerequisite for philanthropy (see *Giving Korea 2012*)<sup>6</sup>.

The second factor is demographic. Many 'post-WW II wealthy generation' countries are wrestling with the problems of a rapidly ageing population. At the same time, family sizes are shrinking. So, more is left for less. And age itself appears to be an important indicator of giving behaviour (*Giving the Netherlands 2015*<sup>7</sup>; Midlarsky, E. and E. Kahana, 1994<sup>8</sup>).

The third factor is socio-cultural. Awareness of citizenship in industrialized societies, a trend towards DIY (Do it yourself) triggered by higher educational levels, a feeling of self-reliance related to a sense of interdependency in a global world (an awareness of nearness, evoked by travel and modern communication) are creating new expressions of the self as a 'global citizen', one of which is philanthropy.

The fourth factor is meaning seeking. Philanthropy proves invitational to those seeking a 'meaning in life'. Philanthropy, the new form in wealthy countries, is considered as "voluntarily serving the public good" as its core value. Philanthropy here functions as a mean. It offers the possibility to link to something greater than oneself. Philanthropists are motivated and attracted by the gospel "to become part of the soul of the world" (Coelho 1993) referring to the general interest, the public good.

### **Research questions**

Which elderly shall make the expected "Golden Age of Philanthropy" come true? Is this prediction, however, not a too optimistic prognosis if the uncertainties of the stock-markets – globally – are taken into account? What macro conditions – financially, economically, politically – would influence the readiness of elderly to give? At the level of the individual older person other questions come up: do physical, psychological, social or biomedical variables make the difference to give or not? Will the group of 'not well to do' elderly volunteer time instead of giving money? Or does the financial status make no sense?

---

<sup>6</sup> Giving Korea (2012) . Seoul: the Beautiful Foundation.

<sup>7</sup> Bekkers, R., Th. Schuyt and B. Gouwenberg (eds.) (2015). Geven in Nederland. Amsterdam: Reed Business

<sup>8</sup> Midlarsky, E. and E. Kahana. (1994). Altruism in Later Life. London: Sage Publications.

Besides these questions, the hypothesis about the dominant “burden paradigm” in research on the elderly has to be tested as well<sup>9</sup>.

So far, the research focused at geronto-philanthropy will try to answer at least the following questions:

**Central problem:**

1. Which elderly give (money, goods, time , expertise) to public causes?
2. Which elderly do’nt?
3. Which factor determine the giving / not giving behavior of the elderly?
4. Is in academia giving behaviour of older people a relevant subjectmatter? Formulated differently: is the burden paradigm dominant?
5. With regard of the questions 1-3: are there differences between EU countries?
6. If yes, how may these differences be explained?

**Preliminary design**

The research is descriptive and explorative in nature, but also tries analyze and explain. First of all a literature research will be conducted in gerontological research: is attention paid to giving by the elderly? At the other side: does philanthropic research specifically covers the elderly as givers?

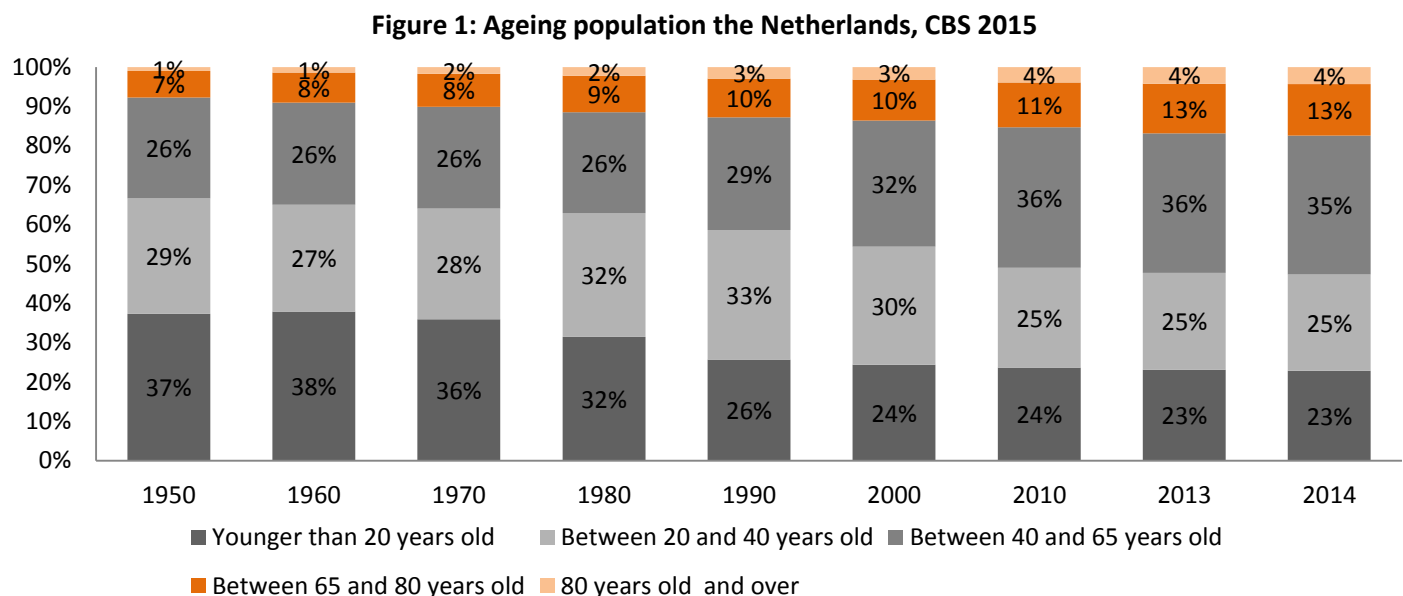
Secondary analysis of existing data sets is a following step. Much information is available and much work is already done. Longitudinal datasets of “Giving in the Netherlands” (GIN), the data of the “Longitudinal Aging Study Amsterdam” (LASA) , data of High Networth Individuals (HNWI’s) research of VU University Amsterdam, HNWI-research of Maastricht university (School of Business and Economics, dept. Finance); Pension and asset management research of Maastricht University, the Netherlands research on Depression and Anxiety (NESDA) of VU university Amsterdam .

---

<sup>9</sup> Google for instance “Giving by the elderly”; .....and the result: “Giving the elderly a bath”! Google “Philanthropy by the elderly”, some hits guide to “The case of childless elderly in Germany and the US. By Frank Adloff. However most hits regard “philanthropy for the elderly”.

## Preliminary descriptive analysis

When we focus specifically on the demographics of the Netherlands we can see in figure 1 how the changes have affected the age composition of the population.



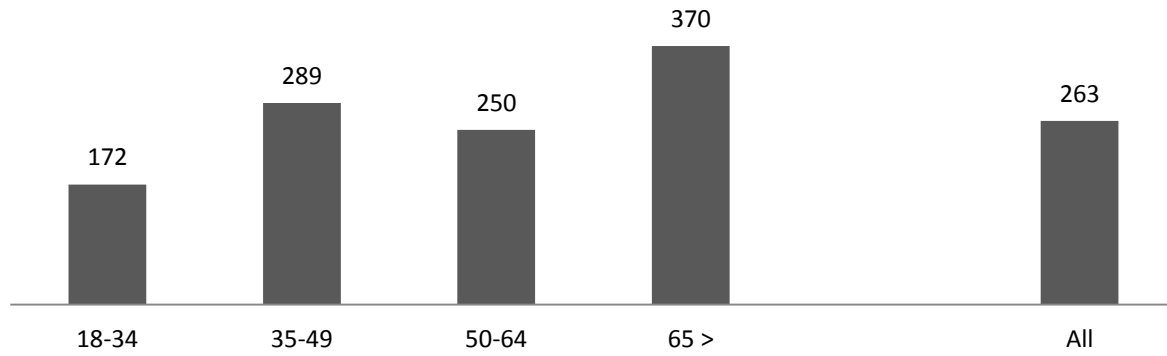
The 'top' aging categories 'between 65-80 years old' as well as '80 years and over' have grown as a percentage of the population whereas the shares of the 'youngest' categories have been reduced.

Although there are many concerns about the effects of the ageing population, there is also good news. The Giving in the Netherlands data on the giving behavior of Dutch households shows that the elderly on average tend to give more money to public causes than other age categories. Especially, the group of people aged 65 years and older give significantly higher amounts to public benefit causes. Figure 2 shows the average amounts different age groups give. The average amount a household gives lies around 263 Euros each. The average amount given by people aged 65+ lies around 370 Euros each year which is much higher than any other age category.

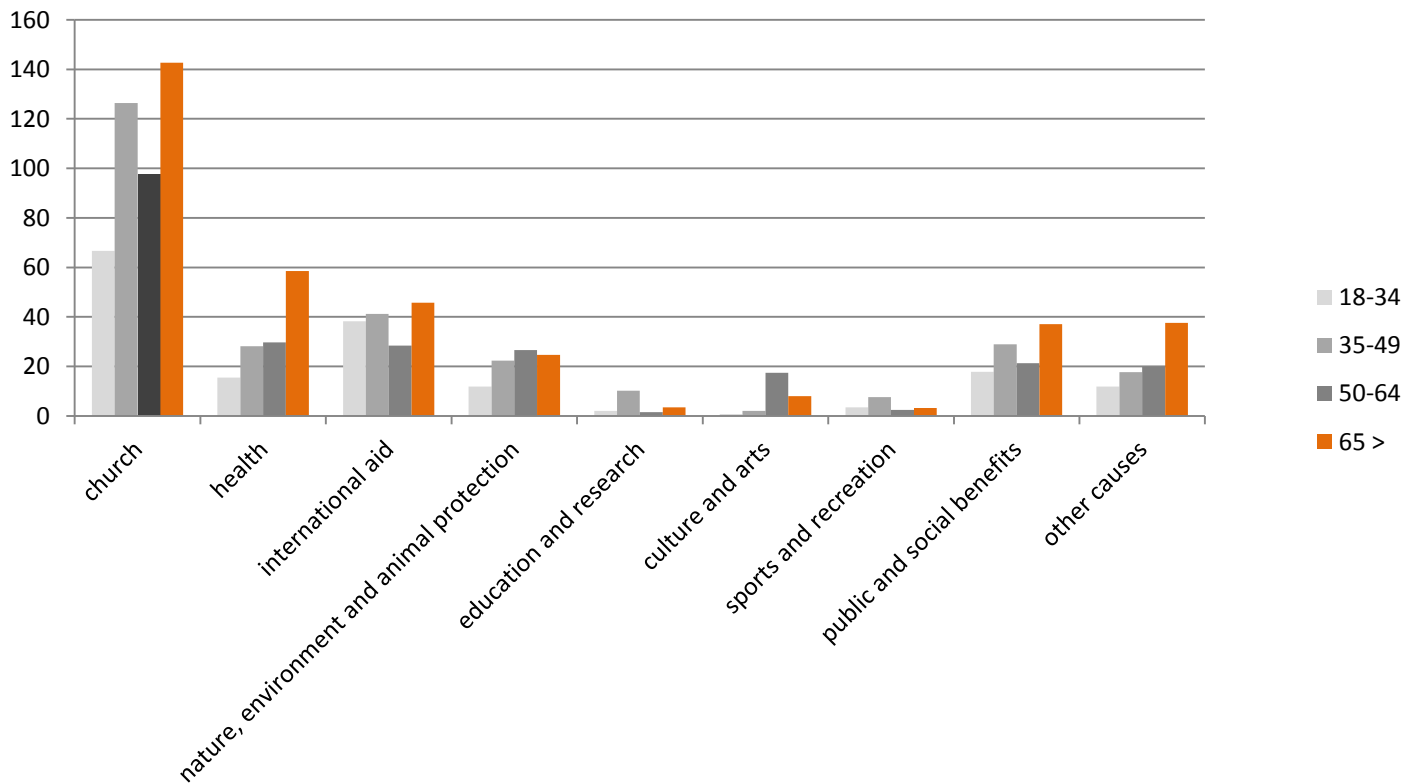
When we look at the average amount that the age groups give to different causes (figure 3) it also becomes clear that the elderly (aged 65+) are those giving the highest amounts on average to a majority of the causes listed in figure 3. The church, health, international aid as well public and social benefits are causes that the elderly tend to support with more money and/or goods than other age groups.

Please note that this is a preliminary analysis and that more research needs to be done on the underlying characteristics and predictors of elderly giving.

**Figure 2: Average amount donated (money+goods) households by age category, GINPS2014**



**Figure 3: Average amount donated to goals by age category, GINPS2014**



## Literature

Schuyt, Th. (2013) *Philanthropy and the Philanthropy Sector: an Introduction*. The Rediscovery of an Income source for the Public Good. London/ New York: Ashgate/ Gower

Mariani, E.E., Th.N.M. Schuyt en A. de Wit (2013) 'Nalatenschappen'. Pp. 67-74. In: Schuyt, Th.N.M., B.M. Gouwenberg, R.H.F.P. Bekkers (red.) *Geven in Nederland 2013. Giften, Legaten, Sponsoring en Vrijwilligerswerk*. Den Haag: Reed Elsevier. ISBN: 9978 90 352 4679 9

Schuyt, Th.N.M. (2010) 'Philanthropy in European welfare states; a challenging promise?' In: *International Review of Administrative Sciences*. 76 (4) 774-789 SAGE, ISSN 0020-8523

**Schuyt, Th.N.M. (2002). 'Een tweede gouden eeuw?'. Pp. 496-498. In: *E.S.B.* , 87, juni, 4367. ISSN 0013-0583**

**Schuyt, Th.N.M. 2001. 'De bijdragen van ouderen; naar een studie van 'geronto-filantropie?' Pp. 69-73. In: Schuyt, Th. (red.). *Geven in Nederland 2001*. Giften, legaten, Sponsoring en vrijwilligerswerk. Houten/Diegem: Bohn Stafleu Van Loghum.**

**Schuyt, Th.N.M. 2000. 'Over burden and contribution in de gerontologie' Pp.117-129. In: Schuyt, Th.N.M., P.J.J. Houben en B. van der Loeff (red). *Gerontologen, bezig met ouder worden. De gerontologische praxis in kaart gebracht*. Amsterdam: VU-Uitgeverij.**

**Schuyt, Th.N.M. 1999 "Promoting the social participation of older people". P. 102. In: *Zeitschrift für Gerontologie und Geriatrie*, 32, Supplementum 2,**

Schuyt, Th.N.M. 1999 "Promoting the social participation of older people". 4 p. Gepresenteerd als invited speaker op het Submitted Symposium "The Politics of Aging in Europe" (Sy B 55), 4<sup>e</sup> European Congress of Gerontology, 7 Juli 1999 te Berlijn

Lamme, S., M. Linnemann, D. Deeg, Schuyt, Th. (1998) "Armoede, sociale participatie en eenzaamheid bij ouderen". in: G. Engbersen, J. Vrooman, E. Snel (red.). *Effecten van armoede. Derde jaarrapport armoede en sociale uitsluiting*. Amsterdam: Amsterdam University Press. pp. 129-141

**Schuyt, Th. en N. Gering. 1998. "Geven door ouderen aan maatschappelijke doelen" in: P.W. Huijbers en M.M. van Santvoort (red.). *Ouder Worden '98*. Utrecht: NIG, 22.097, 4 pag.**

Schuyt, Th. N.M. (1997). 'Giving by the elderly to society and family' In *Book of Abstracts, 16th Congress of the International Association of Gerontology*, Adelaide. p. 366.

Rijsselt, R.J.T. van., Th.N.M. Schuyt, I. Graveland. 1994. Burgerschap van ouderen; theoretische implicaties van een praktische opgave. Pp. 33-54. In: Baars, J., Knipscheer, C.P.M., Schuyt, Th.N.M. (red.), 1994. *Zelfstandigheid en ouder worden*. Lemma, Utrecht.

Schuyt, Th.N.M., Schuijt-Lucassen, N.Y. en Knipscheer, C.P.M. 1990. *Sociale participatie van ouderen*. SDU-uitgeverij, Den Haag, 143 p.