

'Big Charity' in Canada: A Contextualized Critique of Effective Altruism

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The Ice Bucket Challenge created quite a stir on social media in 2014. Many celebrities, politicians, business leaders and ordinary citizens posted videos of themselves being drenched by a frigid bucket full of ice water. Prominent participants ranged from Justin Bieber and Sydney Crosby to Cookie Monster, from George W. Bush to Bill Gates.

Of course, this was no mere stunt, but rather a way to raise awareness of and funds for Amyotrophic Lateral Sclerosis (ALS). After dousing themselves with ice water, participants were asked to challenge someone else to either do the same or make a donation to the national ALS foundation. While its difficult to measure how effective the campaign was in raising awareness without a survey, it is quite clear that the Ice Bucket Challenge was a financial success. The ALS Society of Canada's receipted donations jumped from \$4.4 million in 2013 to over \$18 million in 2014. According to the organization, the Ice Bucket Challenge was directly responsible for the surge – it resulted in over \$14 million in donations.¹

There is no doubt that curing ALS is a worthy cause for charitable giving. However, this sudden spike in revenues also suggests a clear question: how should it be determined which causes are funded and which are not? One of the harshest criticisms of the Ice-Bucket Challenge comes from William MacAskill, one of the co-founders of the “effective altruism” movement. Charities compete for a finite amount of funding resources, he argues, which means there is “funding cannibalism” – a donation to the ALS Society will likely mean less is donated to another cause. To know if the Ice Bucket Challenge was “on balance a good thing for the world,” then, we need to examine the overall effectiveness of the charities because some achieve little with the money they raise.²

It seems hard to argue with MacAskill's point about the need to tie donation decisions to evidence about the how much “good” a charity does. As he puts it in *Doing Good Better*, people should examine evidence about a charity's impact rather than simply donate “because a well-spoken stranger asks them to, or...simply shakes a bucket at them.”³ But, especially in a neoliberal climate of austerity and privatization, there are also some highly troubling elements of effective altruism. This paper draws out these concerns to set the stage for a larger project on the political economy of philanthropy in Canada. Using evidence from the Canadian context, it argues there are two key problems with effective altruism: first of all, it assumes that an idealized free-market for charitable donations can be created, neglecting the “organized power” of big charity; and, second, it assumes a privatized approach to hard questions about where resources are allocated and how problems are addressed is good idea, even though this empowers wealthy donors and reduces dialogue to the competition for donations.

1. Effective Altruism in Theory and Practice

The idea of “effective altruism” is most closely associated with William MacAskill and Peter Singer, two moral philosophers who have written mass-market books defending it. While the effective altruism “movement” was only officially launched around 2011 when the term was adopted by MacAskill's Centre for Effective Altruism, the basic ideas behind it are not new.⁴ For the past decade or so, prospective donors have access to a wide range of information about

¹ “Charities Listing,” *Canada Revenue Agency*, accessed September 2, 2015, <http://www.cra-arc.gc.ca/chrts->

² William MacAskill, “The Cold, Hard Truth about the Ice Bucket Challenge,” *Quartz*, accessed February 17, 2016, <http://qz.com/249649/the-cold-hard-truth-about-the-ice-bucket-challenge/>.

³ William MacAskill, *Doing Good Better: A Radical New Way to Make a Difference* (London: Guardian Books, 2015), 13.

⁴ Peter Singer, *The Most Good You Can Do: How Effective Altruism Is Changing Ideas about Living Ethically* (New Haven: Yale University Press, 2015), 13–18.

different charities, beginning with financial statements. US-based Charity Navigator, one of the oldest and largest resources, has been publishing online evaluations of the financial health of charities since 2002,⁵ and both Charity Intelligence Canada and the Canada Revenue Agency make similar financial information available. The idea of effective altruism pushes this logic much further, going beyond financial data like administrative and fundraising costs to look at the *results* produced by a charity's programs. This is why GiveWell, which has been publishing recommendations based on in-depth academic research since 2006, tends to be the favourite charity evaluator for effective altruists: it will not recommend a charity unless there is evidence along the lines of a randomized controlled trial to show the value of its activities.⁶ It is worth noting that Charity Intelligence Canada is moving in this direction as well – it claims it will soon add impact analysis to its “star rating” system, and in 2016 it established a Canadian Charity Impact Fund that includes only the “most effective Canadian charities.”⁷

The shift from financials to results no doubt creates challenges. While it is not too problematic to objectively compare the quantitative financial information, comparing the “effectiveness” of charities is very different. Not deterred, effective altruists try to turn results-based comparisons into a science. Taking an explicitly utilitarian approach, the ultimate criterion is whatever does “the most good,” though of course this is a rather ambiguous and subjective notion. Singer suggests that at minimum it includes creating a “world with less suffering and more happiness,”⁸ a phrasing very similar to early utilitarians like Jeremy Bentham. Over two centuries later the basic framework is the same as Bentham's quantitative approach to assessing total happiness⁹ – it is still individualist in that the sense that community good is seen as the sum of the good of each individual and egalitarian in the sense that each individual counts the same – but the utility-comparing techniques of effective altruists are much more sophisticated.

One of the key metrics for MacAskill is the Quality-Adjusted Life-Year or QALY, a unit used in economics to make decisions about the allocation of health resources. One QALY is one year at perfect health, and a year at a diminished health state would fall someone below 1 depending on the extent of the problem.¹⁰ MacAskill uses this metric to present the Against Malaria Foundation as one of the most effective targets for donations. Its program of providing insecticide-treated bed nets in sub-Saharan Africa is shown to provide 10 QALYs per \$1,000 spent, more than 5 times the estimated benefit of spending the same amount on promoting condom use.¹¹

Although QALYs might be useful when comparing health-related interventions, it is much more difficult yet to compare the activities of the Against Malaria Foundation to those of a charity focused on education, for instance. While MacAskill muses about a broader “Wellbeing-Adjusted Life-Years” (WALY) metric, his main answer is to provide a general framework for a reasoned comparison of causes. He notes that individual value judgments will influence this

⁵ Laura Barlament, “Question Everything: Pat Dugan '57 Helps Us All Give More Intelligently,” *Wagner Magazine*, Summer 2013, <http://wagner.edu/wagnermagazine/question-everything/>.

⁶ See e.g. Singer, *The Most Good You Can Do*, 152–53.

⁷ Charity Intelligence Canada, “Rating Methodology,” accessed May 18, 2017, <https://www.charityintelligence.ca/research/charity-profiles?id=176>; Charity Intelligence Canada, “2016 Canadian Charity Impact Fund,” accessed May 18, 2017, <https://www.charityintelligence.ca/canadian-charity-impact-fund>.

⁸ Singer, *The Most Good You Can Do*, 7, 79.

⁹ See Jeremy Bentham, “An Introduction to the Principles of Morals and Legislation,” in *Utilitarianism and Other Essays*, ed. Alan Ryan (New York: Penguin Books, 1987), chap. 4, paras. I–V.

¹⁰ MacAskill, *Doing Good Better*, 39–40.

¹¹ *Ibid.*, 61–62.

calculation to a greater degree than the evaluation of specific charities – for example, not everyone will see animal welfare as a cause worth supporting. But three basic criteria can be used to determine which issues best merit our attention: the *scale* of the problem, the *neglectedness* of the area, and the *tractability* or likelihood of being able to make a difference. On this basis, he suggests the most good can be done devoting resources to addressing extreme poverty in developing countries, and perhaps also to combat factory farming if one is concerned about animal suffering.¹²

This basic approach presents a number of methodological concerns, which are summarized well in a critique by Iason Gabriel. He points to three biases particularly relevant to assessments of tractability, where effective altruists demand the most scientific evidence possible. First of all, the emphasis put on randomized control trials leads to an observational bias toward interventions that can be narrowly tested like the use of bed nets and away from ones like campaigning where the results are less tangible. Secondly, the use of metrics like QALYs involves a quantification bias that ignores, for example, the qualitative value of hope to wellbeing. Finally, Gabriel suggests there is an instrumental bias in that the fixation on results overlooks the importance of the process through which they are attained. For instance, a participatory, community-based approach may be less cost-effective than hiring a private service provider, but create the skills and bonds important to addressing future issues.¹³

While these concerns about the very positivistic nature of the effective altruist method are certain valid, Gabriel rightly concludes there is some room for effective altruists to address them by taking a more holistic approach to evaluation.¹⁴ Indeed, MacAskill already hints that easily measurable results are not the be-all and end-all. He frames this in terms of economic notions of “expected value” and risk: robust, concrete evidence of effectiveness is one consideration, but a person can also opt to support a cause where the certainty of success is much lower and the ultimate payoff much greater, e.g. combatting climate change or generally effecting political change.¹⁵ But, even if its positivistic biases can to some extent be overcome, some deeper concerns can be raised about the overall political orientation of effective altruism. To this end, the remainder of this paper focuses on the Canadian context to develop a more political economy-based critique.

2. Toward a Political Economy of Philanthropy in Canada

Effective altruists regularly draw on principles of orthodox economic theory to develop their arguments. Beyond the idea of “expected value” discussed above, MacAskill uses, for example, the notion of marginal utility to explain why it is best to focus on comparatively neglected causes and avoid contributing to well-funded ones like disaster relief.¹⁶ But the affinities between effective altruism and economic theory are more than surface level analogies. MacAskill very much treats a donation like purchasing a commodity, suggesting the donor should know what they are getting in return for their money. The only difference is that a donor is buying a good or service for someone else instead of themselves.¹⁷

¹² Ibid., 224–29, 242.

¹³ Iason Gabriel, “Effective Altruism and Its Critics,” *Journal of Applied Philosophy*, February 1, 2016, 7–9, doi:10.1111/japp.12176.

¹⁴ Ibid., 14.

¹⁵ MacAskill, *Doing Good Better*, chap. 6.

¹⁶ Ibid., 68–71.

¹⁷ Ibid., 38.

As this reduction of a donor to a ‘consumer of charity’ suggests, effective altruism is not averse to making the charitable sector operate more like the market economy. In fact, its basic tenets essentially try to replicate core assumptions of neoclassical economics. One of its basic premises is that individuals should act on the basis of rational maximization, not emotion, replicating the calculating concept of *homo economicus*. Individuals should also have as close to perfect information as possible: they should know exactly what their donation is buying – i.e. its price – and how much people will benefit from the purchase.¹⁸ According to neoclassical economics, if assumptions like these are met, markets will be suggested to move to the optimal “equilibrium” point, creating the best result for all actors involved and society at large. Effective altruism pushes in the same direction, trying to create an idealized market for charitable donations.

In a study that fits perfectly with the effective altruist approach, Szper and Prakash suggest charity evaluators emerge in response to “market failure in the philanthropy market.” Donors have a difficult time getting access to information about charitable operations, and do not generally have the information and expertise to interpret and assess it. Thus “charity watchdogs” step in to address this gap in the “donations market.” Szper and Prakash go on to assess the implications of ratings on Charity Navigator for 90 nonprofit organizations in Washington state. While they find that Charity Navigator’s ratings did *not* actually affect donor decisions, they conclude from interviews with the organizations that this is because the finance-centred evaluations of Charity Navigator failed to provide the information that is most important to donation decisions: information about program outcomes and overall “organizational effectiveness.”¹⁹

This is, of course, exactly the argument made by effective altruists such as MacAskill and Singer. Charity Navigator is problematic because its scope is too narrow. It is too focused on administration costs and CEO pay, which are “almost always irrelevant”; the only thing that matters is the impact per dollar donated to the charity.²⁰ Indeed, the basic implications of the effective altruist approach are that it is necessary to have better information available – to have ‘meta-charities’ that look more like GiveWell than Charity Navigator – and to convince individuals to act more rationally in their donation decisions by telling others about the movement.²¹ Interestingly, the latter idea is very similar to Mancur Olson’s public choice theory solution to “institutional sclerosis.” Addressing the question of why governments give in to special interest groups even though they cause market inefficiencies, Olson’s basic answer is that not enough of them read his work – in his words, “the only real solution is for societies to acquire a better understanding of economics and of the present argument.”²²

Olson’s simple solution hints at a key question for effective altruism: is it possible to have perfect information and get people to act more like rational utility-maximizers? While the orthodox economic theory on which effective altruism is based suggests yes, a contrary perspective emerges from critical political economy, where the entire premise is that factors beyond price and rational utility maximization are central to determining distributional

¹⁸ *Ibid.*, 38, 46–49.

¹⁹ Rebecca Szper and Aseem Prakash, “Charity Watchdogs and the Limits of Information-Based Regulation,” *Voluntas* 22, no. 1 (March 1, 2011): 117, 132–33.

²⁰ MacAskill, *Doing Good Better*, 128–30. See also Singer, *The Most Good You Can Do*, 150–52.

²¹ MacAskill, *Doing Good Better*, 246.

²² Mancur Olson, “The Varieties of Eurosclerosis: The Rise and Decline of Nations since 1982,” in *Economic Growth in Europe since 1945*, ed. Nicholas Crafts and Gianni Toniolo (Cambridge: Cambridge University Press, 1996), 92.

outcomes. In particular, institutionalist approaches are useful to developing a political economy analysis of the charitable sector because they focus on the way extra-economic or “background” factors like state policies, organizational advantages, and cultural conditions shape economic action in the realm of circulation.²³ For instance, the writings of radical institutionalist Thorstein Veblen focus on the tremendous impact of various factors not accounted for in conventional economic theory, including the allure of advertisements, conspicuous consumption for the sake of societal status, and the market power of large firms.²⁴

The last factor – the power of large firms – is particularly noteworthy in that it undermines another core assumption of economic theory that is not explicitly discussed by MacAskill: the assumption of perfect competition. In the idealized market for charitable donations, small but effective organizations should be just as plausible outlets for donations as large mega-charities. In fact, they should be more plausible, since, as MacAskill points out, “mega-charities” like Oxfam and World Vision that run a variety of programs tend not to be very effective and hence do not generally appear on lists of the most impactful charities.²⁵ But if this is the direction effective altruism is going, they have a very tall task ahead.

To give a crude picture, consider Canada’s top 50 donation-receiving registered charities in 2014 (see Appendix A). While the top 50 charities were not even .1 per cent of charities they accounted for 19.6 per cent of donation and fundraising revenue in 2014.²⁶ Not surprisingly, Canada’s most rigorous charity evaluator, Charity Intelligence, concludes from similar data that there is a “huge degree of concentration” in the market for Canadian giving.²⁷ Digging a little deeper, it is interesting to think about the power of the charities in the top 50. The list includes 9 private foundations associated with wealthy families like Gerald Schwartz and Heather Reisman, and another 2 foundations affiliated with major banks. Many of the other charities are large institutionalized actors that have demonstrated their staying power. ‘Mega-charity’ World Vision Canada was at the top of the list for 2014, a position it has held for an impressive 14 of 25 years between 1990-2014 (it was in the top 10 every year). In addition to World Vision, 24 other charities have made the top 50 at least 7 times between 1990-2014, including the Salvation Army, 3 United Ways/Centraides, 4 international “mega-charities,” 3 religious organizations, 5 universities and 8 hospital foundations/health service organizations.

Of course, the effectiveness of these charities cannot be assessed without much more information. Even if there are many strong candidates for what Singer describes as “misguided grounds for giving” – the donations are poorly researched and driven by emotion and personal attachments rather than effectiveness²⁸ – effective altruism is prescriptive, arguing that current donation patterns are problematic and need to be rationalized. But consideration of the size and organizational resources of the charities listed above gives a sense as to why this is not possible.

²³ Fred Block, *Postindustrial Possibilities: A Critique of Economic Discourse* (Berkeley: University of California Press, 1990), 29–33, 41–42.

²⁴ See, respectively, Thorstein Veblen, *Absentee Ownership: Business Enterprise in Recent Times: The Case of America* (New Brunswick, NJ: Transaction Publishers, 1997), chap. 11; Thorstein Veblen, *The Theory of the Leisure Class* (New York: Dover Publications, 1994), chap. 5; Thorstein Veblen, *The Engineers and the Price System* (New York: Viking Press, 1934), chap. 2.

²⁵ MacAskill, *Doing Good Better*, 147–48.

²⁶ Unless otherwise noted, all calculations that follow are my own based on financial data from the Canada Revenue Agency Charities Directorate. The research results are very preliminary, so please take them with a grain of salt.

²⁷ Charity Intelligence Canada, “Canada’s 10 Largest Charities,” November 11, 2016, <https://www.charityintelligence.ca/canadas-top-10-largest-charities>.

²⁸ Singer, *The Most Good You Can Do*, 86, 149.

In this regard, Katherine Scott's 2003 report on the Canadian charitable sector, *Funding Matters*, offers a good counter-point to the effective altruist approach. The report examines how the neoliberalism affects funding for nonprofit organizations, pointing to the financial uncertainty and instability that result as government funding is significantly scaled back and remaining funds are shifted into a market-oriented contracting process based on funding specific projects with clear "deliverables." The problem this funding model presents for charities is quite clear, as the organization's autonomy and overarching mission must be sacrificed to some degree for the sake of securing short-term contracts, while more organizational resources must be devoted to developing contract bids and complying with rigid reporting requirements.²⁹ At the same time, the contracting process for government funding also intensifies the competition for charitable donations because these funds are not usually tied to specific projects and hence can be directed towards core operating expenses. In sum, "competition for funds is now an integral part of the lives of nonprofit and voluntary organizations."³⁰

Scott proceeds to suggest reasons why a more competitive, market-based funding environment will pose sustainability challenges for small charities in particular. Large organizations tend to have a professionalized staff versed in applying for government contracts, the administrative capacity to meet contract reporting requirements, large donor or membership lists, endowment funds, better access to commercial credit, and a diversity of projects that allows for cross-subsidization. According to Scott, all of these features contribute to a growing "gulf" between large and small organizations, as large ones can "ride the funding roller-coaster" while smaller ones are "more likely to fall off."³¹ There is, as Peter Elson puts it, a growing "bifurcation in the voluntary sector" as of the 1990s.³²

While more empirical work remains to be done to assess the development of this "bifurcation," what is particularly interesting about Scott's analysis is that it points to key organizational features that tend to distinguish large charities from much small ones. We can think of this in terms of the overall trend toward the "professionalization" of charities. "Professionalism" can mean a few different things, some with more negative connotations than others. The type of professionalism associated with nonprofit organizations is what has been dubbed "organizational"³³ or "managerial" professionalism,³⁴ a notion centred on the rationalization and control of work. It involves making the structure and operations of nonprofits more "business-like," so it is not surprising this idea is associated with the "marketization" of

²⁹ Susan D. Phillips, Rachel Laforest, and Andrew Graham, "From Shopping to Social Innovation: Getting Public Financing Right in Canada," *Policy and Society* 29, no. 3 (2010): 192, 195–96.

³⁰ Katherine Scott, *Funding Matters: The Impact of Canada's New Funding Regime on Nonprofit and Voluntary Organizations* (Ottawa: Canadian Council on Social Development, 2003), 99, <http://www.ccsd.ca/index.php/research/funding-matters>. See also Michael H. Hall et al., *The Capacity to Serve: A Qualitative Study of the Challenges Facing Canada's Nonprofit and Voluntary Organizations* (Toronto: Canadian Center for Philanthropy, 2003), http://www.nonprofitscan.ca/pdf/Capacity_to_serve_English.pdf.

³¹ Scott, *Funding Matters*, 152–53.

³² Peter R. Elson, *High Ideals and Noble Intentions: Voluntary Sector-Government Ones in Canada* (Toronto: University of Toronto Press, 2011), 113.

³³ Julia Evetts, "Professionalism and Management in Public Sector (Not-for-Profit Organizations)," in *Professionalisierung im Nonprofit Management*, ed. Andreas Langer and Andreas Schröder (Wiesbaden: Springer-Verlag, 2011), 35–36.

³⁴ Hokyu Hwang and Walter Powell, "The Rationalization of Charity: The Influences of Professionalism in the Nonprofit Sector," *Administrative Sciences Quarterly* 54, no. 2 (2009): 292.

nonprofits in the neoliberal era.³⁵ Like businesses, one of the keys to nonprofit ‘efficiency’ is to have specialized management teams, separating the conception and execution of work. Hwang and Powell assert that this usually leads to a fundamental shift in orientation. The structure and operations of the organization are rationalized to be much more instrumental and narrow in nature: formal strategic plans for revenue generation and public relations become essential, and it is increasingly important to produce results as determined through financial audits and quantitative indicators.³⁶

The idea is very similar to the implications of the “new public management” for the public sector, replicating its emphasis on measuring performance, focusing on results, and serving clients. But because from a business perspective the key clients for nonprofits are funders – not those in need – it is especially important to professionalize the organization’s fundraising arm. Indeed, within the significant literature on nonprofit fundraising are studies showing that “fundraising professionalization,” defined as the presence of paid professional fundraisers and rationalized fundraising processes, has a significant impact on the level of donations and donation growth.³⁷ Along a similar line, there is evidence of the positive impact of hiring outside fundraising consultants on donations.³⁸ But, as Scott’s *Funding Matters* report suggests, this advantage is one that pertains mostly to big charities, who are able to hire fulltime directors, marketing teams and outside consultants. It is a part of what might be called, drawing on Nitzan and Bichler’s radical institutionalist approach to political economy, the “organized power” of big charity to retain and augment their position in the context of a competitive market for donations and general climate of funding uncertainty.³⁹ Small charities like the ALS Society might occasionally be able to develop a clever social media campaign that makes them a big player in the market for charitable donations in a hurry, much to the chagrin of effective altruists; however, successful campaigns are more likely to come from large institutionalized charities, who are better able to find ways to reach large audiences and capitalize on personal attachments.

To give a limited sense of this organized power, we can compare some basic indicators of professionalization for the top 50 (based on donation and fundraising revenue, as above) and all other registered charities. One easy indicator is the hiring of external fundraisers, as all charities are required to report if they have done so and the revenue raised by them. This is a category where the dominance of big charity is clearest: 26 per cent of the top 50 report hiring external fundraisers in 2014, as opposed to 1.3 per cent of all other charities. For the top 50 charities, \$46 million was paid to external fundraisers, and for good reason – it yielded \$239 million in revenue (see Table 1). This is only a small fraction – around 6 per cent – of the total donation and fundraising revenue received by the top 50; however, the top 50 charities accounted for a

³⁵ See e.g. Florentine Maier, Michael Meyer, and Martin Steinbereithner, “Nonprofit Organizations Becoming Business-Like,” *Nonprofit and Voluntary Sector Quarterly* 45, no. 1 (February 1, 2016): 70–74; Katy Jenkins, “No Way Out? Incorporating and Restructuring the Voluntary Sector within Spaces of Neoliberalism,” *Antipode* 37, no. 3 (2005): 613–18.

³⁶ Hwang and Powell, “The Rationalization of Charity: The Influences of Professionalism in the Nonprofit Sector,” 292, 269–72.

³⁷ Diana Betzler and Markus Gmür, “Does Fundraising Professionalization Pay?,” *Nonprofit Management and Leadership* 27, no. 1 (2016): 30–31, 37.

³⁸ Nicholas P. Marudas and Fred A. Jacobs, “Initial Evidence on Whether Use of Professional Fundraising Services Increases Fundraising Effectiveness,” *International Journal of Nonprofit and Voluntary Sector Marketing* 15, no. 1 (2010): 10–11.

³⁹ Jonathan Nitzan and Shimshon Bichler, *Capital as Power: A Study of Order and Creorder* (New York: Routledge, 2009), 9–10.

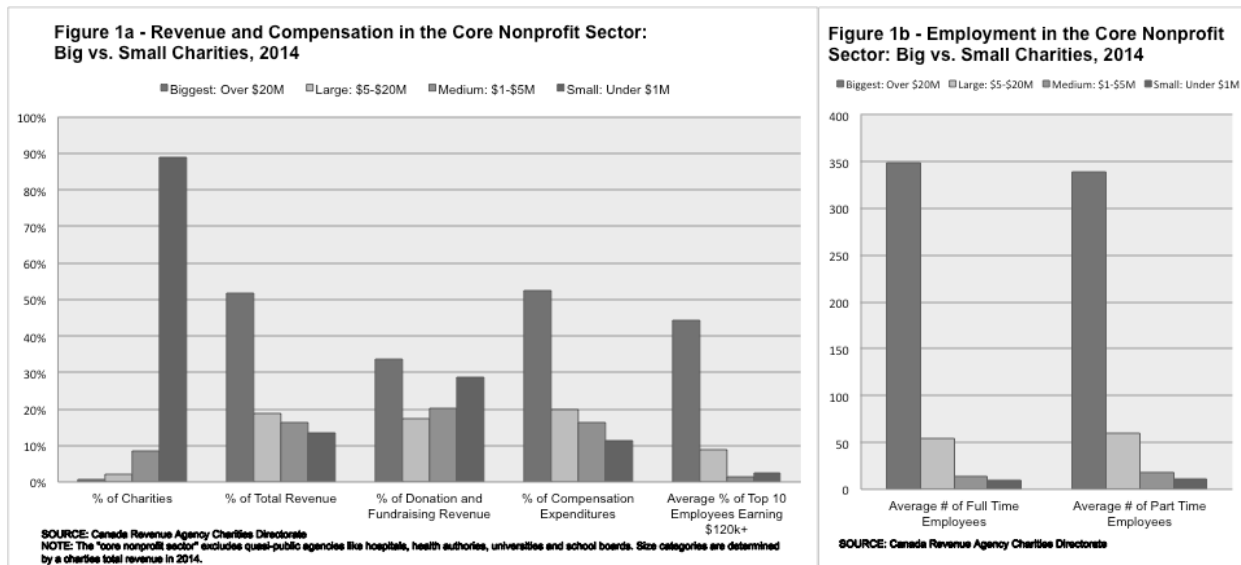
remarkable 54 per cent of the total revenue from external fundraisers (\$440 million), so this category clearly demonstrates an advantage for the biggest organizations.

Most fundraising work is no doubt carried out in house, which is challenging because internal professionalization is more difficult to assess. Following Hwang and Powell's study of managerial professionalism, some important insights can be gleaned from looking at an organization's paid workforce (or lack thereof). As they suggest, professionalization is a "sequence of meaningful events," with the most basic step being the introduction of full-time work. This basic shift from primarily volunteers/amateurs to full-time staff leads to a more rationalized organization. Even higher levels of organizational rationalization are associated with the presence of executives with management backgrounds who are more likely to implement processes that will measure and formalize the charity's activities.⁴⁰

Using this basic framework, we can look at, first of all, the overall level of paid employment, and, second, the number of highly paid executives in charities of various sizes. While the business or managerial background stressed by Hwang and Powell cannot be assumed from pay, it is a reasonable proxy. Employment comparisons require shifting to look at what is sometimes called the "core nonprofit sector"⁴¹ rather than all charities because the extremely high number of employees in quasi-public institutions like hospitals, health authorities, universities and school boards distort comparisons. Figures 1a and 1b compare revenue, donations and employment for the biggest (over \$20 million revenue), large, medium and small charities in the core nonprofit sector in 2014. Although the "biggest" charities only are only around 1 per cent of all charities, Figure 1a shows they account for 52 per cent of total revenue and 34 per cent of donations. In contrast, small and medium charities (those with revenues under \$5) comprise 97 per cent of charities but less than 30 per cent of total revenue and 50 per cent of donations. It is important to bear in mind that, as Scott suggests, having a professional staff is an advantage in the competition not just donations but for government contracts and all other forms of revenue. This organizational edge is certainly clear in the various employment figures. The biggest charities account for 52 per cent of expenditures on compensation, and there are many more highly paid executives in the biggest charities: on average 44 per cent (4.4) of the 10 highest paid employees in the biggest charities earn over \$120,000, as opposed to 9 per cent or less for smaller charities. Figure 1b adds to these figures by showing the massive disparity in the average number of employees: the biggest charities average 348 full-time and 340 part-time employees, whereas smaller charities average less than a fifth of these numbers.

⁴⁰ Hwang and Powell, "The Rationalization of Charity: The Influences of Professionalism in the Nonprofit Sector," 272–75.

⁴¹ See, in particular, Statistics Canada, *Satellite Account of Nonprofit Institutions and Volunteering 2007*, 13–015–X (Ottawa: Statistics Canada, 2009), 7–8, <http://www.statcan.gc.ca/pub/13-015-x/13-015-x2009000-eng.pdf>.



These cross-sectional comparisons are still quite crude and the disparities are expected – it is not surprising that the charities receiving the most revenue spend much more on external fundraisers, have more paid employees and pay executives very well. But the point is that these organizational features make it so the donation market is not a level playing field determined by merit, and give a sense of why it can never be made into one no matter how easily a prospective donor can access information about effectiveness and how large the effective altruism movement grows. In short, the effective altruist approach neglects the important ways in which power impacts the distribution of resources in the charitable sector, a gap that points to the need for a political economy of philanthropy.

3. Effective Altruism and Neoliberalism

While the idea of an idealized charitable market is problematic, there is a second important question to consider – is the charity-market approach to making decisions about funding a desirable one? I ask this recognizing that many nonprofit organizations do important work, and the point of this paper is not to completely deny a role for voluntary organizations in addressing local, national and global problems. The concern here is that the effective altruist approach has a logic that is extremely consistent with neoliberalism in that it is highly individualist and pushes toward a minimalist state. This consistency can be seen already in the emphasis on the most cost-effective interventions: like neoliberalism, the effective altruist approach favours targeted rather than universal programs because it takes fewer resources just to help those in dire need. But the compatibility of the two goes much further, as can be seen in looking at the key effective altruist idea of “earning to give,” an idea that is central to the two nonprofit organizations MacAskill co-founded.⁴²

⁴² One, Giving What We Can, asks individuals to pledge to give at least 10 per cent of their income to the most effective charities. The other, 80,000 hours, offers advice on finding fulfilling careers, presenting “earning to give” as very good option to consider. See Giving What We Can, “About Us,” accessed May 19, 2017, <https://www.givingwhatwecan.org/about-us/>; 80,000 Hours, “Why the Ideas You’ve Heard for Doing Good with Your Career Aren’t the Best,” April 2017, 000, <https://80000hours.org/career-guide/high-impact-jobs/#approach-1-earning-to-give>.

Effective altruism asks a person to consider what they could do with their life that would do the most good. MacAskill gives the example of number-crunching UK doctor assessing whether their path was the best one. While being a doctor in a developing country could would save around 300 QALYs per year, the marginal benefit is estimated to be much less because they would be taking the place of another doctor. Thus the doctor determined that their best path would be to pursue a high-paying medical specialty in the UK and donate as much as possible of their income to the most effective charities. Since the distribution of anti-malarial bed nets only costs \$3,400 per life saved, a doctor earning \$200,000 could do a lot more good if they donated half of their income to the most effective charities.⁴³ Along a similar line, Singer begins *The Most Good You Can Do* with the story of one of his former students at Princeton: inspired by effective altruist ideas, the academically distinguished student opted to pursue a high-paying career in finance so that they could “earn to give.”⁴⁴

One might take issue with Singer’s defense of careers on Wall Street, which stresses that financial markets serve a variety of necessary functions in a capitalist economy and that the good accomplished by “earning to give” can outweigh any harm caused.⁴⁵ But there is a much more fundamental issue: the general direction of this argument is toward a small state with welfare functions turned over to private actors as much as possible. Although effective altruists would not advocate breaking the law, the logic of this argument is that it might be okay for someone to evade paying taxes if the money is donated to a charity that does more good with the money than would be done by the government. Now this is not to suggest effective altruists advocate a minimalist nightwatchman state,⁴⁶ nor is it to say that it involves disavowing all of the comforts or even excesses of life in a Global North country – as Singer indicates, it is okay to have ice cream if it is important to one’s happiness.⁴⁷ But it is fair to suggest that the effective altruist approach would give good reasons to oppose, for example, a proposal for a tax increase on the wealthy that would be used to expand social programs. A doctor or investment banker earning to give could suggest the “most good” would occur if they kept more of their salary and donated this to high impact charities. At the very least, the approach suggests a individual should make a pragmatic calculation in which public agencies, businesses and charities compete for money intended to maximize welfare. In a neoliberal context, it is certainly not difficult to find support for the position that public agencies should lose these competitions, causing difficult to reverse declines in public sector capacity.

Indeed, the neoliberal notion of the appropriate public/private balance is well summarized in looking at the evolution of the Canadian nonprofit sector over the past two decades or so. As public spending was slashed in the mid-1990s, the Liberal federal government made it clear that it wanted the nonprofit sector to fill in some of the gaps.⁴⁸ But this enhanced role could not be supported by increases in direct government funding to nonprofits, as this is precisely what it was scaling back; rather, the government’s strategy was to encourage increases in private donations via the tax system. The upper limit on the amount of donations eligible for tax credit

⁴³ MacAskill, *Doing Good Better*, 92–93.

⁴⁴ Singer, *The Most Good You Can Do*, 3–4, 46.

⁴⁵ *Ibid.*, 50–51.

⁴⁶ In fact, Singer offers a utilitarian defense of state redistribution in response to the extreme minimalist state of Robert Nozick’s *Anarchy, State, and Utopia*. See Peter Singer, “The Right to Be Rich or Poor,” *The New York Review of Books*, March 6, 1975, <http://www.nybooks.com/articles/1975/03/06/the-right-to-be-rich-or-poor/>.

⁴⁷ Singer, *The Most Good You Can Do*, 30.

⁴⁸ For a good overview of government policy and rhetoric on the issue, see Elson, *High Ideals and Noble Intentions*, 94–106.

was raised from 20 per cent of income to 50 per cent in 1996, and then to 75 per cent of income in 1997. Donations of publicly traded shares also became permissible in 1997, with capital gains on these reduced to 50 per cent and then eliminated entirely by the newly-elected Conservative federal government 2006. The result of these various measures is that, as Phillips, Laforest and Graham put it, “Canada has one of the world’s most generous and flexible systems of tax receipting for donations to charities.”⁴⁹

It is not clear that effective altruists would endorse donation tax breaks, which are essentially indirect government subsidies to charities. But in a neoliberal context, they are quite defensible through the utilitarian standard of doing the “most good” if the funds go to “effective” charities. The policies have indeed encouraged increased charitable contributions, even if this is for selfish instead of altruistic reasons. In an early assessment of the 1997 changes, the Department of Finance found that the gifts of publicly traded shares increased 190 per cent over the 4-year period from 1997-2000.⁵⁰ Overall donations have also increased significantly since the mid-1990s, though not nearly as rapidly. After a 1991-1994 period of stagnation in which donations grew only 0.7 per cent annually in inflation-adjusted terms, Imagine Canada reports the average annual growth rate was 6.7 per cent between 1995 and 2007.⁵¹ And this surge occurs precisely as government spending recedes, showing there was some logic to the government’s neoliberal strategy of incentivizing the voluntary sector to take its place (see Appendices A and B, which compare donations and government spending from 1990-2014).

Critics such as Neil Brooks point out that one of the key problems of downloading to the voluntary sector is that nonprofits are more particularistic in orientation, serving specific constituencies as opposed to the universal benefits and generalized rules associated with the welfare state.⁵² Of course, from both a neoliberal and effective altruist perspective, this is an advantage of downloading, as spending can more effectively targeted to those who will benefit the most from it. But the issue is not simply that shifting to the nonprofit sector gravitates away from common notions of citizenship; the more fundamental issue is the privatization of the process for deciding which social issues will be addressed.

It is not surprising that Bill and Melinda Gates are quoted praising Singer’s *The Most Good You Can Do* on the book’s back cover – the effective altruism movement is entirely consistent with Matthew Bishop and Michael Greene’s notion of “philanthrocapitalism,” which suggests that billionaires like the Gates’ and Warren Buffett can play an important role in addressing global problems by “apply[ing] the secrets behind their money-making success to their giving.”⁵³ Framed in this way, the question is quite clear: why should billionaires determine which causes are funded and how various social issues are addressed? For instance, Linsey McGoey points out that the Bill and Melinda Gates Foundation provided 10 per cent of the World Health Organization’s overall budget in 2013, raising clear concerns about the influence

⁴⁹ Phillips, Laforest, and Graham, “From Shopping to Social Innovation,” 195.

⁵⁰ Department of Finance, *Tax Expenditures and Evaluations 2002* (Ottawa: Department of Finance, 2002), 64, https://www.fin.gc.ca/taxexp-depfisc/2002/taxexp02_e.pdf.

⁵¹ David Lasby, “Trends in Individual Donations, 1984-2010,” *Research Bulletin* 15, no. 1 (December 2011): 3.

⁵² Neil Brooks, “The Role of the Voluntary Sector in a Modern Welfare State,” in *Between State and Market: Essays on Charities Law and Policy in Canada*, ed. Bruce Chapman, David Stevens, and Jim Phillips (Montreal: McGill-Queen’s University Press, 2001), 187–88.

⁵³ Matthew Bishop and Michael Green, *Philanthrocapitalism: How the Rich Can Save the World* (New York: Bloomsbury, 2008), 2–3, 12.

of an unaccountable and non-transparent private organization on an important inter-governmental institution.⁵⁴

In more general terms, the issue here is what Lester Salamon calls “philanthropic paternalism,” the idea that an approach centred on the voluntary sector “vests most of the influence over the definition of community needs in the hands of those in command of the greatest resources.”⁵⁵ This “paternalism” is at least implicitly endorsed by both effective altruism and neoliberalism. Although anyone can “earn to give,” Singer’s and MacAskill’s books are littered with stories of high-income earners that opt to do so precisely because it is these individuals who will be able to make the most difference. Meanwhile, in Canada there is evidence of the increasing influence of wealthy individuals in the era of neoliberal austerity, and in fact the mid-1990s donation limit increase directly encouraged this. An Imagine Canada report asserts that significant increases in total individual donations for 1995-2007 are primarily the result of increases in average donation size, as the percentage of the population claiming donations been on the decline since 1990.⁵⁶ Statistics Canada studies suggest similar dynamics: the tendency is for a shrinking group of wealthy donors to contribute larger donations and account for a larger share of donations made.⁵⁷

The effective altruist response would be that it does not matter who is making funding decisions so long as they are evidence-based and thus effective in benefitting those who need help. It is not the wealthy who are making funding decisions in the effective altruist model, but the wealthy combined with evaluators like GiveWell and Charity Intelligence Canada. This raises questions about the institutional norms in these evaluators, and it is not a leap to suggest the desire for clear and standardized comparisons will make them more prone to the methodological biases identified by Gabriel. But, moreover, the key problem suggested earlier remains: this position relies on the assumption that the charity-market can be fully rationalized. If this is not possible, then, as Brooks argues, the types of charities generally favoured by high-income earners – universities, medical research, and arts and culture organizations – will continue to be well funded while those favoured by low-income earners – religious and social welfare organizations – will not be. This is especially disturbing in Canada’s case, where the system of charitable tax breaks effectively means “the rich control a grossly disproportionate share of *government* funds.”⁵⁸

Even if the issue of elite influence is bracketed, the concern remains about the privatized nature of the decision-making process under effective altruism. The core of effective altruism is ask *individuals* to consider how much difference *they* could make. Deciding to devote a portion of one’s life to helping others is no doubt laudable, regardless of whether there are elements of self-interest (like tax credits) involved. But no matter what one’s motive, choosing to help others

⁵⁴ Linsey McGoe, *No Such Thing as a Free Gift: The Gates Foundation and the Price of Philanthropy* (London: Verso, 2015), 7–9, 19.

⁵⁵ Lester M. Salamon, *Partners in Public Service: Government-Nonprofit Relations in the Modern Welfare State* (Baltimore: Johns Hopkins University Press, 1995), 47.

⁵⁶ Lasby, “Trends in Individual Donations, 1984-2010,” 3–4.

⁵⁷ Martin Turcotte, “Charitable Giving by Canadians,” *Canadian Social Trends*, no. 93 (2012): 10–12; Martin Turcotte, *Volunteering and Charitable Giving in Canada*, Spotlight on Canadians: Results from the General Social Survey (Ottawa, Ontario: Statistics Canada, 2015), 18–22, <http://www.statcan.gc.ca/pub/89-652-x/89-652-x2015001-eng.pdf>.

⁵⁸ Neil Brooks, “The Tax Credit for Charitable Contributions: Giving Credit Where None Is Due,” in *Between State and Market: Essays on Charities Law and Policy in Canada*, ed. Bruce Chapman, David Stevens, and Jim Phillips (Montreal: McGill-Queen’s University Press, 2001), 462. Emphasis added.

in this particular way means acting as a private individual, opening the door to criticisms similar to those raised against social media. Malcolm Gladwell, for instance, argues that social media establish “weak ties” that are helpful in “making the existing social order more efficient,” not the “strong ties” necessary to attack “deeply-rooted problems.”⁵⁹

To be sure, committing to “earn to give” does not preclude a person from participating in other political organizations and movements. But, to appropriate a term used by MacAskill, there is the issue of “moral licensing,” the idea that “people who perform one good action often compensate by doing fewer good actions in the future.”⁶⁰ Just as a person who buys hybrid car might think they are absolved from donating to environmental charities, someone who donates to effective charities might think they have sufficiently contributed to public welfare. “Doing good” becomes yet another commodity to be purchased, a notion that again fits perfectly with neoliberal marketization trends. Donors shop for the best cause, and charities do their best to show they are worthy investments that produce results. But, as Paul Gomberg’s discussion of the “fallacy of philanthropy” rightly points out, the problem is that issues like hunger and poverty are enormously complex and “there is no short or simple argument that will resolve the question of what to do.” “Hard thinking” must be done about whether it is best to take “duty of rescue” approaches that involve aiding victims or more radical solutions that try to address the causes of the problem.⁶¹ What is implied here is once again the idea that having charity evaluators with better information about effectiveness only goes so far. Rather, what is necessary is to have better public spaces for democratic dialogue where such “hard thinking” can occur – where instead of having isolated donors thinking about what *they* can do, diverse constituencies can be engaged, difficult decisions about the appropriate goals and how they are best attained can be made, and the social bonds and movements needed to put plans into action can be built.⁶²

4. Conclusion

According to a 2015 survey by Ipsos Reid and Companies and Causes Canada, 60 per cent of Canadians acknowledged donating to charity through a retail checkout campaign. Not surprisingly, some of these campaigns have been enormously effective, with, for example, Costco and Walmart raising \$5.7 and \$5.5 million respectively for the Children’s Miracle Network in roughly a month.⁶³ In the context of these impulse-based point-of-sale campaigns, the effective altruist point about having an informed and reasoned basis for donation decisions has a lot of appeal. But “checkout charity” also aptly illustrates the problem with the effective altruist approach. For the idea of turning the charitable sector into an idealized free market where the organizations that do the “most good” rise to the top faces the crucial obstacle of the organized power of big charity. Some charities are able to benefit from strategic connections with corporations, just as the Children’s Miracle Network was selected by the executives of massive retailers like Costco and Walmart. Some are able to afford managerial, communications and fundraising professionals to ensure the revenue-generating side of the organization is as efficient as possible. While effective altruists are right that “mega-charities” with these advantages cannot be assumed to be effective, they are wrong to assume big charity will not

⁵⁹ Malcolm Gladwell, “Small Change?,” *New Yorker* 86, no. 30 (October 4, 2010): 49.

⁶⁰ MacAskill, *Doing Good Better*, 178.

⁶¹ Paul Gomberg, “The Fallacy Of Philanthropy,” *Canadian Journal of Philosophy* 32, no. 1 (January 1, 2002): 64.

⁶² This draws on Angela Eikenberry’s “alternative democratic approach” to the voluntary sector. See Angela Eikenberry, “Refusing the Market,” *Nonprofit and Voluntary Sector Quarterly* 38, no. 4 (2009): 588–92.

⁶³ Rebecca Harris, “Canadians Say Yes to Checkout Charity,” *Marketing Magazine*, October 20, 2015, <http://marketingmag.ca/consumer/canadians-say-yes-to-checkout-charity-survey-159493>.

continue to dominate the market for donations and other sources of revenue *even if* they are deemed less effective than other charities.

Effective altruists are also right to stress that difficult decisions must be made about allocating time and resources. MacAskill gives the analogy of a lone doctor at a Red Cross hospital during the Rwandan genocide – overwhelmed with casualties, “cold...yet utterly necessary” calculations about who could be saved and who could not be had to be made.⁶⁴ Hard questions do indeed need to be addressed, and the answers to most of these are not at all clear. But this is precisely why these questions should be answered through more robust democratic processes instead of through the marketized democracy of voting with donation dollars. As critics of neoliberal downloading like Brooks suggest, there is a vital role for the voluntary sector organizations to play, but this is to “complement government, not to act as a substitute for it.” He rightly emphasizes the representational function of charities in engaging citizens and holding governments and other power institutions to account,⁶⁵ a function that is given the short shrift by both neoliberal governments concerned with cutting spending and effective altruists trying to do the “most good.”

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⁶⁴ MacAskill, *Doing Good Better*, 34–35.

⁶⁵ Brooks, “The Role of the Voluntary Sector in a Modern Welfare State,” 200, 202.

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Appendices

Appendix A: Top 50 Charities by Donation and Fundraising Revenue, 2014

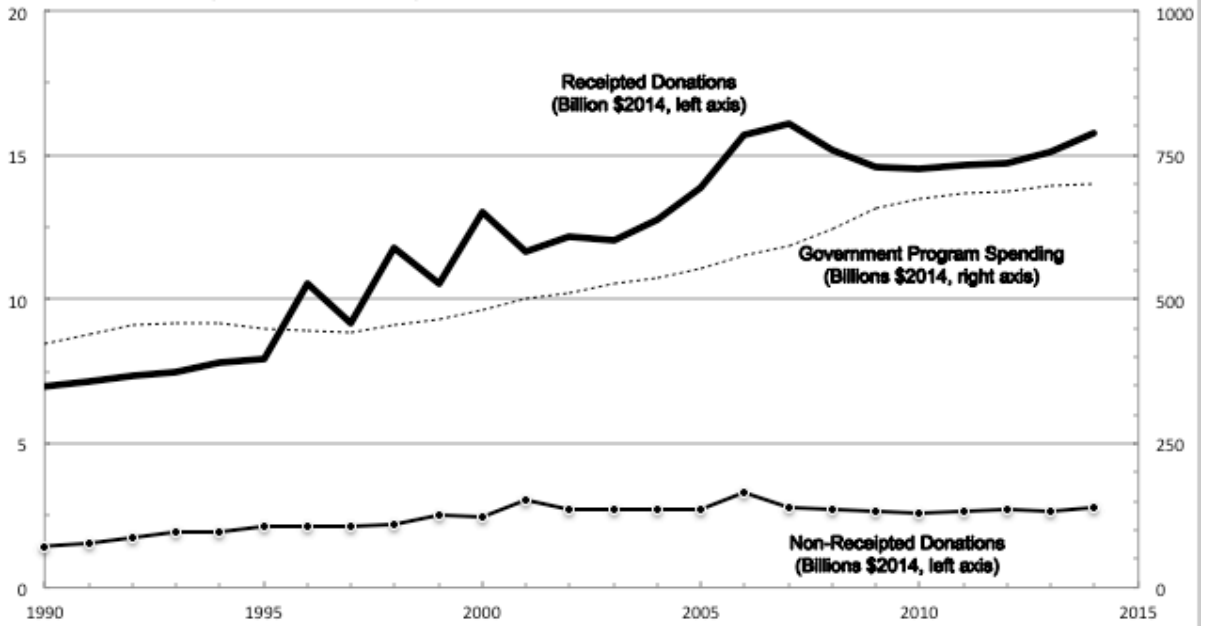
Rank	Name	Description	Donation and Fundraising Revenue (millions)	Top 50 Appearances 1990-2014*	Revenue from Professional Fundraisers (millions)	Amount Paid to Fundraisers (millions)	Total Fundraising Expenditures (millions)
1	WORLD VISION CANADA	International aid	\$ 268.0	25	\$ 71.4	\$ 13.8	\$ 54.9
2	Fondation Marcelle et Jean Coutu	Private foundation	\$ 199.2	5	\$ -	\$ -	\$ -
3	CANADIAN RED CROSS SOCIETY	Disaster relief/aid	\$ 196.5	20	\$ 12.0	\$ 6.8	\$ 27.8
4	HEART AND STROKE FOUNDATION OF CANADA	Health services	\$ 169.8	22**	\$ -	\$ -	\$ 104.6
5	CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS CANADA	Religious	\$ 167.1	3	\$ -	\$ -	\$ -
6	MORRIS AND ROSALIND GOODMAN FAMILY FOUNDATION	Private foundation	\$ 157.0	2	\$ -	\$ -	\$ -
7	UNITED WAY OF GREATER TORONTO	Community foundation	\$ 140.4	22	\$ -	\$ -	\$ 17.3
8	PRINCESS MARGARET CANCER FOUNDATION	Hospital foundation	\$ 134.9	13	\$ -	\$ -	\$ 63.4
9	GERALD SCHWARTZ & HEATHER REISMAN FOUNDATION	Private foundation	\$ 122.0	3	\$ -	\$ -	\$ -
10	UNIVERSITY OF CALGARY	Education	\$ 108.3	18	\$ -	\$ -	\$ 9.3
11	UNIVERSITY OF TORONTO	Education	\$ 107.9	20	\$ -	\$ -	\$ 27.4
12	UNIVERSITY OF BRITISH COLUMBIA	Education	\$ 106.7	21	\$ -	\$ -	\$ 30.4
13	HOSPITAL FOR SICK CHILDREN FOUNDATION	Hospital foundation	\$ 105.7	14	\$ 13.6	\$ 4.9	\$ 36.5
14	PAUL ALBRECHTSEN FOUNDATION	Private foundation	\$ 104.0	1	\$ -	\$ -	\$ -
15	SALVATION ARMY CANADA	Community services	\$ 103.3	25	\$ -	\$ -	\$ 14.1
16	PLAN INTERNATIONAL CANADA	International aid	\$ 94.7	24	\$ 49.4	\$ 11.9	\$ 25.9
17	CANADIAN CANCER SOCIETY	Health services	\$ 91.0	25	\$ 39.5	\$ 2.7	\$ 49.2
18	CANADAHHELPS CANADON	Donation services	\$ 83.4	6	\$ -	\$ -	\$ 0.0
19	WILSON 5 FOUNDATION	Private foundation	\$ 80.5	1	\$ -	\$ -	\$ -
20	Moisson Montréal Inc.	Community services	\$ 76.5	1	\$ -	\$ -	\$ 0.3
21	SLAIGHT FAMILY FOUNDATION	Private foundation	\$ 76.0	3	\$ -	\$ -	\$ -
22	FONDATION MIRELLA & LINO SAPUTO	Private foundation	\$ 74.6	1	\$ -	\$ -	\$ -
23	ST. MICHAEL'S HOSPITAL	Hospital foundation	\$ 70.7	12	\$ -	\$ -	\$ -
24	TRIUMF	Scientific research	\$ 69.8	5	\$ -	\$ -	\$ -
25	CHARITABLE GIFT FUNDS CANADA FOUNDATION	Donation services	\$ 65.9	3	\$ -	\$ -	\$ -
26	SCHULICH FOUNDATION	Private foundation	\$ 63.0	1	\$ -	\$ -	\$ -
27	TORONTO GENERAL & WESTERN HOSPITAL FOUNDATION	Hospital foundation	\$ 62.2	7	\$ -	\$ -	\$ 14.5
28	QUEEN'S UNIVERSITY AT KINGSTON	Education	\$ 59.8	17	\$ -	\$ -	\$ 11.4
29	COMPASSION CANADA	International aid	\$ 59.5	6	\$ -	\$ -	\$ 5.5
30	UNIVERSITE DE SHERBROOKE	Education	\$ 58.7	9	\$ -	\$ -	\$ -
31	UNIVERSITÉ LAVAL	Education	\$ 56.7	1	\$ -	\$ -	\$ -
32	UNITED WAY OF CALGARY AND AREA	Community foundation	\$ 55.7	23	\$ -	\$ -	\$ 3.3
33	489520 ALBERTA LTD. (Stars Health Transport)	Health services	\$ 54.8	1	\$ 27.8	\$ 0.5	\$ 26.8
34	RBC FOUNDATION	Private foundation	\$ 54.0	19	\$ -	\$ -	\$ -
35	Centraide of greater Montreal	Community foundation	\$ 52.8	25	\$ -	\$ -	\$ 8.1
36	SAMARITAN'S PURSE CANADA	Disaster relief	\$ 51.1	12	\$ -	\$ -	\$ 1.7
37	VGH & UBC HOSPITAL FOUNDATION	Hospital foundation	\$ 49.0	1	\$ -	\$ -	\$ 20.2
38	DOCTORS WITHOUT BORDERS CANADA	Disaster relief	\$ 47.4	4	\$ 22.4	\$ 4.9	\$ 8.8
39	BC CHILDREN'S HOSPITAL FOUNDATION	Hospital foundation	\$ 46.2	11	\$ 2.9	\$ 0.3	\$ 10.8
40	MULTIPLE SCLEROSIS SOCIETY OF CANADA	Health services	\$ 45.6	7	\$ 0.1	\$ 0.0	\$ 19.7
41	Collège d'enseignement général et professionnel de l'Abitibi-Témiscamingue	Education	\$ 43.8	1	\$ -	\$ -	\$ -
42	Food Banks Canada	Community services	\$ 43.8	2	\$ -	\$ 0.1	\$ 0.7
43	AQUEDUCT FOUNDATION	Donation services	\$ 43.6	5	\$ -	\$ -	\$ -
44	NATURE CONSERVANCY OF CANADA	Environmental	\$ 42.7	4	\$ 0.1	\$ 0.2	\$ 6.7
45	PRIVATE GIVING FOUNDATION (TD Bank)	Donation services	\$ 42.2	2	\$ -	\$ -	\$ -
46	FEDERATION CJA	Religious/welfare	\$ 42.1	25	\$ -	\$ -	\$ 3.6
47	CANADIAN BREAST CANCER FOUNDATION	Health services	\$ 42.0	5	\$ -	\$ -	\$ 15.1
48	UNITED JEWISH APPEAL OF GREATER TORONTO	Religious	\$ 41.1	25	\$ 0.1	\$ 0.4	\$ 5.6
49	AGA KHAN FOUNDATION CANADA	International aid	\$ 40.4	21	\$ -	\$ 0.3	\$ 1.1
50	VANCOUVER COASTAL HEALTH AUTHORITY	Hospital foundation	\$ 40.2	2	\$ -	\$ -	\$ -
TOTAL TOP 50			\$ 4,212.8		\$ 239.4	\$ 46.2	
TOTAL ALL CHARITIES			\$ 21,554.1		\$ 440.4	\$ 107.5	
% Top 50			19.6%		54.4%	43.0%	

SOURCE: Canada Revenue Agency Charities Directorate

*For years prior to 2014, these calculations are based on total donations only for the sake of consistency - charities were not required to report fundraising revenues separately before 2002.

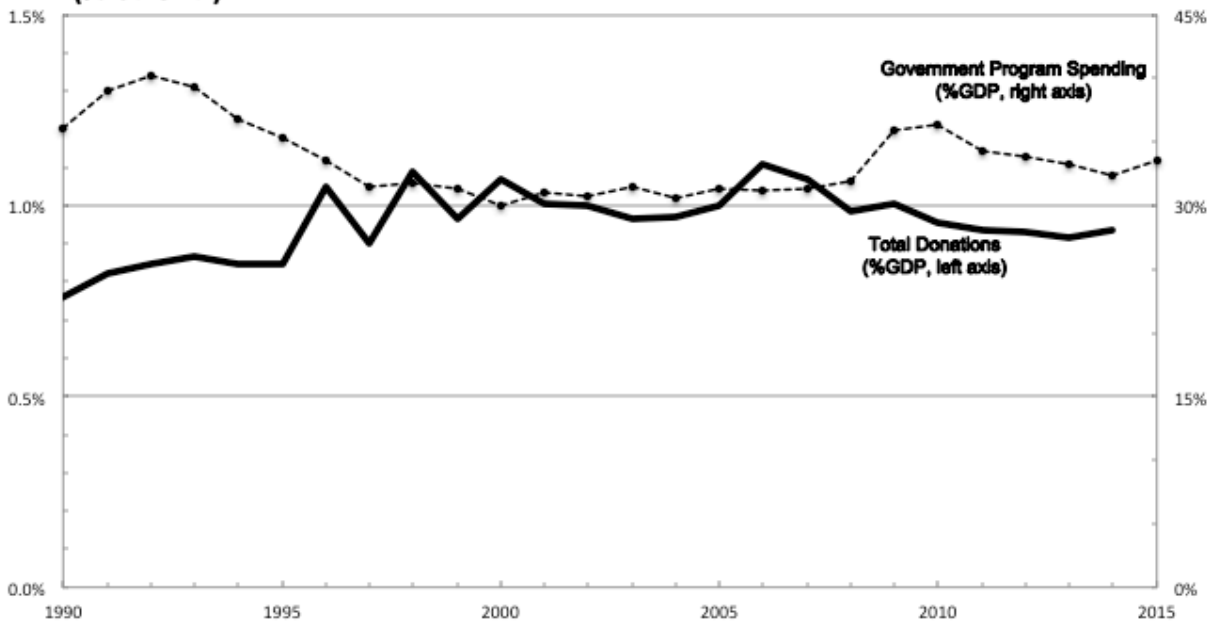
**This includes appearances of provincial chapters of the Heart and Stroke Foundation before revenues were nationally consolidated in 2012.

Appendix B: Real Charitable Donations vs. Government Spending, 1990-2014 (Billions \$2014)



SOURCE: CRA Charities Directorate for Donations; CANSIM Multidimensional @ CHASS, Table 328-0031 for CPI and 380-0080 for government spending.

Appendix C: Charitable Donations vs. Government Spending (% of GDP)



SOURCE: CRA Charities Directorate for Donations; CANSIM Multidimensional @ CHASS, Table 380-0080 for government spending and 380-0063 for GDP.