How Much Will Americans Give in 2010?

By Holly Hall

The economy’s sluggish growth suggests that American households will give 3.9 percent less to charity in 2010, according to a new projection by two researchers at Boston College’s Center on Wealth and Philanthropy. But if the economy heats up, donations could return to pre-recession levels in 2010.

John J. Havens and Paul G. Schervish, the Boston College scholars, based their projections on a new way they devised to give up-to-the-minute estimates of how much donations are likely to grow or fall, rather than waiting months and years for researchers to estimate how much Americans contributed to good causes.

Currently, charitable donations are tracked by Giving USA, the annual tally of American philanthropy, but those data are released six months after the year has ended. “Charities naturally would like to know estimates of charitable giving for the most recent quarter and to receive projections for the near future,” Mr. Havens and Mr. Schervish wrote in an explanation of their new approach.

They scholars offer both “low-growth” and “high-growth” scenarios for household giving in 2009 and 2010, using a formula based on federal data on household income and wealth, as well as other financial measures.

Their projections are for the sums given by households only; unlike Giving USA, the researchers do not include estimates for bequests or for donations by corporations or foundations.