

Donation Behavior in Singaporean Older Adults

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Donation behaviors are a common sight in society where people are willing to sacrifice some personal interests to give others without asking for returns. Donation is an act of generosity that plays an important role for raising social funds, narrowing the income distribution gap, and alleviating financial pressure for governments. In doing so, this cultivates a more harmonious society. Donating for the interest of others is an altruistic behavior, but social scientists have been puzzled by the psychological and evolutionary basis for this behavior. From the behavioral economic perspective, people make rational decisions that maximize their personal interests. Then, why do people make anonymous donations that will not benefit them in the short or long term, thereby violating the behavioral economic perspective? Moreover, it seems that as people age, their generosity increases. The World Giving Index 2016 reported that across 153 countries, donations were the highest among older adults (aged 50 years and above). A possible explanation for this finding could be that compared to younger adults, older adults have accumulated their wealth during their working years. However, this finding was consistent even after controlling for the individual's income. Thus, it is of great value to investigate the psychological motivation and social meaning behind donation behaviors.

A commonly sighted phenomenon in donation is that people donate more to those who are nearer in social distance to them. In cases of catastrophe such as an earthquake occurring in Singapore, locals will definitely be seen to actively provide aid to fellow citizens as they have closer social distance to one another. Similar but slightly less support will be given if this happens in China or other Asian countries because the social distance is greater. As social distance increases, such as earthquakes in further Western or remote countries, less support is given. Hence, the amount donated is subjected to psychological or social distance instead of just being people-oriented. As social distance increases, for instance from close relatives, to compatriots and finally to strangers on other side of the globe, the amount donated is significantly reduced. This phenomenon is termed as the social discounting effect, because as social distance increases, the help rendered is discounted.

A research team led by NUS Assistant Professor in Psychology Dr. Yu Rongjun investigated the social discounting effect on older adults in Singapore aged 55 years and above. Participants were told to write down people's names in their social environment whose social distance was measured on a scale ranging from 1 to 100 (i.e. 1, 2, 3, 5, 10, 20, 50, and 100). In this scale, 1 represents the person closest to the participant – e.g. family, 2 represents close friends and so on. The social distance of 50 and 100 represents strangers. In the experiment, older adults were given two options: 1) the selfish option – taking a specific amount of money (e.g. \$150) and 2) the generous option – splitting money equally with a partner they previously recalled and assigned to one of the eight social-distance levels (e.g. \$240 split between two persons). The monetary amount and the partner for each round was changed at random in order for researchers to analyze the amount of money older adults were willing to sacrifice. Drawing from the example mentioned earlier, if the older adult were to choose the generous option, he would sacrifice \$30 (of the initial \$150) to give \$120 to the partner. Hence, through computational modelling, researchers

calculated the degree of willingness each elderly was willing to donate while considering the social distance.

The research study also recruited a sample of younger adults from the university campus as a control group. It was found that both groups of older and younger adults displayed social discounting effect as they were more willing to donate to those whom they had closer social distance with. This showed that older adults' decisions are consistent with younger adults to this extent. In addition, there were no differences between both groups for the amount given to the partner that was closer in social distance. However, when their partners had a social distance of greater than 40, older adults were more willing to donate when compared to younger adults. In other words, younger adults are more sensitive to social distance as they showed greater discounting while older adults are more willing to donate despite the increase in social distance. This implies that older adults display stronger altruism as the social discounting effect does feature as strongly as in younger adults. This finding coincides with our daily social observations as it seems that while younger adults tend to show greater concern for themselves and their loved ones, older adults show a significant amount of concern for strangers. This may explain why older adults are more inclined to donate to charity organizations despite not knowing the beneficiaries.

From the behavioral economic and evolutionary perspectives, it is difficult to explain this phenomenon. Why would older adults, who have fixed resources and limited time, not spend their resources on their kin to improve their child's reproductive success, thereby passing on their own genes? The evolutionary perspective states that older adults are more willing to spend resources on beneficial things, such as learning, social networking or interact with people they like. Hence, our findings provide a broader perspective for research on emotional needs of older adults. We observed that older adults have a stronger ego-transcending motive. This motive refers to an orientation towards sources of greater emotional gratification in later life. That is, when older adults have constrained time horizons, they are more likely to orientate away from instrumental-extrinsic goals associated with long-term rewards, to present-oriented goals that are more emotional meaningful. It seems that greater generosity in later life may provide emotional gratification and sense of purpose for older adults.

Interestingly, we found in another study that people who were administered a dose of oxytocin through a nasal-spray gave significant donations to strangers as well. Research has shown that oxytocin is a hormone that promotes parental behavior in sacrificing their own interests and desires for their next generation. Being generous to socially distant others, such as donating to charities, is regarded as a significant contribution to the society and gives a greater sense of purpose in life. It may be the case that when less interest is involved, the act becomes more emotionally meaningful for the individual. Thus, donation behaviors can signify a life investment rather than a rational monetary investment, highlighting that an elderly's life can have greater meaning when love has no boundaries.