



Christina Fong

The Generosity Puzzle

Why are many rich people generous to the poor, and why don't the relatively less well-off demand more redistribution from the rich? It's a question that has puzzled Carnegie Mellon researcher Christina Fong her whole life.

Through her work, she is making progress toward understanding how psychological motives affect economic behavior – hoping to help her profession better understand individual economic behavior to improve policy.

"The progress in this field has helped clear up many fundamental misunderstandings that economists had about economic behavior. Because economists influence policy, this progress is critical," Fong said.

Her work is focused on the areas of charity and public sector redistribution, but the motives she studies also apply to behavior in markets and other settings. One of her long-term goals is to achieve enough understanding of pro-social behavior to help scientists and policy makers design better institutions for redistributing resources.



"The traditional method of collecting charitable donations has many well-known problems," Fong explained. "Is this really the best we can do? We have better mechanisms in theory, but our lack of understanding of pro-social motives in real people is one major obstacle to implementing better mechanisms for charitable giving in the real world."

Many non-profit organizations whose livelihoods rely on the generosity of philanthropists are wondering how the current financial crisis will affect people's willingness to give.

"Professional fundraisers are telling me that their work is much harder now. This is, of course, no surprise. Yet, the reasons for this are not as straightforward as many people might assume," she said. "Personal income does matter for generosity, but other factors matter too."

For example, while the financial crisis will directly affect giving for many people, for many others it will provide indirect reasons to give less.

"If people start to think that others are not giving because of the financial crisis, then they may reduce their gifts because studies show people do not like to give alone. They like to give in cooperation with other people," she explained.

Fong noted that while the crisis is serious, there are really exciting and powerful solutions being produced by researchers at Carnegie Mellon. However, limited funding is an issue.

"More research funding will produce more knowledge about how to help society achieve outcomes that are better for everyone by illuminating where and why individuals go wrong in their decision making and helping us design policies that help people make better decisions."

Related Links: [Social & Decision Sciences](#) | [Christina's Faculty Page](#) | [College of Humanities & Social Sciences](#)

[SUBMIT STORY](#)[ARCHIVES](#)