

**Working for Nothing:
International Volunteer Day**

Holley Hewitt Ulbrich

Senior Scholar, Strom Thurmond Institute

This article is the twenty-fourth in a year-long series about economics and holidays.

In the intense concentration of holidays from Thanksgiving to New Year's Day at the end of each year, it's easy to overlook a somewhat obscure but significant holiday, International Volunteer Day on December 5th. Volunteer work can be defined as work done that has value to other people but is done without expectation of payment. According to the Corporation for National and Community Service, about 63.4 million Americans spent 8.1 billion hours in volunteer service in 2009. Those hours were valued at \$169 billion.

The range of volunteer work is enormous, from staffing soup kitchens and helping low-income people with tax returns to building and repairing homes, leading scout troops and coaching youth sports teams, delivering meals to shut-ins, working in hospitals and medical clinics and advocating for social change. Some kinds of volunteer work allow people to use their specialized skills, while others develop skills.

The fundamental economic question is one of motivation. Why do people volunteer, and what can we as a society do to encourage more volunteering? What are the rewards? With a few exceptions, the rewards are not directly monetary, which is the primary motivating force in a market system. One exception is VISTA "volunteers"—a federal program called Volunteers in Service to America—which does actually pay a stipend, which somewhat confuses the notion of volunteering. But the stipend is well below the going wage, so the difference between what participants earn and what they could earn might be considered a volunteer contribution.

Homo economicus—economic man—is motivated primarily by economic rewards. He or she works for pay, changes jobs for higher pay, works harder for more pay. Part of the compensation may be something other than salary—fringe benefits, perks, congenial working environment, creative freedom. But all of the compensation can somehow be valued in monetary terms so that one employment package can be compared to another and the most valuable one chosen.

In this world of simple motivation, we have to search for self-interested reasons to volunteer. And there are some. There is work experience which can then be carried forward into the for-pay working environment. For teens, there is admission to prestigious colleges and/or scholarships based on the applicant's volunteer history, which will translate into higher earnings down the road. These motives are most likely to appear early in life, in the teens and twenties, but they don't help as much in explaining the volunteer efforts of mature adults.

Another group of volunteers are parents, who recognize volunteer work as an extension of their parenting commitment. Coaching, school programs, scouting and teaching Sunday School all fall into this

category. It's a step away from the purely economic motivation. However, it is an investment in one's children, which in today's society are regarded as a consumption choice. In fact, volunteering in general can be regarded as a consumption choice, as something one does for the inherent satisfaction. This economic explanation would make volunteer work no different from skiing, watching television, going to the theatre, or any of a variety of time-intensive consumption choices. In this view, the benefits to others are incidental; it is the satisfaction and enjoyment derived by the volunteer from the work that is the consumption activity. And unlike some consumption activities, no payment is required!

Digging a little deeper into motivation, however, suggest that the decision to work on a Habitat for Humanity house is a little different from the decision to go skiing in Vail. Some of the satisfaction is derived from exercising one's skills and enjoying the company of fellow volunteers, kind of like attending a party with a hammer or paint brush in hand. But some of the satisfaction comes from experiencing the pleasure or joy created in the beneficiaries. The advertisements for volunteers (and for contributions) emphasize that aspect of volunteering. The happiness of others, the motive of altruism rather than self-interest, or the blending of those two motives, has always been troubling for economists to deal with.

Sociologists can help. While economic man is in relentless pursuit of self-interest, sociological man is guided by social norms and expectations. His or her motivation is to be part of a community, to be accepted, to have meaningful interactions with others, to be a part of an environment that allows people to flourish and live meaningful, satisfying lives. To be accepted, respected, and valued in the community requires that one show concern for others. Doing volunteer work is one way to become socially accepted.

The relatively new field of behavioral economics looks at our choices—including the choice to volunteer—in a more complex motivational framework than simple self-interest. We are driven by both self-interest and altruism. We are both individuals and members of society or communities. We want to be economically secure, we want to enjoy the material pleasures of life. But we also want to be loved, admired, and accepted, and we care about the experiences of others, especially those close to us—family, friends, neighbors, co-workers, people in the same city or town.

Some kinds of consumption are enhanced by sharing. That ski trip is more fun with family or friends. A theater experience is enhanced by a large and engaged audience. A college class of 20 is likely to be a richer experience than a class of five (although a class of 100 or more is usually not!) Volunteer work of many kinds offers the same kind of shared experience. In economic terms, volunteerism is simultaneously consumption and production, involving no monetary exchange. The experience and satisfaction is payment enough—a form of barter, in which we give time and skills in exchange for positive experiences. However, volunteer work frequently leads to contributions of money as well, as the volunteer appreciates not only the experience but also the enrichment of the community and the lives of its residents that the volunteer organization provides.

A second dimension of behavioral economics is the motivation to work. For economists, work is simple: it is a means to an end, which is earning enough to consume. Earning more means consuming more. But again, the motivation to work is more complex. Work can be a form of self-expression. Work offers intrinsic satisfactions beyond the paycheck. Work gives us social value and brings about encounters with others, because we are social animals. Work makes us feel useful and needed and valued. Perhaps this more complex understanding of why we work explains why so many retired people turn to volunteer

work to replace not only the social interactions but also the sense of contribution, of value, and of being part of something larger than themselves that they once gained from paid work.

Albert Einstein once said, “Everything should be made as simple as possible, but not simpler.” Reducing our motivations to simple self-interest ignores the complexity and diversity of what makes humans tick. Volunteer work is both an important and useful contribution to society and a persistent challenge to the economist’s simplistic view of human motivation.

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