

## **"The neural basis of taxation and charitable giving"**

Economists once viewed charitable giving as a puzzle: money is a good thing, so why would people give it away? The pure-altruism and warm-glow models of altruism were developed to provide explanations for the empirical facts of charitable giving that were consistent with economic models of utility maximization. Empirical tests using both field and experimental data have provided support for the model. We show that neural data collected with fMRI provides additional insight into the reasons that individuals provide costly support for goods and services that benefit society at large. The talk is based on results from Harbaugh, Mayr and Burghart 2007 (Science) and work in progress that is designed to get deeper into the origins of the warm-glow.

Bill Harbaugh  
Economics, University of Oregon  
<http://harbaugh.uoregon.edu>