ABSTRACT

This article addresses the important issue of the economics of volunteering in Britain today, focusing on both the costs and benefits of volunteering to the individual volunteer, to the involving organisation, and indeed to society as a whole. It has equal relevance to North America. The article is interesting for another reason. The vast majority of research into volunteering in recent years has been grounded in the social sciences. As this paper demonstrates, the study of volunteering benefits greatly from a multidisciplinary approach. It is to be hoped that in the future not only the economist but also the historian, the social psychologist, and perhaps even the philosopher will see in volunteering a valid area for study.

Time Is Money: The Costs of Volunteering in Britain Today

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INTRODUCTION

That much-quoted aphorism, "Time is money," is attributed to Benjamin Franklin. It may seem a strange title for a article on volunteering, for volunteering has always seemed to have a lot to do with time and not a lot to do with money. This is a debatable point, as this article will show. There has been little research in this country on the economics of volunteering; there have been only anecdotes and casual enquiries, for example, about the costs and the value of volunteering. The topic of this article, then, is a comparatively new area of interest in this country. Some of what will follow, therefore, is developmental and I hope will stimulate debate and draw attention to what are transparently important issues.

Ronald Reagan once defined an economist as someone who observes something working in practice and then wonders if it will work in theory. There may be truth in that definition, but we do need to get away from the anecdotal empiricism that characterises much work in this area. In relation to the topic of the article, I would argue that there are too many figures for the costs or value of volunteering wandering aimlessly around looking for a rational explanation. If, therefore, we take one step back—to the theories of demand and supply—we will, I think, subsequently be able to take a big leap forward.

Volunteers are motivated by a variety of factors, including altruism, self-interest, and sociability. These and other motivations help us to understand the supply preferences of volunteers, and we also need to look at the costs to them of volunteering. On the demand side of the "market" for volunteers, we have the advantages and disadvantages of volunteering for the employing organisation. We can then examine what volunteering can mean for society as a whole.

Two further preliminary points should be made. The first is that I will not put conceptual boundaries around volunteering, nor will I grapple with the problem of setting down a concise definition for this activity. It should be noted, however, that my remarks will not be confined solely to volunteering undertaken through voluntary organisations. I am not neces-

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sarily excluding activities associated with religious congregations and political parties. Volunteering need not be confined only to those things done without any financial remuneration, and volunteering which attracts a small wage, though one which is somewhat below the going market rate, can fall within the purview of what follows. There is, however, a vast difference between volunteering, self-help, and informal care. Many informal carers do not "volunteer" for their care tasks at all. In this article, it is going to be necessary to limit my comments to exclude self-help and informal care, not because they are unimportant—on the contrary, of course—but because the motivating forces that underpin them and the costs that result are very different.

The other prefatory remark is that this article will not arrive at a single summary measure for the costs or the value of volunteering. There is, as yet, insufficient information on volunteering to calculate such a figure. That may be the cautious academic approach, and others may want to be more adventurous, though I would urge them to employ a valid methodology.

COST IS ANOTHER FOUR-LETTER WORD

It was St. Ignatius Loyola who first implored us "To give and not to count the cost. To labour and not to ask for any reward." Why, then, should we be interested in trying to measure the costs of volunteering? There are doubtless lots of reasons, but I will mention just two: one good and one bad.

The *bad* reason is simply this: Prompted in recent years by government initiatives and policies, everyone else now seems to have a cost fixation about almost everything, so should we not also be concerned about the costs of volunteering? In an era of efficiency scrutinies, value-for-money audits, performance indicators, and the like, no politician or manager with a healthy interest in self-preservation has failed to register an interest in the cost implications of a new activity or political proposal. One of the problems facing the economist in such circumstances is that the very laudable pursuit of efficiency has been buried beneath layers of dogma and political prejudice. In fact, efficiency really *is* a Good Thing. When it is defined properly and pursued sensibly it can give more of what society desires from the same resources, or it allows society to spend less to achieve the same outcomes. The need to get more from less follows from the realisation that resources and services are scarce relative to the demands placed upon them.

The pervasiveness of scarcity prompts the *good* reason for being interested in the costs of volunteering. The supply of volunteers is not infinite, and we should therefore have one eye on how we might use available volunteer resources more efficiently. Efficiency, in its turn, is concerned with costs and benefits, burdens and values, resources and achievements, inputs and outputs.

In attaching a cost to volunteers, it is not intended to lead to the proposal that volunteers should be paid £X an hour, although that in itself is an interesting issue. Nor is it to suggest that everything must be reduced to pounds, shillings, and pence. Money is not everything. We have all learnt that money won't buy happiness—though it can perhaps buy the kind of misery you prefer—but in some situations it does act as a useful summary indicator for resources and achievements. The reason for putting a price or a cost on volunteers is to recognise and underline the value of what they do.

We could measure that value in whatever units we like. It just happens that there already exists a unit of value—money—which is designed and widely used for just such a task. If, therefore, there are things about volunteering which can be expressed in monetary magnitudes it would be useful to measure them in these terms. We could, for example, compare the organisational implications and service contributions of

volunteers with paid workers. We could suggest an amendment to the measurement of gross national product, and the treatment of volunteers within the national income accounting framework. We could stimulate debate about the support of volunteers (the reimbursement of expenses, insurance cover, and so on). With information on the costs and value of volunteering, we could better understand the comparative resource implications of service provision by the voluntary, private, and public sectors. We would also have a better appreciation of the roles and burdens of informal careers (even though I am deliberately excluding them from this article).

There are two common reservations that often get voiced at about this stage in the discussion of costs and values. First, there are important elements of volunteering—love, respect, religious faith, and so on—which can *not* be reduced to monetary magnitudes, and I do not mean to imply that we should overlook them. Volunteer labour is a substantial resource, however, and one of our common aims for employing organisations, public policy managers, social action researchers, and others is to find ways to describe just how substantial it can be. If this can be done in terms which render volunteer labour comparable with other resources, then so much the better. We then have the opportunity to engage in a different debate, and we have at least a *minimum* value or cost for volunteering.

The second reservation suggests that linking money with volunteering could be a little sordid. London VOISS (Volunteer Organisers in Social Services) argued in a 1984 paper:

> The rhetoric which promotes the value of volunteering at a time of 'cuts' . . . diminishes volunteer work, appearing to judge and evaluate such efforts more in terms of cost effectiveness, rather than the volunteers' contribution to further improving the quality of life for an individual, group, or community.

It is true that some principles or activities may appear to get devalued if they are discussed or analysed in monetary terms, though the point can be exaggerated. Some volunteers may not appreciate having their services costed, and some organisations are known to cost some activities without making the information widely available. I am not going to debate the politics or ethics of attaching monetary values here, although I do not mean to suggest that they are irrelevant in some circumstances.

This issue is quite different from the actual *payment* of money, which can certainly alter an exchange relationship, as Titmuss was telling us 20 years ago, drawing on blood donation for his evidence. Twenty years before Titmuss, A.H. Quiggen wrote that:

> Everyone except an economist knows what 'money means,' and even an economist can describe it in the course of a chapter or two.

Money itself can be both sacred and profane, revered and loathed; it would be wrong to see it merely as a neutral medium of exchange. This path has been well trodden by anthropologists and psychologists. My point is not to urge the exchange of money for volunteering—although, parenthetically, it is no bad thing to ponder on this from time to time, because I do not think Titmuss expected to have the last word—but to suggest that money can be a helpful shorthand or summary measure.

SUPPLY AND DEMAND

Why do we have many millions of volunteers in Britain? Why do they volunteer? And why do voluntary, statutory, and private sector agencies take on volunteers to help them produce or distribute their goods and services?

If we temporarily forget volunteers and consider the decisions of and about individual *paid* workers, we can learn from the demand and supply of labour, and the market-clearing optimum conditions. A

worker will supply her or his services up until the point at which the disadvantages or costs of working outweigh the benefits. In the simplest labour economics theory, people supply their labour services up until the point that the wage paid is equal to the value of the last hour of leisure forgone. More generally and more realistically, the disadvantages of work include not only lost leisure time but also the cost and inconvenience of travelling between home and workplace, and the sheer unpleasantness of the work itself—the effort, a dirty environment, an oppressive management system, and so on. The advantages of work are the wages, the acquisition of skills (what the economist calls human capital), and the non-pecuniary satisfaction that comes from, for example, seeing a job well done, helping customers, and comradeship with colleagues. This is the supply side of the labour market.

On the demand side we are interested in the decisions of employers. The advantage for employers of having workers around is that they can produce something, sell it, and earn a profit. The disadvantage is that they have to be paid to be persuaded to work, and machines must be bought to help get the task done, and managerial staff must be hired to oversee them. In the simplest theoretical model, the rational employer will continue to recruit labour up until the point that the value of what is produced by a worker (the marginal value or revenue product of labour) is equal to wage offered by the employer (which in the simplest model is exogenously determined by the state of the market).

Putting the supply and demand sides together, equilibrium is reached in the labour market—the market is "cleared"—when the marginal revenue product of labour to the employer, which is the value of the output produced by the last hour of labor, is equal to the value of the last hour of leisure given up by the employee. This simple model needs to be dragged into the real world, of course, but the broad principles can assist an examination of the value and the cost of volunteering.

In a simple labour market with *paid* workers, the observed value and the cost of labour are identical, and mighty tomes of economic statistics are based on this identity. But with volunteer workers, this is not the case, and we need to be clear whether we are talking about either the cost of volunteering to the volunteer, and this should be the *net* cost, or the value of the volunteer to the employing organisation, again the *net* value, or the (net) social welfare value, which incorporates both of them, but also needs to include the impact on the organisation's customers or clients if their views are not adequately captured elsewhere.

THE COSTS AND BENEFITS TO VOLUNTEERS

When we return from paid workers to volunteers, there are elements of this simple model which we can employ with some benefit. First, consider volunteers themselves. We need to ask what factors determine or influence the supply of volunteer time. On the benefit side we have no wage, so what do volunteers get out of their volunteering? And, ranged against these benefits, what are the costs of volunteering, including out-of-pocket, uncompensated expenses, and other opportunity costs? What, then, is the net benefit or value to volunteers?

Conventional or classical economics would have some problem with volunteering. Two hundred years ago, Adam Smith championed self-interest; altruism was worse than irrelevant. For a long time, economists working within the "mainstream" of theory ignored altruism, or else they sought to chip away at the rose-tinted picture of disinterested humanitarianism painted by their anthropology and sociology colleagues. There were exceptions, of course (Lutz and Lux, 1979). It would, for example, be interesting to see how an understanding of motivations could develop out of Maslow's work on hierarchy of needs. Might it be the case, for example, that the ability to volunteer, and the motivations behind

this act, will be related to need-fulfillment? When driven by the need for physiological survival or safety, which are Maslow's first two stages of need, one's "volunteering" might be more self-interested than when one's primary concern (or Maslovian need) is belongingness and love, esteem, or self-actualisation. Maslow's theory has been criticised for its oversimplicity—there is for example good anthropological evidence of genuine altruism in the presence of abject poverty—but this theoretical perspective is more relevant to today's problems than the simple utilitarianism of early economic theory. Interpreting economics with psychology has opened up this area for useful analysis.

We know that people volunteer for a host of reasons (Clary and Snyder, 1990). People may volunteer out of altruistic or humanitarian concerns: to benefit someone in need, or society in general (Ferris, 1986), perhaps with a preference for establishing the kind of direct relationship between giver and recipient that does not come with monetary donations to a charity (Mauss, 1925). They may have social adjustment aims: to fit some normative expectation of behaviour, to gain prestige or social approval for participation, or to expand their social circle. There may be therapeutic or rehabilitative reasons for volunteering: to help cope with inner anxieties and uncertainties about personal competence and worth; to feel needed. The volunteer may seek to gain knowledge and intellectual enrichment. (Some of this may actually be knowledge about how an organisation operates, with resultant influences on the direction and level of monetary donations.) Finally, there is the instrumental function: to acquire specific new experiences or skills which might later generate career opportunities, or provide an opportunity for the volunteer to display those skills to potential employers. Research has shown that the first of these—what psychologists call the value expressive function (Clary and Snyder, 1990)—is the most common and most important for a majority of volunteers, but the others are relevant, too, and more than one motivating factor is usually at the root of volunteering (Van Til, 1988).

The costs to the volunteer can be both pecuniary and psychic, tangible and intangible. In its most general formulation, the cost of doing something is what is sacrificed—the loss of other opportunities—and for this reason is called opportunity costing (Knapp, 1984). The opportunity costs to volunteers are likely to involve some of the following: First, there is the wage that could have been earned from more paid employment, less tax, and national insurance. The forgone wage would be relevant if volunteer time is time away from paid work which results in a loss of income, and we know this does not apply to some volunteers, either because they are not in the paid labour force anyway, or because they work a fixed number of hours and volunteering more does not mean earning less. Second, there are the (forgone) human capital benefits of work—the accumulated expertise that will improve career prospects and/or increase future earning capacity. In addition, there are other (forgone) benefits of work—they might be called the *psychic benefits*—which generate job satisfaction.

The most obvious costs are the out-of-pocket expenses incurred in volunteering, some which are immediately identifiable and can be reimbursed—travel and telephone costs are examples—and others which are less obvious, such as having a bigger care for taking elderly people to and from day centres, or a larger house so as to provide informal child-minding. The Wolfenden Report noted that: "Practice varies regarding the reimbursement of travelling and other out-of-pocket expenses . . . , [T]he payment of even small sums of money made the difference between the survival and demise for informal means of care." A Volunteer Centre study published in 1980 (Orwell and Whitcher, 1980) looked at

these out-of-pocket expenses in some detail. It did not report figures for these costs, but it usefully pointed to the large number of voluntary and statutory bodies which were not reimbursing expenses, or not providing insurance cover for their volunteers. Last, but not least, there is the loss of *unpaid work* (such as gardening or do-it-yourself) and leisure time, both tricky to value, but no less relevant for that.

If the volunteers are rational in the economic sense, they will volunteer when the benefits, tangible or intangible, exceed the costs, real or notional. They will continue to volunteer up until the point when the marginal value of (additional) *volunteer* work—in terms of the psychic benefits of altruism or social approval, knowledge gained, additions to human capital, and so on—equals the marginal value to her or him of additional *paid* work, which is the after-tax wage rate, with the addition of psychic income benefits (Steinberg, 1990b). If this were *not* the case, the volunteer could alter the balance between volunteering and paid work to improve personal welfare. Economic rationality is a strong assumption, and includes full knowledge of alternative courses of action.

In reality, therefore, this equality between benefits gained and benefits lost may look too simple, but this *general* approach allows us to link the benefit or value of volunteering to the volunteer: either to the (after-tax) wage rate for the individual *in person*, or—and this is the more feasible approach—to the after-tax wage for people in similar age, income, and education groups. We certainly need to do more than assume some blanket forgone wage for all volunteers because some are retired or unemployed, and others could be giving up a variety of paid employments in order to participate. In either case, it would be necessary to make allowance for the non-wage benefits of work, plus the uncompensated costs of volunteering. And it hardly needs to be said that for retired or unemployed volunteers, whilst there will be no forgone wages, the costs to them of volunteering are certainly not zero. Generally, I have difficulty accepting the blanket costing of all volunteers—or, equivalently, all informal carers—without recognition of the very different sets of motivations and constraints behind this activity.

Can we identify some of the factors which might increase or reduce the *amount* of volunteering? Taking the motivations for volunteering as our baseline, we could hypothesise that volunteering will increase when the benefits to volunteers can be raised or the costs reduced. Before we do this, we should recognise that giving via volunteering is likely to be linked to giving via monetary donations, for the underlying motivating forces will certainly overlap. The linkage is not simple. A cursory glance tells us that people who volunteer more also donate more, but does this correlation reflect causality? Recent work by US economists is beginning to unravel the underlying causal processes connecting the *economic* determinants, such as income, wage rates, and taxation policies, and their links with some of the *non-economic* determinants, though progress with the latter is still limited. What these studies conclude is that the (economic) factors which stimulate monetary donations also stimulate both the propensity to volunteer and the number of hours supplied (Steinberg, 1990b). The principle influences are income, wage rates, taxation, government activity, and the retirement and employment rates.

The effect of *income* is exactly as would be anticipated: an increase in income is associated with an increase in volunteering. Partly its effect works though the association with wage rates. In addition, a higher income gives one the flexibility to buy in non-waged work (to replace housework, do-it-yourself, and so on) and labour-saving consumer durables (washing machine, dishwasher, and so on), and also, therefore, the flexibility to express a preference for volunteering

over non-waged activity. One recent American study, for example, suggested that a 10 per cent increase in income would bring about a 6.5 per cent increase in the number of hours volunteered. (This influence, as with the others below, assumes other things are held constant.) Anecdotally, many surveys of volunteering have pointed to the higher participation rate among professional groups and higher income earners in the UK. An increase in *wage rates* pushes volunteering down. As the opportunity cost of volunteering goes up, so there is less of it. Changes in *taxation* have an impact through their association with donations of money, in addition to the impact on the opportunity cost of volunteering which has just been described. If the marginal tax rate goes up (say from 25 per cent to 30 per cent), the price of donating money will have gone down (to those people whose donations are tax deductible, for example through covenants), and these people will donate more money. The evidence also suggests that they will volunteer more. Gifts of time and money are, according to empirical data, complements and not substitutes (Clotfelter, 1985; James, 1990).

The impact of *government activities*—both provision and spending—is less straightforward. More government provision appears to result in less volunteering. This is what some people view as *crowding-out* of private action by public provision or spending; others would see it as appropriate collective action. If people are motivated to volunteer because they see unmet needs in their communities (and we have seen that this does not apply to, or dominate for everyone), then we should expect—other things being equal—volunteering to fall if government does more to help people in need (Weisbrod, 1988). If, on the other hand, people volunteer in order to gain experience—the so-called instrumental aim—they just might volunteer *more* when government spending increases because future job prospects could look rosier for those with the necessary human capital. Of course, if government spending generates or is associated with an economic boom, previously unemployed people will find themselves with better chances of getting a job, so the reverse might happen.

Finally, increases in the *rates of retirement and unemployment* might have an impact, though there are complications given the well-known links between income and the statuses of retirement and unemployment. There is some evidence—again from the US—that newly retired people are less likely to participate in volunteering than (continuing) workers with similar characteristics, but they will then offer more hours of volunteer work (Chambre, 1984).

Because some of the forces which motivate volunteers are not susceptible to change through public policy, it might be thought that there is relatively little that governments or other agencies can do to influence the levels or patterns of volunteering. This is naive. To the extent that volunteering depends partly on *economic* forces—and there are, of course, numerous other forces at work here—government economic policies will have their effects on donations and volunteering, even if this is incidental to the main thrust of macroeconomic management.

THE COSTS AND BENEFITS TO ORGANISATIONS

What does the sign in one Oxfam High Street shop mean when it says that the hours an average volunteer puts into Oxfam during the year are worth £700 to the organisation? When it is claimed that volunteers placed through Volunteer Bureaux in Kent contributed work worth £1.8 million, what is being measured? The National Trust notionally valued the one million volunteer hours contributed by 20,000 volunteers at £3 million. What is being valued?

It is not uncommon to hear two kinds of view about the value of volunteers to organisations. The first is that volunteers are worth £X a year and the second is

that the demand for volunteers is unbounded. Consider the latter view first. Organisations, it seems, cannot get enough volunteers; their demand is limitless. This is convenient nonsense. It is convenient because, if the demand for volunteers is assumed to be infinite, policy research and policy argument about the recruitment and utilisation of volunteers need focus only on the supply side. It is nonsense because, although volunteers are not paid a wage, the costs to the employing organisation are certainly not zero. Thus the amount of volunteering is not solely supply-demand.

The costs associated with the employment of volunteers range across a number of areas. They are listed below in order of ease of identification and measurement (Payne, 1990). First, there are *direct expenditures* on supplies, travelling, protective clothing, telephones, insurance, and so on. These are directly observable costs. Second, there are the costs of recruiting, training, organising, and managing volunteers: the *routine management costs*, say. In principle, these, too, should be directly observable, though in practice they tend to get lost within general administrative or overhead budgets. It is unlikely that volunteers are *more* expensive to recruit than paid staff, but they may well require different procedures; for example, if they are not given a seemingly useful job quickly they will be lost to the organisation. It may be that volunteers will need more training than other staff, for an organisation might be able to recruit more skilled workers by offering attractive salaries. The *general* point is not whether volunteers are administratively more or less costly than paid workers, but that there exist these non-zero costs.

A third cost may come from *congestion*. If two men digging a hole take eight days, how many days will it take four men? The answer depends on the size of a hole in which they are working. Beyond a certain point, additional volunteers *reduce*, rather than increase, the overall productivity of an organisation, and these diseconomies offer another reason for not assuming an infinite demand for volunteers. Fourth, there may be *organisational acquiescence costs*. In any organisation there is "give and take" between employer and employee. There is, however, a difference between paid employees, whose employment is contractually laid out, and unpaid volunteers, who may feel able to come and go as they please, and over whom the manager may have only limited control. If volunteers have personal or political connections with trustees, managers will not find their task any easier (Young, 1984). The organization may in fact get diverted from its underlying aims and objectives in the process of acquiescence.

Finally, there are the *costs of interweaving* volunteers with paid staff. These can be burdensome. There may simply be insufficient communication between paid staff and volunteers, or difficulties of building up teamwork because the two groups work different hours. Volunteers might not be happy to accept the bureaucratic or other restrictions governing the employment of paid staff. Or the paid staff might look down on volunteers because they are less skilled, part-time, or seemingly transient. They may be reluctant to share details which might appear to threaten the privacy of clients. They may themselves feel threatened by job losses as a result of volunteer work, particularly if they perceive it as nothing more than cheap, unskilled labour. It may be harder to motivate paid staff if volunteers are around. These interweaving difficulties may be the reason that some organisations develop "volunteer roles" and "paid staff roles."

Ranged against these costs are the anticipated benefits to organisations. With volunteers, organisations have an opportunity to obtain the services of expert advisors with unusual or expensive skills, or of unusually enthusiastic or committed staff, or the perceptions and experiences of volunteers who are currently, or were

once, users of the service. These characteristics may be especially appreciated by some clients, getting around the stigma of service receipt, or offering choice, for example. Volunteers may have good links with the local community, and help with the monitoring of need. Information can flow in both directions between the community and organisations employing volunteers (Morgan, 1983). Volunteers may free more qualified paid staff for specialised tasks within the organisation (Holme and Maizels, 1978). Volunteers may be seen as free or cheap resources, and their recruitment might then increase the total amount of a service offered, or indeed make it viable in the first place. From the evidence gathered over the last 15 years in a series of cost studies, mainly but not exclusively for social care services, the use of volunteers *does* indeed appear to reduce costs, other things, including the quality of care, being equal (Knapp, Robertson and Thomason, 1990).

For organisations, then, all of these benefits could be gauged in terms of the contributions of volunteers to organisational aims. The primary aims will be the production or delivery of particular goods and services, and having an impact on clients, but most of the organisations which enjoy the services of volunteers are likely not to conform to the simple assumption of an inward-looking, self-seeking agency (intent on, for example, profit maximisation or the maintenance of market share). Instead, they may recruit more volunteers than is strictly necessary for the organisation itself—or people with different skills and capabilities from those preferred—because they recognise and seek to promote the benefits that accrue to volunteers themselves.

Should we then value the (net) contribution of a volunteer to an organisation as the amount it would cost to hire a paid worker? This would generally be inappropriate. Volunteers may be less efficient than paid staff in some areas. As one US economist concluded, they "may be less productive as volunteers [than in paid work], and, in addition, those who actually volunteer may be less productive in the marketplace than the average person who chooses paid work" (Weisbrod, 1988). These difficulties apply to the calculations by the Independent Sector for the valuation of volunteer time in the US, where a simple blanket measure is used—the average gross hourly earnings for private nonagricultural workers, inflated by 12 per cent to pick up fringe benefits (Hodgkinson and Weitzman, 1986, 1990). For this reason I also have difficulty accepting country-wide estimates of the value for volunteering, though, in the case of individual sectors of activity, this may not be so much of an error. Under certain assumptions as to the underlying organisational aims, the value of a volunteer to an organisation could be approximated by directly calculating the cost of employing her or him as a volunteer. However, it would be preferable to look for a more direct valuation of what volunteers achieve, and this has yet to be attempted.

For the sake of brevity I will not examine the public policy factors which influence organisations' demands for volunteers.

THE COSTS AND BENEFITS TO SOCIETY

Volunteering appeals to both ends of the political spectrum. On the Right, there will be support for self-help, committed citizenship, and independent action—what George Bush called the "thousand points of light." On the Left, volunteering may be seen to offer a route to participative, democratic collective action, a redistribution of resources and power. Caricatures of this kind may now be a bit dog-eared, but they serve to remind us that volunteering confers social benefits beyond those accruing to organisations and to volunteers themselves.

The social impact of volunteering is not necessarily all positive. Volunteering, like the donation of money, gives some control over service delivery to those who volunteer or donate. The area in which volunteering gets done is determined by

the volunteer herself or himself, and this may result in what some people may perceive to be an inequitable distribution of support services or resources. Where society has proclaimed an egalitarian objective—as with the NHS (National Health Service)—there may be a need for monitoring and compensating corrective action if volunteering appears to be favouring one sector of society or one region, though I hesitate to suggest how this could be done easily or acceptably.

Another difficult area concerns social efficiency. Many of the costs of volunteering are external to employing organisations, so there are not the usual forces or incentives to encourage it to recruit the most efficient volunteers. Volunteers themselves may not choose the areas of maximum social benefit in which to work. If "efficiency" is a social goal, volunteering certainly helps by channelling the efforts of highly motivated and often skilled people to areas of social need, but it must also be recognised that this is not without its drawbacks.

CONCLUSION

It was not my intention in this article to suggest that economics offers the only, the best, or the dominant perspective on volunteering, its value, and its cost. I happen to be an economist, and I have done what comes naturally, using economics to address my topic. There is obviously a lot to gain by merging these thoughts with other disciplinary perspectives.

I have looked at the motivations and the constraints which shape the supply of volunteer services, and at the advantages and disadvantages to organisations of employing volunteers. The amount of volunteering that we presently observe in the UK is substantially influenced by these supply and demand forces, and so too are the costs and the value of volunteering, whether from the perspective of the volunteer, the organisation, the client, or the wider society. As I indicated at the outset, I have *not* attempted to reduce these costs and values to simple monetary figures—mainly because if this is to be done, it ought to be done properly, and it is my view that we do not yet have the information to do it. Many people would also share my nagging worry that summary measures get swallowed without thinking, along with the hopelessly inadequate methodologies that sometimes accompany them, and I would prefer more caution.

Some have indicated the need for an analytical sociology of volunteering. Perhaps it is now time to see the development of an analytical *economics* of volunteering as well.

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