

PUBPOL 475: Philanthropic Foundations in the Public Arena
Gerald R. Ford School of Public Policy
Winter Semester 2015

Contact information

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Office hours: Thursdays, 1-3 PM (sign up in advance at <http://tinyurl.com/METSofficehours>)

Class schedule

Thursdays, 8:30 AM-11:30 AM (class begins on Michigan time at 8:40)

Location: Weill Hall 1230

Course overview

Private philanthropic foundations in the U.S. have long played central roles in advancing social change and shaping policy priorities, a role that has historically created controversy about the power of private wealth within the public realm. The core framework of this course engages with these questions, considering the respective roles of philanthropy and of the state in determining the public good.

The course utilizes an experiential approach, wherein students will participate in a hands-on process of making actual grants to nonprofit organizations. The Once Upon A Time Foundation has provided a grant of \$50,000 that the class will allocate as a course-long project, directly applying the concepts discussed during class through a practical lens. Students will determine the mission and objective of the funding based on students' values; the organization(s) to which funding will be allocated; the number of and size of the gift(s) that will be made; how the gift(s) will be awarded; and how the impact of the gift(s) will be evaluated and assessed.

Grading

Students will be evaluated based on their performance in three areas of the course:

- Written process journals: 30% (10% for each installment)
- In-class participation (discussion contributions and preparation): 50%
- Final reflection: 20%

Assignments

Written process journals. Students will keep journals of their reactions to the grantmaking process, and will submit them at three intervals during the semester, as noted on the syllabus. These journals are intended to be predominantly a formative tool, enabling students to process their reactions, emotions, and reflections during the course of the semester in a concrete manner, and recording these written observations in order to serve the creation of final reflections. Students are expected to regularly write about their reactions to the process, questions they may have, and ideas to share with classmates.

Class participation. The course is highly interactive and discussion-based, and as such, participation is a significant and crucial component of students' experiences. Contributions in class should reveal a

substantial familiarity with the assigned readings, a capacity to analyze the issues and problems under discussions, and an ability to incorporate, synthesize, and constructively criticize the comments of classmates. Students are expected to read all the readings assigned for every class session and to actively engage in all in-class exercises, which will include small-group work as well as larger-group discussions and debates.

Grantmaking project. On the first day of class, students will form small teams, which will meet outside of class on a weekly basis to discuss their values and interests and to research organizations for the class to consider as possible grantees. The teams will present the outcomes of these discussions in a first round of full class deliberation, which will occur on February 25. The teams will then re-form and repeat the process of discussion and research for the second half of the term, which will be presented in final full class deliberations on April 7.

Final reflection. Students will compose 15-20 page papers that reflect on their learning in the class, how the process of engaging in grantmaking contributed to their development, and their ideas regarding charitable and philanthropic engagement going forward after the class. Students are expected to integrate and apply the relevant readings and conceptual material discussed in class in order to contextualize these analyses. The instructor will provide samples of papers completed by former students.

Unless otherwise stated in class, written assignments are to be completed in Times New Roman 12 point font, double-spaced, and submitted to Drop Box on CTools in Word format.

Course policies

- Students are expected to attend class regularly and on time, and to notify the instructor of all planned absences and late arrivals in advance, barring emergencies. Students who have more than one unexcused absence will relinquish their spaces in the class. Instances of lateness to class of more than 15 minutes, again barring emergencies, will be counted as unexcused absences. Students must be present on the first day of class in order to remain enrolled, except by prior arrangement with the instructor.
- Paper extensions require prior arrangements with the instructor. There will be no exceptions to this policy, barring emergencies. Late papers will receive a deduction of one course grade per day, and papers that are more than two days late will not be accepted.
- Laptops are not permitted in class, except when accommodations are necessary for students' learning. Accommodations should be arranged with the instructor in advance of the course with appropriate documentation.
- Students are expected to conduct themselves with academic honesty and integrity as established at http://www.rackham.umich.edu/policies/academic_and_professional_integrity/ and at <http://fordschool.umich.edu/academics/expectations>, which details the Ford School's formal policies.
- The instructor reserves the right to make reasonable changes to the syllabus throughout the course of the semester, with appropriate notice to students, in the event of timely news developments that may align with relevant topics under discussion. As such, students should rely on the copy of the syllabus that will be posted and updated regularly on CTools.

Class schedule

All readings will either be posted on the course CTools website or are available online as indicated in the syllabus.

Week 1. Thursday, January 7. Introductions and overview of course

No readings

Week 2: Thursday, January 14. Charity vs. philanthropy

Readings:

- Carnegie, A. 1889. *The Gospel of Wealth*. Available at <http://www.swarthmore.edu/SocSci/rbannis1/AIH19th/Carnegie.html>
- Gross, R. 2003. "Giving in America: From charity to philanthropy." In Friedman, L. and McGarvie, M. (eds.), *Charity, Philanthropy and Civility in American History*. Cambridge, UK: Cambridge University Press.
- Fleishman, J. 2007. *Foundations: A Great American Secret*, pp. 1-45. New York: Public Affairs.
- Soskis, B. 2014. "The importance of criticizing philanthropy." *The Atlantic*, May 21. Available at <http://www.theatlantic.com/business/archive/2014/05/the-case-for-philanthropy-criticism/361951/>
- Pandolfi, F. 2011. "How to create an effective non-profit mission statement." <https://hbr.org/2011/03/how-nonprofit-misuse-their-mis>

Week 3. Thursday, January 21. Philanthropy and values: Instrumental vs. expressive giving

Readings:

- Frumkin, P. 2008. "Dimensions of philanthropic value." In *Strategic Giving: The Art and Science of Philanthropy*. Chicago: University of Chicago Press.
- Singer, P. 2013. "Good charity, bad charity." *The New York Times*, August 10. Available at <http://www.nytimes.com/2013/08/11/opinion/sunday/good-charity-bad-charity.html?smid=tw-share>
- Kristof, N. 2015. "The trader who donates half his pay." *The New York Times*, April 5. Available at <http://mobile.nytimes.com/2015/04/05/opinion/sunday/nicholas-kristof-the-trader-who-donates-half-his-pay.html?referrer=>
- Means, A. 2015. "Why this data nerd isn't sold on effective altruism." Markets For Good. Available at <http://www.marketsforgood.org/why-this-data-nerd-isnt-sold-on-effective-altruism/>

Week 4. Thursday, January 28. Strategic philanthropy and technical vs. adaptive approaches to grantmaking

Readings:

- Brest, P. and H. Harvey. 2008. *Money Well Spent: A Strategic Guide for Smart Philanthropy* (excerpt). New York: Bloomberg.
- MacFarquhar, L. 2016. "What money can buy." *The New Yorker*, January. Available at <http://www.newyorker.com/magazine/2016/01/04/what-money-can-buy-profiles-larissa-macfarquhar>
- Davidson, A. 2015. "Saving the world, startup style." *The New York Times*, November 15. Available at <http://www.nytimes.com/2015/11/22/magazine/saving-the-world-startup-style.html?emc=eta1&r=0>
- Parker, S. 2015. "Philanthropy for hackers." *The Wall Street Journal*, June 26. Available at <http://www.wsj.com/articles/sean-parker-philanthropy-for-hackers-1435345787>
- Scott, J. 2009. "The politics of venture philanthropy in charter school policy and advocacy." *Educational Policy* 23 (106).

Process journals due

Week 5. Thursday, February 4. Philanthropy and inequality: Charity vs. justice

Readings:

- Addams, J. 1899. “The subtle problems of charity.” *The Atlantic*, available at http://www.theatlantic.com/magazine/archive/1899/02/the-subtle-problems-of-charity/306217/?single_page=true
- Buffett, P. “The charitable industrial complex.” Available at http://www.nytimes.com/2013/07/27/opinion/the-charitable-industrial-complex.html?_r=0
- “Was Carnegie right about philanthropy?” 2014. *The New Yorker*, February. Available at http://www.newyorker.com/online/blogs/currency/2014/02/philanthropy-50-zuckerberg-carnegie-inequality.html?utm_source=tny&utm_campaign=generalsocial&utm_medium=facebook&mbid=social_facebook
- Singer, P. 2006. “What should a billionaire give – and what should you?” *The New York Times*, December 17. Available at <http://www.nytimes.com/2006/12/17/magazine/17charity.t.html?pagewanted=all>
- Walker, D. 2015. “Why giving back isn’t enough.” *The New York Times*, December 18. Available at <http://www.nytimes.com/2015/12/18/opinion/why-giving-back-isnt-enough.html>

Week 6. Thursday, February 11. Philanthropy and democracy

Readings:

- Reich, R. 2013. “What are foundations for?” (Read lead article by Reich and all responses). *Boston Review*, March 1. Available at <http://www.bostonreview.net/forum/foundations-philanthropy-democracy>
- LaMarche, G. 2014. “Is philanthropy bad for democracy?” *The Atlantic*, October 30. Available at <http://www.theatlantic.com/politics/archive/2014/10/is-philanthropy-good-for-democracy/381996/>
- Callahan, D. 2014. “The billionaires’ park.” *The New York Times*, November 30. Available at <http://www.nytimes.com/2014/12/01/opinion/the-billionaires-park.html>
- Reckhow, S. 2013. *Follow the money: How foundation dollars shape public school politics* (excerpt). Oxford: Oxford University Press.

Week 7. Thursday, February 18. Locus of control in philanthropy: GiveDirectly

Readings:

- Peruse <http://www.givewell.org/international/top-charities/give-directly>
- *This American Life* 503, “I was just trying to help,” August 16, 2013. Listen to the radio programme at <http://www.thisamericanlife.org/radio-archives/episode/503/i-was-just-trying-to-help>
- Goldstein, J. 2013. “Is it nuts to give to the poor with no strings attached?” *The New York Times*, August 13. Available at http://www.nytimes.com/2013/08/18/magazine/is-it-nuts-to-give-to-the-poor-without-strings-attached.html?pagewanted=2&_r=1
- Sun, J. 2015. “Should you donate differently?” TED@NYC, available at https://www.ted.com/talks/joy_sun_should_you_donate_differently?language=en (watch talk online)
- Starr, K. and Hattendorf, L. 2014. “GiveDirectly? Not so fast.” *Stanford Social Innovation Review*, March 11. Available at http://www.ssireview.org/blog/entry/givedirectly_not_so_fast?utm_source=Enews&utm_medium=Email&utm_campaign=SSIR_Now&utm_content=Title

Process journals due

Week 8. Thursday, February 25. Full class discussion; first round of grantmaking decisions

Week 9. Thursday, March 3. Spring break – no class

Week 10. Thursday, March 10. Foundations and public partnerships: Detroit bankruptcy and the Detroit Art Institute

Readings:

- Kennedy, R. 2014. “‘Grand Bargain’ saves the Detroit Institute of Arts.” *The New York Times*, November 7. Available at <http://www.nytimes.com/2014/11/08/arts/design/grand-bargain-saves-the-detroit-institute-of-arts.html>
- Davey, G. 2014. “Finding \$816 million, and fast, to save Detroit.” *The New York Times*, November 8. Available at <http://www.nytimes.com/2014/11/08/us/finding-816-million-and-fast-to-save-detroit.html>
- Bomey, N., Gallagher, J., and Stryker, M. 2014. “How Detroit was reborn: The inside story of Detroit’s historic bankruptcy case.” *Detroit Free Press*, November 9. Available at <http://www.freep.com/longform/news/local/detroit-bankruptcy/2014/11/09/detroit-bankruptcy-rosen-orr-snyder/18724267/>
- [Moskowitz, Peter. 2015.](#) “The two Detroits: a city both collapsing and gentrifying at the same time.” *The Guardian*. <http://www.theguardian.com/cities/2015/feb/05/detroit-city-collapsing-gentrifying>
- Hackman, R. 2015. “‘Detroiters stay out’: racial blockades divide a city and its suburbs.” *The Guardian*. <http://www.theguardian.com/us-news/2015/feb/03/detroit-apartheid-city-subsurbs-grosse-pointe>

Week 11. Thursday, March 17. The supply side: Altruism and the “warm glow” of philanthropy

Readings:

- “Soup-kitchen volunteers hate college-application padding brat.” 2003. *The Onion*. Available at <http://www.theonion.com/articles/soupkitchen-volunteers-hate-collegeapplicationpadding,1422/>. *Nota bene: satire!*
- Salmon, F. 2012. “Philanthropy: You’re doing it wrong.” *Reuters*, December 26. Available at <http://blogs.reuters.com/felix-salmon/2012/12/25/philanthropy-youre-doing-it-wrong/>
- Colapinto, J. 2012. “Looking good: The new boom in celebrity philanthropy.” *The New Yorker*, June 26. Available at <http://www.newyorker.com/magazine/2012/03/26/looking-good>
- MacAskill, W. 2014. “The cold, hard truth about the ice bucket challenge.” *Quartz*, August 14. Available at <http://qz.com/249649/the-cold-hard-truth-about-the-ice-bucket-challenge/>
- Stanard-Stockton, S. 2008. “Why do people give to charity?” http://ssir.org/articles/entry/why_do_people_give_to_charity
- Bernstein, J. 2015. “Joan and Sandy Weill and the \$20 million gift that went awry.” *The New York Times*, December 20. Available at <http://mobile.nytimes.com/2015/12/20/fashion/sandy-and-joan-weill-and-the-20-million-gift-that-went-awry.html?smid=fb-nytimes&smtyp=cur&r=0&referer=>

Week 12. Thursday, March 24. Measuring impact; case study of the Robin Hood Foundation

Readings:

- Ebrahim, A. and Ragnan, V.K. 2011. “The limits of nonprofit impact: A contingency framework for measuring social performance.” Harvard Business School working paper.

- Gregory, A. and Howard, D. 2009. “The nonprofit starvation cycle.” *Stanford Social Innovation Review*, Fall.
- Pallotta, D. 2013. “The way we think about charity is dead wrong.” TED (watch the talk online at http://www.ted.com/talks/dan_pallotta_the_way_we_think_about_charity_is_dead_wrong?language=en)
- Ebrahim, A. and Ross, C. 2011. “The Robin Hood Foundation.” Harvard Business School case.

Process journals due

Week 13. Thursday, March 31. Accountability, collaboration and community responsiveness: Case study of the Meyer Foundation and Southern Partners Fund

Readings:

- Silver, I. 2005. “Living up to the promise of collaboration: Foundations and community organizations as patterns in the revitalization of poor neighborhoods.” In Faber, D. and D. McCarthy, eds. (2005). *Foundations for social change: Critical perspectives on philanthropy and popular movements*.
- Eikenberry, A. 2006. “Philanthropy, voluntary association, and governance beyond the state: Giving circles and challenges for democracy.” *Administration and Society* 39 (7).
- Arrillaga-Andresen, L. 2010. “Burt and Mary Meyer Foundation and the Southern Partners Fund.” Stanford Graduate School of Business case, SI-118.

Week 14. Thursday, April 7. Full class discussion; final grantmaking deliberations

Week 15. Thursday, April 14. Selection of grantees and class celebration (brunch at instructor’s home)

Final reflections due