

Philanthropy for Sustainable Development

SUSTAIN 222 / POLI SCI 236 / POLI SCI 236S /

ETHICSOC 232T

Spring 2024

Tuesday, 1:30 PM - 4:20 PM

Instructors

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Course Description

This course teaches students how to pursue social change through philanthropy with a focus on sustainable development. Students learn about the approaches, history, and key debates in philanthropy, and apply their knowledge by making a \$50,000+ classroom contribution to one or more select nonprofit organizations. By the end of the course, students will understand the fundamentals of effective philanthropy, including how to define problems, develop a theory of change, evaluate outcomes, and reduce unintended harm. Students of all levels of familiarity with philanthropy are welcome to join, and no discipline is privileged in the class.

This class responds to the reality confronting all philanthropists interested in sustainable development. How can we best use our limited resources to accomplish change? And how will we know we've been successful? The course helps students answer these questions by developing a familiarity in a range of topics, including what counts as "the highest and best use" of philanthropic dollars, how to measure "impact," the differences between approaches to philanthropy—including effective altruism, trust-based philanthropy, and participatory philanthropy—and debates on the relationship between philanthropy and democracy. In addition, students learn the ethical and practical requirements of effective grantmaking, including how to define problems, design a plan for achieving goals, identify promising organizations, respect grantees and beneficiaries, and evaluate the success of their chosen nonprofit.

Class and Lab Participation

Participation in this course includes a range of modes, from contributing intelligently to class discussions to taking initiative in and contributing equitably to the work of the grantmaking teams. Active participation in the lab is required on a weekly basis, during which students will

develop priorities for grantmaking, reflect on criteria for strategic selection of organizations, and, at the end of the quarter, award the grant to the chosen nonprofit organization through a deliberative process. In addition to individual assignments, there will be four graded deliverables that each team will be expected to turn in throughout the quarter, including a final pitch advocating for which organization the team wishes to see funded.

Reading Assignments:

Most of the assigned readings in this class can be publicly accessed online. Any other required texts will be made available on Canvas, or through the Stanford library. Additionally, we will assign several chapters from the following electronic resource, which is the closest thing to a “textbook” we will use in this class:

Stanford PACS, “Guide to Effective Philanthropy”:

<https://pacscenter.stanford.edu/research/effective-philanthropy-learning-initiative/donor-guide/>

Course Format, Requirements, and Assignments

The course will feature a mixed lecture and applied seminar (or “lab”) format.

Written Assignments

Each student is expected to complete a weekly response to the readings, which should describe some aspect of that week’s readings that you find meaningful and worthy of additional discussion. The responses should focus on your reactions and less on synopsis. Your posts should refer to the texts and cite relevant page numbers.

The final paper for this course is reflective essay that applies your thinking about themes in the class to your rationale in funding your selected nonprofit organization. Although you will work as a team to come to a decision about one organization to put forward to the class, your final paper should be written up independently to share your unique analysis of the group grantmaking in light of the course readings and outside material you wish to draw on.

Assignment	Due Date	Percent
Reading Reflections on Canvas (independent)	Monday (weekly)	15%
Lab: Team giving vision & list of potential grantee orgs with rationale (team)	Friday, April 19	10%
Theory of change (see week 4 for details)	Monday, April 22	n/a
Lab: Criteria Matrix & Theory of Change for shortlisted orgs (team)	Fri, May 10	5%
Rough Draft of Final Paper (independent)	Tuesday, May 21	15%
Lab: Due Diligence report(s) (team)	Fri, May 24	5%

Lab: Preparation and presentation of final proposal (team)	Tuesday, June 4	15%
Final paper (independent)	Tuesday, June 11	35%

A Note about Class and Lab Preparation

In exploring the role of philanthropy and nonprofits in sustainable development, the goal of the class is to facilitate your learning using the historical, conceptual, and strategic tools we shall discuss in class. Successful growth will require dialogue and discussion. In order to be prepared for discussion, it is essential that you come to each class session (1) having read the materials assigned and (2) having reflected on your reaction or analysis of the main points in the readings *as well as those of your peers shared in weekly reading responses*.

We'll explore and debate multiple perspectives on issues related to philanthropy in our course. But our goal is not to reach a class consensus: you will instead advance your own views by wrestling with the range of ideas and competing arguments provided in the course. You are not evaluated on your ability to persuade others of your stance, but by your willingness to engage in dialogue on challenging ideas across differences of background, perspective, experience, and academic discipline. While you should prepare for class by completing each reading, you should feel free to share still developing ideas, admit confusion, and pose questions to your peers and instructors.

Late assignments

Late assignments will lose one letter grade per day (e.g., an "A" to an "A-" for submitting Short paper 1 at 12:01am on May 2 rather than 11:59pm on May 1).

Attendance policy

In person attendance is expected, class sessions will not be offered in hybrid format. If you are sick, please stay home, rest, and recover. If you need to miss more than one session, a doctor's note is required; two or more absences without a medical letter will affect your participation grade. If you miss a session due to illness or other unexpected circumstances, you are expected to complete class readings, find out what other material was covered, coordinate with your team to contribute to lab work, and turn in assignments on time.

Students with documented disabilities

Students who may need academic accommodation must initiate the request with the Student Disability Resource Center (SDRC) located within the Office of Accessible Education (OAE). SDRC staff will evaluate the request with required documentation, recommend reasonable accommodations, and prepare an *Accommodation Letter* for faculty dated in the current quarter in which the request is being made. Students should contact the SDRC as soon as possible since timely notice is needed to coordinate accommodations.

The Honor Code

Stanford has an Honor Code, which can be easily reviewed online at the following link: <http://www.stanford.edu/dept/vpsa/judicialaffairs/guiding/honorcode.htm>. Violating the Honor Code is a serious offense, even when the violation is unintentional. You are responsible for understanding the University rules regarding academic integrity; you should familiarize yourself with the code if you have not already done so. In brief, conduct prohibited by the Honor Code includes all forms of academic dishonesty, such as copying from another student's work, unpermitted collaboration and representing as one's own work the work of another.

Note: For this course, ChatGPT or other generative AI tools should be considered analogous to secondary sources like academic or magazine articles. If you draw on these sources for inspiration or additional background in your papers, be sure to cite appropriately and use quotation marks if you are using direct quotations. Due to the high likelihood of inaccuracy by AI tools in this specialized field, you should cross-reference their output with trusted sources like peer-reviewed academic articles or books.

Resources for the class:

We post all readings online. If you cannot access any text listed in the syllabus, please consult your instructor or teaching assistant. In addition, we recommend these sources for further information on philanthropy:

1. *Inside Philanthropy* <https://insidephilanthropy.com/>
2. *The Chronicle of Philanthropy* <https://www.philanthropy.com/>
3. *Alliance Magazine* <https://www.alliancemagazine.org/>
4. *HistPhil* (<https://histphil.org>)
5. *Philanthropisms* (podcast) (<https://www.philanthropisms.com/>)
6. *The Stanford Social Innovation Review (SSIR)* <https://subscribe.ssir.org/>
7. *The Center for Effective Philanthropy* <https://cep.org/>
8. *Nonprofit Quarterly* <https://nonprofitquarterly.org/>

In addition, you can find practical guidance for philanthropy from these resources:

1. Paul Brest and Hal Harvey, *Money Well Spent: A Strategic Plan for Smart Philanthropy* <<https://www.sup.org/books/title/?id=28860>>
2. Effective Philanthropy Learning Initiative, "Learn Effective Philanthropy" (<https://learneffectivephilanthropy.stanford.edu/>)
3. Phil Buchanan, *Giving Done Right: Effective Philanthropy and Making Every Dollar Count* <<https://www.hachettebookgroup.com/titles/phil-buchanan/giving-done-right/9781541742253/?lens=publicaffairs>>

Concepts, Terminology, and "Philanthropese"

While studying the Ford Foundation in the 1950s, Dwight MacDonald reflected that philanthropy possesses its own "esoteric" language, or "philanthropese." At times, Montgomery believed that language was quite mesmerizing—and difficult to understand.¹ For better or for worse, philanthropy continues to use more technical terms, buzzwords, and jargon. We'll define these terms together, but here's a few resources that can aid your learning:

Candid includes definitions of terms as well as short articles, see: <https://learning.candid.org/>

The Council on Foundations publishes a glossary of terms, see: <https://cof.org/content/glossary-philanthropic-terms>

At Stanford, The Effective Philanthropy Learning Initiative also publishes resources, including online learning modules, see: <https://pacscenter.stanford.edu/research/effective-philanthropy-learning-initiative/tools-prototypes/>

Week 1 (April 2): Introduction to the Course

What is the purpose of this class and why are you here? This week you'll learn about the class and we'll also ask you to introduce yourself.

Lab: Introduction to the donor letter, expectations, and the grantmaking roadmap. Please bookmark (<https://thephilanthroplab.org/>) for easy reference; we will refer back to this website throughout the course. Homework will include students indicating their issue areas of interest for forming teams.

1. Review syllabus
2. Review thephilanthroplab.org

Week 2 (April 9): The History of Philanthropy in the United States

The researcher Rhodri Davies argues that reflecting on philanthropy's past can "remind us of the power & potential of philanthropy when done well."² This week we focus on the history of philanthropy, with the goal of understanding the shifting meaning and contest over philanthropy in the United States. How does understanding philanthropy's past affect how you'll approach philanthropy today? How have philanthropists defined problems and their solutions? What are the major tensions in how people think about and practice philanthropy across time?

Readings:

¹ Dwight MacDonald, *The Ford Foundation: The Men and The Millions* (New York: Reynal, 1956) Read it here: <https://archive.org/details/fordfoundationth00macd>

² Rhodri Davies, "Past Caring: Why Study the History of Philanthropy?" (December 4, 2020) <<https://www.cafonline.org/about-us/blog-home/giving-thought/the-role-of-giving/why-study-the-history-of-philanthropy>>

1. Aaron Horvath and Woody Powell, "Seeing like a Philanthropist: From the Business of Benevolence to the Benevolence of Business" in *The Nonprofit Sector: A Research Handbook* (2020)
2. Darren Walker, "Toward a New Gospel of Wealth" *Ford Foundation* (October 1, 2015)
3. Stanford Center on Philanthropy and Civil Society (PACS), Ch. 5 "Understanding Problems, Their Causes, and Approaches to Solutions" in *The Guide to Effective Philanthropy*

Lab: Assemble teams and discuss teamwork logistics. Reflect on different problem understandings and approaches to sustainable development. We will hear from a Haas Center representative about the principles of ethical and effective public service.

Relevant event: On April 18th, Leah Hunt-Hendrix will join Astra Taylor and Aaron Horvath at Stanford for a conversation on how philanthropy can sustain the "solidarity movement." For more details, visit this link (<https://pacscenter.stanford.edu/event/book-talk-solidarity-with-leah-hunt-hendrix-astra-taylor/>)

Week 3 (April 16): The Nonprofit Sector (Guest Speakers: Ariane Bertrand and Violet Wulf-Saena)

According to 2023 research by the Lilly Family School of Philanthropy, most Americans recognize charitable giving as contributions to “not-for-profit organizations.”³ Nonprofit organizations loom large in how Americans think about giving and their presence is common in everyday life. The nation’s 1.8 million nonprofits provide a multitude of public services and employ 12.3 million Americans—in fact, more Americans now work in private nonprofits than they do in manufacturing.⁴ But what is the nonprofit sector? Why does the nonprofit sector exist? What is the experience of those working in the sector? How does philanthropy relate to nonprofit organizations? How does the nonprofit sector engage in issues related to sustainable development? This week we’ll learn from two practitioners in the field who each work in the Bay Area. Our speakers are [Violet Wulf-Saena](#), founder of [Climate Resilient Communities](#) and a [Mimi and Peter E. Haas Distinguished Visitor](#), and [Ariane Bertrand](#), Director of [Emerson Collective's](#) Thriving Communities team. ***Be sure to prepare questions for the speakers!***

1. *Learn about our speakers:* “Changemaker & Trailblazer: Violet Saena” (<https://norcalpublicmedia.org/video/natural-heroes/violet-saena>) and “Ariane Bertrad” (<https://madamambition.com/ariane-bertrand/>) *Learn about their organizations:* Review the website of Climate Resilient Communities (<https://crcommunities.org/>) and the website of the Emerson Collective (<https://www.emersoncollective.com/>).
2. Phil Buchanan, “Nonprofits and their Unsung American Heroes” in *Giving Done Right: Effective Philanthropy and Making Every Dollar Count* (2019) [24 pages]

³ Indiana University Lilly Family School of Philanthropy, “What Americans Think About Philanthropy and Nonprofits” (April 2023)

⁴ Johns Hopkins Center for Civil Society Studies "Not Just an Urban Phenomenon--New Data on the Nonprofit Workforce" (September 6, 2019) <<https://ccss.jhu.edu/labor-day-2019/>>

3. Stanford PACS, Ch. 7 “Finding Effective Organizations,” *Guide to Effective Philanthropy* [12 pages]
4. Peter Dobkin Hall, “Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000” in *The Nonprofit Sector: A Research Handbook* [27 pages] *Suggestion: skim first 7 pages.*
5. Rob Reich, “A Failure of Philanthropy” *Stanford Social Innovation Review* (Winter 2005) <https://ssir.org/articles/entry/a_failure_of_philanthropy> [8 pages]
6. Dennis Young, “Government Failure Theory” and “Contract Failure Theory” reprinted in *The Nature of the Nonprofit Sector* [7 pages]

Lab: Teams generate preliminary lists of organizations. Reflect on pros/cons of the search process. Who is excluded, and why? Are there ways of mitigating bias? We’ll also hear from the Philanthropy Lab about their alumni.

Week 4 (April 23): Theories of Change (Guest Speaker: Paul Brest and Tompkins Conservation)

As donors we want to work towards the goals we share with grantees so as to make a change in the world. But how do we know whether an organization is on the path to success and contributes to our desired change? The theory of change—the empirical basis underlying any social intervention—is one way of addressing these questions. Today we’ll learn about theories of change from Paul Brest, Interim Dean and Professor Emeritus at Stanford Law School, lecturer at the Stanford Graduate School of Business, and former President of the William and Flora Hewlett Foundation.

1. Paul Brest, “The Power of Theories of Change” *Stanford Social Innovation Review* (Spring 2010) [5 pages]
2. Paul Brest, “Developing an Outcome Framework for the Stanford Doerr School of Sustainability” *Stanford Law School Publications* (June 2022)
3. Stage 2 (“Build a Theory of Change”) section in [this online module](#).

Special Preparation for this Session: [The online module](#) above provides three examples of theories of change: (1) feeding people with fish (in Sarah Soule's video), (2) reducing infant diarrhea, and (3) reducing type - 2 diabetes (in Jordan's video). Go through the entire section of the module. Then decide on an ultimate outcome that you would like to achieve and draft a theory of change to achieve it using a form like the charts shown to reduce infant diarrhea. Email your theory of change in Word or PDF format to pbrest@stanford.edu the day before the class, and be prepared to present it to the class.

Lab: Teams discuss what they are learning about the organizations on their preliminary list — what makes them consider and reconsider regarding certain organizations. Determine which philanthropic approach your team would like to prioritize from the varieties introduced today. What is your team’s giving vision – that is, what do you want to achieve through your giving, and why is that important?

Week 5 (April 30): Identifying Outcomes and Impact (Guest Speaker: Aaron Horvath)

Writing in 1973, the social psychologist Orville Brim Jr., asked whether “the public was getting its money’s worth from the exemption granted to private foundations.”⁵ Brim wrote after an upsurge of public criticism of foundations, but his question remains a perennial one for donors and the public: How do we know if philanthropy produces anything of value? And how do we, as donors, identify and ensure that the organizations we support are likely to produce a positive benefit in the world? This week we learn about vetting and evaluating organizations from Aaron Horvath, an associate director of research at the Stanford Center on Philanthropy and Civil Society.

1. Emily Barman, “In Public Benefit: Nonprofit Organizations” in *Caring Capitalism: The Meaning and Measure of Social Value* (2016) [28 pages]
2. Aaron Horvath, “Counting Alone” in *Philanthropy and Digital Civil Society: Blueprint 2023* (2023) [5 pages]
3. Stanford PACS, “Due Diligence: Vetting and Evaluating Organizations” *The Guide to Effective Philanthropy*

Lab: Each team should start narrowing down their list of organizations using salient criteria. Can you see an explicit or implicit theory of change for each organization, and how does that inform your team’s criteria for selection? Start researching which of the selected organizations has indicators of effectiveness and how that might affect your selection process.

Week 6 (May 7): Approaches to Philanthropy

In 2019, Notre-Dame de Paris, a cathedral in Paris, erupted in flames. Donations poured in to rebuild the cathedral. But many people criticized donors who used their finite resources to rebuild a historic monument: Weren’t there causes more deserving of donations, they asked? The Notre-Dame controversy touches on a longstanding and increasingly pointed debate in philanthropy: Are some causes unworthy of philanthropy? Should individuals enjoy the discretion to give wherever they please? How do you make choices about whether and how to give?

1. Peter Singer, “What should a billionaire give—and what should you?” in *Giving Well: The Ethics of Philanthropy* (2011) [9 pages]
2. Brandon Boesch, "Integrity, Identity, and Choosing a Charity" in *The Ethics of Giving: Philosophers' Perspectives on Philanthropy* (May 2018) [12 pages]
3. Andrew Jack, "Is Mackenzie Scott's 'hands off' approach paving a new way for rich donors?" *Financial Times* (June 28, 2022) [10 pages]
<<https://www.ft.com/content/35f00c25-3b4c-42a6-b69f-bef0d71dc7ef>>

⁵ Orville Brim Jr., "Do we know what we are doing?" in F.F. Helmman (ed) *The Future of Foundations* (Englewood Cliffs: Prentice Hall, 1973): 216-258.

Lab: Narrow down to two finalist organizations within each team conducting due diligence from a distance. Plan for potential participant observation or informal outreach to representatives from your two finalist organizations.

Due: May 10, Criteria matrix and theory of change for shortlisted organizations.

Week 7 (May 14): Making Altruism Work for You (Guest speaker: Izzy Gainsburg)

The scholar Lucy Bernholz argues that [“the breadth and diversity of strategies we use 'to make the world a better place'”](#) is vast, far exceeding charitable contributions to tax-exempt nonprofit organizations. If Lucy is right, focusing too narrowly on philanthropy may miss other ways in which we can achieve our goals. “If we only look for the pretzels,” Lucy says, “we’re gonna miss the Chex Mix.”⁶ But what are some of the other ways we can achieve impact in our lives? How can we align our decisions and preferences with our aspirations for social change? How do we live in a way where we can make a positive difference in the world? This week we’ll learn about ways we make a difference in the world beyond charitable giving from Izzy Gainsburg, the Associate Director of the Polarization and Social Change Lab (PaSCL) at Stanford PACS.

1. William MacAskill, "Don't 'Follow Your Passion:' Which careers make the most difference?" in *Doing Good Better* [21 pages]
2. Jess Whittlestone, "Biases: How They Affect Your Career Decisions, and What to Do About them" *80,000 Hours* (May 17, 2013) [4 pages]
3. Jacy Reese, "Institutional change and the limitations of consumer activism" *Palgrave Communications* 26 (February 16, 2020) [8 pages]

Lab: Continue due diligence and learn what other teams are doing. Each team reports their progress to date and ask/receive feedback from the rest of the class and instructors.

Week 8 (May 21): Democracy and Philanthropy

In 1912, John D. Rockefeller asked Congress for permission to create a charitable foundation. The public met his request with virulent condemnation. John Hayes Holmes, a minister and cofounder of the NAACP and ACLU told the Senate that, “this foundation, the very character, must be repugnant to the whole idea of a democratic society.” Holmes’ expressed common concerns that philanthropy threatened democracy, a sentiment which remains strong today. But what *is* philanthropy’s relationship to democracy? If philanthropy poses a threat to democracy, how might we mitigate those threats? Can philanthropy’s anti-democratic character be a strength rather than a debility? And how much does philanthropy’s relationship to democracy matter for the purposes of achieving sustainability goals?

⁶ Glenn Gamboa, "An author's reminder: Philanthropy isn't defined by money" *The Seattle Times* (October 27, 2021) <<https://www.seattletimes.com/business/an-authors-reminder-philanthropy-isnt-defined-by-money/>>

1. Rob Reich, "What Are Foundations For?" *Boston Review* (May 28, 2013) <<https://www-bostonreview-net.webpkgcache.com/doc/-/s/www.bostonreview.net/forum/foundations-philanthropy-democracy/>> [12 pages]
2. Emma Saunders-Hastings, "Philanthropy and Democracy" *Examining Ethics* (September, 2022) <<https://www.prindleinstitute.org/podcast/emma-saunders-hastings/>> [30 minute audio or 10 page transcript]
3. Tim Schwab, "Science" in *The Bill Gates Problem: Reckoning with the Myth of the Good Billionaire* (2024) [22 pages]
4. Future Perfect "He Bought the Law" *Future Perfect* (May 2019) <<https://www.vox.com/future-perfect/2019/5/29/18629799/federalist-society-brett-kavanaugh-olin-foundation-jane-mayer>> [30 minute podcast]

Due: Long paper draft

Due May 24: Reports on due diligence

Week 9 (May 28): Shifting Power and Participatory Philanthropy

The slogan "nothing about us without us" is now a rallying cry for demands that philanthropists and philanthropic organizations "shift power" to grantees, beneficiaries, and other members of the public. Some argue that giving the decision-making power held by donors to community members will lead to more effective giving and address some of philanthropy's long standing challenges. What are the assumptions underlying these claims? Is participation a means for us to better achieve our goals? Or is increasing participation in philanthropy the goal in itself? In either case, how do we achieve those goals? What are the potential promises and perils of increasing participation in philanthropy? In what other ways can we envision "shifting power" in philanthropy?

1. Stanford PACS, Ch. 13 "Trust-Based and Participatory Philanthropy" *The Guide to Effective Philanthropy* [21 pages]
2. Edgar Villanueva, "Money as Medicine" *Stanford Social Innovation Review* (May 21, 2018) <https://ssir.org/articles/entry/money_as_medicine> [4 pages]
3. Jeremy Levine, "The Paradox of Community Power: Cultural Processes and Elite Authority in Participatory Governance" *Social Forces* 95 no. 3 (March 2017) <<https://doi.org/10.1093/sf/sow098>> [22 pages]
4. Olúfémi O. Táíwò, "Being-in-the Room Privilege: Elite Capture and Epistemic Deference" *The Philosopher* 108, no. 4 (Autumn 2020) [11 pages]

Lab: Continue meeting in your team to work on the final pitch for next week.

Week 10 (June 4): Class Presentations

Lab: Each team will have 10 - 15 minutes to make their pitch, and we will deliberate and decide collectively on which organization(s) should receive the grant on behalf of our entire class.

Due: Class presentations

Please note: *During the time allotted for the class final, we will hold a celebration (food provided) to honor the final grantee(s), and which will be a requirement for class participation.*