

Ethical and Effective Philanthropy for Sustainable Development

EBS 222 / POLI SCI 236 / POLI SCI 236S / ETHICSOC 232T

Spring 2025

Wednesdays 1:30-4:20 | 380-380F | 4-5 units

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Course Description and Objectives:

This course will provide an in-depth understanding of the nonprofit and philanthropic sector, including its historical development, normative and structural elements, and modern role as a driver of social change, with a focus on sustainable development. By the end of the course, students will have knowledge of the history and structure of philanthropy and the nonprofit sector, the tradition of competing value commitments in civil society, and key issues in the current nonprofit and philanthropic sector. Concurrently, students will apply this knowledge to a practical exercise in philanthropic grantmaking. Readings for this class will span across political theory, sociology, public policy, and philanthropic strategy.

In the applied component of the course students will participate in a team-based project to select a nonprofit organization to receive a class donation of roughly \$50,000. This activity will support learning to think ethically and strategically about promoting sustainable development. For example, should we prioritize developing clean energy technology, changing climate policies, advocating for environmental education and justice, or reducing immediate harm to human health? These are the difficult choices facing philanthropists, whose global giving to sustainable development now exceeds \$110 billion per year. Students will develop tools for ethically and practically evaluating philanthropic activities, develop a proposal for why an organization should receive the donation, and work as a class to collectively evaluate the proposals and select a recipient for the grant. The process will be informed by course readings and lectures on topics such as motivations for giving, outcomes-based philanthropy, and trust-based giving. We will also reflect on the appropriate role for private philanthropy and nonprofits versus business and government in solving social problems.

Learning Goals

1. Progress in understanding of the landscape of the philanthropic and nonprofit sector
 - Gain familiarity with history and origins of the nonprofit and philanthropic sector and core theories about why it exists (Part I), progress in understanding central debates and critiques and varieties of philanthropy (Part II), and reflect on contemporary trends that will shape the future of the sector (Part III)
2. Gain exposure to the practice of grantmaking
 - (In lab) Progress in learning about the role of values, theories of change, formal due diligence processes, and monitoring and evaluation in the grantmaking process, and in applying this learning to develop a justification for why you advocate for a particular organization to receive our class grant.

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 bookstore or 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/lab format. This class has been designated as a Cardinal Course by the Haas Center for Public Service. Cardinal Courses apply classroom knowledge to social and environmental challenges through reciprocal community partnerships. Interested students can apply the units earned in this course to the Cardinal Service Notation.

Class & Lab participation [15 % of grade]

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.

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. 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.

Critique is important, but we can be certain that every view will face some problems. What we are trying to explore is whether we can understand multiple views on issues of consequence. We are not aiming to demonstrate debater's skills, convince each other of a certain stance, or reach consensus. You will individually tackle the challenging task of figuring out what you think and strengths/weaknesses of your view, after understanding the range of theoretical options and competing arguments. Our goal is not to advocate a specific view, but rather to help you develop your own thoughtful perspective on philanthropy, whatever that may be. This means engaging with and understanding multiple perspectives to better see the strengths and weaknesses of your approach.

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. Individual responses should be posted on Canvas, on the discussion board for each week, by the beginning of class. Discussion entries should be ~250 words. These assignments will be graded for completion.

In addition to the weekly reading reflections, you will be asked to submit a final paper 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. Papers should be 8-10 pages double-spaced.

Assignment	Due Date	Percent
Personal Interests Canvas Discussion	April 5th	NA
Reading Reflections on Canvas (independent); Weeks 2 through 9, except theory of change week (see alternate activity)	Weekly on Wednesdays	15%
Lab: Team giving vision & list of potential grantee orgs with rationale (team)	Monday, April 14	10%
Individual theory of change (see week 4 for details)	Tuesday April 22	NA
Lab: Criteria Matrix & Team Theory of Change for shortlisted orgs (team)	Wednesday, April 30	5%
Lab: Due Diligence report(s) (team)	Wednesday, May 14	5%
Rough Draft of Final Paper (independent)	Friday, May 23	5%
Lab: Presentation and submission of final proposal (team)	Wednesday, May 28	10%
Proposed Grantee one-pager (team)	Wednesday, May 28	5%
Final paper (independent)	Friday,	30%

	June 6	
Course participation (attendance + engagement)	Weekly	15%

Late assignments

Students and groups will lose one letter grade per day (e.g. an “A” to an “A-“) for submitting an assignment late.

Attendance policy

In person attendance is expected. 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. An absence with a doctor’s note does not require make-up work; other excused absences (including during shopping period) can be made up with a 750-word reflection essay on the readings and lecture notes of the missed session due before class of next session following the absence (in addition to regular weekly work).

More than two absences without a doctor’s note will affect course grade, even with make-up work.

Students with documented disabilities

Students who may need an 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. Our explorations indicate mixed reliability and sophistication to prompts asking about this specialized field, so it is recommended that you also verify the accuracy of any results with trusted sources such as 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:

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

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

- Paul Brest and Hal Harvey, *Money Well Spent: A Strategic Plan for Smart Philanthropy* <<https://www.sup.org/books/title/?id=28860>>
- Effective Philanthropy Learning Initiative, “Learn Effective Philanthropy” (<https://learneffectivephilanthropy.stanford.edu/>)
- 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 is rife with hard-to-understand jargon, or “philanthropese.”¹ The field continues to use many technical terms and buzzwords. We’ll discuss many of these terms together, but throughout the course don’t hesitate to ask about terms you don’t recognize and here’s a few resources that can also 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/>

Course Schedule

PART I: Fundamentals of Nonprofits and Philanthropy

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

Week 1: April 2

Introduction to the Nonprofit and Philanthropic Sector

What is the nonprofit and philanthropic sector? What are your initial instincts about giving to particular causes or organizations? What would you do with \$10? \$1 million?

Course Readings:

- Woody Powell. (2020). [“What is the Nonprofit Sector”](#), in W. Powell & P. Bromley (eds), *The Nonprofit Sector, A Research Handbook* (3rd ed.)
- Peter Singer. (2011). [“What Should a Billionaire Give? And What Should You?”](#), in T. Pogge et al. (eds), *Giving Well: The Ethics of Philanthropy*.
- Darren Walker. (2015). “Toward a New Gospel of Wealth.” *Ford Foundation*.
<https://www.fordfoundation.org/news-and-stories/stories/toward-a-new-gospel-of-wealth/>

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.*

*****Due April 5: Canvas Introduction Post*****

Week 2: April 9

Rationales for the Nonprofit and Philanthropic Sector Why does the nonprofit sector exist? Should it exist in its current form?

Course Readings:

- Child, C. (2024). 2 An Overview of Nonprofit Sector Theories. *Reimagining Nonprofits: Sector Theory in the Twenty-First Century*, 17
- Rob Reich. (2011). [“Toward a Political Theory of Philanthropy”](#), in T. Pogge et al. (eds), *Giving Well: The Ethics of Philanthropy*.

Lab Reading:

- Stanford PACS, Ch. 5, “Understanding Problems, Their Causes, and Approaches to Solutions,” *Guide to Effective Philanthropy*.

Lab: *Assemble final teams and discuss teamwork logistics. Reflect on different problem understandings and approaches to sustainable development. “Finding Your Focus” values activity (with guest Ruth Selby) and review of Haas Center [Principles of Ethical and Effective Service](#).*

*****Due April 14: Team giving vision & long list of orgs with rationale*****

Week 3: April 16

Who gives what, and why?

What does the literature say about who gives what, and why? How much giving goes to different focus areas?

Course Readings:

- Pamela Paxton. (2020). “What Influences Charitable Giving?”, in W. Powell & P. Bromley (eds), *The Nonprofit Sector, A Research Handbook* (3rd ed.)
- Nina Eliasoph. (2020). “What do Volunteers Do,” in W. Powell & P. Bromley (eds), *The Nonprofit Sector, A Research Handbook* (3rd ed.)
- Clerkin et al. (2024). “Dollars and Change: A look at individual and institutional giving across the US, 2015-2022” Skim Section I. <https://www.issuelab.org/resources/44233/44233.pdf>
- Indiana University. (2023). “Global Philanthropy Tracker”. Skim Part III, pages 28-51. <https://scholarworks.indianapolis.iu.edu/bitstreams/48715811-4c8a-4081-9baf-1ce66b21c9be/download>

Lab Reading:

- Stanford PACS, Ch. 7 “Finding Effective Organizations,” *Guide to Effective Philanthropy*.

Lab: Teams reflect on pros/cons of the search process. Who is excluded, and why? Are there ways of mitigating bias? Reconsider your preliminary vision as you feel appropriate (donors frequently refine or shift goals as they more deeply consider objectives!). We will also hear from the students who took last year’s course about representing the course at the annual Philanthropy Lab leadership summit.

*****Due April 22: Individual Theory of Change to Paul Brest *****

PART II. Approaches to Giving

Week 4: April 23

Theorizing Change for Philanthropic Decision-Making

What is a theory of change? How might we apply this framework in the context of philanthropic decision-making?

Guest Speaker: Paul Brest, Former President of the Hewlett Foundation and Former Dean of Stanford Law School, Principal Investigator of the Effective Philanthropy Lab in Stanford’s Center on Philanthropy and Civil Society (PACS)

Course Readings:

- Paul Brest. [“The Power of Theories of Change”](#), *Stanford Social Innovation Review* (Spring 2010)
- Paul Brest. [“Developing an Outcomes Framework for the Stanford Doerr School of Sustainability”](#), *Stanford Law School Publications* (June 2022)
- 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: 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.

*****Due April 30: Criteria Matrix & Theory of Change for shortlisted orgs*****

Week 5: April 30

Varieties of Philanthropy: Venture and Effective

Course Readings:

- Christine Letts, William Ryan & Allen Grossman (1997). "[Virtuous Capital: What Foundations Can Learn from Venture Capitalists](#)" *Harvard Business Review* (March-April 1997).
- Gabriel, I. (2017). Effective altruism and its critics. *Journal of Applied Philosophy*, 34(4), 457-473.
- "Young Silicon Valley billionaires pioneer new approach to philanthropy": <https://www.openphilanthropy.org/wp-content/uploads/washingtonpost.com-Cari-Tuna-and-Dustin-Moskovitz-Young-Silicon-Valley-billionaires-pioneer-new-approach-to-philanthropy.pdf>
- Read about Open Philanthropy's approach: <https://www.openphilanthropy.org/about-us/>

Lab Readings:

- Bridgespan Group, "How to Research a Nonprofit: A Light-Touch Approach."

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 6: May 7

What are the strengths and weaknesses of different approaches to philanthropy? How do/don't they co-exist in practice?

Trust-based and Alternative Approaches to Giving

- Edgar Villanueva. (2021). "Introduction: What if Money Could Heal Us?," in *Decolonizing Wealth: Indigenous Wisdom to Heal Divides and Restore Balance*.
- Sievers, "If pigs had wings"
- "How to Give Away a Fortune" <https://www.newyorker.com/magazine/2024/09/09/how-to-give-away-a-fortune>
- "Is Mackenzie Scott's hands-off approach paving the way for new donors?" <https://www.ft.com/content/35f00c25-3b4c-42a6-b69f-bef0d71dc7ef>

- What if charity shouldn't be optimized?
<https://www.nytimes.com/2024/12/07/business/charity-holiday-giving-optimized.html?smid=nytcore-ios-share&referringSource=articleShare>
- Two 20-minute podcasts from *Stanford Social Innovation Review (SSIR)*:
 - Maria De La Cruz, Irene Wong, Mary Jovanovich & Michael Vos. "[Participatory Grantmaking: A Shared Approach to Effective Change](#)" *SSIR* (June 22, 2022)
 - Philip Li, Nadia Roumani, Julia Reed & Michael Voss. "[Trust Based Philanthropy and Strategic Giving](#)." *SSIR* (June 15, 2021)

Lab Reading:

- Stanford PACS, Ch. 8, "Due Diligence: Vetting and Evaluating Organizations," *Guide to Effective Philanthropy*.

Lab: Conduct (virtual) site visits and narrow down to 1-2 finalist organizations within each team. conducting due diligence from a distance. Address the potential for participant observation or informal outreach to representatives from the finalist organizations.

*****Due May 14: Due Diligence report*****

Week 7, May 14

Advocacy, Policy, and Politics

A growing trend has been for foundations and nonprofits to focus on "advocacy." Why might this be the case? How do nonprofits and foundations shape politics? What are arguments for and against civil society involvement in public policy and the provision of public goods?

Readings:

- MacArthur Foundation. "Foundations and Public Policy."
<https://www.macfound.org/press/grantee-publications/foundations-and-public-policy>
- Lechterman, T. M. (2022). *The tyranny of generosity: Why philanthropy corrupts our politics and how we can fix it*. Oxford University Press. Chapter 1 only. Available on google books.
- Sarah Reckhow & Jeffrey Snyder. (2014). "The expanding role of philanthropy in education politics." *Educational Researcher*, 43(4), 186-195.
- Michael Barker. (2010). "[Foundations and the Environmental Movement](#)". *Counterpunch* (Sep. 13, 2010).

Optional: more views from foundations

- Center for Effective Philanthropy. 2020. "Policy influence: what foundations are doing and why" https://cep.org/wp-content/uploads/2020/05/CEP_PublicPolicy-1.pdf
- Candid. "Building Grantee Capacity to Influence Public Policy":
<https://learningforfundors.candid.org/content/case-studies/building-capacity-to-influence-public-policy/>

Lab: Continue due diligence investigations and work towards narrowing down finalist organization, with as much information as available. Will you have enough information about your selected organization to

be able to make a balanced and compelling pitch on their behalf? What kind of additional information might be valuable to learn and how?

Special guest Bethany Cale from The Philanthropy Lab, a co-sponsor the course, who will share the Lab's goals and additional opportunities they offer for interested students.

PART III. Philanthropy and the Future

Week 8: May 21

Contemporary Trends: Generational Shifts and Diversifying Philanthropy

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. 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.

Course Readings:

- William MacAskill, "Don't 'Follow Your Passion:' Which careers make the most difference?" in *Doing Good Better*
- Jess Whittlestone, "Biases: How They Affect Your Career Decisions, and What to Do About them" *80,000 Hours* (May 17, 2013)
- Jacy Reese, "Institutional change and the limitations of consumer activism" *Palgrave Communications* 26 (February 16, 2020)
- Brandon Boesch. (2018), "[Integrity, Identity, and Choosing a Charity.](#)" in P. Woodruff (ed.), *The Ethics of Giving: Philosophers' Perspectives on Philanthropy* (149-177).

Useful resources to skim in preparing your pitch:

- Bright Ewuru. [“The power of storytelling in grantmaking.”](#) *Good Grants* (Sep. 14, 2022).
- Paul VanDeCarr. (2013). [“Storytelling & Social Change: A Strategy Guide for Grantmakers.”](#)
- Matt Abrahams. [“Tips and Techniques for More Confident and Compelling Presentations.”](#) *Stanford Graduate School of Business* (Mar. 2, 2015).

Lab: Prepare team pitches in support of the finalist organizations – a preliminary three-minute pitch for next week, to be followed by a more complete description of rationale the following week in our final class session. Each team work on creating a one-page handout regarding the organization they will offer for consideration in final vote.

Haas survey at end of class (4:05pm).

*****Due May 23: Draft of Final Paper*****

*****Due May 28: Group Presentation of proposed grantee*****

*****Due May 28: One Pager on Proposed Grantee*****

Week 9: May 28

Headwinds

What is the role of philanthropy and the nonprofit sector in a context of democratic backsliding?

Course Readings

- Toepfer, S., Zimmer, A., Fröhlich, C., & Obuch, K. (2020). The changing space for NGOs: Civil society in authoritarian and hybrid regimes. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 31, 649-662.
- Spires, A. J. (2011). Contingent symbiosis and civil society in an authoritarian state: Understanding the survival of China's grassroots NGOs. *American journal of sociology*, 117(1), 1-45.
- Abramson, A. J., & Salamon, L. M. (2016, December). Prospects for nonprofits and philanthropy in the trump presidency. In *Nonprofit Policy Forum* (Vol. 7, No. 4, pp. 565-571). De Gruyter.

Pitch Day & Deliberation 1

Each team will make an initial three-minute pitch, and we will have an initial deliberation before a second-stage discussion and voting next week. Class members are expected to ask questions and consider the value of each potential grantee. One-pager from each team to be distributed to class day after presentations.

Week 10: June 4

Bright Spots

- Susan Wolf Ditkoff and Abe Grindle. 2017. "Audacious Philanthropy." *Harvard Business Review*. <https://fundraising.cz/wp-content/uploads/2017/12/audacious-philanthropy-hbr112.pdf>
- Rosling, H., Rosling, O., & Rönnlund, A. R. (2018). *Factfulness: ten reasons we're wrong about the world—and why things are better than you think*. Flatiron books. Introduction.

Deliberation 2 & Closing Remarks

We will deliberate and decide collectively on which organization should receive the grant on behalf of our entire class. Amount of time for each presentation and following Q&A TBD. All students are asked to participate in both their own team's presentations and the Q&A.

*****Final paper due June 6*****

Final Celebration: June, date TBD.

We will reconvene one last time (during the time slot normally allocated for final exams) for a celebratory one-hour session to present the class grant to the chosen organization and learn more about their work. If you have family or friends in town for graduation or the end of the year, they are welcome to attend!