

# Theories of Civil Society, Philanthropy, and the Nonprofit Sector

Political Science 236/EthicSoc 232T

Spring 2017

M, W 1:30-2:50 5 units

Room: Bldg. 100-101K

ENROLL IN 236S FOR WIM, 236 FOR NON WIM.

## **Instructor:**

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## **Course Description:**

The theory and structure of civil society, with special attention to philanthropy and the nonprofit sector. A special feature of the course this year will be an opportunity for the class to apply theoretical knowledge to a real world decision-making process by determining how to allocate \$100,000 in actual grant funds to nonprofit organizations. Class teams will develop funding priorities and award grants in five fields of nonprofit work: environment, health, international development, media, and policy/advocacy. In the process of choosing recipients, the class will reflect on several key questions: What is the basis of private action for the public good? How do non-governmental organizations operate domestically and globally? How should charitable dollars be distributed and what role do nonprofit organizations and philanthropic dollars play in a modern democracy? What are the appropriate criteria to be used to select grant recipients?

This course will provide an in-depth understanding of the nonprofit sector, including its historical development, normative and structural elements, and modern agency as a driver of social change. By the end of the course, students will have knowledge of the history and structure of civil society, the tradition of competing value commitments in civil society, the modern nonprofit sector and its relationship to government and for-profit arenas, and key challenges facing nonprofit organizations today nationally and globally. Concurrently, students will apply this knowledge to a practical exercise in philanthropic grantmaking. Readings in political philosophy, history of ideas, civil society studies, public policy, and philanthropic strategy.

**Reading Assignments:**

A Course Reader will be available for purchase at University Readers. The first third is available immediately on-line when purchased; the hard copy will be sent to you. Other required texts are available at the Stanford Bookstore:

Julie Salamon, *Rambam's Ladder: A Meditation on Generosity and Why It Is Necessary to Give* (Workman Publishing, 2003)

George Bernard Shaw, *Major Barbara* (Penguin Classics, 2000).

Bruce R. Sievers, *Civil Society, Philanthropy, and the Fate of the Commons* (University Press of New England, 2010)

**Format and Grading:**

The course will feature a mixed lecture and seminar format, allowing for maximum student interaction and probing of the ideas contained in the readings and presented by the instructor and guest lecturers.

**Course Requirements and Assignments:**

Class participation [35% of grade]

Class participation includes a range of modes, from talking intelligently in class to taking initiative in the work of the grantmaking teams. Active participation in one team section each week is required, in which students develop priorities for grantmaking, communicate with grant applicants, record proposals received, keep the TAs fully informed of actions, and, at the end of the term, award one or more grants to chosen nonprofit organizations. It is crucial that students come to class on time having done the reading, prepared to talk and engage fellow classmates. Because the classes will facilitate discussion every week, adequate preparation is required, as well as full engagement in the grants process. A significant portion of the course grade will be based on class participation.

Writing [65% of grade]

The writing requirements of the course differ for undergraduates and graduate students:

Undergraduate writing requirement

For undergraduates, each student is expected to complete three papers, two 4-5 pagers and a final paper of 12-15 pages. The two short papers (one due April 24 and one due May 15) will have assigned questions and ask you to explicate and interpret some particularly important concept or reading passage. The longer paper is a seminar paper that applies your thinking about themes in the class to your rationale in funding the selected nonprofit organization(s).

**The class may also be used to fulfill the Writing in the Major (WIM) requirement. Those wishing to fulfill the WIM requirement should enroll in PoliSci 236S**

For those choosing the WIM requirement, the first draft the long paper will be due on May 26 and in final form on June 9. For all others, the long paper will be due on June 9.

Graduate student writing requirement

One long seminar paper (20-25 pages) required, on a topic of your own choosing. The guidelines are purposefully minimal so as to allow you to write on a topic relevant to your own scholarly interests. It is expected only that the paper will incorporate perspectives from theoretical readings we have addressed in the course and in the grantmaking process, along with other disciplinary perspectives you may choose to apply.

*Both undergraduates and graduate students are expected to submit paper proposals for the long paper, due May 8. For both undergraduates and graduate students, please note that late assignments will only be accepted if prior arrangements have been made with the instructors. There will be no exceptions to this policy, barring absolute emergencies. Late assignments will be penalized one grade per day.*

**Grading**

Participation: [35%] On time attendance, adequate preparation, perceptive oral participation, empathetic listening in class; assuming responsibility in the grantmaking process and actively participating in your team's class presentation on its grant decisions.

Assignment 1 [15%] Short essay 1

Assignment 2: [15%] Short essay 2

Assignment 3: [35%] Long Essay

**A Note about Class and Section Participation**

In exploring the concept of civil society and the role of philanthropy and nonprofits in contemporary life, the goal of the class is to facilitate your own explorations using the historical, conceptual, and legal tools we shall discuss in class. Successful exploration on your own will require dialogue and discussion. In order to be prepared for discussion, it is essential that you come to each class session having read intelligently the materials assigned and having given some thought as to how the readings relate to the course in general.

You should come to class with considered views about (1) what the main claims offered in the texts or cases are; (2) the arguments offered in favor of these claims; (3) whether these are good or plausible arguments; (4) what alternatives to the claims and arguments exist; and (5) whether some alternative is superior to the claim under discussion.

Objections are important. But keep in mind that raising puzzles and problems (even interesting puzzles and problems) for a view is easy: we can be certain in advance that every view will face some problems. But we are trying to decide what to think about important issues of significant consequence, not demonstrating debater's skills. The hard part is to figure out what to think – what we should think -- once we understand the range of theoretical options and competing arguments.

**Students with documented disabilities**

Students who may need an academic accommodation based on the impact of a disability 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 OAE is located at 563 Salvatierra Walk (phone: 723-1066, 723-1067 TTY).

## Course Schedule

Monday, April 3

*Introduction to the class*

Team self-selection among 5 topics:

**Environment**  
**Policy/Advocacy**  
**Health**

**International Development**  
**Media**

**\*\*Sections: Self-select into teams; determine meeting days and times; discuss specific granting objectives**

**Reading:**

Salaon: *Rambam's Ladder*, pp.1-72

### I. WHY PHILANTHROPY?

What is the rationale for giving to society? How do personal philosophies intersect with ideas about improving society? What are your initial instincts about giving to particular causes or organizations? What would you do with \$10? \$1 million?

Wednesday, April 5

*Approaches to Philanthropy*

**Reading:**

Salamon, *Rambam's Ladder*, pp. 75-164

Preston, "Steve Jobs Found Much to Dislike About Philanthropy"

<https://philanthropy.com/blogs/the-giveaway/steve-jobs-found-much-to-dislike-about-philanthropy/909>

George Soros, "My Philanthropy" [www.nybooks.com/articles/archives/2011/jun/23/my-philanthropy](http://www.nybooks.com/articles/archives/2011/jun/23/my-philanthropy)

Larissa MacFarquhar, *Strangers Drowning*, Ch. 1, "For Do-Gooders, It is Always Wartime," pp. 3-12 (handout)

### II. HISTORY AND EVOLUTION OF CIVIL SOCIETY AND PHILANTHROPY

What are the defining elements of civil society? Both contemporary and historical theorists have posited a wide range of features defining what we know today as civil society--the world comprising nonprofit organizations, the "third" or "voluntary" sector, and nongovernmental organizations. Following this development through a range of traditions and perspectives, we can begin to discern several key normative and institutional elements that constitute civil society – a coherent framework of a public sphere operating between the individual and the state. In this framework, what is the purpose of philanthropy?

Monday, April 10

*What is civil society? Nonprofits, for-profits, and the state*

**\*\*Sections: Develop list of nonprofit organizations for consideration. Discuss philanthropic strategy.**

**Guest Speaker: Steve Toben, President, Flora Family Foundation**

**Reading:**

Sievers, *Civil Society, Philanthropy, and the Fate of the Commons*, Introduction and Chs. 1-3, (pp. xiii-xvii and 1-44)

Frumkin, "Introduction" (from *Strategic Giving: The Art and Science of Philanthropy*)

**(Reader #1)**

Peter Singer, "What Should a Billionaire Give?"

"<http://www.utilitarian.net/singer/by/20061217.htm>

Wednesday, April 12

*Historical Development of Civil Society in the West*

**Reading:**

Sievers, *Civil Society, Philanthropy, and the Fate of the Commons*, Ch. 4, 5 (pp. 45-83)

"The Statute of Charitable Uses" **(Reader #2)**

Monday, April 17

*Emergence of Civil Society and Philanthropy in the United States*

**\*\*Sections: Prioritize potential applicant organizations and send RFP to top 12**

**Guest Speaker: Perla Ni, GreatNonprofits**

**Reading:**

Sievers, *Civil Society, Philanthropy, and the Fate of the Commons*, Ch. 6, pp. 84-106

Alexis de Tocqueville, "Political Associations in the United States" **(Reader #3)**

Orosz, Ch. 2, Ch. 4, Ch. 15 from *The Insider's Guide to Grantmaking* **(Reader #4)**

Wednesday, April 19

*Legal Foundation for Civil Society in modern Law*

**Reading:**

Mark McGarvie, "The Dartmouth College Case and the Legal Design of Civil Society"

**(Reader #5)**

Evelyn Brody, "The Legal Framework for Nonprofit Organizations" **(Reader #6)**

**\*\*\*Questions distributed for Short Paper #1\*\*\***

### **III. THE ROLE OF FOUNDATIONS**

A key component of the nonprofit sector is the foundation community. We will examine how the unprecedented growth of wealth at the turn of the 20th century led to the emergence of a new form of philanthropy: the huge, general purpose,

private foundation. This week we will examine the aspirations and the challenges represented by these new players in civil society.

Monday, April 24

*Emergence of the Private Foundation in the United States*

**\*\*\*Short Paper #1 due Monday, April 24 at the beginning of class\*\*\***

*Sections: Discuss evaluations of last year's projects with class representatives; consider approaches to decision-making.*

**Reading:**

Andrew Carnegie, "The Gospel of Wealth" (**on-line**)

Kenneth Prewitt, "Foundations" (**Reader #7**)

Joel Orosz, "The Future of Formal Philanthropy" (**Reader #8**)

Wednesday, April 26

*Philanthropy and Democracy: Power relationships and strategy*

**Reading:**

Gates Foundation case study (**Reader #9**)

Los Angeles Times editorial: <http://www.latimes.com/opinion/editorials/la-ed-gates-education-20160601-snap-story.html>

David Rieff, "The Gates Foundation's Delusional Techno-Messianism"

<http://www.tnr.com/blog/foreign-policy/78784/the-gates-foundations-delusional-foreign-aid>

Beryl Radin, "The Performance Mindset" (**Reader #10**)

Monday, May 1

*Size and scope of the nonprofit sector*

**\*\*Sections:** *Review proposals and other materials from candidate organizations, conduct interviews, and winnow to 3 final candidates.*

**Guest Speaker: Kim Meredith, Executive Director, Stanford Center on Philanthropy and Civil Society**

**Reading:**

Elizabeth Boris and Eugene Steuerle, "Scope and Dimensions of the Nonprofit Sector" (**Reader #11**).

John Havens, Mary O'Herlihy and Paul Schervish, "Charitable Giving: How Much, By Whom, to What, and How?" (**Reader #12**)

Reich, Sutton, Dorn, "Anything Goes: Approval of Nonprofit Status by the IRS"

<http://www.stanford.edu/~sdsachs/AnythingGoesPACS1109.pdf>

#### **IV: EMPIRICAL AND NORMATIVE THEORIES OF THE SECTOR**

Contemporary theorists have analyzed the nonprofit sector through the disciplinary perspectives of economics and political science. From the view of economists, the nonprofit sector fills gaps where the market does not perform well. From the perspective of political science, nonprofits compensate for failures in government performance or supplements what government can do. This section will view the modern nonprofit sector functionally through a range of disciplinary perspectives.

Wednesday, May 3

*Economic Theories of the Nonprofit Sector*

**\*\*Sections:** *Winnow to 3 final candidates. Review proposals and other materials from candidate organizations and conduct site visits.*

#### **Reading:**

Richard Steinberg, "Economic Theories of the Nonprofit Sector" (**Reader #13**)

Monday, May 8

*Political Theories of the Nonprofit Sector*

**\*\*\*Paragraph summary proposal for long paper due Monday, May 8\*\*\***

#### **Reading:**

James Douglas, "Political Theories of Nonprofit Organizations" (**Reader #14**)

Elisabeth Clemens, "The Constitution of Citizens: Political Theories of Nonprofit Organizations" (**Reader #15**)

Wednesday, May 10

*Charity versus Justice*

**Guest speaker: Prof. Rob Reich, Director, Center for Ethics in Society**

#### **Reading:**

Will Kymlicka, "Altruism in Philosophical and Ethical Traditions: Two Views"

from *Between State and Market* (McGill-Queens University Press 2001) (**Reader #16**)

Rob Reich, "A Failure of Philanthropy" *Stanford Social Innovation Review*, Winter 2005

Monday, May 15

*Pluralism and Civil Society*

**\*\*Sections: Deliberate on selection of 1-2 grant awardees.**

#### **Reading:**

Michael Walzer, "Socialism and the Gift Relationship," *Dissent*, Fall 1982 (**Reader #17**)

George Bernard Shaw, *Major Barbara* (Bantam Classics, 1992).

Wednesday, May 17

*Case Studies: Civil Society Organizations and Nondiscrimination*

**Reading:**

*Bob Jones University v. United States*, [461 U.S. 574](#) (1983) (**Reader #18**)

*Boy Scouts of America et al. v. Dale*, [530 U.S. 640](#) (2000) (**Reader #19**)

**\*\*\* Short Paper #2 questions to be distributed, Wednesday, May 17\*\*\***

**V: CONTEMPORARY TRENDS AND CASES**

Monday, May 22

*Civil Society, Nonprofits, and Social Capital*

**\*\*\*Short Paper #2 due Monday, May 22, at the beginning of class\*\***

**\*\*Sections: Final grant decisions and preparation of class presentations with defense of grant allocations.**

**Guest Speaker: Dr. Harry Saal, philanthropist and CEO, Cultural Initiatives Silicon Valley**

**Reading:**

Robert Putnam, "Bowling Alone"

<http://xroads.virginia.edu/~HYPER/detoc/assoc/bowling.html>

E.J. Dionne, Jr. "Service, Citizenship, and the New Generation" (**Reader #20**)

Wednesday, May 24

*New Forms of Philanthropy*

**Guest Speaker: Lucy Bernholz, Visiting Practitioner, Stanford Center on Philanthropy and Civil Society**

**Reading:**

Christine Letts, "Virtuous Capital," *Harvard Business Review* (Vol. 72, No. 2, 1997)

<https://hbr.org/1997/03/virtuous-capital-what-foundations-can-learn-from-venture-capitalists>

Sievers, "If Pigs Had Wings: The Appeals and Limits of Venture Philanthropy" (**Reader #21**)

**\*\*\*WIM Long Paper draft due 5 p.m. Friday, May 26\*\*\***

## **VI: TEAM PRESENTATIONS AND GRANT AWARD DELIBERATIONS**

Monday, May 29

**No class—Memorial Day**

### **\*\*Optional Reading\*\***

*Philanthropy and Public Policy*

What public policy framework should structure the creation and operation of philanthropy and nonprofit organizations?

### **Reading:**

Rob Reich, "*Toward a Political Theory of Philanthropy*"

**(Reader #22)**

Wednesday, May 31

**First three teams present conclusions on grant awards, including background analysis, selection criteria, selection process, and anticipated results (25 min. ea.)**

Monday, June 5

**Final two teams present conclusions on grant awards.**

**Full class deliberation on grant presentations**

Wednesday, June 7

**Final decision on allocation of remaining 20% of funds and selection of the organization to be submitted in national OUTF competition in Dallas**

**\*\*Final long (including WIM) papers due at beginning of class, Wed., June 7\*\***

*Class critique and discussion drawing upon class themes*  
*Concluding Thoughts*

## **GRANT AWARDS PRESENTATIONS AND CELEBRATION**

Monday, June 12 (in lieu of final)

**3:30-5 p.m.**

**Awards Ceremony--Meet in PACS offices  
Presentation of checks to grant awardees**