

PUBPOL 495: Philanthropic Foundations in the Public Arena
Gerald R. Ford School of Public Policy
Winter Semester 2018

Contact information

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Office hours: Fridays, 10-12 (drop in)

Class schedule

Tuesdays and Thursdays, 1-2.30 pm

Location: Weill Hall 1220

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, debating between the role of philanthropy and the role of the state in advancing the public good.

The course uses an experiential approach, wherein students will participate in a hands-on process of making actual grants to nonprofit organizations. The Philanthropy Lab has provided a grant 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.

The experiential process will be documented and analyzed throughout the semester, pairing deep engagement with empirical and normative questions about the institution of philanthropy with concrete application through grantmaking. The final paper will be an applied learning project wherein students will design foundations that will require them to make decisions regarding the key institutional structures and values that they have grappled with during the semester.

Grading

Assignments

Students will be evaluated based on their performance in three components of the class:

- In-class engagement: 25%
- Online engagement: 5%
- Reflective papers: 30%
 - First paper: 20% of reflective paper grade
 - Second paper: 30% of reflective paper grade
 - Third paper: 50% of reflective paper grade
- Grantmaking teams and due diligence: 10%
- Final paper: 25%
- Peer review: 5%

In-class engagement (25% of grade)

In-class engagement consists of three dimensions: attendance, preparation, and participation.

Attendance. In the spirit of creating a professional environment, students are expected to attend all class sessions on time (we begin promptly at 1:10 PM). Attendance is taken each day of class. Students should notify me of any planned missed classes one week in advance or earlier (barring emergencies) to be considered excused.

- If you anticipate any issues with arriving on time due to external factors, personal or otherwise, please contact me. Absences for medical or mental health reasons, personal or family issues will be excused. Please let me know if you are facing a challenge of this nature so that I can help you be successful in class.

Preparation. Students are responsible for completing all readings prior to each class. The required readings usually include one piece that introduces a conceptual framework or empirical argument; several articles from the press or trade publications like the *Stanford Social Innovation Review*; and an applied case (sometimes as a reading, sometimes presented in class). On occasion, I will provide optional supplementary readings, for students who would like to go into further depth on a given topic.

- Class will operate on the assumption that all students are sufficiently prepared to dive into the material. I will spend the first part of class in some interactive lecture to clarify concepts, pose questions or facilitate connections between topics, but the bulk of our class time will be spent in active discussion and analysis.

Participation. This course is designed to be a highly interactive and discussion-based learning experience, and participation is a key component. In addition to large group discussion, we will engage in numerous small-group activities, breakout discussions, and simulations, as well as partner exercises.

- Participation does not mean simply speaking up in class, but rather *interacting with others* in a conversation. These interactions may take the form of including actively listening and directly responding to others' comments (rather than preparing a rebuttal to another student's statement), contextualizing or extending material through knowledge from prior work or volunteer experience, raising original points that unpack key arguments raised in the readings, and asking nuanced questions that elevate the level of critical thinking in class.
- I expect all students to come to each class prepared to make at least one substantive contribution in large group discussion. If you have concerns about your ability to fulfill this expectation, please see me to discuss how we can ensure a positive learning experience for you.
- Participation should reveal a substantial familiarity with the assigned readings and a concerted effort to incorporate, synthesize, and constructively critique the comments of classmates. Contributions in class will be evaluated on quality, rather than quantity (i.e., making numerous comments or repeating another student's comment will not result in a higher participation score).

Online engagement (5% of grade)

Online engagement will occur through our Canvas discussion board. Each week, you will be asked to complete a set of readings and to post any thoughts, questions, concerns or insights online in a brief comment in advance of class. This will serve as a mechanism to identify particularly compelling areas for discussion during class time, and create a space outside of class for discussion to continue.

Posts are due on Mondays before 5 pm. By 11 am on Tuesday, you are responsible for reading and commenting on your classmates' posts. Typically, 1-2 thoughtful comments on posts that particularly interest you are sufficient to generate a vibrant discussion. Consistent weekly presence on the discussion board will earn full credit for this component of the course.

The discussion board also provides a platform for engagement outside of our physical classroom. Many of us have, or have had, anxiety about speaking in larger groups, and the discussion board is one vehicle for you to "try out" different arguments before sharing them in class, or expand on your insights following class discussion.

Reflection papers (30% of grade)

- First paper: 20% of assignment grade
- Second memo: 30% of assignment grade
- Third memo: 50% of assignment grade

Reflection papers are intended as scaffolding for the final paper. You will complete 3 papers of 5-7 pages each at three points during the semester (double spaced with one-inch margins in Times New Roman 12 point font). There will be one paper for each of three core units in the class. Your task is to critically reflect on the readings and discussion for the completed unit, which may include, but is not limited to, analyzing key points in the readings, making connections between authors and concepts, critiquing assumptions and conclusions, and reflecting normatively about what the material you've learned influences your thinking.

Each of the three papers will, in some form, be included in the final paper, and so serve as both an academic rough draft as well as a journal of your experiences during the grantmaking process. They are intended to serve as predominantly a formative tool, facilitating processing and observation about your emotions, reactions, and growth during the course of the semester, and recording of these insights concretely.

Grantmaking teams and due diligence (10% of grade)

On the first day of class, students will form small teams, which will meet outside of class 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. The teams will then re-form and repeat the process of discussion and research for the second half of the term, which will culminate in final full class deliberations.

In the second half of the semester, we will refine our process for selecting organizations for grant funding. After reaching class consensus about finalists, you will work in teams to conduct "due diligence" research about the organizations you are interested in funding, using standard protocols. You will present the results to your classmates during class. Your due diligence will not be formally graded, but you are responsible for conveying the necessary information to your classmates in a comprehensive manner that will facilitate later group decision-making.

Final paper (25% of total grade)

You will be asked to design a private foundation, including formulating a mission statement, identifying a funding structure, determining focus areas, creating a strategic plan, selecting focus areas, determining evaluation procedures, and engaging in stakeholder relationships. Each of the three reflection papers will build toward this project.

A major part of this designing process is to show how the process of grantmaking contributed to your own intellectual and emotional development, and your ideas regarding charitable and philanthropic engagement going forward. You are expected to integrate and apply the relevant readings and conceptual material discussed in class in order to contextualize these analyses. I will provide samples of papers completed by former students. The paper should be 20 pages in length.

Peer review (5%)

You will work with two classmates to provide feedback and substantive comments on each others' final paper rough drafts.

Written assignment guidelines

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

Ford School policies

Inclusivity statement. Members of the Ford School community represent a rich variety of backgrounds and perspectives. We are committed to providing an atmosphere for learning that respects diversity. While working together to build this community we ask all members to:

- Share their unique experiences, values and beliefs
- Be open to the views of others
- Honor the uniqueness of their colleagues
- Appreciate the opportunity that we have to learn from each other in this community
- Value one another's opinions and communicate in a respectful manner
- Keep confidential discussions that the community has of a personal (or professional) nature
- Use this opportunity together to discuss ways in which we can create an inclusive environment in Ford classes and across the UM community

Accommodations for students with disabilities. If you believe you need an accommodation for a disability, please let your instructor know at your earliest convenience. Some aspects of courses may be modified to facilitate your participation and progress. As soon as you make your instructor aware of your needs, they can work with the Services for Students with Disabilities (SSD) office to help determine appropriate academic accommodations. Any information you provide will be treated as private and confidential.

Student mental health and well-being resources. The University of Michigan is committed to advancing the mental health and wellbeing of its students. We acknowledge that a variety of issues, such as strained relationships, increased anxiety, alcohol/drug problems, and depression, directly impacts students' academic performance. If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, services are available. For help, contact Counseling and Psychological Services (CAPS) and/or University Health Service (UHS). For a listing of other mental health resources available on and off campus, visit: <http://umich.edu/~mhealth/>.

Please review additional information and policies regarding academic expectations and resources at the Ford School of Public Policy at <http://fordschool.umich.edu/academics/expectations>.

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.
- Electronic devices 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 Canvas.

Class schedule

All readings will either be posted on Canvas or are available online as indicated in the syllabus. Please read the readings in the order specified below.

Week 1. Introductions and overview of course (January 9 & 11)

No readings for January 9

Thursday, January 11: No class

Week 2: Charity vs. philanthropy (January 16 & 18)

Readings / required tasks for January 16:

- Read course syllabus in full
- Read grant letter from Philanthropy Lab (read, initial and submit online)
- Complete pre-course survey from Philanthropy Lab

Readings for January 18:

- Carnegie, A. 1889. *The Gospel of Wealth*.
- 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.
- Lynn, E. and Wisely, S. *Four Traditions of Philanthropy*.
- Fleishman, J. 2007. *Foundations: A Great American Secret*, pp. 1-45. New York: Public Affairs.

Week 3. Critiquing philanthropy in a democracy; Instrumental vs. expressive giving (January 23 & 25)

Readings for January 23:

- 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/> (Links to an external site.)Links to an external site.
- Reich, R. 2013. "What are foundations for?" *Boston Review*, March 1. Available at <http://www.bostonreview.net/forum/foundations-philanthropy-democracy> (Links to an external site.)Links to an external site.
- 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/> (Links to an external site.)Links to an external site.

Readings for January 25:

- 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://nytimes.com/2015/04/05/opinion/sunday/nicholas-kristof-the-trader-who-donates-half-his-pay.html?referrer=> (Links to an external site.)Links to an external site.
- 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> (Links to an external site.)Links to an external site.

Week 4. Philanthropy and inequality: Charity vs. justice (January 30 & February 1)

Readings for both days:

- 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?" *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> (Links to an external site.)Links to an external site.

- **February 1: First reflection paper due by 11:59pm**

Week 5. The ethics of philanthropy: Means vs. ends; Grantmaking workshop (February 6 & 8)

Readings for February 6:

- Moynihan, C. "Gifts Tied to Opioid Sales Invite a Question: Should Museums Vet Donors?" *The New York Times*, December 1, 2017 (<https://mobile.nytimes.com/2017/12/01/arts/design/sackler-museum-donations-oxycontin-purdue-pharma.html> (Links to an external site.)Links to an external site.)
- Keefe, P. R. "The Family That Built an Empire of Pain." *The New Yorker*, October 30, 2017 (<https://www.newyorker.com/magazine/2017/10/30/the-family-that-built-an-empire-of-pain> (Links to an external site.)Links to an external site.)

No readings February 8; first round of grantmaking discussion

Week 6. Measuring impact; case study of the Robin Hood Foundation (February 13 & 15)

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.
- Ebrahim, A. and Ross, C. 2011. “The Robin Hood Foundation.” Harvard Business School case.
- 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)

Week 7. Strategic and “tech” philanthropy (February 20 & 22)

Readings:

- 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> (Links to an external site.)Links to an external site.
- 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> (Links to an external site.)Links to an external site.
- 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> (Links to an external site.)Links to an external site.
- Tompkins-Stange, M. 2018. “Too big to fail: ‘Big bet’ philanthropy and constructive failure at the Gates Foundation.” In *Failure Up Close* (Greene, J. & McShane, M., eds.). New York: Rowman & Littlefield.

Week 8. Spring break (February 27 & March 1)

Week 9. Locus of control in philanthropy; case study of GiveDirectly (March 6 & 8)

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 (Links to an external site.)Links to an external site.

• March 8: Second reflection paper due by 11:59pm

Week 10. Philanthropy and political advocacy (March 13 & 15)

Readings:

- Tompkins-Stange, M. 2016. *Policy Patrons: Philanthropy, Education Reform, and the Politics of Influence*. Cambridge, MA: Harvard Education Press.

Week 11. Public partnerships - case study of Detroit's Grand Bargain; Grantmaking workshop (March 20 & 22)

On Tuesday, we will discuss and narrow down a first set of organizations to consider for grant funding, and on Thursday, we will discuss the following readings:

Readings for March 22:

- 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/>

No readings for March 24; Second round of grantmaking discussion

Week 12. Philanthropy and participatory grantmaking (March 27 & 29)

Readings:

- Kohl-Arenas, E. 2015. *The Self-Help Myth: Why Philanthropy Fails To Alleviate Poverty*. Berkeley, CA: University of California Press.
- 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*.
- Arrillaga-Andreesen, L. 2010. "Burt and Mary Meyer Foundation and the Southern Partners Fund." Stanford Graduate School of Business case, SI-118.

- **March 29: Third reflection paper due by 11:59pm**

Week 13. The supply side of altruism; philanthropy's role in politics (April 3 & 5)

Readings:

- "Soup-kitchen volunteers hate college-application padding brat." 2003. *The Onion*. Available at <http://www.theonion.com/articles/soupkitchen-volunteers-hate-collegeapplicationpadd,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=

- Other readings TBA

Week 14. Final grantmaking deliberations and conclusion (April 10 & 12)

Week 15. Class celebration at my house (April 17)

Week 16. Rough drafts of final papers due for peer review (April 20)

Week 17. Final papers due (April 26)