

Elites, Philanthropy, and Social Responsibility

Week 10

Elites and Inequality

Let them eat space! Elon Musk and the race to end world hunger

Arwa Mahdawi



It was reasonable for the World Food Programme to ask Musk to chip in to avert global disaster. His response was less so



📷 'My plan is to use the money to get humanity to Mars and preserve the light of consciousness.'
Elon Musk. Photograph: Michele Tantussi/Reuters

Today we will...

- Situate new 'shiny' philanthropy in larger history of **giving**
- Think about philanthropy **normatively** (or what **should** be the role of philanthropy)
- Discuss three ways to study philanthropy **empirically** (or what **is** the role of philanthropy)

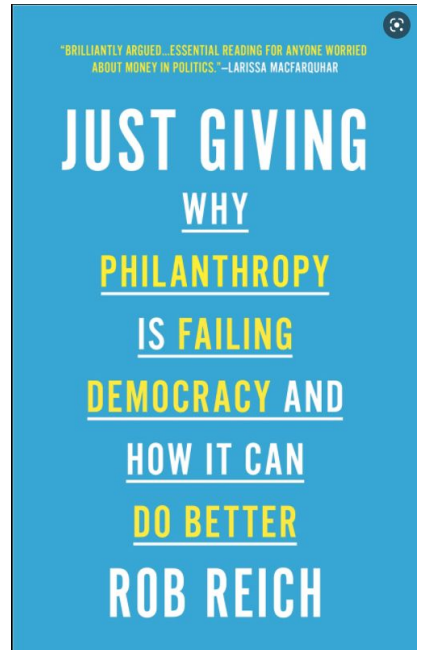
What is philanthropy after all?



What should be the role of
philanthropy in society?

What should be the role of philanthropy in society?

- Comfortable relationship with liberty and equality...
- ...but at odds with democracy?
- What should the state do?
- What about civil society?



... what is the role of philanthropy in
society?

or how to study it empirically

'Follow the Money' approach

- Methodologically, how does it look like?

Form **990-PF** **Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation**OMB No. 1545-0052
2001

Department of the Treasury Internal Revenue Service *Note: This organization may be able to use a copy of this return to satisfy state reporting requirements.*

For calendar year **2001**, or tax year beginning **2001**, and ending **2001**

G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Name of organization **THE OVERBROOK FOUNDATION** A Employer identification number **13-6088860**

Use the IRS label Otherwise, print or type **122 EAST 42ND STREET** Room/suite **2500** B Telephone number (see page 10 of the instructions) **(212) 661-8710**

See Specific Instructions City or town, state, and ZIP code **NEW YORK, NY 10168-2500**

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **152,013,025** J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions and grants, etc. received (attach schedule) - Check <input type="checkbox"/> if the foundation is not required to attach Sch. B	124,367			STMT 1
2 Contributions from split-interest trusts				
3 Interest on savings and temporary cash investments	979,700	979,700		STMT 3
4 Dividends and interest from securities	1,370,177	1,370,177		STMT 4
5a Gross rents	4,000			
b (Net rental income or (loss))	-50,295			
6a Net gain or (loss) from sale of assets not on line 10	3,198,016			
b Gross sales (gross for all assets on line 6a)	52,163,964			
7 Capital gain net income (from Part IV, line 2)		3,198,016		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	691,309	1,670,536		STMT 5
12 Total. Add lines 1 through 11	6,267,569	7,218,431		
13 Compensation of officers, directors, trustees, etc.	189,390			189,390
14 Other employee salaries and wages	36,500			36,500
15 Pension plans, employee benefits	38,226			38,226
16a Legal fees (attach schedule) STMT 6	47,784	23,892	NONE	23,892
b Accounting fees (attach schedule) STMT 7	91,750	45,875	NONE	45,875
c Other professional fees (attach schedule) STMT 8	968,955	862,974		105,981
17 Interest	81,806	21,806		
18 Taxes (attach schedule) (see page 10 of the instructions)	29,434			
19 Depreciation (attach schedule) and depletion				
20 Occupancy	3,982			3,982
21 Other expenses (attach schedule) STMT 10	1,264,654	924,860		339,794
22 Other expenses (attach schedule) STMT 10	2,752,593	1,879,407	NONE	783,840
23 Add lines 13 through 22	8,154,239			8,154,239
24 Subtract line 23 from line 12	10,907,620	1,879,407	NONE	8,938,779
a Excess of revenue over expenses and disbursements	-4,540,051			
b Net investment income (if negative, enter -0-)		5,339,024		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2001)

'Follow the Money' approach



FORDFOUNDATION

WORK ▾

WORLDWIDE ▾

LEARNING

LATEST

ABOUT ▾



931 grants to 300 grantees totaling \$223,065,475 between 2006 and 2021

About these results

Download these grants

Download all grants since 2006

GRANTEE ▾	YEAR	AMOUNT	REGION	PROGRAM ⓘ	TOPICS ⓘ	TYPE ⓘ
<div>Current Filters</div> <div>CLEAR ALL</div>	'06 - '21 ▾	\$0 - \$30,000,000 ▾	1 of 11 regions ▾	9 of 9 programs ▾	12 of 12 topics ▾	3 of 3 types ▾
ABPN - Brazilian Association of Black Researchers	2009	\$200,000	Brazil	Beyond Current Program Structure	Education and scholarship	
ABPN - Brazilian Association of Black Researchers	2013	\$99,775	Brazil	Beyond Current Program Structure	Civil and Human Rights; Education and scholarship	
ABRASCO - Brazilian Association for Post-Graduate Study in Collective Health	2006	\$761,480	Brazil	Beyond Current Program Structure	Education and scholarship; Government policy and practice; Philanthropy; Sexual and reproductive health and rights; Technology	
ActionAid - Brazil/ActionAid Brasil	2007	\$150,000	Brazil	Beyond Current Program Structure	Civic participation; Civil and Human Rights; Government policy and practice; Sexual and reproductive health and rights; Urban and rural land management	
Afro Carioca Cinema Center	2020	\$20,000	Brazil	Beyond Current Program Structure	Arts, culture and media	

‘Follow the Money’ approach

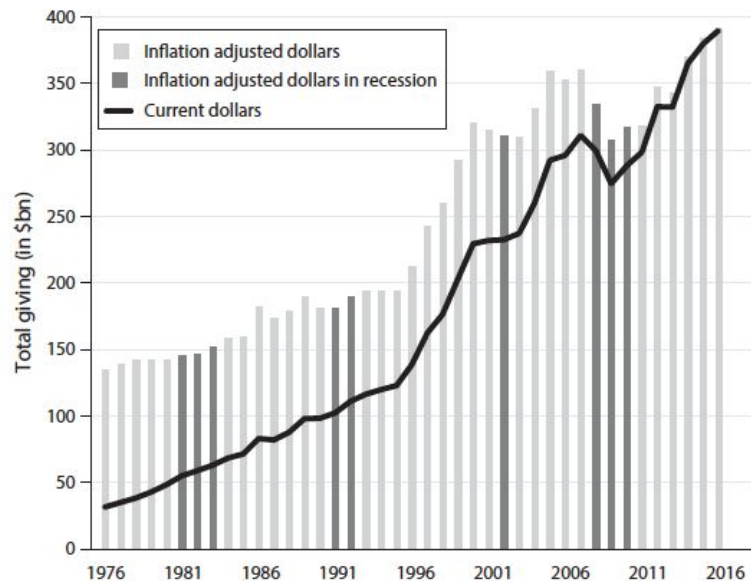


FIGURE 2.1. Total Giving: 1976–2016. *Source:* Giving USA Foundation, “Giving USA 2017.”

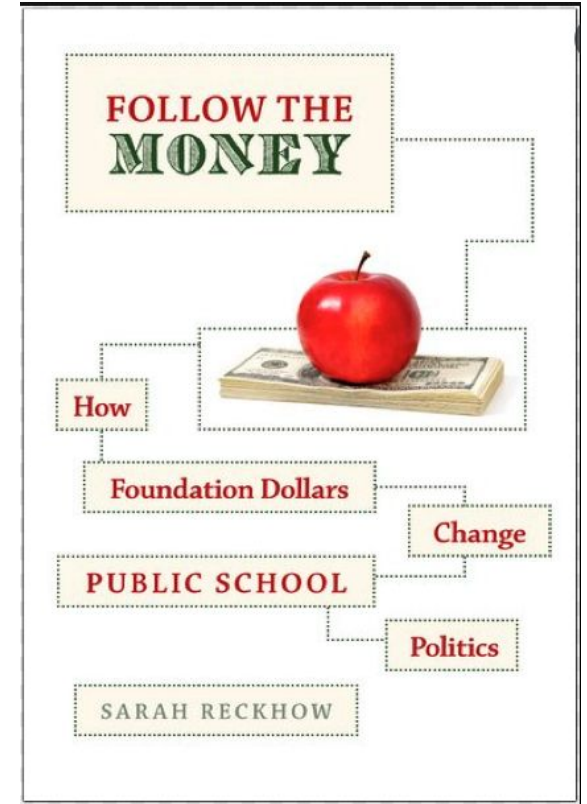


FIGURE 2.2. Giving as Percentage of GDP. *Source:* Giving USA Foundation, “Giving USA 2017.”

‘Follow the Money’ approach

1. Where and how major foundations get involved in trying to reform education?
2. What does this mean for politics?

....

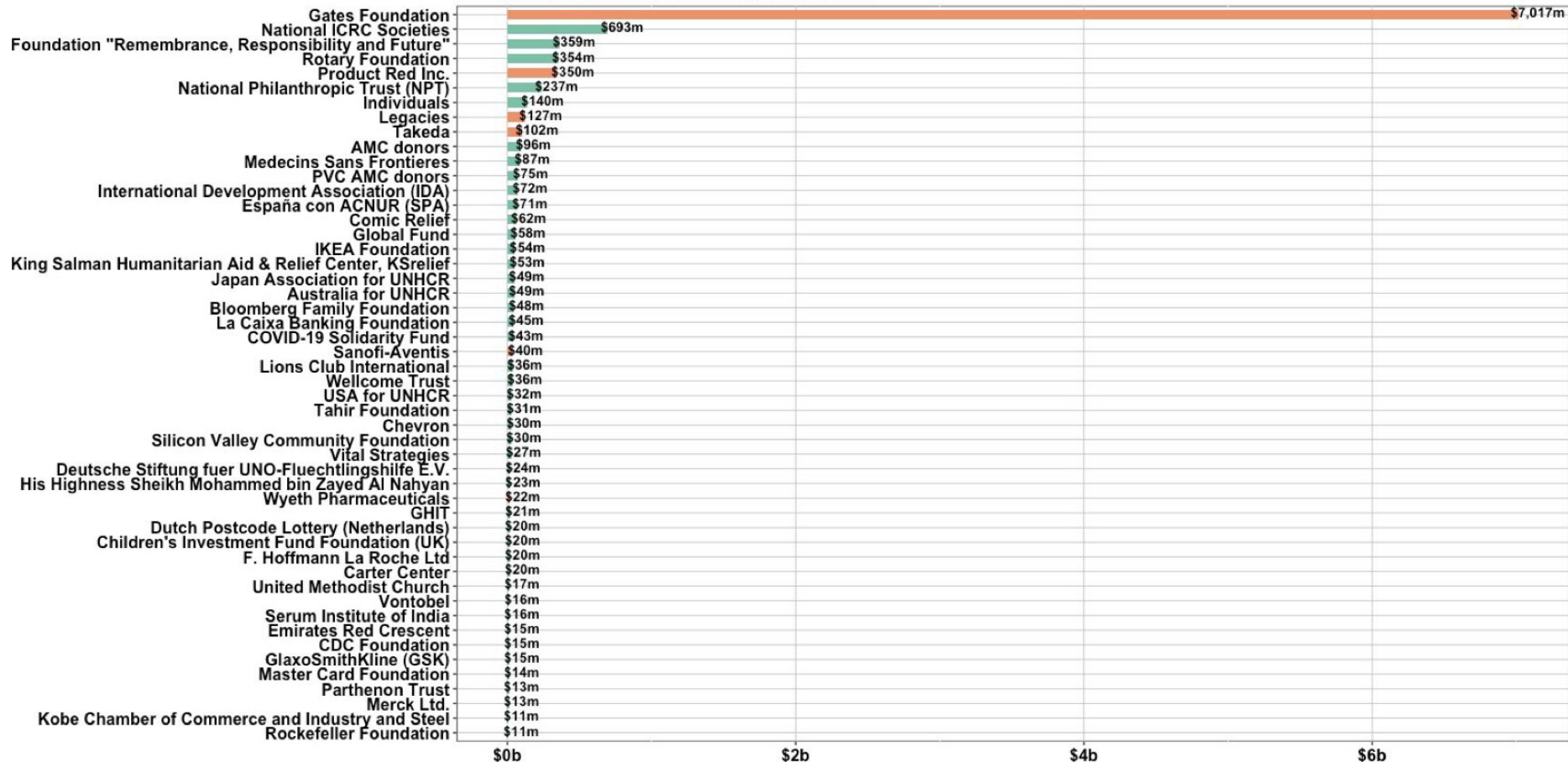


‘Follow the Money’ approach: the Gates Foundation

- 1736 Employees
- \$66 billions in grants since inception
- \$6.7 billion in 2021
- Warren Buffett’s donations since 2006: \$35.7 billions
- Trust endowment of \$53.3 billion

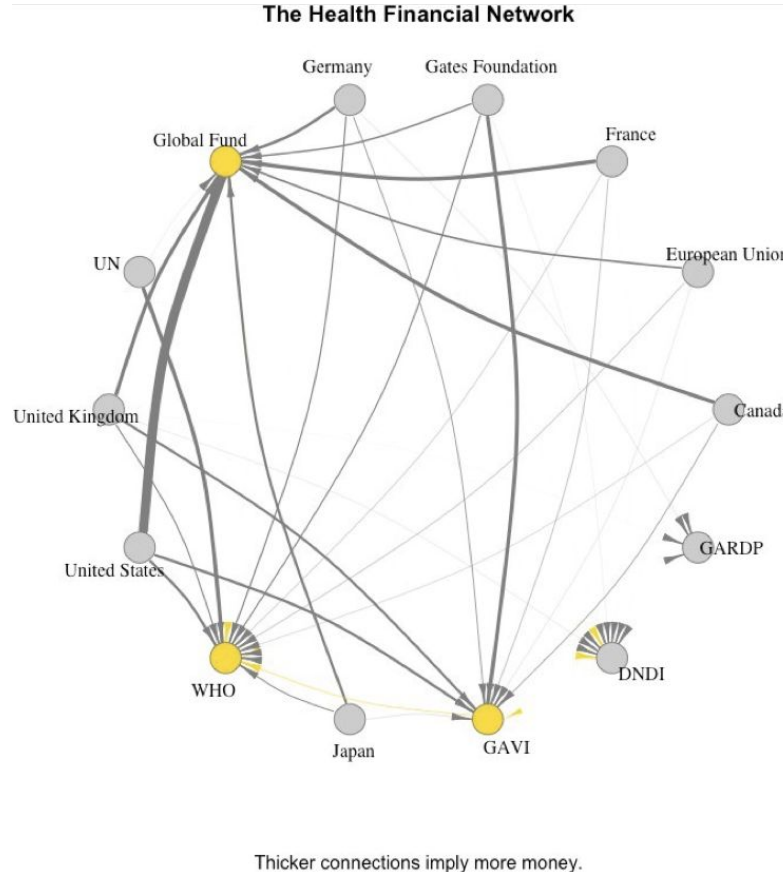
Top 50 Private Donors Overall

sub-sample composed of 3'557 contributions to 11 organizations since 2000



Source: GVA Income Dataset (2022)

‘Follow the Money’ approach: the Gates Foundation



'Follow the Money' approach: the Gates Foundation

Aid

● This article is more than 6 months old

UK accused of abandoning global south as it fails to boost spending on key fund

Liz Truss's administration becomes only major world power not to raise its spending at UN pledging event

Global development is supported by

BILL & MELINDA
GATES foundation

About this content

Patrick Wintour
Diplomatic editor

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World leaders at the seventh replenishment conference of the Geneva-based Global Fund to Fight Aids, Tuberculosis, and Malaria, in New York. Photograph: Yonhap/EPA

‘Cultural Sociology’ approach: Billionaires Wilderness



‘Cultural Sociology’ approach: Billionaires Wilderness

- Connoisseur Conservation
 - a. Feel Good altruism: ‘protecting nature is a selfless act of virtue’
 - b. Conservation therapy: ‘protecting nature is therapy for stressed out hard- working professionals’
 - c. Selective science: ‘everything in balance’ while ignoring established scientific causes of environmental problems.

‘Grant-making Infrastructures’ approach

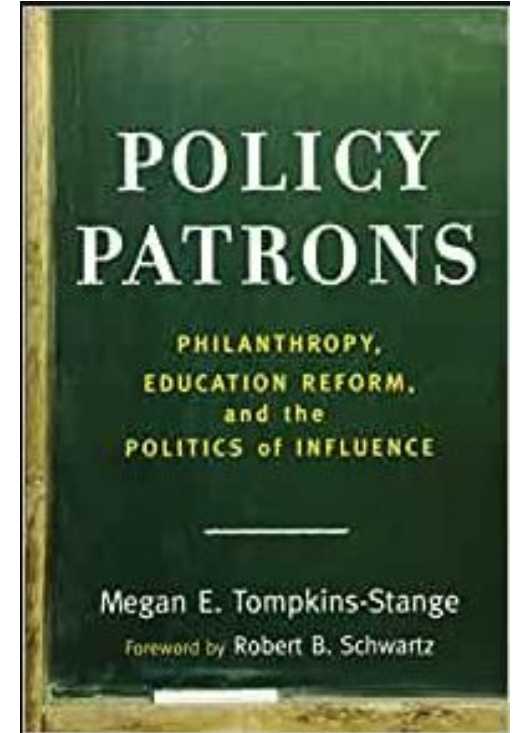
Opening the black-box of philanthropic organizations.

- How do foundations’ grant-making activities work and influence policymaking?
- How does private money make certain actors more or less capable of influencing policy making? Is it deliberate?

'Grant-making Infrastructures' approach

Grant-making activities and public policy

- Two ideal-types of foundations
 - Field-oriented (Topmkins-Stange, 2016)
 - Outcome-oriented (Topmkins-Stange, 2016)



‘Grant-making Infrastructures’ approach

- Three modes of engagement
 - Lobbying **vs** advocacy
 - Private ‘policy’
 - Private ‘participation’ in policy

The screenshot displays the Gordon and Betty Moore Foundation's grant-making infrastructure. It features a header with navigation links: Programs, Learning, About, and News, along with a search icon. The main content area is divided into two sections. The left section, titled 'GRANT NAME:', describes the grant as 'Strengthening the Role of Civil Society in Building a post-2016 Soy Moratorium Alternative'. Below this, it identifies the 'ORGANIZATION:' as 'Instituto de Pesquisa Ambiental da Amazônia' and provides a 'VISIT WEBSITE' link. The right section, titled 'FUNDING AREA:', lists key grant details: 'DATE AWARDED:' (Nov 2015), 'AMOUNT:' (\$235,749), 'TERM:' (13 months), 'GRANT ID:' (GBMF4365.01), and 'FUNDING AREA:' (Environmental Conservation). The Environmental Conservation logo is also visible.

Field	Value
DATE AWARDED:	Nov 2015
AMOUNT:	\$235,749
TERM:	13 months
GRANT ID:	GBMF4365.01
FUNDING AREA:	Environmental Conservation

To support civil society stakeholders in an effort to ensure a strengthened and permanent soy moratorium (or alternative mechanism) that affords robust forest protection in the Amazon. In addition, this effort will focus on mobilizing relevant stakeholders in the Cerrado to develop a similar supply chain mechanism that addresses deforestation.

Wrapping up,

**while there is a normative case for
philanthropy in liberal democracies...**

**...(limited) research so far has shown
that it is not always beneficial for
reducing inequality.**