

Stanford SOCIAL INNOVATION^{Review}

Books

Give and Take

By David Callahan

Review by Emma Saunders-Hastings

Stanford Social Innovation Review
Summer 2017

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BOOKS

REVIEWS OF NEW AND NOTABLE TITLES

EMMA SAUNDERS-HASTINGS is an assistant professor of social sciences at the University of Chicago.

Give and Take

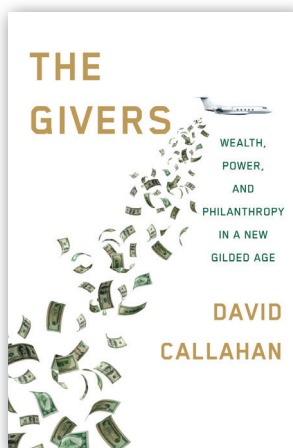
REVIEW BY EMMA SAUNDERS-HASTINGS

In *The Givers: Wealth, Power, and Philanthropy in a New Gilded Age*, David Callahan documents the rising influence of a new philanthropic elite: ultra-wealthy donors who want to put vast resources to immediate use. Previous generations of elite benefactors might have been content to put their names on buildings or “legacy foundations,” but today’s givers want results. “They have enough money to try to make change in society, and they know it,” Callahan writes. The concern from a democratic point of view is that many think these millionaires and billionaires have more than enough power already.

Callahan is the founder and editor of the website *Inside Philanthropy*. This new book demonstrates the breadth of his knowledge of the sector. Individual chapters investigate different dimensions of elite philanthropy today and discuss cases from diverse sectors (from education to economic policy to human rights) and across the political spectrum. *The Givers* should attract broad interest: Callahan is an engaging narrator, and the book has a timely message about the growing political significance of elite philanthropy.

The book is particularly good at capturing something that discussions of elite philanthropy often miss: The distance between elite “charity” and elite political influence is small and shrinking. The philanthropists profiled here are strategic actors trying to bring about particular outcomes, and they are eager to use their influence in a range of sectors to do so. Foundations interested in changing the educational sphere might spend money both to support charter schools and to lobby for school privatization policies. We often think of charitable donations and elite political influence as categorically distinct activities, but Callahan’s subjects are Good Samaritans and political animals at the same time.

There are both advantages and drawbacks to Callahan’s choice to view philanthropy through the lens of elite behavior. At times,



THE GIVERS: Wealth, Power, and Philanthropy in a New Gilded Age

By David Callahan
329 pages, Knopf, 2017

he seems to hew too closely to the perspective of the elite donors he profiles. He gleans insights into the motives of the billionaire signatories of the Gates-Buffett Giving Pledge from the public letters that pledgers submit upon joining. From this we learn that many elite donors are trying to “give back” to their communities and promote a vision of the public good. Some see themselves as countervailing forces to other kinds of undemocratic influence, such as wealthy families that don’t donate to less advantaged communities. But there are limits to what we can learn from such sources. We shouldn’t rely on them any more than we would rely on a political candidate’s press releases to predict her behavior once in office. The book is at its strongest when Callahan shows that from a democratic perspective, donors’ motivations matter less than the results of their actions.

To make better sense of elite philanthropy, it would be helpful if Callahan spent more time mapping the relationships between donors, recipient organizations, formal political actors, and the broader public. Callahan gives us a much more complete picture of the funders than of other relevant actors. The preferences of wealthy donors drive Callahan’s case selection, and he sometimes seems to assume rather than demon-

strate the overriding influence of the rich. For example, he briefly describes the effective altruism movement by profiling billionaire couple Cari Tuna and Facebook cofounder Dustin Moskovitz and their foundation Good Ventures. Alternative lenses would interpret evidence-based, welfare-promoting philanthropy such as effective altruism as a triumph of Internet-based social movements, or of consequentialist moral philosophy, rather than of individual wealthy donors.

Focusing on the activities of billionaires makes it difficult to weigh the relative importance of different actors. We don’t get much sense of how these elites interact with other players. And that also makes it difficult to evaluate the reforms (including increased transparency and changes to the charitable tax deduction systems) that Callahan recommends in his concluding chapter.

Callahan’s primary aim is to document the rising influence and political significance of elite philanthropy. But he doesn’t make a strong argument about if and how elite philanthropy is or isn’t compatible with democratic values. Instead, he emphasizes that many people feel ambivalent about philanthropic funders: We commend their generosity but feel uneasy about their outsized power. Philanthropy has become “deeply enmeshed in the machinery of civic life.” Sometimes the results seem self-evidently good: “Parks, libraries, and museums make cities livable; top universities and medical research centers make them great, attracting talent from around the world. What’s not to like?” As Callahan writes, “Maybe a bunch of things ... from who is making choices over public life to who actually benefits from those choices.”

These ideas suggest at least two different standards for evaluating elite philanthropy. Should we care most about “who actually benefits”? If so, then what matters is ensuring that philanthropy produces public benefits untainted by private interest. This might be an attractive standard, but it is not a particularly democratic one: Philanthropy becomes a form of “beneficent elite rule.”

On the other hand, if the key question is “Who is making choices over public life?”

then what matters is a more equal distribution of opportunity to influence policy. I would have liked to hear more from Callahan on these big-picture questions. Are we chasing better outcomes or a more equal distribution of power? Are elite philanthropists a counterweight to other, self-interested elites—or to democracy itself? For now, these fundamental questions remain buried under the wealth of information in this book. ■

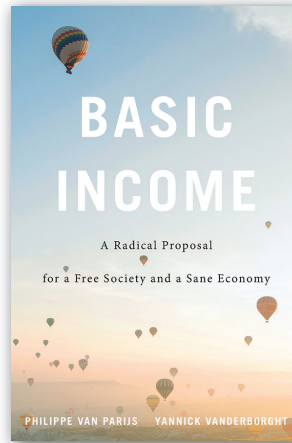
Income for All

REVIEW BY JULIANA BIDADANURE

In times of economic austerity—when the welfare state is shrinking; many debate whether access to housing, childcare, health care, and education are rights for all; and the paradigm of individual responsibility dominates—it's easy for progressives to give up on big ideals. If we can't even protect Planned Parenthood or affordable health care, it can be tempting to settle for marginal improvements. But for these same reasons, it may be more urgent than ever to propose radical utopias that can potentially unite otherwise divided societies. That's the view that Philippe Van Parijs and Yannick Vanderborght take in their fantastically comprehensive book, *Basic Income*.

Universal basic income (UBI) is a simple proposal to give every single resident of a country a monthly cash grant, without asking them to opt in, and with no strings attached. The authors propose setting UBI at one quarter of GDP per capita—so in the United States, each person would receive \$1,163 per month, whether they're rich or poor, parent or non-parent, working or unemployed.

This proposal could transform the lives of groups such as young people, temporary workers, volunteers, the working poor, the unemployed, and those who have lost their jobs (or risk losing them) due to technological changes: those who might find themselves without an income because they lack knowledge or are waiting for benefits to be granted.



BASIC INCOME: A Radical Proposal for a Free Society and a Sane Economy

By Philippe Van Parijs & Yannick Vanderborght
384 pages, Harvard University Press, 2017

And UBI is gaining currency throughout the world. Countries as different as Finland, Brazil, Namibia, India, and Canada have conducted promising UBI experiments.

Over eight insightful chapters, Parijs and Vanderborght offer a powerful defense of UBI as an instrument of freedom and show how it can be economically sustainable and politically achievable. They also show how it could reduce the patronizing attitude that many state bureaucrats take toward those they deem undeserving of public assistance. Existing benefits systems often condone an obsession with screening out a supposedly undeserving underclass: the “welfare queens” and the benefits scroungers. At worst, politicians take advantage of this perspective to get elected, promising to screen out the scroungers. At best, they address the problem in a shortsighted way, making benefits even more conditional to show that they are preventing scroungers from abusing the system. In doing so, they strengthen the myth that benefit claimants are indeed undeserving of assistance.

UBI promises a radical paradigm shift. As the authors demonstrate, it can free us from the need for survival that forces us into jobs no matter how badly paid, useless, dangerous, or demeaning they may be. By turning existing narratives on their heads, UBI proposes a solution to bring us closer to a society in which “the real freedom to flourish, through work and outside work, will be fairly distributed.” One important theme that the book fails to address is how UBI also

JULIANA BIDADANURE is an assistant professor of political philosophy with an affiliation to the McCoy Family Center for Ethics in Society at Stanford University.

can be an instrument for racial justice. As political scientist Dorian Warren has written, those at the bottom of the US economic ladder, including many African-Americans, stand to benefit most from basic income. In doing away with conditionality altogether and rejecting the idea that recipients must demonstrate need to receive benefits, UBI can circumvent many paternalistic restrictions on benefits that rest on racist tropes.

Nevertheless, the authors convincingly show how UBI can help us rethink much of what we take for granted: the centrality of jobs and growth, and our traditionally timid solutions to poverty and unemployment.

Sound utopian? Not so long ago, UBI did seem like a fantasy, especially in the United States, where many have a strong suspicion of public assistance. Critics asked: How would people who believe that work is a moral duty and see the welfare state as a moral hazard ever agree to a system where we don't even require a willingness to work? And even if we could get these people to agree, how could we afford it? How could such a system be sustained? Presumably, the argument went, if people could get money for doing nothing, they would stop working, which would in turn make it impossible to afford a generous UBI.

Yet the basic income movement is growing and strengthening. And none of the many UBI experiments around the world have indicated that people stop working when given unconditional cash. And even in the United States, more and more personalities have expressed their interest in the policy, from progressive former US Secretary of Labor Robert Reich to National Domestic Workers Alliance director Ai-jen Poo to futurist Martin Ford.

The fear that automation may displace workers from the labor market at unprecedented rates also has helped drive the renewed interest in UBI. The tech incubator Y Combinator is currently testing basic income in Oakland, Calif. The Economic Security Project, an initiative supporting UBI that launched in 2016, is devoting \$10 million to research basic income over the next couple of years. Although it might sound utopian, UBI is looking increasingly feasible and appealing. ■