In Political Economy of Nonprofit Organizations, we discover the broad scope of nonprofit activity in the economy and examine the remarkable interdependence of government and nonprofit organizations in the modern state. We consider the role of nonprofit organizations in building social capital and the “cultural hegemony” of foundations and corporations in shaping public policy. We also consider how social movements create paradigmatic shifts in perception and how activists ideas diffuse through expanding social networks. Finally, we survey the dramatic rise of non-governmental organizations in developing countries and examine its implications for a "new politics beyond the state."

METHOD OF INSTRUCTION

The seminar focuses on reading and discussion. You will be assigned about 100 pages per week. Readings will be taken from texts, websites, and articles placed on reserve at the library. Some weeks everyone reads the same material, other weeks the material varies by reading group. When there are reading groups, I will make an informal attempt to balance the number of students between reading groups. You not permanently assigned to any particular reading group.

You will submit an email journal before each session. I will read, comment on, and return your journal at the beginning of each seminar.

Each session will begin with a short period of small group deliberation. Using the material developed in your journals, you will discuss your assigned readings, relate them to the week’s theme, and prepare for the large group discussion. Following the break, we will have brief presentations of the first or your research projects.

The final exam session will be set aside for informal discussion of your second research project.

The purpose of reading groups is to reduce your reading load while maintaining coverage and diversity of readings. The purpose of the email journal is to encourage a higher level of personal interaction between student and instructor and to ensure better student preparation for the seminar. The purpose of the small groups is to encourage contributions from all students to the discussion, and add value to the seminar exchange. The purpose of the research projects is to help you integrate what you have learned by applying it to a real life situation.

ASSIGNMENTS

Email Journal: During the term you will be writing an email journal. For each meeting of the class, you will submit a new journal entry. You will be excused from one weekly email journal assignment during the term.

The purpose of the journal is to allow you to comment on and integrate what you read during the week. These weekly journal entries will be used to suggest areas of discussion for the seminar.

Your journal entry should include: (a) a brief abstract of each of the assigned readings, (b) a section of comments, connections and questions suggested by the readings.

Please list your name, date, and weekly topic in the first three lines of your email.

Your weekly journal entries should be sent to my email address - heyingc@pdx.edu - by 8:00 AM Thursday. The subject header of your email should have the title NP Journal and nothing else. This will allow me to filter all your emails into a class-specific folder.

Please do not send your journal as an attachment.

I will read and return your journal entries each week. At the end of the term, I will review your journal entries and evaluate the quality of your contributions. Late or missing journal entries will negatively affect your evaluation. Finally, I will be creating an email distribution list that I will use to send notices to class members as need arises. Please regularly check your emailboxes for these notices.

Research Project: To help you better understand the political and economic environment of nonprofit organizations, I have designed twelve research projects. During the term you will complete two of these projects. Each report will be single spaced, 1 inch margins, about 2000 words in length. The title and date of your project, class title, and personal identifying information may be included on the first page of the report or on a cover page.
Your report should include (in this order) an introduction to your topic, a methodology section where you describe how you went about doing your research, a section where you report the results or findings, followed by a discussion of what you learned and how it informs your understanding of the course material. End your report with some concluding thoughts and suggestions of what further investigation might be pursued.

Besides submitting a written report, you will also do a brief oral presentation highlighting the most salient insights of your project. The first project will be submitted and presented on the date assigned to the project. The second project will be submitted and presented during the final exam period. Each project will receive a maximum of 20 points and together the two projects will account for 45% of your final grade.

Please review the summary descriptions below, be prepared to discuss your preferences in Week 2, and settle on your project choices by Week 3.

1. **Nonprofits in the news:** (October 7) Go to the NeighborhoodNotes website/newsletter http://www.neighborhoodnotes.com/ and review the articles in the “best of” archives for week, month, and all time. (roughly 15 articles) In reviewing these articles identify whether the story highlighted the activities of government, business, nonprofits, and or socially active groups/individuals. Which of the articles mentioned action or actors in more than one sector or collaboration or conflict between sectors. Were there any common threads that tied together the types of activities that were covered in the newsletter. Where on the continuum between critical and celebratory would you put the articles when they discussed business, nonprofits, government, or individuals. What other observations or comparissons were apparent to you.

2. **Social services and contracting:** (October 14) According to a press release by the Urban Institute “Nearly 33,000 human service nonprofits had government contracts and grants last year, which provided the largest single source of revenue for 62 percent of them. The nearly 200,000 federal, state, and local contracts totaled about $100 billion. But a new study from the Urban Institute’s Center on Nonprofits and Philanthropy reveals that with many contracts come major problems.” Go to the Urban Institute website and review the three reports of the study that are being released October 7, 2010. What insights do these reports provide about the collaboration and conflict involved in the US model of contracting with nonprofits for services.

3. **Nonprofit Tax Returns** (October 14) Using a web database such as GuideStar that provides access to the actual 990 forms submitted by nonprofits to the IRS, select five nonprofits in one city and in one sector (for example Kansas City arts sector) and analyze how they compare in size, financial health, sources of revenues, expenditures, top executive salary levels, and anything else that strikes you as interesting. Choose organizations that will provide interesting comparisons. Visit their websites to round out your picture of the organization. Look for annual reports and other information that will assist you in creating narratives of each organization and the niches they fill in that sector. Discuss the implications of what you discovered.

4. **Voluntarism and social capital** (October 21) Interview at least four people (at least two non-students) about their involvement with nonprofit organizations of all types during the past year. Ask them generally about their motivations and experiences, why they do it, and what they take away from their volunteering. Some other questions of interest you might pursue are what types of volunteer work they do and for which organizations, how long they have done it, how they got involved, what role networks played in getting them involved, and whether they stayed involved. Explore both positive and negative aspects of volunteering. Beyond these general impressions, specifically ask about their (a) belief in the idea of general reciprocity, that is, the extent to which they feel that if they help others, others will help them (b) whether they are generally encouraged or discouraged about the willingness of others to help, (c) whether they feel that people were more engaged and trusting in the past or in the present.

5. **Foundations and Influence:** (October 28) Research four foundations. Two that have known political agendas and two that seem more neutral. Compare their mission statements and the types of projects they focus on. Discuss the extent to which they have an implied or explicit political positions and how they support these positions. Research some recent Congressional hearings where the topic of foundation funding, political involvement, and charitable tax deduction was considered. Discuss the various positions taken by those who testified. Add to the depth of your knowledge by reading some of the relevant chapters in the Roelofs book that were not assigned plus all of the October 21 Reading Group 3 readings. In light of this information, outline your own ideas about whether foundations should receive the charitable deduction and whether they exert undue influence and whether their political activities should be otherwise constrained.
6. **Mop ups and nurse maids**: (October 28) The readings on Foundations and Influence suggest that the hegemonic purpose of foundations is to mystify power and suppress structural change. Some argue that even social change organizations primarily act as mop ups and nurse maids to the problems created by destructive capitalism rather than true agents of social change. Research four Portland organizations that deal with social issues like poverty, homelessness, crime and abuse. Examine the extent to which they actively pursue a social change agenda or whether they primarily act as mop ups and nursemaids. Research two other Portland organizations that you would say have a strong structural change agenda. Discuss your findings.

7. **Nonprofits and economic development**: (November 4) There are lots of semi-autonomous organizations that do economic development and city promotion. Because they are not part of the official elected governmental structure they are often called “shadow governments”. An example would be the Portland Development Commission. Explore the ecology of organizations in Portland that to promote the city and its economy. What is their organizational structure (government, nonprofit, business, mixed), what is their niche, and where do they get their funds,. Who promotes the arts, tourism and other activities that increase the amenity value of the city. How do organizations in the “shadow government” compete or collaborate. What other observations would you make about the economic development and city promotion infrastructure?

8. **Faith-based giving and volunteering**: (November 4) Most charitable giving and volunteering in the US is done as a part of ones affiliation with a religious congregation. Select a church, temple, synagogue, mosque or other religious congregation with which you are familiar and outline how it views charity, philanthropy, benevolence, and/or responsibility towards others. Then interview at least two lay members and the spiritual leader of the congregation about the same topics. Consider the extent to which charitable activitives are member based services or are directed toward the needs of those outside the congregation.

9. **Nonprofit databases**: (November 18) There is considerable information available about nonprofit organizations and foundations online. Much of it is aggregated from the IRS 990, IRS 990PF and similar IRS forms. Research and report on where this information can be accessed, what sort of information is available, whether it is free, how easy it is to access. Create a table that evaluates and compares your resources in terms of a number of criteria that you found relevant.

10. **Roots of change** (November 18) Examine the history of a well known nonprofit organization (for example the YMCA or the American Automobile Association) that has been in existence for a considerable period of time. Identify the larger social context and other social movements it was a part of. Trace the social, political and economic changes that can reasonably attributed to that social movement (for example, the AAA was a part of the Good Roads movement, it has had a significant influence on the creation of state and federal Departments of Transportation, on encouraging auto based tourism, and many other transportation issues) Write a report discussing what you found and answer the question as to whether nonprofits and social movements not only address social issues but change consciousness, spin off new industries, and shape our social lives in ways we do not fully recognize. Should more emphasis be placed on the role of “social innovation” or “soft technology” as a key factor in political and economic development.

11. **Respond to this letter** (December 2) Café au Play, a nonprofit that I helped found, recently was featured in the Oregonian, [http://www.oregonlive.com/news/oregonian/anna_griffin/index.ssf/2010/09/cafe_a](http://www.oregonlive.com/news/oregonian/anna_griffin/index.ssf/2010/09/cafe_a) As a board member, I was quite pleased with the article since I believe it accurately portrayed our history and mission. However, not everyone was pleased. The first response posted to the online version of the article was very critical of Café au Play and nonprofits in general. Knowing what you know about nonprofits and social enterprises, write a reasoned response that addresses the authors possible misconceptions about the role and function of nonprofit organizations. In a separate part of the essay consider the implications of this persons critique, what part of the political spectrum it might represent, and whether this is part of a new and growing trend of anti-nonprofit sentiment.

12. **Global Civil Society** (December 2) Review and compare available data on the nonprofit/civil society sector for two countries and the U.S. Choose comparator countries that are distinct in terms of culture, governance and history and ones that have reasonably good data.

   **Alternative to the Research Project**: As an alternative to the research project, I will allow a limited number of students to organize panels of practitioners from the community for a class presentation. Four sessions would be suitable for these presentations (a) Elite Foundations and Public Policy (b) Grassroots Organizations and Social
Movements, (c) Social Entrepreneurism (d) Global Civil Society. The presenters must be persons with knowledge, experience and interest relevant to one of our weekly topics. If you are interested in doing this, please contact me early in the term. I will provide you with an outline of expectations and we will collectively develop a list of topics and themes that the panelists will be asked to address.

**Final Exam:** Presentations of your second research project will take place during the final exam session.

**EVALUATION**

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<tr>
<td>Email Journal and Seminar Participation</td>
<td>55%</td>
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<td>Research Projects</td>
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**TEXTS**

The following texts are available at the bookstore and also on reserve.


Elizabeth T. Boris & C. Eugene Steuerle, (eds 1 or 2) *Nonprofits and Government: Collaboration and Conflict*

Doug McAdam (1988) *Freedom Summer*


**RESERVE READINGS**

For your convenience and to save you money, one copy of each of the texts listed above is also available on two hour reserve at the library. The remainder of the required articles or chapters have been placed on two-hour and/or electronic reserve at the library. Password for electronic reserve = heying

**SCHEDULE**

**September 30:** Introduction

**October 7:** Government-Nonprofit Relations in the U.S.

When former President Reagan argued that welfare functions of the state should be returned to churches and private philanthropy and that an upsurge in voluntary support would compensate for the reductions of the welfare state, he demonstrated his naiveté about the extent of nonprofit and public sector inter-dependence. In today’s readings (Boris and Stuerle), the evolution of the nonprofit sector is examined especially as it relates to the blurring of sectors between government and nonprofit activity and the historic preference in the United States for private provision of government services. These readings also provide some basic introductory material about the nonprofit sector in the US.

**Everyone**


**Reading Group 1**

Steurle and Hodkinson chapter and Reid chapter

**Reading Group 2**

Bowman and Fremmont-Smith Chapter (2nd ed only) and Smith chapter
October 14: Social Capital, Civil Society, and Institutional Performance

Alexis de Tocqueville was one of the first to observe the critical role of civic associations in supporting democratic institutions and building social trust. In the tradition of Tocqueville, political scientist Robert Putnam provides compelling evidence that the fabric of social trust is in decline in America. In *Bowling Alone*, Putnam sums up his research on the decline of social capital.

These readings engage us in thinking about the connection between nonprofit organizations and political and economic development. Is it possible, for example, for a commercial republic to survive on self-interest, or is it largely dependent on a reserve of social trust fostered by institutions such as family, civil government, and nonprofits? Does the creative destruction of unfettered capitalism weaken the fabric of trust, justice and charity on which it is so dependent?


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October 21: Elite Foundations and Influence

Through the work of Joan Roelofs we are introduced to the Marxist theory of Antonio Gransci who argued that political domination was achieved in two ways; through the state by force and laws, but also through “cultural hegemony,” that is, the soft power of intellectual and cultural domination by elite classes. Roelofs argues that private foundations are key actors in shaping this soft power through their ability to fund academic research, cultural enterprises, and social movements. As a compliment to Roelof’s work, I have included some specific articles on think tanks and the shaping of public policy that has attracted considerable attention in recent years. The authors represented below note a rightward shift in influence of think tanks since the 1970s. They note that the new right leaning think tanks have taken on the specific political agenda and specific strategy of partisan research and advocacy. This contrasts with progressive interest groups that have promoted specific cause related issue agendas such as environment and poverty.

As an alternative to the Roelofs book, you can read a number of essays in *The Revolution Will Not be Funded*. These essays address specific cases of the relationship of activist organizations to foundation funding. The authors note that the relationship is complex and that while individual foundation project officers are sometimes sympathetic, the chase for money can easily subvert the goals of activism. Some of the authors argue that this is part of the larger project to undermine and coopt political activists and they suggest alternative funding and support strategies to avoid the subversion.

So as not to leave those who identify with the progressive left completely discouraged, I have included an article by Courtney Martin about how young progressives are pooling their resources for change.

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**Reading Group 1**

Joan Roelofs (2003) *Foundations and Public Policy: The Mask of Pluralism*  Chapters 1, 2, 3, 8

Reading Group 1  Chps. 1, 2, 3, 8, 10, 13, 14, 15, 16, 24

**Reading Group 2**

Incite! Women of Color Against Violence, ed (2007). *The Revolution Will Not be Funded*  Chapters 2, 6, 16 and other chapters of your choice for total of 80 pages.

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Reading group 1

Joan Roelofs (2003) *Foundations and Public Policy: The Mask of Pluralism*  Chapters 1, 2, 3, 8


http://www.prospect.org/cs/articles?article=the_future_of_philanthropy

Reading group 2

Incite! Women of Color Against Violence, ed (2007). *The Revolution Will Not be Funded*  Chapters 2, 6, 16 and other chapters of your choice for total of 80 pages.


http://www.prospect.org/cs/articles?article=the_future_of_philanthropy
October 28: Nonprofits and Economic Development – Creating Cultures of Consumption

As cities are shifting from economies of production to economies of consumption, the institutions and activities that drive growth and development are also changing. Culture, sports and other amenities that attract tourists now play a central role in economic development strategies. Nonprofit art museums, once the preserve of elite audiences, have redefined themselves as entertainment complexes designed to encourage mass audiences with blockbuster exhibits. The buildings themselves, designed by internationally acclaimed architects, have become major tourist attractions and signifiers of world class status. This week’s readings consider how these institutions, that are seemingly directed to higher goals, have evolved into economic engines of consumption cultures and how their semi-private status can exclude them from public oversight and help insure that economic benefits favor the interests of urban elites.

Everyone


http://usj.sagepub.com/content/41/10/1931.full.pdf+html

Bernadette Quinn (2005) Arts Festivals and the City, Urban Studies Vol 42, No 5/6 927-943
http://usj.sagepub.com/content/42/5-6/927.full.pdf+html

Flims to be shown in class - Downside Up and Not Quite Art

November 4: Grassroots Organizations and Social Movements

In a classic article The Rest of the Nonprofit Sector: Grassroots Associations as the Dark Matter Ignored in the Prevailing “Flat Earth” Maps of the Sector, David Horton Smith argued that most nonprofit sector research has focused on larger paid-staff nonprofits. As a result, researchers ignored the estimated 90% of the sector composed grassroots organizations that often do not have official nonprofit status and do not have paid staff. Many of these organizations are the effemera of social movements. In this weeks readings, we explore the world of social movements, in particular we examine how social movements mobilize resources, reframe our perceptions, and spin off complimentary social movements. We also consider how they evolve into established nonprofits, are institutionalized into the governmental sector, or even create new industries.
Everyone
Doug McAdam (1988) *Freedom Summer*, Read about 75 pages, including Chap 5.

**Reading Group 1**

**Reading Group 2 (skim)**

**November 11: Veterans Day (University Closed)**

**November 18: Social Entrepreneurism**

So where do social movements come from. Are they a product of their particular historical moment or is it some dynamic individual that propels them. In his book, *How to Change the World: Social Entrepreneurs and the Power of New Ideas*, David Bornstein focuses on the individuals who relentlessly pursues social change to the situations they face. Bornstein’s book highlights the work of Bill Drayton and the Ashoka foundation as well as telling numerous stories of successful social innovators around the world. Bornstein’s book and the Ashoka foundation are nearly messianic in their belief that social entrepreneurs, like business entrepreneurs, will and must transform the world through the creative destruction of their social innovations that disrupt current social practices. In the words of Drayton “The most powerful force in the world is a pattern-changing big idea - if it is in the hands of an entrepreneur of equivalent ambition.” This concept of social entrepreneurship and the movement it is inspiring (including new academic programs) deserves a critical look.

**Everyone:**

**Also take a look at the following websites**
Ashoka Foundation - [http://www.ashoka.org/](http://www.ashoka.org/)
Schwab Foundation - [http://www.schwabfound.org/index.htm](http://www.schwabfound.org/index.htm)
Lemelson Foundation (Portland based) - [http://www.lemelson.org/home/index.php](http://www.lemelson.org/home/index.php)

**November 25: Thanksgiving Holiday (University Closed)**

**December 2: Global Civil Society**

Do the new institutions invented by social innovators and propelled by social movements constitute a global civil society? Will these new institutions compliment and cooperate with existing state institutions or will they undermine and replace state power? Do they have the potential to evolve into pseudo-governmental regimes that will form a de facto world governance structure? Or are they stalking horses for a new authoritarian world government that will arise to solve a global crises of management? What is the future of global civil society?

*Note: All readings are available on electronic reserve, pdf format, password = heying. Some of the readings are in the Readings Folder.*

**Reading Group 1**
Peter Waterman and Jill Timms (2005) Trade Union Internationalism and a Global Civil Society in the Making
Richard Price (2003) Transnational civil society and advocacy in world politics
Reading Group 2
Errol E. Meidinger (2003) Forest certification as a global civil society regulatory institution
Rupert Taylor (2002) Interpreting Global Civil Society

December 6  (Monday 10:15 – 12:05):  Scheduled exam time.
Discussion of research projects