



Stanford PACS
Center on Philanthropy
and Civil Society

REFLECTIONS ON PHILANTHROPY

FROM THE 2017 PHILANTHROPY INNOVATION SUMMIT

ABOUT STANFORD PACS

Stanford PACS is a research center for students, scholars, leaders, and practitioners to explore and share ideas that create social change. Its primary participants are Stanford faculty, visiting scholars, postdoctoral fellows, graduate and undergraduate students, and philanthropists, nonprofit, and foundation practitioners.

Stanford PACS has relationships with five schools at Stanford University (Humanities & Sciences, Engineering, Education, Business, and Law) and more than 15 departments, and we leverage the intellectual assets of a diverse, world-class faculty across the university. This provides a unique platform to create knowledge and share it with the nonprofit and for-profit communities in Silicon Valley and globally.

Stanford PACS offers postdoctoral fellowships, PhD fellowships, and financial support for undergraduates completing honors thesis work. Additionally, Stanford PACS sponsors regular public speaker programs and symposia and philanthropy salons that include speakers who are well-known public intellectuals, philanthropists, and academic, foundation, and nonprofit leaders.

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ABOUT STANFORD SOCIAL INNOVATION REVIEW

Stanford Social Innovation Review (SSIR), published by Stanford PACS, informs, energizes, and motivates social change leaders from around the world and from all sectors of society —nonprofits, foundations, businesses, academia and government. Through an array of channels—daily online content, a quarterly print publication, monthly webinars, thematic conferences, podcasts, asynchronous learning assets, and more—*SSIR* bridges research, theory, and practice, and addresses a wide range of social issues (including economic development, human rights, public health, and education) and solutions (like impact investing, social entrepreneurship, and nonprofit business models). *SSIR*'s award-winning content is created for and by current and future social change leaders.

It is *SSIR*'s mission to advance, educate, and inspire the field of social innovation.

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EXECUTIVE SUMMARY

Every two years, the Stanford Center on Philanthropy and Civil Society hosts a Philanthropy Innovation Summit. At this day-long event, peer philanthropists, Stanford faculty, scholars, and leaders share their inspiration and expertise, authentic stories of successes and struggles, and results-oriented approaches to social change.

At this international convening, individual and family philanthropists connect in order to brainstorm with one another, leverage Stanford PACS research to catalyze effective philanthropy, and take away actionable ideas, best practices, new strategies, and new networks with which to amplify one's impact as a philanthropist.

This collection of articles, written by individuals at the Philanthropy Innovation Summit, expresses key themes, learnings, and questions that emerged throughout the day. By sharing these reflections, we hope philanthropists and social change leaders around the world will be better informed and even more motivated to leverage strategic philanthropy in tackling society's most pressing challenges.

Videos and additional materials from the Philanthropy Innovation Summit are available at: pacscenter.stanford.edu/summit2017learning

EFFECTIVE ALTRUISM: DOING THE MOST GOOD?

By Hilary Cohen and Rob Reich

Effective altruism is a philosophical framework and small but growing social movement built around a central question: “How can we do the most good with our time and resources?” The core idea is that donors should use evidence and reason in the pursuit of maximizing the good they can do. Rather than being guided by one’s passions in identifying causes to support, effective altruists use research and analysis to identify giving opportunities that will bring about the most, not just some, positive impact. This analytical and evidence-based approach has, at times, been cause for critique, with some put off by the movement’s abstraction—seen as “giving with the head, not with the heart,” or in Larissa MacFarquhar’s words, as “the

drone program of altruism.” However, effective altruists can be passionate too. They are passionate about the amount of good they can do and excited about the many opportunities people have to make a real difference in the world.

In a world of complex global challenges and an ever-growing list of issues to address, it might seem difficult to determine what constitutes the “most good” one can do. Should one support poverty alleviation, health care, education, the environment, or yet another arena that calls out for attention? Recognizing this difficulty, effective altruists have developed an informal framework for comparing and prioritizing focus areas out of the many seemingly worthy causes. In assessing a potential cause, donors in the community consider three criteria: *importance* (How many individuals does this issue affect, and how deeply?), *neglectedness* (Is this cause receiving less attention than it deserves?), and *tractability* (Can my contribution drive meaningful progress?). This framework has become quite popular over the last few years, guiding both organizational and individual giving for many in the community.

Based on these criteria and the community’s overarching aspiration to maximize the good we do via philanthropy, effective altruists have tended to focus on a small set of high-impact causes. Chief among these causes are global poverty and the global burden of preventable disease, which together threaten the well-being of millions of people around the world. A number of organizations, including the charity evaluator GiveWell, have emerged from the effective altruism community to identify and direct



funding to the most effective charities in this space. To identify the best recipients of philanthropic funds, GiveWell conducts in-depth research into how much good each program accomplishes per dollar spent, makes all analyses freely available online, and publicly recommends a set of top charities that are evidence backed, thoroughly vetted, and underfunded. Included in their current list of top charities are nonprofits like the *Against Malaria Foundation* and deworming organizations, as well as an unconditional cash-transfer organization, *GiveDirectly*, that sends money directly to people living in extreme poverty.

Beyond global poverty and health, effective altruists also dedicate time and resources to longer-time-horizon “big bets” that traditional philanthropists might otherwise overlook. For example, *Open Philanthropy Project*, an organization founded by Facebook cofounder Dustin Moskovitz and his wife, Cari Tuna, that makes effective altruism recommendations, maintains a focus on preventing global catastrophic risks or, still more gravely, threats to the continued existence of human beings. Within this focus area, they have made and recommended grants in biosecurity and pandemic preparedness, as well as exploring and addressing potential risks of advanced artificial intelligence. Emphases like these illustrate the movement’s commitment to the “moral value of the far future,” which asserts that much of the good we can achieve today will actually be realized by those who have not even been born yet. The logical conclusion demands a commitment to ensuring that future generations have a world, preferably a stable world, to

inhabit. Echoes of this philosophy can be seen in other organizations beyond philanthropy, including *OpenAI*, the recently founded nonprofit research organization dedicated to the long-term creation of safe artificial general intelligence that benefits humanity. While growing in influence and adherents, effective altruism is not without its fair share of limitations, even perhaps including its signature commitment to evidence. In fact, because a robust evidence base is expected to justify every focus area, effective altruists risk overlooking those interventions for which obtaining evidence is particularly challenging, even if those very interventions would be key to maximizing the good they seek. For example, it is hard to imagine how an effective altruist would have justified investing in or funding the civil rights movement or a civil liberties organization like the ACLU. Movements and organizations like these, arguably candidates as the drivers of the “most good” in certain societies, are less likely to lend themselves to a quantifiable evidence base. This is especially true if the preferred instrument of the effective altruist (and gold standard of quantitative studies), the randomized controlled trial, is required to prove worthiness of funding.

To most scholars and practitioners, the evidence base for identifying effective charities is very sparse. Overhead costs might identify fraudulent charitable organizations but will never be enough to indicate what charities are driving change or delivering large impact. Whatever its faults or limitations, the philanthropic world has much to learn from the efforts of effective altruists, who focus on using evidence and reason in making decisions about giving.

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