



Catechism for a Great Foundation

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Presentation to the Bill & Melinda Gates Foundation
February 2008

The Curse of Knowledge

We do not receive wisdom, we must discover it for ourselves, after a journey through the wilderness which no one can make for us, which no one can spare us, for our wisdom is the point of view from which we come at last to regard the world. The lives that you admire, the attitudes that seem noble to you, have not been shaped by a paterfamilias or a schoolmaster, they have sprung from very different beginnings, having been influenced by everything evil or commonplace that prevailed around them. They represent a struggle and a victory.ⁱ

Is there, as Marcel Proust puts it, a curse of knowledge? If so, how would one define it? Too much discovery, too much data, too much research, too many environmental scans, too much surround sound, and at the end of the day, not knowing what matters, not really being able to solve what one of my colleagues calls the “wicked issues”ⁱⁱ – those ‘heart of darkness issues’ that seem intractable.

We will leave aside for the moment whether there is a curse of size, or more plainly put – a curse to be the 1000 pound gorilla in the philanthropic room.

In thinking about this talk I kept coming back to a comment made at the TED conference a year ago by one of technology’s founding gurus – “the question for technology is it doesn’t know what it wants to be.”

I think that is one of the problems with philanthropy as it enters this entirely new environment of opportunity – it does not, it perhaps cannot, know the answer to the question – what does it want to be?

I do think Proust was right that our work is most influenced, by one’s “point of view” about the world. If you have ever read a movie script you quickly learn the POV - how we point the camera, determines the movie we make.

So my question for you this morning: what is your point of view with which you regard the world? Your answer will greatly influence the manifest destiny of this foundation.

The World We Want book is about three big things. The first is a vision for better world. The second is doing the work. And the third is what this means - for you, for me, and for the people we love.

The book itself is an extension of the TPI experience, and my own 35-year journey into the heart, soul and process of philanthropy, that by the way began at a memorable evening in the early 60’s when the president of the Boston NAAC was so upset at my hubris, he literally threw a chair at me!

TPI came out of a fascination that I have always had with why some people are generous and others are not, and why some companies seem to do the right thing, while others are stuck in the

sand. My hope was that the generosity gene could be encouraged and nurtured through motivation and strategic thinking, and it has proven to be the case, not only in the TPI experience but in the highly energized infrastructure that now supports philanthropy both here and abroad. I am still obsessed with those original fascinations, however, and one of the reasons I am glad to be here with you, is that I think part of that answer lies in the work you are all doing.

My colleagues and I at TPI have had something unique in common with you. The \$billion+ of philanthropy and social investment developed and managed by TPI over these years has been driven by the passions and values of donors – more than 150 wealthy individuals, families, and corporations. This foundation is driven by the values and passions of Bill and Melinda and now Warren Buffett. Your job as professionals is a balancing act - to creatively expand upon the context and push upon the boundaries of knowledge of your donor clients, while at the same time remain true to their values and passions. The tendency by expert staff is to own the money, and that is a prescription for disaster. But there is a bigger issue that relates to the role of private philanthropic resources operating in the public realm.

The private persona - those central values and passions - of these citizen donors, of this foundation or any foundation, has an important public persona side, and public accountability for a foundation is complex. On some levels, clarity about public persona is defensive, about tax status, about answers why you don't do the many things you might do, or the 'who elected you issue', questions the Gates Foundation will always face. But much more important is that a powerful public persona connects and rationalizes the mission of the foundation to the broadest possible common good.

What fascinates all of us is the promise of philanthropy, the potential of philanthropy in the world.

But promise has other connotations as well. In *The World We Want* book, Stephen Melville, chair of the Melville Charitable Trust, a leader in the movement to end homelessness in America, talks about the work of the trust in this way: "If we are serious that we mean to put an end to homelessness, then we must play our part in creating a social fact that will exist, and continue to exist, wholly independent of us. We must put ourselves out of business, or at least the business we are in."ⁱⁱⁱ

That provocative notion raises interesting questions and there are lots of tactical answers to those questions. How well we do the work is critical, but I would make the case that philanthropic impact will remain on the margins, and will not achieve anywhere near its 'promise' unless we do one thing: learn to significantly build and expand the community of interest beyond those in this room – this room being a metaphor for all of those good people, present or not present, who share the vision and principles of the Gates Foundation.

Put simply, philanthropy – whether the issue it presumes to address is homelessness, global health, or poverty – can not do it alone, and in fact that realization has been the guiding principle behind any successful public policy work. While philanthropy's limited financial resources are a challenge, even more it is the sheer complexity of solving social issues – complex problems can never be solved by any one, single, actor. And that is one message the Gates Foundation has understood from inception.

When I went on the journey that became *The World We Want* book, I was looking for ‘kindred spirits,’ for those with what Martin Buber calls the ‘spark,’ the ‘blazing up,’ of soul. I was looking for those who have taken on responsibility.^{iv} I have the sense that this room has a fair number of kindred spirits as well.

These were the questions my eclectic group of heroes were asked to consider:

What is your vision of a better world?

What are the obstacles that need to be overcome to realize it?

What parts of the vision are realistic, and what ideas, strategies, and plans, can make it so?

How much fun it would be to hear your answers to these tricky questions. It would be a great conversation, and without a doubt there would be material for another chapter or two in another book, perhaps one you will someday write or are even writing right now.

The end results are stories from an extraordinary group of practical visionaries. Some are dreamers, others realists, entrepreneurs, activists, spiritualists, secularists, ethicists, critics, cynics, and reluctant seers.

While all different, these actors have a common persona. Call it that of a seeker, someone who balances a deep belief in the human capacity for caring and for improving world conditions, with a healthy skepticism of oversimplified solutions.

What do they look like?

Well you know some of them.

Chad Wick, president of Knowledgeworks Foundation in Ohio has been a major education partner with and intermediary for the Gates Foundation small high school initiative. When Chad during a board retreat broke down in tears while decrying the fact that half of the kids in Ohio’s inner city high schools will not graduate, and he turned to those in the room and said, as he has said to others - “you have to be on fire to do this work” - they know he means it.

Peggy Dulany, the founder of the Synergos Institute, another Gates recipient, has for 25 years been pushing the boundaries of multi-sector collaboration on issues of systemic poverty, learned her life-changing point-of-view lesson in a village in Brazil when she was 19 years old. That lesson was that the people living in those very poor settlements had an intense desire to improve their lives and get out of poverty and that they understood better than anyone else what the solutions were.

Jono Quick is the president of MSH – Management Sciences for Health – another Gates partner. MSH has worked for 35 years around the world in an effort to “close the gap between knowledge and action in public health.” The 1400 people who work for MSH live and breathe these words – called the Tao of Leadership.

Go to the people
Live among them
Learn from them
Start with what they know
Build on what they have
But for the best leaders
When their work is done
The people will all remark
We have done it ourselves^v

These are points of views about the world I like a lot.

The practical visionaries in the book are all people who –“put their shoulder to the stone - some days it moves forward, and some days it rolls back.”^{vi}

I have this naïve idea that the Tipping Point for the fate of the world depends on how many do just that.

Does the book have an overriding goal? Yes – it is to awaken the citizen within, to wake those who are sleepwalkers, those who choose to walk by the infinite collage of a world that is hurting.

I grew up in what might be called the Walt Whitman America – the romantic post World War Two period when patriotism and the pursuit of America’s manifest destiny seemed unlimited.

The issues then, and now, are about equity, social justice and race, and leadership, but the difference between now and 40 years ago it seems to me, is that we are running out of time, we are running out of time, because –

The world today is precariously balanced between a disastrous downward spiral and the real potential for the resolution of social dilemmas.

Here are some of the themes in the book that add to the possibility of hope:

They begin with a spectrum of visions for what a better world could be.

At one end of the spectrum is the struggle of the individual to be heard - the giving of voice to the disenfranchised, a good job, the empowerment of citizens and greatly expanded democratization “where public policies are considered with love and independence,”^{vii} and “where everyone has access to the basic commodities of life.”^{viii}

At the other end of the spectrum is a world where silos are broken down – where all the sectors, Civil Society, government, and the market economy, work together to harness and integrate their resources.

Perhaps the biggest take-away from the book is the growing impact of what is called the Open Source phenomenon which resonates so totally with the concept of an ‘open society.’

Of special interest is how to integrate the unlimited capacity of the market economy. What Steve Case, co-founder of AOL calls creating a “new paradigm that bridges business and the social sector.”^{ix} Bill Gates’ speech on Creative Capitalism three weeks ago in Davos builds on that theme.

Add in the fact that Civil Society organizations have become a source of innovation and creativity, and the power, influence and entrepreneurial competitiveness of the sector is exponentially growing. Bill Drayton, the founder of Ashoka, believes this Citizen Sector is rapidly closing the business-social productivity gap and creating a radically new hybrid business/social value-added chain.^x

And then there is philanthropy -

There is far more philanthropy and more thought about how to use its total resources wisely, including its influence and convening powers. New aggregations of individual wealth continue to astound the imagination, and rather than the exception, the culture of giving has expanded.

The concept of strategic philanthropy was little known or understood when TPI began to promote the concept and the practice. Variations on these themes, like Venture and High-Impact philanthropy, have energized the field, and continue to raise the bar to what constitutes best practice.

What we would love to have is the philanthropic version of Microsoft’s exciting new Web service called Popfly, where one snaps together in Lego-type fashion solutions to problems. That alas may be an illusion but variations on that notion are actually in play today.

Here is my bet for the future.

The number of formal and informal collaborative social investment efforts, and the intermediary organizations established to support them, will dramatically increase. Some of these will share information, others will facilitate collaborative or aligned grant making. Some will look and feel like giving circles, some like pools of investment capital. Some will be internet based, but despite the hype I think more will be locally and community-based. Many will be extensions of what we call affinity groups and focus on one field of interest. They will, for all intents and purposes, fulfill many of the functions of regional associations of grantmakers - and community foundations, but few would become one or join one. In fact, many would not even know such entities existed. They may reside in organizations like financial institutions, YPO, Chambers of Commerce, Rotary Clubs, churches and temples or come roaring out of the Blog-blue.

These hybrids of for-profit and nonprofit endeavors will increasingly look and feel like social movements.

Philanthropy’s role is integrative to all of these trends. Its very flexibility allows it to seed, stimulate, support, model, evaluate and encourage important ideas, and new innovations and innovators. Philanthropy at its best is the risk capital that operates at the intersection of all three sectors.

What this dynamic calls for are those who can lead and manage collaborative efforts across domains on a large scale. And I wonder if that is the truly unique contribution that the Gates Foundation brings to the table. No one else is exploring on this scale the utilization of intermediary organizations to make change happen.

Taken as a whole, these are gigantic ideas – and represent a revolutionary approach to social dilemmas. In the main they are not new ideas for the Gates Foundation.

At the end of the day, what leaps out to me in all of this is the centrality of legacy. Certainly philanthropy is in the legacy business. It is not the only actor in that business, but it is a very important one, and not just for the money.

Your legacy is the articulation in word and deed of what you believed, what you felt was right and wrong, what you did and didn't do. The legacy you leave is actually the life you have led. You can't be a terrible person and expect to leave a great legacy – the parable that a rich man cannot buy his way into heaven is as true for foundations as it is for individuals. The real legacy, however, is the moral dimension. The moral of the story is whether we have stood up and been counted when it was important to do so.

Is there a catechism for a great foundation? Well here goes -

Great foundations begin with the extraordinary opportunity that has been bestowed on them to use their immense resources with compassion, and strategy, in the relentless pursuit of better and more equitable health, social, and educational outcomes for the world. But faith and great expectations are all well and good, but they need help and support – this is not a go-it-alone trajectory. There is much at stake and no hard and fast rules of engagement, there is a large and growing community of caring that can be tapped to leverage a better world.

Integrity of the philanthropic process begins when we become a listener, a learner, or a learning organization, about others who are different, about the issues, about what works and what doesn't. Great foundations learn how to listen to the community, learn how to touch. In addition to building networks of organizations that can deliver measurable results, they build networks that are based on a culture of listening and touching. Perhaps every person of responsibility in a great foundation should spend part of every year immersed on the ground.

Great foundations believe that integrity of purpose for any social action is based on one simple condition - "If it isn't good for the community, and only good for the donor, it isn't worth doing."^{xi} Anyone who doesn't understand that runs the risk of having a chair thrown at them someday. Sometimes that chair is literal, sometimes it is mud on your face, and sometimes it is because you have broken the golden rule, which is "to do no harm."

Great foundations of the future will increasingly learn how to use their cache and convening power to significantly increase communities of interest, by expanding boundaries and intersections between ideas and people and sectors.

Leadership matters; it matters across cultures, it matters across time, and it matters greatly. Virtually all lasting significant social change comes from leaders working in intersecting networks of influence. Great foundations work hard at identifying and supporting leadership.^{xii}

Great foundations focus on more than problem solving and investment return, and make the time – as hard as that is - for reflection and scenario planning on the long-term reality of what will take in most cases decades to accomplish.

Great foundations, irrespective of size, resist to their core bureaucracy, remain nimble, and bring energy into a room, as opposed to taking it out.

Great foundations do more than ask the tough questions, they want - they really want - honest answers; even if those answers counter and disturb/disrupt the very assumptions the foundation holds.

Great foundations use data that drives and moves program, but watch carefully that data expands thinking, not narrows it, and increases the opportunity for risk-taking, not the reverse.

Proof of concept for a great foundation is nothing – scale is everything. Going to scale surfaces what is called the “Giant Spiders and Medieval Cathedral” dilemma^{xiii} that makes the case that as objects grow larger, they by necessity must change their design.

Great foundations acknowledge that innovation in social systems does have a scientific basis - but it requires a different paradigm. Technology and new products alone will not achieve large-scale lasting impact without creative systems innovation and we don’t understand how to do that well.

Great foundations work hard to develop a powerful public persona that is aligned with mission and is fundamentally accountable and transparent to its communities of interest.

Great foundations build heart into the fabric of the culture of the organization. In addition to research, data, advisory boards, and well-thought-out theories of change, story, anecdote, poetry, and all the other aspects of human interaction that bind us together become part of the equation. Great foundations, like the best of American philanthropy, combine the heart and mind in the “search for the best in people, their organizations, and the relevant world around them.”^{xiv}

Great foundations find ways to harness the philanthropic instincts of the society, of the millions of Americans who care about the world we want. It helps lift those aspirations, and seeks to democratize philanthropy. What for example, would be the result if the Gates Foundation issued a matching challenge to every American to support charitable organizations doing important work?

And lastly, the heart and soul of great philanthropy flows from those who work in this field, from you, and your colleagues, from all of us who do this work. In my book are these wise words from Shirley Strong who has been working on the issue of racism in America for many years says - ““One of the first questions that must be asked of leaders and participants in any movement is:

Does everybody understand that we are coming to the table to work on our own stuff? The work has called for growing our souls while we seek to transform society.”^{xv}

I believe those dictums are true, and also this one - “The only real transformation is the transformation of the human heart.”^{xvi}

The practical visionaries in *The World We Want* got it right. Here is what they said:

Acknowledge that people know what they need. Help individuals find their own power and take control of their own destiny –

Seek out the assets that every community has, build on them and celebrate. Make heroes of those who do this work -

Find the alignment between self-interest and the common good. When there is none, push back and stand firm -

Break out of the box. Use all available resources and innovation from every sector – business, citizen, government, nonprofit – to get the work down –

Do whatever it takes – disruption, confrontation, jujitsu, logic, data, advocacy, and traveling the parallel tracks. The tactics and strategies are endless –

Abandon comfort. Raise the bar. Put your whole self in, and hold the moral conscience of your community dear –

Open it up: open yourself up. Provide building blocks for others to make their own dreams come true –

To truly love, you must touch^{xvii} -

All of these put together make up the point of view of the ethical and moral relationship we seek.

I am going to end this talk with the poem that begins the book –

Conscience

“..caught in the dangerous traffic between self and universe.”

Stanley Kunitz

I carve out a small space, a nest
Of sorts and lie my conscience down to rest.
As a gift it bears little resemblance to
The madness around me, those who think
They know everything, those who despair.

My own absurd, hesitant, presumption is hope.

I watch the Osprey hunt the harbor at dusk,
It soars and glides to a frantic wing-beat

And like an acrobat hangs in mid-air
As flashes of silver scales below
Signal time to make a precision dive.

My own hesitant presumption is hope.

As an infant flails, wails, loss of womb,
Its wet, loud, pronouncement – I am here!
My conscience, not newborn, nor single-
Minded like the Fish Hawk, hears the cry
Of the wounded heart.

My own presumption is hope,

Even as deadly fog shrouds the backstage
It is no match, these awakenings are legion,
New dimensions of spirit and soul
Rise from sweet hearth and beloved earth,
Feminine and divine.

My own hope
Lies in Mahler's 1st, from minor to major,
From darkness to Frère Jacques. So rise
Tired traveler, renew, seek secret places,
The great percussion of possibilities within.

3776 words

ⁱ Marcel Proust, *In Search of Lost Time*, Vol. 11, *Within a Budding Grove*, trans. C.K. Scott and Terrance Kilmartin, revised by D.J. Enright (London:Vintage, 2002), p.513.

ⁱⁱ Wicked Issues is a term that Melinda Marble and others use to describe the intractable issues like persistent poverty.

ⁱⁱⁱ From the conversation with Stephen Melville in the chapter *On the Ground* in *The World We Want – New Dimensions in Philanthropy and Social Change*, by Peter Karoff with Jane Maddox – AltaMira press 2007

^{iv} Martin Buber in *The Way of Response*

^v See John Heider, *Lao Tzu's Te Ching Adapted for a new Age* (San Francisco: Jossey-Bass, 2006)

^{vi} Governor Cuomo used these terms when he described what he missed most after stepping down from being Governor of New York state

^{vii} From a conversation with Melinda Marble – *The World We Want*, Chapter 2, *Listen to the Voices*

^{viii} Ibid - From a conversation with Alan Broadbent in Chapter 3, *Listening Post: Reflection and Radical Change*

^{ix} Ibid – from a conversation with Steve Case in Chapter 3, *Paradigms of Change*

^x These terms are Bill Drayton's

^{xi} Alan Broadbent, of the Maytree Foundation in Chapter 4, *The Listening Post: Reflection and Radical Change*, of *The World We Want*

^{xii} See Randall Collins' "Global Theory of Intellectual Change" and James Hunter's work "To Change the World

^{xiii} See the 1974 essay by Stephen Jay Gould: "This View of life:Size and Shape. Nat Hist 1974:83:20-26

^{xiv} Reference to the concept of Appreciative Inquiry that asks unconditional questions with the aim of discovery of what gives life to a living system.

^{xv} Ibid – from a conversation with Shirley Strong in Chapter 11, *Building Beloved Community: Spirit and Activism*

^{xvi} Ibid – Chapter 4 – *The Listening Post: Reflection and Radical Change*

^{xvii} Ibid