

## **Impact, Legacy and Collaboration**

### Some Thoughts on Foundation Investments

Talk to the New Mexico Regional Association of Grantmakers

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I have had a great few days in New Mexico, as the guest of your terrific statewide community foundation, led by Bob Stark, who has one of the more unusual profiles for a foundation leader that I have come across, and also an all-too-rare social justice vision which has given much to New Mexico and to the many national ventures of which he and the community foundation are a part. So thank you, Bob. I look forward to continuing to learn from you.

When Terry Odendahl asked me to do this many months ago, I had to give a title for the printed program well in advance of thinking about what I wanted to say – which is to say, well in advance of getting up this morning. So I said I would talk about legacy, something I have been grappling with in my early months at Atlantic, which as you all know is set to sunset in ten years or so from now. As time has gone by, I've learned that the big focus of your gathering is collaboration, and now I want to begin on that theme, winding up with some thoughts on impact and legacy so you don't feel you stayed for lunch under false pretenses.

So let me start with a few thoughts on collaboration and collaboratives, mostly based on my years at the Open Society Institute, but also a few from the experiences of Atlantic. I'm sorry that my other activities in New Mexico the last few days – learning more about the terrific work underway through the integrated schools initiative that a large Atlantic grant is helping to support – kept me from joining you in the rich discussions you've had so far, with my friend and colleague Diana Campomoar and others.

A big caveat I want to offer at the outset is that all my grantmaking experience – I have a lot of grantseeking experience, too, but that is a topic for another day -- is in foundations that are among the world's very largest. In our funding ecosystem, what big national and international foundations do has a huge impact on the environment in which smaller ones live, for better or for worse, something the big ones rarely take into account. But what I know best is

what the big ones do well or poorly, so that will frame my remarks that way, as I like to stick to what I know.

To give the executive summary of this section of my talk, I think there is precious little in the way of good practice on collaboration, but some on collaboratives. What do I mean by that?

I mean that there are a number of good examples at hand in which foundations have put together an initiative to fund certain types of work, often, but not always, where the bulk of the grants will go to local, state and regional organizations. OSI participated, for instance, in the Racial Justice Collaborative, the State Welfare Redesign Grants Pool, the Tides Death Penalty Fund, the Civil Marriage Collaborative and the Piper Fund (on campaign finance reform), to name a few. Atlantic participates in the U.S. Human Rights Fund. So let me talk about a few of them.

The Racial Justice Collaborative was launched by the Rockefeller Foundation and led by it, with OSI, Ford, Carnegie and other donors coming into it with some opportunities to help shape its development, but not from the very beginning. The Collaborative was meant to promote a more holistic approach to civil rights lawyering in which public interest lawyers work in closer partnership with low-income and minority communities. It went for a few rounds and is no longer accepting new proposals. No other national funder felt as much “buy-in” as Rockefeller, and the program officer who drove the initiative departed; the “retail” grantmaking that came with the restrictions placed by various local funders skewed the fund in so many different ways that its focus was diluted, though the trend it was meant to highlight and advance has continued.

The State Welfare Redesign Grants Pool was set up in 1996 to respond to the effects of the Clinton welfare bill by investing in the capacity of state and local low-income groups to be at the table when the federal government devolved responsibility to the states. It was meant to operate for a few years, then go out of business, and it did. The Grants Pool, which was the joint brainchild of the Center on Budget and Policy Priorities, the Center for Community Change, and the Center for Law and Social Policy, was one of the first things I got involved with when I came to OSI eleven years ago. While the need to get funds to local advocates for welfare policy work was urgent, the proposal had been sitting on the desks of many foundation officers for months until OSI decided to plunk down a million dollars to get it going, with part of it in a matching requirement.

Of course, we didn’t know any better in the early days at OSI. We didn’t know that many foundations are reluctant to put money into a fund they didn’t dream up or create, or to cede their sole control over funds to a collective process

in which they would have just one seat or vote. Or that they would be less open to something that had emerged from a collaboration of non-profits, as if that were some kind of conflict of interest instead of a huge comparative advantage. And raising the money to match OSI's from other foundations was not easy. For its brief life, OSI was the principal funder, joined a bit by Mott, Casey and a few others. Not a big deal, since the effort was meant to have a short life. As it happens, the grants made to local low-income groups did a lot of good, releasing much creative energy that resulted in a number of better approaches to education and job training, and the experience of the collaborative built directly into the National Campaign for Jobs and Income Support, which OSI also supported.

As far as I can tell, the Civil Marriage Collaborative and the U.S. Human Rights Fund – one managed by Proteus and the other by Public Interest Projects – are working pretty well in their first few years, in large part, I think, because the funders involved, and there are half a dozen or more in each case, developed the initiatives together. No one funder “owns” either, and the foundations relate to one another as equals. Another effective example of this is the Funders Collaborative for Strong Latino Communities run by Hispanics in Philanthropy, which is itself an association of many funders. You’ve heard about that a bit already these last few days.

Contrast this with the usual foundation approach to collaboration, which is to design something, usually with an army of consultants in the lead, and then go looking for partners, whose capacity to influence the shape and direction of the initiative is fairly limited. I can think of a few recent examples of this approach, but politeness and collegiality forbid me to be too explicit. The dirty secret of philanthropy is that, at the national and international level anyway, foundations are generally lousy at working together. Of course there are examples to the contrary, as in the cooperation of OSI, MacArthur and Carnegie to strengthen higher education in Africa, or Ford, Rockefeller and others to launch Creative Capital, a program of grants for individual artists that is vitally needed in this country, one of the stingiest in the world when it comes to government support for the arts.

Yet more frequently we have the duplication that comes with turf and ego and foundation officers trying to justify their salaries with customized signature programs. Thinking of working in one city right now, we are trying – with the help of a consultant, of course – to sort out no fewer than five large foundation initiatives pertaining to youth that – guess what? – hardly relate to one another. And why is it, given the urgency of the crises involved, that as we speak there are several parallel foundation efforts being launched on climate change, and at

least half-a-dozen foundations studying approaches to black men and boys with little communication among them?

I gave a talk a few days ago to a conference of the Irish diaspora, since Atlantic is the largest private funder in Ireland and I am consequently a big shillelagh now in the Emerald Isle, and I was asked to talk about what lessons emerging Irish philanthropists could learn from their American counterparts. The biggest piece of advice I gave them was to learn from our mistakes. The bright side of having little tradition of philanthropy is that you aren't as bound by practice and tradition as we are here. Those beginning to think about the challenges of the new Ireland, North and South, should think about them together – an essential prerequisite for acting together.

When is it right to start something without having partners in hand, and when is it more prudent and effective to have funding companions from the start? There are times, if I'm not mixing metaphors here, when someone has to be the first one into the pond, or others will be afraid to test the waters. George Soros, my former boss, was and is a master at this -- first, of course, in Eastern Europe, where he seized what he calls the revolutionary moment as the Berlin Wall was coming down to establish a network of indigenous foundations that were themselves bulwarks of emerging civil society. Soros thought the U.S. had absolutely the wrong approach to the war on drugs a dozen years ago and to the war on terror more recently, and was unafraid to launch a debate in which, thanks to his foresight and vision, he now has a lot more company and a lot more partners. If OSI had waited for a foundation consensus on such contentious issues, it might still be waiting. But acting boldly forged a path that others in time became more comfortable in traveling.

Most of the time, though, on the big, acknowledged challenges that many foundations like to work on, collaborative thinking and joint action only strengthens the effort. I want to put Atlantic's money where my mouth is here. We have deep expertise and earned respect in, say, the field of aging, and others look to us, as well they should, for leadership, even as we constantly learn from others. The same is true for our public health work in Viet Nam, and in many other areas. When it comes to the restoration of basic civil liberties – the right to a fair and public trial, the right not to be tortured or subjected to warrantless surveillance – the foundation with the most knowledgeable and experienced staff – a very deep bench -- is the Open Society Institute, starting with the human rights leader Aryeh Neier, its President, and including my successor as director of U.S. Programs Ann Beeson, who argued many of the key court cases when she oversaw the ACLU's National Security Program, and Mort Halperin, a former State and Defense Department official. Ann has taken the lead in developing a comprehensive strategy to undo the deep damage, not only to basic rights, to any

claim America has to moral leadership in the world, that has been done by the awful policies of the Bush Administration, along with a complicit Congress that even under the recent control of the opposition party has failed to stand up for basic American values.

At Atlantic, we'll do a few additional and possibly different things than OSI in this field, but we share a common pool of grantees and a common approach to strategy. So despite the fact that we've outspent OSI in this area in the last three years, and may slightly outspend them in the next three, we're willing to take our lead from our colleague funder, and work with them as a team. Together, we're about to pledge over \$40 million to do this in the next few years, but the campaign we've envisioned needs \$20 million more. We've already held discussions with other key funders in this area. Restoring our liberties is that important. Any takers here?

Now, a few words about the advertised topic for today, impact and legacy.

Who doesn't want to make an impact? For most foundations, this is tangible and close at hand – the kids in the afterschool program, the new instruments for the orchestra, the student able to go to college on a scholarship. These things are observable and measurable. Other foundations prefer to see impact in systemic and not individual terms: more state funding for the afterschool program, increased government and private support for the arts, more adequate student aid. These are measurable, too, but sometimes harder to measure, or in any case to see the direct connection between your funding of advocacy and the result. Atlantic does a bit of both, as did OSI. Living donors tend to like to see the tangible results of people they've helped. But both George Soros and Chuck Feeney, Atlantic's founding donor, recognize that charity can't begin to do the job of making sure kids come to school healthy and ready to learn, that those with HIV in South Africa have access to treatment, that dying people in Ireland have appropriate palliative care for the last chapter in their lives. Government, which, unlike philanthropy, is democratically directed, or ought to be, is the only level at which these problems can be seriously addressed. So we choose to engage in supporting advocacy for increased and smarter government funding and stronger and fairer laws.

At Atlantic, we've chosen to pursue impact through focus, and you'll find that our guidelines are highly specific about what we want to accomplish and what kinds of things we'll fund to get there. Coming in as the new leader of Atlantic, who is meant to steer it through to the end, I like this discipline, and will maintain it, but the board wants me to make sure we're on the right course for the remaining years, so along with them and our staff I am beginning to ask a series of questions that reflect the way I look at impact, some of which are:

- Does what we are doing have the capacity to be “viral?” Is it likely to have an impact beyond the jurisdiction in which it is taking place?
- Is it working with or against deeper social and economic trends?
- Does it play to Atlantic’s particular strengths, in issue expertise, as in ageing and public health, in our distinctive capacity to support hard-hitting advocacy, in our thoughtful approach to evaluation and organizational development?
- Do we have funding partners in place or a realistic plan for identifying and recruiting them?
- Does the initiative dovetail with our other program interests? If it does, the case is much stronger.
- Is the institution’s leadership, staff and -- too-often neglected -- board, strong and visionary? If it isn’t strong enough, is there a commitment to making it more so?
- Would a deeper investment now, as in afterschool programs or health education, pay off in reducing the need for investment by us and by society later – on criminal justice measures or emergency health care?

And the final one of these, and where I’ll end today, is: will success leave an enduring legacy?

The fact is, to use a hackneyed phrase, only time will tell. No person or institution knows what their legacy will be while they are around – or, if they are a perpetual institution, since we have no perpetual people yet, until long after those who made the decisions are gone.

We can now say that nearly one hundred years later, the legacy of the Carnegie Corporation in a network of community libraries has made an enduring difference. So too with Carnegie’s pioneering work on teacher pensions that eventually became TIAA-CREF, or its early support for public television. Though the Russell Sage Foundation has a much lower profile today than at its launch, around the same time as Carnegie, when it was one of the country’s dominant foundations, it created the profession of social work, and that is an enduring legacy. So too, I think, with Ford’s vital support for the women’s and immigrant rights movements. And there are many other examples.

But we simply don’t know whether, say, OSI’s work in the last ten years will be enduring, even as we know there have been many shorter-term gains. I thought upon leaving that there was a good chance that our investment in fellowships for the next generation of criminal justice activists and scholars, or our Project on Death in America Faculty Scholars, who comprise a cadre of doctors and other health professionals working to change the way medicine and society deal with death, or George Soros’s support for civil society at a

critical moment in Eastern Europe – I thought that all these stood a good chance of passing the test of time. But we don't know yet. Ten years from now the former Soviet world could be a Hobbesian nightmare closer to Darfur than Zurich. Who knows?

As for Atlantic, I think we are on the right course in building awareness of the contributions that older adults can make in the encore chapters of their lives, and providing models for civic engagement that can truly transform the way we think about aging from seeing it as a societal challenge to a virtually limitless asset. That could be truly transformative. I am enthusiastic about the advocacy work we support, from the fight for comprehensive immigration reform, to repeal of the death penalty, to expansion of SCHIP. But I also know that these can unravel – we had comprehensive immigration reform in 1986, and we effectively abolished the death penalty for a while in the 1960s. Look where we are today on those issues. That doesn't make these fights not worth taking on. But it does mean we need to think more deeply beyond campaigns about supporting the institutions and leaders who will carry them on, as they take other forms in other eras, and who can meet challenges we can't even anticipate today, long after we're gone.

If we do that, I think we'll have an enduring legacy.