

COF Annual Meeting: Philanthropy on Trial

Statement for the Defense

April 12, 2011

May it please the Court. As counsel for the defense I have the honor of representing the family foundations, community foundations, independent foundations, corporate giving programs and individual donors large and small, all across the nation who make grants and invest in supporting causes and communities.

At this very moment some of these funders are investing to support projects and initiatives that reflect the libertarian ideal of limited government and seek to solve and resolve social problems through self help and mutual assistance.

Similarly, today some funders, consistent with their confidence in the efficacy and discipline of markets, will use philanthropic dollars to grapple with the challenges of making markets work for the many and not just the few, for ordinary people and not just the privileged.

And in the same cities and communities there are those mobilizing philanthropic dollars to support public

policies that reflect their view that the social compact requires government affirmatively to promote social justice, social innovation and social change.

The coexistence of these different and sometimes conflicting agendas represents the diversity that resides at the core of philanthropy. It is a diversity we must celebrate, nurture, protect and defend.

The case for philanthropy is premised not upon an assumption of perfection, nor upon a proposition that philanthropy always lives up to our highest aspirations. Rather, the case is that philanthropy has succeeded in doing what we have every right to expect it to do: persist and perform. Philanthropy persists by remaining a vehicle of choice for the expression of generosity. Philanthropy performs and contributes to the improvement of the human condition. Both depend upon philanthropy's capacity to attract exceptional men and women as practitioners and leaders.

In many respects, I represent the men and women families and businesses who have found that philanthropy succeeds as a viable vehicle for channeling

their generosity to transform private wealth to benevolent purpose and public good.

My clients include many who made their fortunes at the end of the 19th century and the early half of the 20th.

The sources of their wealth are many of the iconic brands that are part of this nation's economic history.

[Will: Please insert companies (Standard Oil, etc from the slide]

Historians, economists and public intellectuals will continue to disagree about the costs incurred and the means by which profits were derived. But even as these arguments persist, there is little doubt that even the memory of many of these wealth producing machines will be outlasted if not eclipsed by the philanthropic organizations that bear the names of their founders, executives and shareholders.

[Will: Please insert names from slide (Rockefeller, Carnegie, Russell Sage, Ford, etc.)]

The same holds true for the fortunes built during the latter half of the twentieth century. While the engines of the wealth remain visible and viable, Jim Casey, Bill and Melinda Gates, Steve and Jean Case, _____ Dayton, Eddie and Sylvia Brown, David and Lucille Packard, Sam Walton all have contemporaneous legacies—their own philanthropy *and* the culture of contribution that lives on in the corporate foundations, giving programs and corporate social responsibility initiatives of the companies they founded and led-- UPS, Microsoft, AOL, Hewlett Packard, Target, Walmart and Eli Lilly.

And today, we see powerful new evidence that philanthropy is being embraced by the wealth of the 21st century. On the list of those who signed that most remarkable of documents-- the Giving Pledge—we find the young founders of the new icons—Ebay, Google, Facebook as well as the beneficiaries of the wealth produced by the financial services industry.

My clients understand that the strength of philanthropy's case is made even stronger by looking at impact and asking what if any difference has been made

in the quality of our lives. That proposition would be supported by placing into the record testimony about the origins of so many things we now take for granted.

Anyone who has had to call 911 for assistance, benefited from the dignity that Hospice affords the dying, enjoyed the respite and joys of public libraries, appreciated the unique contribution of Sesame Street to our culture and the Hale Telescope to our knowledge, the safety of white lines on highways, and yes, rocket science

Though taken for granted now, these were once philanthropy-supported innovations responding to very real challenges. And yet, they represent a small fraction of philanthropy's successful engagement with challenges and Oliver Wendell Holmes aptly referred to as the "actions and passions" of our time.

Philanthropy has made and is making a durable difference by saving lives, improving the well-being and securing the dreams of literally millions of people in villages and towns and cities around the world. We do so by seeking to end poverty, hunger, and the scourge of curable diseases; to promote public health and

human capital development through education; by supporting efforts to protect the environment, responding to disasters natural as well as man-made, and by promoting the peaceful resolution of conflict and attention to those displaced by war.

The case for philanthropy is made even stronger when we look at the practitioners and leaders of the philanthropic organizations most visible to the public at large and emblematic of the field—men and women of distinction, who come to philanthropy after succeeding at the pinnacle of the academy, public service and the private sector.

Dr. Sherece West, the urban born and raised young poet and scholar who leads the Winthrop Rockefeller Foundation's pathbreaking work in Arkansas, rural state.

Luz Vega-Marquis and Linda Childears two women from different ideological perspectives who have led their foundations to promote the authentic engagement of parents and community members by ensuring them a seat, a voice and a vote on the issues that affect their lives

Russ Harding and Dan Pederson, one a recovering lawyer the other a recovering journalist, each unapologetic and unrepentant about his impatience with those who refuse to do right by the nation's vulnerable citizens—our youngest children.

Vartan Gregorian, one of the nation's most respected educators and historians whose eyes well up as recalls why he regards the 5000 plus women in sub-Saharan Africa enrolled in advance degree programs as his most meaningful accomplishment-- these women remind him of his older and smarter sister who was not allowed to go to college simply because she was a woman.

These men and women could have gone anywhere. They chose philanthropy. And they chose philanthropy, fueled as it is by the passion and generosity of benefactors, ours is a field that welcomes practitioners and leaders to bring their hearts to the work along with their hands and heads.

In summary, philanthropy succeeds as a vehicle for generosity, because of its meaningful engagement with and positive impact upon the lives and well being of

individuals, families, community and world; and as a powerful magnet for practitioners and leaders who bring passion as well as talent and vision.

Verdict. Not guilty.