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event transcripts



**BIG IDEAS, BIG GIFTS,
BIG IMPACT**
A Conversation with
Today's Philanthropists

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BIG IDEAS, BIG GIFTS, BIG IMPACT

A Conversation with Today's Philanthropists

ON MONDAY, APRIL 21, 2008 Milano The New School for Management and Urban Policy convened the fourth conversation in our series Big Ideas, Big Gifts, Big Impact: A Conversation with Today's Philanthropists. Gail Freeman, board member and class of 1986 alumna of Milano, welcomed Andrea Soros Colombel, Abby Disney, Pete Peterson, and me to the stage for a lively discussion about what motivates them to give money away, and how they do it.

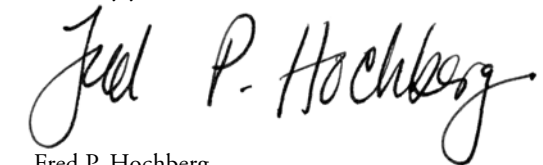
The 13 philanthropists who have spoken at the Big Ideas series since its inauguration in 2005 have all been diverse in their backgrounds, views, and approaches. The three who shared the stage at our latest panel presented some especially compelling contrasts. Andrea Soros Colombel is, like her legendary father George, a committed activist and philanthropist; but the focus of her work is distinctly her own and she professes not to “connect any of the giving that I do with political agendas.” Abby Disney also is the descendant of a celebrated family and a well-known figure in her own right, but she self-identifies as a “flaming lefty” and spoke openly of the progressive goals of her philanthropy. And Pete Peterson is an investment banker who only a year ago presided over a trailblazing initial public offering that dominated the business pages, and a lifelong Republican who served in President Nixon's cabinet. The New School's own Bernard L. Schwartz Center for Economic and Policy Analysis is among the beneficiaries of his recent philanthropy.

The contrasts between these three made for a provocative conversation. Nuts-and-bolts issues such as performance measurement and national tax policy governing philanthropic activity arose frequently. But the discussion also ranged to far broader subjects, like our speakers' personal philosophies and their perspectives on the challenges that humans face around the globe. While our three speakers were surprisingly in accord on some subjects, opinions differed sharply when the discussion turned toward politics and its interplay – if any – with philanthropic activity. The discussion illustrated vividly how philanthropists, equipped with the means to express

their passions and priorities through their giving, make change happen.

Leading change is a passion that Milano students and alums share. Countless Milano alums are working in the nonprofit sector and engaging with philanthropists to achieve profoundly important goals. For example, the Executive Director of the Daphne Foundation, of which Abby is President and Co-Founder, is Milano alumna Yvonne Moore, class of 2002. Big Ideas provides an educational experience seldom found in the classroom: the opportunity to learn about philanthropy from philanthropists, and to gain experience that can increase our students' success. The record of the proceedings that you are now holding was published in order to give a greater impact and wider availability to what we learned from Andrea, Abby, and Pete that evening. I hope you gain as much from the discussion as I did.

Sincerely yours,



Fred P. Hochberg

Dean

PS: Prescott Loveland of Changing Our World, Inc. wrote an excellent article about Big Ideas, which is reprinted in the back of this volume and also available at www.newschool.edu/milano/on_philanthropy. The conversation itself can be viewed at www.newschool.edu/milano/philanthropy_today.



Left to Right: Fred P. Hochberg, Andrea Soros Colombel, Abigail E. Disney, and Peter G. Peterson.

WHO'S WHO

Introduction

GAIL FREEMAN

Founder and President, Freeman Philanthropic Services

Moderator

FRED P. HOCHBERG

Dean, Milano The New School for Management and Urban Policy

Panelists

ANDREA SOROS COLOMBEL

President, Trace Foundation

ABIGAIL DISNEY

President, The Daphne Foundation

PETER G. PETERSON

Senior Chairman and Co-Founder, The Blackstone Group

GAIL FREEMAN Welcome. My name is Gail Freeman and I am an alumna of Milano The New School for Management and Urban Policy. The Milano Nonprofit Management Program is among the first programs in not-for-profit management in the United States, and is one of the few academic programs specializing in the preparation of leaders for the not-for-profit sector.

Personally, my experience at Milano changed my life. I have an executive recruiting firm specializing in the not-for-profit sector and its recruitment of leaders. The education I received here at Milano prepared me for this wonderful opportunity to follow my passion and to make an impact in my life and the lives of others.

Tonight's program is a terrific example of individuals with big ideas making big impacts in philanthropy in the not-for-profit sector. To open tonight's program, I'd like to introduce the dean of Milano, Fred Hochberg. During Fred's tenure at Milano, he has helped bridge the Milano program with the world of practice and further professionalize the sector's body of literature and its leaders. Fred is truly a singularity and is emblematic of a Milano alumna. I am so pleased and so proud to introduce our dean and my friend, Fred Hochberg. Thank you.

FRED P. HOCHBERG Welcome. We're going to get started, and this evening's program is the fourth in this series. We are seeing a lot of philanthropy of late, and it has a different

face; it's more bold, it's more ambitious, it tackles bigger issues, and it's also become much more global.

Tonight, we're joined by three guests who encompass this new and different face of philanthropy, but I wanted to go back because I love this little quote from an article on philanthropy in the *Chronicle of Philanthropy* in 2006, which said, "The warm glow that many donors get from giving to charity involves the same brain mechanisms that evoke pleasurable sensation after sex." So this being the New School that seemed like an appropriate topic; I almost renamed this program "Sex, Drugs and Charity," but I figure we'll do that on another night, for a different school.

Tonight's focus is on individual giving. It's not on corporate giving, which often has a marketing focus or orientation. But what also makes tonight different from our three prior conversations is that all three of our guests have founded their own foundations and they are focusing on both local and global issues.

So we're going to be talking about individual giving. I conceived of this series because it's really important for our students. You know, we teach our students how to write a proposal, how to craft a proposal to a corporation, how to respond to a Request for Proposal from a foundation, but



Gail Freeman introduces the program.

it's different talking to individuals. I conceived of tonight as a way to try to make that a simpler process for our students. There's a chance that one day you may go to work for an individual, or you may be approaching them for funding. I wanted this to be a safe environment to ask questions, to learn, so that when you may meet one of these individuals or someone like them you have a sense of what's involved.

We're going to focus on a couple of topics tonight. Our conversation will begin with each of our guests discussing what they fund and why. We'll move on to talk a little bit about board membership, politics, and how their families get involved. And I hope we'll learn how to be better individual donors in the same time.

I'll do very brief introductions because you have them in your program, and I don't want to waste time and repeat what you can already read. First, I'll introduce Peter G. Peterson, also known as Pete Peterson, who's been involved in the public, private, and nonprofit sectors. As his name would imply, he came from Greek immigrant roots. His father came to this country speaking no English and with very little money. His father worked as a dishwasher on the railroad, but he was able to save money and ultimately open a restaurant. Pete Peterson has come a long way from those humble beginnings; Secretary of Commerce and cofounder of the Blackstone Group, and he lives in something a little bit larger than a train caboose, at this point, on Fifth Avenue. So Pete Peterson is, one could say, a very blue chip, and we'll learn a little bit more what that means.

Our next panelists are Andrea Soros Colombel and Abigail Disney. Both of these two women I met recently. They both have family names that resonate around the world. Incidentally, they both also have French husbands. That was truly a coincidence.

Andrea is the daughter of George Soros, who was actually a guest at our second panel. And after traveling around China in the early 1990s, Andrea fell in love with the country and decided to become a volunteer English teacher. Her work today is in Tibet and she will show us a unique side of that much-needed philanthropy in that region.

When I read Abigail's biography, it said that she has four children, one dog, three cats, two fish, a rabbit and an immortal turtle named Alfred. Now, since my name is Fred, I said, "I'm going to like this woman." From the day I met her, I was not at all disappointed or surprised. So we're going to see how Abigail has lived up to her name, her family, and her reputation.

As I mentioned, each of you have a bio in your program. We're going to go right to the conversation, and to keep



Milano Dean Fred P. Hochberg introduces the panelists.

things moving tonight, we're going to be collecting questions on cards. I will take them so we can keep the conversation going and not have long lines of people standing in front of the audience and so as something comes to you, you don't have to wait. Just scribble it down, students will collect them and I'll put those into the conversation. And I hope we have a really good time and hope we learn something, and thanks for joining us.

So I was thinking about tonight; for some of us, it's the third night of Passover, and I always think of Passover as the holiday about questions. A Seder has only four questions but we'll have more than four. And my only regret about Passover is that the questions are always asked by the youngest person, and I know I'm not the youngest person either, so I'm disappointed on a whole bunch of things. But let me ask each of you when you named your foundation, and how did you come up with the different names that you decided to use for your foundation?

Pete, yours is the Peter G. Peterson Foundation, so did you give any thought to that, or was it that you just decided—

PETER G. PETERSON Well, I thought if it were my name I could remember it.

I focused originally and built the Daphne Foundation around the New York City area because I feel that you need to be a good neighbor in your backyard before you venture out into the world with your theories about change.

—Abigail E. Disney

ABIGAIL E. DISNEY I'm probably the one with the oddest name for it, but that's because I'm probably the one, with one possible exception, with the oddest last name in the room anyway. It is a last name that precedes me everywhere I go. It tends to frame peoples' reactions to me, most of the time in a good way but not always in a way that I'd prefer; it changes the subject before the subject even starts. So I just decided we should have a family foundation that had a name that was uniquely ours in my family, my husband and children. Daphne is really just an anagram of my three initials and Pierre's three initials. It's nothing more magical than that. Daphne, in fact, was actually a nymph who ran away from Apollo and turned into a tree; so it's not a really inspiring story, but was just a way of moving the elephant out of the room, so that we could focus on our local philanthropy here.

FH Andrea?

ANDREA SOROS COLOMBEL Well, my foundation is called Trace Foundation and I really thought a lot about the meanings of the word trace. We're focused on development work, and the idea of a trace is that it's an imprint but it's not an overpowering imprint; it leaves a mark, but one that respects what's there, builds on the past, and links to the future.

FH And since you mention that, what's the focus of your foundation? Is it different from your philanthropic giving?

ASC The bulk of my philanthropic giving is through the foundation, which focuses specifically on Tibetan

communities inside China, working on culture and development, and trying to marry those two things.

AD Daphne's about, maybe a third of my total charitable giving. We wanted to establish a foundation for what was local in our giving as a way of ensuring that it be permanent, so that no matter where else I went or what happened, that we'd always be good citizens in our own backyard, so Daphne is wholly about New York City and it applies, I think, what Pierre and I have learned over our long process working with a variety of different foundations.

I do a fair amount of board work, and I try to be smart as an individual, but working as an individual, you can be much more flexible; you can be much more responsive, and you can move really quickly. And so much as I love the board structure at the Daphne Foundation, the reason the foundation makes sense is because it has to make sense on its own terms and it has to have a process.

I mean, once you give your money to a foundation, everybody forgets it's not yours anymore; it belongs to the world, and you are basically just a trustee in charge of it on behalf of the world. So I love doing that but I also wanted to maintain enough resilience and responsiveness to do my own individual giving as well.

ASC I also I did want to mention Acumen Fund; I sit on the board and it is my other major area of giving. Acumen is a not-for-profit, but it invests in businesses that are delivering critical goods and services to the poor in India, Pakistan and Africa. I also do some individual giving, but those are really the main areas.

FH Peter, I know you're just beginning your foundation, and in fact, I know someone who was also a speaker here, David Walker, is now heading it up.

PP Incidentally, if you're going to set up a pretty good-sized foundation, I guess the most important thing is to pick a great guy to run it, and we couldn't have done any better than Dave Walker. He was Controller General of the United States; he and I share passions for the subjects of the foundation, so I think he's the perfect person to run the foundation.

FH And what is the focus?

PP Well, do you have a few hours or...?

I suppose it's a product of two very different experiences in my life, at a very different period in my life. You mentioned I'm the son of Greek immigrants; my father knew only one American song, "God Bless America," and tears used to flow from his eyes whenever he sang the song. And he set a role

model for me because, even though he had a very modest net worth, he would always give away substantial amounts of it to both his poor villages in Greece as well as his little town in Nebraska. As a child, I, of course, wanted to consume more and more and more, and I was a little upset at times that he gave away money when I wanted a better bicycle or whatever. And he used to say, “My son, I think we have enough.”

And fast forward about seventy years or so, I was listening to a story by Joe Heller, the great novelist, and Kurt Vonnegut, and they’re at a private equity house in the Hamptons, a very elaborate place. And Vonnegut says to Heller, “Joe, doesn’t it bother you that this guy makes more in a day than you made selling *Catch-22* all over the world?” And Joe says, “Well, I have something he doesn’t have.” So Vonnegut says, “What in the hell do you have that this very rich hedge fund guy doesn’t have?” and Joe says, “I know the meaning of enough.”

Last June, a totally unexpected event occurred in my life. Our firm, Blackstone, which I had assumed would always be private, decided to go public, and all of a sudden I was something I never thought I’d be, an instant billionaire. And I thought of my father and I thought of Joe Heller and I said, “You know, I’ve got much, much more than enough. Why don’t I take most of this money and put it to something that really matters.”

Now, what was it that really mattered to me? I’m the lucky recipient of the American dream, it seems to me, one of the luckiest in the world, and I am seriously concerned that the American dream as we know it is imperiled, because America’s future, I believe, is imperiled. And for the last quarter-century, I’ve been boring people relentlessly, you know, about a series of problems, the entitlement problems, Social Security and Medicare, which I define as undeniable problems, unsustainable problems, and yet untouchable problems, and these include the entitlements, whereas you probably know—if you don’t, you might want to know it. We’ve made unfunded promises to future—to current baby boomers and others that amount to forty-four trillion in today’s dollars, for just Social Security and Medicare. That’s three times the gross domestic product of the United States. If you tried to solve the problem with income taxes, you’d have to more than double it. If you tried to solve it with payroll taxes that fall on the middle class—and we keep saying they deserve a tax cut—they’d have to double these taxes. That’s unthinkable.

So we have a series of problems like those. You know, we’re borrowing unthinkable and unsustainable amounts of money from abroad because we are consuming so much

I also think being connected to the communities where you work, listening and paying attention, and doing due diligence, that there are steps you can take to ensure that the work that you’re doing is relevant... the more you engage the local community, the more likely you’re going to be doing work that is relevant to them.

—Andrea Soros Colombel

more than we produce and we don’t have any savings. We have negative savings in this country.

So there are a series of these problems—health care costs is another—that I call unsustainable. And I was in the Nixon administration, which probably doesn’t endear me to some on this campus.

And I’ll just leave that to sit there.

Herb Stein was an economic advisor to Richard Nixon, and he was a Nixon humorist, if that doesn’t strike some of you as an oxymoron of sorts. He used to say, “If something’s unsustainable, it tends to stop,” and he also said, if you don’t like that one, “If your horse dies, I suggest you dismount.”

So I think we have a series of these problems that no one denies, that almost anybody who studies them says they’re unsustainable, and yet, they’re politically untouchable.

So Dave and I and the staff are not going to focus most of our efforts, the way a think tank does, which is what are some reforms, because I could really bore you with a half dozen reforms of Social Security that would be okay with me. The problem is getting something done, and that’s essentially a political problem because we’ve created



Abigail E. Disney

a society that wants it all. They want it now and they don’t want to give up anything. And there are no painless solutions to these problems.

FH So—

PP So we’re going to focus on trying to figure out how to get something done about these problems.

FH Not so much coming up with solutions, but how to begin to change the climate?

PP For example, the young. You know the old gag about the young kid in the philosophy class and the professor says to him, “Which is worse, ignorance or apathy?” and the kid says, “I don’t know and I don’t care.”

Well, that’s kind of the situation. The young people don’t know and they don’t, at the moment, care, but it’s their future I’m talking about, not mine. I’m in great shape.

So how do we get the young people educated, motivated to do something? That’s what our focus is going to be, getting something done. And we’re nearing make-or-break time here. If we take another several years of delay, I think we increase the odds considerably that our future is in peril.

FH And, Abigail, your focus is New York City primarily.

AD Yes.

FH And how did you narrow down to that place? How did you get there?

AD Well, I focused originally and built the Daphne Foundation around the New York City area because I feel that you need to be a good neighbor in your backyard before you venture out into the world with your theories about change. And my children were young; I didn’t really want to have a grant-making life that would take me out of the house a lot, so if it was local I could learn and educate myself without leaving the family for extended periods of time.

So that was something I primarily worked on, and I also served on the board of the New York Women’s Foundation for a number of years and helped construct their allocations process and got to know a lot of the community people who do the work of poverty alleviation and social justice funding and all these things that are insufficient terms that we have to settle for, for want of better terms.

The good news about that was that once I was prepared to make my way out more broadly into the national and then the international world of grant making, I had learned a lot about the local issues. But I also learned a lot about—a general level—what it was that I valued as a grant maker and a grantee, in terms of things like personality, ethics, values, and approach to work. In fact, I’ve been stunned and amazed as I’ve gone out internationally, particularly since I focus a lot on women, at how similar the people are who do the work of what I think is valuable in terms of, for instance, fighting poverty and doing economic development, or trying to dig a well, or fighting with the government, and trying to get a law changed, or trying to end a war—important things like that.

I find, actually, that the people that I met in Coney Island, in the worst, most dire kinds of conditions, were very similar to the people I was meeting in Monrovia and in Rabat. So in fact, drilling deep into the local funding was enormously empowering to me once I decided to go abroad.

ASC Well, I just—I wanted to echo some of the observations that you’ve made about the kind of spirit behind people who take on social problems in their communities. And a lot of the work that we do at Trace Foundation is about finding those people, but also supporting people who then can engage in community issues.

Acumen as well, thinks that the individual is really a key component to social change, that if you’re looking—in this case, we’re looking for entrepreneurs—but if you don’t have



Andrea Soros Colombel

that local person or local support for the work you're doing, local engagement, then you're really, an outsider coming in and what you're doing is unlikely to have lasting impact.

The approaches of those two organizations are extremely different because of the context. For me, Trace came out of a very personal story of having traveled in China, having gone to Tibetan areas and just really being captured by the place, and one thing led to another.

China was opening up at that time and—

FB What year was this?

ASC It was 1990 when I first went there. And then I went back, as an English teacher, and established the foundation in 1993, really thinking, 'what are the resources that I have to bear in the situation?' I had some understanding of what the situation there was like, because I had spent time there, but I had also a very deep appreciation for the people there and, the financial resources, and as well as a willingness to really engage and to work locally. A lot of people who support Tibetan culture are not in a position to do that, so we work very closely with government officials; we have staff there and offices, and it's a level of engagement that essentially is required working in an area where there aren't

Non-Governmental Organizations to make rounds to or the same kind of structure you find in other places.

And then Acumen is kind of an extension of that, in the sense of really thinking, well, how do you address kinds of issues like poverty and health care on a much larger scale? The work that we do in Tibet is community oriented, it has a sum greater than its parts, but it doesn't really have the possibility to reach lots and lots of people. It's very particular to that place.

Acumen's premise is that if you're able to use markets—you know markets are very good at certain things—and reaching lots of people is one of them. If you're able to utilize market forces, then you can start to address these deep social problems, but for large groups of people, and we need to do that when it comes to poverty. What we're doing now may be good you know, but it doesn't really have the potential to reach scale.

FH And Acumen is mostly here?

ASC No—well, Acumen is headquartered here but works in India, Pakistan, and Eastern Africa.

FH Just so we have a sense, how much did you give away last year?

ASC Roughly eight million dollars.

FH Eight million?

ASC Uh huh.

FH What'd you give away last year, Pete?

PP What?

FH How much did you give away last year?

PP I feel like Chelsea Clinton. That's none of your business.

FH Everybody who's been on this stage answers that question.

PP You said you wanted something provocative.

No, I've already announced what I'm going to do. I don't find this billionaire status all that unambiguously positive, so I'm going to give one billion dollars over the next several years.

AD Great.

FH That's great.

AD That's great. Yes. I'm kind of the mosquito in the group. I don't have nearly the kind of resources these guys have, so I think, total, if we include what went out of the Daphne

Foundation, it was around between one-and-a-half million and two million dollars last year. That's about what I normally average.

But I want to go back to something you said. You wanted us to disagree with each other, so I would like to respectfully disagree with something Pete said about youth not knowing and not caring, because actually it's not my experience of them at all. I think that what appears to be not knowing and not caring is sort of the flip side of their good qualities.

As a mother of teenagers, I'm very aware of the fact that the face they happen to show you is the face they want you to see, and has nothing to do with what they really feel; and I think they've felt abandoned by the government, as you say, very rightly, for reasons of the way we do politics. I think that the best approaches to trying to do public education or any of these major social shifts is not so much to focus on the deficits that we identify in people and the way people act, but to find and locate the values, the positives, the things that they do have going for them, the assets, and bring those along. And I think that, actually, there's no shortage of assets in the young people in this country, we just haven't quite found a way to speak to them on the wavelength they can understand—

PP Now, see, I would argue—and I don't know if we're having a debate or not—I don't think we are. But I was not trying to comment on the values of the young people. I think they're admirable. I'm talking about their knowledge of what's in store for them if we don't change things. That's what I'm talking about.

AD Yes, you're completely right.

PP And I think if we could get young people to understand that twenty-five years from now, entitlements, for example, will consume the entire budget with interest and there isn't going to be anything left for education, for infrastructure, for health, for the things we want; or if we could get them to understand what it would mean to have their payroll taxes doubled from fifteen to thirty percent, how unthinkable that would be; and I think if we could educate them and get them to understand what the societal and personal implications are, they'll be intelligent enough and motivated enough to do something about it.

AD I think you're completely right.

PP But at the present time, they're not really that aware, at least in my informal research, of the magnitude of some of these issues that confront them.

AD And that's partly because the public education system has not done well by them, and that's partly because the

I'm the lucky recipient of the American dream, it seems to me, one of the luckiest in the world, and I am seriously concerned that the American dream as we know it is imperiled, because America's future, I believe, is imperiled.

—Peter G. Peterson

media as it currently exists in this country is not doing well by anybody, and that's also partly because we don't have a unified sense of civics in this country. You know, we have lost the idea of the dialogue - - public square and the tenor and the nature of that dialogue; I think it's wonderful that you want to go in and address that, because it's not just for the reasons that you name but also for a lot of other reasons involving the environment, involving violence, involving conflict, all of these things. We are going to have to learn how to give things up.

PP And we clearly have to go to the young people—how they communicate, not the way I communicate. I mean, you've got YouTube and you've got MTV and you've got MySpace and you've got all of these channels that the kids use that—I can't even do email, let alone follow these things.

The other thing Dave wants to do, which I think is very appropriate, is to discover how you get financial and civic literacy training into the high school curricula, because once these kids understand what we're doing with their resources, I think they will be motivated to get out and get organized.

AD I think that's right. I think that I'd love to see them get organized around a lot of things, the financial curricula, and then also the notion of citizenship and engagement, and what it is that a normal, ordinary person has the capacity to do.

FH How do the three of you look at giving to politics? As something distinct from giving charitably, as you're all talking about social change in a large way; so do you look at

If you're able to utilize market forces, then you can start to address these deep social problems, but for large groups of people, and we need to do that when it comes to poverty.

—Andrea Soros Colombel

political giving in a similar way? Do you all give politically to candidates or parties?

PP Well, one speech from me is at least one too many, but I would have thought that anybody who is at all close to Washington has to agree that our current method of political financing is corrupt, is what it is. And we have meetings with senators who are out begging for twenty-three hundred dollars and lobbying organizations who collect money for them, but in return for that you expect them to enact this legislation or that legislation. I've come to believe that public financing is the way for this country to go. So while I give, like everybody else does, to my favorite candidates, I think it's a long way from what it should be.

AD Also, the IRS, of course, makes a distinction for you, which is very important, between a (c)(3) and a (c)(4) organization. So I'll give to candidates where I think it's important, or where I think it's meaningful.

Frankly as a Democrat, and somebody who actually likes both Democratic candidates, I'm not giving any money because, quite frankly, I think it's like pouring gasoline on a fire. I'm staying out until there's a clear candidate.

But I think that there's a really important moment also not to engage in giving money because it only raises the volume on everything; aside from the straight giving to candidates, there's a really important way of contributing politically, and this is, again, to anybody and anyone, I think, that's enriching the debate in the public square, it's teaching the nature of media—

PP —Well, I could suggest you give to John McCain, because, after all, he's already anointed.

AD He's already the clear—yes, true. It's true. Sign me up.

FH You better watch out. He may collect the check.

AD But there are really important 501(c)(3) organizations that are doing really valuable political work, it has political work as kind of an ancillary benefit.

FH Like—?

AD Like getting out the vote, like public education, like training in civics and citizenship and democracy mobilization; things like this; media, work in media and those kinds of things. These are really important aspects of changing the political discourse, and, to me, that's really the only thing that's going to make for a systemic and permanent change.

ASC I'm sort of a reluctant participant in politics. It has not been something I've been incredibly enthusiastic to get involved in. But given the direction that the country has gone in the past eight years or so, I've felt that it's important to participate, so I make individual contributions. I agree, the system is not what it should be but, hopefully, I think that's another issue where discourse is deadlocked, not just public square discourse, but, policy level discourse, and when you end up with that kind of situation, you're unlikely to make a lot of progress.

FH Do you give to candidates that are supportive of more positive positions in Tibet?

ASC I don't connect the two things. I mean, my giving is really about the kinds of the complexities that we deal with in our work. You know, unfortunately, right now there is a very polarizing momentum, inside China and out, around the issue of Tibet, and, in fact, the foundation has come under attack as being behind, in some ways, the disruption of the torch relay, the demonstrations in Tibet. And you know, we've been working there on development projects, a politically neutral organization, for fifteen years, but because of the Soros name and because there is a kind of irrational need to assign blame in this situation, we've been receiving this kind of attention.

FH But you support a number of women's issues. Do you support only pro-choice candidates?

AD Actually, that's a very tough one. I have a lot of friends for whom that's a no-brainer, but I happen to be of the position that very reasonable people can disagree on the question of choice.

But, in Pennsylvania for instance, the Democrats put up a candidate that was anti-choice for reasons that I think are a little bit off at the moment, but that, I found to be a really

cynical choice on their part in spite of the fact that they urged me to, I didn't support him.

So I won't refuse to support somebody on a single issue. I talked to Eva Moskowitz, who briefly ran for mayor for a while, and she said when she talked to men about fund raising, they'd say, "What's your position on this? What's your position on that?" at the end of the conversation, he says, "Yes," or "No," and that's the end of it.

She said when she would talk to women, they would go through the issues and it was as though they were checking off a list; if there was one issue that she disagreed on, a woman wouldn't support you. I don't know if this is a male-female thing or an inexperience-experience thing. I really don't. I'm not sure. But I think, at the end of the day, when you vote, you're voting on a person, you're voting on character, you're voting on judgment, and you're voting on history and things like that. So I think unless it's about something really heinous I won't hold up on a particular issue.

PP Incidentally, I've just been looking at the two of my colleagues here and thinking of what we have in common, since we're not politically totally aligned.

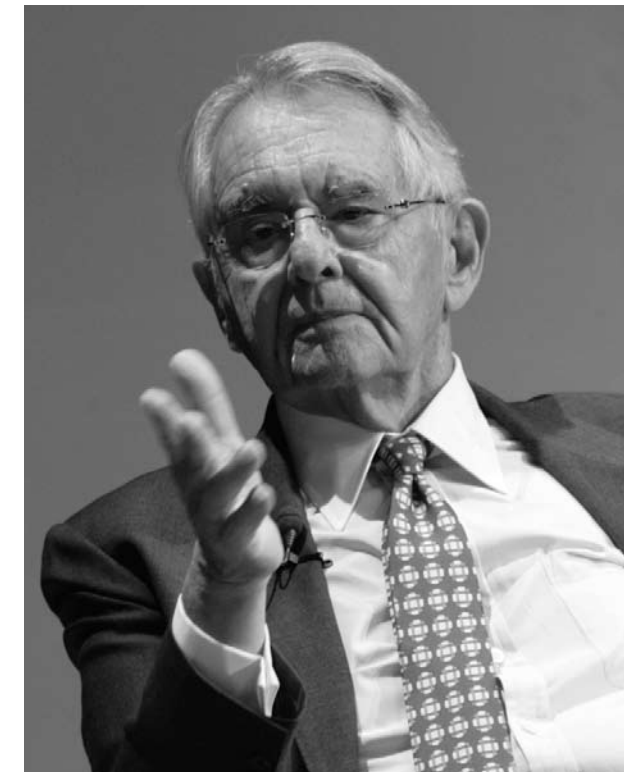
ASC But by the end of the evening, we will be. What's needed is just a little more time—

PP—Stated with the usual humility of a Democrat—

But there are plenty of admirable Americans who set up foundations and they kind of give to all of the vanilla-flavored, triple A, United Way charities, and that's very admirable. My philosophy, and I think yours, is that I tend to merge or marry my personal passions with my philanthropic giving so that we not only contribute human capital we contribute your financial capital. So over the last twenty or twenty-five years, I was chairman of the Council on Foreign Relations for twenty-some years, much too long I'm sure, but I devoted a great deal of time to helping that organization and giving to it. It was the same with the Institute for International Economics.

So I think it's rather interesting to break down the different types of foundations, and we are, I think, three people—just listening to you—who have real passion about what you're working on rather than just giving money away in general. And I think that's an important distinction in foundations.

FH Just to close up on the political subject, is your political giving closely aligned with your kind of foundation in terms of fiscal responsibility and people - - take a leadership on that or is it frequently, as many of us are, friends



Peter G. Peterson

colleagues—you know, you've been in Washington and around business circles for many years, so how closely aligned is it?

PP Well, we've done a little joking about my political leanings. I'm a Rockefeller Republican, and I think there are two of us left, David Rockefeller and myself. I do think my party has let me down profoundly, because we at least used to have a principle called fiscal conservatism, and I could not have imagined that we'd have a Republican administration that got rid of spending caps, got rid of pay-as-you-go, had endless tax cuts, and terrific increases in spending in all kinds of programs. So I tend to support people like John McCain, frankly, not because I agree with everything he says, because I don't, but he, I think, is a true conservative, fiscally, and I think he has the credibility and ability to reach across the aisle that's required to get these problems that I'm concerned with solved.

For example, he's cooperated with Democrats on the subject of immigration; with Teddy Kennedy; he's cooperated on, oh, three or four financing bills; he's cooperated on a variety of subjects with Democrats, and I think that is an

important characteristic in the new president, whether he's a Republican or a Democrat.

ASC See, I told you we would agree.

PP Be careful. That could get you in a lot of trouble.

FH I was going to ask you, Pete, does that mean you're going to give mostly to Democrats since Republicans have run up this terrible deficit?

PP Do I have to answer that?

FH We're at the New School. Going back to your charitable giving, is there some area or cause or organization that you've stopped giving to that you used to give to that either you feel the need has passed or the leadership changed, or in some way you've either trimmed down or stopped entirely? Could you talk to us about that?

ASC We have, in several cases for a number of different reasons, but often that's part of the design, if you will, because we'll work with people over a long period of time and there'll be a foreseen ending of that support. I would say we've gotten into trouble where there isn't that foreseen ending, in fact, especially if you're a large contributor to—this is more to not-for-profit institutions, organizations, but if you're a large contributor and there isn't a plan for transferring that financial support, then, everybody ends up in a bad position because you can't hold people accountable without jeopardizing their work, essentially, so we really avoid that.

And then, yes, there have been cases, too, of money gone awry, money gone to the wrong place or not having the accountability we'd like. You know, those things do happen and I think accountability is incredibly important in philanthropy and you need to be aware of what's going on.

FH How do you measure that as a donor?

ASC Well, it's difficult to do. I mean, when it comes to development work, which is what we do, you have to create the metrics for that; you don't have a financial bottom line the way you do in the market. An organization like Acumen has that as a bonus but it's still about social returns and you're often comparing apples and oranges in terms of what you're trying to achieve. So you need to do the work to create the framework for that accountability, and I think, to some extent, we need to hold one another accountable in the work that we're doing. I also think being connected to the communities where you work, listening and paying attention, and doing due diligence, that there are steps you can take to ensure that the work that you're doing is relevant. For the kind of work that we're doing, the more

you engage the local community, the more likely you're going to be doing work that is relevant to them.

AD There's very little work that's not good and there are very few organizations that are not good. The Daphne Foundation is a kind of a freak in the foundation world because we do ongoing, general operating support grants, and we have about an average relationship with our grantees of about ten years. We know that being in for the long-term with the grantees could create this dependency. It creates this stickiness of when do you exit and how, and how do you exit without creating trauma and dislocation? We figured that was our problem to solve, not theirs.

But it seemed to me that, in the work that I'd done with other—'cause I did some volunteer work at the Robin Hood Foundation and the New York Women's Foundation and other places, I saw the way other foundations were doing it; and I had also worked as a volunteer inside of some little NGOs and I saw that there was a human toll being taken on the people who did the work, and it also seemed to me that the people who did the work were the primary asset in the sector. It seemed to me awfully strange that if we were going to use language about investing in the sector, we would be investing in a manner that precisely destroyed the very asset that was most vital to getting work done. So when we built a process at the Daphne Foundation, we built it with, very much, an eye to strengthening the human resources at the small NGOs. We only fund very small NGOs.

FH What's small?

AD A million and smaller, so we're talking about small—

PP Incidentally, we've talked a fair amount about politics tonight and I want to make an obvious point, at least I hope we agree. I think it's very, very delicate for foundations to get into the political business. For example, Dave Walker is a card-carrying Independent and that's fine with me. And I'm old enough now, I go back to 1968 when I was asked to chair a commission on foundations, and much to my surprise, when I went to Washington and found out what was going on, they were furious at the foundations because they had developed an image of not being philanthropic organizations but being political organizations. And this was a time, you may remember, when big McGeorge Bundy, at the Ford Foundation—you're too young to remember that—where he gave jobs to three Kennedy assistants, you know, and it looked like the Kennedy Administration was in exile, and that combined with voter registration by quite liberal—turning on Washington against foundations in a way that was terrifying, and, for example, there were serious people proposing that after ten years, they went

I think that the best approaches to trying to do public education on any of these major social shifts is not so much to focus on the deficits that we identify in people and the way people act, but to find and locate the values, the positives, the things that they do have going for them, the assets, and bring those along. And I think that, actually, there's no shortage of assets in the young people in this country, we just haven't quite found a way to speak to them on the wavelength they can understand.

—Abigail E. Disney

out of business, they had to be out of business; they were proposing a forty-six-percent tax on all foundation income.

So at least in our view, as far as my foundation is concerned, we're going to be scrupulous about being nonpartisan in what we do. And they may or may not agree with me, but that's my view.

AD Well, I think it's difficult to be entirely nonpartisan because anytime you're, especially, working with extremely

poor people, there's going to be a political dimension to anything that you do. So I have to say, you know, obviously, I'm going to be very careful not to cross the (c)(3)-(c)(4) line. I'm going to be a good citizen, obey the law—not break any laws. But I'm not apologetic about the political dimensions of the work that I—that we do.

PP Are you suggesting that Republicans' enthusiasm for compassion is rather restricted? Is that what—

AD I would say that it has not, lately, been demonstrable.

PP That's even worse.

AD But Republicans, Democrats—I honestly think that there are vast walks of people who are not registered to vote, whether or not they're likely to vote for a Democrat or a Republican.

AD And that's why it's a (c)(3) issue.

PP Right. I would agree, a (c)(4) issue, and you bet I'm going to help them get out and vote and I'm going to, in a nonpartisan way, talk to them about the issues. And you know what? They're going to probably vote as Democrats because the vast majority of them have, failing public schools, not enough safety—those are going to be their issues. But there's politics and there's politics. I mean, McGeorge Bundy and the three Kennedys is politics with a capitol P. I'm talking about politics with a small P, which is the way the classes would interrelate and one of the implications of that.

FH You just mentioned Abby that you give up to ten years general operating, and, Pete, you're just setting up this foundation. Is it all of your intentions that, at some point, each of your foundations sort of spend out or are you looking for the next generations to carry on your foundations' work?

AD I think that's a very, very interesting issue we're not talking about enough, because I know that, for instance, Aaron Diamond's feeling about this question was, "Look, the next generation will have to take care of itself." There are big, pressing problems and I can't address these big, pressing problems on five percent of two hundred eighty-five million dollars, but with two hundred and eighty-five dollars I can make a difference.

We—I—who knows when we'd have been looking at antiretrovirals but we wouldn't have been looking at them as quickly as we were if it hadn't been for the visionary identifying of who David Ho was and setting up that lab with the resources that it had.

So I think that doing your work—raising a million dollars to spend fifty-thousand of it just doesn't feel right to me, so we've always spent well past our five percent, and I have to have some confidence in my capacity to generate more. Money's a renewable asset, after all, and it should be treated like that.

So I think that there's a lot to be said for giving yourself a date of your imminent death, and then, you know—what is it? Nothing focuses the mind like your imminent death. Who said that, Mark Twain or somebody? I think it has an enormous focusing power and creates a sense of accountability around really wanting to see some significant change.

ASC Well, and there's also, the what-are-you-waiting-for question. Until there's really some big issue to address—I mean, aren't there adequate problems to engage with? It depends a little bit on your focus, I think, but I would second increased spending and not sticking to a percentage, thinking about strategy, thinking about what kind of results you want to achieve, and thinking about what's possible.

I also think sometimes that people become enthusiastic about something and they overdo giving, and there isn't the accountability or the carefulness that there should be, but certainly there's enough to do right now.

PP You know to show you how far the foundation world has come, this commission that I was talking about was in 1968, before the '69 law was passed. We discovered that there were large numbers of huge foundations who were giving out virtually nothing to charity, and why was that? Well, there were so-called company controlled foundations where, with a marginal tax rate of eighty percent, or thereabouts, with appreciated property, you could give money away and it cost you hardly anything. So they were setting up these foundations, getting back a bunch of cash and they never wanted to pay out more than the dividends.

AD It was also a nice way to control your voting shares—

PP No. Of course.

AD of a company.

PP So all you gave out was the dividend, at most, because you didn't want to sell the shares to get out of your control. So we're the characters who proposed the minimum payout idea, which was adopted, and it just caused fury in the foundation world.

I mean, Mac Bundy—I had dinner with him one night and he said, "Who the hell are you to be telling us, that we ought to be spending X amount of money?" I said,

My father knew only one American song, "God Bless America," and tears used to flow from his eyes whenever he sang the song. And he set a role model for me because, even though he had a very modest net worth, he would always give away substantial amounts of it to both his poor villages in Greece as well as his little town in Nebraska.

—Peter G. Peterson

"Max, the public gave you tax deductions on the premise that you're going to help charity. And frankly, given your patterns of giving, how do I know whether you're going to give the money away in the future or not?"

So we've come quite a long way on this.

AD We have. Do you know the same commission also suggested—recommended—that all corporations be required to give away one percent of their pretax profits to charity as well, which was not adopted, obviously. Imagine where we'd be.

FH We're running a little short of time so I'm going to try to go fast. What's your view—Pete, you mentioned about tax deductions, and then that some of your philanthropic giving is international. While it may be supportive of America's interest abroad, sometimes it may not be. Is that a factor in how you think about your own international giving, and is it something that the tax law should take into account?

AD You know, I'm—okay. I'm—now I'm going to out myself as a flaming lefty, sorry. Flaming lefty says—

PP—Excuse me, but some might consider that a redundancy.

[laughter]

AD Okay. My flaming lefty view of it is that, look, at the end of the day, we're all in the same planet and we are all connected to each other, and what happens to my sister in Liberia is happening to me, too; and whatever happens to the least of us—so I really do believe, actually, there should be a tax deduction. In fact, I would go past that and say that the bank CRA laws should be applied overseas as well and give banks the opportunity to do CRA lending in the developing world. I think you would move an enormous amount of money into some really meaningful economic development and not piece-by-piece economic development. There are lots of ways to think about this.

But I have a very strong belief that all the good work that needs to happen can't stop at the American borders, in part because the vast majority of the need is outside of the borders and if we hold all our assets and all our good work inside the borders, we leave a lot uncovered.

ASC You know, of course, most of my giving is international. I think that's crucially important. I think the United States Government should be doing more internationally. But I don't connect any of the giving that I do to political agendas.

FH A question that just came from the audience, what type of measurements, when you give money away, do you collect, to determine whether it's been used well?

AD That's the question of the moment, isn't it? Do you have an answer, Andrea?

ASC We handle a lot of our own money because we implement projects. We're an operating foundation so it's a slightly different situation. But you know, you need to use a multi-pronged approach, so you need to have the accounting in place but you also need to have the verification and, the process for seeing that, in fact, it has arrived where it is meant to arrive and is doing what it's supposed to do.

AD Our whole paradigm of our relationship with our grantees is such that we're in this together, as partners, and our grant is basically a vote of confidence in their abilities. So we ask them, at the time they're asking us for the money, to tell us, how will you know whether you've succeeded or failed? And then, a year later, we check in with them, against their own yardstick, to see how they've done. Generally speaking, if you're working with people in good faith, they're going to give you true and reasonable yardsticks and they're going to tell you the truth about what happened.

ASC You know, this word partnership, I think that that's a really important part of that, to enter into some kind of partnership. Where you're working together with people means that things should, be on the table and that there should be confidence, but there should also be accountability and pushback and those kinds of things.

So you know I can't say too much domestically, but I think internationally, a vote of confidence will often be a hands-off vote of confidence, and I don't think that's a partnership then. And I think if one thinks about one's own life, if you think about opportunities to change or to grow, usually they involve more meaningful exchange. So when I say accountability, I don't want to imply that it's strictly a kind of enforcement mechanism, but that those things need to be in place, and that they need to be mutually regarded and considered equally important.

AD I think our sector isn't thoughtful enough about—I mean, now I'm talking about foundation people. We're not necessarily interested in applying these notions of accountability to ourselves in our own work; for instance, the question of general operating support grants is a very interesting one. I mean, there's this whole question of accumulated consequences, so if every foundation decides that it's too distasteful for them to have to pay for a file cabinet because you can't measure the outcome of that file cabinet, the accumulated result is there are no file cabinets. So I think that we, as a—

ASC—Well, and then you come back and say, "How come your filing isn't better"?

AD Yes, exactly. So we, as an entire sector, have to step up and be accountable to the accumulative results, the consequences of our own decision making, even though we might see our decision making as something we're doing independently.

FH Let me wrap up. I'm going to give you each a chance to answer two questions, one, an organization, or it can be a candidate, who you feel passionate about that you might like the people in this audience to think about or give a donation to; and then, lastly, is there someone you recommend that we should bring on this stage the next time we do one of these conversations?

AD You want to go first?

PP Well, the one that comes to mind is the Peter G. Peterson Foundation.

[laughter]

FH You're accepting donations.

PP Yes, we are.

FH Any other besides that one?

PP Well, Dave Walker's here, and he's the CEO, not me. We're going to be spending an awful lot of money and I'm sure we could use more, so...

FH Will you be raising money as well?

PP Well I haven't thought about people contributing to us, but the door will always be open.

FH And who else—anyone you think we should bring on our stage next time to talk about their philanthropy, based on your experience?

PP Well, keep in mind, we have been in existence since Dave started on March thirteenth, so it's about less than two months, so we're just deciding on things. We've just bought a film, or are about to buy a film, because we want to use films to communicate with people. And this film—I don't think I should mention the name, but it has been accepted at Sundance and it's about this whole subject of the future fiscal situation.

AD Well, that's a nice segue. Can I go next?

FH Yes, please.

AD Because I'm going to do the egregiously self-serving thing and say I've just finished a film, which is in the Tribeca Film Festival. It's called *Pray The Devil Back to Hell*, and it is about a group of Liberian women, led by Leymah Gbowee who's sitting right here in the second row. Leymah and a group of women, after many years of civil war, dressed in white. They protested; they got the president, and then eventually the rebels, to attend the peace talks. And when the peace talks bogged down, they actually surrounded the building, locked arms and took them all hostage.

It's an incredible story, if I do say so myself. Please buy your tickets at Tribeca, by the way. We need to sell out so I can get a distributor. But one of the interesting things is one of the earliest grants that Leymah's organization got was from the Global Fund for Women, and I have been so knocked over by the leveraging power that women have when they're organized to bring, disproportionate, outsized results. And this was a group of very ordinary women. They didn't have access to a lot of resources, they weren't politically connected, and yet, somehow they managed to get everybody to remember themselves. So I say the Global Fund For Women, and not Women For Economic Development or any of these other things; the Global Fund For Women, because the Global Fund

For Women is talking about women and development from a rights perspective, and the rights perspective is almost always missing from the economic development perspective, and that is where the money is lacking and that's where the money needs to go.

FH And who would you like to sit in this chair next time?

AD I don't know. I guess, David Saltzman would be good to bring here.

FH All right.

PP Seriously, I'd like to suggest, the Concord Coalition. It is a very good place. It's the one organization that's dealing long-term with what we call generational equity, the business of being fair to our kids.

FH It's a great organization. I've written them checks. And Andrea?

ASC Well, you know, it's a tough question, but you know the organizations that I work with and—

FH—Well, pick one. Pick one.

ASC So, you know, Trace Foundation and Acumen Fund, but I would say, outside of that, I think Ashoka: Innovators for the Public, because it's a very interesting organization that supports social entrepreneurs throughout the world. And domestically, PolicyLink, I think does very good work engaging communities.

FH And who should sit in this chair next?

ASC I don't know. I'll get back to you.

FH You'll get back to me on that? All right.

AD I have another one, Charles F. Feeney. Bring Charlie Feeney.

FH Charlie, yes. We've tried. Regrettably, I've got some great questions and I've tried to weave in as many as I could, but there were as many questions as I think there were people in the audience.

A couple of quick things I just want to announce. One of the other panelists we had invited tonight was Tom Lee, and he was not able to make it. But Tom Lee and Ann Tenenbaum have formed a partnership with Milano called the Tenenbaum Leadership Initiative where we take up to twenty nonprofit leaders who are following a founder, who are dealing with trying to take an organization, shape it from its founder and take it to the next generation.

We have a group going through right now. It includes one-on-one coaching. They meet over a seven-month period.

We are accepting applications for the fall. It's highly competitive. It is fully funded through Tom Lee and Ann Tenenbaum. So I encourage you to check out our website, and if you're interested or know someone who would be, it's a great program. And I've sat in on a few of the sessions and the students have been extraordinary.

Let me just do a few small thank yous. I want to, first, just thank Darren Walker, who is at the Rockefeller Foundation, who helped conceive this program and gave us some of the early ideas. I also want to thank, my research assistant, Kelly Scott, who helped me with the questions and the format tonight; Gail Freeman, our board member who kicked off the evening; Eve Madison-Rodsky and Lisa Philp, both of JPMorgan Chase. My mother's here somewhere. And Barbaralee Diamonstein-Spielvogel, a former board member. I also want to give a special thank you to Anne Hess, one of our board members who is with us tonight.

Let's give our panelists a round of applause, and thank you for joining us.

May 1, 2008

BIG IDEAS, BIG GIFTS, BIG IMPACT: MILANO HOSTS ANOTHER CONVERSATION WITH TODAY'S PHILANTHROPISTS

By Prescott Loveland

The premise was simple: three philanthropists and three stories of investment and change. But what emerged last week in New York at Milano The New School for Management and Urban Policy was more complex—three unique visions of what philanthropy means in the modern world.

When Milano hosted its fourth “Big Ideas, Big Gifts” forum, it provided a platform for Andrea Soros Colombel, Abigail Disney and Peter Peterson to discuss the role of private philanthropy in public life. Fred Hochberg, dean of Milano, moderated the conversation by relaying handwritten messages from the audience, and by asking a few provocative questions of his own. The topics discussed ranged from simple (how they named their foundation) to conventional (how they hold grantees accountable) to incendiary (how their philanthropy intersects with their political views).

It quickly became clear that Colombel, Disney and Peterson vary in their philanthropic methods and motivations, as well as their areas of focus. This made for a multi-dimensional—and sometimes heated—conversation. Colombel (daughter of global financier and billionaire George Soros) is the president and founder of the Trace Foundation, which directly supports Tibetan culture and communities within China. Colombel also mentioned her role as a founding partner of Acumen Fund, which uses entrepreneurial approaches to solve global poverty. Both Trace and Acumen emphasize the individual as a key component to social change. “We believe we need local engagement and local support to truly affect change,” Colombel explained.

Disney, whose grandfather co-founded the Walt Disney Company, was the most outspoken of the three philanthropists. She formed the Daphne Foundation in 1991 - a well-known progressive organization that distributes grants to community-based groups working with low-income communities in New York City. Disney explained that she came to focus her work in New York out of a desire to be a good neighbor in her own backyard before venturing further into the world to make change. And, in

agreement with Colombel, she emphasized the power of people to take on their own social problems.

Peter Peterson recently found himself among New York's newest billionaires. After his company, the Blackstone Group, went public last year, Peterson formed the Peter G. Peterson Foundation, which will have at least \$1 billion in Peterson's money to carry out its mission. The Foundation will focus on educating and motivating young people to do something about what he describes as the United States' "sustainability" challenges, addressing issues such as healthcare and the extraordinary national debt.

Perhaps the most fruitful dialogue from the forum fell around the idea of partnerships, discussed in response to audience inquiry about how these influential philanthropists hold their grantees accountable, and what types of measurements they use to determine success. Disney emphasized the need to ask grantees how they will know they've succeeded or failed, and then to hold them to their own system of measurement.

Colombel emphasized the importance of accountability as a way of creating meaningful exchange. "If partners truly are being mutually regarded," she explained, "they should be held to their promises." Disney and Colombel agreed that social return can be difficult to measure and emphasized that the local community must be involved in the solutions. They also agreed that, as a sector, we must hold ourselves much more accountable for our own decision making.

Interestingly enough, all three individuals, representing different ideologies, sensibilities and bank accounts, think the 5% mandate on foundation giving is too small. While many foundations argue for keeping their endowments sizeable, these philanthropists believe that it should be legally imperative to spend more each year.

"We spend more than 5%," Disney explained, "because money is a renewable asset." Colombel said that "increased spending forces us to be more strategic," but warned that organizations and people can also "over give" when they become emotional about a cause, which can sometimes sacrifice strategy. Peterson, who was an advocate for the 5% payout in the late 60's, stressed that the mandate was formed with good intentions, but cordially agreed that foundations do not give away enough.

Perhaps Dean Hochberg was just keeping with the season by asking provocative questions about philanthropic/ political intersections and about personal contributions to candidates. Disney, a self-described "flaming lefty," quickly spoke out in support of both potential Democratic nominees, Barack Obama and Hillary Clinton. Peterson

immediately voiced his support for John McCain. A self-described "Rockefeller Republican," Peterson spoke nostalgically of a time when the United States subscribed to more fiscally frugal polices.

All three philanthropists seemed to agree that effective political discourse in this country is certainly deadlocked, due in large part to our current method of political financing. Peterson, the most outspoken about this issue, expressed discontent with lobbying organizations expecting (and receiving) legislative changes in return for campaign funding. He'd like to see the country move in the direction of public financing of political campaigns.

Disney argued that while the law may not permit 501c3 organizations to engage directly in political activities (like 501c4s), she feels that nonprofits are in fact changing political discourse and creating systemic change by empowering the poorest citizens, improving education, and raising awareness around important issues. Peterson attempted to wrap up the political conversation by saying that his foundation will work scrupulously to remain nonpartisan. Disney quickly questioned the reality of such intentions, claiming that organizations working with the poor are not only working with potential Democrats but also, by the nature of their work, engaging in more progressive activities. "Are you saying conservatives aren't compassionate?" Peterson asked her. To which she responded, "Just not demonstrably so in recent years." The audience erupted in laughter.

Dean Hochberg concluded the discussion by asking Colombel, Disney and Peterson which organizations they deem most worthy of public funding. These "big givers" quickly put on their fundraising hats, each immediately plugging the organizations with which they are closely aligned. Like all great nonprofit board members, it would appear they can ask for money as adeptly as they can give it away.

This type of dialogue is part of Milano's mission to offer public policy programs and postgraduate programs that prepare students to address real issues within organizations. No doubt, conversations like the Big Ideas, Big Gifts forum are highly valuable—to students and organizations alike—because any attempt at solving today's problems will certainly involve understanding the intentions, methods and motivations of those philanthropists whose resources often influence how we go about creating social change.

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SPEAKER BIOS

ANDREA SOROS COLOMBEL is President and Founder of Trace Foundation. The Foundation, established in 1993, supports the continuity of Tibetan culture and language and strengthens the ability of Tibetan communities within China to meet their own needs. The Foundation implements and funds projects that integrate culture and development goals and respect environmental principles. Projects fall within four sectors: Education, Healthcare, Rural Development and Culture. The average annual expenditures awarded are approximately \$4 million.

Ms. Colombel is a founding partner of Acumen Fund and now serves on the Board of Directors. Acumen Fund is a global venture fund that uses entrepreneurial approaches to solve the problems of global poverty. Investments focus on delivering affordable, critical goods and services—like health, water, housing and energy—through innovative, market-oriented approaches.

ABIGAIL E. DISNEY is the Founder and President of the Daphne Foundation, a progressive social change organization that makes grants to grassroots community-based groups working with low-income communities in New York City. Since 1991, the Daphne Foundation has provided millions of dollars in grants in areas ranging from women's rights to AIDS advocacy, children's health, labor conditions, religion, and environmentalism.

Ms. Disney recently retired as chairwoman of the New York Women's Foundation, of which she was a board member for more than 14 years. This organization has raised and dispersed millions of dollars for community organizations devoted to economic empowerment for women and girls in New York City. Ms. Disney serves on the boards of the Roy Disney Family Foundation, the White House Project, the Global Fund for Women, and the Fund for the City of New York, as well as the advisory boards of a broad range of organizations working in the areas of poverty, women's issues, education, and the environment.

GAIL FREEMAN, Founder and President of Freeman Philanthropic Services, L.L.C., a full-service firm offering a broad range of services including fund-raising consulting, training, and executive search for leading not-for-profit organizations nationwide. A recognized leader in the not-for-profit field, Ms. Freeman has more than twenty-five years of experience in executive recruitment. Prior to the establishment of her namesake firm, Ms. Freeman served as Vice President and Director for a national retained executive search firm, where she led the Development & Institutional Advancement practice.

Ms. Freeman frequently speaks, writes, and consults within the not-for-profit sector. She currently serves as Chair of The Center on Philanthropy at Indiana University's Board of Visitors, a board member of the Association of Fundraising Professionals Foundation for Philanthropy International, and a member of American Humanics' Nonprofit Sector Workforce Coalition. She is a class of 1986 alumna, a member of the Board of Governors, and the Chair of the Dean's Alumni Council of Milano The New School for Management and Urban Policy.

FRED P. HOCHBERG, Dean of Milano The New School for Management and Urban Policy, has more than 25 years of experience in business, government, civil rights activities, and philanthropy.

From 1998 through 2000, he served as Deputy then Acting Administrator of the Small Business Administration, an agency elevated to cabinet rank by President Bill Clinton. Previously, he was President and Chief Operating Officer of the Lillian Vernon Corporation, where he led the transformation of a small family mail order company into a publicly traded direct marketing corporation, one of the great success stories of American entrepreneurship.

He is currently on the boards of the Citizens Budget Commission, FINCA International Micro Finance, Fusion Communications, the Howard Gilman Foundation, Seedco, and the World Jewish Congress Foundation.

PETER G. PETERSON, is the Senior Chairman and Co-Founder of The Blackstone Group. In February 2008, Mr. Peterson announced the formation of the Peter G. Peterson Foundation and his commitment to funding at least one billion dollars over the next few years to carry out its mission: enhancing public understanding of sustainability challenges that threaten the future of the United States, proposing workable solutions to address these challenges, and building public will to do something about them.

Mr. Peterson is the senior chair and co-founder of Blackstone and a member of the board of directors of its general partner, Blackstone Group Management LLC. He is chairman emeritus of the Council on Foreign Relations and chairman of its International Advisory Board. He is also founding chairman of the Peterson Institute for International Economics, founding president of the Concord Coalition, and former co-chair of the Conference Board Commission on Public Trust and Private Enterprise.

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