



Rockefeller
Brothers Fund

Philanthropy for an Interdependent World

2010 Annual Review

A Seat at the Table: Strengthening Democracy in Global Governance



About the Annual Review

The RBF Annual Review is an online publication of the Rockefeller Brothers Fund, providing readers with annual highlights of the Fund's programs, grantmaking, and finances. Each year, the annual review focuses on an issue central to the Fund's mission.

This year's cover story, "A Seat at the Table: Strengthening Democracy in Global Governance" by Anne Phelan, centers on the Global Governance portfolio of the Democratic Practice program. The Global Governance portfolio supports efforts to build awareness and understanding of the connections between the policies set by international institutions and their impacts on people's livelihoods and the environment. Grants support efforts to build the capacity of those underrepresented in global governance to participate in decision making. Grants also support initiatives to strengthen the voices of advocates that raise issues of concern to affected communities. The portfolio's focus is on key areas of global economic governance: climate change, development finance, and trade.

To see what global governance looks like at the local level, be sure to read "Making Local and Global Connections in the Balkans: A Case Study," also by Anne Phelan. The case study also reflects collaboration between the RBF's Global Governance and Western Balkans programs to examine the crosscutting nature of global governance.

A SEAT AT TABLE: Strengthening Democracy in Global Governance

by Anne Phelan

Herders in the drought stricken Mandera district of Kenya’s NorthEastern Province have become experts on climate. Though they may not know who represents them at the UN Framework Convention on Climate Change (UNFCCC), they can already see evidence of climate change. Elders report from memory what weather reports confirm: droughts are becoming more frequent and severe. As a result, in a region where herding livestock has been a primary livelihood for hundreds of years, water is scarce, desertification is increasing, and thousands of people are now dependent on outside aid.¹ Mohamed Adow of Christian Aid, a Rockefeller Brothers Fund (RBF) grantee, says, “It is now difficult, if not impossible, to address poverty without also addressing climate.”

A solution to these conditions won’t be found in northern Kenya or even in the capital city of Nairobi. Climate change comes from sources continents away, and calls for policymaking at the international level. So at UN negotiating tables in Bali, Copenhagen, Cancun, and Bangkok, representatives of national governments have debated goals for reductions in greenhouse gas emissions and the means to finance changes in production systems and adaptation to the impacts of



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¹ See Christian Aid, *Life on the Edge of Climate Change: The Plight of Pastoralists in Northern Kenya*.



Eastern Kenya: Dealing with the effects of drought.

climate change. Similarly, in New York, Geneva, Washington, D.C., and other cities around the world, international institutions develop and implement policies that define rules for trade, development finance, security, and dozens of other transnational challenges. This is global governance, which recent studies have described as the “different policymaking activities that produce coordinated action in the absence of global government.”²

“How do we reshape the world’s economies to ensure that the right to a decent, dignified life is enjoyed by all, yet in a way that does not push us over critical tipping points in the balance between human activity and nature?” asks Thomas Kruse, the RBF’s Democratic Practice–Global Governance program officer. “This goes not only to the core of the climate change debate, it also highlights broader questions about global governance. Can the international institutions and processes we inherited from the post–World War II era be tools for the deep and urgent changes we need in the 21st century? Can they be made more accountable, transparent, equitable, and accessible—in short, more democratic?”



² Deborah D. Avant, Martha Finnemore, and Susan Sell. *Who Governs the Globe?* Cambridge: Cambridge University Press, 2010, p. 14.

TENSIONS AND DEFICITS WITHIN THE GLOBAL GOVERNANCE FRAMEWORK



Cancun, Mexico: Protestors at the UN Framework Convention on Climate Change

In its current form, global governance is a patchwork of actors, institutions, and processes that make global policies. It includes public governance institutions that originated in the post World War II period, such as the United Nations, World Bank, and International Monetary Fund (IMF). Multinational corporations, through the size and scale of their operations, influence over governments, and impact on people's quality of life, also are actors in global policymaking. Nongovernmental organizations (NGOs), groups representing indigenous people, and others can play roles in seeking redress and solutions through global governance processes. As in any form of governance, there are deep

tensions in the patchwork, sometimes within the institutions themselves, reflecting the pull of interests. And, too often, democratic practices, social outcomes, and environmental concerns are overshadowed by economic interests.

Global governance may seem a remote concept to Kenya's subsistence herders, but decisions made within international institutions—and the ways in which they are implemented—will have a direct impact on their lives. But while their mandates are global, these institutions often fail to hear the voices or take into account the interests of people from developing regions of the world—often referred to as the global South. For Vicente Yu and his colleagues at the South Centre—an RBF grantee that serves as an intergovernmental think tank representing 51 states from the global South—this results in “unequal international systems of decisionmaking in the economic, social, and development areas.” Remedying these democratic deficits requires “improving and reforming such systems and arrangements to make them and their output more equitable, more transparent and participatory, and more reflective and responsive to the development needs and concerns of developing countries.”

These proposed reforms to global governance coincide with the RBF's mission: to advance social change that contributes to a more just, sustainable, and peaceful world. The Fund recognizes the democratic deficits in global governance and asks: How can these institutions ensure justice, fair distribution of resources, and protection of rights? How can they give voice to the underrepresented? These needs drive the Fund's Democratic Practice program, which, through its U.S. and international grantmaking, works toward making citizens more engaged, empowered, and assertive and institutions of governance more inclusive, transparent, accountable, and responsive. The Global Governance portfolio supports efforts to build awareness and understanding of the connections between the policies set by international

institutions and their impacts on people’s livelihoods and the environment. This year’s cover story, “A Seat at the Table: Strengthening Democracy in Global Governance” by Anne Phelan, centers on the Global Governance portfolio of the Democratic Practice program. The Global Governance portfolio supports efforts to build awareness and understanding of the connections between the policies set by international institutions and their impacts on people’s livelihoods and the environment. Grants support efforts to build the capacity of those underrepresented in global governance to participate in decision making. Grants also support initiatives to strengthen the voices of advocates that raise issues of concern to affected communities. The portfolio’s focus is on key areas of global economic governance: climate change, development finance, and trade.



THROUGH THE CLIMATE CHANGE LENS

Climate change, arguably the 21st century’s most urgent challenge, provides one lens to examine an area of focus for the Fund’s global governance’s grantmaking. Climate change, by its nature, requires a global response, yet the path to an international agreement is shaped by national interests and circumstances. Countries come to the UNFCCC table with enormous difference in degrees of their responsibility for creating and solving the crisis; their ability to meet the current needs of their populations; and their capacity to address the crisis. A major industrial country may weigh its options to “power down” and “green up” its economy; a struggling, agricultural based society sees new, climate driven burdens placed on populations already living in poverty.



Climate Change: Scientists measure the terminus of a glacier.

Equity is a defining theme for developing nations at these negotiations. Often it is the countries “with the lightest of carbon footprints,” in the words of Christian Aid, that are most vulnerable to climate change’s impacts and have far fewer resources available for adaptation. Sea level rise is already changing the contours of small island nations, like the Maldives in the Indian Ocean and Tuvalu in the South Pacific. In the Philippines, typhoons are increasing in number and frequency, signaling the type of extreme weather events that are even more likely to occur as global temperatures rise. In Africa, “the most vulnerable continent to climate change,” as Mohamed Adow describes it, the Intergovernmental Panel on Climate Change projects that climate variability and change will increase water stress and decrease the amount of land suitable for agriculture, severely compromising agricultural production in regions that are already experiencing food shortages.

When the stakes are high, can small, developing countries make their voices heard in international negotiations? One way to strengthen their voices is through building coalitions. “The developing country perspective becomes more credible when you can pull a bigger number of countries together,” says Vicente Yu. This is how the South Centre puts its mission into action. By fostering convergent views and approaches among its member countries, it can help bring greater attention to developing country interests in international forums. Climate change has become an increasingly important issue for the organization because, as Yu indicates, “Many more developing countries are realizing that climate change negotiations aren’t just about climate—their outcomes also will shape a country’s economic future.” The South Centre provides the intellectual and policy support on climate change that can help developing countries become more effective in international negotiations.

In addition, developing country delegations typically lack the experience and resources that major economies bring to these forums. “Smaller nations have smaller negotiating teams,” says Athena Ballesteros of the World Resources Institute, an RBF grantee. Yet their teams need to review the same hundreds of pages of documents as their wealthier counterparts and prepare strategies to address each of the issues on the table. Partnering with civil society groups can offer a solution. To increase its capacity, Ballesteros points out, the Philippines government has been willing to incorporate technical advisors from a range of NGOs, including think tanks, churchbased groups, and advocacy groups, into its negotiating team. “NGOs can provide a developing country government with informal support to help them better understand the technical issues,” she says. “The most vulnerable countries need this type of expertise.”

The Green Climate Fund, which was part of the accord reached at the December 2009 Copenhagen Climate Conference, illustrates both the potential for global governance institutions to construct solutions and the hurdles that can impede achieving just, sustainable outcomes. To help developing nations with climate mitigation and adaptation, the industrialized nations agreed to mobilize \$100 billion, from public and private sources, by 2020. A transitional committee has been established to propose a design of the Green Climate Fund at the next major climate meeting, to be held in Durban, South Africa, in December 2011. For developing countries and the climate justice movement, it is a critical period.

Securing adequate climate funds should reflect polluting countries' historical responsibility and affected people's needs; the process and mechanisms for allocating these funds should be handled in an accountable, transparent, equitable, and accessible manner.

Meena Raman of Third World Network (TWN), an RBF grantee, says it's important for developing countries to raise their voices about the structure and location of the fund. "The Green Climate Fund should be a cooperative fund," she said. "It should reflect the fact that it was created by agreement among the Conference of Parties and not through a donordonee arrangement." To ensure that critical voices would be taken into account, TWN and the South Centre brought civil society groups together to brainstorm and strategize before and after the December 2010 Conference of Parties in Cancun. "We provided a convening space," Raman said, "to help shape a shared voice." More recently, TWN and other civil society groups helped negotiators from 12 developing countries think through the best ways to frame issues for discussion at the UNFCCC ad hoc working group meeting held April 3–8 in Bangkok. Issues discussed by this group became the foundation for the alternative agenda proposed by countries from the Group of 77 plus China.

For TWN, seeing developing countries exert real influence on the agenda for climate finance is a tangible victory. Others can also point to additional signs of progress in bringing vital new voices to discussions of climate change. Pan African Climate Justice Alliance (PACJA), for instance, was born when Christian Aid facilitated a discussion among a small group of African nongovernmental organizations. From that gathering in August 2008, PACJA has built a platform for climate advocacy that includes more than 400 civil society groups from 47 of Africa's 53 countries. Oil Change International has made important headway in putting the elimination of fossil fuel subsidies to the oil industry on the global agenda.

THE GROUP OF 77: STRENGTH IN NUMBERS

While individual developing countries can struggle to make their voices heard in international forums, they gain strength by combining forces on shared interests. One longstanding example is the Group of 77, the largest intergovernmental

organization of developing countries in the United Nations. It was founded by 77 developing country signatories at the first session of the United Nations Conference on Trade and Development in 1964, and has since grown to include 131 nations from the global South. Member countries act collectively to enhance their negotiating capacity on major economic issues within the UN system. The coalition has been vocal on climate change issues, which it views in the context of sustainable development. In February 2008, then chairman of the Group of 77, John W. Ashe said, “It is imperative that our discussion reinforces the promotion of sustainable development, highlighting the three pillars—economic development, social development, and environmental protection—and the need to promote all three in an integrated, coordinated, and balanced manner.”



THE REFORM AGENDAS

Globalization—the dramatic increase in crossborder flows of capital, goods, and people and their values and ideas—has undoubtedly increased the disparities between wealthy and poor nations, even as it has increased their interdependence. It will color any attempt to reform the overall architecture of global governance as well as efforts to increase democratic practices. But redressing these imbalances is not, as some have suggested, a problem of reversing globalization; rather, it is about managing globalization to produce greater equity and sustainability. As Dani Rodrik, author and Harvard professor, has noted, “Where there is globalization, there are rules. What they are, who imposes them, and how—those are the only real questions.”³

3 The Globalization Paradox: Democracy and the Future of the World Economy. New York: W. W. Norton & Company, Inc., 2011, p. 9



Protesters gather at a climate finance summit rally.

The prospects for meaningful change in global governance are greater when the impetus for change from the outside is met by the willingness for reform inside international institutions. Shedding light on the operations of key global governance institutions—that is, increasing their transparency—can be an area of mutual interest for reformers and advocates. “The principles of transparency and inclusion, which are at the heart of the United Nations, were not respected at Copenhagen because of the pressures of the moment,” UNFCCC executive secretary Christiana Figueres said in a November 2010 interview. “Not every country felt it was legitimately represented at the table.”⁴ These principles are essential to reaching solutions that will be acceptable—and, thus, ultimately sustainable—to all affected parties, whether the issue is climate change, trade, finance, or any other transnational challenge.

Promoting transparency and inclusion are primary objectives for many NGOs addressing global governance issues. For instance, the Bank Information Center (BIC), a Washington based NGO, monitors the activities of the World Bank and other multilateral development banks. It also helps to make dialogues between development bank officials and activists more constructive, whether they are focused on specific loan projects or on broader policy matters. BIC has created an advocacy toolkit, for example, to help advocates navigate the process of interacting with the 25 executive directors on the World Bank’s board, who vote to approve Bank sponsored projects and shape overall institutional policy. Civil society groups are trained to present themselves as a resource to executive directors, initiate discussions on policy topics, or advocate for action on individual projects. Acting as both ambassador and advocate, BIC advances its core premise “that socially and environmentally sustainable development is not possible without the informed and active participation of local communities.”

There are other signs of progress. Years of work, by Tufts University’s Global Development and Environment program with others, paid off when the IMF agreed to relax capital control policies that severely limited a developing country’s ability to protect its economy in a globalized world. In the area of trade, Public Citizen’s Global Trade Watch has been instrumental in setting new standards for trade agreements that could distribute the benefits of trade more equitably, while eliminating the significant risks to broadbased prosperity, the environment, and democracy in current free trade agreements. Similarly, Polaris Institute has been successful in building and sustaining networks of unions, farmers, and consumers to push for fair outcomes in World Trade Organization negotiations. Much more, of course, is needed, yet these are important indications of advances.

4 Christiana Figueres, interview by BBC’s One Planet, May 20, 2010.

Strobe Talbott writes in *The Great Experiment* that “There has always been, and always will be, a tension—sometimes creative, sometimes destructive—between, on the one hand, the concept of an international community that recognizes interdependence as a fact and collective governance as a necessity and, on the other, the appeal of a national community that thinks of itself as independent and sovereign.”⁵ Today, the locus of democratic engagement and participation resides still in the nation state. Yet indisputably, global processes and institutions can stymie needed changes—or enable them. To enable them, democratizing those global policy processes—making them more transparent, with clearer lines of accountability, and susceptible to real access and participation by affected parties—is essential to the sustainable and equitable solutions.



MAKING LOCAL AND GLOBAL CONNECTIONS IN THE BALKANS: A CASE STUDY

Krenar Gashi, executive director of the Kosovar Institute for Policy Research and Development (KIPRED), concedes that he was quite ignorant about energy issues when he attended an RBFsupported workshop on energy investments in Kosovo in February 2011. But in fact, the workshop’s focus on coal-fired power generation is closely linked to KIPRED’s

5 Strobe Talbott. *The Great Experiment*. New York: Simon & Schuster, 2008, p. 6.

interests in consolidating democracy in public institutions and in public policy research in the field of governance. After decades characterized by communism, war, and United Nations administration, Kosovo's civil society is still young. Kosovo lacks media and watchdog groups trained to monitor energy and environmental issues. As a result, when the construction of a new coal-fired power plant was proposed, Gashi said, "The only discourse about it came from the government. Their narrative was that the country needs the new power plant and needs to burn coal for economic development and job creation." Funding from the World Bank's International Finance Corporation (IFC) would support construction of the new plant, enabling Kosovo to shut down a plant that was outdated and inefficient.

During the workshop on "Connecting the Local and Global in the Balkans: Toward Accountability in Energy Investments in Kosovo," specialists from other countries shared their knowledge and expertise about energy projects. For Gashi and about 30 other Kosovar civil society representatives in attendance, some of the ideas were eye-opening: energy efficiency can be a source of job creation; the European Union, which Kosovo aspires to join, aims to source 20 percent of its energy from renewables; and emissions trading schemes use market incentives to reduce carbon output. They also realized that civil society groups in other countries have taken issue with World Bank-supported projects.

The workshop motivated the Kosovar participants to press their government for access to more information about the proposed plant and greater transparency in the decision-making process. "Everything in this field is being developed away from public eyes," Gashi noted. "We aren't positioning ourselves against coal per se, but rather, we insist that other sources be explored as well." Given the World Bank's financial support, Gashi and his colleagues realize they need to make their views known at the international level as well. Since the workshop, they have requested the IFC's draft study of the project, initiated contact with the World Bank's Pristina office, and offered input into the World Bank's broader energy sector strategy review.

"Everything happens in a place," said Haki Abazi, who directs the RBF's Western Balkans program. "In this case, it's the local issues and stakeholders that add on the ground credibility to global governance discussions." This collaboration between the RBF's Democratic Practice and Western Balkans programs demonstrates the crosscutting nature of global governance. It also suggests that RBF grantees' experience in other program areas, such as Sustainable Development and Peacebuilding, can offer entry points to help make global governance institutions more accountable and democratic.

About the Rockefeller Brothers Fund



The Rockefeller Brothers Fund was created in 1940 by the sons of John D. Rockefeller Jr. Pictured (left to right): John D. 3rd, Winthrop, Abby, Laurance, David and Nelson.

Founded in 1940, the Rockefeller Brothers Fund advances social change that contributes to a more just, sustainable, and peaceful world. The RBF's grantmaking is organized around three themes: Democratic Practice, Peacebuilding, and Sustainable Development. Though the Fund pursues its three program interests in a variety of geographic contexts, it has identified several specific locations on which to concentrate crossprogrammatic attention. The Fund refers to these as "RBF pivotal places": subnational areas, nationstates, or crossborder regions that have special importance with regard to the Fund's substantive concerns and

whose future will have disproportionate significance for the future of a surrounding region, an ecosystem, or the world.

The Fund currently works in three pivotal places: New York City, Southern China, and the Western Balkans.

The Rockefeller Brothers Fund is a private, family foundation helping to build social change that contributes to a more just, sustainable, and peaceful world. It was created in 1940 by the sons of John D. Rockefeller, Jr.—John 3rd, Nelson, Winthrop, Laurance, and David—as a vehicle by which they could share advice and research on charitable activities and coordinate their philanthropic efforts to better effect. John D. Rockefeller, Jr. made a substantial gift to the Fund in 1951, and in 1960 the Fund received a major bequest from his estate. Together, these constitute the original endowment of the Fund.

In 1952, the founders began to include on the board of the Fund trustees who were not members of the Rockefeller family. In 1958, the first of a number of daughters and sons of the founders joined the board, and the first of their children became trustees in 1992. Since the establishment of the Fund, three generations of family members have served as trustees. Beginning with John D. Rockefeller 3rd, who served as president from the inception of the Fund until 1956, seven presidents have distinguished the Fund with their vision and leadership. These presidents, along with the other trustees, officers, and staff, have ensured that the RBF remains dedicated to the philanthropic ideals of the Rockefeller family. The presidents include Nelson A. Rockefeller, 1956–1958; Laurance S. Rockefeller, 1958–1968; Dana S. Creel, 1968–1975; William M. Dietel, 1975–1987; Colin G. Campbell, 1988–2000; and the RBF's current president, Stephen B. Heintz, who assumed office in February 2001.

On July 1, 1999, the Charles E. Culpeper Foundation of Stamford, Connecticut, merged with the RBF, bringing the Fund's total assets to approximately \$670 million. Shortly after the merger, the Fund initiated a strategic review process designed to systemically evaluate all its programs in light of the opportunities before humanity—both global and local—at the dawn of the 21st century. This extensive and complex process has led to the integration of some programs and the phasing out or scaling back of others. As part of this effort, the RBF's current program architecture came into effect on January 1, 2003.

Program Statement

The Rockefeller Brothers Fund advances social change that contributes to a more just, sustainable, and peaceful world. Through its grantmaking, the Fund supports efforts to expand knowledge, clarify values and critical choices, nurture creative expression, and shape public policy. The Fund's programs are intended to develop leaders, strengthen institutions, engage citizens, build community, and foster partnerships that include government, business, and civil society. Respect for cultural diversity and ecological integrity pervades the Fund's activities.

As an institutional citizen of an interdependent world, the Fund is active globally, nationally, and locally in its home city of New York. Grant programs are organized around three themes: Democratic Practice; Sustainable Development; and Peace and Security. The Fund recognizes that achievement of progress in each of these program areas is often interconnected with developments in the others. As a private foundation, the Fund strives to promote philanthropic excellence and to enhance the effectiveness of the nonprofit sector.

As specified in the guidelines for each grant program, the Fund supports activities in a variety of geographic contexts. It also has identified several specific locations on which to concentrate crossprogrammatic attention. The Fund refers to these as "RBF pivotal places": subnational areas, nationstates, or crossborder regions which have special importance with regard to the Fund's substantive concerns and whose future will have disproportionate significance for the future of a surrounding region, an ecosystem, or the world. The Fund currently works in three pivotal places: New York City, Southern China, and Western Balkans.

The Pocantico Center of the Rockefeller Brothers Fund is located at the heart of the Rockefeller estate outside New York City and was created when the Fund leased the area from the National Trust for Historic Preservation in 1991. The conference center provides a unique setting where the RBF and other nonprofit organizations and public sector institutions can bring together people of diverse backgrounds and perspectives to engage critical issues, reach new levels of understanding, and develop creative solutions to pressing problems.

In the years since its founding in 1940, the Fund has developed a distinctive style of grantmaking that is reflected in the following characteristics:

- **Long View.** Grantmaking is primarily concerned with fundamental problems and is designed to contribute to the achievement of longterm goals and to make a lasting impact.
- **Commitment.** Extended commitments are frequently made to specific issues and geographic regions and even to particular grantees.

- **Synergy.** Rather than considering opportunities on a standalone basis, the Fund looks for connections among the activities it supports and the themes it pursues, both within and across program areas and in specific geographic locations.
- **Initiative.** The Fund initiates or participates in the development of many of the projects that it supports.
- **Engagement.** In addition to providing financial support, the Fund often works closely with grantee organizations to help strengthen their capacity and advance their work Collaboration. The Fund actively seeks opportunities to collaborate with other funders.
- **Convening.** The Fund devotes time and resources, including the use of its Pocantico Center, to convening groups of diverse stakeholders and encouraging collaboration among government agencies, corporations, and nongovernmental organizations.

The goals and strategies in each of our programs are implemented through a variety of approaches to grantmaking. In some programs, as is noted in the guidelines, the Fund proactively identifies grantee partners and thus has limited ability to respond to unsolicited proposals. Grantseekers are encouraged to study the guidelines closely.

RBF Program Overview

The Rockefeller Brothers Fund organizes its grantmaking, in the United States and at the global level, into three thematic programs: Democratic Practice, Peacebuilding, and Sustainable Development. Three “pivotal place” programs address these themes in specific contexts: New York City, Southern China, and the Western Balkans. Total spending for 2010 was \$40,949,074, down 23 percent from 2009.

As it navigated the worst economic downturn in recent history, the Fund remained committed to balancing financial stewardship while meeting the rapidly growing needs and timespecific grantmaking opportunities. Spending refers to expenditures that count toward satisfying the IRS mandated minimum distribution requirement, and includes grants, programrelated expenses, administration, and core operating and maintenance costs of The Pocantico Center. Spending on grantmaking and administration at the Fund’s headquarters, and operations in Southern China and the Western Balkans accounted for 90 percent of total spending and The Pocantico Center for 10 percent.

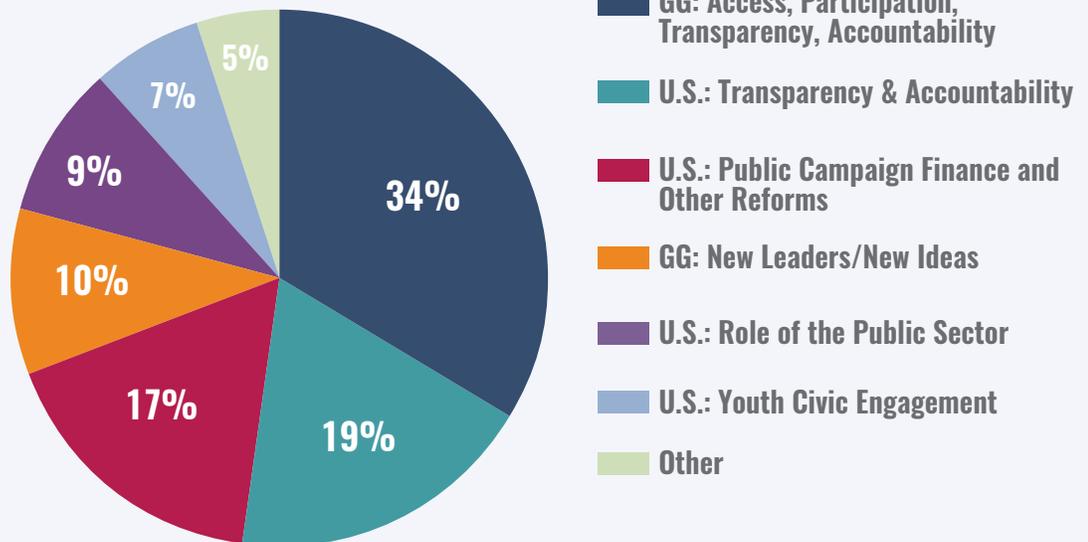
2008–2010 TOTAL SPENDING

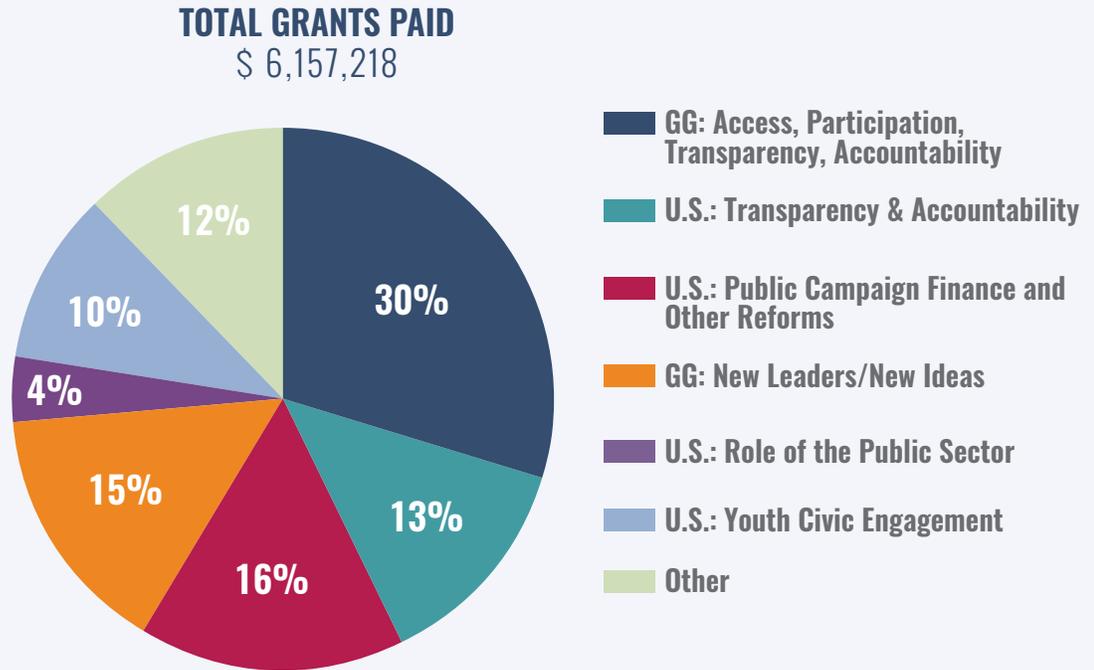
	2008	2009	2010
Grants Paid	\$ 34,128,098	\$ 31,191,649	\$ 28,027,249
Program Related Expenditures	\$ 884,644	\$ 890,483	\$ 185,979
Administration*	\$ 8,350,000	\$ 9,043,996	\$ 8,558,200
Pocantico Conferences	\$ 255,886	\$ 266,136	\$ 297,329
Subtotal, Program Spending	\$ 43,618,628	\$ 41,392,264	\$ 37,068,757
Core Pocantico Operations	\$ 4,392,000	\$ 3,933,280	\$ 3,880,317
Capitalized Expenses Related to Green Buildout & Office Relocation	—	\$ 8,000,000	—
Grand Total, Program Spending	\$ 48,010,628	\$ 53,325,544	\$ 40,949,074

* Includes direct charitable activity and program-related administrative costs; excludes investment, green buildout, and move related expenses. For the complete annual summary of the Rockefeller Brothers Fund’s activities, please check out RBF Quick Facts.

DEMOCRATIC PRACTICE

TOTAL GRANTS AWARDED \$ 5,302,000





The Democratic Practice program seeks to strengthen the vitality of democracy in the United States and in global governance. The program’s core ideas—that for democracy to flourish and deliver on its promises its citizens must be engaged, empowered, and assertive, and institutions of governance must be inclusive, transparent, accountable, and responsive—provide a frame for the Fund’s Democratic Practice work in the United States and in global governance. The RBF’s democratic practice grantmaking moved from four goals in 2009 to two goals that focus on strengthening the vitality of democracy in the United States and in global governance.

Please visit rbf.org for the current program guidelines.

PEACEBUILDING

TOTAL GRANTS AWARDED: \$ 2,443,900

Respect/Understanding between Muslim and Western societies	\$	1,226,300
Other	\$	132,000
Approaches to U.S. Global Engagement	\$	1,085,600
Total Grants Awarded	\$	2,443,900

TOTAL GRANTS AWARDED: \$ 3,494,354

Respect/Understanding between Muslim and Western societies	\$	1,440,911
Approaches to U.S. Global Engagement	\$	1,367,043
Total Grants Paid	\$	3,494,354

The Fund's Peacebuilding program aims to advance just and durable peace by supporting innovative and collaborative approaches and policies for conflict prevention, management, and transformation; strengthening constituencies and political will for conflict transformation and durable peace; and exploring solutions to emerging transnational threats and drivers of conflict.

In 2010, the Peacebuilding program (then called Peace and Security) operated under the strategies noted in the charts. Please visit rbf.org for the current program guidelines.

SUSTAINABLE DEVELOPMENT

TOTAL GRANTS AWARDED: \$ 6,053,000

Combating Global Warming	\$	6,053,000
Protecting Ecosystems/Conserving Biodiversity	\$	0
Total Grants Awarded	\$	6,053,000

TOTAL GRANTS PAID: \$ 7,233,190

Combating Global Warming	\$	7,148,190
Protecting Ecosystems/Conserving Biodiversity	\$	85,000
Total Grants Paid	\$	7,233,190

The Sustainable Development program advances global stewardship that is ecologically based, economically sound, socially just, culturally appropriate, and consistent with intergenerational equity. Human activity is causing global warming, rapid loss of biodiversity, and accelerating degradation of Earth's life support systems. With the recognition that the impact of unchecked climate change threatens all other conservation efforts, the program focuses its grantmaking on advancing solutions to climate change.

The charts reflect the 2010 program guidelines. Please visit rbf.org for the current program guidelines.

PIVOTAL PLACE: NEW YORK CITY

TOTAL GRANTS AWARDED: \$ 2,383,800

Civic Participation of Immigrant Communities	\$	447,700
Culpeper Arts and Culture	\$	1,381,100
Sustainable Communities	\$	555,000
Total Grants Awarded	\$	2,383,800

TOTAL GRANTS PAID: \$ 4,277,320

Civic Participation of Immigrant Communities	\$	425,000
Culpeper Arts and Culture	\$	2,706,100
Sustainable Communities	\$	477,500
Other	\$	256,080
Total Grants Paid	\$	4,277,320

New York City has the potential to be a model 21st century sustainable urban community that cultivates civic life and the natural environment, encourages immigrant civic and political participation, supports individual achievement and artistic expression, and generates widely shared prosperity. The Fund's New York City program aims to support the city's efforts to be a force for positive change both within and beyond its borders.

Please visit rbf.org for the current program guidelines.

PIVOTAL PLACE: SOUTHERN CHINA

TOTAL GRANTS AWARDED: \$ 4,165,000

Environment and Human Health	
Energy and Climate	\$ 2,415,000
Community Leadership	\$ 1,155,000
Total Grants Awarded	\$ 595,000
	\$ 4,165,000

TOTAL GRANTS PAID: \$ 3,167,060

Environment and Human Health	
Energy and Climate	\$ 1,805,000
Community Leadership	\$ 893,060
Total Grants Paid	\$ 469,000
	\$ 3,167,060

Southern China's rapid development has been accompanied by profound challenges including environmental degradation and growing disparities between rich and poor, urban and rural which, if not addressed, threaten the sustainability of development in the region, the country, and the world. The Chinese government and people have been responding vigorously to these complex challenges. The RBF's grantmaking seeks to assist these efforts.

Please visit rbf.org for the current program guidelines.

PIVOTAL PLACE: WESTERN BALKANS

TOTAL GRANTS AWARDED: \$ 1,374,740

Culture and Practice of Sustainable Development	\$	235,000
Community Capacity for Participatory Democracy	\$	682,740
Performance Accountability and Transparency	\$	457,000
Total Grants Awarded	\$	2,553,210

TOTAL GRANTS PAID: \$ 2,153,931

Culture and Practice of Sustainable Development	\$	422,053
Citizens Engaged in Building Democracy	\$	1,067,336
Performance Accountability and Transparency	\$	664,543
Total Grants Paid	\$	2,153,931

The countries of the Western Balkans are working to realize their European integration aspirations, as accession brings with it the promise of stability and rule of law—necessary prerequisites for longterm peace, prosperity, and democracy. The Fund’s work in the Balkans, and especially in Serbia, Montenegro, and Kosovo, gives special attention to democratic practice and sustainable development requirements.

Please visit rbf.org for the current program guidelines.

THE POCANTICO CENTER

The Pocantico Center is located 20 miles north of Manhattan in the Pocantico Historic Area and is managed by the Rockefeller Brothers Fund as part of its agreement with the National Trust for Historic Preservation. It serves the common good locally, nationally, and globally in creative and innovative ways that are consistent with Rockefeller family philanthropic traditions and that further the missions and reflect the values of the Rockefeller Brothers Fund and the National Trust for Historic Preservation. In 2010, The Pocantico Center held 63 conferences and meetings and 12 public programs. Of the 63 conferences held, 32 were related to the Fund’s programmatic themes and pivotal places. In addition, 33,560 people visited the Pocantico Historic area in 2010.

CONFERENCES, MEETINGS, AND PUBLIC PROGRAMS

	2008	2009	2010
Conferences	26	31	26
Meetings/Retreats	32	17	29
RBF Board Meetings/Staff Meetings	5	6	8
Public Programs	6	11	12
Totals	69	65	75

NUMBER OF PARTICIPANTS ATTENDING CONFERENCES, MEETINGS, AND PUBLIC PROGRAMS

	2008	2009	2010
Participants	1,963	2,233	2,539



FINANCIAL REPORT

Rockefeller Brothers Fund, Inc.

Statements of Financial Position

December 31, 2009 and 2010

The Fund's financial statements are audited by KPMG LLP. A full set of the audited version of these financial statements will be available in the Finance and Reporting section of our Web site.

ASSETS	PRINCIPAL FUND	POCANTICO FUND	POCANTICO II FUND	2010 RBF FUNDS	2009 RBF FUNDS
Cash and cash equivalents	\$ 2,055,119	\$ 1,051	–	\$ 2,056,170	\$ 728,900
Accounts receivable	\$ 1,640,776	–	–	\$ 1,640,776	\$ 1,475,110
Contributions receivable	–	–	\$ 13,539,872	\$ 13,539,872	\$ 13,539,872
Interest and dividends receivable	\$ 45,316	\$ 49,211	–	\$ 94,527	\$ 96,565
Investments	\$ 677,313,522	\$ 64,691,948	\$ 4,641,716	\$ 746,647,186	\$ 700,991,209
Program-related investments – real estate	\$ 510,000	–	–	\$ 510,000	\$ 510,000
Prepaid expenses	\$ 14,472	–	–	\$ 14,472	\$ 5,114
Fixed assets, net	\$ 7,491,272	\$ 2,000,874	–	\$ 9,492,146	\$ 11,503,963
Interfund	\$ 1,684,781	(\$ 1,723,475)	\$ 38,694	–	–
Total assets	\$ 690,755,258	\$ 65,019,609	\$ 18,220,282	\$ 773,995,149	\$ 728,850,733
LIABILITIES AND NET ASSETS					
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 6,089,203	\$ 1,593,000	\$ 1,571	\$ 7,683,774	\$ 5,369,291
Grants payable	\$ 7,349,377	–	–	\$ 7,349,377	\$ 12,885,309
Deferred taxes payable	\$ 1,036,636	\$ 96,576	\$ 7,166	\$ 1,140,378	\$ 441,941
Total liabilities	\$ 14,475,216	\$ 1,689,576	\$ 8,737	\$ 16,173,529	\$ 18,696,541
COMMITMENTS					
NET ASSETS:					
Unrestricted	\$675,980,042	\$ 63,330,033	–	\$ 739,310,075	\$ 629,356,768
Temporarily restricted	\$ 300,000	–	\$ 10,316,545	\$ 10,616,545	\$ 9,902,424
Permanently restricted	–	–	\$ 7,895,000	\$ 7,895,000	\$ 7,895,000
Total net assets	\$676,280,042	\$ 63,330,033	\$ 18,211,545	\$ 757,821,620	\$ 710,154,192
Total liabilities and net assets	\$ 690,755,258	\$ 65,019,609	\$ 18,220,282	\$ 773,995,149	\$ 728,850,733

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