

**Remarks at the Annual Conference  
Jewish Funders Network  
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**Introduction**

Good afternoon. Thanks Elisa (Spungen Bildner) for your very kind introduction. I am delighted to be here with all of you. And I want to thank Mark Charendoff for inviting me to speak to this distinguished group of philanthropists about some of the challenges all of us now face.

The topic of our panel – and indeed of this whole conference – is “Investing in People.” Now I confess that when Mark first invited me to participate, I was a bit uncomfortable because the Rockefeller Brothers Fund makes very few grants to individuals. But I quickly realized that I was just being too literal. This conference is about much more than making grants to support individual endeavor. And, in fact, it has been about much more than grantmaking. It is about *investing* – in the broadest meaning of that term – in leadership. Leadership in the nonprofit sector – leadership in our society – leadership in our profoundly changing world.

I want to begin with a story that reflects my *own* religious heritage, but affirms values I think we all share: In the middle ages a traveler comes upon 3 stone-cutters. He asks the 1<sup>st</sup> man, “what are you doing.” The man looks up from his work and answers, “cutting stone.” The traveler asks the 2<sup>nd</sup> man, “what are you doing?” The man answers, “shaping

a cornerstone.” Finally, the traveler turns to the 3<sup>rd</sup> man who replies, “building a cathedral.”

This afternoon, I want to challenge myself all of us in this room to find, fund, and even lead the transformative movements of our time. As I see it, our job as donors is to find the visionary stone cutters and help them build the cathedrals that will inspire humanity to meet the challenges of our age.

**Why something needs to be done:**

This is no easy task. We find ourselves in critical times facing myriad profound challenges that merit – even require – philanthropy’s attention.

In the US, we worry whether societal divisions are growing deeper. The quality of our democracy feels strained. Economic and social inequality is rising. We face crises in health care, housing, and education. Old bigotries persist and new prejudices simmer.

Around the world, we are challenged by global warming and global terrorism, deadly disease and devastating poverty. Globalization and increasing interdependence mean that our communities and neighborhoods frequently feel the impact of events taking place half-way across the world.

As we all know, the list of challenges is long and daunting. Quick fixes will elude us. Incremental steps may be useful, but nearly certainly, they will prove insufficient. I

believe the large challenges we face must be matched by an equally large commitment to advance profound social change.

Our history reveals that more often than not, our political leaders follow social movements – they don’t lead them. Mobilizing social change is the job of leaders and organizations in the nonprofit sector.

**Role of funders:**

So what is the role of philanthropy in addressing the challenges before us? As I see it, the *primary* role of philanthropy is to provide the venture capital for social innovation. Our grantees do the hard work – serving communities, generating new ideas, and mobilizing social change.

Donors can help with strategy development, ideas, networking, convening, and moral support. But principally, we are an essential source of capital in the nonprofit economy.

But I believe we also have another role to play -as leaders in our foundations, in our communities, and in our societies. And this is a moment when we must ask ourselves whether we in philanthropy are doing enough, whether we are challenging ourselves enough in a time of deep divisions, complex problems, urgent needs, and considerable peril.

As globalization and the sheer speed of change outpace the innovations of previous generations, are we in the philanthropic community reexamining our assumptions and supporting the innovations needed for our times?

Are we too prone to funding excellent micro-projects at the expense of broad efforts of transformation? Do we really understand that significant change takes time and that donors need to have the faith or the stubbornness to stay the course, even when things may not look promising?

As government lacks the resources for innovation – and the tolerance for failure – are we ready to support experimentation, to take risk? Or have we forgotten that in order to achieve new breakthroughs, we must be willing at times to fail?

Are we helping to shape and enable a healing vision for our times?

And finally, as foundation leaders and philanthropists, are we investing in transformational leadership? Are *we* providing leadership ourselves?

I can only speak for the Rockefeller Brothers Fund. I am proud of our work, but I know we need to do more.

As grantmakers and leaders, I think foundations and philanthropists need to re-examine and perhaps recalibrate our risk profiles – and consider taking on higher levels of risk in four principle areas:

First, I think we should be ready to work on *controversial issues* like school vouchers, climate change, the place of religion in American life, or America's appropriate role in the world. We should fund rigorous research and thoughtful analysis to illuminate controversy. And we should support broad efforts to educate and engage the public in meaningful discourse about complex and contentious issues. Taking on controversial issues can cause discomfort or even discord; but it can also promote the serious dialogue necessary to solve the complex problems we face.

Second, it is time to fund more *experimentation*. Foundations should foster an experimental disposition both in our own organizational cultures and among our grantees. We need to explore risky or unproven new ideas. We should fund bold new models of service delivery, of community building, and problem-solving. The non-profit sector is uniquely positioned to take risks that are economically unacceptable to business and politically unacceptable to government. And philanthropy is at its best when it responds to the possibility that experimentation can produce momentous breakthroughs.

Third, I think foundations should increase their financial and intellectual *support for advocacy*. It is through advocacy that the lessons of experimentation can transform an

entire field. Advocacy multiplies the power of ideas and inspires collective action.

Advocacy gives voice to those who otherwise go unheard.

Traditionally, foundations contribute to advocacy by funding the advocacy efforts of our grantees. And this remains essential. But in these times, foundations leaders and philanthropists should be advocates too, shining a spotlight on the work of our grantees and actively communicating the lessons learned in the experiments we fund.

Finally, we must be *involved globally*, as many in this room are. As difficult and complicated as it is to look beyond the borders of our communities or our countries, increasing global interdependence means that none of us is insulated from global issues. We must see our own interests as they are connected to the web of challenges facing planetary society. We naturally feel more connected to those who look like us, talk like us, and live near us. But if we remain in our communities of comfort, the discomforting realities of our global community will surely find their way to our doors.

Now, in a climate of increased media and political scrutiny of philanthropy, some might argue that this is not the time to take on greater risk. But given the challenges we face, I think we must exercise courage, not caution.

Our courage must be coupled with renewed efforts to fully live up to the highest standards of ethical conduct, sound management, and transparent operations. We must be rigorous in our due diligence before taking risk and rigorous in evaluating the results.

**Gaza Example:**

Now, to bridge the inherent gap between this rhetoric and reality, let me offer a contemporary example of profound interest to all of us in this auditorium: creating enduring peace in the Middle East peace.

Prime Minister Sharon's momentous decision to disengage from Gaza brings with it an historic opportunity to make Gaza the test case for a functioning, prosperous, and peaceful Palestinian state. It would be tragic not to seize this opportunity.

I believe if we seek a secure and prosperous Israel, we must find ways to support a democratic and viable Palestinian state.

This issue has all the characteristics I have laid out. It is controversial, high risk and experimental; its success will require persuasive advocacy and its failure would have profound global repercussions.

We are all acutely aware that while significant recent strides have been made on the path to peace, huge obstacles still remain. Prime Minister Sharon has taken considerable risk. But he is limited by the hard realities of politics.

We in the philanthropic sector don't face these constraints and we can support this effort in numerous ways. As funders, we can help to build an education system, plant the seeds for economic development, and support the growth of authentic civil society and democratic political culture in Gaza. As leaders, we must be supportive of Israel's path-breaking policy; and we must remain mindful that Israel's success, as always, will also depend on outside support. *Our* support both as funders *and* leaders.

### **Conclusion:**

We can't know whether among us this afternoon is the person or organization who will invent the 21<sup>st</sup>-century medium to create genuine dialogue across party, religion, nationality, and race; who will lead the advocacy that finally brings quality health care within the reach of all, who will light the spark that rekindles our own democratic culture, or will illuminate the path to peace.

We do know two things: first, that if we are not taking risks, and going beyond our comfort zone, we are simply not meeting our mandate. Failure while taking risk is instructive. Failure to take risk will be defeating.

Second, we know that major social change takes place when the innovation and passion of activists, the resources and wide-screen views of philanthropists, and the implementing machinery of government and the private sector come together. We in the philanthropic community are uniquely able to bring these forces together. With our privileged positions comes a profound responsibility. That means not just offering the round table



but supporting – and sometimes leading – the advocacy that convinces all sides to get to the table and get to work.

We need visionaries, we need innovators, we need passionate leaders. We need the cathedral builders. And they need our support.

Thank you.