



Speech by Rip Rapson:

## **What's Next: Philanthropy in an Age of Government Retrenchment**

*From remarks at the Memphis Alliance for Nonprofit Excellence and the Minnesota Council of Nonprofits.*

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It is a pleasure to be here. It has been uplifting to learn more about the work you do daily to enable the region's nonprofit sector to maintain the reach and quality of its services as we struggle with the continuing aftershocks of the worst recession since the 1930s and the onset of a period of budgetary constraints the severity of which we haven't seen for a generation.

I'd like to use my time this morning to discuss three things:

- First, how the economic downturn has affected the nonprofit landscape,
- Second, what changes are underway at Kresge, and
- Third, how Kresge's changes may reflect the broader field of philanthropy's approaches going forward.

### **I. Effects of the Economic Crisis and Deficit Reduction Movement on the Nonprofit Sector**

I don't have to detail for this audience the extent to which the economic downturn of the last few years continues to reverberate through the nonprofit sector, imposing unimaginable hardship on millions of people unable to navigate their way in the new economic order and tightening the vise-like squeeze nonprofits feel between heightened demand for their services on one side and reduced revenue flows on the other. Indeed, a recent Bridgespan survey of some 100 nonprofits indicated that from 2008 to 2010, three-quarters of those nonprofits had experienced an increase in the number of people they serve, while only half had increased their revenue.<sup>1</sup>

That was – is – bad enough. But over the last six months we have witnessed the second tectonic shift in the nonprofit landscape: the budget reduction impulses that will, almost certainly, redefine how nonprofits work. And not just those who receive large flows of federal dollars, but virtually all organizations that help low-income people, strengthen the arts or promote environmental stewardship. As elected officials move inexorably over the next few years to reduce the size and regulatory influence of the public sector, the effort will cascade down from federal services and funding flows to the states, from the states to local government and from local government to real people living in real places.

I don't want to wade into a political debate about whether this is the worst possible time to pursue such a course or the only realistic time to course correct for the long-term fiscal mess we've created for ourselves. But let me offer just a couple of observations about some of the overarching implications for our sector. First, we are entering the new normal, not passing through a phase.

Early on in the economic contraction, there was an argument about whether the effects of the economic collapse would be short- or long term, about whether we could simply limp through to a resumption of what we've come to understand as normalcy. No longer. We are indisputably in the midst of profound structural shifts that will impose deep and enduring effects. All levels of society will be impelled to manage more aggressively against scarcity.

Second, there is truth in the cliché that an emergency is a terrible thing to waste.

There has been a lot of talk during the economic downturn about the essential role nonprofit innovation needs to play as a survival mechanism. That was a correct prognosis, and it has been fascinating to watch the various ways in which the sector has shown itself to be creative and resilient. But that was just a training-wheels exercise. Going forward, large portions of the sector will have to be reinvented, accompanied by the need to shift our attitudes fundamentally and systematically about how we pursue economic opportunity, maintain safety net services and safeguard informal structures of mutual support and assistance.<sup>2</sup>

Third, we are witnessing the deconstruction and reconstruction of what constitutes "the common good." One of the nation's great champions of equal opportunity stated:

We are a people in a quandary about the present. We are a people in search of our future. We are a people in search of a national community. ...

Many fear the future, many are distrustful of their leaders and believe that their voices are never heard. Many seek only to satisfy ... private interests.

But this is the great danger America faces. That we will cease to be one nation and become instead a collection of interest groups: city against suburb, region against region, individual against individual. If that happens, who then will speak for America?

Who then will speak for the common good?

President Obama defending his deficit reduction plan? Glenn Beck on a good day? No, this was Congresswoman Barbara Jordan speaking to the Democratic National Convention 35 years ago. In the intervening years, everything has changed, but yet so little has changed. It's a little like having the anesthetic wear off after a serious operation – little by little comes the dawning realization that something is profoundly different. Our deepest communal values – based on solid American concepts of public responsibility for the common good – have shifted underneath us, creating the Jordan-like quandary of what, really, is our nation's dominant social and political ethic.

The conversation about that question is just beginning, creating a vortex that will draw in nonprofits whether we like it or not. How will we balance the virtue of long-term investment with an insistence on minimizing tax payments? How do we preserve a civic architecture of compassion for those less fortunate while honoring the accomplishments of those who have achieved positions of economic and political power? How can we avoid dismantling structures of mutual assistance in the face of an impulse to trust and promote market efficiencies?

The combination of these factors – the new normal, the innovation imperative and the recasting of the common good – presents a civic circumstance that isn't temporary or minor or limited. It's real, it promises to endure and it's becoming embedded in virtually every dimension of modern American life.

So what do we do about it? Good question.

The best I can do for you is to provide a glimpse into how Kresge is changing and what that might suggest about philanthropy's response. So let me first turn to the changes at our foundation.

## II. Kresge's New Direction

A great deal has changed at Kresge over the last couple of years. We have cast into bright relief the [values](#) that had quietly been guiding our grantmaking all those years and made them the centerpiece of everything we do. That has carried with it a de-emphasis on a tool – the facilities-capital challenge grant – and the elevation of activities that help low-income people find pathways to self-sufficient, healthful and productive lives. This approach realigns us with our founder's original charge to contribute to the betterment of humanity. And it positions us very differently to respond to the tumultuous environment we are living through.

I'll describe the two major aspects of our change – the build-out of our six substantive fields of interest and our exploration of how to open nontraditional sources of capital to nonprofit organizations.

### **Building out our fields of interest**

First, though, a disclaimer. Despite our efforts over the last number of years to provide immediate relief to community-based organizations caught in the grip of the economic crisis, Kresge is not – at the end of the day – an emergency relief organization. Much of the rest of the philanthropic ecosystem is better suited to rise to this challenge – whether individual donors, family foundations with deep roots in a community, community foundations or corporate foundations with long histories of mobilizing goods, volunteers and monies in the aftermath of catastrophe. We are not as close to the ground as these players are, and hence are less connected to vital response and delivery networks. We have less expertise, less community credibility.

That realization has led us to assess how we might – with relatively limited dollars – identify philanthropic acupuncture points that can improve and expand opportunities for people who have been excluded from the economic, educational and cultural mainstream. We come at that quite differently in each of our six fields of interest: community development in Detroit, education, human services, health, arts and culture, and the environment. Just a word about each.

First, [Detroit](#) and [community development](#).

Our community development portfolio is concentrated in investments that seek to contribute to the revitalization of Detroit. The Detroit work has singled out a host of interrelated, seemingly intractable issues – from seeding a regional transportation system by creating a light-rail line along the city's major street to engaging the city's educational, medical and cultural institutions more fully in neighborhood life. From

aligning banks, foundations and public agencies in an effort to stabilize neighborhoods devastated by the foreclosure crisis to reimagining the form and function of a city whose land mass exceeds its financial and administrative carrying capacity.

Second, [education](#).

Our work in higher education has migrated from an approach that focused exclusively on a campus' physical plant to an approach that emphasizes promoting the access of low-income and underrepresented students to higher education and fostering their success once they're there. We propose to do that in two ways.

First, by strengthening pathways to and through college for those students – through funding umbrella organizations dedicated to building better bridges to high schools, improving access to financial aid, mitigating the difficulties of juggling work and family responsibilities and many other tools.

Second, by supporting postsecondary institutions whose primary mission is to serve those students, such as historically black colleges and universities, tribal colleges and Hispanic-serving institutions. We're committed to helping them reduce operating costs, boost their fundraising, improve student persistence rates or pursue accreditation, among other strategies.

An unusual spin of this latter theme is a large grant we gave to the United Negro College Fund to help pursue green building and renovation practices. A report I just received from [United Negro College Fund](#) last week led with the sentences, "Minority-serving institutions have joined the movement for environmental sustainability. All across the nation, on college and university campuses large and small, MSIs have taken steps to conserve resources and to encourage greater awareness of our Earth's interdependence and fragility."<sup>3</sup>

Third, [human services](#).

We are constructing a suite of human-development strategies that will seek to fortify human-service organizations' resilience and effectiveness. We have chosen thus far to focus on three strategies. First, investing in the capacity of community-based human-service organizations committed to moving people out of poverty. Second, investing in national or state umbrella organizations that build effective networks of local direct-service organizations. And third, building field knowledge about resilience and effectiveness.

Just one example. Earlier this year, we made a \$5.4 million grant over four years to the [Alliance for Children and Families](#) to identify and fund strategies among its membership that hold the promise of augmenting the ability of nonprofit human-service agencies to behave strategically. The premise is that dedicating staff time and energy on strategy – whether financial, operational or programmatic – can improve an organization's ability to adapt to and anticipate the challenges of a changing environment.

Fourth, [health](#).

Our efforts in health concentrate on reducing the health disparities among low-income populations. We are pursuing this in three focus areas. First, promoting healthy environments, with a particular emphasis in healthy housing, urban food systems and improved environmental conditions in the vicinity of ports. Second, improving access of low-income people to affordable, high-quality care at the community level, particularly through investments in community-based clinics and networks of community-based health service providers. And third, supporting innovative cross-sector linkages between primary care and public health.

Fifth, [arts and culture](#).

Our arts and culture portfolio has focused on the factors that threaten the sector's long-term sustainability – most particularly inadequate capitalization. Our institutional capitalization strategy has made investments in renovation and maintenance projects whose approaches hold promise for the wider field. Our grantmaking will also explore investments in arts and cultural organizations and activities that serve as a vehicle for community renewal and job development.

And sixth, the [environment](#).

Our work in the environment is concerned with climate change. It is approaching this problem in three specific ways. First, increasing the energy efficiency of buildings, particularly through retrofitting. Second, promoting the accelerated adoption of renewable energy technologies, with a focus on easing the transmission of alternative energy in the Midwest. And third, improving our ability to adapt to the impacts of climate change on people and nature.

## **Social Investment Practice**

We have accompanied our six new program priorities with an intensive effort over the last two years to expand the opportunities for nonprofits to gain access to nontraditional forms of capital. Kresge's long-standing work with a particular form of capital – increasing nonprofits' fundraising capacity through bricks-and-mortar projects – furnishes a useful platform from which to make this leap.

Our intention is to make capital available to an organization in the right form at the right time with the right terms in order to propel it along the trajectory of long-term sustainability. We call this our Social Investment Practice. On one hand, it is looking at a wide spectrum of program-related investments – nonsecured below-interest loans, loan guarantees, bank deposits linked to program strategies and others. On the other hand, it is also working hand-in-glove with our program teams to understand how lack of access to capital creates a significant barrier to the success of the teams' strategies. I'll talk more about this in a moment.

So that's a description of our new architecture at Kresge. Let me turn the page to a discussion of what that might have to suggest about the approaches that philanthropy at large may look to as it defines a role for itself in this complex, fast-moving new environment.

### **III. What This Might Suggest for Philanthropy Going Forward**

Although I'd love to be able to describe how private philanthropy will behave going forward, I can't. I'm sure it's annoying, but once you've seen one foundation, you've seen one foundation. Even foundations occupying the same general space resist blanket categorization – [Robert Wood Johnson's](#) priorities within health care are quite different from [The California Endowment's](#), which are different from [the Boston Foundation's](#). And we all have a distinct operating code, carrying out our business differently even when we agree on common outcomes. We are the proverbial cats who resist being herded.

But I'll nevertheless project Kresge's values and methods onto others by way of suggesting what I believe should be a number of arcs of common belief and practice.

#### **1. Lifting up models from the nonprofit sector**

First, and at the most basic level, philanthropy should seize whatever megaphone moments it can to broadcast the importance of a vital, adequately resourced nonprofit sector.

Philanthropy is consummately democratic. There is not a nook or cranny of social activity it doesn't reach. Preparing young children for school and supporting the ability of people to die with dignity. Promoting wind farms in North Carolina and encouraging the cultivation of fresh food in Detroit. Commissioning avant-garde musical works and supporting the preservation of medieval theological manuscripts.

That this list could go on virtually without end is the ultimate index of the vibrancy of the philanthropic ecosystem. Causes in every direction supported in ways large and small.

There is, however, a piece of that ecology that has had disproportionate import to society's view of philanthropy and to philanthropy's view of itself. That is philanthropy's commitment to helping those in need by supporting organizations that serve as our society's moral thermostats – organizations that activate in the presence of suffering, injustice or callous behavior.<sup>4</sup>

This corner of the ecosystem is terribly important because these organizations – and the people they serve – have so very few resources to help them. These folks start with meager resources, operate with meager resources and swim against the tide of public appreciation and support.

This has always been the case, of course, but there is new writing on the wall – as I talked about earlier – and it is truly chilling. Increasingly, public officials and administrators will ask the impossible of nonprofits. And nonprofits will bend every ounce of their energy to try to deliver.

But we also need to clear a path for the nonprofit community to stay on the offensive, reminding anyone who will listen that government cannot sidestep its obligation to be a constructive force in meeting a full range of social needs.<sup>5</sup> Although that may be a jarring note in the prevailing tenor of the times, forgive me a less than ideologically neutral observation: We can't balance our budgets at any level of government on the backs of people who are poor or communities that are starved for resources. If we try, the effects will be felt not just in the here and now, but more profoundly in the longer trajectory of baked-in, intractable impediments to a full-opportunity society. This will eventually corrode our broader civic culture.

Foundations like Kresge have to be the maintenance crews for those of you whose missions and daily operations serve as ballast against these trends. We need to give you direct support in all the forms you need it – operating support, program support, working capital, loans, whatever. But we also need to be your cheerleaders-in-chief, something that is often impossible for you as you try to meet payroll, repair your roof and not appear melodramatically self-promoting. The foundation community has to articulate the



indispensable role you play in mending a frayed social fabric, in promoting life opportunities for those who are too often marginalized, in buttressing the building blocks of healthy, vibrant, diverse and inclusive communities.

## **2. Advancing public policy**

That leads directly to the second trend I hope will emerge: a focus on public policy.

Again, this is not a new idea. There is an extraordinary, often overlooked, story to be told about the role philanthropy has played in advancing social change that seeks reform in those systems that accentuate and calcify economic disadvantage and social need.<sup>6</sup>

Although philanthropic institutions are frequently faulted as being too ponderous and slow, there's a positive side to that coin – we're also capable of great persistence, methodically pursuing social change over a long period of time and across a wide scope of issues. Because our assets secure our survival, we have the capital to invest long term, the patience to go deeply and comprehensively into an issue or issues and the independence to take chances.

We also have an enviable knowledge base, and are in a particularly good position to see the big picture. We have the enormous privilege – almost luxury – of convening and leveraging intellectual power to explore the nature of linkages among sectors, among levels of government and among policy issues.

The question is how we will deploy these advantages in a political and ideological environment that is hardening and growing more divisive by the day. You don't need me to tell you that this is not the time for foundations to fall back and go slow. This is the time to stand up. This is the time to publicly, and unashamedly, reaffirm our values.

Using a bullhorn is one response. But we also have to step outside our traditional comfort zones, roll up our sleeves and invest in the kind of thought leadership – and action – that evens out the rules of engagement. We need to invest in organizations that are capable of analyzing budgets, policies and regulations and frame balanced alternatives. In organizations comfortable moving into controversial public conversations. In organizations equipped to mobilize constituencies. In organizations with the heft to build alliances with the business sector. In organizations that are taken seriously in efforts to preserve compassionate, principled and well-informed public discourse.

### 3. Opening nonprofit access to nontraditional sources of capital

This is perhaps nowhere more evident than in philanthropy's increasing fluency with a wider range and variety of financial tools. Kresge is illustrative.

Kresge's movement into new ways of making grants and of investing beyond grants brings us in line with a host of other foundations.

- We've joined with [the Edna McConnell Clark Foundation](#) and other foundations to create an aggregated pool of capital that will enable high-performance youth-serving organizations expand their operations to reach more people. It is one of the inspirations for the Obama administration's [Social Innovation Fund](#), a growth capital fund that is in the process of assembling some \$50 million to match federal money and to challenge local organizations to raise a like amount.
- We're committed to reintroducing private markets to places like Detroit in which those markets have been lethargic, uninterested or hostile – harnessing market-based solutions capable of creating an updraft for the kind of public benefits philanthropy seeks to generate.
- We've had conversations with a national network of community development finance organizations about how to take advantage of a new federal commitment to provide loan guarantees for \$1 billion of bonds issued by community development financial institutions. The bond proceeds could then be used for local economic development projects, early childhood centers, health care facilities and other community development initiatives.
- We're actively exploring making below-market loans to increase the ability of federally qualified health clinics to ramp up for the estimated doubling of uninsured patients that will result from the new health care law – these investments would range from improving operating efficiencies to financing facilities to creating strong working relationships with other elements of the primary care system.
- And we've joined with a variety of foundations and banks to support the creation of new investment grade capital to accelerate energy retrofits in inner-city multifamily housing and commercial buildings.

I apologize for numbing you with those technical details, but the broader point is critical as we look forward – philanthropy needs to identify barriers that prevent nonprofits from accessing those portions of the capital markets that could bolster nonprofit efforts on the ground. The good news is that this is happening with increasing frequency and efficacy.

#### 4. Investing in infrastructure organizations

A fourth role private foundations can play is to buttress the stability of so-called "infrastructure organizations." First, because of their role in providing essential technical assistance. Second, because of their centrality in bolstering nonprofit networks.

Philanthropy has been decidedly ambivalent about investing in national and regional umbrella organizations, like the Alliance, that are capable of providing financial management, governance assistance, research, capacity-building, advocacy or other supports necessary for the nonprofit system to steer through the new normal.

Although acknowledging the generosity of philanthropy in underwriting the large "infrastructure" organizations like [Independent Sector](#), the [Council on Foundations](#), the [Center for Effective Philanthropy](#), the [Bridgespan Group](#) and others, Ruth McCambridge of [The Nonprofit Quarterly](#), who is here for the conference, has consistently and courageously underscored the relative reluctance of philanthropy to direct money to smaller infrastructure organizations that may offer equally valuable services to community-based organizations of all types and sizes.

Ruth makes the critical point that both the large and small umbrella organizations will be essential to building organizational resilience and effectiveness. On one hand, they can assist organizations one by one. On the other hand, they can also work at an expanded scale by convening, stimulating dialogue and sharing knowledge and best practices. Indeed, that is an apt description of the Alliance's work – an organization that is far more than just the sum of its members.

It might be argued that working this way embraces nonprofits' inherently collaborative nature – a stark contrast to the Darwinian struggle for turf that can characterize the way the private and public sectors conduct their business.<sup>7</sup> It is the kind of activity that can help bring coherence to a field – getting everyone on the same song sheet, building trust, bridging common values and setting the stage for group decision-making.

In this sense, networks function like a set of extension cords. Once members are plugged in and juice starts flowing, not only do the individual organizations become more effective, the network becomes a force in its own right. The double result is better services to individuals and more sway in public decision-making.

And it's pretty clear that networking can help us to break out of insularity and parochialism. It is one way to

go against the grain, to reinforce the values and practices of "community" and the common good in a time when they seem to be out of favor.

This is not going to happen simply by attending more meetings together, although that will certainly help. It will instead require that organizations working in networks cultivate a new discipline and new practices. The objectives will be different in the new environment. Decision-making will be different. Implementation of decisions will be different.

## **5. Supporting social media**

A fifth role foundations can play is to invest in nonprofit utilization of social media.

The incomprehensible speed, density and scope of technologies supporting information-sharing not only propels regime change in Egypt and Tunisia, but also resets the philanthropic and nonprofit thermostat. It dials up our obligation and opportunity to be transparent. It creates tools of infinitely greater subtlety and adaptability. And it enables new platforms on which we can exchange ideas – across disciplines, across sectors, within fields.

As much as I hug onto my Luddite tendencies – I still don't tweet, flick, ping or peck – I have to admire the gloriously disruptive possibilities of this new world. We need, however, to keep in clear view that because these technologies are in their relative infancy, many of the crucial rules of the road are not yet in place.

We are, for example, leaving an age of centralized broadcast in which people received information on a common platform – whether television, newspapers or radio – and entering an age when people take only the information they want, when they want it, in the form they want it. Witness the Fox network – or the Huffington Post, for that matter: media outlets customizing their content to cater to their customers. It is increasingly a form of democracy that is uncurated, a form of democracy that is no longer erected on a shared public-information architecture.

It's not entirely clear how this decentralized information matrix will map back onto our collective work. At the very least, it suggests, for the "Wrinkle in Time" devotees among you, a 21st-century version of the tesseract – a foreshortening of the travel time between ideas and action. It definitely has something to say about the methods we use to get people to pay attention to tough issues. It bears on how we organize and mobilize to tackle those issues. It influences how informal, impermanent networks can push up against large

institutions.

## 6. Collective action

So philanthropy can use its bully pulpit, fortify public policy efforts, create portals to nontraditional forms of capital and promote networks. One more ingredient is necessary – something the writers Mark Kramer and John Kania term "collective action."<sup>8</sup>

All of society's truly wicked problems that you work on every day present a constellation of challenges so densely packed, intertwined and complex that the solutions must be systematic, not atomistic; dynamic, not rigid; nuanced, not ideological; long term, not episodic; participatory, not hierarchical. These are classically "adaptive problems." The answers are unknown. No single organization can address them. And the response will require a change in beliefs, priorities and behavior.

Kramer and Kania reason that this will occur only when a group of independent actors from different sectors coalesce around a common agenda in ways capable of marshaling shared resources.

A good job description for the public sector, one would think. The problem is that in too many cities and towns in America, the public sector no longer has the capacity to do it. Too few resources, too little vision, too limited a skill set.

Foundations then have no choice but to step forward. Not that we can substitute for a committed public sector, no matter its shortcomings, because we certainly can't. What we can do is spur the kind of collective action Kramer and Kania describe. By deeply committing to a place over a long period of time, we can help identify an aspirational horizon line and assist in drawing together cross-disciplinary, cross-sector energies to engage and invest selectively in those activities that will drive progress toward that horizon.

That's what Kresge is trying to do in Detroit, what [the Annie E. Casey Foundation](#) is trying to do in Baltimore, what [the Heinz Endowments](#) is trying to do in Pittsburgh, what the [Cleveland](#) and [the George Gund](#) foundations are trying to do in Cleveland. That's fine and good for those cities, but what about cities without strong lead philanthropic players? Kramer and Kania would suggest that other civic players can play that role, and will need to. Their lead example is the [Strive Partnership](#) in Cincinnati – a coalition brought together by a nonprofit to wrestle with the challenge of improving the preschool-through-college educational system. It's a model worth going to school on.

## IV. Conclusion

There's an old Asian saying, "Everything rests on the tip of intention." It implies a very close relationship between outcome and motivation. We like to believe that the path we have been on for the last four years at Kresge embodies that kind of relationship. But the economic collapse has underscored its importance. We have been reminded in the starkest terms that our institutional values and principles grow directly out of a fundamental intention to help those who are less fortunate.

Whether Kresge and other foundations can be sufficiently purposeful, enlightened and skillful to make a dent in the current and upcoming challenges remains to be seen. But we have to believe that we can. And we have to always bear in mind that it is institutions working on the front lines that ultimately provide community ballast. Those are the places that make sure families can get a meal, find a bed, or escape abuse. The places where a laid-off factory worker can retool her skills and rekindle her hopes. The places where a young person can connect with a mentor, a tutor or a coach. The places that offer beauty and repose. They are the places that symbolize the kinds of values we dearly need to hang onto if we are to preserve our dignity and dreams in such unforgivingly tough times.

They are, of course, the places to which all of you commit yourselves. I deeply appreciate the role you play in countless communities across your region. You shift and change and adjust, but always keep your original intention in clear view. As you should, because that intention is society's conscience, its navigator, its soul. It allows us to maintain equilibrium in the face of unexpected developments. It tethers us to reality, but invites us to imagine new and better ways of serving. When it comes right down to it, it is the true source of our strength.

Thank you for all you do. And thank you for the opportunity to be with you today.

<sup>1</sup>Cited in Ben Gose, "Collaboration Allows Charities to Extend Their Reach in Tough Times," *The Chronicle of Philanthropy*, p. 27 (March 24, 2011).

<sup>2</sup>See generally Mario Morino, "Chairman's Corner: The Innovation of Imperative," *Venture Philanthropy Partners*, [www.vppartners.org/learning/papers-and-perspectives/chairmans-corner/innovation-imperative](http://www.vppartners.org/learning/papers-and-perspectives/chairmans-corner/innovation-imperative) (April 2009).

<sup>3</sup>United Negro College Fund, Institute for Capacity Building, *Minority-Serving Institutions Green Report: 2010 Campus Sustainability Survey* (Atlanta: 2011)

<sup>4</sup>The metaphor is that of Paul Ylvisaker. Ylvisaker, Paul, "Philanthropy in a Favorable Climate," *Address*

to the 15th Annual Meeting of the Southeastern Council on Foundations," Sarasota, FL, November 8, 1984, reprinted in Virginia M. Esposito, ed., *Conscience & Community: The Legacy of Paul Ylviskater* 333 (Peter Lang: 1999).

<sup>5</sup>Rosenman, Mark, "Grant Makers Must Focus on Government's Role," *Chronicle of Philanthropy*, February 17, 2005, pp. 35-37.

<sup>6</sup>Perhaps the best source for this story is Joel Fleishman's seminal work, *The Foundation: A Great American Secret*. (Perseus Books Group: 2007). The companion compilation of 100 case studies can be found at <http://cspcs.sanford.duke.edu/learning-resources/publications/casebook-foundation-great-american-secret> and in a separate volume by Scott Kohler, Steven Schindler, and Joel Flesman, *Casebook for the Foundation: A Great American Secret*, ISBN 1-58648-488-5.

<sup>7</sup>This argument has been made by Jon Pratt, executive director of the Minnesota Council for Nonprofits.

<sup>8</sup>John Kania & Mark Kramer, "Collective Impact." *Stanford Social Innovation Review*, Winter 2011.