

## **Notable Books**

### **THE FOUNDATION: A GREAT AMERICAN SECRET: How Private Wealth Is Changing the World**

**By Joel L. Fleishman**

**&**

### **GREAT PHILANTHROPIC MISTAKES**

**By Martin Morse Wooster**

**Reviewed by Rick Cohen**

### **THE BUSINESS OF CHANGING THE WORLD: Twenty Great Leaders on Strategic Corporate Philanthropy**

**By Marc Benioff with Carlye Adler**

**Reviewed by Regina Starr Ridley**

### **PINK RIBBONS, INC.: Breast Cancer and the Politics of Philanthropy**

**By Samantha King**

**Reviewed by Fran Visco**

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## THE FOUNDATION: A GREAT AMERICAN SECRET How Private Wealth Is Changing the World

Joel L. Fleishman

341 pages (New York: Public Affairs, 2007)

## GREAT PHILANTHROPIC MISTAKES

Martin Morse Wooster

158 pages (Washington, D.C.: Hudson Institute, 2006)

Reviewed by Rick Cohen

Some books ought to be read as pairs. Joel L. Fleishman's and Martin Morse Wooster's recent offerings are such a duo, offering sometimes diametrically opposed perspectives on philanthropic successes and failures. Even their recipes for remedies and improvements for philanthropy's shortcomings are for the most part polar opposites, except that both believe that foundations can and should be self-corrective. Both authors profess commitment to the vital civic culture of the nation's nonprofits, yet they both faithfully trust the genius of foundation leaders to divine the necessary corrective actions: improved transparency and foundation storytelling in Fleishman's view, and a discovery of philanthropic humility in Wooster's.

The result is two interesting but troubling books, both defending an elite, anachronistic model of philanthropy, generated and run predominantly by philosopher kings and queens, at odds with the expectations and demands for democracy that characterize the growth of heterogeneous grassroots nonprofits throughout the U.S.

Wooster has been a longtime productive and creative conservative critic of mainstream and liberal foundations. *Great Philanthropic Mistakes* advances his

critique: The problems of the major foundations are not simply their departure from the original donors' ideals. They are also mistakes, straightforwardly wrongheaded investments that lead to bad results for society.

Wooster is a lively writer and an energetic researcher, relying on source documents, autobiographies, and first-person recollections to tell the story of what he sees as philanthropic missteps. The result is an ideologue's highly readable treatise laying waste to eight of philanthropy's historical sacred cows. In some instances, readers might find Wooster's proclamations more than a little jarring, particularly his relegation of saintly public television and the Corporation for Public Broadcasting to the column of grand philanthropic failures.

Other examples of foundation blunders will make readers cringe and perhaps cross ideological lines to agree with Wooster, such as the extensively criticized Ford Foundation experiment in school decentralization, and the associated turmoil, racism, and anti-Semitism in the Ocean Hill-Brownsville neighborhood of Brooklyn. One can debate how much of the Ocean Hill-Brownsville "legacy" is exclusively the province of the Ford Foundation (and Wooster does take some liberties here and elsewhere with attributing long-term societal consequences to grants), but this is one of several of his cases that highlight the problem with addressing social problems from an intellectual and philanthropic perch of 30,000 feet.

As Fleishman's book points out, however, failure is a squishy concept, sometimes historical and contextual. What constitutes the underpinnings of

many of the failures Wooster cites are their successes in stimulating government funding and consequently a larger government role in public welfare – such as the Lasker Foundation's success with the Johnson and Nixon administrations in getting federal funding for the campaign against cancer, and the Rockefeller and Ford foundations' successes with the Johnson administration in promoting population control initiatives.

Wooster's chapter on the Ford Foundation's Gray Areas program, an urban renewal initiative of the 1960s, reveals how he defines disasters. Fundamentally, Wooster attacks not just the Gray

Areas program, but the resultant War on Poverty based partly on the Gray Areas model. What he discovers and highlights is that the Ford grants supported some groups that worked well, others that flopped ignominiously, and still others that were neither failures nor successes. In other words, the results were a mixed bag, like much social policy in the U.S.

He concludes the story by declaring that "by 1968 it was clear that the federal government's community action programs had failed," giving Ford blame or credit for an entire swath of government programming that was hardly under the control of the foundation or its program "baron" Paul Ylvisaker. Wooster's jump from a critique of a half dozen Ford initiatives to a condemnation of the entire War on Poverty – which was done in by half-hearted federal commitment, and exacerbated by the competing demands of another war – doesn't quite make sense, particularly from the perspective of the thousands of families that have received



vital services from more than 1,000 community action agencies. Wooster might equally credit Ford with the continuing accomplishments of community action agencies, some of them the original Gray Areas groups such as Action for Boston Community Development, which function as critical components of this nation's social safety net.

Fleishman would turn Wooster's argument on its head and applaud foundations for placing poverty on the national agenda and, through persistent promotion of visions for social progress, keeping it there. For Fleishman, it is exactly that ability to push ideas that might not get support from other sectors into the public consciousness that makes philanthropy an invaluable engine of social progress.

Oddly enough, as Fleishman hints by including the John M. Olin Foundation's work on conservative legal advocacy as an example of a foundation initiative of extraordinary influence, conservative foundations have had great success with exactly these high-impact idea and knowledge strategies. The work of Wooster and his colleagues at the Hudson Institute demonstrates the power of foundations to place and maintain sometimes unpopular ideas in public discourse. The past two decades of conservative political dominance serve as evidence of "high impact."

Fleishman is the founder of Duke University's Terry Sanford Institute of Public Policy and the director of the university's Heyman Center for Ethics, Public Policy, and the Professions. He has written and published extensively about philanthropy for decades. *The Foundation*, which began to receive publicity long before it was published, is something of a tour de force of examples of philanthropic accomplishment.

Foundation people routinely convey modesty about the potential impacts

of foundations, noting that their grants constitute usually less than one-tenth of nonprofit revenues. Fleishman's unveiled secret is the opposite: With refreshing candor, he says that foundations have been indispensable elements of social progress in the 20th century.

Fleishman focuses on the very largest foundations of our era (noting that 2 percent of foundations control 70 percent of philanthropic assets), and his selected stories are similar to Wooster's, with a heavy dose of Ford, Carnegie, Rockefeller, and MacArthur. In his case studies, foundations act as drivers and

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partners; in other words, they call the majority of the shots. Given his eloquence on the importance of the civic sector, one might have hoped that he would pay tribute to the successes of foundations that have had faith in communities and nonprofits and grassroots democracy to actually identify solutions to societal problems.

Although Fleishman does point out foundation failures (he is one of the few to highlight the racist flirtation of some foundations with the sham science of eugenics in the 1950s), his book is primarily about underpublicized successes of great societal import. His selection of

12 "high-impact" case studies touches on examples also raised by Wooster – including the creation of public television and Abraham Flexner's 1910 book-length report on medical education – though obviously from a perspective very different from his conservative colleague's.

One can only wish that Fleishman and Wooster would appear on the same dais to debate their overlapping histories, offering revelations to the audience about the complexities and difficulties in good grantmaking. Fleishman's book actually provides a survey of how to achieve high impacts in foundation grantmaking, most of it the common-sense elements of problem diagnosis, strategy development, tactical decisions, and cogent implementation planning, all of which are hardly unique to foundations. More instructive might have been observations from Fleishman's near decade of personal experience at the Atlantic Philanthropies, particularly because of the foundation's historic willingness to take on serious national and international social problems.

In general, Fleishman's analysis of failures emphasizes operational challenges, essentially accepting the positive outcomes intended by the foundation sponsors, whereas Wooster's analysis suggests that good planning and implementation could not have prevented his selection of philanthropic gaffes. In other words, Fleishman for the most part accepts the wisdom of what foundations are trying to accomplish, but faults them for their errors of implementation. Wooster, in contrast, faults foundations for their hubris in ignoring the knowledge of nonprofit leaders who serve on the front lines of social change; such foundations instead rely on their own judgments.

Fleishman's 12 case studies do not, however, read like uncovered secrets as the book title suggests, although many

readers will be unfamiliar with the Flexner Report; Julius Rosenwald's support for building schools for African-Americans in the rural South; and the Robert Wood Johnson Foundation's central role in the movement against tobacco use. It is hard to imagine that the bulk of Fleishman's nonprofit sector readers will not know about the Green Revolution or, because Muhammad Yunus recently won the Nobel Prize, the Grameen Bank's microlending innovations, or even George Soros' support for civil society in post-communist Eastern Europe.

But Fleishman tantalizes the reader with a potpourri of lesser-known examples of what he considers to be models, including the youth development program of the Edna McConnell Clark Foundation; the Ford Foundation's support of the Manpower Demonstration Research Corporation; Ford's seminal role in the community development corporation movement, including the creation of the Local Initiatives Support Corporation; and smaller but perhaps powerful examples of foundation accomplishments by the likes of the McKnight Foundation in Minnesota, the Z. Smith Reynolds Foundation in North Carolina, and the George Gund Foundation in Cleveland. Some of these examples might, for most readers, actually be so little known as to be considered *de facto* secrets, raising questions about what makes them instructive, high-impact examples.

It must be galling to conservatives that Fleishman frequently defines foundation successes as sparking expanded government funding commitments ranging from the success of Rosenwald's efforts in attracting funds for his rural schools to Joan Ganz Cooney's Children's Television Workshop. Fleishman's model is well-grounded in the Ford/Rockefeller/Carnegie model of

experimentation followed by government adoption, replication, and expansion; and fundamentally at odds with Wooster's view of good, bad, and calamitous philanthropy.

Foundation and nonprofit trade association leaders might be stunned to read Fleishman's contention that government regulation of nonprofit accountability is, "for all practical purposes, slight" and that foundations themselves enjoy a "freedom from accountability." At face value, his observations constitute a clarion call for serious public scrutiny of essentially "unfettered" public foundations.

Like Wooster, Fleishman eschews government regulation in favor of self-regulation. Wooster wants foundation egoists to become humbler, reduce their "overreliance on expertise," and remember the limitations of using wealth to change society. Fleishman promotes an aggressive regime of foundation-managed disclosure and transparency; infusing the sector with foundation-located ombudsmen; and initiating a foundation rating board to rank transparency. He is confident that sunshine will make foundations do the right thing, even though there is virtually nothing in the system of philanthropic accountability to *make* them do anything.

Both books contain enough insights and blind spots to stimulate a long and vigorous philanthropic debate.

*Rick Cohen is a national correspondent for The Nonprofit Quarterly. Before joining the magazine in 2006, he was the executive director of the National Committee for Responsive Philanthropy, the nation's premier nonprofit philanthropic watchdog organization.*

## THE BUSINESS OF CHANGING THE WORLD: Twenty Great Leaders on Strategic Corporate Philanthropy

Marc Benioff with Carlye Adler

304 pages (New York: McGraw-Hill, 2007)

Reviewed by Regina Starr Ridley

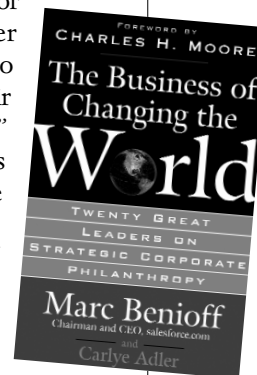
Every year, corporate philanthropic foundations pour \$30 billion into their U.S. endeavors. But for the most part, those endeavors have little to do with the companies' communities or missions, according to Marc Benioff, CEO of Salesforce.com, a leading provider of on-demand software

services. Benioff believes that many CEOs want to change their approach but lack the knowledge to be effective. For them, he offers *The Business of Changing the World* – a collection of 20 essays by leaders who are practicing strategic corporate philanthropy.

Benioff kicks off the book with his own story. He started Salesforce.com in 1999 using an innovative 1-1-1 model:

putting 1 percent of the company's stock into a corporate foundation upon founding, donating 1 percent of profits to the community, and committing 1 percent of employee hours to community service. Benioff has evangelized his model and other companies have since followed his lead, most notable among them Google.

The book's author-CEOs include Craig Barrett of Intel, Steve Burd of Safeway, and Phil Marineau of Levi Strauss & Co. Not surprisingly, all of the leaders are overwhelmingly positive about their own companies' achievements. But in spite of their biases, the breadth of their companies' philanthropic activities in their communities



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is still astounding and inspirational.

One of the powerful themes that emerges from these essays is that companies founded with dynamic leadership on strong, articulated values – like Hasbro, UPS, and Timberland – have continued to practice strategic philanthropy as an intrinsic part of their businesses for decades. Benioff wisely concludes his collection with several essays by visionaries like Klaus Schwab, founder of the World Economic Forum, and Laura Scher, CEO of Working Assets – leaders who are working toward a future where the private, public, and social sectors are more tightly entwined.

*Regina Starr Ridley is the publishing director of SSIR.*

## **PINK RIBBONS, INC.: Breast Cancer and the Politics of Philanthropy**

**Samantha King**

208 pages (Minneapolis: University of Minnesota Press, 2006)

**Reviewed by Fran Visco**

In August 1993, the cover of *The New York Times Magazine* featured the artist Matuschka revealing her mastectomy scar. The accompanying article reported on the growing grassroots political movement to fight breast cancer. Three years later, the same magazine ran a cover story titled “How Breast Cancer Became This Year’s Hot Charity,” featuring a tan, naked supermodel

with her hands over her breasts. Quite a change.

In *Pink Ribbons, Inc.*, Samantha King, an associate professor at the Queen’s University School of Kinesiology and Health Studies, argues that the rise of philanthropy targeted at breast cancer has contributed to the disease’s evolution from a political issue to a mainstream marketing gold mine. Although she raises important and interesting questions, she discusses few in depth or with an evidence-based approach.

The growth in cause-related marketing campaigns and large-scale corporate-sponsored fundraising events (such as the various races, walks, and runs for the cause) has created both opportunities and challenges for non-

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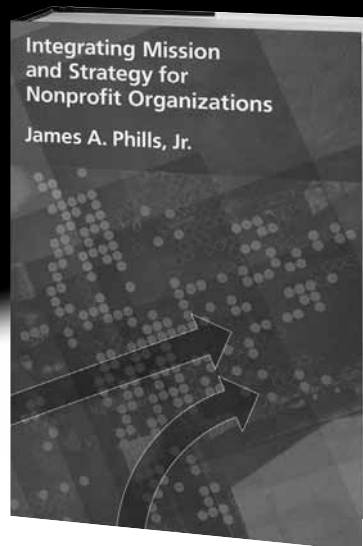
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profits. As the amount of available funding has increased, so has the number of nonprofits. And many of them struggle with the same ethical questions: Will our affiliations affect the positions we take? Will they circumscribe programming? Will messaging change? Will outsiders take control of the agenda?

*Pink Ribbons, Inc.* does not address these issues. Instead, King embarks on a scholarly discourse, claiming that corporate philanthropy “played a crucial role in the emergence of a reconfigured neoliberal state formation in which the boundaries between the state and the corporate world are increasingly blurred as each elaborates the interests of the other, often at dispersed sites throughout the social body and through practices that misleadingly appear to be outside the realms of government or consumer capitalism.” Scholarly discourse can and should be accessible. This book often is not.

Overall, *Pink Ribbons, Inc.*, an amalgamation of King’s published articles, is disjointed and incomplete. For example, discussing cause-related marketing campaigns, she mentions the costs in terms of corporate marketing dollars, public attention, and nonprofit integrity without ever fully exploring them. Nor does she make a direct connection between the campaigns and neoliberalism. King does discuss the fact that the campaigns tend to put a “happy face” on breast cancer and exacerbate the harmful focus on early detection when we don’t even know how to prevent or cure breast cancer, and millions lack access to care. But in the end, she adds nothing new to the dialogue.

King is busy focusing on her agenda.



She spends an entire chapter on the political campaign that resulted in the breast cancer semipostal (a stamp sold at a price greater than postal value) that has raised tens of millions of dollars for research; she uses this story as evidence that private philanthropy is substituting for historic government funding of public issues. But King overlooks the fact that the majority of government funding doesn’t come from stamp sales. Every year, grassroots political activists lobby successfully for high levels

of federal appropriations for biomedical research and treatment policies – hundreds of millions of dollars per year. King barely mentions the fact that the National Breast Cancer Coalition (NBCC) created a Department of Defense-funded research program that brought activists to the table to oversee spending and the agenda.

The book moves on to criticize the present state of activism because, according to King, it focuses on early detection, rather than disparities in care. Once again, reality is different. King reduces to a footnote the Breast and Cervical Cancer Prevention and Treatment Act, a hard-fought victory that created a system of access to care for thousands of low-income and uninsured women. And she completely ignores the fact that several activist groups, including the NBCC, have long placed universal access to quality health-care at the top of their policy agendas and continue to devote significant resources to its enactment. When the facts don’t fit, she ignores them.

In another example, King posits that the rise in corporate and event support for breast cancer results in the overriding association of breast cancer with a white, middle-class, nurturing woman

– a “stay-at-home wife and mother.” In fact, the breast cancer movement is an incredibly diverse coalition of hundreds of organizations, including the Sisters Network, the Women of Color Support Group, the Mautner Project for Lesbians With Cancer, and others. As one of the founders of the movement, I have a firsthand perspective: I see angry, committed women and men who have made breast cancer a political issue and continue to speak up and out about issues of importance to all of us.

In an anecdote about the partnership between the National Football League and the Susan G. Komen Breast Cancer Foundation, King demonstrates how far she will twist jargon and anecdote to make a point. King describes the NFL as “the epitome of a racialized black hypermasculinity” and the nonprofit as “the epitome of a pink-ribboned, racialized white hyperfemininity.” King asserts that the NFL used volunteerism to create a perception of its players as having good characters defined by “a willingness to embrace bourgeois, humanistic values such as the need to perform organized, charitable works.” There are interesting hypotheses in this difficult passage, but they are buried in hyperbole that leads to overworked and unhelpful conclusions.

King has glossed over many other issues, including the label of victim vs. survivor and the present development of biomedical research. But ultimately, her book disappoints because her agenda is too varied, unfocused, and predetermined to make a substantial contribution to social discourse or the fight against breast cancer.

*Fran Visco, a 19-year breast cancer survivor and activist, is president of the National Breast Cancer Coalition. She is a leading voice on the politics of breast cancer and women’s health advocacy issues.*