

1998 International Conference on Volunteer Administration

Volunteerism and Philanthropy Speech to 1998 International Conference for Volunteer Administration

Curtis W. Meadows Jr.

ABSTRACT

The Greeks coined the word philanthropy to mean love of humankind. This keynote speech explores modern philanthropy as a table around which we all gather, one which has four legs: the giving of funds, the giving of self, the administration of the effort, and the societal license to exist as an organized project. We must seek public understanding of their stake in the philanthropic sector, Meadows asserts. He concludes by exploring challenges and issues on the horizon.

I am aware that this is an international conference for those interested in volunteer administration, not a conference of volunteers. As such, I have tried to fashion my comments to be of interest from your particular vantage point. Some of my comments are necessarily from an American perspective, as that has been where I have done most of my work in the field. When I speak of philanthropy, I am going to use the term in its broadest sense to encompass the whole process of action on behalf of others.

The Four Legs of Philanthropy

I see philanthropy as a table, around which all of us gather, supported on four legs: the giving of funds, the giving of self, the administration of the effort, and the societal license to exist as an organized process. Each leg is an essential element supporting and stabilizing the table so all the "good stuff" can happen there.

Over my lifetime, I have participated in work involving all four of those areas. As a teacher and speaker on the subject of philanthropy, I have had cause to consid-

er and reflect on the historical origins, underlying philosophies, management principles and legal structures of the field. I want to share with you my perspective on how we have come to this point and what challenges we may face in the future.

In this country, our philanthropic heritage and system is rooted in our nation's unique history and continues to unfold into our time. Our heritage is much more than things which we pass down from generation to generation. It is a sense of belonging to a family, to a group, tribe or nation of people, to traditions, practices and preferences developed over time as right and appropriate for those with whom we share some relationship.

All of these things create a group identification that can give pride in the accomplishments of those who preceded us and a pride in how these developed traditions have contributed to our present and will effect our future.

Several years ago I went to Spain to speak to a European family business conference about family philanthropic giving

Curtis W. Meadows, Jr., is the 1997 winner of the Distinguished Grantmakers Award and a consultant for families and foundations with Thompson & Knight, P.C. Under his 18 years of leadership, the Meadows Foundation assets grew 1,125%, with more than \$270 million being given to assist charitable and community organizations in Texas. Meadows hold an Honorary Doctor of Human Letters Degree from Austin College and an Honorary Doctor of Arts Degree from Southern Methodist University.

in the United States. The conference was held at a town situated on the high hills outside of Madrid, known as El Escorial. Here in 1561, to celebrate a Spanish military victory over the French, King Philip II built a great monastery and palace.

As conference attendees, we were given a rare evening tour of this venerated building. Inside the monastery, a large library was built and beautifully decorated. Books contained in the library detailed the history, cultural thought and religious expressions of the Spanish people for over 1,000 years.

Our guide was so enthusiastically proud of the building and its role over time, it was as if he had helped construct it. As I listened to him, I was struck by the power and feeling generated by the internalization of heritage into a current personal and relevant force for today. I also thought about how the people of this one country carried their language, religion and traditions into new worlds and continue today to influence the lives of millions and millions of the inhabitants of this planet.

The Family Business Conference I was to address had gathered family business owners from all over Spain, Europe and Scandinavia. They had come to consider how to preserve and pass on to future generations the financial heritage and traditions of their family businesses despite the changing world around them and the natural evolution and dispersion of family units over time.

At the conference, they talked of globalization of the marketplace and the need to send their sons and daughters to new worlds to seek business opportunities, just as their ancestors set out to do 500 years ago. Still they wanted them to maintain and preserve family history, unity, and traditions as they pursued economic success. To this older world of family business and finance, I brought a renewed philanthropic message that asked fundamental questions about the responsibility of accumulated wealth and power.

A new wave of democracy, free markets

and personal freedom has been sweeping across the world. As nations, formerly committed to a centralized and all-providing state, seek to redefine government's role, reduce controls, taxation and pursue freedom, they are also exploring the philosophical, moral, ethical, and practical uses of a voluntary, non-government philanthropic system.

The Philanthropic Legacy

The philanthropic legacy is the interwoven story of wealth and poverty, of dreams and frustrations, of good intentions and arrogance, of the head and the heart.

The ancient Greeks coined the word "philanthropy," which meant love of humankind. The early Christians used the word "agape" to represent a blending of love and charity, not just liking, but unconditional acceptance. It taught that the neighbor to be loved was anybody and that it is necessary to care about the welfare of the one helped as well as to give assistance.

The moral imperatives of many religions influence actions to help others. The Jewish tradition is that charity is not only to be a selfless act, but one based upon a concern for the oppressed and the seeking of justice. Giving is to be done with thought, marked by reflection, respect for the other party, and humility by the donor. In the Jewish teachings, how you give matters as much as what you give.

Islam challenges Moslems "to practice the virtues of benevolence and justice in order to retain a relative state of purity."¹ Confucius taught that benevolence was a characteristic element of the maturing of a person toward being truly human.²

Most cultures, as well as religions, teach about charity and giving. Wealthy Armenians had a tradition that they should give as much as 9/10ths of their money to charity. Some Native American tribes followed a belief that status was achieved by distributing wealth rather than accumulating, literally distributing everything they had accumulated at

death on a come-and-get-it basis.³

Charity in Japan was normally directed to the particular benefit of an individual, family, or institution with which the donor had close personal ties. Early Hispanic and African charitable traditions revolved around family and extended group needs. In this country, minority and ethnic groups widely used churches and benevolent societies to help the members of the group and extend charitable assistance to others.⁴

As early immigrants came to America, they brought a deep suspicion of government, strong religious faith, and a fierce independence. They fought for and obtained a constitution and bill of rights that limited governmental authority over their lives. In so doing, they accepted substantial responsibility for their own welfare and, indirectly, for their neighbors' needs as well.

In a country so vast and immense, new settlers often came to an area long before a local governmental authority existed. They learned to depend upon themselves, and, drawing on their various philanthropic traditions, they formed associations with their neighbors to resolve common problems.

This process of associating with others to address community issues outside of government became a hallmark of American democracy. Our forefathers felt so strongly about these expressed rights of assembly, freedom of speech, and petition of government for redress of grievances, that they were guaranteed in the First Amendment of our Constitution.

Studies have consistently shown that most Americans, of whatever race, religion, or creed, are involved in some ongoing way in voluntarily helping other people.⁵ The American nonprofit system is about passion, belief, idealism, and hope giving. It is laden with feeling and emotion as well as rational thought. It is focused on others and not on ourselves.

Philanthropy, wherever practiced, is at its core about a life's journey of connecting with others and engaging in a walk

together to a better place. And if community is built when people accept the idea that they have a relationship to other humankind, the challenge for a society seeking peace and harmony among its people is to continually widen its citizens' sense of significant connectedness to an ever expanding group of others.

However, all too often, Americans do not fully appreciate what we have in this unique sector. We take it for granted. It has always been there. For in the minds of most of our citizens, the sector is limited, made up of their place of worship, some social service agencies, United Way, and some arts or environment groups.

The Impact of Volunteers

I have often been asked why we at the Meadows Foundation supported voluntary organizations. First, we liked such efforts because the participation of volunteers affirmed the worth of the work of the organization. Volunteers were voting with the most precious gift they have, their personal time. We liked the idea that they demonstrated through their efforts that those concerned about an issue were doing all they could to solve the issue before coming to us. Our gifts could then be seen as awards for good effort and encouragement to keep on with the work.

We also liked the financial leverage obtained in expanded capacity using volunteers. But most of all we liked what volunteerism did for the volunteers and those assisted with their efforts. Helping your neighbor, whether here or in the world, builds community between people, reduces misunderstandings, engenders hope, lifts spirits and creates common ground. Voluntary service helps our citizens also find significant meaning and purpose for their lives and brings them outside of their own personal living experiences. It gives leadership experience that can empower our citizen democracy and give opportunity for personal growth.

We also need true-life heroes like the volunteers for Habitat for Humanity, or

Stewpot Ministries, or disaster relief, or foster parents. We need volunteers to challenge the way things are and the way they are done. Such voluntary efforts give voice to the views of the new and unfamiliar and sometimes unpopular causes and needs, and in so doing, they renew and re-affirm democracy and the absolute right of the minority to confront the decisions of the current majority.

As funders, we were not ignorant of the fact that there can be a considerable gap between the ideal voluntary effort and the reality of dealing with people who cannot be compelled to serve. But that fact only goes to justify why each of you is needed, not to show any fundamental flaw in using volunteers.

Making Connections

Caring for others, as we have seen, is taught by every religion, yet acting on the teaching is often put aside. In many cases, it is not that people don't have the impulse to become involved; it is the process and place of connection that is not found. This is the essential role the non-profit organization plays for the donor or volunteer. It identifies a place of service and provides the opportunity for action.

We learn our morals and values from our families, from our religious institutions and from our schools. What we are taught is tested and influenced by the world in which we live. As we create opportunities for experiential learning about the joy and purpose of giving to others, we reinforce our teachings of faith and humanity.

People relate to their causes but often fail to understand why all the other agencies are needed. So we have a current and pressing need to educate the American public on the vast work of the sector and the important contribution all of that combined, collective work makes to the shaping of what we stand for as a people. The understanding of their stake in the sector, or the lack thereof, directly impacts fund-raising, recruitment of volunteers and the public policy that affects the work

nonprofits do. A national ongoing campaign to better communicate why what we do is important to America and the world is critically needed for the future well-being of the sector.

With the giving leg of the philanthropic table there is good news. Giving resources have been growing. Fed by the stock market and buy-out fever, billions of new dollars have flowed into private and community foundations. In the last 10 to 15 years, the number of private foundations has doubled, and the prediction is that they will double again in the next 5 to 10 years. Community foundations have grown significantly largely as a result of the use of advise-and-consult funds. Estate and tax planners have been spreading the use of Charitable Remainder, Charitable Lead and Charitable Annuity trusts, and United Way giving all over the country is on an upward trend again.

Much of the growth in organized, endowed, philanthropic giving has been through family philanthropy using private foundations, community foundations, controlled businesses and charitable trusts. There really is a very significant intergenerational transfer of wealth underway and it will only continue to grow, unless we have a major depression.

Donors are becoming more independent and desirous of a hands-on experience. This should be good news for you since they like to give to what they have supported with their time. And a lot of giving is now a more deliberate and conscious search for alignment of charitable causes with a donor's personal and religious values and principles, rather than just around social relationships or who asked.

Future Challenges

Let's turn now to a few future challenges and issues. I do not offer these as a soothsayer or futurist, but as someone who has studied such trends from many different vantage points over the last 35 years. It is for you to weigh, sift and con-

sider their relevance to your own institution or activity.

Our license and freedom to exist and flourish is fundamental. Therefore, all of us who care about this work need to be watchful, vigilant, and engaged in the public policy debates that arise out of Washington, in our states, and in our local communities concerning the tax incentive structures in which the sector exists. There is continuing talk about the nonprofit sector picking up more of the social safety net responsibility. Yet, I expect to see very little substantive discussion given by Congress on whether changes are needed in our tax and other laws to increase the financial capacity of nonprofits to assume more of the duties being transferred to the sector.

In fact, just the opposite looms ominously in the sheep's clothing of tax reform. The flat tax, national sales tax and other tax reform proposals are still around, many of which would eliminate the deduction for donations to charity. The argument advanced to respond to the concerns of charities is that the flat tax or other plans for rate reductions will return so much money to the American public that they will have more money to contribute.

But no one can really say if the American people will take their tax refunds and increase their contributions to charity or pay off their credit card bill. I do think it is clear that they will not just turn around and give the money back to support the causes and agenda government was previously supporting.

They will, most likely, give any additional gifts that might ensue to programs they have supported in the past and to which they are committed. This means that they will continue to give the bulk of their donations to religious causes, which in turn, will put pressure on such institutions to re-think their missions in light of the cries of the world for help and the shortage of resources with which to respond.

The threat is that churches may fight to

hang on to their traditional roles and be perceived as institutions unconcerned and unrelated to human need outside of their membership. The opportunity presented for them is to reverse the long downward trend in membership through a new sense of relevance and involvement in their members' current world concerns as well as in their spiritual well being. It could be an opportunity for churches to witness the integrity of their faith through work in this life, even as they prepare their members for a life to come.

What I believe could happen is that when it becomes clear that the business and nonprofit sectors are unable or unwilling to assume the former programs of government, those dependent on these programs being cut will cry foul. Already they have begun to turn the spotlight on private foundations and corporations, look at their asset growth over the last ten years and pressure them, through the press and Congress, to give more to the programs they espouse.

Recently stories have begun to appear in newspapers throughout the country reporting on the growing interest among members of Congress in legislating an increase in the 5 percent payout requirement of private foundations. Other stories have raised the issue of requiring the termination of foundations after a term of years. The threat is that the endowment role of foundations could be severely impaired if not eliminated. The opportunity is the chance to educate Congress and the American people on the important and unique ongoing endowment role foundations play in the philanthropic mix and the need to avoid depleting their asset base.

Trends to Watch

Other global and national trends researchers have cited that may affect volunteerism and may grow more significant in the future include urbanization. Back in 1975 only about 38 percent of the world's population lived in great cities but by 1995 the number had risen to 45 percent.

In 1950 only one city in the world was over 10 million. By 1992, 13 cities were over 10 million and by 2010 it is estimated that there will be 25 cities, 20 of which will be in Third World Countries.⁶ The impact of this continued urbanization on voluntary organizations may depend on how well we manage the integration of this influx of new citizens into the life and work of our cities. How quickly can we get them involved in helping others when their connection to the place and its issues is new and tentative?

A similar issue is posed by the massive global migration across national lines. For example, Melbourne, Australia, is now the second largest Greek city in the world after Athens. Chicago now has more Poles and Croats than the total number of people in San Francisco. Los Angeles is now the second largest Iranian city in the world after Tehran. Toronto and Amsterdam have the largest concentrations of Afghans outside of Afghanistan. One result of these migrations is to increase the diversity of the languages spoken daily in the United States. California tops the nation with 239 and Texas is fourth with 169.⁷ The impact on volunteerism relates to the different cultural way these new immigrant populations become engaged with the "American" voluntary self help philanthropic system. There will be challenges to the training of volunteers to serve these growing immigrant populations and uncertainty as to how the new populations will respond to calls for their donations of time and money.

The technological revolution will continue but with a serious hurdle ahead for everyone with the Y2000 problems with computers. I recently attended a briefing on the issue and heard astonishing warnings of possible civil unrest and massive problems looming out there. For all of you and your jobs, I pass on the warning to make sure everything on your databases is backed up and in hard copy. Community disruptions could bring forth an urgent need for many volunteers to cope with unforeseen or undealt-with human and

social problems at a time when the computer databases may not be working properly. I don't know how to help you quantify this threat, but I do advise you to become as knowledgeable as you can about the problem and its potential effect on your work, as soon as you can.

My last concern is probably the one most important to coping with the issues cited, as well as those I did not have time to even mention. Almost every problem we face as a nation and in the world can be addressed in some fashion if we have the right leadership. As we enter into a ever increasingly complex and changing world, leadership is the essential need in all areas of life. And it is not just about people rising to and obtaining authority, it is about the judgment, integrity, wisdom, and personal values found in a leader. Time is compressing for decisions, and leaders may not have lengthy time to reflect and wait. Just look at the stock market and the speed of reaction to current news or events.

Information is overflowing but only judgment can separate the essential from the tangential. What does this mean for the voluntary sector? I believe we are all going to have to work hard to find the way to develop and prepare leadership at all levels of our society to deal with this speed of change and decision. Just as one example, as we increasingly turn to computers to help us cope with the information deluge and speed needed for action, nonprofit agencies will have to keep up and have equipment, staffs and volunteers capable of ongoing computer-assisted management.

Hope and Inspiration

When we begin to look at future challenges it is easy to get overwhelmed and pessimistic, but I am a believer that at every stage of world history there have been problems that seemed overwhelming and of epic proportions. We deal with our fears by turning to our faith in God and in our belief in the human capacity to survive in adversity. "We have to keep on

doing until we're done," as someone once said. The voluntary sector, by calling on our better and more humane impulses, provides inspiration and hope that we can get through whatever is ahead. Maybe in the final analysis, that is why your work is so important. By undergirding volunteerism and engaging in an everyday search for ways to support, encourage, and increase its effective use, you remind us all that we are important, that our one act on behalf of others is still important and that we are all still connected and related.

Whether we give our time, our talents, or our money, in helping others we act out our beliefs and principles. When we do that without hypocrisy, honoring those we serve and sharing in their struggles, we break down boundaries of distrust and division in our society. We are all changed in the process.

In a book entitled: *Your Life is Your Message* the author writes: "Last week I read about a terrible flood that swept away thousands of people in Kashmir, on both the Indian and Pakistani sides. I was deeply touched to read how Indian and Pakistani soldiers—usually at odds—worked together to save lives and rescue cattle, forgetting past differences. In such events we glimpse the noblest part of human nature, our true personality. It doesn't take large numbers to change human relationships in any country, even today. It doesn't take government action. It takes dedication, determination, and a certain amount of faith in the goodness hidden in our hearts. It takes you."⁸

ENDNOTES

¹James A. Joseph, *The Charitable Impulse*. The Foundation Center, 1989. Page 19, 20. *ibid.* Page 19.

²Robert Lee, "The Confucian Spirit", *Foundation News*, May/June 1990.

³Clara Sue Kidwell, "True Indian Giving" *Foundation News*, May/June 1990.

⁴Jennifer Leonard, "A New Age for Mutual Aid". *Foundation News*. May/June 1990

⁵Virginia Ann Hodgkinson & Murray S. Weitzman, *Dimensions of the Independent Sector, A Statistical Profile*, Independent Sector.

⁶Phil Butler. "Critical Global Trends-Implications for the Kingdom". Page 4. *Interdev*, May 1998.

⁷*Ibid.* Pages 5,6.

⁸Eknath Easwaran. *Your Life is Your Message*. Pages 122, 123, Hyperion Press, New York