

THE LAFF SOCIETY

For the men and women engaged in Life After the Ford Foundation

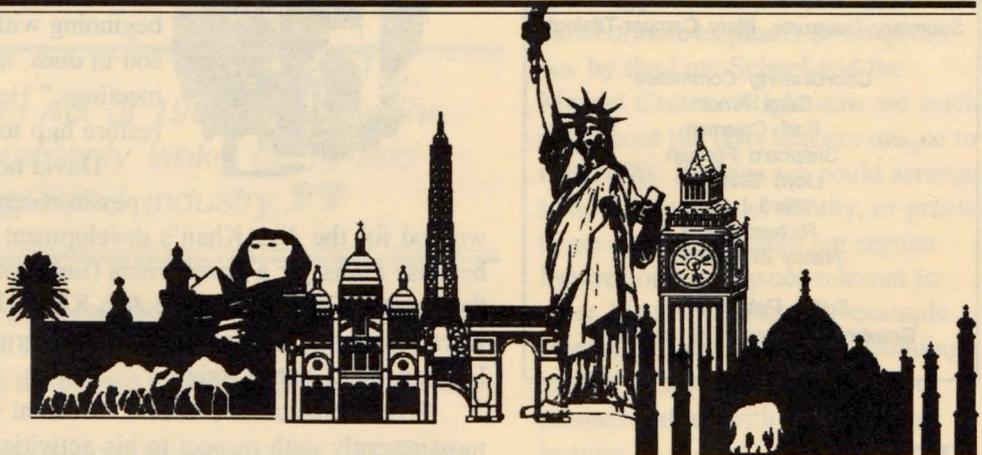
Summer 2000

No. 24

The LAFFing Parade

John G. Sommer, who served in the New Delhi Field Office from 1970 to 1975, has stepped down as dean of academic studies abroad of the School for International Training in Brattleboro VT after 18 plus years. "It's been hugely rewarding to have sent over 14,000 U. S. undergraduates for semester-long programs in some 50 countries around the world, and seeing how the experience changes their lives. But now it's definitely time for new challenges. For now, I'm keeping my base in Vermont (366 Hague Road, Dummerston VT 05301-9692) while writing a book on grassroots empowerment movements in India and undertaking consultancies and whatever other interesting opportunities may come along."

Patricia Dell Dacy, whose service for the Foundation goes back to the early Pasadena days, compliments us on the piece in the last issue about the efforts of the Foundation's female staff to raise the status of women inside and outside the Foundation. She recalls that when she was hired she was warned that one of the ground rules laid down by the Foundation's then president Paul Hoffman was that no woman could be paid more than his secretary. She points out that the rule was apparently changed not long after when the two directors of the Foundation offshoots, the Fund for Adult Education and the Fund for the Advancement of Education, each brought in a woman in an



Ties That Bind... and Bind...and Bind

The Ford Foundation wasn't even a glint in anyone's eye when the Institute of International Education (IIE) was established in 1919 in the aftermath of World War I. Two of the three founders were quintessential "Establishment" figures of the day, as Ford Foundation trustees (and not a few officers) would be three

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executive position.

Joining the reverse migration movement, **Siobhan Oppenheimer-Nicolau**, our esteemed president, and her husband George have bought a house in Ireland where they hope to live from May to September as they "limp toward retirement." She notes that her National Affairs colleague **Eamon Kelly**, retired president of Tulane University, has also bought one, "forming an ex-pat nucleus in the 'Old Sod.'"

Emmett Carson (Human Rights and Governance), president of the Minneapolis Foundation and LAFF vice president, gave a speech at Georgetown University in October on strategies grant-makers use in attempting to alleviate persistent poverty. Each of the concepts he describes—

the asset model, outcome evaluation, and venture-capital investing—"has inspired a small but vocal group of zealots—grant-makers who have advocated their respective ideas to such an extreme that they often hinder candid discussion about how to alleviate poverty." The speech, excerpts of which were published in the *Chronicle of Philanthropy*, is available at the Minneapolis Foundation web site—<http://www.mplsfoundation.org>.

J. Irwin Miller, retired chairman of the Cummins Engine Company in Columbus, Ind., and long-time Foundation trustee, is prominently mentioned in a *New York Times* article on the selection of a group of Columbus buildings, all designed by leading modern architects (including Kevin

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The LAFF Society

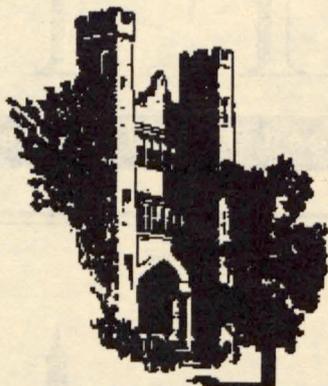
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News from Cambridge

David Bell (vice president, International) writes from Cambridge MA (One Waterhouse Street, 02138-3612) that he "must be one of the Society's blackest sheep; I've read the newsletter from its beginning with great interest but have never paid a sou in dues, nor have I been able to attend any of the meetings." He hopes that a good sized check will restore him to LAFF's good graces.

David notes that his main contacts with ex-FF types in recent years have been with those who have worked for the Aga Khan's development network. "I have encountered them because I was for a dozen years (until rotating off last December) a member of the Board of Trustees of the Aga Khan University, which has its headquarters in Karachi but has increasingly strong international connections in East Africa, London, and Central Asia.

"**Frank Sutton** has been a recurrent senior consultant to the Aga Khan, most recently with respect to his activities in Central Asia. **Bill de Spoelberch**, who lives in Brussels, is vice chair of the Aga Khan Foundation and a fellow member of the AKU Board. **Bob Shaw**, living in Geneva, is executive director of the Aga Khan Foundation. **Tom Kessinger**, also living in Geneva, after he left the presidency of Haverford College became head of the Aga Khan Trust for Culture. **Bob Edwards**, president of Bowdoin College, has just joined the board of AKU; moreover, Edwards was for five years between his presidencies of Carleton and Bowdoin living in Paris as an assistant to the Aga Khan in charge of his educational and social development activities in Africa and Asia.

"Over the years I've had a few other fleeting encounters with LAFFers. On a plane to New Delhi, I ran into **Bob Drysdale**, then in charge of World Bank lending to India (now, I believe, retired from that post). Also, several years ago I visited **Bill Cotter**, president of Colby College, and **Stan Nicholson**, then his administrative vice president (since retired to western Montana). My wife and I have visited **Doc** and **Sibby Howe** in their retirement home near Dartmouth and last summer **Rocky Staples** stopped by Cambridge en route to Maine. All seemed to be flourishing."

Worth Repeating

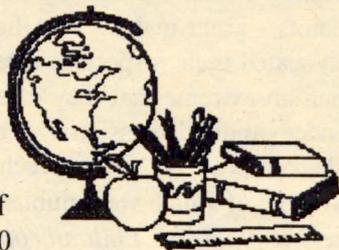
Most essays and other contributions to The LAFF Society's newsletter come from alumni of the early 1980s and earlier. They're swell, but we are convinced that there's a lode of other interesting material from more recent FF alumni.

We're looking for everything from a few words about your activities after leaving

the Foundation to comments of up to 750 words,

reviews of Foundation-related books, excerpts from things written by former staff, etc.

Absent more material from all cohorts, *The LAFF Letter* can't come out as often as it does. So please take pen, or quill, or typewriter, or PC in hand and send something off, to Mary Camper-Titsingh, 531 Main St. Apt. 1110, New York, NY 10044.



Our Pilot Through Legal Shoals

Behind the scenes in the formation of The LAFF Society in 1991 was **Paul Feinberg**, formerly the Foundation's assistant general counsel. Paul advised us in drafting a constitution and by-laws, obtaining an "Employer Identification Number" from the Internal Revenue Service and filing form 990EZ, the return of tax-exempt organizations. (We got away with filing just once because our receipts do not exceed \$25,000. We have never been in danger of having more than \$1,000 in the bank). He also advised us to tell members that their dues are not tax-exempt. For all this, Paul charged us nothing. We are pleased, therefore, to reprint a profile of Paul from *Nonprofit Notes*, a publication of the Mandel Center for Nonprofit Organizations at Case Western University, on whose faculty he serves.

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As a young lawyer, Paul Feinberg worked in a New York law firm that represented a number of nonprofit organizations. "I was fortunate to be exposed to nonprofits early," he comments. "However, my long-term involvement in the nonprofit law area really began in 1968. In that year, the Ford Foundation authorized a \$50 million initiative called program-related investments and asked our firm to prepare an analysis of the legal and tax aspects of this new program. The concept was that while making grants expended money, making loans or

“ . . . after the Tax Reform Act of 1969, those in the private foundation world suddenly woke up to find themselves in a highly regulated industry.”

equity investments to further program goals had the potential for recycling the Foundation's funds." Also, in 1969, he and others in his firm were asked to advise the Foundation on the impact of the private foundation provisions in the Tax Reform Act of 1969.

In 1971, Feinberg was asked to join the Foundation's recently established Office of General Counsel as assistant general counsel. "I tell my classes that after the Tax Reform Act of 1969, those in the private foundation world suddenly woke up to find themselves in a highly regulated industry. Essentially, I've made a 30-year career of the Tax Reform Act of 1969. If it hadn't passed, who knows where I'd be today."

In 1977, Feinberg left New York and the Ford Foundation for a non-legal position in Cleveland. In 1979, he returned to the practice of law as a partner in the Cleveland office of Baker & Hostetler LLP. "I was brought into the firm to work with Norman Sugarman, who was a recognized expert on exempt organization matters," says Feinberg. "I began working with him on a wide variety of nonprofit matters, representing private foundations and major local and national charitable organizations."

During the 1980s, Baker & Hostetler represented the Endowment Development Department of the Council of Jewish Federations. As a result, Feinberg worked with development directors at federations on a wide range of giving programs. "In part, I got into teaching because I made numerous presentations each year at charitable tax planning seminars around the country."

Another arena in which Feinberg gained teaching experience was community development. In 1979, the Ford Foundation established the Local Initiatives Support Corporation (LISC) as an intermediary organization to provide loans and grants to neighborhood-based community development corporations (CDCs). "Because I was very familiar with CDC activities, I was asked to participate in LISC training workshops for CDC professionals in all parts of the country."

Feinberg was first asked to teach the Mandel Center's nonprofit law course in 1988. "It was a challenging task to develop a course from scratch." He has enjoyed teaching current and future nonprofit managers. "I try to demystify the law. I also tell the students 'war stories' about actual nonprofit matters to give them a better sense of issues in the field." Finding the right balance of practical knowledge and conceptual grounding is a challenge. "My objective is to provide students with the appropriate mixture of analytic challenges, background information, and exposure to relevant laws. I tell my students that as managers they

should be able to identify tax and legal problems. But I try to make it clear that their primary job is to identify the problem, not solve it."

Feinberg comments that because of the large role of nonprofits in our economy, he'd like to see an increased collaborative emphasis on nonprofit law by the Law School and the Mandel Center. "Right now we teach only about the laws that are unique to nonprofits. Perhaps we could arrange to have Law School faculty, or practitioners, present special but regular lectures on legal issues relevant to other Mandel courses, for example employment discrimination. Building a core of nonprofit law courses and seminars, along with colloquia and lectures, is something that I believe would strengthen both the Law School and the Mandel Center."

Brazilians Honor Ed Schuh

A couple of years ago the University of Sao Paulo named a room in honor of **G. Edward Schuh** for his work with the university's Department of Agricultural Economics and Rural Sociology. Schuh was a program advisor in the Foundation's Brazil office from 1966 through 1972. In his roles as Purdue University professor and Foundation staff member, Ed helped develop two strong Brazilian teaching and research programs, one at the University of Sao Paulo and the other at the Federal University of the State of Minas Gerais at Vicosia.

After leaving the Foundation and while on leave from his professorship at the University of Minnesota, he served the President's Council of Economic Advisors in the Ford Administration and was deputy undersecretary of agriculture in the Carter Administration and director of

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agriculture and rural development at the World Bank.

In his career at the University of Minnesota, Schuh was dean of the Hubert Humphrey Institute of Public Affairs for ten years. He now holds the Orville and Jane Freeman Chair of International Trade and Investment Policy and is a Regents professor. He received an honorary doctorate from Purdue in 1996.

The evolution of the Sao Paulo department is an interesting story of institutional development, Schuh observes. It received a Foundation grant in 1968 to send students for graduate training abroad. When he first worked with the department, it had only six professionals. It now has 26 members, all trained at the Ph.

D. level.

Schuh helped identify young people to send abroad. The department now offers its own Ph. D. program. Schuh comments on theses and returns from time to time as a visiting professor. "The key to institutional development," he concludes, "is local leadership. It does not take a large amount of money, and despite widespread beliefs to the contrary, it can be successful."

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Roche, the designer of the Foundation's 43rd St. building, for National Historic Landmark status. Mr. Miller, long a fan of architecture's modernists, convinced his company in 1957 to finance the architectural fees for all new public buildings and renovations in Columbus, a city of only 37,000 people. Some 65 buildings were designed by nationally known architects, among them a library by I. M. Pei, a church by Eliel Saarinen, a bank by his son Ero Saarinen, and a shop-

ping mall by Cesar Pelli. Kevin Roche designed a post office, a Cummins engine factory, and the company's headquarters. Mr. Irwin, 90, has handed responsibility for the program over to his son, Will, chairman of the Irwin Financial Corporation, a local bank and mortgage company that early in the century was the financial backer of Cummins Engine.

Susan Bornstein, formerly Africa program officer for Volunteers in Overseas Cooperative Assistance, has joined TechnoServe in Norwalk CT as a program officer working in Ghana, Kenya, Nigeria, and Tanzania.

New addresses: **Beth Atkins Clinton** (Office of Reports), 1124 Francis Hammond Pkwy, Alexandria, VA 22302; **Kerwin Tesdell** (Economic Development), president of the Community Development Venture Capital Alliance, 9 East 47th Street, 5th Fl, NY 10017; and **Dennis Gallagher** (New Delhi), 2925 Covington, Silver Spring MD 20910.

Charlotte Larrabee (Treasurers Office) (31 Las Casitas, Fort Pierce FL 34951) writes that she splits her year between Florida and New Hampshire and keeps in touch with **Norman MacLeod**, who has "reached the ripe old age of 90 but still plays golf nearly every day."

Gordon Perkin (Population) is playing a key role as director of global health for the Bill and Melinda Gates Foundation in Seattle, the world's largest foundation with assets of \$21.8 billion (and sure to grow larger as the Gates continue to endow it with Microsoft billions). The foundation, profiled in the April 16 issue of the *NY Times* magazine, has selected as its most prominent area of philanthropic work "the tremendous inequities in global health galvanized by biotechnical innovation." With more than 35 years of experience in international health and family planning, Perkin helped found the Program for Appropriate Technology in Health in Seattle.

Ties That Bind. . .

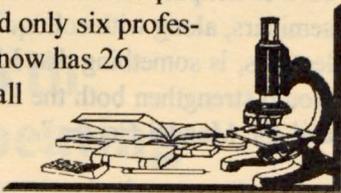
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decades later—Nicholas Murray Butler, president of Columbia University, and former Secretary of State Elihu Root. The third, Professor Stephen Duggan, Sr., of the City University of New York became IIE's first president.

By the time the Ford Foundation heaved onto the national and international scene in 1951, IIE had become such a powerhouse of student exchanges that it seemed the logical chosen instrument for what the late **John Howard**, a veteran of the Foundation's international programs, termed its international exchange "binge." Declared his colleague **Melvin Fox**, "If it were not in existence, IIE would have to be created for our own, as well as other national purposes."

Even now, with IIE receiving major support from the U. S. government for running the Fulbright and other programs, and major grants from Pew, MacArthur, and Starr Foundations, Ford looms large, providing some 10 per cent of IIE's \$110 million annual budget. The Foundation bankrolls an astonishing array of IIE-run projects—postdoctoral research fellowships in economics, an India/Bangladesh Dialogue, nonprofit management in West Africa, and a dozen others, to say nothing of occasional blockbusters like a \$5 million challenge grant in 1995.

Twenty years ago, the connection between IIE and the Foundation notched up to a new dimension beyond the financial, as the IIE staff began to be populated by FF alumni. **Richard Krasno**, who had been with the Foundation's Brazil office, joined IIE in 1981 and two years later became president, a post he held until 1998. As his second in command, he recruited a Ford colleague, **Richard Dye**, and



when Dye left, his post was taken by former Ford staff member, **David Arnold**, after returning from India where he had been representative. Another top IIE executive, **James Lapple**, worked in the comptroller's office.

At the IIE board level is **Donald McHenry**, who had also served on the Ford board, and among honorary trustees are Ford alumni **Wayne Fredericks**, **Ralph Smuckler**, and **Donald Stewart**.

Other appointments of former Ford Staff, some initiated by the Foundation, were **David Smock**, **Barry Schuman**, **Elinor Barber**, **William Carmichael**, and **Sheila McLean**. "I wanted the very best," Krasno says.

Was IIE being transformed from a contracting agency and grantee of convenience to an outplacement bureau?

Not really, says Arnold. He notes "a congruence of aims of the two organizations." Further, "IIE is a known quantity with most of Ford's international staff." He also recalls Krasno's observation that the two have a similar institutional culture. They also listen carefully to one another. In part because of a quip by a Ford officer that IIE had "more brawn than brains," Barber was designated in the 1980s to build up its research muscle. The staff now includes two full-time researchers and a handful of associates and stringers outside.

In 1964, three years before Ford built its headquarters two blocks away, IIE completed a 12-story home on 45th Street, having for many years occupied the former Vanderbilt mansion at 1 East 67th Street. IIE is as far-flung as the Foundation itself, with offices in four other U. S. cities, and in 11 cities abroad, from Bangkok to Pretoria.

Having had competitors of sorts (e. g., the American Field Service, the

African American Institute, the International Students Service, Rotary International), IIE advertises itself as "the most experienced U. S. higher education exchange agency." It manages 300 programs through which 18,000 men and women from 170 nations participate. They include professional development (one such fund is named after the late Ford staff member **Richard Horovitz**), overseas university fairs, worldwide advising, training, and testing, dozens of books and pamphlets, and 12,000 digital documents on-line.

Among its landmark achievements, IIE persuaded the government to create student visas to bypass the harsh post-World War I immigrant quotas. In the 1930s, IIE ran an Emergency Committee in Aid of Displaced German Scholars, which saved over 300 scholars (including Martin Buber and Paul Tillich) from the Holocaust. (The future journalist Edward R. Murrow worked for IIE finding lectureships for these refugees.)

IIE created the Southern African Education Program in 1979 to prepare black South Africans for leadership in a post-apartheid society. To no one's surprise, **Franklin Thomas**, the Foundation's president and director of a major study of South Africa, was a featured speaker at IIE's 75th anniversary celebration. Peter C. Goldmark, Jr., president of the Rockefeller Foundation, had to be content to serve as moderator of an anniversary session on global economics

The Winnick Touch

by **BILL DIAZ**

Seeing **Lou Winnick's** byline in the Fall 1999 LAFF newsletter brought back fond memories of my first dealings with Lou. When I joined the Foundation in 1983, my assignment was to prepare a program paper for a new grant-making initiative addressing the needs of the nation's growing Hispanic population. The paper and the program it described was to be presented to the Trustees. Among the experts I was advised to consult was Lou. At the time Lou was in the process of leaving the Foundation but serving as an on-site consultant as he determined what he would do next.*

As a New York City policy wonk, I had, of course, known of Lou but had never met him. Because he was a holdover from **Mac Bundy's** administration, I figured that I had been advised to consult with him less for what he might contribute to my thinking than as a rite of passage involving the newest member of the Ford tribe paying his respects to one of the tribal elders.

I was, of course, mistaken. Lou offered me a valuable piece of advice. He said, "Bill, whatever you do, start the paper off with a strong opening that will grab the Trustees' attention from the beginning." Following Lou's advice, I added a line to the paper's introduction that said, "To some, the population represents a kind of demographic 'Fifth Column' threatening to rend the nation's social fabric through its apparent unwillingness to assimilate." I also spoke of the Hispanic population as a "monolithic and powerful interest group," hoping again to

*The corner of the Foundation to which departing elders were exiled was christened "Golden Pond" by Lou —*editor's aside.*

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grab the Trustees' attention with catchy and provocative language.

I really don't know how successful this opening was, but the paper and its presentation to the Trustees were a success. To this day, I still credit Lou with much of that success because of his advice about starting with an attention-getter.

In an accompanying note, Bill says his "day job," when he is not serving as honorary life trustee of the Puerto Rico Community Foundation, is senior fellow and professor at the Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota where he does research on foundations and public policy and teaches public management. "I also spend considerable time consulting for a group of five Latino funds around the country whose purpose is to create grant-making endowments supporting Latino organizations and issues."

Lou, who since leaving the Foundation has been with the Fund for the City of New York, which he helped found, spoke in February at a scientific meeting of the New York Academy of Sciences on "How New York's New Immigrants Have Uplifted the City." The talk was based on research he's

done in Brooklyn's Sunset Park, described in his book "New People in Old Neighborhoods: The Role of New Immigrants in Rejuvenating New York's Communities" (Russell Sage Foundation). He also recently wrote an Op-Ed piece for the *Times* in which he expressed skepticism about George W. Bush's plans to help lower-middle families buy homes, especially in areas of exploding job growth and exalted house prices.

In Memoriam

Edith Trelogan Webster, widow of **Robert Lyle Webster**, former director of the U. S. Department of Agriculture's information services who was a consultant in the Foundation's New Delhi office in the 1960s, died November 23, 1999 in Westwood MA.

Born in East McKeesport PA, Mrs. Webster worked for the Office of Price Administration, headed by John Kenneth Galbraith, during World War II. She married Albert Swing, a member of the U. S. aid mission to China just as the communist revolution swept that country. While in Taiwan, Edith became a writer for the U. S.

Information Service. For 12 years she wrote and broadcast press, radio, and TV features for USDA, where she met and married Mr. Webster. While living in India, she was a stringer for CBS news, and later moved to Honolulu when her husband became director of the Communications Institute of the East-West Center. After Lyle's death, she moved to Massachusetts to be near her daughter and granddaughters. She remained active in efforts to promote peace and justice for all peoples of the world and in supporting campaign finance reform, which she saw as crucial to the workings of democracy.

JOHN P. MORGAN

Just as we were going to press, word was received of the death of John P. "Jack" Robin in Pittsburgh on May 9 at age 87. According to the *Times* obit (the *Pittsburgh Post-Gazette*, where Robin started out as a reporter, ran one several columns in length), Jack "played an influential role in the transformation of Pittsburgh from a smoggy, grimy city into one of gleaming skyscrapers and grassy promenades." He spent 10 years as an urban specialist on the Foundation staff, working mostly overseas. More will be said about Jack in the next issue.

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