

# Committed to the future, honouring the past



*Some thoughts about our centennial*

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## Andrew Carnegie

Carnegie Corporation of New York was founded in 1911 by Andrew Carnegie 'to do real and permanent good in this world'. The Corporation, which is now approaching its centennial year, was the last of the more than twenty trusts, institutions and organisations Mr Carnegie created in the United States and abroad. Hence, its name sounds more like a company than the philanthropic foundation it is, simply because Mr Carnegie, through his generosity, had run out of names to use in establishing his foundation. Having reached the latter part of his life, he gave the bulk of his fortune 'to the public', as noted in a 1922 report written by Henry S Pritchett, acting president of the Corporation, and he did so by endowing Carnegie Corporation with both his money and a mission aimed at the advancement and diffusion of knowledge and understanding. A man of great conviction, he deeply believed that with great wealth comes great responsibility, and that those who earn fortunes are obligated – obligated, by what is morally right and by their duty to their fellow men and women – to give away their money to be used for the betterment of society. Andrew Carnegie's 1889 ***The gospel of wealth***, in which he stated this credo, has in many respects become a how-to manual for a century of philanthropists who followed after him, from his contemporary and fellow believer in the ideals embodied in philanthropic giving, John D Rockefeller, all the way forward to individuals such as Bill and Melinda Gates, George Soros and Warren Buffett.

Mr Carnegie closed his letter of gift to the Corporation with these words: 'My chief happiness [is that] even after I pass away, the [wealth] that came to me to administer as a sacred trust for the good of my fellowmen is to continue to benefit humanity for generations untold...' For one hundred years, the staff and trustees of Carnegie Corporation of New York have kept that contract with the Corporation's founder, administering his trust in the service of the common good. As we anticipate our centennial with great pride, we are equally honoured to being able to continue Andrew Carnegie's efforts to 'do good' as we move into our second century of work.

Along with such other institutions as The Carnegie Foundation in the Netherlands, which Mr. Carnegie created in 1903 to establish and administer the Peace Palace in the Hague, to the trusts he established in Scotland and England to open university education to those who would otherwise be unable to afford it, as well as to fund social welfare projects addressing issues of poverty, unemployment and urban renewal, to his establishment of more than 2,500 libraries in the United States and throughout the world, even to his gift of organs to some 8,000 churches in the US and overseas – as his founding of Carnegie Hall in 1891 suggests, the ability of music to uplift the human spirit was a notion he was invested in, both emotionally and financially – we can see that this was indeed a man who wanted to make the world a better place, not only for the citizens of the United States but others around the globe, as well.

The more than twenty organisations established by Andrew Carnegie both in the United States and abroad were given different missions but a similar mandate: to do their work in perpetuity. The Carnegie family of organisations – which are dedicated to advancing teaching and education, promoting international peace and ethical leadership, enriching knowledge about science and technology, preserving and sharing the cultural heritage of our nation and others, and recognising what is extraordinary in ‘everyday’ men and women, among other goals – are not in any way frozen in time. Nor are they immobilised by rules laid out in the dim past. Andrew Carnegie understood that, while times change and needs change, as do the conditions that affect men and women, human aspirations survive even the most difficult challenges they face in any decade, any century. Hence, he created organisations and institutions to meet those aspirations and to contribute to the greater good of humankind as manifested in human autonomy, freedom of choice, the quest for knowledge and a yearning



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for liberty. In this endeavour, Mr Carnegie was acting in concert with his fellow Scotsman and author of **The wealth of nations**, Adam Smith (often called the father of modern capitalism) whose first published work, **The theory of moral sentiments**, examined the notion that while men and women have a natural inclination to value self-interest above all else, they are more often determined to act in an objectively moral and unselfish fashion.

These ideas come to mind as Carnegie Corporation of New York, the philanthropic foundation to which Andrew Carnegie bequeathed the bulk of his fortune in 1911, charging it to do ‘real and permanent good in this world’, approaches its centennial. This milestone is a time of reflection, a time to pause and take stock, and then to forge ahead with a renewed sense of purpose. It is a time to acknowledge and appreciate the past, but not to let it entangle or encumber us. For Carnegie Corporation, our one-hundred-year anniversary does not signal that we have come to the end of an era, but rather, that we have reached an important marker on a continuum that leads into the future – a future, surely, of great work that will build on successes of the past, heed the lessons of failure, and use the wisdom that accrues from such an accounting to contribute to the strength and vitality of our society, our nation, and our democracy.

That is as it should be, because this foundation was established, in part, to be a kind of barometer of culture and society, which means that reviewing and adjusting our grantmaking to most effectively carry out our work at different times, under different conditions, is an integral part of the way we operate. Andrew Carnegie made that a foundational principle of the Corporation in his letter of gift, dated 10 November 1911, in which he wrote – using the simplified spelling he was devoted to – ‘Conditions upon the earth inevitably change; hence, no wise man will bind trustees forever to certain paths, causes or

institutions . . . I disclaim any intention of doing so. On the contrary, I give my trustees full authority to change policy or causes hitherto aided, from time to time, when this, in their opinion, has become necessary or desirable.’ With that extraordinary mandate – to take the temperature of the times and, with evidence of success as our guide and wisdom as our compass, adjust our institutional sights accordingly – we have been able to carry out the most critical task of a foundation, which is to use private resources to make an investment in the public good, particularly when other means to do so may be lacking.

Thus, for the Corporation, our inclination, as we near our centennial, is less to celebrate the occasion than to mark it as a time of renewal. As author Gabriel García Márquez reminds us, human beings are not born once and for all on the day their mothers give birth to them, but that life obliges them to give birth to themselves over and over again. For the Corporation staff, our trustees, our grantees, and myself, that idea rings decidedly true. We take our inspiration from the past but always face forward, to deal with the realities of today and those that may present themselves tomorrow. Progress, as they say, begets progress, and for the Corporation, progress is both cumulative and ongoing.

That is not to say that there is not a great deal to be proud of in the Corporation’s history – there certainly is! We are particularly proud, for example, of our dedication to transparency, which has been a feature of our work from the very beginning. After all, this was the first foundation to produce an annual report, and it was one of our early trustees who declared that it was incumbent upon foundations to have ‘glass pockets’. In more recent times, we have adhered to that tradition by writing about Corporation grants and initiatives that did not work out as we had hoped as a way of sharing our experiences with our sister foundations and other organisations and institutions that may benefit from what we have learned and hence, not repeat our mistakes. Mistakes, if dealt with as an opportunity to add to one’s storehouse of knowledge, may be seen less as a setback than as an inevitable part of being in the risk-taking business, which, in many ways, is the business of foundations.

Undeniably, it is the business of Carnegie Corporation, because that was what Andrew Carnegie wanted: until the day he died, he (Carnegie) never gave up trying to change the world for the better by examining what was possible and was absolutely necessary, even though risky. We look to his example as we carry his ideals forward into a new century.

We are also proud of the great faith that Andrew Carnegie placed in the Corporation’s trustees. As noted earlier, in his letter of gift endowing the foundation with the majority of his wealth, Mr Carnegie put the work and the future of Carnegie Corporation squarely in the hands of its trustees, to be steered by their wisdom, enriched by their advice,



this was the first foundation to produce an annual report, and it was one of our early trustees who declared that it was incumbent upon foundations to have ‘glass pockets’

and framed by their judgment. The men and women who have been Corporation trustees from the very day of its founding are a remarkable, perhaps unmatched group of people. They include Nobel laureates, a future secretary of state, a secretary of education, senators, governors, a mayor, military leaders, media leaders, notable businessmen and – women, college and university presidents, presidents of the National Academies, scholars, top scientists, and, among international trustees, a former secretary-general of the United Nations, a foreign minister, and a minister of finance. Since 1911, some 135 individuals have served as trustees of Carnegie Corporation, providing us not only with their time, expertise, and perspective but also helping to sustain the spirit and mission of Andrew Carnegie.

While we have had a great pool of individuals from across the United States (US) and from other nations as well, serving as Corporation trustees, it is instructive to note that, through the entire span of its one hundred years, the Corporation has had only twelve presidents, a remarkable indicator of stability and continuity. All the Corporation's presidents joined this foundation because they felt deeply compelled by its mission and by the vision of Andrew Carnegie. Mr Carnegie was the first president of the Corporation, but the background

and accomplishments of those who followed after him – from Carnegie's immediate successor, Nobel Peace Prize winner and US Secretary of State Elihu Root, to my great predecessor, Dr David Hamburg, physician, scientist, and educator – those who led this foundation were extraordinary leaders who brought with them talents

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in the fields of education, public service, science, the humanities, the social sciences, industry, policymaking, and more.

In that regard, I'd like to highlight another point: since its early days, many of those who have dedicated themselves to the work of the foundation, including its first and current presidents and many of its trustees, were themselves immigrants or have immigrant roots. A long-standing interest in the conditions affecting immigrants to the US and their ability to flourish as American citizens can be seen in Corporation initiatives that range from the 1921 **Americanisation Studies**, which were undertaken to help advance the assimilation of immigrants, to today's efforts, which focus a portion of our grantmaking on immigrant civic integration as a means of increasing civic participation and strengthening US democracy.

In that connection, let me point out the fact that the grantmaking we do in this area, as well as all others, is rooted in the power of ideas and not just the amount of funding we are able to provide. I, for one, believe that money has too often been used as an excuse for a lack of ideas or for inaction, allowing people to claim that the inability to carry through with a project or reach a goal is because of a paucity of funds rather than a lack of political will, sustained effort, initiative, creativity, or thoughtfulness: namely, a lack of vision. Vision – having a true insight into how to advance a cause or improve the human condition – is not based on the amount of money available to make ideas into reality.

That is why, often, the hallmark of our grants is their potential to have real impact, to create real and lasting change, not how large they are. In fact, many of our grants are not large at all, and that's something else to be proud of. I've seen the impact of small grants in terms of scholarships, for instance, both domestically and in developing nations, as well as in enabling vital research to be carried out, or supporting international meetings for government or military officials who, just by getting to know and trust one another, can have a beneficial effect on global peace and security, to name just a few areas where a small amount of money goes the proverbial long way.

Whether corporation grants are large or small, one thing is sure: they are not parochial. Long before the term 'global' became part of the everyday vernacular, Andrew Carnegie envisaged a world in which the best efforts and instincts of men and women to help their fellow human beings, aided by 'scientific philanthropy' – strategic, well-thought-out investments in meeting challenges and solving problems – would reach across oceans and continents. Mr Carnegie understood that conflicts do not stop at specific borders, nor do diseases for that matter, or poverty or tyranny or injustice. But on the other hand, knowledge and wisdom also have the ability to transcend the barriers that humanity has erected upon the single planet we all share and sometimes gradually, sometimes with the awe-inspiring power of enlightenment, help to bring those barriers down. It was for those reasons that Andrew Carnegie charged the Corporation with 'advancing and diffusing knowledge and understanding' for the betterment of the people of the United States as well as in certain other parts of the world by focusing a portion of the Corporation's grantmaking on the British dominions and colonies, now the Commonwealth. In this and other aspects of his philanthropy, if the old adage about imitation being the sincerest form of flattery is indeed true, then both Andrew Carnegie and his contemporary, John D Rockefeller, should be very proud of themselves because it was their concept of philanthropy that set the bar for many of the philanthropists who have followed after them.

Indeed, it was Andrew Carnegie who wrote what almost every modern-day philanthropist has cited as their 'how-to' manual for giving: **The gospel of wealth**, in which Mr Carnegie famously stated that 'The man who dies thus rich dies disgraced.' But what we must remember about **The gospel of wealth** is that while it was a mandate for philanthropy, in Mr Carnegie's eyes at

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least, in the United States, the ultimate object of that philanthropy was to strengthen our democracy. His important but lesser-known work, **Triumphant democracy**, not only pays homage to this form of government but explains why democracy alone has the potential to provide the best quality of life for all its citizens. In the opening lines of the book, Andrew Carnegie writes that he is dedicating this work 'To the beloved republic, under whose equal laws I am made the peer of any man.' Thus does the heart, the soul, and the ideals that formed Andrew Carnegie's philosophy of giving come full circle: he was born a poor boy, became a rich and educated man in a new country that provided him with unlimited opportunity, and in turn, he believed – deeply and unquestionably – that with wealth comes responsibility and hence, it was his obligation to give back what had been given to him. And he fulfilled that obligation; in fact, through the work of

the many organisations he created, Andrew Carnegie continues to do so even today by helping to strengthen our nation, educate its citizens, contribute to knowledge, support efforts to honour the autonomy and liberty of the individual, and advance our ability to remain self-reliant because he believed that the success of our society and our democracy is a model for a better, brighter world for men and women everywhere. Carnegie Corporation of New York could not be prouder of the part we have played in sustaining that mission throughout our first one hundred years. It is with renewed dedication, energy, and commitment that we move forward into the next chapter of the ongoing story that will be written by the next century of our work.

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# The value of partnerships

## *Carnegie Corporation and the City of Cape Town*



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Partnership is a fundamental part of delivering services and rightly so! Not only does this enable the combining of limited/inadequate resources in pursuit of achieving collective goals and visions, it also provides for improved buy-in and ownership, especially when partnering with the community and community organisations.

The City of Cape Town Library and Information Services (LIS) Department is indeed very privileged to have many partnerships that assist LIS in delivering services and very often in ensuring enhanced service delivery, that is, our invaluable Friends of the Library, volunteers, et cetera. We also partner with business, NGOs, et cetera.

Reflecting on our partnership with the Carnegie Corporation of New York, it really started with an opportunity identified. Mr Heinrich Heymann, Manager: Libraries of the then Cape Town Municipality, pursued this opportunity which resulted in Carnegie awarding a \$2 million grant to the City of Cape Town in 2004 for the purposes of creating a model reference library at Central Library. Continuous engagement with stakeholders and effective management of relationships resulted in LIS being offered the opportunity to use a second grant towards the completion of the work commenced with at Central Library. The second grant in the amount of \$2 495 000 was awarded to the City in June 2008. Subsequent to this a third grant was awarded to the City in June 2009 in the amount of \$3 million towards the development of two new libraries in Khayelitsha. Harare Library has been completed and Kuyasa Library is in the planning stages.

It is important to note that Carnegie Corporation does not fund building costs or ongoing operational and/or staff costs and to this end their funding was utilised towards collection development, ICT infrastructure (hardware and software), furniture, staff training and development and marketing. These grants, however, provided important leverage in securing additional funding from the City and other external sources towards the construction of the buildings, as well as the remuneration of staff and other operating expenses.

In sharing a common goal, this mutually beneficial partnership has enabled LIS to provide an enhanced service offering, as well as unique features such as the gaming room and Early Childhood Development (ECD) space at Harare Library. In my opinion these libraries reflect the nature and level of public library services that could, and arguably should, be rendered to our communities. Over a long period of time, with the reduction in resources (reduced open hours and staff complements, ageing, inadequate collections, et cetera) and resultant reduced service levels our communities have become used to what is available, but this is simply not good enough. Public libraries should do much more and these grants have created the opportunity to showcase this. It is anticipated that this will in turn result in leveraging more funding and partnerships towards meeting community expectations, as well as ensuring an appropriate level of public library services per se.

In addition to these grants leveraging other partners and funding sources, this has enabled the establishment of additional service points (new libraries), accelerating the ability of LIS to adopt appropriate technology strategies to enable, for example, accessing e-resources, updating ageing collections, et cetera, as well as enabling staff to attend national and international conferences – a wonderful platform to build networks, to assess the realities and challenges of other public library services in the global village, to visit other libraries and to utilise ideas from these in terms of developing our own unique public library service relevant to the particular communities served.

I am of the opinion that this partnership has created a legacy for future generations. When I see how the children are, for example, utilising the new Harare Library and its services – busy with projects, reading books (yes, reading!) – it is my hope that someday some of these children will stand up as adults and advocate for libraries, because they can, from personal experience, share what difference a public library made in their lives!

In the words of Andrew Carnegie ... 'only in popular education can man erect the structure of an enduring civilization' and this is what I believe we have contributed to through this partnership!

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