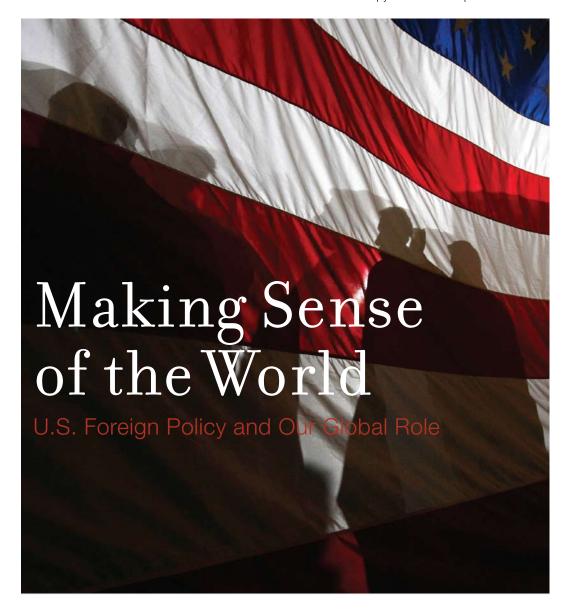
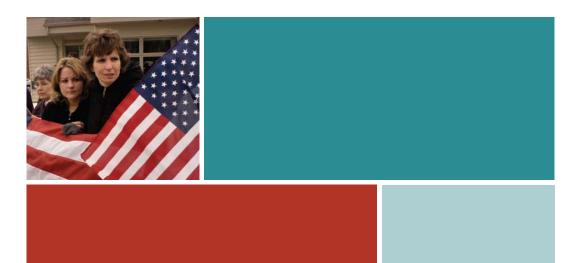


Philanthropy for an Interdependent World



2007 Annual Review

Featuring: Peace and Security



In November 2008, the American people will make a momentous decision.







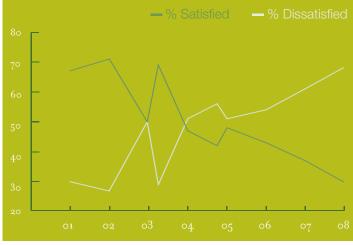
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The American public's dissatisfaction with the U.S. position in the world has more than doubled since January 2001 to a level higher than during the Vietnam War era.

Gallup Poll



Making Sense of the World

U.S. Foreign Policy and Our Global Role

Priscilla Lewis

What kind of country do we want to be in the world? This basic question is now the focus of widespread concern and debate in the United States. At stake is the fundamental legitimacy of U.S. foreign policy. As poll after poll indicates, our foreign policy enjoys neither the broad support and confidence of the American public nor the trust and respect of nations and publics outside of the United States.

This crisis of legitimacy is not just a matter of disagreement with recent policy decisions or resentment of America's wealth and power. Here at home, the public has become doubtful about our ability to achieve any of our goals abroad. Internationally, the predominant view is that the United States is an irresponsible global actor with a "mostly negative" influence on the world. While the values and ideas for world order that the United States promoted after World War II are still admired in many countries, there is a widespread belief that the United States itself can no longer be trusted to act reasonably, fairly, effectively, or even legally in pursuit of its objectives.

Above left: Students in New York march against the war in Iraq.

Right: Searching a home in Baghdad.

Within the global Muslim community, U.S. foreign policy decisions that Americans understand to be motivated by concern for national security are perceived to be part of a plan to weaken and divide the Islamic world. www.worldpublicopinion.org



Young people speak out on the U.S. role in the world ...

"When growing up [in Chile], to me, the United States was a synonym of everything that was wrong with this world...[Later, when my family moved to this country,] it only took me a week in school to realize that my notion of the United States had been completely wrong. With only looking around, I could happily see that...different faces, races, and accents shared the same space in harmony... There was also a great freedom of speech and expression...So, that's the big change I'd like to see, I would like the American foreign policy to really reflect what Americans are and the way they think... I want the American foreign policy to reflect what this country really is, a leader, so people in other places can learn to trust it, respect it, and love it, the way I did."

Benjamin Gareca High School Senior



Public dissatisfaction with America's position in the world has reached unprecedented levels. The hunger for a change of direction is evident in our language—in the complaint that our foreign policy is off course or going nowhere, for example, and in candidates' promises to get us back on track. Far less evident is whether people's dismay over the role we're currently playing in the world will translate into sustained public support for a significant shift in the content, tone, and style of U.S. foreign policy.

Imagine that we have in our minds something like a picture of the world and our place in it. We rely on familiar, broadly shared ideas and story lines—a conceptual map—to negotiate this complex terrain, to think through problems and reach conclusions about how best to proceed. Our mental maps are durable, but not immutable. And ultimately, no new vision for America's global role can unify us or enjoy sustained support unless it is broadly consistent with how people come to understand and orient themselves in the world.

So when it comes to building public will for major policy change, the question is whether our understanding of the world and how it works allows us to travel in a new direction. And if not, how leaders and educators might help us to conceive of the world in a way that enables us to take a different path.

As Rockefeller Brothers Fund president Stephen Heintz makes clear in his annual review essay (page 14), it is imperative that we move toward a new vision of America's global role that reflects the profound interconnectedness of our own security and well-being with the security and well-being of others and with the health of the planet. We need to embark on a new course of action that inspires Americans with innovative strategies for meeting today's foreign policy challenges and that surprises and engages the world with a new U.S. commitment to constructive, collaborative leadership on shared global problems. Fortunately, there's much in today's public thinking that suggests a readiness to turn in this new direction, but there are also beliefs and assumptions that could prevent the forging of public consensus around a real change of course.

Here's a look at what recent opinion research (see A Note about Sources, page 11) tells us about how Americans are making sense of a complicated world—and at some reflections on what this implies for creating movement toward a new U.S. foreign policy and a more just, sustainable, and peaceful global community.

Familiar Signposts Guide Public Thinking about How to Be Part of an Interdependent World.

If we are encouraged to see the world as an interconnected place, where threats and opportunities span borders and continents, we readily grasp the need for cooperation, mutual respect, and consideration of the common good. You don't have to be a policy expert to follow this logic. In fact, the public shares with mainstream and progressive policy experts many of the same big ideas about how to solve problems and lead effectively in an interdependent



Above: The United Nations Security Council meets on the situation in Kosovo on Februar 18, 2008, at UN headquarters in New York.

Right: U.S. Security Police soldier standing sentry at watchtower pos after a terrorist truck bombing at a U.S. base in Khobar, Saudi Arabia.

Making everything about Iraq or connecting every issue to terrorism and security can inadvertently reinforce the equation of global engagement with military engagement.



world. Such principles have long been in the background of national debate about foreign policy. Today, they've moved to the foreground; these principles have what many foreign policy debates are really "about" in people's minds. In other words, the dramatic failure of our current policy approach—unilateral, overly reliant on military force, dismissive of international institutions and agreements—has called fresh attention to these familiar ideas about smart problem solving and sound decision making. People are listening with interest now to arguments based on common sense and shared values, not ideology and "either/or" choices.

The reinvigoration of broadly shared ideas about responsible global engagement helps put us on the path toward a new vision of America's role in the world. But in other respects, our recent experience has complicated the prospects for movement in a new direction.

Americans still want the United States to be active in the world, but with our lens on global engagement narrowed to the war in Iraq and the military dimensions of the struggle against terrorism, many Americans are expressing new ambivalence about the whole idea of global engagement. This trend is especially marked among groups that traditionally have been the strongest supporters of U.S. involvement in global problem solving, like Democrats and self-identified progressives.

The challenge for those who would advance a new vision of America's global role is to prevent public dissatisfaction with the current state of U.S. global engagement from turning into a preference for disengagement, rather than for a different kind of engagement. This requires enlarging people's understanding of what can be achieved—and why it should be achieved—through the responsible use of U.S. power and influence abroad. Making everything about Iraq or connecting every issue to terrorism and security, for example, can inadvertently reinforce the equation of global engagement with military engagement. It's also more important than ever to remind people that we live in an interdependent world, where everyone benefits from increased stability and sustainable prosperity, and no one escapes the consequences of conflict and environmental degradation. Maintaining this open view of the world is key to building support for a more constructive, comprehensive, and farsighted foreign policy.

Can we reach our destination? There's growing public skepticism about the possibility of taking effective action in the world.

Americans seem to be losing confidence in all kinds of foreign policy solutions and are increasingly skeptical about the government's competence. We believe there's a role for us to play as individuals in addressing global challenges like climate change, but we want to see government and business do their share—and increasingly, we don't trust their willingness or ability to take effective action, even in the face of serious threats.

 $4_12\%$ of Americans agree, up 12 points from 2002

"The U.S. should mind its own business internationally and let other countries get along as best they can on their own."

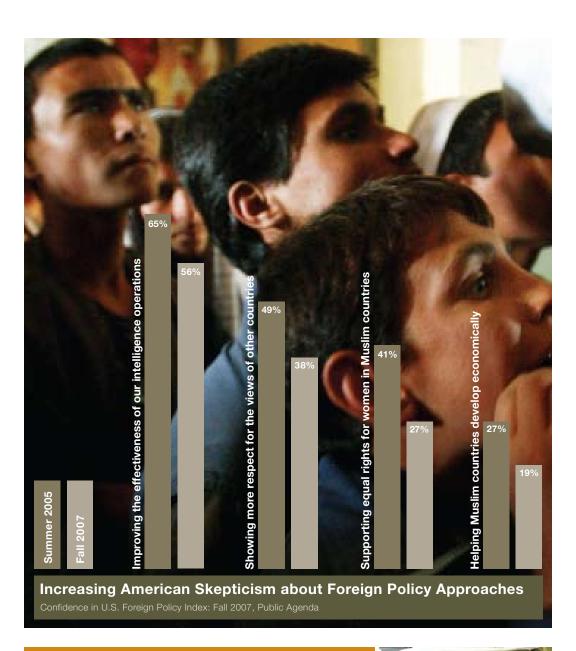
Princeton Survey Research Associates/Pew Research Center 2005

 $410\!\!\!\!/_{\!\!0}$ of Americans agree, up 9 points from 2002

"Not getting 'involved in trying to solve the problems of other countries' is a 'very important' way to reduce terrorism in the future."

Princeton Survey Research Associates/Pew Research Center 2006





The public is losing confidence in America's ability to reach foreign policy goals. In polls and focus groups, Americans say they want leadership that focuses on problem solving and gets beyond politics, partisanship, and narrow self-interest.

Left: U.S. citizens being evacuated from Lebanon.

Above: Kabul residents watching a film at the Bakhter movie house

Right: A group of Pakistani men watching news about the U.S. and British attacks on Afghanistan



How to counter cynicism and disempowerment? Proponents of change will have to give the public reasons to believe that their new goals for U.S. global engagement are attainable and smart. And as difficult as this is for policy critics, advocates of change need to tell a positive story about government, or at least a positive story about what we can do—together with our government and the business sector—to turn things around.

What Does It Mean to Lead the Way? Our Model of Global Leadership Has Evolved, but Not Completely.

Public thinking on U.S. global leadership is evolving toward notions of shared leadership and partnership with international institutions. Honesty and the ability to communicate are now considered vitally important leadership traits; toughness and swagger are no longer so highly valued.

But while we're drawn to shared leadership, we don't necessarily know or believe that effective multilateral strategies exist for dealing with many global problems. Most people think the United States has been "doing it all," so when we hear about a problem like the genocide in Darfur, we're likely to assume that the United States is being asked to handle this challenge alone as well. Nor are Americans quite ready to give up being the world's military superpower. People understand the world as an interdependent place, but the public does not yet see us living in a truly multipolar world.

Although people are still coming to grips with the idea of a new global distribution of power, they are ready for a conversation about how we use our power. The more people appreciate the shared nature of today's big challenges, and the more concretely they grasp how much we have accomplished and can accomplish when we work with other nations, the more firmly entrenched their preference for shared leadership will become—and the less likely they will be to imagine the United States bearing the costs of global problem solving alone.

How Do We Get There from Here? The Public Embraces Some Big Policy Changes in Principle but Isn't Sure How to Put Them into Practice.

The public likes some of the alternative policy ideas that are being advanced today but remains uncertain about how to implement them. Support for using all the tools in the policy toolbox is higher than ever. Most people no longer believe our military alone can do much to solve complex security challenges, but strategies like global development and democracy promotion remain abstractions for most people. While Americans embrace the idea that everyone's safer if the world is a more peaceful and stable place, we're not persuaded that democratization contributes to global stability (we do think democracy makes life better within a country), and we don't believe reducing

Immediately after the events of September 11, 2001, there was a rise in public enthusiasm about the United States playing the leading role in world affairs. In the past few years, enthusiasm has waned. Only 15% of Americans want us to be the preeminent global leader, down from a high of 26% as recently as 2003.

From "Facets of Leadership," by Meg Bostrom, 2007.



Right: Kosovars celebrate the independence of Kosovo as they display the country's new flag on February 17, 2008.

poverty is an important way to reduce terrorism (though we think helping people in poor countries is the right thing to do).

"Getting from here to there" is also a challenge when it comes to the public's longing for a restoration of America's moral authority. For all of the attention to America's faltering image abroad, the national debate has not yet produced a useful framework for public thinking about how to address it. By far the most frequently discussed explanations for the loss of global goodwill are Iraq and the U.S.-led "war on terrorism." These issues are rarely linked to a broader array of opportunities for the kind of positive, collaborative U.S. leadership that would change perceptions of us abroad.

On the question of energy, too, it's difficult for people to see the connections. We all agree it's a priority, but the many different ways of thinking about it—Is it about cost? security? the environment? the economy? our lifestyles?—have yet to coalesce. The fact that these different problem definitions don't necessarily point to the same solutions (if dependence on Middle East oil is the problem, then why not drill for more oil here?) makes it harder to come to consensus on what to do.

Each of these instances demonstrates the need for proponents of more farsighted and constructive U.S. policies to help us connect the dots and see the big picture. When people understand how diverse strategies fit together in an integrated approach, support for the whole vision as well as its parts should be easier to generate.

Will We Be Sidetracked by Fear? Fear Changes the Way People Think—and It's a Powerful Political Tool.

We've seen it repeatedly in the years since September 11 and will surely see it again: those who oppose any serious reorientation of U.S. foreign policy are prepared to play the fear card relentlessly. Unfortunately, the future is also likely to hold some real-world events that stimulate public fear. When fear

Belief in military might as the cornerstone of American security is at a low point. For the first time in 20 years, a majority of Americans no longer agrees that the best way to ensure peace is through military strength. Almost half of the population thinks that decreasing our military presence overseas would do more to reduce the threat of terrorism than increasing it.

Pew Research Center

Young people speak out on the U.S. role in the world ...

"The struggle to minimize global climate change provides us with the missing link in global cooperation. For once every country on Earth will have to take the same steps to protect their citizenry. We have been presented with the raw material of peace."

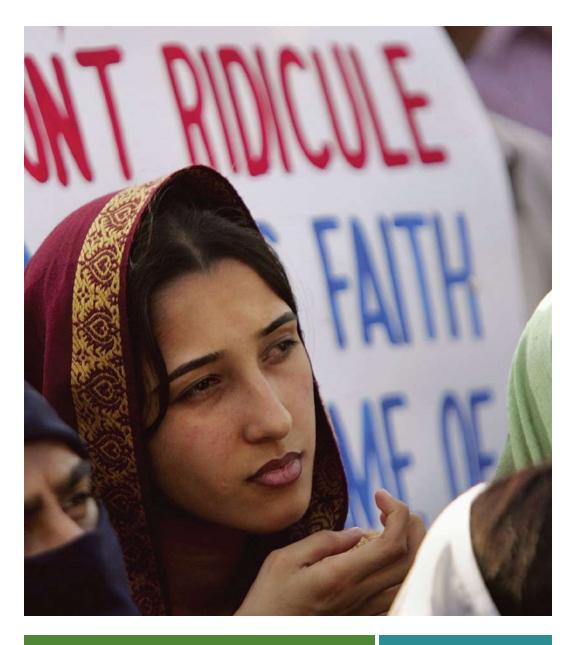
Michael Allen High School Senior



"Politicians need to make an effort to reach out to kids more. Just because we can't vote doesn't mean we shouldn't be considered. Teachers should incorporate more politics-related subjects into the workload, and parents or guardians should encourage their children to be more involved."

Sagga Ramsey High School Sophomore





The public may not be as driven by fear as many pundits assume. In 2006, five years after the events of September 11, 2001, people reported feeling sadness and anger more often and more strongly than either fear or vengeance. What's more, many people believe the government is exploiting fear to build support for its policies.

Opinion Research Corporation/CNN 2006

65% of Americans agree

"These days, when the U.S. government justifies its foreign policies to the American people, it plays on people's fears too much."

Knowledge Networks/Program on International Policy
Attitudes 2006

Above: A group of protesters organized by the Pakistan Professionals Forum.

shapes public thinking, the national debate on America's role in the world becomes dangerously constrained and distorted. In fact, scientific research has demonstrated that reminders of one's mortality trigger disdain for other races, religions, and nations; heighten the attraction of military policy options and encourage greater tolerance of civil liberties violations; and increase allegiance to traditional mores—regardless of people's political affiliations or previous policy preferences.

Unless proponents of a new kind of U.S. global engagement figure out how to counter and replace the "fear frame," it will be difficult to build sustained support for big shifts in the direction of U.S. foreign policy—or to defend those shifts in the face of whatever crises might arise. There's a lot to learn about this leadership and communications challenge. In the meantime, the public needs to hear more about the possibility of solutions; we need to hear more voices that convey realistic confidence in our ability to handle even the most dire threats to our security—using all the tools available to us, working in concert with other nations, and respecting our core values.

Researchers have reported intriguing findings about the power of certain ways of thinking to counter fear's distorting influence on our policy preferences. Appeals to rationality, for example, apparently help us resist being sidetracked by fear. Reminding us of our common humanity—that the things we have in common far outweigh our differences—has the same effect. In other words, when we understand and orient ourselves in the world differently, we instinctively take a different course.

So that's the challenge. The public is disposed to prefer an approach to foreign policy that emphasizes cooperation and farsighted problem solving; that connects the dots on critical global challenges and gets lasting results; that meets Americans' needs while also contributing to the creation of a better, safer world. We're open to calls for unity on basic questions about who we are and what kind of country we want to be in the world. The task for advocates and leaders who advance a new vision of U.S. global engagement is to offer a way of thinking about the United States in the global arena that makes a change of course both possible and inevitable in the public's mind.

A Note about Sources

The reports listed below serve as the primary sources for this essay. They are based on an analysis of over 200 recent polls and focus groups undertaken in 2007 for the U.S. in the World Initiative by Public Knowledge, LLC.

- "How Are Americans Making Sense of Security?" commissioned by U.S. in the World.
- "Team Player, Not Lone Ranger," commissioned by the Stanley Foundation.
- "Facets of American Leadership," commissioned by the Stanley Foundation.
- "Principle versus Practice," commissioned by the Human Rights Center of the University of California, Berkeley.

In addition, the essay is informed by the ongoing work of the U.S. in the World Initiative, including regular scans of opinion research and consultations with advocates, research experts, and grassroots leaders working on a variety of foreign policy issues. U.S. in the World was incubated at the Rockefeller Brothers Fund in 2004–2005 and is now a project of Dēmos.

Message from the Chair

Richard G. Rockefeller, M.D.

In October 2007, members of the Rockefeller Brothers Fund (RBF) board and staff traveled to China, where the RBF has been funding since the early 1980s.

We began with a visit to Peking Union Medical College (PUMC)—which is in Beijing, of course, and not the Pan Pearl River Delta (PPRD) region, where we have focused our grantmaking. Neither do we currently fund biomedicine. However, as our trip coincided with the 90th anniversary of PUMC's founding by John D. Rockefeller, we happily accepted their invitation to celebrate with them. It was



Richard G. Rockefeller and PUMC president Depei Liu

a heartwarming occasion and, for the China neophytes among us, a welcome introduction to the graciousness of our hosts as well as to the depth of our family's legacy in that part of the world.

As a neophyte myself, I was surprised to learn that despite the tumultuous course of Chinese history throughout much of the 20th century, Rockefeller family members and institutions have maintained a network of nearly continuous relationships there, both personal and philanthropic, since PUMC enrolled its first class in 1917. As relationships matter hugely in China, this long association is helpful to our current work. And that is good because we need help of all sorts if we hope to effect positive change in this immense, complex, and dynamic part of the world. Southern China is the Fund's fourth "pivotal place" (see the RBF Program Architecture chart on page 22 and read the Pivotal Place: Southern China feature on page 43) after South Africa, the Western Balkans, and New York City. Even though we have narrowed our focus to the Pan Pearl River Delta region of southern China, the scale of this pivotal place' in many ways dwarfs the others.

As Priscilla Lewis (page 2) and RBF President Stephen Heintz (page 14) note elsewhere on these pages, U.S. engagement with the world remains essential to our nation's well-being, as well as to that of the rest of the world. The recent attrition in America's efficacy abroad is partly our own doing—such as our misadventure in Iraq and other high-handed actions based on "exceptionalist" fantasies that undermine our future military options and erode our moral authority, along with excess consumption and accumulated debt that sap our economic strength. But external factors—in particular, rapid economic growth by a number of nations around the world along with commensurate gains in their political power—have also diminished our country's options.

Though unsettling, these changes do not necessarily bode ill for the United States. Perhaps we are no longer the omnipotent superpower on the world stage, but we remain a key actor in a complex international system that includes other powerful countries, multilateral organizations, and regional blocs like the European Union.

The Pan Pearl River Delta region is approximately 750,000 square miles in area, accounting for over a fifth of China's total land area.

The region's population—450 million people—represents one-third of China's population, and the region's gross domestic product accounts for 40 percent of China's total.

The Rockefeller Brothers Fund's evolving role in southern China mirrors this shift on a microcosmic scale (though for very different reasons, we hope!). A century ago, John D. Rockefeller (JDR) was able to create an elite Western-style medical institution in China on his own terms. That the PUMC maintains its elite standing in Chinese medicine speaks to the success of his vision; however, such an undertaking today would be well beyond RBF's means (over time JDR and the Rockefeller Foundation put \$45 million into the PUMC—several times more than RBF's endowment in 2008 dollars). Neither would this sort of philanthropy suit China's current needs. As China's public and private wealth expands (there were 108 billionaires in China in 2007,² second only to the U.S. and up from 15 the year before) while philanthropic activity is growing apace, institution building on the scale of PUMC is now squarely, and appropriately, within China's own purview.

A better approach for RBF is, rather, to collaborate with other nongovernmental organizations (NGOs), including grassroots organizations. We began supporting grantees on a relatively small scale (over \$2.2 million in grants in 2007), mainly from within our Sustainable Development program area. We have begun our funding at the nexus between human health and the environment, with experimental forays into the realm of energy as it impacts the environment. While we are funding some international environmental organizations for their China work, we also look to support indigenous NGOs. Not only are they doing some of the most creative work; these smaller organizations often stretch our limited funds much farther. RBF's approach also harmonizes well with the inclination of China's central government to support civil society in advancing its environmental and public health agenda.

Grassroots activity also allows the RBF to use one of its greatest assets: its program staff. Shenyu Belsky, RBF's program director for Pivotal Place: Southern China, is a tireless networker and skilled grantmaker who brings synergy to all our work. Space does not permit description of her grants and programmatic activities, but I recommend you link to our grants database—located in the Grants and Grantees section of www.rbf.org—to view the Pivotal Place: Southern China grants.

Rockefeller philanthropy in China has moved a long way from its origins, but continuity is still discernible: funding medical education in the early 1990s was cutting-edge philanthropy then, and we intend that our current grantmaking shall be as well. If successful, our current work should, like the creation of PUMC, benefit the health and environment of this great nation—and the world.



Natural Resources Defense Council project staff interviews pollution victims.

² China Daily, October 10, 2007.

President's Essay

Stephen B. Heintz

To read the full essay, "A New Vision for U.S. Global Engagement," visit the President's Corner at www.rbf.org.

U.S. Leadership in an Interdependent World

As we look out over the next decade and on toward mid-century, it is abundantly clear that humankind faces a number of unprecedented challenges and that solving them will require innovative new forms of broader and deeper global cooperation. A partial list of the profound challenges ahead includes:

- · Preventing catastrophic climate disruptions
- · Eliminating weapons of mass destruction
- · Containing violent extremism
- · Reducing poverty and inequality
- · Eradicating pandemic disease
- · Overcoming injustice



Stephen B. Heintz

The nature and scope of these challenges underscore the fundamental reality of our age: global interdependence. Six and a half billion human beings inhabit Earth along with some 1.8 million other known species, sharing one planetary ecosystem, one climate, and, increasingly, one polity. The reality of global interdependence is that we all directly experience these global challenges, albeit quite differently, and we will all need to contribute to their solutions. Given its vast wealth, its hard and soft power, and its disproportionate use of finite global resources, the United States must play a leading role in shaping the global response to the manifold challenges ahead.

A New U.S. Role in the World: Leading Three Essential Transitions

In particular, the U.S., as a great power, must lead a genuinely collaborative international effort to manage three essential, and closely related, global transitions.

First, we must lead in the transition from consumption development to sustainable development. Ever since the Industrial Revolution, global economic development has been based on stimulating and meeting demand for consumption through the exploitation of natural resources and the advance of technology. Whether in Europe and the U.S. in the 19th and 20th centuries or in China today, rapid growth in economic output and improvement in standards of living have been secured largely through patterns of accelerating consumption that are rapidly depleting essential life-supporting resources, like water, while also warming the planet to dangerous levels. The consequences are now clear: unabated exploitation of fossil fuels will trigger catastrophic climate disruptions that will reduce food supply, spread disease, increase poverty, and result in substantial loss of human life and biodiversity.

¹ www.eol.org.

 $^{^2 \}hspace{0.5cm} \textbf{Joseph Nye}, \textit{Soft Power: The Means to Success in World Politics}, \textbf{Public Affairs}, \textbf{2004}.$

In 1993, the United Nations convened the World Commission on Environment and Development³ to address growing concern about the accelerating deterioration of the environment, the rapid depletion of natural resources, and the consequences for economic and social development. In its final report, the commission offered a clear and concise definition of sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." In welcoming the commission's report, the UN General Assembly acknowledged that environmental problems are global in nature and determined that it is in the common interest of all nations to establish policies for sustainable development. While the findings and recommendations of the Brundtland Commission continue to guide policy debate at local, national, and international levels, the goal of environmentally, economically, and socially sustainable development remains far too distant. The United States, which consumes 25 percent of global resources and has less than 5 percent of the world's population, must become the leader of a global transition to genuinely sustainable development. This is not just a responsibility of the U.S. government; private-sector leadership is also essential. And the nonprofit sector through research projects, advocacy, and efforts to bolster public and private accountability—will also be indispensable.

Second, the United States must work collaboratively with our global partners to promote a transition from a global community of democratic nation-states to a democratic global community. The challenges of this century require that while we continue to strengthen and expand democracy among the community of nations, we must simultaneously devise a more comprehensive and robust democratic global system for managing transnational issues. It is time for a fundamentally new approach to global democracy development.

The U.S. should work with great sensitivity but also with great energy to help democratic reformers expand and deepen nation-state democracy, recognizing that there is great diversity among



The 1Sky campaign supports a nationwide movement to achieve global-warming policy solutions in the United States by 2010.

³ Known as the Brundtland Commission, after the name of its chair, Gro Harlem Brundtland, former prime minister of Norway.



A U.S. marine distributing supplies in Iraq.

the world's democratic states with regard to electoral systems, institutional structures, legal regimes, and political cultures. But given the realities of global interdependence and the consequences of globalization, we must also find new ways of managing the global economy and solving global problems more democratically. We must devise institutional arrangements and processes to assure transparency and accountability in global decision making, to broaden participation and representation in global bodies, and to subject private global actors—including corporations and civil society organizations—

to global norms of appropriate behavior. Through it all, our goal must be to create the effective institutions and processes to manage global challenges in a manner that produces more democratic outcomes,⁴ including greater equity and sustainability.

Finally, the United States must lead the transition from an inherently unstable unipolar world to a peaceful and more stable multipolar world. The end of the Cold War and the collapse of the Soviet Union in 1991 left the U.S. in a globally dominant position. At the dawn of the 21st century, the U.S. share of the global economy exceeded 23 percent. Our military spending outpaced that of the next nine countries combined. Our political influence, based in part on the strength of our economy and the power of our military, but also on our "soft power"—our ability to indirectly influence the behavior or interests of others through cultural or ideological means—also seemed more powerful than at any time since the end of the Second World War.

But history has shown that hegemonic power has its limits, and despite our great strength, the United States is clearly experiencing fundamental constraints on our ability to advance our national interests or accomplish our global goals. Emerging economies like China and India are growing at rapid rates: if China continues to grow at current rates, it will surpass the U.S. as the world's largest economy in just 30 years. Despite our unprecedented military prowess, our experience in Iraq and Afghanistan painfully exposes the limits of what military power can achieve. And, sadly, an extensive body of global public opinion research documents a precipitous decline in favorable attitudes toward the U.S.—even among our closest European friends. Our "soft power" is vastly diminished.

Like superpowers throughout history, the United States will increasingly find itself challenged by other global powers; we are unlikely to remain the dominant power many decades into the future. Furthermore, the global challenges we face cannot be managed effectively by one nation, no matter how strong, rich, or generous. Rather than striving to preserve our status as the world's only superpower, the U.S. should use its great power status to lead the community of nations in a long-term process of developing a new, rules-based global system that relies on multiple centers of power and authority, exercised in accordance with democratic norms of participation, transparency, and accountability. This will require reforms and modernization of essential global institutions like the United Nations, the World Trade Organization, and the World Bank.

See Robert Dahl, A Preface to Democratic Theory.

⁵ CIA World Factbook (https://www.cia.gov/library/publications/the-world-factbook/).

 $^{^{6} \}quad \text{The Center for Arms Control and Non-Proliferation (http://www.armscontrolcenter.org/)}.$

Bergsten, Gill, Lardy, and Mitchell, China: The Balance Sheet, p. 9.

⁸ In a poll conducted by the British Council and released in March 2008, 46 percent of Europeans thought the "perceived overall influence of the U.S. in the world" was negative. Financial Times, "Warning on Threat to Europe's U.S. Links," March 19, 2008.

The United States is clearly experiencing fundamental constraints on our ability to advance our national interests or accomplish our global goals.

Innovative regional bodies or groupings that aggregate and pool national sovereignty to manage transnational political, economic, and security issues can also play a growing role in a balanced global system. At the same time, these structures must reinforce the notion of "subsidiarity"—the idea

that a central political authority perform only those tasks that cannot be performed effectively at a more immediate or local level. This is the genius inherent in U.S. federalism and is a core principle of the European Union.

The United States must engage the major regional powers—China, India, Japan, Russia, the European Union, key Middle East partners, Brazil, South Africa, and others—in bilateral and collective efforts to devise a global system adequate to the challenges of the 21st century. This is an enormously complex task and we cannot do it alone. But it will not happen without engaged, responsible U.S. leadership. And if we do not put our strength to this great purpose, our strength itself may further erode.

We are living in a complex and dangerous world beset by unprecedented threats. Unmitigated global warming will dramatically undermine our planetary ecosystem. The spread of weapons of mass destruction—especially nuclear weapons—raises again the possibility of uncontrollable warfare and the destruction of civilization. Mismanaged economic globalization will bring benefits to some while leaving millions trapped in abject poverty. All of these outcomes directly contradict U.S. national interests, yet despite our extraordinary resources, power, and history of leadership, we simply are incapable of solving these problems on our own or through traditional forms of global leadership. The new test for a superpower may be how well it cares for the world's global interests. It is time for a new vision of America's role in the world based on an understanding that what's good for the globe is good for us.



A woman brushes her teeth outside her house in central Kinshasa, Democratic Republic of Congo.

About the Rockefeller Brothers Fund



The Rockefeller Brothers Fund was founded in 1940 as a vehicle through which the five sons and daughter of John D. Rockefeller, Jr., could share a source of advice and research on charitable activities and combine some of their philanthropies to better effect. John D. Rockefeller, Jr., made a substantial gift to the Fund in 1951, and in 1960 the Fund received a major bequest from his estate. Together, these constitute the original endowment of the Fund.

In 1952, the founders began to include on the board of the Fund trustees who were not members of the Rockefeller family. In 1958, the first of a number of daughters and sons of the founders joined the board, and the first of their children became trustees in 1992. Since the establishment of the Fund, three generations of family members have served as trustees. Beginning with John D. Rockefeller 3rd, who served as president from the inception of the Fund until 1956, seven presidents have distinguished the Fund with their vision and leadership. These presidents, along with the other trustees, officers, and staff, have ensured that the RBF remains dedicated to the philanthropic ideals of the Rockefeller family. The presidents include Nelson A. Rockefeller, 1956–1958; Laurance S. Rockefeller, 1958–1968; Dana S. Creel, 1968–1975; William M. Dietel, 1975–1987; Colin G. Campbell, 1988–2000; and the RBF's current president, Stephen B. Heintz, who assumed office in February 2001.

On July 1, 1999, the Charles E. Culpeper Foundation of Stamford, Connecticut, merged with the RBF, bringing the Fund's total assets to approximately \$670 million. Shortly after the merger, the Fund initiated a strategic review process designed to systemically evaluate all its programs in light of the opportunities before humanity—both global and local—at the dawn of the 21st century. That extensive and complex process has led to the integration of some programs and the phasing out or scaling back of others. As part of the effort, the RBF's current program architecture came into effect on January 1, 2003.











Clockwise from left to right: Energy Action Coalition, Alliance for Children and Families, Link TV: Who Speaks for Islam? Make the Road New York, ensemble cast of the New York City Opera (Apollo Theater).

RBF Program Statement

The Rockefeller Brothers Fund promotes social change that contributes to a more just, sustainable, and peaceful world. Through its grantmaking, the Fund supports efforts to expand knowledge, clarify values and critical choices, nurture creative expression, and shape public policy. The Fund's programs are intended to develop leaders, strengthen institutions, engage citizens, build community, and foster partnerships that include government, business, and civil society. Respect for cultural diversity and ecological integrity pervades the Fund's activities.

As an institutional citizen of an interdependent world, the Fund is active globally, nationally, and locally in its home city of New York. Grant programs are organized around four themes: Democratic Practice, Sustain-



The Earth from above.

able Development, Peace and Security, and Human Advancement. In 2006, the RBF trustees approved a new cross-programmatic grantmaking initiative on energy. The Fund recognizes that achievement of progress in each of these program areas is often interconnected with developments in the others. As a private foundation, the Fund strives to promote philanthropic excellence and to enhance the effectiveness of the nonprofit sector.

As specified in the guidelines for each grant program, the Fund supports activities in a variety of geographic contexts. It also has identified several specific locations on which to concentrate cross-programmatic attention. The Fund refers to these as "RBF pivotal places": subnational areas, nation-states, or cross-border regions that have special importance with regard to the Fund's substantive concerns and whose future will have disproportionate significance for the future of a surrounding region, an ecosystem, or the world. The Fund currently works in four pivotal places: New York City, South Africa, Western Balkans, and Southern China. The Pocantico Conference Center of the Rockefeller Brothers Fund is located on the former estate of John D. Rockefeller, outside New York City, and was created when the Fund leased the area from the National Trust for Historic Preservation in 1991. The conference center provides a unique setting where the RBF and other nonprofit organizations and public-sector institutions can bring together people of diverse backgrounds and perspectives to engage critical issues, reach new levels of understanding, and develop creative solutions to pressing problems.

21

In the years since its founding, the Fund has developed a distinctive style of grantmaking that is reflected in the following characteristics:

Long View. Grantmaking is concerned primarily with fundamental problems and is designed to contribute to the achievement of long-term goals and to make a lasting impact.

Commitment. Extended commitments are frequently made to specific issues and geographic regions and even to particular grantees.

Synergy. Rather than considering opportunities on a stand-alone basis, the Fund looks for connections among the activities it supports and the themes it pursues, both within and across program areas and in specific geographic locations.

Initiative. The Fund initiates or participates in the development of many of the projects that it supports.

Engagement. In addition to providing financial support, the Fund often works closely with grantee organizations to help strengthen their capacity and advance their work.

Collaboration. The Fund actively seeks opportunities to collaborate with other funders.

Convening. The Fund devotes time and resources, including the use of its Pocantico Conference Center, to convening groups of diverse stakeholders and encouraging collaboration among government agencies, corporations, and nongovernmental organizations.

The goals and strategies in each of our programs are implemented through a variety of approaches to grantmaking. In some programs, as noted in the guidelines, the Fund proactively identifies grantee partners and thus has limited ability to respond to unsolicited proposals. Grantseekers are encouraged to study the guidelines closely and to consult the list of recent grants on the Fund's Web site, www.rbf.org, for specific examples of the ways in which the Fund is implementing these guidelines. Prospective grantees are also urged to consult the How to Apply section for specific guidance on the application process.

RBF Program Architecture

RBF mission:

Helping to build a more just, sustainable, and peaceful world

Democratic Practice	Sustainable Development	Peace and Security	Culpeper Human Advancement				
WHAT	WHAT	WHAT	WHAT				
Civic Engagement	Forest Ecosystems	Responsible U.S. Global Engagement	Arts and Culture				
Effective Governance	Marine Ecosystems	Dialogue with Islam	Education				
Transparency and Accountability	Global Warming		Leadership				
Access and Inclusion	Sustainable Communities		Health				
Cross Brogrammatic Initiatives Energy							

Cross-Programmatic Initiative: Energy

Pocantico Conference Center

(Conferences and Meetings • Public Visitation • Stewardship of Pocantico Historic Area)

WHERE	WHERE	WHERE	WHERE
United States	United States and British Columbia	United States	United States
			Asia (Magsaysay Awards and Asian Cultural Council)
Global	Global	Global	

Pivotal Places

New York City • South Africa • Western Balkans • Southern China

Overview of RBF Programs

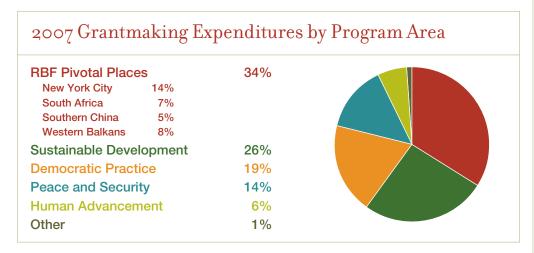
Excluding expenditures for investment management and taxes, the Fund's philanthropic spending in 2007 totaled \$41,625,000. Core grantmaking operations accounted for 90.5 percent of total spending. The remaining 9.5 percent was devoted to activities at the historic Pocantico property, which the RBF manages. A breakdown appears in the accompanying chart.

Total Program Spending, 2007¹ \$ 41,625,000

Grantmaking Operations	\$ 37,658,213	Pocantico Operations	\$ 3,966,788
Share of Total Spending	90.5%	Share of Total Spending	9.5%
Grants	\$ 29,594,164	Core Operations	\$ 3,660,000
Program-Related Expenditures ²	\$ 366,487	Conference Expenditures	\$ 306,788
Magsaysay Awards + PAP ³	\$ 573,427		
Administration ⁴	\$ 7,124,135		

Program spending = all expenditures that count toward satisfying the minimum distribution requirement.

⁴ Includes direct charitable activity.



Overview of the Grants Awarded versus Grants Paid Bar Charts

A multiyear grant is paid over the length of the grant. The full amount of the grant is considered to be awarded in the year that it is approved; payments are recorded in the year that they are actually paid. In 2007, 85 percent of the grants awarded by the RBF were for periods of greater than one year. Please see the individual program area for grants awarded versus grants paid.

Expenditures that are funded from grant budgets but are not grants.

³ PAP - Program for Asian Projects.

Democratic Practice



A woman surveys the aftermath of Hurricane Rita from her home.

Power in the Hands of the People

Following Hurricane Rita's devastation of communities in the Lake Charles area of Louisiana in 2006, Julio Galan, executive director, Family and Youth Counseling Agency, saw that the needs of southwest Louisiana's children and families were going unheeded. But when he tried to mobilize local nonprofit organizations (NPOs) to organize and advocate for their clients, he was met with the equivalent of blank stares.

"We found that nonprofit staff and board members didn't even recognize advocacy as part of their mission on behalf of children, families, and communities," he said.

Galan, working with the fledgling Children and Family Action Network (CFAN), used a tool kit created by the Alliance for Children and Families to galvanize NPO leaders with lessons in the basics of government and how to effect changes in public policy.

Now, with 200 members, CFAN has lobbied successfully for tax credits to businesses, childcare providers, and parents to support and increase quality childcare. It is also promoting better access to health care and gaining support from the Louisiana Disaster Recovery Foundation for more widespread training with the tool kit.

The tool kit is a product of the Alliance for Children and Families' New Voices at the Civic Table program, the culmination of a four-year national exploration of how to strengthen civic engagement. New Voices uses a range of efforts, including technical assistance, online learning, and minigrants in its work with organizations around the country.

"We help them get beyond their concerns of jeopardizing their government funding and asking already overworked staff to provide additional services," said Linda Nguyen, director, Civic Engagement, Alliance for Children and Families. "We show them how to work within their existing culture toward a more holistic approach that results in more-effective services, greater accountability in the public arena, and improved quality of life for recipients of services."

According to Ben Shute, secretary and program director, Rockefeller Brothers Fund, nonprofit groups, especially service organizations, are particularly well suited to take on this role. "They are trusted institutions embedded in neighborhoods that are



Members of Alliance for Children and Families.

often otherwise marginalized or ignored," he said. "Supporting constituent voice and power is an important way service providers can proactively change the role of poor and marginalized groups from service seekers to active citizens."

Another of the Fund's multiple efforts to increase civic engagement by helping bolster the relationships between NPOs and their constituents has been its support of the Building Movement Project at Dēmos: A Network for Ideas & Action. Building on its enormously well received pilot project, the 2006 Social Service Change and Process Guide, Building Movement, along with the Alliance for Children and Families, initiated a two-day discussion with local and national foundations and NPOs to learn from successful models, focus on key barriers, identify levers for changes, and plan how to spread the word. Building Movement is now designing a national project and conducting trainings throughout the country to help nonprofits become sites of democratic practice and to involve their constituencies in social change.

"Both staff and clients of service organizations know how frustrating it is and what it means to have no voice," said Frances Kunreuther, founding director, Building Movement. "But they have an existing infrastructure that can be used to mobilize their clients and build the capacity of the people they serve to be involved in their communities."



Encouraging voter turnout.

Nonprofit Voter Engagement Network

With a direct eye on elections and voter turnout at the polls, the Nonprofit Voter Engagement Network (NVEN), a project of the Minnesota Council of Nonprofits, is dedicated to expanding the role of America's nonprofits in voting and elections. NVEN supports NPO efforts to expand voter participation through a slate of resources that includes training materials, how-to guides, legal and election reform resources, monthly webinars, and annual conferences. Working on a state-by-state basis, it too aims to integrate its work with existing services and activities.

"Nonprofits have tremendous reach and credibility with their constituents, and we have evidence that their efforts increase voter participation," said George Pillsbury, policy

and development director, NVEN, "but the last thing they need is another program."

In addition to supporting efforts that increase constituent engagement and voter turnout, the Fund's commitment to the health of democracy in the United States has led to its support of campaign finance reform through the work of such organizations as Democracy Matters Institute (DMI) and Web-based Maplight.org.

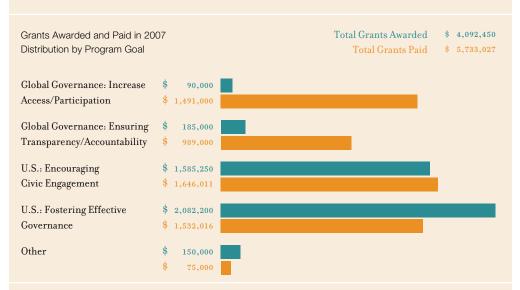
DMI draws on the energy and commitment of the newest generation of voters to heighten awareness about the influence of money in U.S. politics. Founded in 2001 by Adonal Foyle, a professional basketball player and 1998 graduate of Colgate University, DMI gives college students a voice in the pro-democracy movement and an active role in the national dialogue on campaign finance reform. DMI pays 65 undergraduate interns on a diverse range of college campuses in 22 states to organize students and educate them about clean elections and other leadership and citizenship issues. The interns are closely mentored by DMI national staff, who host an annual summit to help define national goals, share best practices, and coordinate strategies with other campaign finance reform organizations.

"DMI advocates for a more open process that will bring the 99 percent of us who can't afford to run for office back into politics," said Joan Mandel, Ph.D., executive director, DMI. "Our work also creates very broad coalitions among other different social issue groups on campus and gets people hopeful about working together to change the things that bother them."

Another RBF grantee that helps make the case for public financing of political campaigns, Maplight.org offers a public database that, with the click of a mouse, reveals patterns of money and influence on legislators in a way that was never before possible. The organization, which launched in 2005, currently tracks the correlation between campaign contributions and the votes legislators cast in the U.S. Congress and the California state legislature. With support from the Fund, it plans to expand its reach to more states within the next five years and make its software available to organizations on the local level. Also key to its mission is sharing with the media the information it gathers.

"When the Congress voted to prevent the import of drugs from Canada and other less expensive places, we could show that senators who voted to block imports received an average of three times more money from pharmaceutical companies than those who voted the other way," said Dan

Democratic Practice



a portion of the responsibilities of program associate Naomi Jackson was devoted to this program (U.S.). For more information about the Democratic Practice grants and to learn how to apply for a grant, visit www.rbf.org.

The program director who carries responsibility for the Democratic Practice program is Benjamin R. Shute, Jr. During 2007,

Newman, executive director, Maplight.org. "People care a lot about the issues but often miss the connection between contributions and politics. Our goal is to make that connection number one on the agenda at both the state and federal levels."



Bilingual poll workers in Boston.

Peace and Security



Afghan citizens vote in their first presidential election in nearly 30 years.

Peace and Security: A Focus on Muslim-Western Understanding

Although *innovative* can be an overused term, it is a true description of the approach that Rockefeller Brothers Fund grantees take to accomplish their mission to promote Muslim-Western understanding. Such ingenuity can be seen in Meedan, an RBF grantee in the Peace and Security program area. In taking its name from *meedan*, the Arabic word for "town square" or "gathering place," Meedan is creating a digital town square for dialogue between the Western and Arabic-speaking worlds.

Its upcoming launch of a Web site that enables users to engage in dialogue about relevant issues pertaining to culture, customs, beliefs, and lifestyles is groundbreaking. The Web site provides real-time translation so that English speakers and Arabic speakers can participate in live chats complete with translation software. In addition to the site, Meedan is offering downloadable plug-ins that users will be able to access on various social networking sites. The same way social networking sites are changing the way we communicate with friends, explore interests, shop, and receive news, they now serve as a tool in promoting cross-cultural understanding.

The RBF's support of a wide range of diverse and innovative projects such as Meedan is an aim to help break down the barriers of misunderstanding and combat the misconceptions of Islam and Muslims in the West. The West's—and in particular the United States'—ability to engage positively with the global community hinges on its ability to understand and respect the Muslim world. This year's annual review cover story (page 2), "Making Sense of the World: U.S. Foreign Policy and Our Global Role" examines the fact that understanding needs to be gained not only by policy makers in Washington but also by their constituencies.

The West's ability to engage positively with the global community hinges on its ability to understand and respect the Muslim world.

The Peace and Security grantees' efforts are helping ensure that individuals, organizations, and the media are able to make more-informed decisions about issues that relate to both the Muslim and Western worlds. They achieve this by focusing efforts on encouraging and providing the vehicles for communication one-to-one, engaging diverse and important constituencies in their efforts, and arming people with accurate and accessible information.

Among RBF's many purposes, the work in this area is helping arm many news agencies and distinguished journalists with independent research, unbiased information, and robust facts about people living in Muslim and Arabic-speaking countries.

Terror Free Tomorrow

RBF grantee Terror Free Tomorrow: The Center for Public Opinion (TFT) is a pioneer in finding the facts that can help bridge the differences between the United States, other Western countries, and

the Muslim world. The organization was the first in the last five years to conduct uncensored, independent nationwide public opinion surveys in Iran, Saudi Arabia, and Syria. Its findings have resulted in front-page news coverage in major media both in the United States and throughout the Muslim world.

"Participants in our surveys are offered a rare opportunity," said TFT president Ken Ballen. "For the vast majority of these individuals, it was the first time they had been asked their opinion about anything."

Across the country and around the world, grantees in this area work in a variety of ways to engage people of all ages and backgrounds in their efforts.

Interfaith Youth Core

The language of social action—justice, compassion, service, and witness—is part of the core teachings of all major religious traditions. It is a language that resonates with religious young people because it provides





Top and bottom: Interfaith Youth Core.



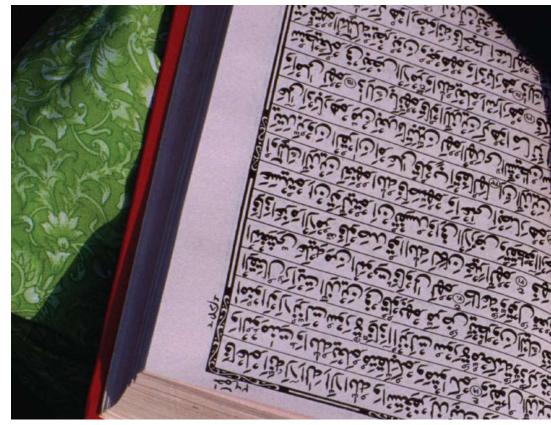
American soldiers patrolling the streets of Baghdad.

a concrete way for them to make a difference in the world. The Interfaith Youth Core (IFYC) gathers diverse young people of faith around the common starting point of their desire to serve others, encourages them to reflect on and share the teachings in their own religious traditions that inspire social action, and then recognizes and facilitates joint action based on shared values. Their work includes public advocacy, outreach and education training, and a leadership cultivation program that offers internships, fellowships, conferences, and online networking opportunities to nurture future leaders.

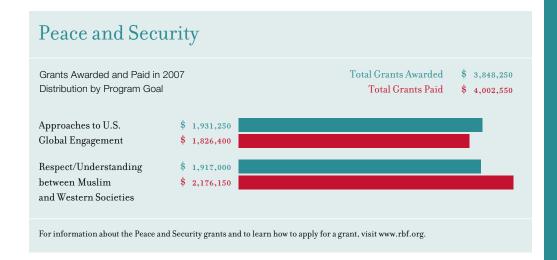
While based in Chicago, IFYC works with colleges, universities, and community organizations around the United States with a commitment to religious diversity and inter-faith understanding. Since 2004, IFYC has organized the National Days of Youth Service, which brings together young people from different religious backgrounds

for service projects at sites around the country. In 2007, the event brought together 3,500 participants at 32 sites—six of which were overseas.

The efforts of these and other grantees in this area illustrate the exciting possibilities of multi-faceted approaches to breaking down geographic, cultural, and language barriers. A "gathering place" to share ideas and knowledge continues to take shape. Grantees like Meedan bring their particular expertise to the table and RBF builds on their knowledge by bringing others to the table.

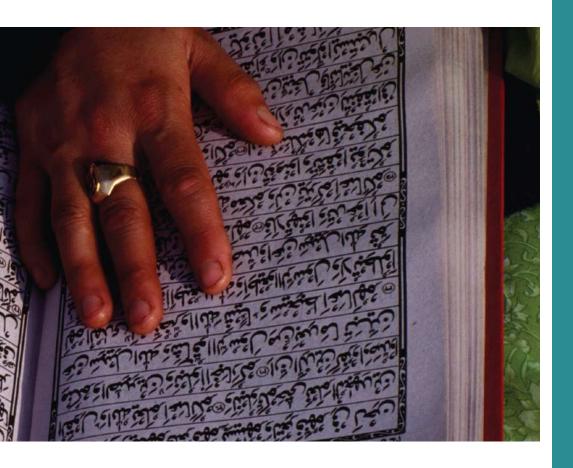


Reading the Koran.



"We want to get people to share media across language boundaries," said Ed Bice, Meedan's founder and chief executive officer. "We understand the world in a radically different way than people in the Arabic-speaking world do, and until we bridge the language gap, it's tough to turn the corners all of us working in this area want to turn."

Together we're turning the corners.



Sustainable Development



The Grosvenor Mountains, Antarctical

Over the years, the steadily increasing focus of the Rockefeller Brothers Fund's grant-making in the Sustainable Development program area has become the support of solutions to global climate change. It is one of the most urgent challenges of our time, touching every facet of life for every living being and every place in the world.

"It has always been much more than an environmental issue for us and explains why we have consistently supported efforts to take the issue of global warming out of the green box in which it has found itself confined," said Michael Northrop, the Fund's program director for Sustainable Development.

By definition, the notion of sustainable development requires thinking outside the green box because it understands that environmental protection must be integrated with economic and social development. It proposes not only a green agenda to protect ecosystems but also a related human development agenda. Sustainable development provides a holistic approach for ordering relationships among people and between humanity and the larger community of life. And from an intergenerational perspective, it might be most simply expressed this way: development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

It is widely recognized that the modern idea of sustainable development is less than 30 years old, first proposed in 1980 as part of the International Union for the Conservation of



Smoldering forest in Belize.

Nature and Natural Resource's World Conservation Strategy and then more fully articulated in a seminal report called Our Common Future. The report was published in 1987 by the World Commission on Environment and Development under the leadership of Gro Harlem Brundtland and led directly to the first Earth Summit in Rio de Janeiro in 1992. What is less well-known is that the idea, under a different name, was of primary importance to America's Founding Fathers.

"I set out on this ground, which I suppose to be self-evident, that the Earth belongs in usufruct to the living," Thomas Jefferson wrote in his famous letter of September 6, 1789 to James Madison.

What does it mean for "the Earth to belong in usufruct to the living?" It means that we, the living, can derive profit from the Earth and use its fruits, as long as we do not damage or destroy it.

It would appear that sustainable development is fundamental to America's experiment with democracy, and indeed, the idea has a universal echo wherever humanity has walked the Earth. "Treat the Earth well," a Kenyan proverb instructs. "It was not given to you by your parents but loaned to you by your children."

Consciousness of this necessary transaction with the future is impinging upon modern industrial life as never before because of global climate change. As the United States and the entire globe grapple with solutions to the crisis which is upon us, sustainable development is providing the key to the new economic thinking emerging in response to the crisis.

Our grants database provides details on how the RBF has played a role in fostering this change. The Fund has supported groups that have carried the message of sustainable development to the business community, to investors, to people of faith, to the military, to athletes, to architects and builders, to governors, to mayors, and to young people.

The first world summit on environment and development was the UN Conference on the Human Environment held in Stockholm in 1972. Also, the first Pocantico paper ever released by the RBF was called "Turning Up the Heat: Next Steps on Climate Change," following a climate conference organized by RBF program director Michael Northrop in 1994.

This past year, the Fund has taken another important step through support of a new initiative called 1Sky. It is an effort to collect the power latent in all these disparate voices of climate concern and focus them on the adoption of solutions commensurate with scientific realities. 1Sky—aptly named for the task at hand—is fomenting a much-needed convergence of climate action around a three-part policy package that lies at the core of both national and global responsibilities.

What is striking is how much larger than the sum of all of those parts the conversation has become. This is true in spite of the political ascendancy and chilling effect of America's denialist era, now coming to a close.

For further evidence of the converging climate conversation, witness what some of the largest banks in the world are doing. Three of them—Citibank, JP Morgan Chase, and Morgan Stanley—together announced standards for the financing of new coal-fired power plants in a deal struck with utilities and environmental groups. In essence, the new standards say this: have either coal plants that capture and store carbon emissions or, perhaps, no coal plants at all.

This is a signal achievement. Fiduciaries are entrusted with maximizing financial returns. One of their most powerful tools is the externalizing of costs—best exemplified by the practice of using the atmosphere as a free dumping ground for global-warming pollutants. But now, sustainable development has trumped this unsustainable practice. The movement to properly "internalize" the cost of carbon is becoming fundamental to the business acumen of the world's most powerful financial institutions.

It is essential at the same time to recognize an equally important, parallel development: sophisticated articulation of the economic development benefit of sustainable climate action. Denialists and other ideological opponents of action wave the flag of economic doom to incite fear and overcome the rational sway of self-evident necessity. This fear is unfounded.

Conclusive evidence of the benefit of action is available from more than half the states that are engaging in climate policy planning and action. Using a basket of roughly 50 to 75 measures touching every sector of their state economies, they are showing how it is possible to significantly reduce emissions and return a net economic benefit in the process.

One RBF grantee—the Center for Climate Strategies—has collected this evidence and asked the question: What would happen if state leadership experience was scaled up to a national level? The answer: The United States could reach 1990-year levels of emissions by 2020—a 33 percent reduction—and generate \$25 billion in net economic savings.

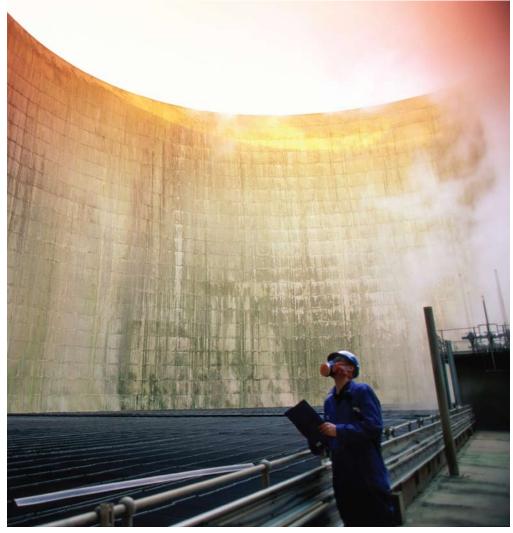
Independent corroboration is available from leading minds at preeminent national companies and organizations—such as McKinsey & Company and the Conference Board. In a report called Reducing Greenhouse Gas Emissions: How Much at What Cost? they concluded that between now and 2030, almost 40 percent of U.S. emissions could be eliminated by investing in policy options that would generate positive economic returns over their life cycle.

For too long, fiduciaries and environmentalists have been at odds, arguing over partial truths, which are now becoming whole through the inclusive perspective of the idea of sustainable development. Call it what you will: win-win, usufruct, self-evident truth, sustainable development. Global climate change is affording the opportunity to realize the reassertion of an idea at the core of the human heart since the beginning of consciousness: to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Sustainable Development



Michael Northrop, program director, and Jessica Bailey, program officer, carry responsibility for the Sustainable Development program. For more information about Sustainable Development grants or to learn how to apply for a grant, visit www.rbf.org.



Checking vapors inside cooling tower in coal-fired power plant.

Cross-Programmatic Initiative: Energy



Workers unloading equipment for wind turbines being constructed at a wind farm on the outskirts of Beijing.

"Philanthropy for an interdependent world"—the Rockefeller Brothers Fund's tagline—has taken on new meaning over the last 18 months through a new initiative focused on energy.

Internally, the foundation is working to interconnect the work of its main program areas—democratic practice, sustainable development, and peace and security—through this cross-cutting initiative. And externally, this grantmaking has supported and provoked new discussions about interdependent energy solutions that simultaneously enhance global security, address global climate change, and promote just and sustainable economic growth.

This initiative is soil-tilling work, designed to pave the way for the next chapter of U.S. climate and energy policy. Through this energy initiative, the RBF is supporting work to formulate a strategy so the next president can reassert U.S. moral leadership in the international arena; to link the foreign policy community with the community working on climate solutions; to pressure multilateral institutions to better provide right signals and market incentives; and to foster bureaucratic change that will make energy and climate Cabinet-level concerns.

Launched with RBF board approval in October 2006, the program—though still nascent—has already supported valuable accomplishments through convenings, the development of policy solutions, and promotion of best practices.

In June 2007, the Aspen Institute held a workshop called Global Politics of Energy that brought together experts from the foreign policy and climate change communities. They discussed sustainable energy solutions and worked to erect guardrails for protection against adoption of energy security solutions detrimental to progress on global climate change.

Many projects flowed out of the Aspen workshop. One of them, sponsored by the Center for New American Security, has organized foreign policy experts—with experience in arms control and trade negotiations during the administrations of Presidents Ford, Carter, Reagan, and Clinton—to accelerate action on climate and energy solutions.

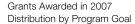
"The U.S. wants allies in the war on terror, but it won't play ball with the community of nations also focused on global climate change as a priority issue," Jessica Bailey, program officer leading the Energy Initiative, said. "There's a community of foreign policy experts who understand how the two issues are intimately interrelated and who believe that one of the best things this country could do to reassert global leadership is to take a bold stance on climate. So we've supported an effort to help focus on this issue and foster a new national dialogue. American leadership on climate change is the way to demonstrate responsible U.S. global engagement—one of the core goals of the RBF's Peace and Security portfolio. The rest of the world is waiting for this country to act."

The Energy Initiative is also working to correct imbalances in international institutions. For example, the World Bank is the world's largest public funder of fossil fuels. Could the institution's investments—so influential for global economic development—be directed to support energy efficiency and clean energy? Working through the priorities of the Democratic Practice–Global Governance program, a grant was provided to expand the World Resources Institute's existing program called International Financial Flows and the Environment. The project works to align public and private investment so as to encourage a transition to sustainable energy development and poverty reduction in developing countries.

The cross-cutting work also extends to one of the RBF's pivotal places: Southern China. Through the Institute for Sustainable Communities, the energy initiative is supporting an energy efficiency project in Guangdong. The project has its U.S. counterpart of sorts in Washington, D.C., where the Better World Fund has assembled its Task Force on Energy Efficiency and the Grid. It is convening the business community and policy makers to advance innovative energy efficiency policies at the local, state, and federal levels.

The full roster of the energy initiative's grantmaking is available on the foundation's Web site at www.rbf.org. Out of all of them, one lesson already appears to be emerging: clean energy is a doorway to an interdependent world founded on the ideals central to the RBF mission: peace and security, democratic practice, and sustainable development.

Cross-Programmatic Initiative: Energy



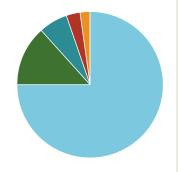
Energy (Cross-Programmatic Initiative) \$ 1,825,000

Sustainable Development \$ 318,750

Peace and Security \$ 156.250

Pivotal Place: Southern China \$ 75,000

Democratic Practice-Global Governance \$ 50,000



The program officer who carries responsibility for the Cross-Programmatic Initiative: Energy is Jessica Bailey. For more information about Energy grants and to learn how to apply for a grant, visit www.rbf.org.

Human Advancement



Universities and colleges may nominate up to three candidates for the fellowships. In 2007, all three candidates from Howard University were selected for the 2007 Class of RBF Fellows. **Left to right:** Norma Rosa, Nicole Golden, and Ayesha Jeter.

The Rockefeller Brothers Fund complements its commitment to systemic change with a dedication to human advancement and the fulfillment of individual potential by supporting arts and culture, working to improve the quality of education, recognizing and encouraging leadership, and helping mitigate the impact of health threats that undermine human advancement on a nationwide or regionwide scale.

The Human Advancement program is named after Charles E. Culpeper to honor the legacy and achievements of his foundation, which was established in 1940 for the "betterment of humanity." The Charles E. Culpeper Foundation and the RBF merged in July 1999.

Fellowships for Aspiring Teachers of Color

Established in 1992, the Fellowships for Aspiring Teachers of Color initiative is a key component of the Charles E. Culpeper Human Advancement program. It was created with the primary objective of recruiting students of color from universities and colleges nationwide to the teaching profession. Since then, the Fund has awarded 326 fellowships.

"We are honored to continue playing a role in encouraging and assisting students of color to become teachers in the public schools," said Miriam Añeses, director, Fellowships for Aspiring Teachers of Color. "Our fellowships give outstanding students such as our 2007 Fellows class an opportunity to be education leaders."

Twenty-five college juniors from 16 participating institutions were named Fellows in 2007. Incoming Fellows are required to complete a summer project between their junior and senior years. Planned jointly by Fellows and their mentors, the projects provide students with direct teaching experience with youth. A list of the Fellows and participating institutions can be found at www.rbf.org.

2007 Fellows Close-up

The following are two excerpts from close-ups of the 2007 Fellows. To read more about these Fellows and other grantees, visit the Grants and Grantees: Close-ups section at www.rbf.org.

The Art of Teaching Science

Ajoy Vase thinks of teaching as an art. While he sees the value in sharing his own personal experiences with students, he doesn't see that as the best way to foster learning. The art of teaching for Ajoy can be found by "sowing seeds of knowledge" that arouse intellectual curiosity within his students and that encourage them to pursue their interests. For Ajoy that curiosity is science. "I think science is really exclusive. People talk about inequity and the rich-poor gap, and I think that's true in science from an intellectual point of view. There are many people who don't know science because they gave up as a result of lack of encouragement, and then there are the Albert Einsteins. I want to bridge that gap." With his intelligent compassion, Ajoy will make a life out



Ajov Vase

of "sharing his privileged education in physics," as he describes it, with the students he will one day teach.

No Need for a Backup Plan

Whitney Nekoba always thought of teaching as her career backup plan. Both of her parents were educators in Hawaii public schools, so it made sense for her to fall back on the profession. But after reluctantly taking an introduction to education class her freshman year at Swarthmore College, it became increasingly evident she enjoyed education classes the most and that teaching was her calling. After she completes her major in biology and a minor in education, Whitney said, "It is of the utmost importance that I go back to Hawaii because there is such a dire need for educators there."



Whitney Nekoba

Even more impressive than her devotion to her home state is her understanding of the need for informed educators. According to Whitney, "I think there needs to be that cultural basis for education and bringing that relevance back to the kids. Instead of mandating that they learn about an oak tree, teach them about a native plant." It's appropriate then that Whitney expects to continue in her mother's footsteps by planning to teach high school biology after completing her graduate studies.

Ramon Magsaysay Award Foundation

With encouragement and financial support from members of the Rockefeller family and the Rockefeller Brothers Fund, the Ramon Magsaysay Award Foundation (RMAF) was established in 1957 as a memorial to Ramon Magsaysay, the third president of the Republic of the Philippines, who died in an airplane accident that year during his presidency.

The signature program is the Ramon Magsaysay Awards given to people working in Asia on behalf of Asians. The six award categories are Government Service; Community Leadership; Public Service; Journalism, Literature, and Creative Communications Arts; Peace and International Understanding; and Emergent Leadership. The names of and citations for the 2007 awardees may be found at www.rmaf.org.ph.

Program for Asian Projects

Established in 1987 at the close of the Magsaysay Awardees Assembly in Bangkok, the Program for Asian Projects (PAP) provides financial support for projects that individual awardees or groups of awardees desire to undertake in order to further the work that earned them the prestigious Ramon Magsaysay Award. The program is administered by the Ramon Magsaysay Award Foundation and steered by an Asian board of advisers that consists of both awardees and representatives of the foundation. For the 2007 PAP awardees, view the 2007 grants at www.rbf.org.



Left to right: Jovito R. Salonga (Philippines), Government Service; Kim Sun-Tae (Korea), Public Service; Mahabir Pun (Nepal), Community Leadership; Tang Xiyang (China), Peace and International Understanding; Palagummi Sainath (India), Journalism, Literature, and Creative Communications Arts; and Chung To (China), Emergent Leadership.

Staff Grantmaking Fund

Established in 2002, the Staff Grantmaking Fund (SGF) provides nongrantmaking staff of the Rockefeller Brothers Fund with the opportunity to be grantmakers and thereby experience the Fund's core work firsthand. The SGF's annual budget of \$120,000 finances grants that are consistent with the overall mission of the RBF. The 2007 SGF committee explored grantmaking opportunities related to the Fund's Pivotal Place: New York City program guidelines. For a list of staff grants, visit www.rbf.org.



Left to right: Gail Fuller, Ariadne Papagapitos, Miriam Añeses, Lydia Brown, Karen Asakawa, Bridget Massay, Hope Lyons, and Karlene Gordon.

Committee Members

Miriam Añeses

 $\label{lem:program} \textit{Program Director, Fellowships for Aspiring} \\ \textit{Teachers of Color}$

Karen Asakawa

Administrative Assistant, Finance and Operations

Lydia R. Brown (SGF Facilitator)

Administrative Assistant,
Sustainable Development and Energy

Gail L. Fuller

Director of Communications

Karlene A. Gordon

Human Resources Associate

$Hope\,A.\;Lyons\ (SGF\ Facilitator)$

Director of Grants Management

Bridget Massay

Executive Assistant, Office of the President and Chairman

Ariadne Papagapitos

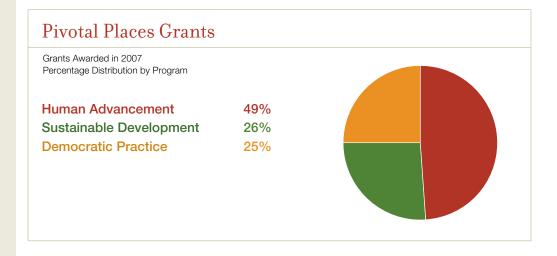
Special Assistant to the President

Pivotal Places

The Rockefeller Brothers Fund pursues its four program interests—democratic practice, sustainable development, peace and security, and human advancement—in a variety of geographic contexts. In addition, the Fund has identified several specific locations on which to concentrate cross-programmatic grantmaking attention. The Fund refers to these as RBF Pivotal Places: subnational areas, nation-states, or cross-border regions that have special importance with regard to the Fund's substantive concerns and whose own future will have disproportionate significance for the future of a surrounding region, an ecosystem, or, indeed, the globe.

While there are many places in the world that might be considered pivotal, the selection of RBF pivotal places is guided by both the Fund's program interests and its grantmaking history. These are places where the Fund judges that, because of its experience, knowledge, and program interests, its grantmaking could be particularly effective, and where the Fund generally makes a long-term commitment. The Fund's engagement in these places is multidisciplinary, involving two or more RBF program interests. It is also responsive to local needs and priorities; indeed, the Fund may pursue its broad programmatic goals in different ways within each RBF pivotal place.

The Fund currently works in four RBF pivotal places: New York City, South Africa, the Western Balkans, and Southern China.



2007 ANNUAL REVIEW 4:

Pivotal Place: Southern China



Shaxi, Yunnan

The Rockefeller Brothers Fund concentrates its Asian grantmaking in Southern China, one of the fastest-growing and most dynamic regions of the world. The Fund's geographic area of interest encompasses the nine diverse and increasingly interconnected provinces of the Pan Pearl River Delta—Guangdong, Guangxi, Hunan, Yunnan, Sichuan, Guizhou, Fujian, Hainan, and Jiangxi—and, to a lesser extent, Hong Kong and Macau. This region accounts for one-third of China's population and 40 percent of its gross domestic product. It has played a pivotal role in China's extraordinary progress over the last 25 years.

Southern China's rapid development, however, has been accompanied by profound environmental challenges. The Chinese government and people have been responding vigorously to these complex challenges. The RBF's grantmaking seeks to assist these efforts, supporting work that advances one of its key programmatic interests: sustainable development. Currently, the Fund's work in Southern China has two main focuses: (1) addressing the links between the environment and human health and (2) advancing sustainable approaches to meeting the region's energy needs.

This feature examines a few of the many Fund-supported initiatives related to human health and the environment.

China's Environmental Challenges: The Impact on Human Health from Grassroots to Policy

The morning mist is still rising from Yunnan Province's nearby Er Hai Lake as Dr. Kuang Rongping and a team from the Pesticide Eco-Alternatives Center (PEAC) squat deep in conversation with a group of small farmers and the village chief. The subject is pesticides, and the farmers are concerned. Many have personally experienced the effects of pesticide poisoning after years of mixing and applying the chemicals without protective gear or safety information. Now they are learning about other problems: contaminated food crops and water supplies fouled by pesticide runoff. After decades of habitual and indiscriminate use of chemical pesticides, the farmers are



Staff from Pesticide Eco-Alternatives Center interview a farmer.

worried that without them, insects will ruin their crops.

With prodding from the PEAC team, older farmers begin to share nearly forgotten knowledge about pest life cycles and traditional methods of pest control. PEAC gathers and shares this information as part of its grassroots training and awareness building efforts throughout Yunnan. PEAC combines this village-by-village grassroots work with a broader mission: promoting pesticide reform in China. Through its Web site and

publications, PEAC has become the key indigenous source for Chinese-language information about pesticides. Ongoing engagement with government agencies at the local and national levels has made PEAC an important voice in pesticide policy reform in China.

A Coordinated Approach to Environmental Health

Two thousand kilometers from the shores of Er Hai Lake, in Beijing, the RBF is supporting the work of the China Council for International Cooperation on Environment and Development (CCICED), the highest-level international advisory body on environment and development issues to China's State Council. The CCICED's Environment and Health Task Force is preparing recommendations to the State Council for the establishment of an integrated environmental health management system that, for the first time, would provide a policy framework clarifying and coordinating the responsibilities of the various agencies involved with environmental health. This exciting work addresses what has been one of the thorniest obstacles to progress—a fragmented, uncoordinated approach to environmental health responsibilities by key government agencies.

Information and Awareness: A Key to Progress

Another important barrier to improving work on environment and health in China has been the relative inaccessibility of existing research and data. The Social Science Research Council has teamed with the Yunnan Health and Development Research Association to create a bilingual, searchable online research hub, thereby significantly increasing



Paper mill in Guangzhou works on energy conservation.

Chinese access to environmental health research from around the world. The hub is interactive and will provide a forum for ongoing exchange of information among researchers, policy makers, and practitioners.

Involving Citizens in Environmental Protection

As China's economic development continues to race ahead, members of China's rapidly expanding middle class are becoming increasingly sophisticated and discriminat-

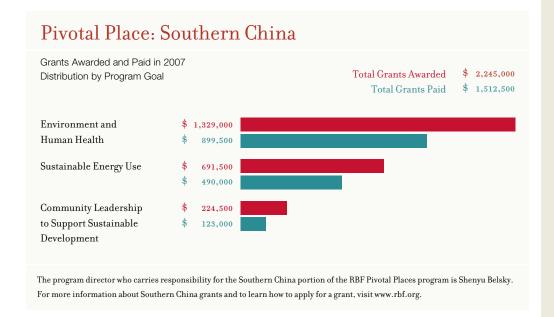


Women in Shaxi, Yunnan.

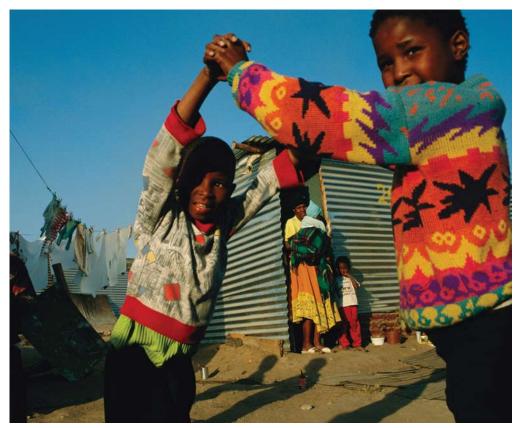
ing consumers. Nowhere is this more true than in Southern China's dynamic Pan Pearl River Delta region. Consumers are particularly concerned about health-related issues.

Building on this increasing consumer interest, 20 veteran Chinese environmental organizations have joined to establish the Green Choice Initiative (GCI), a comprehensive consumer education campaign to demand healthy and environmentally friendly consumer goods. Through a Web site and a wide variety of other activities, the GCI will encourage Chinese consumers to reflect on the environmental behavior of enterprises and to exercise caution in choosing products made by polluters. At the same time, GCI members will offer tools and partnerships to companies seeking to improve their environmental performance, demonstrating that building an environmentally responsible business is a practical and profitable alternative for polluters.

GCI represents a major step forward in engaging the public and civil society in environmental protection in China.



Pivotal Place: South Africa



Over 66 percent of all South African children live in households that are below the poverty line.

Providing Sustainable Interventions for Vulnerable Children

"Like a swath that runs through the sugarcane fields in KwaZulu-Natal, AIDS is mowing down an entire generation of South Africans." And with that stark metaphor, Sister Mary Jane Lubinski of the Catholic Institute of Education clearly painted the picture of one of the critical issues facing South Africa. As the AIDS pandemic matures and adult mortality increases—particularly among 15- to 24-year-olds—South Africa is in dire need of evidence-based research, policies, and strategies to provide sustainable interventions for affected children and families. In 2007, the Rockefeller Brothers Fund provided grants for several projects that are developing systemic interventions to affect children in South Africa.

The projects aim to:

- · Strengthen access to basic education
- · Explore other government grants that could benefit children and their families
- · Help schools become centers of support for orphans and vulnerable children
- Determine cost-effective alternative solutions to support these children and families

The Alliance for Children's Entitlement to Social Security (ACESS), Training and Resources in Early Education (TREE), Catholic Education Trust, and the Human Sciences Research Council (HSRC) are just a few of the RBF grantees tackling these projects as they look for systemic models that can be taken to scale by the South African government. And many of these organizations are working in the KwaZulu-Natal province, which accounts for almost 25 percent of South Africa's children and where there is the highest rate of poverty and HIV/AIDS. Each of these grantees also, in some way, is using education as the key to change and is supporting and empowering important stakeholders such as principals, teachers, students, parents, government departments, and community leaders.

Education Provides the Key

According to the Department of Education (DOE), 84 percent of young children have no access to early childhood development programs. There is clearly an urgency to implement programs for their care, development, and education. With the creation of the National Integrated Plan for Early Childhood Development, the South African government has included early childhood—particularly poor and vulnerable children—as a priority area. The plan also recognizes the important role that nongovernmental and community-based organizations play in implementing and monitoring programs.

James J. Heckman, Nobel Laureate in Economic Sciences in 2000, said, "The real question is how to use the available funds wisely. The best evidence supports the policy prescription Invest in the Very Young." And that is where TREE has placed its focus on children—particularly those from birth to age 7. Its integrated early childhood development initiative, which provides a valuable resource for AIDS-affected communities, has informed the government's framework on early childhood development centers as resources for care and support. It also has led the Department of Social Development to discuss with TREE how to take this concept further by linking to other government programs and having government involved in early childhood development sites through an expanded public works program.

One barrier to the fight against HIV/AIDS has been access to basic education. ACESS, an alliance of 1,500 children's sector organizations from nine South African provinces, has been advising the DOE on ways to improve all children's access to free and quality education.

The successes of these organizations' initiatives have brought buy-in and acceptance from government departments such as education, social development, and health.



Pre-school teachers from KwaZulu-Natal learning how to make toys for their young students.

A Caring Approach to Education

"When I dream alone, it remains a dream. When we dream together, it is the first step towards reality." This Brazilian proverb lies at the heart of the Catholic Institute of Education (CIE) hands-on, community approach to helping orphans and vulnerable children. The institute, a project of the Catholic Education Trust, has helped transform schools into centers of care that can provide a range of support for students struggling with the impacts of HIV/ AIDS and poverty. CIE has implemented this approach in three pilot schools, including Sibonakaliso, a rural farm school 18 miles from Harrismith. CIE's concept is build around 10-member reference teams that include a principal, parish priest, three educators, two school governing body mem-



Students from Sibonakaliso, a rural farm school in South Africa.

bers, and other key community stakeholders. The team identified three immediate goals, one of which was to create a well-functioning, safe hostel with happy students. With help from CIE and the reference team, Sibonakaliso secured a grant for \$43,000 from a South African bank to renovate the school's hostel.

One participant said, "It's easy to run the school when the parents and outsiders notice what is being done, support the efforts, and care about the well-being of the school community."

CIE and other RBF grantees continue to develop this caring-schools model as they seek to strengthen monitoring, evaluation, and advocacy to broaden the model's impact on national policy development and best practices related to schools as nodes of support.



Sibonakaliso identified a well-functioning and safe hostel as an area of concern. (Pictured before renovations.)



Going to Scale

These RBF grantees and other nongovernmental organizations are making an impact within the communities they serve—yet while these services are deeply valuable, the interventions are small scale and cannot fill the large gaps that remain.

Since May 2005, the RBF has funded the Going to Scale project of the Human Sciences Research Council—a social science research institute that advises the South African government. The project grew from an international meeting that focused on ideas for large-scale interventions for children affected by HIV/AIDS to a scientific study to determine the cost-effectiveness of alternative interventions for support of these vulnerable children and families affected by HIV/AIDS and poverty.

"Through Going to Scale, HSRC is well positioned to help influence policy and implement systemic interventions to assist orphans and vulnerable children in South Africa," said Nancy Muirhead, South Africa Pivotal Place program director. "It has become clear that universal programs to provide improved access to education, health services, and social welfare grants for the most vulnerable children are critically needed if South Africa is to stem the tide of the debilitating impact of HIV/AIDS on families."

To learn more about HSRC, ACESS, TREE, CIE, and other RBF grantees, visit the Fund's Web site and read their close-ups at www.rbf.org/close_ups.

Pivotal Place: New York City



Apollo Theater: Dragon vs. Fagle

Spotlight on New York City Arts and Culture

New York City has been at the heart of the Rockefeller Brothers Fund's grantmaking since its founding there in 1940. In an effort to cultivate the city's potential as a sustainable urban community, the RBF continues to invest in cultural, educational, and community-based initiatives. In 2007, the New York City Pivotal Place program provided \$2 million in grants for local arts and cultural organizations for commissioning and residency programs, capacity-building projects, and endowment campaigns. A grant to the legendary Apollo Theater will support emerging and mid-career musical and theatrical artists with workshop, rehearsal, and performance space through the Apollo Salon Series. A three-year endowment grant to Ma-Yi Theater Company, an Obie Award–winning company that produces plays about Asian-American experiences, will secure the ensemble's long-term future.

RBF grants for capacity-building projects enable grantees to implement strategic projects and better serve their artists and communities. A grant from the RBF enabled arts service organization The Field to upgrade its antiquated information technology and e-marketing tools. The Fund's grant provided a platform for The Field's infrastructure development and a boost to its fund-raising efforts. "To know that a funder with such a level of visibility and influence in the community [supports The Field] means a lot," said Executive Director Jennifer Wright Cook. "We are small and scrappy. We're not the sexy, big, funder-type organization, but we're efficient. To get this level of confidence is personally—and as an organization—very satisfying and empowering."

Engaging grantees in the grantmaking process

In the spring of 2007, the Fund convened focus groups with current and past arts and culture grantees to solicit feedback on their grantmaking experiences with the RBF. Focus group participants worked closely with New York City Pivotal Place staff to explore potential improvements to the arts and culture program guidelines. Several critical changes were recommended, including shifting from a two-year to a three-year funding cycle for core funding and structuring endowment grants as challenge grants that must be matched by other donors. These suggestions were incorporated into a new set of program guidelines that were proposed to and ratified by the RBF board of trustees in December 2007. The revised guidelines can be found at www.rbf.org. "The focus groups not only provided an opportunity to reshape the New York City program, but also enabled RBF staff to gain a fresh perspective on how to best support the needs of grantees," said New York City Pivotal Place program director Ben Rodriguez-Cubeñas.

Leveraging grant dollars

The RBF supports small and midsize cultural organizations with capacity-building workshops that address their unique challenges and strengths. Since 2006, the Fund has supported Cause Effective's fund-raising and board governance workshops with its New York City arts and culture grantees. This year's workshops focused on developing fund-raising plans, involving and motivating board members, and employing strategies to cultivate individual donors. After the workshops, Cause Effective held follow-up meetings to help organizations apply new approaches to their specific development needs.

The impact of these workshops has already been felt in the participating organizations. One group planned and executed a cultivation event with the help of its board, while a women's performance collective had a board member broker a meeting with a major new foundation prospect. Graduates of the governance training workshops have instituted new interview processes for prospective board members, reinvigorated their subcommittees, and worked with board members to develop fund-raising plans tailored to their needs. According to Cause Effective executive director Judy Levine, "Funder sponsorship offers the opportunity for—and encourages—grantees to come to us for training. Grantees need to have one glimmer of hope that something can be different."

Making media work for grantees

With a new communications support initiative, RBF staff is helping grantees build their capacity and advance their work through communications. The first grantee communications retreat was held in May 2007 at the Pocantico Conference Center. This professional media workshop attracted 17 individuals from 14 organizations. The retreat featured in-depth sessions on creating short- and long-term communication goals and strategies, crafting newsworthy stories for the media, and researching media tools.

The Field: DELIRIOUS DANCES/ Edisa Weeks

En Foco, a Bronx-based support organization for photographers of color, put the lessons learned at the retreat into action. Executive Director Miriam Romais drafted a pitch and cold call to *Latina* that resulted in a profile in the magazine. Coverage in this high-profile national publication led to feature segments on television networks Telemundo, NY1, and NBC. Increased media coverage has spurred new subscriptions to En Foco's photographic journal, *Nueva Luz*, and growth in its membership base.

Leaving a lasting impact

The year 2007 was critical for the New York City Pivotal Place program. RBF grants supported an expansive range of capacity-building initiatives, from governance and fund-raising issues to infrastructure and organizational development, while staff worked directly with grantees to create and apply their own communications strategies. Through candid conversations with local arts and culture leaders, New York City Pivotal Place staff refined the focus of the program, thus laying the groundwork for future grantmaking and renewing their commitment to support the city's vibrant cultural life.

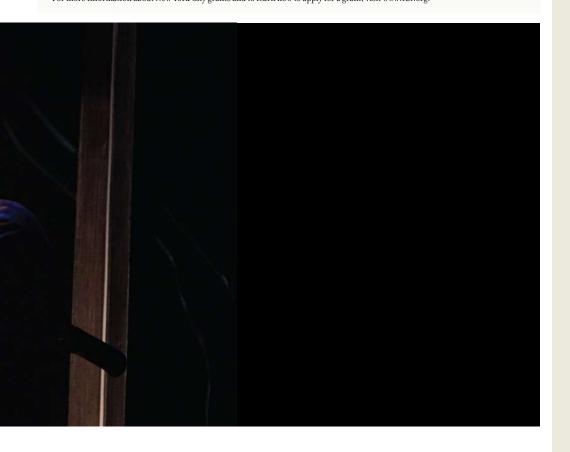


Ma-Yi Theater Company: The Children of Vonderly.





The program director who carries responsibility for the New York City portion of the RBF Pivotal Places program is Ben Rodriguez-Cubeñas. During 2007, a portion of the responsibilities of program associate Naomi Jackson was devoted to this program. For more information about New York City grants and to learn how to apply for a grant, visit www.rbf.org.



Pivotal Place: Western Balkans



Women running for parliament in Kosovo.

Evolution of a Pivotal Place

When the citizens of Kosovo went to the polls last November 17 to choose their municipal leaders, they had already won an important victory. Although these weren't the first elections since the 1999 cease-fire, they were the first in which Kosovars chose from among individual politicians instead of clan-based parties poised to install their own officials. And it was the first time the message of the campaigns went beyond the national discourse of Kosovo's independence from Serbia into the realm of daily life—the need for consistent electricity, safe water, health care, and education.

This departure from politics as usual signaled a significant advancement for advocates of civil society reform like Jeta Xharra, Kosovo country director, Balkan Investigative Reporting Network (BIRN), who moderated many of the mayoral debates. "These felt like the first elections since the end of the war because it was the first time we were choosing individual politicians who were talking about people's day-to-day concerns," she said. "We knew they didn't have the answers, but it feels like our Berlin Wall has fallen."

BIRN's investigation into whether the candidates had paid for their share of the municipal services, which they pledged to ensure, also helped create a shift in perception. This, Xharra said, is a step toward holding elected officials accountable.

"Our investigations revealed that candidates, like so many other people, don't pay their bills, which contributes to unreliable basic services," Xharra said. "This puts politicians in the same light as ordinary citizens, not as having some sort of privileged status, which holds them accountable and helps us realize that these are problems we all have to solve together."

From supporting on-the-ground efforts to fostering civic engagement in Kosovo, to youth actions to promote justice and reconciliation in Serbia, and to anticorruption watchdog activities in the new state of Montenegro, the Fund's grantmaking continues to build on lessons learned since it defined the Western Balkans as a pivotal place in 2001.

"We are trying to look forward and support the European Integration process as a goal of the region, while not missing the opportunities presented by the challenges of the day of developing government—civil society partner-



Youth Initiative for Human Rights in Belgrade, Serbia.

ships, helping Montenegro get past its post independence vacuum, helping Serbian democracy mature, and creating space for everyone in the new state of Kosovo," said Haki Abazi, Western Balkans Pivotal Place program director.

The Balkan Trust for Democracy, a public-private grantmaking initiative, nurtures democracy through both established civil society institutions as well as grassroots organizations. Its focus on accountability, transparency, and participation spans municipalities as well as international borders throughout the postconflict region.

"Each country is at a different stage and speed of democratic reform," said Ivan Vejvoda, director, Balkan Trust for Democracy. "We try to link actors across the region so that they can learn from each other."

As Montenegro defines the institutions and establishes the market economy on which the country's future is being built, the Network for Affirmation of NGO Sector (MANS) is working hard to expose deep-seated corruption and conflicts of interest and impose transparency in both public and private arenas. To this end, MANS cultivates freedom of information by regularly requesting reports on the activities of the police, prosecution, and anti-money-laundering agencies, which it then distributes widely through national and international media outlets. MANS's reach spans from protecting the rights of impoverished minorities to corrupt small city mayors, to the health of the environment and its ecologically rich coastline, which are threatened by fraudulent practices of powerful utility and construction companies.

The watchdog organization also forced the resignation of 10 government ministers by exposing, through judicial appeals, conflict-of-interest connections to private industry. "The ruling was of key importance because this was the first time members of the government were forced to resign," said Vanja Calovic, executive director, MANS. "Although they replaced themselves with mouthpieces, it was the first time the judiciary, which is under political control, targeted them and hit them directly in their pockets."

While MANS goes after abuses of entrenched, institutional power, Serbian-based Youth Initiative for Human Rights (YIHR) continues to galvanize disenfranchised young people to reconcile with the atrocities of the past while looking ahead to life as members of the larger European community. YIHR activists repeatedly take to the streets to defend the still-fragile state of human rights



Vushtrria debate.

and face down groups opposed to Kosovo's independence. Through its Europe Every Day campaign, which was launched last spring after the annual May 9 antifascism celebration that began after World War II, it is trying to shift young Serbians' focus on European wealth to encompass values of honesty, integrity, and openness. This past year, YIHR also expanded its activities into Bosnia and Montenegro, sending more than 1,000 young professionals on exchange programs in those countries and Kosovo.

"We see these exchanges as the kind of activity that will guarantee that the crimes of the past will not repeat," said Andrej Nosov, executive director, YIHR. "But young people must also stand up for the values of a democratic society and take responsibility for creating the mechanisms to restitute victims of past atrocities, or there is no future for us."

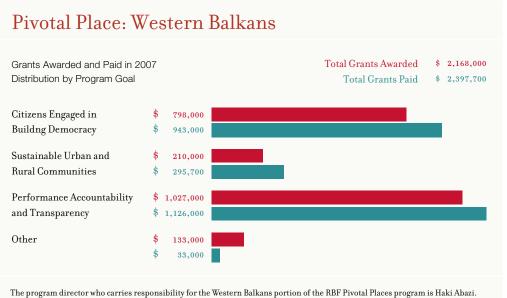
In April 2007, with the status of Kosovo's independence still unresolved but nonetheless inevitable, political leaders and civil society activists set aside historical antipathies to come together and hammer at the challenges new statehood will present. During a conference hosted at the Fund's Pocantico Conference Center outside New York City, key players met with international advisers to visualize the first 120 days of independence, including the design of the new constitution.

According to Argentia Grazhdani, director, Kosovo Local Task Force, the conference facilitated a "very frank discussion of the importance of Kosovar ownership of the document. If the people don't like it and there's no ownership, it will fail," she said.

Conference participants also worked together to envision the multiethnic, democratic state and begin the complex process of defining the roles and practices of the institutions—security, police, religious, political, and civil society—on which democracy depends.



"The Fund is committed to staying close to the people and leaders of all sectors of this region to help them own all of these processes and finalize the last chapter of becoming part of a great European family," said Abazi.



For more information about Western Balkans grants or to learn how to apply for a grant, visit www.rbf.org.

Pocantico



Marcel Breuer House at the Museum of Modern Art, New York

Marcel Breuer House at Pocantico

Marcel Breuer (1902-1981) was one of the most influential architects and furniture designers of the 20th century. The Marcel Breuer House, commissioned by the Museum of Modern Art in 1948 as an exhibition building in the Museum Garden, was his vision of how the average American family could live in a well-designed, modern, expandable, affordable home.

The Rockefeller Brothers Fund assumed stewardship of the house in January 2007, when it was deeded to the National Trust for Historic Preservation by the estate of Laurance S. Rockefeller. The Breuer House is administered and maintained by the RBF and used for the Fund's philanthropic and educational programs on-site.

Called "a very human house, evoking a human response" by architectural critic Lewis Mumford, Breuer's design influenced modern residential architecture with its use of glass, wood, and natural stone along with its incorporation of distinct activity zones to define the motion and flow of both interior and exterior spaces. At the close of the six-month exhibit, the house, which had been slated for demolition, was instead purchased by John D. Rockefeller, Jr. Mr. Rockefeller had it cut into four sections and driven upstate to Pocantico Hills, where it was reassembled as a guest house.



The Breuer House at Pocantico as it looks today

Since January 2007, the RBF's efforts have focused on restoring the Marcel Breuer House at Pocantico to its original design intent. The house, as seen in the exhibit, embodied many of the hallmarks of Breuer's International Style design and was an influential piece of modern architectural history. When it was moved, certain changes were made that did not adhere to Breuer's architectural concept. While the basic design elements remain intact, such changes as enclosing the kitchen, enlarging the garage, removing the stone floor, and regularizing the stone fireplace detract from the architect's design. Projects, including restoring the kitchen, installing missing cypress wall boarding in the living room, reinstalling Carrara glass tile in the master bathroom, and repainting the interior to Breuer's original color scheme, have recently been completed. Future projects include replacing the vinyl windows with steel windows based on the one remaining original steel window in the house and restoring the entrance facade and garage. To date, furniture and textiles by designers Knoll and Saarinen, as well as Breuer, that correspond to the original plan have been added or are in production.

Sustainability Master Plan

In 2007, the Rockefeller Brothers Fund commissioned a Sustainability Master Plan from OLA Consulting Engineers, PC, in order to further its efforts at the Pocantico Historic Area to set an example for sustainable stewardship. The report focuses on the four buildings currently used by

the Fund on the estate: Kykuit (historic Rockefeller home), the Coach Barn (which includes the Pocantico Conference Center), the Marcel Breuer House at Pocantico, and the greenhouse and extensive gardens and grounds. The goal of the plan in the long term is to reach net zero electric energy by 2023. In the short term, the plan focuses on the next five years and lays out a plan to reduce energy usage by 24 percent, and costs by 30 percent. To achieve this goal, plans are already under way to install building automation systems that program equipment to turn off when not in use and a new domestic hot water heater at Kykuit that would eliminate the need to run large boilers in the summer and lighting upgrades for both buildings. The Fund will be looking into ways to reduce water usage on-site. The plan focuses on modest upgrades that represent a large percentage of Pocantico's energy usage rather than on the replacement of major systems with expensive green technologies that the plan did not recommend undertaking until the end of the existing systems' service life.

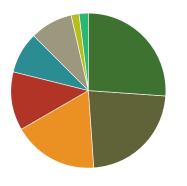


Pocantico Conference Center

Pocantico Conferences

Number of Events by RBF Program Theme (57)

Sustainable Development	15
Miscellaneous	13
Democratic Practice	10
Pivotal Place: New York City	7
Peace and Security	5
RBF Board/Staff	5
Human Advancement	1
Pivotal Place: Western Balkans	1



Pocantico Forums



Pocantico Forum: At Home in the Museum—Breuer Builds For MoMA

November 8, 2007

Residents from the Pocantico Hills community gathered to hear Dr. Barry Bergdoll, Philip Johnson Chief Curator of Architecture and Design at the Museum of Modern Art (MoMA) and professor of modern architectural history at Columbia University, discuss the domestic architecture of Marcel Breuer as seen in the house built for an exhibition at the Museum of Modern Art in 1949 and moved to Pocantico in 1950. In January 2007, the house was deeded to the National Trust for Historic Preservation by the estate of Laurance S. Rockefeller. It is administered and maintained by the RBF and used for the Fund's philanthropic and educational programs on-site. At the conclusion of the program, guests had the opportunity to view, from outside, the illuminated interior of the Breuer House.

Pocantico Forum: Understanding the Global Warming Forecast— Using the Past to Look to the Future

May 22, 2007

The 2007 spring forum featured Peter B. deMenocal, Ph.D., a paleoclimatologist at the Lamont-Doherty Earth Observatory of Columbia University who uses geochemical analyses of marine sediments to understand how and why past climates have changed. During his presentation, Mr. deMenocal discussed modern global warming within the context of climate changes over recent millennia as reconstructed from long archives of past changes in Earth's climate preserved in trees, glaciers, and corals, as well as in sediments at the bottom of the ocean. Peter B. deMenocal is an associate professor in the Department of Earth and Environmental Sciences at Columbia University.

Financial Report

Rockefeller Brothers Fund, Inc.

Condensed Financial Information (Unaudited)
For the Years Ended December 31, 2007 and 2006

Balance Sheet

Assets

Liabilities

Net Assets

Total Liabilities and Net Assets

Statement of Activities

Investment Revenue

Other Revenue

Total Revenues

Direct Charitable Expenses

Program and Grant Management

Investment Management

General Management

Federal Excise and Other Taxes

Total Expenses

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

2007 Total		2006 Total	
\$	981,175,730	\$	918,583,236
	28,027,881		29,765,171
	953,147,849		888,818,065
\$	981,175,730	\$	918,583,236
\$	112,056,206	\$	148,106,543
	497,674		606,515
	112,553,880		148,713,058
	4,661,805		4,740,895
	32,000,393		32,285,164
	5,424,585		4,955,415
	3,787,913		3,938,710
	2,349,400		3,260,761
	48,224,096		49,180,945
	64,329,784		99,532,113
	888,818,065		789,285,952
\$	953,147,849	\$	888,818,065

Note: The financial information above was summarized from an unaudited version of the financial statements of the Rockefeller Brothers Fund, Inc.

The Fund's financial statements are audited by KPMG LLP. A full set of the audited version of these financial statements will be available, upon completion of the audit, on the Fund's Web site at www.rbf.org.

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Vice Chairman—External Affairs American International Group, Inc.

¹ As of June 14, 2007.

² Until June 14, 2007.



Pictured from left to right: James E. Moltz, Richard Chasin, Miranda M. Kaiser, Vali Nasr, Timothy J. O'Neill, Anne Bartley, Neva R. Goodwin, Richard G. Rockefeller, John Morning, Abby M. O'Neill, Robert Oxnam, Stephen B. Heintz, Valerie R. Wayne, and Wendy O'Neill Wang.

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Haki Abazi Program Officer

As of March 16, 2007

Jill Adams

 $O\!f\!f\!ice\,Assistant,\,Pocantico\,Programs$

Cynthia Altman

Curator, Pocantico Programs

Miriam Añeses

Director, Fellows Program

Karen Asakawa

Administrative Assistant As of July 9, 2007

Jessica Bailey Program Officer

Jacqueline Basile

Director, Human Resources
Until February 16, 2007

Harry Bates, Jr.

 $Mailroom\ Coordinator$

Shenyu Belsky Program Director

Cathryn Berlinski Director of Human Resources

Lydia Brown
Administrative Assistant

Elizabeth Campbell Vice President for Programs

As of June 13, 2007

Judith Clark
Associate Director,

 $Pocantico\ Programs$

Regina Creegan Administrator, Pocantico Programs

Leah D'Angelo Comptroller

Gail Fuller
Director of Communications

Karlene Gordon HR Associate As of June 18, 2007 Charles Granquist

 $Executive\ Director,\ Pocantico\ Programs$

Eileen Gravius

Senior Accountant, Investments and Financial Reporting

Stephen Heintz

President

Leona Hewitt Receptionist

Naomi Jackson Program Associate

Danielle Lazaroff

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Until March 15, 2007

Julie Lesser Administrative Assistant

Jacklyn Lloyd Office Manager

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Bridget Massay Executive Assistant

Josephine Mathes Information Technology Associate Until July 16, 2007

Abhishek Mehta
Investment Associate
Until December 14, 2007

Kimberly Miller Assistant Director, Operations,

Pocantico Programs

Maria Monteiro

Housekeeper, Pocantico Programs

William Moody Program Director Until August 31, 2007

Helen Morton

Administrative Assistant

Nancy Muirhead Assistant Secretary and Program Director Gary Nickerson

Director, Information Technologies Until January 31, 2007

Michael Northrop Program Director

Nelita O'Connor Financial Manager Until August 31, 2007

Margaret Oldfather Preservation Program Associate, Pocantico Programs

Ariadne Papagapitos Special Assistant to the President As of January 29, 2007

Charlotte Patton
Administrative Assistant

Elida Reyes Head Housekeeper, Pocantico Programs Until April 30, 2007

Ben Rodriguez-Cubeñas Program Director

Benjamin Shute, Jr. Secretary and Program Director

Robert Stone Administrative Assistant

 $\label{local_substitution} Joan \, Sullivant-Atton \, Records \, Administrator \,$

Lene Tubin
Head Housekeeper,
Pocantico Programs
As of April 16, 2007

Charisse Turner Senior Accountant, Operations and Financial Reporting Until November 16, 2007

Arnaldo Ugarte Conservation Technician

Geraldine Watson Vice President for Finance and Operations

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This year's Rockefeller Brothers Fund Annual Review was printed in a quantity of 2,500 on 100% recycled paper that is made with wind power from Mohawk Paper. The choice of paper allowed us to save 30.86 trees for the future. We also avoided generating 89.12 pounds of waterborne waste, 13,110 gallons of wastewater, 1,451 pounds of solid waste, 2,856 pounds of greenhouse gases, 21,862,000 BTUs of energy, 1,484 pounds of air emissions, and 3,531 cubic feet of natural gas, which was the equivalent of planting 100 trees. Values were derived from information publicly available at www.epa.gov/cleanrgy/egrid and www.environmentaldefense.org/documents/1687_figures.pdf.



Previous Annual Reviews

(available at www.rbf.org)

2006

The Western Balkans: Pivotal Work in a Pivotal Place

2005

Solutions to Global Warming:

A National Conversation We Desperately Need to Have

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