

Governor Mark Warner
Total Action Against Poverty
September 16, 2008
Roanoke, Virginia

Thank you for that kind introduction.

It's an honor to be here today to speak with those of you who are invested in the good work of TAP.

Those of you gathered in this room today represent the best of this great community. You are individuals who understand the importance of volunteerism and community service. You understand that we have an obligation to help those less fortunate in our society.

I would like to speak with you about the importance of the non-profit sector and giving back to your community.

I'd like to spend some time discussing how these changes are affecting our lives and some ways I see that can help us all become more involved in our communities and the nonprofit sector.

A Time of Change and Transition

You know, we live in a time of tremendous change and transition.

The speed with which intellectual and financial capital moves around the world today is astounding. Advanced technology and the adaptation of it by society has transformed the way we do business and has broken down barriers, that just a few years ago seemed unbreakable.

In the last few years, Google has changed the way people get answers to all kinds of questions.

Think about the way you listened to music just three years ago; on CDs, on the stereo, even on the radio ... now, 150-million iPods later, people all over the world listen to music in a radically different way.

Right here in Virginia, in 2006, "YouTube" helped to change the majority in the United States Senate.

The rise and use of technology, particularly over the past couple of decades, is extraordinary and has changed the way we conduct our daily lives, in how we view our role in the world and how we interact with each other, not just locally but on a global scale.

Let me assure you as someone who before I was Governor was a venture capitalist, if you think that last 10 years was wild, the next decade will be even more transformative and not just in IT and telecommunications, but in bio-tech and alternative energy as well.

Utilizing Technology to Empower People and Organizations

So, the challenge we face today is – how do we utilize this new technology to empower people? These changes in technology can create more opportunity for people who are trying to make a difference...

Many philanthropic and non-profit organizations utilize new technologies to help empower people.

Technology is critical to enable social entrepreneurs to reproduce models, track results and bring new programs to scale.

However, technology is of little value if our education system is not doing its job. And the disparity between those provided with new opportunity and those left behind will grow even wider if we do not bring everyone along in the understanding of how to use and how to benefit from new technologies.

In the past, if you had a strong back and a good work ethic, you could get by, but that's just not enough anymore. What drove this home to me, in the most visceral way, was a few years back, when as Governor, I led a trade mission to India.

On that trip, I witnessed a country undergoing explosive change. I met with industry executives and government ministers, and saw high tech companies setting up shop in fancy new buildings. But what made the greatest impression on me was actually a slum in Delhi.

This was the real deal in terms of a Third World slum: corrugated roofs on tin shacks, no running water, dirt floors, thousands of people crammed into a small space. Most of the kids there didn't go to school. They supported their families by begging.

Now, I was struck by the crushing poverty. But what I also saw was something incredibly hopeful and inspiring.

There was a project called the Hole in the Wall. Computers were literally placed in a hole in a concrete wall with a little tin roof over it. They turned on the computers in the morning; they turned them off at night. No teachers.

I met a kid named Samir. I remember he asked me how to spell my name and I said why. He said he wanted to Google me, to see how important I was.

I had two thoughts as I stood there with Samir.

First, I felt pride in the technology, the opportunity, the hope that was there ... so much of it developed here in America.

At the same time, I thought: the race is on for the future. Who's going to own it? Who's going to get there first? Who's going to lead in this 21st century?

Those kids in India – even the poorest of the poor -- are competing for the same jobs as our kids.

And let's be clear - India and China aren't playing for second place.

Shift in Values

Now, back here in America, we need every American to fight and win that race to the future.

We need to reinvigorate the thought that our obligation to each other, as citizens is part of our role as good citizens.

So many people in America have faced incredible odds and have succeeded in finding their version of the American dream, but there are still many who have not received the education and opportunity they need in order to have that chance at success.

We see these changes in terms of declining support for poverty programs and we see it in the real reluctance to have the government take on additional responsibility for the well-being of the less fortunate.

As a matter of fact, since 1965, investment in social and education services as a percentage of GDP has fallen from 25% to 7%.

This lack of commitment to these issues puts an enormous additional pressure on the non-profit and philanthropic sectors and elevates the importance of their issues.

Addressing Four Challenges in 21st Century

Here are some thoughts on how I think the non-profit sector can face the challenges of the 21st century.

First, we need to build capacity in proven and effective programs and non-profits.

In the greater Washington area, I joined with others and started Venture Philanthropy Partners.

VPP works with nonprofits that are currently making a difference in the lives of more than 53,000 children and youth of low-income families in the core need areas of education, learning and healthy development.

Too often, good programs spend every last dollar serving that additional child - how can you not – but, because the needs are so high, there are too many organizations that put everything into services.

There is not enough investment going into the infrastructure of the organization.

At VPP, we believe that by increasing the management competency of the Administrators of these organizations, and putting better systems in place, many more people will be served.

At VPP, we invested in strong leaders of effective nonprofits—those we believe can transform their organizations to significantly scale their impact.

We originally applied a venture capital model for investing in nonprofits, and have refined this approach by blending it with time-proven lessons from foundations and nonprofits.

We invest to build institutional strength, providing large amounts of scarce growth capital.

Second, we need to bring good programs to scale and overcome the unwillingness of major foundations to partner. Americans are a generous people. They give tens of billions of dollars a year to non-profit organizations and charities, but increasingly, the foundation world is reluctant to partner and collaborate.

A classic case of bringing programs to scale is a program begun by Wendy Kopp called “Teach for America”. “Teach for America” is a national corps of outstanding college graduates from all academic majors who commit two years to teach in urban and rural public schools.

These schools are often in need of the most help and, traditionally, have the most trouble attracting and keeping top talented teachers.

This is a great program, but it needs to be brought to scale. In 2006, close to 19,000 individuals applied and approximately 2,500 were accepted and placed in 25 regions around the country, which is the equivalent of about 65 cities.

Why should we limit it to these numbers? This program should be brought to scale and more people should be involved. Heck, why can’t “Teach for America” be in 140 cities across the United States?

The other challenge we face is the real reluctance of foundations to collaborate. Everyone wants to do their own project; everyone wants to have their own initiative.

It is extraordinarily challenging to get these organizations to think how to make these changes of scale and not simply do feel-good projects, but really work together, to collaborate and make real policy changes.

Let me tell you a quick story. When I was head of the National Governor’s Association, one of our goals was to institute real high school reform.

We had signed on 15 of the biggest brand name foundations and non-profits that you can think of. But we could not get those groups to work together. Each one wanted their own piece of the pie, to get credit for their own initiatives.

Third, we need for the non-profit and foundation worlds to mix with the policy world. Yes, this means politicians. While public support is declining, it makes partnering with government resources all the more important to make major change.

I found as Governor sometimes a “holier than thou” attitude by some non-profits and foundations. But the value of a foundation to a policymaker is profound. Not only can policymakers partner with foundations and nonprofits to experiment with bolder initiatives, but if you have half-a-dozen brand name groups supporting a policy change, this carries more than its financial weight in terms of bringing value to your proposition and in turn, convincing a fellow policymaker to change their mind.

The fourth and final challenge is the notion that Americans want to get our country fixed and to do their part. They are ready to answer the call to volunteer, but we need to make sure that people are engaged and that nonprofit and volunteer organizations are ready for the challenges ahead.

Perhaps it is time to re-introduce the idea of national service and not just for 18-24 year olds -- but also mid-career folks or baby-boomer retirees.

A renewed sense of civic commitment is awakening in this country. Wouldn't it be interesting if the government funded the personnel costs of say taking Americorps from 30,000 to 500,000 or one-million and the non-profit and foundation worlds agreeing to provide the resources to place people in good programs?

This kind of thinking could change the country.

We live in a period of transformative change – where nothing is guaranteed.

I believe we all have a critical role to play in whether we get it right in America and the world; encouraging new ways of doing things; welcoming and supporting greater collaboration and bringing good projects to scale; recognizing that dealing with policy makers and politics has to become a reality; and finally supporting a new wave of Americans dedicating a part of their lives to service and creating the ethic of shared common responsibility.

Thank you.