

United States of America  
White House Faith-Based and Community Initiative  
Innovations in Effective Compassion Conference

SOCIAL ENTREPRENEURISM AND THE FUTURE OF AMERICAN COMPASSION

MR. HEIN: Thank you Senator Lieberman. As advertised, a statesman's voice, someone who shares your passion, has been a national leader for decades on the issues that we care about. And we have a privilege to turn our attention to another voice, who for as long, has been one of our nation's very finest implementers of these ideas. If I could, I'd like to invite Steve Goldsmith and David Eisner both to join me on stage. (Applause)

Steve Goldsmith is going to speak next. And I want to say a few things about him that is so meaningful to me. As a two-term mayor of Indianapolis, he lived in the city that I lived in for a season. And his innovation in side government, in making government work on behalf of the taxpayers, was not only, and most importantly, important to the people of our city, but he became such an important national model that other cities replicated his crime reduction strategies and his performance-oriented government strategies. But he understood the heart of a city and the problem-solving approach of city, also exceeded the fine public servants of city hall. And so the way he mobilized what President Bush calls the Armies of Compassion, also became a national model. And that's why Candidate George W. Bush enlisted Steve Goldsmith as a policy advisor, and that's why the speech the President gave, or the speech the President referred to yesterday, his first speech as candidate, was in Indianapolis at one of the sites that Steve Goldsmith led and that he might speak about in his remarks now. But he has since become Chairman of the Corporation for National Community Service, where he works with David Eisner. Henry Lozano, if you could please stand. I'd like to recognize our colleague in U.S.A. Freedom Corp. He's a partner in this effort (Applause).

The four of us are collaborators to fulfill the President's vision for a citizenship agenda. How to create more volunteer service, more effective service. How to create more dynamic partnerships with the nonprofit sector. These are the elements of Social Entrepreneurship that will be on display today. And Steve Goldsmith has both implemented those ideas and expanded them, and now is a Professor at Harvard, teaches us all about them. And so it's with great delight on a personal level, and as someone, Chairman Goldsmith, who still carries the flag and advances our cause, I know we're all in your debt. So, thank you very much for joining us today and for your service.

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HON. GOLDSMITH: Thanks Jay. I can't tell if you were a constituent when I was mayor. Were you? And did you vote for me? (Laughter) I appreciate Jay's leadership. He's a long-time friend and his pragmatic approach to how faith can help citizens has been a terrific source of inspiration over the last year or two I'd like to mention the President's Armies of Compassion Speech, I'd like to start with that. I watched how Senator Lieberman did this. Start with that, then go back two years, and then come forward and do all that in about ten minutes. But I was a district attorney for 12 years, have a number of partnerships in faith-based organizations. And so then I got, the day I was elected mayor, I really got a lesson though in the importance of faith-based operations to city hall, because there was this pastor who I had worked with in inner cities for a number of years. His name was Arthur Johnson. And he was like 6'7". And he was 65 years old, but he looked like Kevin Garrett does today, you know. And he said, I want you to come to my church on Sunday morning, the morning after you're elected. And I said, Okay, I'll come. Because I had known him for a long time. And he said, I want everybody to stand up and hold hands and I'm going to pray that the mayor fixes our sidewalks. Right? (Laughter)

And we're going to continue to pray until he sees the light. Right? So, it was at that moment that I truly understood the importance of the faith-based network in our city. In 1999, the President began his campaign in Indianapolis as Jay mentioned. I don't want to talk about that much except that Armies, if you haven't read the Armies of Compassion speech, you should read it. It is a remarkable speech. But even more remarkable to me was watching then Governor Bush, before that speech. And the speech took, the first speech in the campaign to place in an Indianapolis church. And the President visited a couple of sites and talked to some young men and women. I still have a picture of it in the wall of my office up at Harvard.

And I remember one of those events because he was talking to a group of individuals. And he said to one of the young men, you know, what are you doing, and what had you been doing? And this is a fellow who had had some trouble with drugs. And he said, Well, you know, what happens -- what are you going to do in the future and how are you going to progress? And he said, God's got a plan for me. I'm going to make it. All right. And that's what this young man told the President, Governor at the time. As we walked through, and heard more of those testimonials and saw both how the Governor inspired them, and how they more importantly inspired the Governor, that was the beginning of the set up of the Armies of Compassion speech that equated great hope. And that brings us to today. But before we do that, and my hope today, is to kind of frame what I think the role of government should be. So, those of you who are doing good deeds who aren't with government, can go back and tell your mayors or governors or cabinet

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secretaries or bureaucrats kind of a way that they might consider approaching a problem. So, let me do this very quickly.

So before the Armies of Compassion speech, like going back eight or nine years. I began this effort to rebuild Indianapolis's inner-city neighborhood. And Indianapolis is a city a little bigger than Washington, D.C., and we have our share of problems. And I won't take you though all that. But I have done everything I can conceive of to rebuild the seven most neglected neighborhoods in our city, 8- to 20,000 people each, all of which, had the kind of at-risk indicators that you would all be able to pick out yourself. And I created a very large pot of government money and I tried to make government responsive. And we worked in these seven neighborhoods and then we stepped back and we said, How are we doing? And a few of the neighborhoods were doing okay. And these were more like communities than small neighborhoods. And a few of them were not doing very well. We were making the same mistake that's been made over the years. We're assuming that if government spends enough money and enough energy and has enough activity, that will make life resilient for individuals in communities that have been neglected. Let's try this a different way. Let's go back and map all the assets in those neighborhoods. Let's say that the role of government is not to manage bureaucrats more effectively, but the role of government is to produce public value live for those that live in your community, produce opportunity for the citizens that live in your community and what are the assets that can do that? Right. And the Armies of Compassion speech, the President had summed it up and this is now, I'm kind of jumping back and forth in terms of time, with respect to compassion and hope and inspiration. And we identified the assets in those communities, and unsurprisingly the predominant asset was just institution, right? In our city, it was the church.

You know, there was occasionally there was a small business, or a community center, or a secular group, but there were hundreds, hundreds of faith-based organizations, predominantly they were churches in those neighborhoods. You know, there were three to four hundred congregants. They were led by an assistant pastor that had outreach programs, and these were people who had -- who were working a job during the day and ministering at night and one weekends. And then we said, why don't we consider how we can leverage and help them. How we can find out what their issues are. And formally, some of you have read about this, came known as the Front Porch Alliance which was an office in city hall in Indianapolis that said, these eight people who work for the mayor are going to spend every day knocking on the doors of those assets saying, how can we help, and how can we partner with you. And the answer often was not, We want your money, from the church or the mosque, or the synagogue, but predominantly the church. It

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was, you know, why don't you do your job and close down the crack house across the street. Or, why don't you repair the street. Or, why don't you take that vacant lot and turn it into a playground. Or, maybe you could use your influence to get us some computers for our preschool, and so on. And thousands of small acts of compassion came just from what became known as Civic Switchboard, operating as Civic Switchboard.

So, I just lay that out because, often we kind of -- we look at these billions of dollars, and we look at the grant process and it's made a huge difference. But fundamentally, not just leveling the playing field, but if government does its role right and looks to itself as an activator of a network, the network is for-profit, not-for-profit, and faith-based organizations, and government and how they work together to produce value. So, from that Front Porch Alliance, eventually came this office that Jay so ably leads. And this -- there are a lot of things that Senator Lieberman said that we now take for granted that weren't at all taken for granted at the time. I know I had this one moment near the end of my term as mayor where I said, let's use some of this HUD money for homeless shelters for the Salvation Army and other faith-based organizations. And I still remember this kind of mid-level bureaucrat walked into my office and said, You can't do it. You say I can't do it? I'm mayor. I can do it. Spend the money for the faith-based shelters. And he said, You can't do it. And then I remember this moment, opened up the HUD regulations and showed me the CDBG Regulation that said, If you take government's money, you have to take down your cross, essentially. Right, in other words, you can take government's money, this is pre the Office of Faith-Based Initiative, if you promise to act like government and not like a religious institution. And so, that moment then, led to this wonderful effort that Jay is referring now, where virtually every cabinet agency has a faith-based office, the job of which is to weed out the discrimination against the faith-based organizations so they can do the right thing. (Laughter)

So if we fast forward, 1999, now you're up to 2008. And we see terrific work that's been done. Jay handed me, I hadn't given him my material in advance, I have to confess. Jay handed me this book, which I have memorized of course last night, the President's Faith-Based and Community Initiative in 50 states. I just want to, you know, I've been at this now for 25 years. This is really a remarkable document. Not because of the way it was written, but because it exists. That there are -- there's enough of this that we could do a document about it, right? (Applause)

And just go through it and pick your state and this could not have been written eight years ago. It could not have been written eight years ago, and it represents a quite remarkable change in how

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government looks at its ability to partner with faith-based organizations. Now we have a lot of problems. And let me just make two other points here. Obviously, it's a difficult time for a lot of Americans. It may be a difficult time for them in terms of their jobs. If they're young adults in an inner city school, their chances of graduating from high school are really quite slim. If they're an African American male in an inner city high school, their chances of graduating from high school, even worse. We have financial literacy issues, we have huge prisoner re-entry issues, many things that are going to be facing our country and we have cities and states that are stressed, very stressed financially in this difficult time.

And at the same time that we see these substantial challenges, we look around Jay's office with the Secretary of Education sponsored a conference a month or so ago, about religious schools in inner cities. And pointed out the fact that 1,162 faith-based schools have closed their doors, 424,000 students no longer go to those faith-based schools despite for example, in the Catholic schools that the dropout rate is nil as contrasted to the school that may be down the block. So, we have a problem. We have a solution. We have a challenge and we have to put them together. I would look at those things the following way and maybe you all know this, but maybe saying these things quickly would allow us to kind of think about it. This is a very interesting moment in time. Not just because there's a presidential election, but because of the following. As Senator Lieberman has said, there is universal respect and support for the Faith-Based Initiative. It's a rare mayor and governor, and I think no matter who the next president is, it will be even rarer than that somebody doesn't appreciate the importance of the work that you do. So that is baked in and that's a starting point.

Second, and David Eisner will talk about this in a minute, this is an interesting and remarkable point in time for volunteerism. The whole purpose here is not for government to monopolize good deeds, but for it to allow citizens, American citizens, to help other citizens. And the interest in volunteerism from young adults, the millennials, the 18 to 24 year olds, the 9/11 generation, is at a record high since World War II. We have a huge opportunity to translate the good hearts and action of young adults into volunteerism and service. And that is a point and a moment in time that will allow congruence with support and acceptance of the Faith-Based Initiative. We also have baby boomers retiring in record numbers who are available and ready, and more often do their service and volunteerism through faith-based organizations than through any other single outlet. We have new technologies. And I know, many of you may not have a full appreciation that the FaceBook technologies are good for the country. But they do, there are many applications of those technologies that allow young adults to form together to do good

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deeds. If we can figure out how to harness those good deeds to many of the institutions and organizations and faith-based initiatives that are in the room and throughout the country, we'll have even larger resources to apply.

And we have a new group of folks who call themselves Social Entrepreneurs, civil and social entrepreneurs. They may be faith-based entrepreneurs; they may be not-for-profit entrepreneurs. And what they're saying is, look, I'm going to look at a problem, and I'm going to try to figure out how to solve that problem. I'm going to figure out how to solve the dropout problem. I'm going to figure out how to use mentoring to solve the dropout problem. I'm going to figure out how to reduce the violence problem. And these social entrepreneurs are configuring a group of philanthropic resources and city resources and federal resources around a new solution in transforming them in a way that, transforming the solution in a way that makes the problem go away. So we have all of the, a congruence of time, like volunteers, and acceptance of faith-based initiatives, social entrepreneurs, huge problems, and that means that people with good ideas and great hearts can make a big difference. Now, how do you do that in your community? How do you do that in your city? How do you make more space for good to occur? Let me just say it this way: A) you've got to insist on results. There's no city or state or federal government any longer that should say, we're going to fund the same old set of activities regardless of whether they do any good. We're going to form, fund results and when we do, people in the room will benefit. (Applause)

Once there is performance measurement, then it will be impossible for the bureaucrats to hide behind failed answers. And those who provide affective solutions can do it. So a dialog in a community that says, United Way, the Community Foundation, the City of Indianapolis, the State of Indiana, the Federal Government ought to fund results, opens up space for entrepreneurs, opens up space for faith-based and secular entrepreneurs, will make a very big difference.

Second, in every community, there is a champion for these activities. Rarely it's a government official, but it can be the mayor from time-to-time. It can be an entrepreneur at United Way agent, it can be a group of faith-based readers, right, it could be a philanthropist with resources to prove that something can work. And finding that champion and harnessing the energies of that champion can then drag along the rest of the sectors in a way that makes a difference.

Third, I heard this great phrase. I went to a funeral of a good friend who was the general superintendent of United Pentecostals. And one of the pastors said, I really appreciate Pastor Urshan, because he fought against the curse of professionalism. And by that, he meant that where those

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bureaucrats hidden in places, including city government, that said, Look, if you want to help people in our community, you have to do it the way we tell you to do it. You have to have Masters in Social Work, you have to use our curricula, you have to do it this way. The curse of professionalism then squeezes out the ability for people with compassion and new approaches to make their work successful. So, if we really look at how to open up space in a community, fighting against the curse of professionalism will be important as well.

And lastly as many of you know, many of these big government programs have their own sense of arrogance, which is, we really don't trust folks who are in need to make informed choices about where they should get help. So, we're not going to give them vouchers. And we're not going to give them choices. We're going to tell them where to go. And to the extent that in a community or in a Federal Government, that we can provide resources to people in need, and they can choose where they'll go, then they'll go to the effective places represented in the room. So, fighting for space to be helpful involves fighting for domain side solutions as well as supply side solutions. So, if you back up to all that, it's a very interesting time. Huge set of challenges. Great progress that's been made. But a congruence of opportunity. American optimism, American interest in volunteerism, spread of the Faith-Based Initiative, can come together to create room for entrepreneurs that will make a huge difference. So, I'm just here, I've been at this for 25 years. I very rarely get invited to speak anymore. This is really a big deal for me. (Laughter)

I just want to say, just read in the report and hear in Jay and the Senator and the President, and seeing your faces and your commitment is indeed inspirational. Thank you very much. (Applause)  
Thanks so much. I'm Chairman of the Corporation for National Community Service, which means, I get to take credit for whatever the speaker does, unless he makes a mistake, in which case, it was his decision. (Laughter)

And we in brief conversation with the President in 2000, talked about Americorps programs and the Vista programs and the Learn and Serve programs, and there was substantial anxiety among many members in Congress about those programs and their tilt if you will. And the question became, you know, how should those programs operate in a way that helps more people. How can they be friendly to faith-based initiatives. How could they be more effectively run, and how could they build on a foundation where lots of people are trying to do good deeds but often were restricted. And that Corporation for National Community Service was fortunate enough to recruit one of the country's most talented not-for-profit executives who has straightened out the administration, stretched the reach, dramatically changed the

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approached to faith-based initiatives and I hope set a foundation that will create benefit for the next administration as well. Please help me greet David Eisner.

MR. EISNER: So how would you like to follow Steve Goldsmith knowing, that you are a federal bureaucrat. (Laughter) I find that's my challenge on more than just speaking occasions. It is although such a pleasure to work with Steve, who is the just rare combination of a visionary plus an extraordinary master of execution. Steve did a great job explaining the incredible opportunity and challenges that we have in front of us. And all I'm going to do is put a little bit of a punctuation point on the relationship between service across our nation and the Faith-Based and Community Initiative.

I want to start off by saying thank you for all of your incredible work. And I'm thanking you on behalf of our 75,000 Americorp members, 500,000 participants in our Seniorcorp programs, 1.3 million students across the country that serve in their communities as a result of our Learn and Serve America program, and the 2-million Americans that our service participants enlist to serve next to them every year. And I just - I want to touch quickly on three things. Why service is so important as a connection to the Faith-Based and Community Initiative, why we need to work better together, and then finally, some very tangible ways that I hope you will be able to turn to the Corporation for National Service, and receive support for what you're doing.

So throughout this conference, you've heard of the amazing need. And Steve reiterated it. And the numbers are staggering, 15 million kids who need caring adults and don't have one in their lives, 13 million children living in poverty, 650,000 prisoners coming out of prison landing on the front doorsteps of our communities no place to live, no place to work, no connection to the social fabric of the community, 800,000 of our young people involved in gangs, and 50 percent of our kids in inner cities not graduating from high school. And the most amazing thing is the consensus that's developed over the last decade, that we don't have a better intervention than when a citizen stands up and says, I care. I'm going to put my time, I'm going to put my life, in the way of this opportunity to fail. And I'm going to turn that into an opportunity to succeed. And whether we're looking at the statistics on children of prisoners, where for one hour a week for a year, a mentor cuts in half what's otherwise a 70 percent likelihood that they're going to go to prison themselves. Or, we look at the dropout crisis, where tutors and mentors can dramatically change the likelihood that somebody stays in school, or the opportunity for a community member in a church or a synagogue to reach out to somebody who is re-entering society and cut by two-thirds the likelihood that

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they're going to go back to prison because they don't have a job, or they don't have a place to live or they're not connected. It's an extraordinary opportunity.

But we're not getting it done together. My community, which is generally nonprofit and a lot of secular folks, are not effectively connecting with the community of faith-based organizations. And one statistic is incredibly striking. When you look across the 60 million Americans that volunteer, in any community between 30 and 50 percent of them come from out of the faith-based community. So you're the core drivers of volunteers into the places that need volunteers. And yet, among secular nonprofits that rely on volunteers to accomplish their social mission, 85 percent have no relationship with a faith-based organization in their community. Imagine what could happen if these mentoring organizations, these tutoring organizations, these other organizations and you are able to build and forge the kinds of relationships that we need to see. You know, there's a lot of work that's been done really in the coordination between Henry and the Office of Freedom Corps and Jay and the Office of Faith-Based and Community Initiatives, with Steve and myself. We've dramatically increased, Americorps Vista is our anti-poverty arm. In 2004, we had 315 Vista members serving in 78 faith-based sponsored organizations. Last year, we had 1,000 members serving in 828 faith-based organizations and they have generated -- (Applause) -- thank you.

They've generated and supported 600,000 community volunteers to help with these causes. We've seen other opportunities. National service participants in the Gulf Coast, we've had 93,000 of them helping out after Katrina. And those folks supported more than 260,000 community volunteers that came out to help, more than half of which were from the faith-based community. So, we're beginning to see some really powerful connections between how my organization and all of yours can work together. And I want to talk now very quickly about three things that we're announcing at this conference.

First, there are some new on-line resources at our resource center that's available at [nationalservice.gov](http://nationalservice.gov). And our goal is to make sure that every one of our state service commissions that administer Americorps grants, understands the contacts and how to work with your organizations. How many of you know who your state, the executive director of your state service commission? It's not a good, that's not a good showing. And what it means is, that you don't have access to the nearly \$1 billion that my agency is making available through the states in terms of service and service learning and technical assistance and support. We're going to make -- we're going to have a special faith-based institute for our state service commissions when they gather here in September so that we're training them how to reach

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out to you. And we will follow-up with you, to make sure that you know then how to connect with them. And finally today, I want to make sure that you really understand the opportunity that you have with our Vista programs. We started a partnership with Department of Justice's Weed and Seed. Today, in 40 cities across America, we have hundreds of Vistas supporting those re-entry projects. The Vistas alone have supported 7,294 ex-offenders in making those connections and dramatically cutting the recidivism rates. And they've served more than 7,000 children of inmates.

Our Vistas and our other members are available for your organizations to tap into. We just need to get the communications better. I'm so much looking forward to working with you. I'm so glad to have had the opportunity for years to help make these movements come together. Please think of our service movement as a fellow traveler with your faith-based and community initiatives. We want to help make it work. Thank you very much. (Applause)