

improving
expanded
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improving
resilience
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expanding
lives
opportunity
resilience

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**THE ROCKEFELLER FOUNDATION SUPPORTS WORK
THAT EXPANDS OPPORTUNITY AND STRENGTHENS
RESILIENCE TO SOCIAL, ECONOMIC, HEALTH, AND
ENVIRONMENTAL CHALLENGES – AFFIRMING ITS
PIONEERING PHILANTHROPIC MISSION SINCE 1913
TO “PROMOTE THE WELL-BEING” OF HUMANITY.**

.....

■ ■ PRESIDENT'S
■ ■ LETTER

innovation
challenge
solutions
change
resilience
crisis
progress

During the year 2008, people around the world found their communities in crisis. Economic growth waned, then halted. Energy prices spiked. Food security eroded and riots erupted. Poverty increased after a period of decline. Political discord rattled emerging nations long noted for their stability. Climate change's risks and repercussions intensified. Financial distress became financial disaster.

Yet, this time of turbulence and tumult was also infused with reason for optimism and hope. After a heated election, constituencies of every national and political allegiance awaited a new American president's historic inauguration. Because of shared adversity, a sense of interdependence among all peoples – a common consciousness that social and economic well-being is intertwined – was perhaps more palpable than at any moment in recent memory.



“ DURING A YEAR OF CHALLENGE AND CHANGE, OUR WORK CONNECTED MORE PEOPLE WITH GREATER OPPORTUNITIES TO LEAD BETTER LIVES.”

At the Rockefeller Foundation, we recognized that our mission to “promote” that “well-being” had never been more important. We forged boldly – but soberly – ahead, confident in the knowledge that sometimes difficult managerial and fiscal decisions made between 2005 and 2007 had positioned us to operate more efficiently and effectively in 2008 and 2009. In fact, the Foundation's 2008 direct charitable giving grew 16 percent over that of the prior year.

John D. Rockefeller, Sr., envisioned and endowed his foundation during a recession, after the Gilded Age's bubble burst and as momentous transitions unfolded.

The Rockefeller Foundation's work has since flourished through – and in spite of – 18 subsequent economic contractions. During the downturn after World War I, our predecessors virtually eradicated hookworm and invented the field of public health. During the Great Depression, they drafted intellectual architecture for the United States Social Security system and developed a Nobel Prize-winning vaccine for yellow fever. During a decade of stagflation, they mobilized an agricultural revolution that saved a billion lives in Latin America and Asia.

Our tenure of stewardship transpires during an equally transformational era not merely because of financial crisis, but also because of globalization, which – like industrialization at the Foundation's inception – has released sweeping technological, commercial, and cultural forces. While many people have benefited as a consequence, many more have not.

During a year of challenge and change, our colleagues, partners, and grantees worked to make Smart Globalization a reality and connected more people with greater opportunities to lead better lives. We supported innovations that enabled individuals, communities, and institutions to more readily access the promise of growth and progress. We supported interventions that equipped them to more easily weather social, economic, health, and environmental peril. This annual report – sequenced for publication with the launch of our new Web site, www.rockefellerfoundation.org – illustrates how.

JUDITH RODIN

President, the Rockefeller Foundation

WHO WE ARE

Globalization – the technological, social, and economic processes by which people around the world have grown inextricably interdependent – generates substantial opportunity and progress for many. It also leaves many by the wayside: families and populations that fall further behind as the pace of change quickens.

The Rockefeller Foundation envisions a world with **Smart Globalization** – a world in which globalization’s benefits are more widely shared and social, economic, health, and environmental challenges are more easily weathered. We support work that enables individuals, communities, and institutions to access new tools, practices, resources, services, and products. We support work that enhances their resilience to acute crises and chronic stresses, whether man-made, ecological, or both. This is our 21st century interpretation of the Foundation’s pioneering – and enduring – philanthropic mission to “promote the well-being” of humanity.

Significant advances toward Smart Globalization are still undermined by insufficient food, water, and shelter; inadequate health systems; worsening environmental degradation and climate change; unplanned urbanization; and declining social and economic security. These dangers interact with and intensify each other. They cannot be effectively resolved in isolation.



OUR FOCUS

BASIC SURVIVAL SAFEGUARDS

Secure food, water, housing, and infrastructure.

GLOBAL HEALTH

Accessible, affordable, quality health services and systems.

ENVIRONMENT & CLIMATE CHANGE

Sustainable growth and climate change resilience.

URBANIZATION

Solutions for fast-growing cities.

SOCIAL AND ECONOMIC SECURITY

Stronger safety nets, reimagined regulatory frameworks, and reinvigorated citizenship.



Seeking and shaping innovative solutions at the intersections of these five challenges, the Rockefeller Foundation maintains a portfolio of interconnected initiatives. Each initiative addresses two, three, or more of our focus areas – often in overlapping geographic regions. Each commits to specific, measurable goals within projected time frames. Each incorporates rigorous monitoring while grantee work progresses.

These requirements position us to seize unanticipated opportunities, shift tactics when necessary, and recalibrate our approach when an objective demands shorter- or longer-term engagement.



“ WE SUPPORT WORK THAT HELPS PEOPLE TAP INTO GLOBALIZATION’S BENEFITS AND STRENGTHEN RESILIENCE TO RISKS.”

In all our endeavors, the Foundation concentrates on results and impact – the difference we make in lives, communities, and the world. We foster innovation in markets, organizations, products, and processes. We influence and inform public policy with cutting-edge ideas and research. We connect partnerships and networks, bringing people and institutions with diverse perspectives together across disciplines and sectors and facilitating their learning from and with one another. We find and fund interventions that exploit current or coming tipping points and break bottlenecks that clog prospects for progress. We build capacity, equipping groups and governments with talent, technology, and training. We test pilot projects, spin them off, or join others to help implement successful demonstrations on a wider scale.

We strive to create leverage not only with our dollars, but also with our near-century of experience, expertise, and convening power.

John D. Rockefeller, Sr., established the Rockefeller Foundation in 1913. Our efforts are led by Judith Rodin, the Foundation’s 12th president, and overseen by an independent board of trustees. Our staff is drawn from professional, academic, nonprofit, and development backgrounds.

■ ■ OUR WORK
■ ■ IN 2008

economic
security
global health
transportation
climate policy
change
resilience
innovation
practices
new orleans



WHAT DID WE DO IN 2008?

Mobilized Campaign for American Workers

CHALLENGE

Between the Roosevelt and Reagan administrations, Americans, their employers, and government entered an implied agreement that afforded citizens a basic level of economic security if they worked hard and took responsibility for their families. Over time, however, America's 20th century social safety net frayed as jobs moved across borders, benefits evaporated, debt accumulated, and health-care costs skyrocketed. By July, eight out of ten Americans polled by the Rockefeller Foundation and TIME magazine yearned for a new basic bargain to help meet 21st century economic hardships. And then financial crisis brought global and local economies to their knees. Regulatory systems failed. Financial institutions foundered. Home prices collapsed. Foreclosures mounted. Unemployment rapidly rose.

OPPORTUNITY

During the years and months leading up to the 2008 financial crisis, the Rockefeller Foundation seized an opportunity to experiment with new tools and to research and propose new rules that would address American workers' perceived and all-too-real economic insecurity.

ACTION

The Rockefeller Foundation's Campaign for American Workers supports the development of innovative financial products and policy proposals that strengthen resilience to economic shocks, create domestic employment opportunities, and enable long-term financial well-being. Specifically, it shapes ideas that promote and protect access to savings, health services, green jobs, and secure retirements.

- [More Information](#)
- [2008 Grants](#)



WHAT DID WE DO IN 2008?

Applied Private Sector Innovation Practices to Solve Social Problems

CHALLENGE

During the last several decades, many private companies, design firms, and scientific research entities developed and deployed innovation processes to produce cutting-edge ideas, products, and technologies. Only recently, however, have social problem solvers attempted to adapt these processes and apply them to address economic, health, and environmental challenges. As a result, the emerging field of “innovation for development” remains poorly defined, ill understood, and uncoordinated.

OPPORTUNITY

The Rockefeller Foundation recognized both necessity and opportunity to fashion a toolbox of innovation processes that could enable and accelerate the discovery of significant social advances. We believe that innovation is essential for poverty alleviation, health-service delivery, climate change mitigation and adaptation, sustainable urban growth, and equitable economic expansion.

ACTION

While many Rockefeller Foundation initiatives foster product, market, and organizational breakthroughs, our innovation initiative concentrates on the translation of private sector innovation practices to solve social problems. In 2008, we found promising results from three open and user-driven innovation processes.

CROWD-SOURCING

We partnered with InnoCentive, a spin-off of the Eli Lilly Company, to test the feasibility of crowd-sourcing searches for social innovation. Through their online network of 180,000 engineers, scientists, and entrepreneurs, we offered prize money in exchange for successful ideas that confounded experts working in only one place. New tools like a solar-powered, mosquito-repellent, anti-malarial device emerged as a result. We learned, as one of our partners put it, “if you want an answer, ask everyone.”

COLLABORATIVE COMPETITION

We partnered with Ashoka’s Changemakers to expand a similar open innovation platform. They, too, post social challenges online and invite competing applicants to submit potential solutions. In Changemakers’ model, however, proposed solutions are published transparently and remain unlocked for revision. This new concept, called “collaborative competition,” facilitates two areas of learning. First, it identifies clusters and blank spots of ideas. Problem solvers can see where their counterparts are focusing and where there may be space to propose alternatives. Second, it promotes collaborative revision and iteration.



The sooner applicants submit their proposals, the earlier they can see others' work, and the further they can sharpen their own thinking. For example, the Global Water Challenge, a coalition of 22 leading organizations, sought a new approach to help low-income communities in emerging nations access sanitation and drinking water at low costs. Competing applicants from 54 countries put forward more than 240 ideas. Since every suggestion was visible to every entrant, competitors collaborated spontaneously. The final winner included online contributions from countries diverse as India, Malawi, Kenya, South Africa, and the United States. With \$1 million from a private donor, the solution was tested in the field and taken to scale. Hundreds of people, who never met each other, pooled expertise to solve a common problem.

USER-DRIVEN INNOVATION

We also came to understand that social sector problem solving could achieve tremendous impact if the individuals and communities with the problems are included in the process of developing the solutions, an idea pioneered by a number of private sector and design companies. To assess this concept, we partnered with a group called Positive Deviance, which identifies behaviors that enable outliers or "positive deviants" to succeed and then encourages others within the community to adopt these same behaviors. For instance, Positive Deviance initially cast its eyes on malnutrition in Southeast Asia. Researchers visited a low-income Vietnamese village and immediately noticed that children in a scattering of families were in exceptionally good health. Upon closer examination, they discovered that, in these households, providers did not wash away shrimp and crabs found in rice paddies but, instead, cooked them along with their rice – adding protein to a carbohydrate-based diet. This technique was embraced in villages across the country. It was a small, user-generated innovation that made a big impact.

- [More Information](#)
- [2008 Grants](#)



WHAT DID WE DO IN 2008?

Convened Global eHealth Summit and Laid Groundwork for Transforming Health Systems Initiative

CHALLENGE

While health spending has increased dramatically around the world, access to affordable, quality health services has not, particularly in developing countries. Too often, people cannot reach or pay for services because health systems are inefficient and inequitable. In fact, a recent World Health Organization report estimated that, every year, 125 million individuals devote nearly half their annual income to health-care bills and 25 million families fall back into poverty because of catastrophic health expenditures.

OPPORTUNITY

Innovations in mobile and communication technology will be a fundamental part of the solution. They promise not only to reduce costs, but also to help bridge the divide between services and people who most need them, especially as wireless connectivity rapidly expands across Asia and Africa. Still, even as more countries employ eHealth tools like electronic health records, they do not necessarily concentrate on compatibility between and among systems. This is a problem for many nations, including the United States. The global health community, therefore, finds itself at a moment of extraordinary opportunity. By developing interoperable eHealth systems, it can help more people access the affordable, quality services that they have been denied.

ACTION

In 2008, the Rockefeller Foundation hosted "Making the eHealth Connection: Global Partnerships and Local Solutions," a month-long conference series at our Bellagio Center. While gathered there, more than 200 health, financial, and technology luminaries became signatories of the Bellagio eHealth Call to Action, which advocates for enhanced capacity, better – and better coordinated – funding, new collaborative networks and public-private partnerships, and sharper focus on interoperability.

The Rockefeller Foundation's eHealth efforts were only one component of our intervention in health systems during 2008. We also funded research that identifies countries with high-performance health systems. We supported stewardship capacity in health ministries, helping them manage complex, mixed health systems that include private financing and provision. And we supported work promoting universal health coverage as a means to make people more resilient and growth more equitable in emerging economies.

➤ [More Information](#)

➤ [2008 Grants](#)



WHAT DID WE DO IN 2008?

Expanded Disease Surveillance Networks

CHALLENGE

Because of globalization, infectious diseases begin in one place and rapidly spread to another. Illnesses like Ebola, SARS, pathogenic avian influenza, and H1N1 have quickly moved beyond localized regions. Neither national boundaries nor oceans provide sufficient defense. Containment is no longer a viable response to outbreak.

OPPORTUNITY

Early detection, monitoring, and response by effective disease surveillance networks are crucial. When health professionals are part of inclusive, open systems – when they share information across borders and up and down chains of command – they are far more able and likely to slow or stop communicable viruses before they become pandemics.

ACTION

The Rockefeller Foundation supports work that develops regional and global infrastructure to monitor and control potential pandemics. Our initiative, based in Africa and Asia, bridges cultural, lingual, technological, logistical, and political divides. It helps doctors, nurses, and other health professionals – wielding different skill sets, speaking different languages, and reporting to different hierarchies – identify risks, project possible transmission routes, and mobilize solutions for prevention and treatment.

The Mekong Basin Disease Surveillance Network – a Rockefeller Foundation creation and continuing grantee – is a touchstone example. It synchronizes disease treatment efforts within and among the Mekong Basin's six countries. Health ministers and public health officials in Cambodia, China, Laos, Myanmar, Thailand, and Vietnam now collaborate seamlessly – no small accomplishment for nations once divided by the Cold War. Systems now help vulnerable communities to confront dangers that transcend borders – and to do so as one region, not as separate sovereignties.

 [More Information](#)

 [2008 Grants](#)



WHAT DID WE DO IN 2008?

Promoted Transportation Policy Reforms

CHALLENGE

During the last half century, the preponderance of United States transportation funding has supported an automobile-centered economy. Four of every five gas-tax dollars currently flow toward the construction and maintenance of highways. This infrastructure network has connected millions of families with well-paying jobs and the products of industry with markets across the country. It has also led to a host of unanticipated consequences. America's transportation sector now accounts for one-third of the nation's greenhouse gas emissions and two-thirds of its petroleum use. The cost of transportation – now Americans' second highest household expense – also poses a major threat to working families' economic security.

OPPORTUNITY

Given Washington's evolving political and policy perspectives, the years 2008 and 2009 afforded a once-in-a-generation opportunity to inform new transportation-infrastructure funding priorities that could, if crafted in new ways, contribute to the mitigation of climate change and expansion of economic opportunity.

ACTION

The Rockefeller Foundation promoted transportation policy reform by funding research, advocacy, coalition building, and communication efforts. Our ongoing initiative specifically focuses on improving accessible and equitable transit options, reducing transportation-related climate change emissions, and calling for investment and job creation in comprehensive urban and metropolitan transportation systems.

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- [2008 Grants](#)



WHAT DID WE DO IN 2008?

Strengthened Urban Resilience to Climate Change

CHALLENGE

Global poverty and climate change are interconnected. The most effective way to address one is to focus on the other at the same time. Yet there is another dimension to this challenge: the dangers resulting from poverty and climate crises will be especially acute in cities because rapid, unplanned urbanization tends to concentrate low-income people in high-risk areas, leaving them susceptible to the consequences of imminent and worsening environmental degradation. Communities in Asia's urban areas face particularly great peril. During the next three decades, 60 percent of the world's population increase will occur in Asia's cities. Eight of the ten countries most vulnerable to climate change's effects are located on the continent.

OPPORTUNITY

Cities must develop stronger resilience: integrated urban planning, land-use regulation, water management, infrastructure investment, and emergency preparedness. The private, public, and nonprofit sectors must support these adaptation efforts with wider access to insurance, health care, and the financial resources to encourage and expand effective programs.

ACTION

During 2008, the Rockefeller Foundation began organizing the Asian Cities Climate Change Resilience Network, an alliance of local governments, NGOs, scientific experts, urban planners, and disaster management specialists. It will test new approaches for cities and their inhabitants to prepare for and recover from the impacts of climate change. It will create systems to help diverse partners and policymakers learn from best practices. And it will support work that brings attention, resources, and successful ideas to scale in vulnerable cities around the world.

 [More Information](#)

 [2008 Grants](#)



WHAT DID WE DO IN 2008?

Bolstered Smallholder Agricultural Productivity during Food Crisis

CHALLENGE

Food security slips further from reach as climate-sensitive agricultural ecosystems deteriorate. Today, low-income people in rural villages are losing fertile soil for farming, traditional habitats for hunting and grazing, and access to clean water for drinking, fishing, and irrigation. Researchers at Stanford University suggest that climate change could depress maize production in southern Africa up to 30 percent during the next two decades. With every one-degree Celsius rise in global temperature, Yale University's Robert Mendelsohn estimates, African smallholders who rely on rain-fed land could suffer a \$28 per hectare financial loss each year.

OPPORTUNITY

With new agricultural tools, technologies, and practices, small-scale farmers can sow more resilient seed varieties, access affordable fertilizers, better irrigate their land, move their harvests to market, and earn fair prices for their produce. But they cannot achieve food security and spur economic growth over the long run without concurrently preparing for the effects of changing local and regional climates.

ACTION

For a quarter-century, the Rockefeller Foundation tested a variety of innovative approaches to increase food security in Africa, building on decades of prior experience mobilizing a Green Revolution in Latin America and Asia. In 2006, we cofounded the Alliance for a Green Revolution in Africa – now chaired by former United Nations Secretary General Kofi Annan – which spreads the most successful of these solutions across the continent. While the Rockefeller Foundation still provides extensive support to AGRA, we also search for the next generation of agricultural innovations, particularly those that can strengthen smallholders' resilience to climate change. During 2008, we continued significant efforts to bridge disciplines of climate and agricultural science in African universities and think tanks. We widened access to weather-indexed crop insurance and financial products. And we supported meteorological research and capacity in high-risk locations to help small-scale farmers plan for and cope with imminent climatic and environmental changes.

- [More Information](#)
- [2008 Grants](#)



WHAT DID WE DO IN 2008?

Championed New Approaches for Smallholders to Mitigate Climate Change and Create Economic Opportunity

CHALLENGE



As the world begins bracing for climate change's imminent impacts, it must also mitigate increasing and accumulating greenhouse gas emissions. If the global community fails to curtail these emissions sufficiently, climate change's effects could be irreversible and catastrophic. Carbon markets are thought to be one indispensable element of any successful climate change mitigation strategy. In 2007, these markets facilitated more than \$63 billion in trades. As they expand, likely to upwards of \$1 trillion by 2025, new incentives will emerge to promote biosequestration, the capture and storage of carbon dioxide in plant life. Unfortunately, to date, Kyoto Protocol rules do not formally recognize that sustainable agricultural practices could mitigate carbon emissions. Furthermore, only a handful of interventions have been developed to intentionally reward families who tend forests and plant fields for addressing climate change in their daily labor.

OPPORTUNITY

Smallholders and their communities could reap the benefits of new carbon markets with two important actions. First, the United Nations climate change agreement could deem land-based carbon sequestration a permissible means of greenhouse gas reduction, thus enabling carbon markets to reward local, terrestrial sequestration. Second, major greenhouse gas emitters could fund additional incentives to encourage reforestation, ecosystem restoration, conservation tillage, agro-forestry, and other practices that boost soil's organic content. If enacted, these reforms would be a win-win-win, reducing up to one-fifth of heat-trapping gases in the atmosphere, increasing food security, and helping smallholder farmers enter into and profit from a new global marketplace.

ACTION

The Rockefeller Foundation supports efforts that champion these policy modifications, test more exact carbon measuring and monitoring systems, and leverage financing, information sharing, and advocacy. If successful, this work will help smallholder farmers sequester greenhouse gases, practice more sustainable agricultural techniques, and gain new sources of income.

-  [More Information](#)
-  [2008 Grants](#)



WHAT DID WE DO IN 2008?

Enhanced New Orleans' Capacity for Renewal and Resilience

CHALLENGE

After Hurricane Katrina's storm surge drowned much of New Orleans, Americans saw firsthand what can happen when the effects of climate change, shoddy planning, failing infrastructure, abiding poverty, and broken politics collide. Not only did an irrepressible tide ravage homes, wash away communities, and set off a diaspora, but political backbiting and infighting also prevented the city from writing the regional plan that was required to unlock federal recovery funding.

OPPORTUNITY

In response, the Rockefeller Foundation supported and shepherded the development of the Unified New Orleans Plan – an initial investment of \$3.5 million that yielded a \$417 million return. Through and after that intervention, however, we came to recognize substantial organizational needs we could help fill, thus contributing to New Orleans's long-term social and economic vitality.

ACTION

In 2008, we supported a number of efforts to rebuild New Orleans's intellectual capital and institutional capacity. We strengthened the Greater New Orleans Community Foundation so it could house ongoing philanthropic innovation. We funded fellowship programs that train a new generation of urban planners who will make careers in Crescent City management. And we helped create new positions in New Orleans municipal government that will promote renewal and progress from the seat of power.

➤ [More Information](#)

➤ [2008 Grants](#)



WHAT DID WE DO IN 2008?

Accelerated Evolution of the Impact Investing Industry

CHALLENGE

Government funding, international aid, and philanthropic grant-making cannot by themselves finance solutions for the world's most pressing problems. Private capital must compliment traditional resources in paying for innovations and interventions.

OPPORTUNITY

Impact investing – the field of directing assets toward both social impact and financial return – enables investors to do good around the world at the same time as they do well in the market. In fact, as growing numbers of pension funds and asset managers seek new opportunities to invest toward double bottom lines, it is estimated that the impact investing marketplace may grow to upwards of \$500 billion.

ACTION

In 2008, the Rockefeller Foundation helped define and fund a number of elements necessary for the impact investing field to evolve into a mature, regulated, and self-sustaining industry:

- We supported the Monitor Institute's research and publication of a major study, "Investing for Social and Environmental Impact," which called attention to outstanding challenges.
- We worked with diverse entities – ranging from entrepreneurs starting impact-investment banks to wealth-management firms – to develop intermediations that could speed the industry's growth.
- We engaged the field's leaders in active dialogue about platforms that could allow investors to share information, networks that could list and monitor opportunities, and other intermediaries that could help investors identify safe and legitimate investments.

■ [More Information](#)

■ [2008 Grants](#)



WHAT DID WE DO IN 2008?

Fostered Resilience and Innovation in New York City

CHALLENGE

The Rockefeller Foundation is a New York institution, chartered by New York State and headquartered in New York City. We are, therefore, a New York citizen – and with citizenship comes responsibility.

OPPORTUNITY

The Foundation has contributed to New York City's cultural and economic vitality since John D. Rockefeller, Sr., endowed it in 1913. But, for us, our extraordinary community is more than a backdrop for our work. It is a laboratory in which we can test solutions to challenges facing diverse and dynamic urban regions around the world.

ACTION

During 2008, the Foundation supported a number of efforts to make New York City more resilient and prosperous:

- We provided intellectual and financial resources to help the city establish its Climate Change Adaptation Technical Advisory Committee. This council of policymakers, scientists, engineers, insurance representatives, and community leaders will make baseline projections about the impacts of climate change on New York City and integrate resilience strategies in interagency planning processes.
- We funded OpportunityNYC, the city's innovative cash-incentive program, which helps families break the cycle of intergenerational poverty. First developed in Mexico City and then adapted to New York, these conditional cash transfers are an exciting example of how we attempt to transmit, translate, and transform promising ideas from one country to another.



- We awarded the second annual Rockefeller Foundation Jane Jacobs Medals. These honors are named for the late activist and urbanist, who used two Foundation grants – exactly 50 years ago – to write *The Death and Life of Great American Cities*, one of the 20th century’s most important explorations of cities, planning, and urban design. They recognize and reward two remarkable New Yorkers every fall for their contributions to the “life of” our “great American city.”

In the fall of 2008, one of our earlier pilots, the New York City Affordable Housing Acquisition Loan Fund, also earned a coveted Innovation in American Government award from the Ash Institute at Harvard’s John F. Kennedy School of Government. This was a partnership with Mayor Michael Bloomberg’s administration and other foundations to build and preserve 30,000 affordable housing units over 10 years. Starting with only \$8 million in government funding, this Rockefeller Foundation-anchored alliance raised more than \$24 million in philanthropic resources to leverage \$190 million in private capital – connecting developers who want to provide affordable units with hard-to-find seed financing to bring their plans to life. The model is now being replicated in cities across the United States.

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WHAT DID WE DO IN 2008?

Supported Creative Expression and Cultural Innovation

CHALLENGE

Creative expression and cultural innovation are not ancillary to the strength of a community or society, but rather its fundamental building blocks. Without the arts, our problems would be more vexing and our insights much shallower.

OPPORTUNITY

We believe that by supporting cultural innovators who challenge and provoke us, we inspire not only artistic advances, but also social ones. Therefore, we help foster a humanities economy that marries left-brain problem solving with right-brain ingenuity.

ACTION

Throughout 2008, the Rockefeller Foundation continued investing in the promise of individual artists and the arts community to promote shared creativity and innovation.

- We awarded Cultural Innovation Fund grants to 16 pioneering New York arts collaborations. Some come from the fields of visual, theater, dance, media, and even video-game arts. Others promote civic engagement through public performance and expression. Still others align new partnerships among community-based organizations, research institutions, and private sector companies – opening doors to labs and studio space and enabling more New Yorkers to enjoy and contribute to our hometown’s unparalleled cultural environment.
- We inaugurated the Bellagio Center Creative Arts Fellowships by providing residencies to Mona Hatoum, Kofi Setordji, and Shahzia Sikander. These three laureates, nominated and selected by a dozen internationally renowned curators and arts professionals, lived and worked for three months amidst scientists and creators, academics and practitioners, those who make policy and those affected by it. While affording an extraordinary opportunity to exceptional artists, the fellowships also enriched the Bellagio experience and enhanced its impact.
- We provided general operating resources for United States Artists (US Artists), a new organization dedicated to supporting creative vision, expression, and excellence - and launched, in part, with Rockefeller Foundation seed funding in 2005. In 2008, US Artists chose 51 fellows from a field of 362 extraordinary nominees. Each received an unrestricted grant of \$50,000.

- [More Information](#)
- [2008 Grants](#)



WHAT DID WE DO IN 2008?

Enabled Dialogue and Discovery at the Rockefeller Foundation Bellagio Center

CHALLENGE

During a period of volatility, people with divergent viewpoints and voices – diverse perspectives and personalities – too infrequently come together, challenge and inspire one another, and engage in unconventional searches for big ideas.

OPPORTUNITY

We believe that collaboration is key to producing shared knowledge, setting high-impact agendas for change, and unleashing human capacity. The Rockefeller Foundation Bellagio Center hosts policymakers, professionals, practitioners, scholars, and artists – from around the world – as residents and conference participants. During formal sessions and informal discussions, they learn about and comment on each other's interests and work, cross-pollinating disparate disciplines of inquiry, expertise, and innovation.

ACTION

Including the Global eHealth Summit, the Rockefeller Foundation Bellagio Center hosted 58 conferences with a total of 1,419 participants in 2008 – 32 percent from outside the United States and 29 percent from developing countries. It also welcomed 75 fellows – scholars, writers, artists, and composers – for residencies. Some 25 percent were from outside the United States and 17 percent from the Global South.

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WHAT DID WE DO IN 2008?

Explored New Possibilities for Action and Impact

CHALLENGE

Challenges evolve at breakneck speed during the age of globalization. No organization can seed bold, transformational change if it separates its learning from its working. Effective organizations must simultaneously – and seamlessly – learn, work, and adapt.

OPPORTUNITY

Using the same tools, technologies, and processes we help to spread around the world, the Rockefeller Foundation constantly examines our own activities and explores new opportunities to increase leverage and improve outcomes.

ACTION

The Rockefeller Foundation seeks solutions with unusual potential for impact in both traditional and distinctive ways. We scour for opportunities to break bottlenecks, surface new issues or reframe old ones, take advantage of tipping points, and increase use of proven approaches in concert with others.

We analyze data from diverse sources in fresh and creative ways. We look to literature, scholarship, and expert perspectives. We solicit the views of our beneficiaries and regard their insights as indispensable.

Some of our explorations flesh out and reinforce interventions already in progress. Others address challenges at the intersections of our priority issue areas, filling white space where we're not yet working. While not all of our searches become full initiatives, this component of our grant-making lets us – and our partners – generate and test a spectrum of new ideas.

 [More Information](#)

 [2008 Grants](#)

opportunity
impact
partnerships
influence
leverage
innovation
stewardship
resilience
partnerships
leverage
innovation
opportunity
stewardship

FISCAL STEWARDSHIP

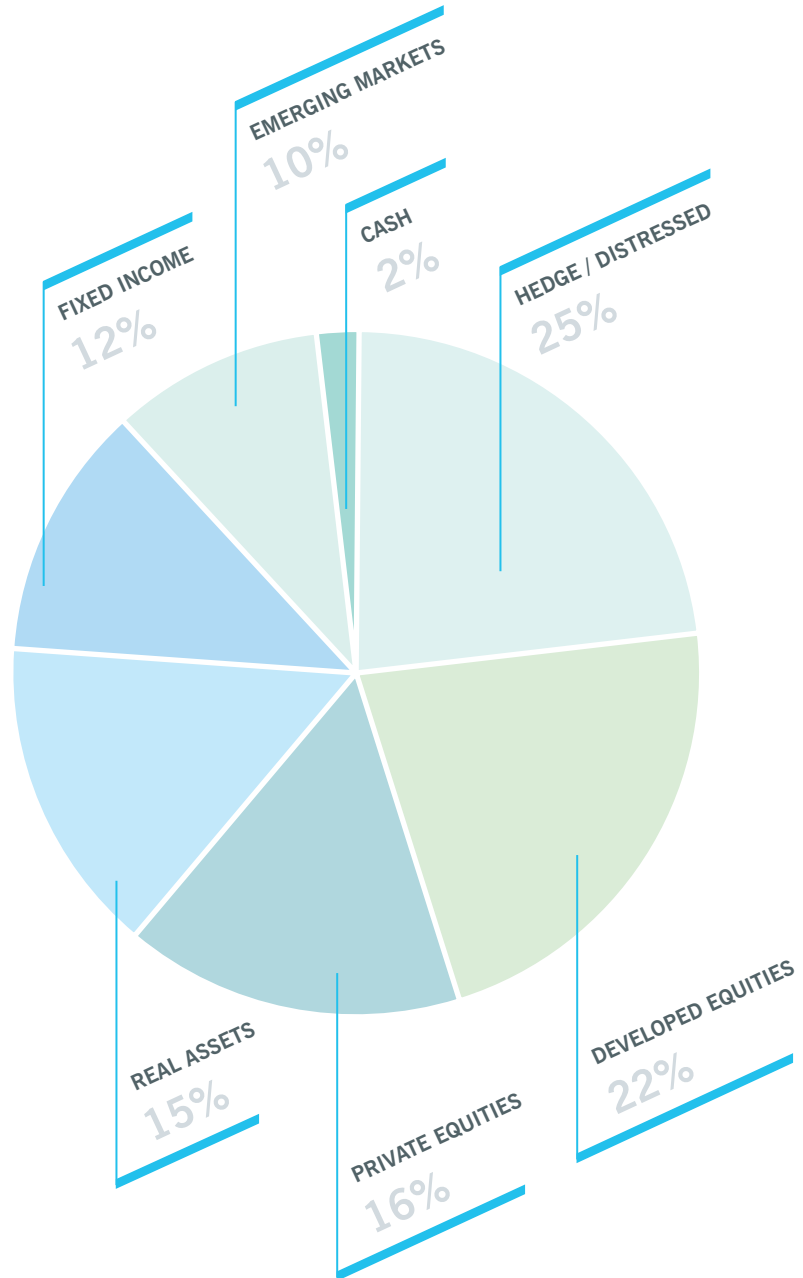
John D. Rockefeller, Sr., established his legacy foundation during the economic recession of 1913, a downturn sufficient to warrant the Federal Reserve System's creation. The Rockefeller Foundation has since weathered 18 subsequent periods of contraction and crisis, including the Great Depression. Markets have risen and fallen, but our mission to "promote the well-being" of humanity has never wavered.

The Rockefeller Foundation's 2008 endowment performance was disappointing – a consequence of rapid and dramatic declines in global securities markets. Because of our thorough and thoughtful financial planning, however, we moved forward with all our programmatic commitments and maintained full, steady support to our grantees.

Today, our balance sheet remains strong. We closed our 2008 books with \$2.9 billion in unrestricted net assets, despite a \$1.2 billion decline.

➤ Foundation's full independent auditor's report, financial statements, footnotes, and 990-PF.

Asset Allocation



Condensed Statement of Financial Position

DECEMBER 31, 2008 AND 2007

Amounts in millions. Numbers are rounded.

	2008	2007
ASSETS		
Cash, equivalents, and other current assets	77	3
Investments	2,926	4,538
Other long-term assets	50	75
Total Assets	3,054	4,615
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	8	14
Grants payable	52	46
Debt outstanding	120	21
Other liabilities	21	433
Total liabilities	200	514
Unrestricted Net Assets	2,853	4,101
Total Liabilities and Net Assets	3,054	4,615

Condensed Statement of Activities

DECEMBER 31, 2008 AND 2007

Amounts in millions. Numbers are rounded.

	2008	2007
REALIZED INCOME		
Realized investment income	87	478
Investment expense	(12)	(15)
Other income	4	3
Net realized income	78	467
EXPENSES		
Grants and direct charitable activities	144	124
Program costs	18	15
Operations	20	21
Taxes	1	8
Total expenses	183	168
NET ASSETS		
Unrealized (loss) or gain on investments	(1,110)	152
Pension adjustments	(33)	(15)
Change in net assets	(1,248)	436



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This list includes any trustee who served
between January 1 and December 31, 2008.

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