

FIRSTPERSON:

Lessons from a Lifetime of Philanthropy

Written by Michael Milken | Photography courtesy of the Milken Family Foundation

Mary philanthropic businesspeople started their careers with dreams of changing the world for the better. As a young man, I read Andrew Carnegie's famous 19th-century "Gospel of Wealth" article, written at a time when major philanthropists typically held on to their fortunes during their lifetimes. They often endowed legacy foundations charged with carrying out good deeds after their deaths. Although Carnegie urged his fellow industrialists to apply their talents and wealth toward social progress before they died, he also observed that, "It is more difficult to give money away intelligently than to earn it in the first place."

My brother, Lowell, and I were in our early 30s when we established the Milken Family Foundation in 1982. We determined to base our giving on careful research about what types of philanthropic programs had worked best in the past and what had been less successful. We asked not only what could have a positive effect



on society, but also what could be reproduced at scale. Finally, it was important the effects could be multiplied by the leverage of additional funding from industry investments and government grants.

Today, a new generation of successful young entrepreneurs has emerged whose wealth, often earned well before the age of 40, is a byproduct of their creativity and energy. They are decisive, driven, and eager to disrupt the status quo. Impatient with the idea of leaving a charitable legacy for future generations, they'd rather use their business skills to take charge immediately. And since 80 is the new 60 and 60 is the new 40, many chronologically older philanthropists share that youthful drive.

One thing I've learned during a lifetime in philanthropy is that creativity and energy are only part of the picture. It's important to coordinate disparate organizations, encourage collaboration, open up communication channels, and minimize bureaucracy. Early in our medical programs, for example, we found that researchers were wasting precious time and effort preparing massive applications for government grants that could take years to approve. By the time a grant came through, the original proposal was often obsolete. Just by streamlining this process, we accelerated the search for cures.

Another roadblock to medical progress was a surprising lack of communication and interaction among researchers and their institutions. People at different academic research centers saw each other as competitors rather than collaborators; they had minimal contact with for-profit companies, philanthropic foundations, patient organizations, and government agencies. Our response was to convene diverse groups who had not previously worked together and then make financial support contingent on open communication.

When we organized the 1998 March on Washington to call for more federal investment in health, approximately 600 different cancer organizations joined

in. Many of these groups had little understanding of what the others were doing. Although their mission statements sounded admirable, they often repeated the past mistakes of similar groups. It was an opportunity to increase the effectiveness of research. The Milken Institute's *FasterCures* center created the Research Acceleration and Innovation Network (TRAIN) as a hub for hundreds of patient advocacy and disease-specific research organizations.

At its annual Partnering for Cures conferences, *FasterCures* brought the TRAIN groups together with pharmaceutical and biotechnology companies, government health leaders, insurers and other payers, charitable foundations and philanthropists, academic health center executives, media organizations, software developers, and the brightest researchers working on the frontiers of medical science. It increased collaboration not only on particular diseases, but also on strategies and technologies—such as immunotherapy and genomics—that applied across multiple diseases.

Extending the mission

In creating the Milken Family Foundation's programs in public education, we asked how our limited resources could have a measurable impact in a field where local, state, and federal governments spend more than \$500 billion a year. Research studies had shown effective teachers and principals are the most important school-

NIH Director Francis Collins and Milken are interviewed at the Partnering for Cures conference.



based factors influencing student achievement. If we could improve the quality of teaching and attract talented graduates to the field, the leveraging effects on the millions of students they collectively influenced over the course of their careers would be substantial. One way we did this was raise the prestige of the teaching profession by honoring great teachers in a very public way.

Over the past 30 years, more than 2,700 K-12 educators have received \$25,000 Milken Educator Awards—what *Teacher* magazine called “the Oscars of Teaching.” Recipients are caught by surprise when their names are announced at dramatic all-school assemblies in front of cheering students, colleagues, and the media. Nearly 2 million students have seen these ceremonies highlighting the importance of the teaching profession. Millions more in the community see local television coverage. Each honoree then joins a national network dedicated to improving public education.

In addition to its teacher-recognition programs, the Milken Family Foundation, under Lowell’s leadership, created innovative teacher training and compensation programs. These were later spun off in a public charity, the National Institute for Excellence in Teaching, which has developed extensive programs to ensure skilled, motivated, and competitively compensated teachers.

New challenges

As I’ve traveled to international meetings and conferences in recent years, leaders in government, industry, and philanthropy have increasingly expressed concerns about the environment. Their specific focus varies—health of the oceans, habitat destruction, air and water pollution, renewable-energy innovations, biodiversity, and advanced food technologies that

can simultaneously reduce land use, deal with the obesity epidemic, and otherwise improve human health. But there hasn’t been enough coordination of efforts to deal with all these issues even though they are interrelated.

This is the kind of challenge for which we established the Milken Institute Center for Strategic Philanthropy (CSP). In medical research, CSP has provided philanthropists with expert guidance in creating inventive and well-informed giving strategies that will have the greatest effect. This winter, CSP took a similar approach by convening a remarkable assemblage of major conservation-minded philanthropists to address and help coordinate their environmental efforts. One takeaway was that many of the techniques used in medical philanthropy are applicable to conservation. With greater collaboration, new conservation organizations don’t have to start at square one—they can build on the plans and best practices of established groups.

Whether in support of medical research, education, conservation, public health, or the arts, our ultimate goal is to identify and empower the most talented individuals and organizations to solve the world’s greatest challenges. **LM**

Mr. Milken is Chairman of the Milken Institute.

Lowell Milken celebrates with Texas Milken Educator Award winner Justin Singleton and his students.