

**Working for the Greater Good: The Nexus Among Government
Corporate America and Private Foundations**

**by
Robert L. Mallett
Senior Vice President and
President of the Pfizer Foundation
for
CSIS Smart Power Speaker Series
Washington, DC
May 1, 2008**

This past Sunday, the New York Times Magazine ran an interesting profile. It was of Alaa Al Aswany, the hugely popular Egyptian novelist. I didn't know this – but he's also a dentist.

Perhaps that accounts for his ability to cause such pain to the Mubarak government he criticizes so sharply.

But make no mistake. As critical as he is of his own government, Al Aswany is stingingly critical of the U.S. -- the “imperialists” who foster the “pro-American dictatorships” he “hates.”

On the other hand, Aswany is a complex man. He has a nuanced view of the United States.

Why?

“I was very lucky,” he says. “I had the opportunity to study in America, to have American friends, girlfriends. You must have an American experience to know how decent and kind-hearted the people are.”

I don't think it's in the cards to give everyone who hates U.S. policy a masters degree from the University of Illinois dental school in Chicago.

But today, as we gather to talk about how we can help reshape -- and ease the hostility much of the world feels towards us -- Aswany illustrates a point both obvious -- and overlooked.

We are more than the policies of our government -- whatever administration is in power.

We are, Aswany says, “the place where democracy as well as imperialism comes from.”

How can we provide that insight to those who cannot come to our country?

To those who define us by arms and arrogance?

To those whose own contempt blinds them from seeing our compassion—as ours sometimes blinds us to theirs?

What power do we have that we don't use -- or might use better?

It is soft power.

It is what Dean Joe Nye describes as the “ability to get what you want through attraction rather than coercion or payments.”

It is the impact, he says, of Franklin Roosevelt's Four Freedoms in Europe at the end of World War II.

Of young people behind the Iron Curtain listening to American music.

Of liberated Afghans asking for a copy of the Bill of Rights.

And I'll add another. It is also the impact of people in some of the poorest and most deprived places in the world who are no longer afraid that the world's leading cause of preventable blindness will prevent them from seeing their children. Their grandchildren. Their future.

Why do I add this? Because I believe – and the point I want to make to you today – we should be re-defining what we mean by philanthropy.

It means not just age-old grant-making, as good as the intentions that lead to that might be. The new philanthropy means corporations working closely with governments, foundations, NGOs and others to truly partner for sustainable and measurable impact.

Let's better illustrate this point.

The world's leading cause of preventable blindness is trachoma, an infectious disease caused by bacteria.

It was actually one of the illnesses immigration officials looked for when examining the millions who came through Ellis Island. They would take a buttonhook and literally pull your eyelid and look for redness and swelling.

Today, most people in the United States haven't even heard of it. But tens of millions in the poorest countries still suffer from it.

So Pfizer partners with the International Trachoma Initiative, the NGO leading the fight to meet WHO's goal of ridding the world of blinding trachoma by 2020.

I was just at a WHO conference in Geneva on Monday to understand the progress that we have made in eliminating blinding trachoma. The goal set is ambitious. But it's reachable.

We are making incredible progress. In fact, we've already eliminated blinding trachoma as a public health threat in Morocco.

We are making this progress because we're working together – governments and NGOs, private corporations and foundations.

We're making this progress because we now have the antibiotic that has enabled us to take the effort to scale—Zithromax.

But we're also this making progress because we and our many partners don't just provide medicine. We support a broader strategy we call SAFE – surgery, antibiotics, face washing, and environmental change, including improving community hygienic conditions.

Washing one's face.

Not very high-tech at a company that prides itself on its ability to stand on the very frontiers of science as it teases a molecule into medicine.

But treating illness doesn't always involve technology.

I saw this with something that happened in Ethiopia where ten percent of the population is blind due to cataracts and trachoma.

In some parts of the country, due perhaps to religious custom, women did not relieve themselves during daylight hours. They had to wait until the dark of night to do so in privacy.

And so our partners at the Carter Center taught and enabled villagers to build latrines to improve sanitation. No such private personal relief facilities had ever existed before.

In the Amhara district, they set a goal of ten thousand latrines during the first year. But once the women learned how to build them, the freedom it provided proved as contagious as any disease. Within three years, they built not ten thousand latrines... but 306,000.

Something as simple as a latrine relieved excruciating discomfort. The women said they "would never go back to the old ways."

And when Jimmy Carter visited, they even gave him a new nickname: "The Father of Latrines."

I'd guess President Carter might not be the first president to be called something similar.

But this was definitely the first time it was a high compliment.

And in the context of why we meet today, that is important.

Because helping those shackled by the burden of poverty breeds appreciation.

Helping to eliminate blinding trachoma changes the way the people see us.

Helping those who need help the most... *helps us*.

Kindness often begets kindness.

That's true in the deserts of Africa. The mountains of Nepal. The rice fields of Vietnam. The *flavellas* of Brazil.

And that's true not just of our battle against trachoma... it's true of all our philanthropic efforts.

Efforts outside of government.

Because the point I want to make to you today is not only that soft power is smart power, or the greatest power... but that soft power is truly the only sustainable power. And it is only sustainable if we all do our part.

Many people point to the Marshall Plan as the model example of America's soft power. And rightfully so. America didn't just help rebuild Europe. We didn't *capture* the hearts and minds of the people of Europe then. We *won* them. We defined the ideas and extolled the values that would prevail in the Cold War.

But when in June, 1947 when George Marshall told the graduating seniors at Harvard University that "our policy is directed not against any country or doctrine but against hunger, poverty, desperation, and chaos..."

He was talking about a government policy.

Consider this: first, whether you think US foreign aid – our official development assistance – is benevolent or begrudging... it is only part of our total humanitarian and development commitments around the world. And to his everlasting credit, President Bush has advocated to increase this assistance through his PEPFAR initiative.

Even so, by some accounts non-governmental contributions to the developing world outpace official aid by more than four to one.

Today, more than 80% of U.S. resources going to the developing world come from private coffers; less than 20% come from government.

A generation ago, the opposite was true.

Secondly, we can all now see the consequences of using our military forces to accomplish objectives that may have been better served through other means.

But I do not come here today to share my opinions about the war in Iraq --except to note that in addition to the costs we can see --billions spent, thousands dead or injured-- there are those we cannot. But they are no less real.

Those who hate our foreign policy don't express it only by joining guerilla movements, or protests or burning the symbol of our freedom.

Sometimes they do something as simple as refuse to provide directions to a lost American traveler. Or, perhaps, more consequentially, display a pattern of turning down contract bids from American companies.

Because that traveler and that company are America to them.

And those subtle, and not-so subtle, signs demonstrate great danger for our country. That's why, as a government, it is so necessary to twin hard power with soft. It serves as a leavening influence on the rougher edges of our engagement.

And that's also why, today, if we are to make change systemic and lasting...

If we are to restore a nation's reputation...

If we are to do this by embarking on a Marshall Plan for our time...

It cannot be only through government.

Regardless of what party is in power. Regardless if it is a time of war or peace.

Philanthropy -- the new philanthropy -- must complement statecraft.

More than that -- it must, and it can, enhance statecraft.

And there is no reason it shouldn't. Philanthropy, after all, is not a dirty word. It is an unique part of the American experience.

Alexis de Tocqueville recognized that in 1835. In *Democracy in America*, he said philanthropic spirit was one of our country's strengths.

Carnegie, Mellon, Rockefeller and Ford understood this; and their foundations still prove it to this day.

And now, they're joined by names like Gates and Buffet and others. Titans in business who will also be remembered for their big hearts.

That big heart remains a defining characteristic of America. (In 2006, Americans gave about \$295 billion to charity. No other country comes close.)

And that big heart belongs not just to idealistic individuals or formidable foundations. I think it also belongs to private, for-profit businesses.

We like to think that includes Pfizer and what we refer to as our a "full asset" model of philanthropy.

A model that is long-term. A model that focuses not on the quantity of our giving but the quality of its impact. A model that looks for solutions that are both scalable and sustainable.

And a model that uses the full resources of our company to support what is our giving philosophy: teach, treat, build and serve; to participate in efforts that do one, two or all of these things.

We're not alone. I told you about what we're doing in the fight against trachoma. One of our sister companies, Merck, has a similar story. They've been donating free of charge, for twenty years now, the medication to treat river blindness.

We're both partners, as are many others, in the Global Network For Neglected Tropical Diseases – chronic, disabling, stigmatizing diseases that infect more than one billion people around the world.

So it's not just Pfizer, and it's not just in the health industry.

Others are working to improve the environment. Offer education. Feed the hungry.

Of course, there is no question business could do more. And there is no question we can partner with governments, foundations and NGOs to do more—and better.

And that is what Bill Gates talked about when he told those at Davos that what we need is creative capitalism. Increasing its reach and scope so that more people can in his words "make a profit, or at least make a living," serving those whose suffering is so great.

The point is that whether you call it creative capitalism or something else... whether you accept our full asset model or another...we must fundamentally remodel business and our partnerships so that we better serve the people at the bottom of the pyramid.

Because if we meet the challenge of finding a way to serve the tired and the poor, --those huddled masses-- *and* do business...

Or serve them and get *votes*...

To do good and do well...

Then, we will have accomplished something that truly is sustainable.

Then we can and will have reduced the inequality that exists. Then we will have changed the world.

The new philanthropy can mean a new beginning for millions.

That's a tall order. Yet, we can make a meaningful difference as corporations and foundations—as partners.

What values drive a corporation today to invest its resources to demonstrate its soft power?

First, in an age of value, a company's logo must stand for more than just what it sells. Certainly, Pfizer wants consumers to know who we are and what we sell. But we are more than our individual products. We want them also to have a sense about what we stand for.

Consumers are very rational actors -- they reward the good guys and they punish the bad.

The evidence that this pays may not be ironclad in the sense of not always having a determinate monetary value. The art behind such measurement is often imprecise. But we would have to suspend all our common sense and mother wit to conclude it is *valueless*.

And we believe something else: those philanthropic efforts are not just about who we help – but who we hire. The quality of people we recruit and retain.

The *Wall Street Journal* pointed this out the other day. One survey of 13-to-25 year olds – the group that many refer to as Generation Y, or the Millennials -- found about 80% want to work for a company that cares about how it contributes to society.

They are saying, “I don't want to park my values at the door. They're asking companies: “What do you stand for?”

It's one of the reasons Pfizer is so proud of and committed to our *Global Health Fellows* program.

Over the last five years, we have sent 155 employees to help nongovernmental organizations in developing countries, and to contribute to capacity building for governments with fragile infrastructures and to help them strengthen and professionalize their bureaucracies.

One of them wrote in her journal of her experience in Rwanda:

“On the bad days, when the frustrations seem too many and the challenges too hard, you remember the malnourished child who just wanted to hold your hand, or the woman who had to wait for 36 hours to have desperately needed surgery...And they make it all worth it.”

Her feelings aren't hers alone. I can tell you that speaking to the fellows when they have returned is to be truly inspired. These are the kind of people we want in a company whose mission is to make people healthy.

Volunteering invigorates them. Reinforces their sense of mission. Sparks creativity.

These programs demonstrate corporate alignment with the individual's core value system and present an opportunity for them to engage in development opportunities they desire. It not only broadens their perspectives; it improves the company's decision-making.

We *can* do well by doing good.

So corporate international volunteer programs represent a kind of emerging soft power. They are good for those the volunteers help. For their companies. And for them.

But we're in Washington – since when is it enough to have a good idea?

One of my favorite stories is one about three sons who left home, became wealthy. They wouldn't visit their mother, but they sent her big expensive presents.

Couldn't understand why she didn't appreciate them, though.

One day, they met to talk about it.

Milton said, “Yeah, I couldn't make it for Thanksgiving. Sent Mom a Mercedes. She wrote back, “Nice, Milton. But I'm half-blind. That car just sits in the garage.”

Second brother said, “Yeah, I didn't make it back. But I bought her a new house. She wrote, “Nice thought, Marvin. But I can't walk very well. I just sit in one room.”

Third brother says, “I got Mom a parrot.”

“A parrot?”

“She’s so religious. I got a parrot trained to recite every verse of the Bible. Took twenty years to train him and he could do it – in three languages.”

“What’d Mom say about that?”

She wrote: “Mason, you were always the most thoughtful son. Knew just what I like – that chicken was delicious!”

The point of this story is to caution us that giving isn’t enough.

If you want to work for the greater good, you have to give the right thing to the right people in the right way.

No “one size fits all” model ever works. We can’t just do the right thing. We have to do things right. And why do we have to do things right?

Because there are billions of people around the world living lives of anguish.

Our government cannot help people to renew their lives by itself.

But with all of us working as partners – soft, smart, sustainable power -- we have a fighting chance to that.

You know, after Warren Buffet made that historic announcement... that he’d be giving the bulk of his fortune to philanthropic foundations, I heard an interesting story.

A few days later, the recipient of an estimated 30 billion dollars of that gift – the Bill and Melinda Gates Foundation – received a letter.

It was from a man who wanted to share with them how he told his daughter Olivia about the gift and how it might be used to help other children, less fortunate children. Children who might get sick because they didn’t have the same kind of medicines she could get.

Olivia listened to her dad and said: I’d like to donate my life savings, too. She’s seven years old. Her contribution was 35 dollars.

I like that story because it reminds me that America’s soft power is not just the province of the wealthy – though that helps. It is not the province of the multinational corporation – though we can and we want to help.

It is not the province of any one nonprofit – though they help in wonderful ways.

It is the province of every one of us. Public officials. Corporate executives. Artists. Musicians. The college students making an indelible mark on an Egyptian dentist turned novelist.

Even seven year olds.

That's soft power...

That's how we beat swords into ploughshares.

That's how we will change the way the world sees us.

That's how we will ensure that change is meaningful, systemic and lasting.

And that is how individuals and government, corporate America and private foundations can work together for the greater good.

##