

UNFINISHED BUSINESS

LESSONS FROM BALTIMORE

Goldseker Foundation • November 2009

**“IF YOU DON’T HAVE
THIRTY YEARS TO DEVOTE
TO SOCIAL POLICY, DON’T
GET INVOLVED.”**

—Daniel Patrick Moynihan

What the late senator and teacher said of social policy is equally true in the broader context of all civic endeavor. It was also he who reminded us that the hard business of repairing cities involves much heavy lifting and is decidedly not for the short of wind.

As it happens, I have been able to spend the last thirty years, now just a bit less than half my lifetime, working on many of the social and economic challenges that bear upon the Baltimore region and its central city in particular. The work has been—and remains—alternately interesting, challenging, engaging, intellectually rewarding, painstakingly slow, and frustrating.

Earlier this year, while observing this anniversary, members of my board of directors encouraged me to think of ways we might share what this journey has taught about approaching the many challenges confronting this community, how to think about our place in the civic mosaic, and the range of action that a private foundation is able to bring into the mix.

I thought it was a nice idea and an appropriate way to mark the passage of my years in a city I have come to know well and with great fondness. But if I was going to write something, I didn't want to inflict a data-laden academic

study on our readers. What I decided to do instead is more in the nature of a personal essay. And in what follows, I have not particularly set out to revisit specific Foundation projects. Our annual reports and other publications do plenty of that.

Instead, I have tried to sketch some of the more important lessons my time in Baltimore has taught me about how a relatively small private foundation can effectively work in the urban arena, over time and with patience and targeted financial and programmatic investment. During my tenure, we have consciously tried to position the Goldseker Foundation as a civic resource, rather than simply—or in some respects even principally—as a source of charitable funds. I'm fond of telling people that if you think of the Goldseker Foundation as only a place to go in search of money, I have been doing a very poor job of explaining what I believe the Foundation is all about. I would much prefer to have our work considered

instead in the broader context of the question that best illustrates our fundamental strategic objective: Using the financial and intellectual resources at our disposal, what can we do to make Baltimore a greater place?

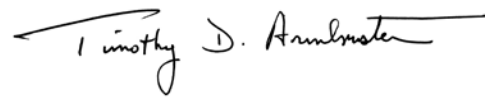
As with the others in the Foundation's series of occasional papers, I have three audiences in mind. The first is the policy and thought leaders of the Baltimore area's business, governmental, educational and nonprofit sectors. The second is my many friends and colleagues in the region's philanthropic and nonprofit communities, with whom I have had the pleasure of working closely and from whom I have learned much.

And the third is readers outside Baltimore who, I hope, will see the broader applicability of these lessons for leaders and civic entrepreneurs in other urban settings.

What follows is divided into two parts. The first is about lessons learned over many years in philanthropy and one foundation's approach to its work. The second is about what

this experience has taught me about urban communities and some ways to think about positioning Baltimore for greater economic competitiveness and social progress.

As a great believer in the free exchange of ideas, I hope the effect will be to provoke conversation and constructive disagreement about the opinions and prescriptions described here. I want to be clear at the outset, however, that in all instances I speak solely for myself, and not on behalf of the Foundation, its directors, or its staff.



Timothy D. Armbruster
November 2009

Philanthropy As Civic Partner

AN IDENTITY PROBLEM

In the economic and social upheavals of recent decades, private philanthropy has emerged as a significant presence in the life of urban communities. In older cities like Baltimore, the past thirty years have witnessed a nearly collapsed manufacturing economy, increasingly fragmented corporate leadership, and a local government faced with diminished financial resources amid a growing impoverished and dependent population. The well-documented growth of organized private philanthropy during that time has come to play an outsized role in helping offset these challenges to a degree, particularly in mid-sized cities.

Yet, though the private foundation has been a participant in American life for nearly a century, its contributions to civil society are unfortunately much less well known and understood than they should be. In great measure, it is largely the fault of those of us who work in this field, who are frequently not particularly visible and don't always do such a good job of explaining ourselves. In 2007, Joel Fleischman, a longtime philanthropic professional and intellectual leader, published a wonderful book titled *The Foundation: A Great American Secret* (Perseus Book Group/Public Affairs Books). It should be required reading for anyone interested in a full and interesting account of private foundations' significant contributions to a healthier, better educated, fairer, and more socially aware society.

Of the nation's major economic sectors, private foundations enjoy important assets the others lack. The business/corporate sector shares the ability to be flexible

and quick to adapt, but the discipline of the marketplace and demands of shareholders make it by its nature largely indifferent to broader societal issues. That role, of responding to public issues and crises, is properly one of government. But the public sector is only rarely equipped to be entrepreneurial and, needing to balance the conflicting demands of voters and other interests, is infuriatingly slow to act and frequently inefficient.

Our colleagues in the nonprofit, or third, sector exist to address social and economic issues and are highly committed to their respective missions. But those organizations tend to be narrowly focused, understandably self-interested, and except for the very largest, have limited capacity. It is estimated, for example, that 90 percent of the 1.3 million nonprofit organizations in the United States have operating budgets of less than \$500,000 annually.

On the other hand, private foundations have precisely the assets the others lack: freed from market discipline, not punishable at the ballot box, able to take the long view, with a relatively stable funding base. This unequalled freedom of action, however, comes with its own price. The privileges afforded us include a corresponding responsibility to be both accountable and transparent in our work.

I have always resisted the notion that foundation funds should properly be considered public dollars, since they are exempt from taxes, i.e., that anything government currently chooses not to tax is lost government revenue. The idea that all private earnings somehow belong to government unless legislated otherwise seems to me to

stand the relationship between private citizens and government on its head. It is true, though, that private foundation funds are frequently used, at least in part, in support of public purposes. So to the extent they are, we owe a frequent and clear accounting of what we are doing, and why.

A more frequent, clearer explanation of how private foundations work would go a long way toward correcting public misapprehension of what the nation's 72,000 private foundations are all about, and would also illustrate the wide diversity of interests and worldviews they represent. As it stands, some recent research I came across suggests that only something like 3 percent of adults polled could name a foundation, and of those who did, a very large proportion incorrectly named the American Red Cross.

But if not as well understood as it might be, the private foundation stands as one of the great social innovations, envied and increasingly copied around the world, particularly as other developed nations discover the advantages of this uniquely American institution.

I think a lot of the intrinsic appeal is because it is a profoundly conservative institution, in the very best sense. It has the ability to nurture and preserve the very best of our knowledge and tradition on the one hand, while on the other to help open the opportunity to participate in the life of the society to individuals and groups who have historically been excluded. Both of these roles, I would argue, are critical to preserving and enriching the society we leave to succeeding generations.

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ONE FOUNDATION'S VIEW

Feather Houstoun, president of the William Penn Foundation, says that if you've seen one foundation, you've seen one foundation, and she is right. The interests and values and operating styles of foundations are fully as diverse as the people who have created and manage them.

So I always resist when asked to explain the view of “the foundation community”—as if anyone could in the face of the idiosyncratic nature of our industry. But looking back over thirty years in this sector, I think I am able to describe a set of principles and an operating style that have served the Goldseker Foundation well and, if one were to look back through years of our publications, have fairly characterized and informed our work.

We have, for example, consciously become something of a hybrid between an operating foundation and a grantmaker. An operating foundation is usually created for a single purpose, e.g., supporting and managing a school or healthcare institution, and so becomes deeply involved in operational matters. A typical grantmaking foundation tends more often to select recipients of financial support that reflect its interests and, with the exception of larger, professionally staffed foundations, tends not to be directly involved in the work of the organizations it funds.

I am convinced that one of the great strengths of private foundations is their ability to introduce new ideas, knowledge, and talent into a community or issue. For that reason, though the Goldseker Foundation has always had a limited number of staff, we believe that our active

participation and leadership in a field and a community are nearly as important as actual funding.

Since there is not now and never will be enough money to support adequately everything that needs to be done, a combination of entrepreneurial spirit, flexibility, and some measure of leadership has served us well—that and a tolerance for uncertainty and willingness to take the long view. This is especially true for a modestly sized foundation like ours.

One other abiding lesson of my time in Baltimore is about the relative influence of ideas and money. It is useful, and certainly easier, to be able to invest a large amount of funds in a project, but I've discovered it often doesn't take a lot to have impact. A good idea and some energy behind it will create interest almost every time; a good idea and some energy accompanied by even a little money make the idea and its realization much more likely to gain attention.

Because in the end we are only as successful as the people in whose work we invest, remembering who does the hard work is equally important. We try to find the best people we can whose work is consistent with our institutional interests and operating policies and, under the assumption that they know their business far better than we, invest in them, offer our ongoing assistance and counsel if they need and want it, but then get out of their way.

Like everything else in life, it ultimately comes down to relationships. Since we are a regional foundation working in a relatively small market, developing and maintaining

personal, collegial relationships is not that difficult. All relationships have periods of stress, but it makes effective partnerships much less problematic if you can avoid the sense that the funder is somehow an obstacle to be overcome, or in the extreme case, an adversary.

We also believe we need not only make good choices about the people we invest in but also to deploy our grant funds in ways that will strengthen the organizations carrying out the actual work. Like many of our colleagues, we have traditionally preferred to support specific, time-limited projects. While we still do that, over the past decade we have increasingly recognized the need to make certain that the organizations we fund are able to sustain their basic operations. Accordingly, we more regularly provide unrestricted financial support of core functions, and for longer periods of time. The financial volatility of many nonprofit organizations, especially smaller ones, convinces me that this strategy makes better sense than

the things we are asked to consider is a discipline that, if not followed, risks diffusing our efforts, diminishing our impact, and letting the nice idea or the good project drive out the best.

And then there are the very real limits of social action to consider. Those of us who choose to work in the nonprofit sector are doing it because we want to improve our society and the lives of our neighbors. All too often, though, we let ideology get in the way of clear thinking. The more I learn, the more I appreciate and believe in the importance of working in the world as we find it, rather than as how we wish it was. We risk doing harm by insisting that reality conform to our predetermined ideas.

So instead, what we have tried to do at the Foundation is base our program direction and funding decisions on a combination of research, consultation with experts, rigorous analysis, and the willingness to act quickly when we feel we know enough. This operational style has served

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requiring organizations to produce new programs as a condition of funding, even though this may mean that we are able to fund fewer groups and new ideas.

Because deciding to do something necessarily means deciding not to do something else, making funding recommendations is a constant exercise in triage. It isn't always easy to decide not to invest in what appears to be a perfectly useful project, but being realistic about the limits of financial resources and the limited impact of many of

us well by giving us a much better understanding of what we may realistically achieve and the flexibility to get projects underway quickly.

We try hard to understand where we can most add value for the long term. In difficult economic and political times especially, a little less attention to words like *bigger*, *cutting edge* and *transformative*, and a little more to words like *support*, *strengthen*, and *sustain* makes better sense.

COLLABORATION AND CHANGE

Whatever their particular interests, private foundations see themselves as especially well-positioned to encourage positive social change. To do this successfully requires influencing others and, over time, changing the way regional opportunities and problems are understood. To begin with, change doesn't happen until people are ready for it. And change, however defined, demands both enormous patience and intense collaboration. Promoting change ultimately requires convincing people why thinking and acting differently is in their interest. As a foundation colleague reminds me, not only does change come slowly but also in tiny increments, and so needs to be constantly, relentlessly pursued.

It also requires deep understanding of the past: where we began and how we got to this point. But the corollary, sticking only to what and whom we know best, can't be allowed to obviate the need to change and evolve, to question what it is we really know for sure. Tradition is a fine thing and deserving of great honor, but it can't be allowed to crowd out new ideas and different ways of understanding what is possible. The idea in seeking change is to celebrate the past while simultaneously embracing the future.

And if you hope to produce change, you need a lot of help. So, difficult and painful as it sometimes is, partners are a requisite. Although there are occasions where unilateral action is the better course, as in an initiative that will result in controversy or where timing makes an immediate decision and prompt action necessary, our day-to-day business is increasingly defined by collaboration.

Among other things, the diffusion of leadership and consequent need to engage a broader range of actors whose identity changes with each issue make collaboration imperative. The profusion of new nonprofit entities, nearly three-fourths of which have been created in the past thirty years, has produced intense competition for funds and predictable financial volatility. It is becoming a case of "collaborate or die." We can anticipate much more strategic restructuring in our nonprofit sector: mergers, acquisitions, joint ventures, consolidations, formal alliances, i.e., all kinds of new partnership arrangements in the years to come.

The corollary of the imperative to collaborate is the need to play the leverage game. If you are clear about how your organization adds value and can use that as your entry into a collaborative situation, your chances of ultimate success are greatly enhanced. I recently came across some notes from a meeting I once attended, in which a group of foundation officers was discussing the forms collaboration takes. The simplest form is the traditional philanthropic relationship: we give you a grant. The second, more complicated form involves a transaction: let's see if we can agree on a mutually advantageous deal.

Arriving at the third form, an honest, enduring partnership, is much more difficult and time consuming. It is also never a neat process. It entails creating an atmosphere of trust and shared values among many actors who at least at the outset may hold very different viewpoints. Years of trying and, more often than not, failing to knit together successful collaborations have

given me enough insight, even if painfully arrived at, that I feel comfortable offering a few guidelines I believe apply across the nonprofit sector but are especially useful for the funding community to keep in mind:

- Partnerships don't automatically happen. They need to be actively sought out and promoted. What's needed is to reach out to possible collaborators and explicitly offer your experience and expertise. Then give yourself lots of time.
- Be conscious of language. Different organizations and groups use different words to mean the same things. The most obvious point in this respect is to speak and write in plain English. There has been enough said and written about avoiding jargon that I don't need to offer examples here.
- All collaborations are not equal. Don't be reluctant to take a junior position in the interest of the greater good. Collaborations are often more about developing trust and long-term relationships than about shorter term objectives.
- Avoid the tendency to overanalyze and overplan. These activities are time consuming, eat up valuable resources, and are vastly overrated. Besides, you can never control all the externalities; so nothing ever works exactly as planned, and the nature of social and economic change is such that perfect knowledge at any given point is impossible. It is much better to be flexible and pragmatic than be hindered by the rigidity of planning documents and formal agreements. Paul Newman always maintained that

the success of his Newman's Own food products was the result of scrupulously following its corporate motto: "If we ever have a plan, we're screwed."

- Don't lose sight of the fact that this sector is ultimately driven by many different, often competing values, not simple business models. Until the recent economic downturn, many foundations, corporations, and the nonprofit organizations they fund were eager to transfer the model of the marketplace intact to their charitable activities. There are many admirable things about this model, among them an orientation toward clearly defined goals, greater accountability for outcomes, and the need for product differentiation to compete in niche markets. What is not so easily transferable is the notion of return on investment, a metric that in the private sector is simply and easily defined, but in the nonprofit sector is much more difficult to define and, therefore, to measure.

Although we enjoy a greater financial cushion than our friends in the rest of the nonprofit community, we are hardly immune from the imperative of collaboration. To succeed, we need to be clear about our objectives, communicate them to our partners, and, above all, be prepared to make a lot of midcourse corrections along the way.

PATIENCE AND INNOVATION

Returning for the moment to the advice from Daniel Patrick Moynihan that opens this essay, I would have to say that the hardest task for a private foundation is not identifying where its investments have the best chance of making a lasting impact, nor agreeing to make the appropriate initial financial and programmatic commitments. Those are relatively easy. What is much harder is being sufficiently comfortable with the uneven pace of progress and having the discipline to sustain a course of action for which success may be a very long way off.

Particularly if the foundation is, like ours, of relatively modest size and has a broad mission, the sheer number of important causes, the desire to do good works, the intractability and scale of so many issues, and the personal relationships built over years of work in the community make the temptation to change horses frequently a difficult one to resist.

There is also the lure of the newest new thing, the next great idea that will assuredly produce large and rapid change, what Bruce Katz of The Brookings Institution calls the “idea virus.” Once loose, it is hard to contain, and as it finds currency and funding from within the philanthropic community becomes, at least until the next new thing emerges, the issue or strategy *du jour* for whole groups of private funders.

Sometimes though, the new thing is not necessarily an improvement on the old. Entrenched institutions are enormously resistant to change. Most issues also turn out to have many tiers of complexity, and hard experience has taught me how difficult it is to change human attitudes and behaviors. Engaging, encouraging, and sustaining good ideas and people over time turn out to be the core of our business. Though I have been told that it is not something I have in great abundance, I have finally learned

that in the civic and philanthropic arenas, patience is not only a virtue, it may be the ultimate one.

What has evolved with us is a model of philanthropic investment that emphasizes the importance of early risk capital, persistence in introducing and advancing ideas, and the patience to support them over an extended period. Several of what I think of as our most important investments illustrate this approach:

Association of Baltimore Area Grantmakers.

In the early 1980s Baltimore’s private philanthropy was largely unorganized and its institutions isolated. Thanks to the persistence of a half-dozen founders and the committed involvement of its staff and governing board since its founding in 1983, what began as a small luncheon group four years earlier and struggled to attract members in its early years ultimately became a one hundred forty-plus member regional center for private donors of all descriptions. We were a founding member and have given consistent financial and professional support ever since.

Baltimore Community Foundation.

The community foundation concept, though a successful national model created in 1914, was slow to come to Baltimore and even slower to demonstrate its importance as a permanent, private civic endowment. Our support and involvement likewise dates to the 1970s and includes a ten-year formal affiliation in the 1990s, during which time the Community Foundation’s assets increased from less than \$15 million to more than \$100 million and its annual grants from less than \$1 million to more than \$12 million. In 2002, after the conclusion of the affiliation, our board

of directors made the largest single financial commitment in the Goldseker Foundation's history to strengthen the Community Foundation's operations, followed in 2007 with an equally large challenge grant to expand its discretionary programming.

East Baltimore Lifesciences Initiative.

Our first meeting to consider whether the Johns Hopkins medical institutions' permanence and expansion in East Baltimore might become a platform for the revival of the impoverished neighborhoods adjoining it took place in midsummer 1992. Our initial investment in the feasibility and planning phases paid off, after a false start or two, in a public/private partnership that was created in 2003—also with the Foundation's seed funding—and has become the most ambitious human and economic redevelopment project in Baltimore in a generation and reportedly the largest urban redevelopment effort in the nation.

Healthy Neighborhoods.

What we co-founded with a community-based organization as a \$1 million demonstration program to enhance residential real estate values and resident leadership in six city neighborhoods in the late 1990s has evolved over the past six years into a \$40 million privately funded initiative in thirty-five city communities, a partner with financial institutions and city government, and a national model with immediate plans to raise significant additional capital to extend its reach.

Central Baltimore Partnership.

We began work on this business, community, government, and institutional collaboration in 2004, focusing on the redevelopment of the communities adjacent to the intersection of Charles Street and North Avenue. With membership presently comprising eleven community-based organizations, all the principal private property owners, City departments, the Mayor's Office, and three colleges and universities, the Partnership is moving ahead with an ambitious, probably generation-long economic and social agenda, including immediate collaboration with Amtrak on anticipated major capital improvements in and around Penn Station, the gateway to the community.

Success in these ventures, as we have seen, has proceeded in fits and starts, never in a straight line, and has necessarily entailed the involvement of many talented, committed allies. But I now appreciate much better why it was that the landmark Inner Harbor redevelopment, which opened just after my first year in Baltimore, happened only after nearly a generation of vision and planning. My experience since has frequently reaffirmed the conclusion that in the business of long-term change, there is much to be said for the Strategy of Just Hanging Around.



Restoring a City

Baltimore is a very different and, happily, more vital city than the one I found on my arrival in early 1979. On the gray, sodden morning the taxi brought me to the foot of downtown, the neighborhoods immediately to the west were largely empty shells surrounded by razor wire. The Inner Harbor was a mass of construction materials and debris. And I hadn't even seen the vast stretches of abandoned close-in neighborhoods on the East and West sides. Not an encouraging beginning.

The economic dislocation from a dying industrial economy, coupled with accelerating abandonment by the middle class in the four decades before 2000, created the all-too-familiar litany of economic and social problems with which Baltimore, like similar cities in the Northeast and Midwest, still struggles. I seriously doubt I can add much that has not already been studied and analyzed to death about the predicament of older industrial cities and the range of challenges they have faced over the past generation. My intent here is instead to suggest the reasons for Baltimore's resilience and why, despite the very real, complex challenges the region and its central city still confront, I remain hopeful about our collective future.

For openers, Baltimore has the enormous good fortune of its location, tucked conveniently between the world's political and financial capitals in the middle of a metropolitan crescent that stretches from Richmond to Boston, and arguably beyond to Charlotte and Portland.

Location alone would make the region a relevant contributor of economic and intellectual capital.

One unfortunate downside of our locational advantage is that local residents frequently have the mystifying tendency to undervalue the considerable assets we enjoy, among them:

- A world-class knowledge industry, anchored in higher education and healthcare institutions that educate and train nearly 130,000 students and contribute more than \$17 billion annually to the regional economy.
- A transportation network, though weak on public transit and not nearly as extensive and integrated as it will need to become to assure future economic competitiveness, that includes an accessible and first-rate airport and intercity rail along the Northeast Corridor, which will finally receive long-needed infrastructure improvements over the near term.
- An impressive array of traditional arts and cultural institutions, justly celebrated in their respective fields, hugely enhanced in recent years by an explosion of hundreds of young artists and musicians who have given Baltimore the additional national reputation as a vibrant, affordable center of the avant garde.
- The ongoing Base Realignment and Closure (BRAC) process, which is expected, by latest estimates, to bring more than 40,000 new jobs to the Aberdeen-Fort

Meade corridor by 2015, plus the households that influx represents. If managed correctly, BRAC could especially benefit Baltimore City, located halfway along the corridor, with water and sewer infrastructure in place that is capable of accommodating a much larger population. Its higher-end neighborhoods should prove attractive to urban-oriented professionals, and its many pleasant, affordable neighborhoods should attract workers and families of more modest economic means for whom suburban housing remains out of reach.

- A moderate climate and extensive recreational amenities, beginning with the Chesapeake Bay but including athletic facilities, extensive parkland, ever-expanding hiking and biking trails and attractive public spaces.
- A wide variety of neighborhoods, architecture, and settings, typically with strong residential organizations and leaders. Baltimore has its share of devastated, poor neighborhoods to be sure, but viewing the city as a series of discrete “villages” rather than as a single whole helps to explain the charm and appeal of the great majority of Baltimore communities, which are much more typical than the ones featured on television newscasts and crime series.
- Though Baltimore City’s well-documented problems continue to be a drag on the region’s overall health, the region remains a critical center in a prosperous region of the nation’s wealthiest state, which given the quality of its workforce and federal government presence, won’t change anytime soon.

Another important characteristic of the Baltimore area is its strong sense of place, the pride its residents take in the area’s important and colorful history. There has been much written in recent years about the importance of cities becoming the hot new places, basing their revival on a combination of tourists, young well-to-do professionals, and hip artistic kids, becoming what urban analyst and

author Joel Kotkin calls the “ephemeral city.” To succeed in the long run, he maintains, cities cannot be simply diversions for transients, especially in the case of mid-sized cities. Tourism, for example, may work as the principal economic engine for world capitals like New York, Rome, Vienna, and Paris. In smaller urban communities, the city of the much remarked upon “creative class,” of clubs and museums and bars, must be complemented by committed, engaged citizens from all economic strata who have a deep kinship with their place of residence. On this point, Kotkin seems to be describing places like Baltimore.

Unless we are careful, however, this heightened sense of place can easily become prey to what I refer to as the three great tyrannies: the tyranny of nostalgia, the tyranny of the small detail, and the tyranny of modest expectations. Nostalgia is something of a growth industry in these parts. We have an affinity for an imagined halcyon past. Not that it’s a feeling unique to Baltimore. A century and a half ago, Walt Whitman was already longing for the “lost” Brooklyn of his youth. But there’s news: the good old days weren’t coming back to Whitman’s Brooklyn any more than they are coming back here, and, if you read your history, weren’t always that great anyway. Cities are in constant flux, destroying and recreating themselves, so let’s not confuse the matter by focusing on an idealized past that quite likely never existed in the first place.

The sense too often persists, even among otherwise informed opinion leaders, that Baltimore remains the fallen industrial giant, a member in good standing among the cities of the Rust Belt. Recent analyses by the Economic Alliance of Greater Baltimore argue the contrary. Its reports on the transformation and performance of the regional economy paint a picture dramatically different from similar reports of the not so distant past. In the view of the Alliance, Baltimore’s transformation into an economy embedded in the knowledge industries makes it resemble more closely

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communities like Minneapolis, Portland, Denver, and Austin, than its former Rust Belt sisters Cleveland, Detroit, and Buffalo. Nostalgia definitely isn’t what it used to be.

A second thing to avoid is the tyranny of the small detail. This is the tendency to focus exclusively on the small negative detail within the larger positive picture. It’s probably a universal trait, but I believe it is more pronounced in our society, with our aspiration to an exceptionally lofty ideal of civic perfection, so that the focus inevitably falls not upon our positive achievements but upon where we have fallen short. Yet, the whole notion of building from strength, of emphasizing assets rather than complaining about problems and placing blame is what underscores the success of the coalitions and initiatives that have produced Baltimore’s unlikely—if admittedly incomplete—rally from the economic and social blows it absorbed during the period after 1960.

Finally, there is the matter of modest expectations. “Make no small plans,” Daniel Burnham famously advised Chicago’s civic elite a century ago, and his advice found a willing audience. Unfortunately, Baltimore’s civic culture—with several outstanding exceptions—too often settles for the good enough, rather than reaching for the best. When I arrived in Baltimore, I was told by long-time residents that no one would ever venture downtown to the Inner Harbor, and that the National Aquarium was simply a glorified fish tank. Later, conventional wisdom had it that Memorial Stadium was a perfectly adequate venue for professional sports and that redeveloping neighborhoods like Harbor East and Canton would be a waste of time because no business or resident would ever move

there. There was a long period when “If it ain’t broke, don’t fix it” was something of a civic mantra. Fortunately, that situation has changed for the better in recent years, as a newer, less parochial set of business, education, and institutional leaders has come on the scene. But I am still occasionally reminded of the old attitude that, somehow, Baltimore’s ambitions for itself should be muted.

But these caveats aside, the fact remains that Baltimore has an array of impressive assets on which to build, including not least its compact geography. The world’s sprawling largest cities, especially in the developing world, are growing so big, so quickly, that they are in danger of becoming unmanageable over the next generation. It is projected that by 2021, nineteen of the world’s urban areas will have a population of more than twenty million. In the developing world, according to Joel Kotkin, smaller, better managed cities have rapidly become both major economic engines and highly desirable places to live for the skilled

and better educated. They include Singapore rather than Bangkok, Monterey rather than Mexico City, Tel Aviv rather than Cairo or Tehran. I have also discovered that in the developed world, similar, more attractive, economically nimble “territorial capitals” are increasingly the home of Europe’s most dynamic economies and magnets for artists, intellectuals, and younger educated people: Frankfurt, Munich, Bologna, Strasbourg, Edinburgh.

In fall 2007, my colleague Paul Brophy invited me to participate in a weekend-long session he was organizing for The American Assembly. The discussion topic and subsequent written report had to do with the challenge of revitalizing older industrial cities. Predictably, the other participants were academics, elected officials, business and foundation leaders, and public policy experts from places like Detroit, Buffalo, Scranton, and Cleveland. Each of us was asked to do an introduction and describe our work. As we settled into our discussion sessions, the most frequent question asked of me was on the order of, “You’re from Baltimore. What are you doing at a conference about how to revive older industrial cities?”

But for all the positive attributes the Baltimore region enjoys by virtue of its location, institutional assets, and natural amenities, its central city remains challenged by the familiar litany of ills that confronts every urban community. Long term, the Baltimore region and mid-Atlantic are much better served by an economically vibrant and well-functioning Baltimore City than by its being a burden to their economic and social health.

To that end, I’ve decided to put forward a few Rules For Fixing Baltimore. There could be many more, but ten has a nice resonance. They are an amalgam of personal observation, experience, research, and a few things I think I know for sure. And though they are not particularly startling prescriptions, I think they have a coherence that, taken together, produces an approximation of the kind of Baltimore that I hope, with luck and a lot of hard work, will evolve. I offer them as a kind of wish list for a place

that I have come to like quite a lot over these past three decades, aware that none is easily carried out and that some face significant obstacles of political support and public will. But none stands disconnected from the others, and all are essential to fashioning a successful community:

1 Everything Good Follows From Fixing the Basics.

This was the principal finding of *Baltimore In Focus*, a 2003 report of The Brookings Institution’s Center on Urban and Metropolitan Policy for the Living Cities National Community Development Initiative. A good city begins with good schools; safe, clean, well-maintained streets and streetscapes; and great public spaces. They are the measure of competent local government and have enormous intangible value, because they speak to its citizens of pride, efficiency, and order. For many years, the complaint was that very little could be done to address Baltimore’s problems because of lack of money. In more recent times, we have accepted that there never will be enough money, and that fact can’t be allowed in itself to limit the range of our civic ambition and will to action.

2 For the Immediate Future, Public Safety is Job No. 1.

In his book *Comeback Cities*, Boston Foundation President Paul Grogan reports that an absolutely key element in restoring civic health is what he describes as “enforcing order and safety in public places.”

It is true that unless you are in the drug business or so unfortunate as to be living in a part of the city most plagued by drug-inspired violence, the statistical chances of being a victim of violent crime are low. But the psychological effect on how and where we live and feel comfortable going—and how the city is viewed by even its suburban neighbors—is a real burden. We celebrate

the emergence of Baltimore as a very cool, hip place for young fine and performing artists, and appropriately so; but it is sobering to read in an article by Joel Kotkin the question one of these young creative types is asking about life in Baltimore, “What’s the point of being hip and cool if you’re dead?” The drug and street cultures are not going to be changing anytime soon, and law enforcement isn’t nearly enough of the answer, but in the shorter term a better trained, more professional police force can help curb the sense that the streets are out of control. It is impossible to deal with the causes of behavior until the behavior itself stops.

3 It’s Not Always Brain Surgery.

We spend far too much time studying, analyzing, and pondering than we do talking frankly about many of our problems, for fear of upsetting people or causing controversy. Take school reform: if you want to have effective schools there is a short list of things that work. A longer school day, longer school year, clear behavioral rules, principals who control their budgets, families who want their kids to be in school, well-trained teachers, and flexible work rules are good places to begin. Yet it is only in the past few years that the political climate has allowed Baltimoreans to speak publicly about generations of failed schools and begin to embrace new leadership and the ideas that the portfolio of “public” schools can contain many forms, that successful innovation is possible, and that kids from impoverished economic and family backgrounds can and will learn.

4 Focus Investment in the Most Competitive Economic Sectors.

A successful economic development strategy in less robust markets requires understanding and strongly enforcing an approach that focuses upon economic sectors in which the region has a comparative advantage. In Baltimore, they are healthcare, life sciences, information technology, defense, higher education, legal and financial services, and tourism. Such a strategy is most effectively driven by private sector leadership, paying special attention to the principal intellectual anchors, the “eds and meds,” particularly to the extent they are willing to expand their political and financial power, civic engagement, and leadership. Building more affordable housing and delivering more social services are admirable and necessary goals, but they do not represent an economic development strategy. If we permit economic development strategy to begin and end with arguments about social equity instead of focusing on economic growth, the equity discussion becomes merely a conversation about redistributing diminishing wealth.

5 In Neighborhoods, Keep Building From Strength.

If you were not from Baltimore and paid attention to local news media, you would understandably conclude that Baltimore has only three kinds of residential neighborhoods: the leafy upscale communities of North Baltimore, the bustling waterfront communities, and impoverished, largely abandoned east and west side neighborhoods that are not likely to revive for decades, if ever. What’s missing from this picture is that the vast majority of neighborhoods across the city are solidly in the middle: neither terribly rich nor terribly poor, with impressive physical amenities, connections to important institutions, and great housing variety. And it is in these communities that the city’s future is increasingly being shaped. Over the past decade, there has been a remarkable

shift in attitude concerning how community development is thought about in Baltimore, from one that focused on a community's negatives and reliance on public subsidy to one that is based on understanding and marketing a community's assets, strong resident leadership, and a combination of public and private reinvestment. This approach, which needs to be sustained for the long haul, is increasingly evident in the support it receives from city government, financial institutions, foundations, and in the neighborhoods themselves.

6 Transportation Links It All.

The bad news is that neither Baltimore City nor the region has a connected, well-managed transportation system. There is transit, but it isn't very fast, isn't well-articulated, and doesn't particularly go where people need to go, or when. The better news is that the BRAC process, volatility of gasoline prices, climate awareness, and renewed federal government interest in and financial support of infrastructure needs, mass transit, and intercity rail have combined to place transportation planning and policy much higher on the civic agenda. The much-discussed Red Line transit plan, though often mistakenly thought of as a Baltimore City project, is actually one that will create far better east-west access across the region and, along the way, connect riders with existing bus hubs, light rail, and the Metro. The Red Line is years from completion, but free bus service is being unveiled in the downtown, car sharing is about to make its appearance, and major capital investments are planned and underway for Penn Station and in the adjacent Station North/Charles North community. And we need to remember that the endgame is improved transportation access, not simply mass transit. In the regional context, it is important to link suburbs, where the major residential and employment growth is. Better technologies and pricing mechanisms, and ultimately perhaps even a regional financing body, need

In the regional context, it is important to link suburbs, where the major residential and employment growth is.

to be considered, realizing that just under 90 percent of all trips in this country currently are made by automobile. Cars will be with us in some form for a long time to come.

7 Rediscover Our Green Assets.

It is not as obvious or well-appreciated if you don't spend much time around Patterson Park, but the transformation of that area's largest and most conspicuous asset over the past decade has played a prominent role—arguably *the* prominent role—in dramatizing the work of that area's neighborhood leaders to revitalize a large swath of Southeast Baltimore. Baltimore's Department of Recreation and Parks oversees more than 4,800 acres of greenspace, yet the city government's attention and financial support have greatly eroded. In Fiscal Year 2007, total public expenditures on Baltimore's parks was \$68 per resident, fifty-first among major cities surveyed in the Trust for Public Land's *2009 City Park Facts* and well below the national median expenditure per resident of \$82. It doesn't take much, in this time of heightened environmental consciousness, to imagine a new powerful coalition of Baltimore's civic leaders, neighborhoods, and private funders to bring political and financial resources together to sustain the gains that have made Patterson Park a model and extend them to other important city parks.

8 Forge An Alliance With Baltimore County.

There is an unfortunate tendency among the intellectual elite and city dwellers to bash the communities outside Baltimore City boundaries as boring places, their residents disconnected and uncaring about the plight of their less fortunate neighbors. But Joel Kotkin reminds us that leaving a central city for a cleaner environment, greater safety, and better schools is a rational choice for a very great number of people. It is a good reason why former Baltimore City dwellers have increasingly voted with their feet, and why over the past sixty years, 90 percent of economic growth in this country has taken place in its suburban communities. But there remains great residual affection for the city that many suburban leaders and residents remember. Baltimore City's population has declined to less than 12 percent of Maryland's, and its political influence has diminished accordingly. As parts of Baltimore County encounter the range of typical urban problems that don't recognize neatly drawn jurisdictional boundaries, and public officials recognize the importance of working together, the logic of a common agenda suggests a much closer embrace by the business, philanthropic, and neighborhood leaders of both jurisdictions.

9 Talent Will Out.

As we think of the future of this region, and especially of its central city, a significant ongoing challenge will be competing successfully with other urban areas, nationally and around the world, for talented people. It's a daunting challenge for all but a handful of places worldwide, but all of us are ultimately part of a brutally competitive environment to identify, nurture, attract, retain, and reward the most talented people available—in business, academia, the arts, the nonprofit sector, public service—across the board. Regionally, we should be able to maintain a comparative advantage in this respect, but in a global

economic and intellectual environment that rewards the brightest and most able, attracting and keeping the best may in the end turn out to be the very greatest long-term challenge the city faces.

10 Rebuild The Middle Class.

This is in some ways more of an outcome of the other items on the list. And it's very tricky. Historically, the traditional role of cities has been to create the nation's middle class. The traditional route has been up and out for succeeding generations of immigrants, but already we're seeing among Asian and Latino newcomers a trend that ignores the central city altogether. More than half of Spanish speaking immigrants nationally, for example, are now going directly to the suburbs. So the notion that in an environmentally aware, resource-challenged era, the urban middle class can be reconstructed from a combination of choice and economic necessity by aging boomers, their well-educated, artsy kids, and new waves of talented immigrants will be tested. Baltimore, the city's comprehensive development plan tells us, has infrastructure capable of supporting a population 175,000 larger than its current 635,000. We'll discover in due course whether revitalizing real estate, improving existing infrastructure and public services, cutting the property tax rate, improving schools, cutting crime, and maintaining cultural and recreational amenities will make it happen. In the meantime, all of us who care and worry about the city's and region's shared future will not lack for things to do to help bring it about.

The symbol “30” was, in earlier times, a newspaper reporter’s shorthand that told his or her city desk editor a story had reached its end and was ready to go to print. This was something I learned in my first full-time adult job as writer and (very) junior account executive in a public relations/marketing agency, from a colleague who had spent a long career as an editor at a daily metropolitan newspaper.

In my business and in the civic arena generally, however, there is no equivalent of “30,” no end to the story. The issues that face our urban communities are so complex and so intractable that while clear improvement does often occur, the urban dynamic is such that problems are never really solved. They tend instead to be iterative, needing periodic attention for years, and often for decades. As the late John Gardner told us in his 1997 book *Boundary Crossers*, one of the most important lessons in dealing with an urban problem is that the struggle never ends, or as he put it, “It’s never over.”

Directors and trustees of nonprofit organizations and institutions are understandably reluctant to embark on a new venture absent a clear exit strategy. But the business of cities is not an enterprise with controllable, stable inputs, and so does not readily lend itself to reliable or predictable outcomes. It is in the nature of the issues we deal with each day that even if a seemingly reasonable exit strategy can be identified at the outset, it is impossible to

predict when, if, or precisely how a graceful exit can be managed. Gardner again: “It’s important to remember that once you decide to dance with a bear, the bear will decide when to stop.”

So it is safe to say that even after working hard for thirty years on a variety of fronts, especially to strengthen neighborhoods, encourage regional thought and action, expand educational options, and improve the performance of the nonprofit sector, we won’t be declaring victory and going home anytime soon. However long my tenure and that of my successors, there isn’t likely to be anyone filing “30” to this story.

A few months ago, I was speaking with a much younger colleague at a meeting in another city. In the course of the conversation, he informed me that the chief executive where he worked was soon stepping down, after a highly successful nineteen-year tenure. And while he liked and admired his boss very much, he pointed out that nineteen years is, after all, far too long for *anyone* to hold the same job.

I respectfully beg to differ. On the contrary, I consider myself extraordinarily fortunate to have had the opportunity of such an interesting, intellectually challenging, and ultimately fulfilling experience during my long time in Baltimore. For that, I am enormously grateful to the Foundation’s board of directors, colleagues, and friends across the community.

But there are enough victories, and I have met enough good and deeply caring people in our communities and institutions to keep even those prone to skepticism—and I count myself one—energized and hopeful.

There is the other side, of course. A good friend once commiserated about how disappointing it must be to know that one's life work has been largely in vain. I think that may be overstating the reality just a little. But in the hard light of day it is true that in cities like Baltimore, with such limited internal resources and so much that needs fixing, working in the civic arena can often be deeply discouraging. But there are enough victories, and I have met enough good and deeply caring people in our communities and institutions to keep even those prone to skepticism—and I count myself one—energized and hopeful.

Inspiration comes from many sources. Few readers of this piece outside Baltimore were acquainted with Walter Sondheim, who died in February 2007 at age ninety-eight after a lifetime of distinguished public service. It is their great loss because for more than a half century he was at the center of just about every significant civic

accomplishment. A skillful and pragmatic leader, Walter remained a cheerful, energetic force until the very end of his life.

As it happened, about two weeks before he died, I had my last conversation with him during a chance meeting downtown. There, in Brooks Brothers, Baltimore's First Citizen was shopping for a new bow tie.

Though if anyone in our civic life can be said to be irreplaceable it was Walter, Baltimore would be well-served if more of us were able to embrace his optimistic spirit about our community and its future possibilities.

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