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# Giving it Away Now to Make the Most Difference

January 3, 2011 – 8:42 am

*This is a guest post by Lenore Hanisch, co-executive director of [Quixote Foundation](#). The Foundation recently announced that they would give away their full endowment by 2017 and launched [a website to discuss what they call "spending up"](#).*

By Lenore Hanisch



Since Quixote Foundation announced we will **spend all of our endowment by 2017**, the most frequent question has been "How did you decide 'against perpetuity'?" The reality is we didn't decide against perpetuity at all. We decided we could generate a more significant perpetual impact if we put all our assets into action now, in lieu of institutional immortality.

Spending up gives Quixote Foundation a chance to respond decisively, with more of our relatively small resources, to opportunities we believe will have a dramatic affect on the future. For example, from a \$15 million endowment, we've recently committed \$1,000,000 to **Media Democracy Fund (MDF)**, which works with foundations and other donors to protect the public's rights in the digital age—shaping policies now that will affect every single issue area for years to come.

Rules being written and enforced right now will dictate to what extent the **Internet stays open for anyone** to access information, communication, education, jobs, goods, and services ranging from health care to government functions. The Internet has developed into a basic necessity in the digital age, yet powerful companies want to charge high fees for timely, reliable and complete access; and to increase their control over news, commentary and other content. If industry takes charge of the Internet, the damage to democratic society will be as sharp as if we'd reinstated a poll tax, letting the amount of money in our pockets determine who is, and isn't, able to participate.

If Quixote Foundation can team up with MDF to play an immediate policy role, strengthen the field of advocates and widen the pool of donors shaping future policy, our legacy will still be growing 20 years from now, with an impact exponentially greater than if we were still around.

Financially speaking, making a \$1 million commitment certainly helps show Quixote Foundation the door, but we believe it's a door leading into, not out of, our purpose as a foundation. If current media and communication policy decisions are wise, we'll avoid enormous human and financial costs and create a platform for increased fairness in perpetuity.

Another frequent query is what my husband Erik (whose father founded QF), myself, and the Quixote Foundation staff plan to do after 2017. The transition will be a challenge, but Erik and I have always been clear in our belief that the foundation and its assets exist for the purpose of progressive work—not to give us purpose. This field can be seductive: when you're associated with a foundation you're suddenly always funny and interesting, with people eager to hear your opinions. When the money is gone I'll not only need a new job, I'll also be left out of quite a few parties and someday, someone might even admit they don't like me. In other words, spending everything puts us in a fairly normal situation as far as our jobs are concerned. Lots of people rely

## ABOUT SEAN STANNARD-STOCKTON



Sean Stannard-Stockton is the president and chief investment officer of **Ensemble Capital Management**, located in Burlingame, CA, midway between San Francisco and Silicon Valley. From 2006 through 2012, Sean authored the Tactical Philanthropy blog and wrote regular philanthropy columns for both the Financial Times and the Chronicle of Philanthropy. In 2012, Sean officially ended the blog to focus on growing Ensemble Capital.

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on a professional association for a certain part of their personal influence, and when that position changes they have to adapt. And how many of us truly know where we'll be in six years?

The more unusual and far more powerful aspect of spending everything is being able to work toward extraordinary success on a known timeline. Everyone involved with Quixote Foundation is energized by that. The philanthropy jargon "limited lifetime" isn't in our vocabulary. For us, spending up is a once in a lifetime opportunity, and the impact of what we do now will be revealing itself for the rest of our lives.

We'd love to see it become routine for foundation leaders to take a fresh, strategic look at possible spending models:

- If you had to spend everything today to achieve your mission and realize the intent of all your programs, what issues and policies would you choose as the most pivotal?
- In that context, does institutional perpetuity still look like the best way to create a perpetual impact?
- How might your impact change if you were to spend more, or even spend everything?

No matter what spending choices you ultimately make, we've found immense value in asking these questions.

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#### 11 Comments

**joelfrominwood** says:

**January 3, 2011 at 10:00 am**

Thank you for the wonderful post Lenore. Very insightful and honest.

Among other things, I'm glad to see you are putting it up for net neutrality. A digital poll tax is a great way of framing it.

In a broader sense, your post raises very important issues regarding why we in the progressive movement do the work we do. I think many of us do what we do because we find that it gives us meaning and purpose. I don't think that's necessarily a bad thing, but I absolutely agree with you that our \*concepts of ourselves\* and our own \*personal\* sense of meaning should not take precedence over exactly what you're talking about- getting the job done.

On another note entirely, the question you raise of long-term infrastructure vs. bursts of investment now also have interesting ramifications when thinking about funding the environmental movement and climate justice organizations. In the same vein as net neutrality, there is a case to be made that front-loading investments now (or at least, a year ago, when legislative action was more realistic) is a much more useful proposition. If we can get the law in place, and start drawing down on carbon now, it will be MUCH better for all of us than if we do it even in just 10 years. It makes that much difference.

-Joel

**Media Democracy Fund** says:

**January 3, 2011 at 12:29 pm**

Great comments, Joel. Glad to see your support for net neutrality. It's certainly true that timely investment in issues like climate justice and Internet policy can have enormous

impact. In the world of communications, certainly, there is a window in the next few years or so when policy decisions will be made that will determine whether the Internet will remain open and democratic, and whether we can expand access to all communities. The decisions made on these issues now will determine how we access information, educational and economic opportunities for decades to come.

**Lenore Hanisch** says:

**January 3, 2011 at 1:07 pm**

Thanks for the thoughtful comments, Joel & MDF. We at Quixote Foundation continue to be hopeful about the possibility of progress on the important issues facing us. It's going to take all of us defining our own unique strategy in order to be successful.

Also, kudos to MDF on your media policy work. We continue to be inspired by your leadership.

**Aaron Dorfman** says:

**January 3, 2011 at 11:34 am**

Great post, Lenore! I especially appreciate you sharing the implications of this decision on your personal lives. It will be interesting for you to reflect a few years after Quixote closes down about how much your relationships did indeed change.

**Lenore Hanisch** says:

**January 3, 2011 at 1:16 pm**

Aaron, I agree. It will be interesting to see how things shake out on the personal and future career fronts. I'll keep you posted.

Looking forward to seeing what will transpire at the National Committee for Responsive Philanthropy over the next decade.

**Bruce Trachtenberg** says:

**January 3, 2011 at 12:40 pm**

Hi Lenore,

Glad to see this from you. I enjoyed our conversation that led to this post (<http://bit.ly/f34VQj>) and hearing back then about your plans to "spend up." Guess I can't resist saying: keep UP the good work.

**Lenore Hanisch** says:

**January 3, 2011 at 1:22 pm**

Bruce, our conversation with you in May was invigorating and we'll keep UP the good work if you do.

**Meg Gage** says:

**January 3, 2011 at 6:34 pm**

Lenore ~ Thank you for this thoughtful essay. I very much appreciate your pointing to the need to get the 'self' out of the way so the funding can do the work. And I think supporting a project like MDF that is helping maintain and strengthen democratic infrastructure that will make it possible for people to win other democratic reforms, is funding that "keeps on giving." Having a free and open internet, is very strategic and visionary. We won't win important and popular reforms, like protecting the environment, avoiding war, assuring a

decent standard of living for all, if we don't have the ability to communicate our ideas and organize people around them. Great work!

**Lenore Hanisch** says:

**January 4, 2011 at 11:41 am**

Thanks Meg for your insight. Communicating ideas and organizing people is at the heart of Quixote's intent to spend everything. We are fortunate to work with partners like Proteus.

**Donna Hall** says:

**January 4, 2011 at 9:25 am**

At WDN, a community where progressive women multiply their energy, their strategic savvy and their philanthropic dollars to build a just and fair world, we are pushing ourselves and our partners to look at things differently, from another angle. Quixote's decision to spend down is not completely unique, in that others have gone before them down this path. However, what is totally unique, is the series of conversations they have generated with their decision and their process, which means that many more of us have been provoked to think about a way to do things differently, and no matter what we do, we will be impacted by these new thoughts. Another oh-so-important aspect of grantmaking is the "general operating" vs "program specific" grantmaking, another area that could use the Quixote creativity in challenging the field! Way to go Quixote.

**Lenore Hanisch** says:

**January 4, 2011 at 11:47 am**

Yes, Donna, thanks for acknowledging those who have paved the road before us. We are grateful to WDN for being a place that makes it possible for us to have this conversation and for pushing us to continue thinking and acting creatively.