

—EDITED TRANSCRIPT—



HUDSON INSTITUTE'S  
**BRADLEY CENTER**  
FOR PHILANTHROPY AND CIVIC RENEWAL  
*presents*

# Expand National Service?

Monday, February 9, 2009 ▪ 12:00 to 2:00 p.m.

Hudson Institute ▪ Betsy and Walter Stern Conference Center ▪ 1015 15th Street, NW ▪ Suite 600

When soon-to-be President Barack Obama devoted time on the Martin Luther King, Jr., day of service to painting a shelter for homeless teens, he reminded us of his intention to call all Americans to a greater national commitment to service. Indeed, there is a powerful movement abroad to expand government support for national service programs, not only by adding substantially to the number of compensated service positions, but also by providing incentives to businesses, retirees, and nonprofits to play a larger role in encouraging voluntarism. Some have even argued, as **BRUCE REED** and John Bridgeland put it in a recent *New York Times* op-ed, that “an investment in service as part of the economic recovery plan could add hundreds of thousands of jobs” to a faltering national employment picture. Is this the time for a major new expansion of national service programs?

This and other questions was the focus of a February 9 panel discussion hosted by Hudson Institute’s Bradley Center for Philanthropy and Civic Renewal. Panelists included **SHIRLEY SAGAWA** of the consulting firm sagawa/jospin; **BRUCE REED** of the Democratic Leadership Council; George Mason University’s **ILYA SOMIN**; and **LESLIE LENKOWSKY** of Indiana University. The Bradley Center’s **WILLIAM SCHAMBRA** moderated the discussion.

## PROGRAM AND PANEL

11:45 a.m. Registration, lunch buffet  
12:00 p.m. Welcome by Hudson Institute’s **WILLIAM SCHAMBRA**  
12:10 Panel discussion  
**SHIRLEY SAGAWA**, sagawa/jospin  
**BRUCE REED**, Democratic Leadership Council  
**ILYA SOMIN**, George Mason University School of Law  
**LESLIE LENKOWSKY**, Indiana University  
1:10 Question-and-answer session  
2:00 Adjournment



## FURTHER INFORMATION

This transcript was prepared from an audio recording and edited by Krista Shaffer. To request further information on this event or the Bradley Center, please visit our web site at <http://pcr.hudson.org>, contact Hudson Institute at (202) 974-2424, or send an e-mail to Krista Shaffer at [Krista@hudson.org](mailto:Krista@hudson.org).

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# Panel Biographies

**Leslie Lenkowsky** is director of graduate programs at the Indiana University Center on Philanthropy. He was formerly the chief executive officer of the Corporation for National and Community Service, and is a leading scholar on America's civic and philanthropic traditions. Before joining the Bush Administration, he was professor of philanthropic studies and public policy at Indiana University/Purdue University at Indianapolis. From 1990 to 1997, Lenkowsky was president of the Hudson Institute. Among his other positions, he has served as president of the Institute for Educational Affairs, deputy director of the United States Information Agency, and research fellow at the American Enterprise Institute.

**Bruce Reed** is president of the Democratic Leadership Council (DLC), the national organization that launched the New Democratic movement. Before returning to the DLC in January 2001, Reed served for eight years in the Clinton-Gore White House. As President Clinton's chief domestic policy advisor and director of the Domestic Policy Council, he developed and oversaw the administration's agenda on welfare reform, crime, education, tobacco, and other domestic issues. He helped write the landmark 1996 welfare reform law, create the 100,000 police program, and enact the President's education agenda. In 1992, Reed served as deputy campaign manager for policy of the Clinton-Gore campaign, supervising development of the domestic, economic, and foreign policy agenda. He served as policy director of the DLC from 1990 to 1991, when Clinton was DLC chairman. He also was founding editor of the DLC magazine, *The New Democrat*. From 1985 to 1989, he served as chief speechwriter for Senator Al Gore. Reed's writing has appeared in *The New York Times*, *The Washington Post*, *The Wall Street Journal*, *USA Today*, *The Los Angeles Times*, *The New Republic*, *The Economist*, and *The Washington Monthly*.

**Shirley Sagawa**, co-founder of the sagawa/jospin consulting firm, recently led the Obama Transition Team for the Corporation for National and Community Service. She is the co-author of *The Charismatic Organization*, which analyzes the role of social capital in building strong nonprofits (Jossey-Bass 2008) and a visiting fellow at the Center for American Progress. Sagawa served as a presidential appointee in both the first Bush and Clinton Administrations. As deputy chief of staff to First Lady Hillary Clinton, she advised the First Lady on domestic policy and led the planning for White House Conferences on Philanthropy, Partnerships in Philanthropy, and Teenagers. Sagawa was instrumental to the drafting and passage of legislation creating the Corporation for National Service. After Senate-confirmation as the Corporation's first chief operating and policy officer, she led the development of new service programs for adults and students, including AmeriCorps, and directed strategic planning for this new government corporation. With advanced degrees in law and public policy, she began her career as the Chief Counsel for Youth Policy for the Senate Labor Committee, specializing in education, children's, and youth issues, and subsequently served as senior counsel to the National Women's Law Center, and on many nonprofit boards.

**Ilya Somin** is an assistant professor at George Mason University School of Law. His research focuses on constitutional law, property law, and the study of popular political participation and its implications for constitutional democracy. He currently serves as co-editor of the *Supreme Court Economic Review*, one of the country's top-rated law and economics journals. His work has appeared in numerous scholarly journals, including the *Yale Law Journal*, *Stanford Law Review*, *Northwestern University Law Review*, *Georgetown Law Journal*, *Critical Review*, and others. He has also published articles in a variety of popular press outlets, including the *Los Angeles Times*, *Wall Street Journal* OpinionJournal.com, *Newark Star Ledger*, *Orlando Sentinel*, *South China Morning Post*, *Legal Times*, *National Law Journal* and *Reason*. He has been quoted or interviewed by the *New York Times*, *Washington Post*, *BBC*, and the *Voice of America*, among other media. During the Fall 2008 semester, he served as visiting professor of law at the University of Pennsylvania Law School. He has previously been a visiting professor at the University of Hamburg, Germany, and the University of Torcuato Di Tella in Buenos Aires, Argentina. Before joining the faculty at George Mason, Somin was the John M. Olin Fellow in Law at Northwestern University Law School in 2002-2003. In 2001-2002, he clerked for the Hon. Judge Jerry E. Smith of the U.S. Court of Appeals for the Fifth Circuit.

# Proceedings<sup>1</sup>

WILLIAM SCHAMBRA: Good afternoon! I'm Bill Schambra, director of the Bradley Center for Philanthropy and Civic Renewal here at Hudson Institute. My colleague Krista Shaffer and I welcome you to today's panel, entitled "Expand National Service?"

But before tackling that question, let me give our usual preview of coming attractions. Please mark your calendars for our next panel, to be held on February 20, co-sponsored with one of the finest journals in the nonprofit sector, *The Nonprofit Quarterly*, on the future of the voluntary sector in hard times. Political scientist Paul Light recently contributed to *The Nonprofit Quarterly* an article on that topic, entitled "Four Futures," to which we will link in our invitation.<sup>2</sup> I commend the piece to your attention; it's very brief but very thoughtful, and will be the focus of our conversation. Commentary will be provided by Perla Ni of GreatNonprofits, Peter Frumkin of the University of Texas at Austin, and Lester Salamon of Johns Hopkins University.

Now for today's panel. The title would seem to have an extraneous and unnecessary bit of punctuation, namely the question mark after the phrase "Expand National Service" – for surely nothing could be more certain than the fact that national service is about to undergo a dramatic, federally funded expansion. Indeed, something like that is written into the stimulus bill currently making its way through Congress, and has apparently survived recent scrutiny in the Senate.

But supporters of national service, of which I suspect there are a few here today, should always recall that others continue to entertain strong reservations about such funding. Indeed, Senate Republicans have described the national service spending in the stimulus bill as an unnecessary outlay for that familiar and much-loathed oxymoron, "paid volunteers." However one regards that phrase, it does remind us that opposition to federal funding is not simply a matter of tightfistedness, but instead appeals to the essential American willingness to serve from a great variety of purposes and motives, some noble and some not so noble, among which "pay" should not, perhaps, figure as the most important.

To tackle this question of expanding national service, we have a distinguished panel of scholars and practitioners in the field of national service – and this is the order in which they will speak today: Shirley Sagawa is a co-founder of the sagawa/jospin consulting firm, co-author of the recent book *Common Interest, Common Good: Creating Value through Business and Social Sector Partnerships* (and even more recently, *The Charismatic Organization: Eight Ways to Grow a Nonprofit that Builds Buzz, Delights Donors, and Energizes Employees*), and one of the

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<sup>1</sup> NOTE: Handouts for this discussion included Pablo Eisenberg, "Foundations Need to Help Bail Out Nonprofits," *Philanthropy Journal*, February 18, 2009, online at <http://www.philanthropyjournal.org/news/foundations-need-help-bail-out-nonprofits>; "In National Service, It's Quality, Not Quantity" by Leslie Lenkowsky, *The Chronicle of Philanthropy*, September 4, 2008, available online at [www.philanthropy.com](http://www.philanthropy.com) (subscription required), or [http://www.hudson.org/files/documents/BradleyCenter/2008\\_09\\_04\\_Chronicle\\_Lenkowsky\\_on\\_Service.pdf](http://www.hudson.org/files/documents/BradleyCenter/2008_09_04_Chronicle_Lenkowsky_on_Service.pdf); and Bruce Reed and John Bridgeland, "Volunteer to Save the Economy," *The New York Times*, January 23, 2009, online at [http://www.nytimes.com/2009/01/23/opinion/23reed.html?\\_r=2&scp=11&sq=bruce%20reed&st=cse](http://www.nytimes.com/2009/01/23/opinion/23reed.html?_r=2&scp=11&sq=bruce%20reed&st=cse).

<sup>2</sup> The link as well as further details about this event, entitled "Apocalypse Now for Nonprofits?" can be found on the Bradley Center's web page at [http://www.hudson.org/index.cfm?fuseaction=HUDSON\\_upcoming\\_events&id=662](http://www.hudson.org/index.cfm?fuseaction=HUDSON_upcoming_events&id=662).

founders of the Corporation for National and Community Service. Bruce Reed was also instrumental in the foundation of the Corporation for National and Community Service, and is today president of the Democratic Leadership Council. Ilya Somin is an assistant professor at George Mason University Law School. He's a frequent contributor to the blog *Volokh Conspiracy* (<http://volokh.com/>), and has particular interest in the study of popular political participation. And finally, Les Lenkowsky – I should say, our own Les Lenkowsky – director of Graduate Programs and Indiana University, former CEO of the Corporation for National and Community Service, and indeed former president of this host institution, Hudson Institute.

So, Shirley?

SHIRLEY SAGAWA: It's very hard to talk to this audience – I look around and see so many of you with whom I could just change places here today. I am amazed that you folks are still turning out for these events. We seem to talk a lot about national service! But this is the time.

I'm going to start by talking about the question, what is national service? I do that because my sense of what might happen over the next four or eight years is, national service is going to have a broader purview in terms of how people think about the administration's agenda in terms of making a difference using service. There are so many problems our country is facing, and if the goal is to try to figure out how we solve those problems by engaging people from all backgrounds in taking action, you don't just focus on people who are going to be getting some resources from the government to do so. You want to see all citizens taking responsibility in different ways – everything from kids turning off the television and saving electricity, people weatherizing their homes, and taking those steps that you would take as a good citizen to preserve the country and help others.

To me, that brings you to the question of why you would spend federal money, then. If your goal is just to get people out there, trying to make a difference in a whole variety of ways – mentoring, et cetera, what's the federal role? That ought to be the question that we ask when we think expanding national service. It turns out that there are, in fact, a lot of possible directions in which this could go. Usually, when people talk about national service, they are thinking about people who are serving largely in a full-time capacity; they're getting some support to do that, to make it possible for them to serve; and they are often getting some sort of benefit as a result. In the case of AmeriCorps, most AmeriCorps members end up getting an education award when they complete their term of service. Over time it has been eroded quite substantially, but they are getting a benefit. And the government is making a pretty significant investment in these people. Not all of them are full-time. Some of them are part-time. And what they do, actually, turns out to be really instructive for what we should be doing going forward.

Based upon fifteen years of experience in this area, we now know what national service AmeriCorps members can do to make a difference, and we ought to be building on that. And that means focusing on specific national challenges – for example, education is one – where we now have a sense that, yes, you need good teachers, and one way to help get good teachers is through programs like Teach for America, which is an AmeriCorps program; but you also need a whole community around the young people for them to be successful, and building that community turns out to be something that AmeriCorps programs are pretty good at – whether it's programs

like ExperienceCorps, which engage older adults in part-time service in schools so that when teachers have a classroom full of kids and a couple of them are really struggling with the concept, they can engage a couple of the ExperienceCorps members in helping those kids so that the rest of the class can move on. So things like that turn out to be really important supports. After-school programming and summer programming is another arena where large numbers of AmeriCorps programs engage members in doing this kind of work. And they're doing so at a cost that would probably be less than if they were being paid market salaries. And the nonprofit sector just could not sustain as many programs if they didn't have this volunteer labor force, for want of a better term. These folks are serving – part of their subsidy is that they could be doing something else, so they are personally subsidizing their work in these positions. And then the government is putting in some money as well.

I think we need to stop thinking about whether volunteers are “paid” volunteers. It's really more important to ask, do we have people out there who are willing and able to make a difference? Do we have systems to deploy them in fields where they can actually make that difference? It's not just about volunteering or national service for its own sake. We need to move to be much more consequential and intentional about that. I use education as an example because we've been, I think, pretty successful in having models developed. Other ways to think about it are, are there other areas where there are skills that are otherwise unsupported by the market, such as legal help for people who have been affected by disasters? After the Katrina disaster, Equal Justice Works, which has AmeriCorps members who are actually lawyers, effectively almost doubled the size of Mississippi's public interest legal force and as a result, was able to help thousands and thousands of people in Mississippi who were really struggling with legal problems without access to legal help in the wake of Katrina. They've estimated that the cost to the federal government of each person assisted was \$25, which strikes me as a pretty good use of resources.

Another area where I think national service could be particularly effective is when you need real knowledge of the local culture or community, that community credibility to try and change behaviors or engage people from that community in different ways. Having somebody who lives in a neighborhood that is affected by obesity, for example, and part of the desire is to change the community's culture, you don't want to send in a lot of people who are not familiar with that community to tell people they're doing it wrong. Having local people makes a big difference.

Any time you want to mobilize a large number of volunteers, you need somebody to be that to be “volunteer glue,” to organize people so that they can make a difference. You can do some of this through technology. You can put up on your web site “Downloadable Toolkits for anybody who wants to help with weatherization!” That's one thing. But most people are going to need some direction and focus. And that's something national service does particularly well. I see Senator Harris Wofford in the audience. That was very much a piece of his focus when he was CEO of the Corporation for National and Community Service – to make AmeriCorps about mobilizing volunteers. When you have trouble filling hard-to-fill positions, the Teach for America model is another area. And then finally, the spirit of altruism is going to make a big difference in how people are receiving services; that's another way. The mentor who is there because he really wants to be there out of his own personal caring for you is going to have a different impact and a feeling than somebody who is just there because it's his job.

Looking at all of those different arenas, there are a lot of opportunities where national service could be used with greater intention to solve huge national problems. And I think underlying all of this is another question. We are really relying on the nonprofit sector a great deal to take on so many challenges today. Ought there not be a more intentional way for the government to interact with the nonprofit sector? Now, I would posit that we ought to go lightly; this is not a need to regulate the sector or to somehow make government in charge of everything nonprofits do, but rather putting more resources into making nonprofits more effective and building capacity. And one way we've done that has been with AmeriCorps, but there could certainly be other ways that that the nonprofit sector can be supported.

Finally, it seems that there is a real opportunity right now to do many of these things. The Serve America Act and the Give Act that are under consideration in Congress would both expand national service-style programs and focus them on specific issues; provide greater support for volunteer-matching organizations, which are really important to engaging larger numbers of currently unaffiliated volunteers; and to put support into what many people are talking about as the "social entrepreneurship provisions," but in my view, they actually would support the larger nonprofit sector. The Give Act has a lot of fixes that are needed that would make it possible for national service to grow, and the House has put a great deal of thought into that. It's going to be really important if there are any aspirations to take national service to the right level of scale for these two pieces of legislation to receive consideration and be enacted.

I'll stop here, because I'm very eager to hear from my colleagues. Thank you for including me on the panel.

BRUCE REED: Thank you, Shirley (Sagawa), and thank you to Hudson Institute and to Bill (Schambra) for all of the great work that you do and for putting together this panel and providing the chance for those of us fellow travelers in the service movement to get back together again.

It warms my heart to hear the question that this panel asked, which is, is this the time for a major expansion of national service? If you are expecting a careful, considered, timely answer, I should warn you that like Shirley, if you had asked me that question any time over the past twenty years, I would have said, "Absolutely! Of course it is!" I thought that in 1992, when the nation was in an economic hole, the social fabric had been ripped apart with riots, and we were weary of the excesses of the 1980s. So Harris Wofford, Shirley Sagawa, several others, and I created AmeriCorps to give young people a chance to give something back. I thought that at the end of the 1990s, when the country was much better off economically but people were still looking for something else. And so along with Senator Wofford, Colin Powell, and others we held a service summit in Philadelphia, we brought all of the presidents together, and we dramatically expanded the college work study program to emphasize service. And I thought that after 9/11, when we call came together and Americans were hungry for ways to show how much the country meant to them. And good folks like Les Lenkowsky did everything they could to give them the chance. And I thought that in 2006 when Rahm Emanuel and I went out on a limb and proposed that every young American between the ages of 18 and 25 should do three months of civilian service. Now, I won't say that's the main reason we won the 2006 congressional elections; we certainly caught a lot of grief from both the left and the right about that idea. But luckily no one has ever won a name-calling fight with Rahm. And I thought the same thing last year, when both Barack

Obama and John McCain came together on 9/11 and embraced the bipartisan Serve America Act that Ted Kennedy and Orrin Hatch have sponsored; it would triple the size of our commitment to national service. And I think it's especially true now as we look out in the wake of the financial collapse when we have millions of people who need work and millions of important tasks that need to get done.

So over the past twenty years, my opinion has not changed. But even a stopped clock is right twice a day, which is why God gave us jobs at think tanks. (Laughter.)

Let me go through three reasons why I think this is a particularly important time to expand national service. First, as Shirley (Sagawa) mentioned, expanding national service is one of the best ways to help the beleaguered nonprofit sector. One of the most overlooked stories of the economic downturn is the quiet crisis among nonprofits. Until recently, nonprofits were one of our great economic success stories. Our thriving, entrepreneurial third sector combined the nimbleness and creativity of private enterprise with the good intentions of the public sector. In recent years, nonprofits have become a vital job engine for the country as well, with about 9.5 million employees and close to 5 million volunteers nationwide, which represents about 10 percent of our work force. This is bigger than the auto and financial industries were even before the economic collapse. If the nonprofit sector were a country, it would have the seventh largest economy in the world.

Unfortunately, it is increasingly clear that if the nonprofit sector were a country, it might well be Iceland. The other night on *Saturday Night Live*, a commentator joked that the Icelandic economy was hurting because it was based on three sources of revenue: fishing, dragons, and screaming. (Laughter.) These days, nonprofits know how they feel. Even so, nonprofit troubles haven't made many headlines because the nonprofit sector is relatively new; it hasn't been at the core of America's economic life the way Detroit and Wall Street have been for a century or longer. But when one in nine jobs is hanging in the balance, it's important that we do something about it. In a cruel irony, demand for the kinds of services nonprofits provide is surging at the same time that nonprofits are hurting for funds – because foundations are short of money; individuals are short of money; and the state and local budget crunch is costing nonprofits their foremost paying clients. So the economic case for a big expansion of national and community service is quite powerful.

But the efficiency case for service is in many ways just as powerful.

If you think about it, both in the near term and the long term we have an overwhelming number of challenges that we're going to have to face. We have an aging society, a broken school system. We need to restore upward mobility. We still have a social fabric that is not what it could be. Yet at the same time we face a long, painful economic recovery and red ink as far as they eye can see. So in other words, as a nation we now confront the same conditions that gave birth to the explosion of the nonprofits sector and service movement to begin with – lots of problems and not enough money to solve them.

At the moment, we're all reeling from the recent failures and excesses of the market, and understandably looking for the government to step in quickly, and if all goes well the economy

will get back on its feet again. But for those of us who would like to see the nation do a lot more to address our economic and social challenges, it would be foolish, as Shirley (Sagawa) suggested, to assume that over the long haul simply turning to government is going to be the answer to all our prayers. Setting aside the ideological and theological debates about the proper size of government, there's just a practical one, which is that while the national government can do an awful lot to help us forge a new social contract, over the long term there are going to be some problems that we can't afford to hire government to address. And that is where service and nonprofits can fill the gap.

Nothing offers more bang for the buck than service. A recent study found that national service volunteers cost less per hour than private sector employees making minimum wage. Another report showed that service among disadvantaged youth led to successful post-service employment and higher earnings. These are low-wage jobs in high demand. Teach for America and AmeriCorps both get about three applicants for every hire. And so citizen service offers a hat trick; it's a way to create hundreds of thousands of jobs at low cost, with great national purpose and no new bureaucracy.

But if the economic and efficiency cases for service are strong, I think the patriotic case for service is maybe the most compelling. John Kennedy was right; a nation is defined not by what it does for its citizens but by what it asks of them. Bill Clinton was right that there's a hole in our politics where the sense of common purpose used to be. And Barack Obama is right that we need a new era of responsibility and sacrifice if we hope to climb the steep path ahead. And if you look back on what has defined us as a nation over the years, it has always been our willingness to understand and accept the basic bargain of citizenship – that each of us has to do his or her part. It's part of our essential DNA. We want to answer the call and give something back.

I think that as a nation we've been through some incredible traumas in the past few years. September 11, Katrina, a couple of wars, and now the economic crisis. Looking out at the future, our sense of ourselves as the greatest economic power on Earth is also under challenge. And I think that as a result of all of that, in a lot of ways our national pride is hurting and we're looking for something to believe in. September 11 inspired a burst of patriotism like nothing we've seen in our lifetimes. But we still haven't gotten around to creating ways as a nation to channel that. National service isn't the only answer, but it's one of the best. And I think it's particularly important as a way to bring us together in the midst of these hard times.

Much has been written in recent months about how we weathered the Great Depression. It's kind of remarkable that economists are still debating what worked and what didn't. But in my mind, the two things that did the most to define our recovery – to lift our spirits and change the way we saw ourselves as a people – were both about service.

The first, the WPA and Civilian Conservation Corps put millions of Americans to work. But more important, they defined us as a country that wasn't going to leave anybody behind, but wasn't going to give people something for nothing either. And the second was the experience of near-universal military service during World War II, where young men from all walks of life went eagerly and without question to enlist in a cause larger than themselves. And no one was exempt from this. During World War II, professional baseball players didn't take steroids and

whine about their contracts; Ted Williams hit .400 one year and signed up to fly a bomber in war the next. And when the war was over, we rewarded that service by creating the GI Bill of Rights, which effectively built the middle class and sparked some of the greatest economic booms that the world has ever seen.

We could use some of that spirit today. We need to be a society where doing what's right is good for you. A dramatic expansion of service won't get us there on its own, but it would be a very good start, and I think that once again, we Americans would surprise ourselves with what we could do and what we could become.

ILYA SOMIN: I'd like to thank Hudson Institute for organizing this event on such an important issue, and all of you for coming out.

In his presentation, Bruce Reed said that even a stopped clock can be right twice a day. I agree with him on that. But my clock largely stops at the opposite end – or at least a different part of the spectrum – than his does. (Laughter.) I was against government-directed national service twenty years ago when I was in high school and opposed a proposal to make mandatory service a requirement of high school graduation. I was against it ten years ago, and I'm against it today. I expect to still be against it twenty years from now. And so on.

In this brief presentation, I want to try to very briefly explain why I feel that way. I'm going to talk somewhat about efficiency arguments, and I'm going to talk somewhat about legal arguments, because as a law professor I kind of have to do that; why would you bring in a lawyer if you don't want to talk about law, right? But ultimately, I think this issue is not primarily about efficiency or about law; it's about the relationship between the individual citizen and the government, and whether we are the kind of nation where free people can decide for themselves where they want to serve and how they want to allocate their labor, or a nation where the government at least to a large extent is going to do that for us. To my mind, one of the most fundamental principles that we should advance and defend in American society is the idea that free people should decide for themselves what they want to do with their time and with their labor, and how best to serve.

I'm going to talk first, briefly, about voluntary national service, which is what is on the agenda right now. In the second part of this presentation, I'll talk a little bit about mandatory national service, because although that is not before Congress right at this moment, it is on the horizon; prominent and distinguished people including Bruce Reed and his co-author Rahm Emanuel, who is now the White House chief of staff. So, too, did John McCain at various points in his career. So even though it's not before Congress at this moment, I think it is worth talking about; it is important.

So, first, starting with the issue of voluntary national service, there are now – according to 2007 statistics – over 61 million Americans who engage in voluntary public service of various kinds. And so maybe this is heresy, but I would say that it's not obvious to me that we need more. Now, if we could have more service for nothing – at no cost – then of course I'd be for it; who wouldn't be? But as Shirley (Sagawa) pointed out in her presentation, those people or any additional people that we involve in service could potentially be doing something else with their

time, right? Even if they're not being paid anything, still time has an important value – what economists call “opportunity cost,” or what you could be doing with that same amount of time if you weren't engage in a service project or whatnot.

I would suggest that the market and civil society can do a better job of determining whether a particular service or activity is worth the cost than the federal government is likely to do. Of course, in the market we have price signals; we have salaries or payments, benefits that people are willing to offer you for your work. Those give you signals as to the value of that work relative to alternative opportunities or alternative things you could be doing. The federal government does not have access to a comparable signaling mechanism or system, and therefore has difficulty determining whether its projects are worthwhile or not. We've seen this time and time again; when the federal government passes spending bills, they have all sorts of pork-barrel projects of various types that are clearly not worth the price that was paid for them. Bridges to nowhere. With a large service project or program, we could get “service to nowhere,” or at least service to nowhere worth the cost that we spend on the service – including the cost of people's time.

In addition to just market price signals, one advantage that the private sector and civil society enjoy is what economist F. A. Hayek called “local knowledge” – that is, people who know their communities, and who have a sense of the communities' needs. Local activists can more easily determine that for themselves than the federal government can in allocating grants sitting in Washington, DC. And that is another kind of signaling that the private sector is better at utilizing than the federal government is likely to be, and is also worth considering.

So far, I have assumed that the government is what scholars like to call a “benevolent despot” – that is, the government's only purpose is to try to do as much good as possible, and the only problem is that maybe they don't have enough information to do it, or maybe they don't have smart enough advisors. But of course, in the real world, the government doesn't have purely noble purposes any more than private sector people have purely noble purposes. There is interest group lobbying. There is politicking. There is horse trading, and so forth. And if you have a labor pool that the federal government creates and then heavily subsidizes, obviously lots of different groups are going to lobby to get access to that labor pool, and the labor and service is likely to be allocated not based on some kind of objective criterion of need, but on who has the most lobbying power, just as the bridge to nowhere was created not because an objective economic analysis determined that this is the best possible use of that several hundred million dollars in taxpayer money, but rather because there were some rather influential people in that part of Alaska who managed to have some lobbying power in the federal government.

Moreover, the bigger this pool of labor you create, the more groups will lobby to get access to it, and will have incentives to use their political clout to access it. And that, too, will lead to considerable inefficiency.

I think the last danger with voluntary national service is that over time, it can be a bridge or a slippery slope to mandatory national service. Many of the goals advocated by the people who support voluntary national service probably require mandatoriness to achieve, for instance the goal of universality. Bruce Reed talked about universality in World War II; that was achieved in

large part because at least if you were a man, you were required to be drafted into the armed forces. Even with that requirement, hundreds of thousands of people sought to evade service in various ways. Without it, you wouldn't have had universality.

And the same thing is true today. All of those people who advocate universality today will realize over time – if they don't already – that they need mandatoriness to achieve that. And obviously, as lots of organizations get used to using more or less subsidized or free labor provided by the federal government, they will likely lobby for more, and that, too, will increase pressure to have a mandatory program rather than a voluntary one.

And so I want to turn next to issue of mandatory national service. Obviously, as I've noted, it has many distinguished advocates, including Mr. Reed, Rahm Emanuel, John McCain, and others. And so it's worth considering. The Obama administration has so far stopped short of proposing mandatory national service for adults, but it has proposed mandatory service for middle- and high-school students. True, it's only fifty hour a year. But once you create a fifty-hour-a-year program, there's nothing necessarily to stop it from growing to seventy-five or one hundred or two hundred, especially since we are dealing with children, a group that doesn't have a lot of politically lobbying power, so it's easy for us adults to impose more and more service obligations on them.

Again, though, my most fundamental objection here is not about efficiency, it's a moral one. I would be against mandatory service even if it were efficient. Basically, I think the fundamental principle here is the principle that each person owns himself or herself, and is entitled to personal freedom. Even if that's sometimes inefficient, I think it's the right thing to do. Barack Obama said in his inaugural address that there should be no conflict between our ideals and our security. Similarly, there should be no conflict between the principle of freedom of labor and freedom to own your own self and the objective of achieving what we want to do as a nation, security-related or otherwise. We would certainly never say that any private group should be allowed to forcibly expropriate the labor of others, even if their objective in doing so is worthy. And I think the same thing goes for the government.

Now, some people say that when the government does it, it does it for a worthy or good purpose – and maybe that's true, but there are lots of private groups that also have good purposes. If we would not allow them to force people to work for them in order to advance those purposes, the same thing should be true for the government. And of course, we know historically with experiences with government forced labor both in this country and elsewhere, it is far from always the case that the government's purposes in promoting forced labor are necessarily good. Sometimes they are, but more often they are probably not. And there are many historical examples to support that point.

As for efficiency issues, I think the same efficiency objections apply to mandatory national service as I earlier noted with voluntary – only more so, because if you compel people to work as opposed to merely providing them financial incentives to do so, that can lead to even more abuses and misallocation of labor than might happen otherwise. And that, by the way, is exactly what happened when we had the draft in the 1950s and 1960s; there was tremendous misallocation of labor and the overall quality of the military was much lower than it was later

with the all-volunteer force. I don't see any reason why civilian service would be more efficient than the draft was.

Lastly, just briefly on the question of the constitutionality of mandatory national service: There are lots of parts of the Constitution which I find, as a constitutional law professor, unclear, and we have debates about them. But the Thirteenth Amendment is not one of those vague parts; I think it's very clear. The Thirteenth Amendment bans not only slavery but also "involuntary servitude" – which is specifically in there to ban mandatory service that is not for your whole life. Some people say that the Thirteenth Amendment doesn't cover government-imposed service; it's only private slavery or servitude. But the text of the amendment itself makes no such distinction. It says, "Neither slavery nor involuntary servitude, except as a punishment for crime..., shall exist within the United States, or any place subject to their jurisdiction." It doesn't say, "Neither slavery nor involuntary servitude, except servitude that is imposed by the government..." Moreover, the fact that there is an exception for servitude imposed as the punishment for a crime suggests that there is no broader, blanket exception for servitude imposed by the government. After all, when you're required to labor as punishment for a crime, that is imposed by the government. If there were a blanket exception for government service obligations, there would be no need for that specific exception.

Now I should state that while this, I think, is the right interpretation of the text of the Thirteenth Amendment, which I think is very clear, I honestly don't know how the Supreme Court would rule on this if it came before it today. There are some precedents from the early twentieth century which I think cut against, to some degree, my interpretation. We can talk about those precedents in more detail if you want to. But I would end my presentation with this: Even if the court in this instance fails to enforce our constitutional right against involuntary servitude, that doesn't relieve the political branches of government and the rest of us as citizens from our obligation to protect people's constitutional rights. Just because the court doesn't always properly do its job, it doesn't mean that the rest of us should not follow this important constitutional principle. Ultimately, the framers of the Thirteenth Amendment were right to put a ban on involuntary servitude into the Constitution, and that ban, I hope, will be enforced.

Thank you.

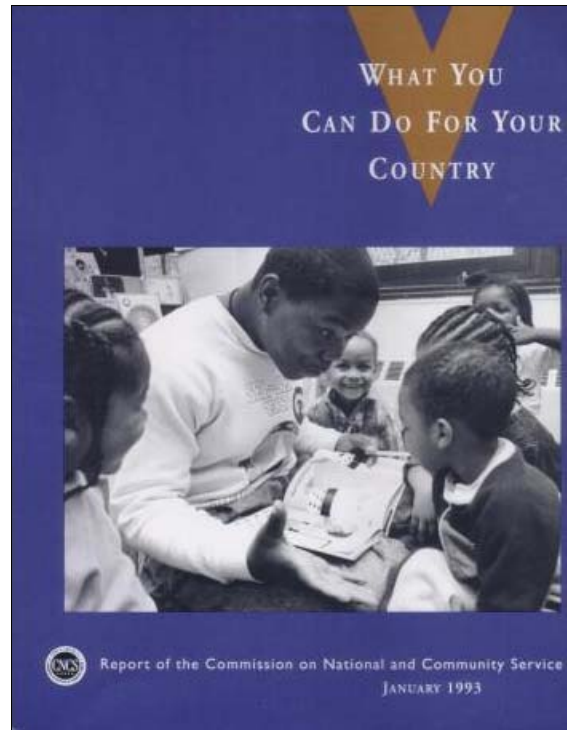
LESLIE LENKOWSKY: Thank you – and thank you, Bill (Schambra), for inviting me. As Bill knows, since leaving office I've pretty much adhered to the principle that I will not comment on the responsibilities or the agency for which I was privileged to work in the past. It took a little bit of twisting, here, but I think the time is right precisely because, as has been said, this is a very important moment in national service – although I did, some of you will recall perhaps, anticipate this in one of the columns I wrote for *The Chronicle of Philanthropy* on the Service Nation summit.<sup>3</sup>

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<sup>3</sup> "In National Service, It's Quality, Not Quantity" by Leslie Lenkowsky, *The Chronicle of Philanthropy* issue dated September 4, 2008. This article is available from *The Chronicle's* web site, [www.philanthropy.com](http://www.philanthropy.com) (subscription required), or online at: [http://www.hudson.org/files/documents/BradleyCenter/2008\\_09\\_04\\_Chronicle\\_Lenkowsky\\_on\\_Service.pdf](http://www.hudson.org/files/documents/BradleyCenter/2008_09_04_Chronicle_Lenkowsky_on_Service.pdf).

Let me start by saying that engaging more Americans in community service is, I believe, a worthy goal. And as we've heard, both Barack Obama and John McCain supported it. I did, and I still do. In fact, when I was president of Hudson Institute, I was first appointed to what was then called the Commission on National and Community Service created by George H. W. Bush in a very interesting coalition with Senator Edward Kennedy. There were three of us from Indiana appointed to this commission – the former president of Indiana University, Tom Ehrlich; myself; and the inimitable Digger Phelps. Board meetings were nothing if not lively. One of them we actually had at the old headquarters of Hudson Institute in Indianapolis; the most memorable things about that were the food and George Romney. If you were never in a meeting with George Romney, you really missed out on a special treat.

I gave up a Christmas vacation one year – it must have been December 1992 – to work with Shirley (Sagawa) in being the principal drafter of this report (Lenkowsky holds up a copy, see image right), *What You Can Do for Your Country*, which was meant to sum up what we had learned on the Commission for National and Community Service and present it to incoming Clinton administration, where it undoubtedly wound up on Bruce (Reed)'s desk. I won't ask him if he read it, after all of that hard work we did. (Laughter.) Shirley, I think you may have even been pregnant at the time (Sagawa confirms), and I was basically sacrificing a vacation. But there we were. We gave to our country, and it laid out the groundwork for what would become AmeriCorps.



We did have a conference in Washington while I was in office that was co-sponsored by Hudson Institute and the Progressive Policy Institute, with which Bruce (Reed) is now affiliated. And I was privileged to speak about that.

So I give that to you just as a little personal background, for those of you who don't know me. Because today, I want to suggest to all of you that the time has come for those of us who love the idea of community service to acknowledge that expanding AmeriCorps may not be the best way to promote community service in the United States, or at least there are good reasons for some skepticism.

When it began, as we have already heard, AmeriCorps had two principal aims. One was to address urgent social problems such as homelessness and failing schools by enlisting people to serve for a year or two as tutors, mentors, health care aides, and in other roles with charities throughout the United States. The other purpose was to foster a lifetime commitment to civic activity among those who participated in the program. That was about 1993.

We've had fifteen years of experience, now – more if you include some of the demonstration projects we did at the Commission for National and Community Service – and the evidence that AmeriCorps is achieving either objective is slim. Some organizations that use AmeriCorps members, most notably Teach for America, can demonstrate real results, such as improvements in reading or math by children in classes taught by participants in the program. But these organizations tend to be highly selective, recruiting volunteers at the best colleges and universities, and invest considerable sums in training them. That is not the case for most groups that employ AmeriCorps members, nor have they much proof of what they are accomplishing.

Indeed, national service in the United States, unlike some other countries, is not one program but operates through thousands of separate organizations, each of which has considerable leeway in setting its own rules and requirements. Although the federal government issues a variety of guidelines, including on measuring results, each group implements them more or less in its own way, making assessing what national service is accomplishing difficult. Moreover, few of them go much beyond activity measures, such as how much work was done, or satisfaction surveys, such as what those who participated in or benefited from the work thought of it, to look carefully at how much of a contribution their efforts made to addressing an important social problem.

The Office of Management and Budget does have a program called PART (Program Assessment Rating Tool) that reviews government programs and tries to make effectiveness ratings. It's not perfect. But I took a look at the summary web pages for OMB's PART surveys for the critical AmeriCorps programs (online at <http://www.whitehouse.gov/omb/expectmore/agency/485.html>). In 2005, it rated NCCC "ineffective." In 2006, it rated VISTA "adequate" – the lowest level of performance according to the scale, meaning it needs to "set more ambitious goals, achieve better results, improve accountability or strengthen its management practices."<sup>4</sup> In 2005, it rated AmeriCorps State and National, which is the main national grants program, "adequate." And in 2007, it rated Learn and Serve, which is the portion of the corporation's work that tries to foster an ethic of service and accomplishment of important community tasks among elementary, secondary, and college-level students, "results not demonstrated."

Now, again, I don't claim that these are perfect studies, by any means. I remember early on when I was in office, we had a number of questions about how these ratings were being set up. But this is the Office of Management and Budget's conclusion about AmeriCorps fifteen years after its creation.

Now, what about the other side – fostering a lifetime commitment to civic activity among the participants in the program? Well, the corporation – and I will claim some of the responsibility for getting this underway – has been engaged in a long-term study of AmeriCorps members that does show they are more likely to stay active in community life than a comparison group, essentially people who wanted to join AmeriCorps but for one or another reason didn't complete their applications and actually serve. However, the base sample for this was taken in 1999. It has not been updated in any significant way. The program was a lot different in those days.

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<sup>4</sup> This quote is taken from the FAQ page of the [ExpectMore.gov](http://www.whitehouse.gov/omb/expectmore) – specifically, from the response to the question, "How do 'Performing' and 'Not Performing' relate to assessment ratings?" online at <http://www.whitehouse.gov/omb/expectmore/faq.html#014> (last accessed March 9, 2009).

But the more important weakness of the study is that, as we've heard, joining AmeriCorps is voluntary, and if you read into the fine print of the report you will see that those who did join in 1999 were far more civic-minded to start with. There are some differences – often very weak ones – eight or nine years later; but we're dealing with groups that were already headed on careers of civic engagement. As a result, how much difference their service in AmeriCorps really made is hard to tell.

This record – or lack thereof – suggests that at the very least, the Obama administration should concern itself with the quality of the AmeriCorps program, not just the quantity of AmeriCorps positions. And you might want to discuss what “quality” means later. But with Harris Wofford here I wanted to recount an episode I think he will remember – when I explained to him that maybe next to me, a far more visible conservative who thought well of the idea of national service was the late William F. Buckley. It had actually been one of his planks when he ran for mayor of New York in 1965. And he wrote a book on the subject, called *Gratitude*.<sup>5</sup> At the time I told him this, Harris was seeking to develop a bipartisan coalition for AmeriCorps. And Harris, I forget whether I introduced you to Mr. Buckley, or whether you yourself went up to see him, but when you came back you said, “Well, we had a lovely chat, but Mr. Buckley said that he didn't want to endorse AmeriCorps because it was too *hedonistic*.” That was the word he used.

Now, I must say, the thought of VISTA volunteers out there living it up (laughter) in the nation's impoverished communities really kind of mystified us for a bit. But I now understand what he was getting at in his own sometimes circuitous way – which was that the program wasn't demanding enough. It really didn't insist that participants in national service make real sacrifices on a prolonged basis. And that has become especially true as we've moved from full-time, full-year service into a variety of part-time service, some as little as ten hours per week.

There are real questions, I think, as to whether or not national service is demanding enough – and by “enough” I mean that participants will actually accomplish worthwhile things, and that it will leave a lasting effect on them.

Bruce Reed referred to the old CCC (Civilian Conservation Corps), and that's often cited as a forerunner of AmeriCorps. But in at least two respects, the CCC was a very different kind of organization. First of all, in order to be in the CCC, you had to be unemployed. You had to be out of work. That is to say, you had to have worked and then lost a job. This is not something you do because somewhere between your second and third year of college you've gotten lost and you want to go do something. You've gotten lost and you're out on the streets. And the second thing, the CCC was under the administration of what was then known as the Department of War. The members of the CCC lived Spartan, military lives in camps in some of the most remote parts of the United States. Eleanor Roosevelt was, in fact, a critic of the CCC because she felt it was too militaristic.

Well, that's not the only way you get quality, let me assure you of that. But I do what to make some relevant comparison. Right now, over sixty million Americans volunteer each year including more than three million who give over ten hours per week, the minimum amount required of AmeriCorps members, but without stipends or educational awards.

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<sup>5</sup> William F. Buckley, Jr., *Gratitude: Reflections on What We Owe to Our Country* (Random House, 1990).

Depending on how much is appropriated, the number of these part-time slots will almost surely have to go up in order to reach the numeric quotas for positions. So I would argue, and I think Shirley (Sagawa) and I agree here, that helping the nation's charities make better use of the volunteers they already have should be at least as high a priority for the Obama administration as expanding AmeriCorps.

Let me just conclude this way: Not least important, the Obama administration should encourage the nation's schools – colleges and universities, as well as elementary and secondary schools – to do a better job educating young people for citizenship. There are numerous studies that suggest that our young people are woefully ignorant, not only of the facts of American history and its political principles but why these are valuable enough so that they would warrant a year or two of sacrifice.

When I was CEO of the corporation, with the help of Amy Kass, we brooded about the idea of requiring all AmeriCorps members to read a number of classic texts in American history during their two years of service. And I knew that you couldn't go too far before you're getting into controversy over which texts you use, so the ones I'd always use – thinking they would be completely uncontroversial – were the Declaration of Independence, the Constitution of the United States, and Lincoln's Gettysburg Address. And sure enough, one night I got loads of pushback on the Gettysburg Address. "Why do you need to know the Gettysburg Address in order to be a good citizen?" And the answer, of course, is that if you're ever at a city council meeting in which somebody is trying to railroad through an awful piece of legislation, and you get up there and protest, citing Abraham Lincoln that our government is "of the people, by the people, and for the people," you might get a little more attention than you would ordinarily get.

So I would argue that if our students continue to lack understanding of the events and principles on which the United States was built, they are apt to be less willing to make the sacrifices – including volunteering and serving in AmeriCorps – necessary to extend and preserve them.

Thank you.

WILLIAM SCHAMBRA: Bruce (Reed) and Shirley (Sagawa), I suspect that someplace between the charge that national service is hedonistic and the charge that it points to involuntary servitude, there might be some grounds for disagreement. But the real question is, Bruce, did you read that report that Shirley and Les (Lenkowsky) labored over? (Laughter.)

BRUCE REED: I think Les brought it to me! (Cross talk, laughter.) But that's not an answer.

WILLIAM SCHAMBRA: That's true – it's not. But anyway, would you like to comment on what you've heard a bit?

SHIRLEY SAGAWA: I'll just comment on a few things. There's obviously ideological disagreement, and I think there's also a bit of – when you want to prove your point politically, sometimes if you can't make the case on the merits, it's really fun to pick apart the agency, or go

to the OMB PART reviews, which I don't necessarily think are unbiased views of whether programs are actually accomplishing what they were intended to do.

Just to go to the heart of the opportunity cost question raised by Ilya (Somin), it's a fascinating question. There *is* an opportunity cost; if you're doing service, you're not doing something else. And I think in this case, most of the people that national service has targeted in fact need to be doing service, because the "something else" isn't so great. If you think about older adults who are retired and don't have as many opportunities to be out in society and doing things, giving them the chance to serve with a team of people and be engaged in intergenerational activities in schools – there are lots of studies that say that those people are going to live longer and be healthier. That's an opportunity cost I'll take! Let's target older adults. And in fact, that's what a lot of national service programs do. And I hope that there will be a lot more in this space, because there are clearly a lot of creative things that could be done.

Let's think about the other end of the spectrum, young people. Les (Lenkowsky) mentioned that I have children. When I first met Les, I think I had just recently been married and I was pregnant with my oldest child, who is now a sophomore in high school. We live in Maryland, and we have a mandatory service requirement. And instead of spending nights home watching television during the summer, that has caused him to go out and volunteer with Big Train, which is an organization that plays baseball. They're college players. The community comes out for it. He runs the scoreboard and helps out with community groups that come to see the games. And I think that's a great thing for him to be doing. And if he weren't doing that, he'd probably be playing Xbox or something else.

And in fact, a lot of the programs that target young people are really looking at disadvantaged communities. We're conscious about what we are giving these kids a chance to say "yes" to, what will make them feel they're part of something larger and take responsibility. I'll take that trade-off! I've been a long-time advocate of having summer service for kids between eighth grade and ninth grade, because they're too young to have real jobs, yet they're too old to have babysitters. A lot of them are spending the summer doing God knows what. What if we made it a signature thing to do a summer of service? How do you think they would approach their high school classes? That's an experiment I'd love to see done on some scale in some communities.

So then take one other population that national service targets, young adults – kids who are getting out of college. And, yes, they probably have more opportunities than others. But especially these kids who are going for Teach for America – when 10 percent of the students from some of the most elite schools in the nation are applying for programs like that, yes, they could be doing something else. But I think it's great that we're diverting them into schools where they're the most needed – schools that are having trouble recruiting.

I could go on an on like that. But I think we need to be thinking of populations as well as of issues. And I certainly think that the opportunity cost question is an important one.

BRUCE REED: I agree with Shirley. And I think Les (Lenkowsky) raised some interesting and important points. I do think it's worth looking back over the past fifteen years at which AmeriCorps programs have worked better than others. We can all learn a lot from Teach for

America. I actually think – and Shirley may disagree with me, and Harris (Wofford, in the audience) may, too – that having clear national purposes and not quite so much decentralization would make it easier to set clear objectives and measure tangible results. There is resistance from the other side of the aisle on that, too. But I’m not hung up on AmeriCorps as the only way to expand opportunities for community and national service.

I look at Ilya (Somin)’s point about opportunity costs from the other end, which is: If government is going to be spending money on solving problems, should it be asking something of citizens in return? If we’re going to provide a lot of money for college aid, should we be saying, “Okay, you can borrow money from the government for as long as you want. You don’t have to get a degree. Just borrow it; we’re fine.” Or should we say, “Look, society owes you help to get ahead, but you owe something back.” AmeriCorps is one answer to that, but there might be others. Ilya’s point about the market is a good one, but I think that there is a lot of demand among young people and old for the kinds of tasks that people in AmeriCorps and in other service programs do. And I don’t think that the market is in a perfect position to provide as much as demand would bear for a lot of reasons. The “nonprofit sector” is called that for a good reason; it doesn’t have much money! So if there are ways to ask more of people and solve problems on the cheap, it would be a mistake for the national government to pass that up.

WILLIAM SCHAMBRA: Ilya (Somin) or Les (Lenkowsky), any responses to the responses?

ILYA SOMIN: Briefly, on opportunity costs: There may very well be studies – obviously, there are – that show that people who participate in some of these programs are healthier and more civic-minded than other people. But correlation is not causation. The kind of person who volunteers for service as an older adult or otherwise is more likely to be healthier, more outgoing, and more involved in the community than somebody who doesn’t volunteer. So I don’t think you can attribute that result to the program itself, and as Les (Lenkowsky) mentioned, the systematic studies do not in fact show that when controlling for other variables, you get those kinds of results.

With regard to opportunity costs for children and students, it’s easy for us who are older to say that if these people weren’t involved in these service programs, they would just be doing frivolous stuff like playing Xbox. I think we’re too ready to try to dispose of and control other people’s time – including children’s time – on the assumption that if they don’t do what we say, they’ll probably be doing something that’s not useful or undesirable. As a general rule, parents in the case of children and the students themselves in the case of college students would be in a better position to determine what is a good use of the children’s or students’ time than the government will. Certainly, I think parents and students themselves, in the case of adult students, have much better incentives to allocate their own time both efficiently and in a useful, long-term way than would the government in Washington, DC, or even sometimes local government, especially given that the government decision makers don’t pay the costs, opportunity or otherwise, of the time allocation that they try to impose.

LESLIE LENKOWSKY: I’ll just add one point. We’ve talked a lot about national service and the programs on national service. But here I have a lot of admiration for the Obama administration; when President Obama specifically referred to service in his inaugural address, it

was in the context of military service. It may very well be that that's what Bruce (Reed) was eluding to when he said "other ways of serving the nation." But I think it is important not to forget that military service is a way of serving the nation – and a very important way. In fact, part of Candidate Obama's national service program was to enable more Americans to serve in the military, and there were a number of very specific proposals that he made at the time that I would hope he will follow through on. If the commitment to national service were simply to be measured by the Obama administration's commitment to AmeriCorps or similar programs, it would lack the important and necessary, I would argue, element of military service. It doesn't get to the question of a draft at all, but just the importance of thinking of national service broadly.

WILLIAM SCHAMBRA: Bruce (Reed) and Shirley (Sagawa), let me pick up on a point that Les made about this question of bringing some element of civic education to national service. Amy Kass, a senior fellow here at Hudson Institute, was a part of that effort while Les was CEO of the Corporation for National and Community Service. Over the weekend, historian Michael Kazin had an interesting piece in *The Washington Post* on the idea that this may be a time when a sort of full-throated patriotism becomes much more widespread than it has been before; that it will somehow expand itself beyond the partisan, conservative cause that it has been; and that what we saw with the Obama election and the celebration of the inauguration is a kind of flag-waving patriotism that we haven't seen before from a much broader swath of the American people.<sup>6</sup> So maybe this is the time when national service should pay more attention to this issue of what America is about – some of the larger questions – in addition to the very practical and immediate questions of concrete service. Is that something that may be on the horizon with this administration?

BRUCE REED: I think civic education is a great thing. It's interesting: As part of the immigration debate, one of the proposals that we put forward and that the Bush administration also championed, I think, was more efforts to help immigrants assimilate into the society by understanding what it means to be an American, going beyond just the pencil-and-paper test. That's something that we think is useful for new arrivals to this country, certainly. That ought to be at the core of our educational ethic for everybody. And I think Spartan is good, and the classics are good! I don't think anybody goes into national service thinking it's going to be easy.

One big objective of national and community service is to solve problems, to get things done. Where it's not doing that, it needs to be rechanneled to make sure that things are getting done. For the broader civic gains that we're talking about, it's important to have common experiences. That's why every kid saying the Pledge of Allegiance every day is a good thing. It's not the words that matter so much as the fact that everyone is going through the same thing together. And as it becomes possible for us to be "bowling alone," to be Balkanized in our own little worlds, to have less talking over the back fence, it's really important to have those kinds of experiences. And obviously the schools, which are the most universal remaining aspect of our lives, are a good place to start.

LESLIE LENKOWSKY: Bruce (Reed) or Shirley (Sagawa), can I offer a concrete proposal? Right now, the percentage of full-time versus part-time AmeriCorps positions is about 50/50.

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<sup>6</sup> Michael Kazin, "A Liberal Revival of Americanism," *The Washington Post*, February 8, 2009, p. B01. Online at <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/05/AR2009020501213.html>.

Would you favor requiring that 75 percent if not 100 percent of AmeriCorps slots must be full time?

BRUCE REED: If you're for quadrupling the money, I'm for doubling the number of full-time slots.

LESLIE LENKOWSKY: Even though we won't come anywhere near – at that – the 250,000 figure?

SHIRLEY SAGAWA: I think this has been the problem with AmeriCorps for many, many years; presidents from Clinton and Bush to – well, I hope not Obama, but I don't really know whether President Obama will avoid doing this – have really set the measure of AmeriCorps at the number of bodies in it. And that's why you have so many part-time programs; they're cheaper, and you get a body for a cheaper amount. And I think we need to get away from that, because as Les (Lenkowsky) pointed out, the quality does make a tremendous difference. If there's a huge ramp-up very quickly, without being careful about engaging the nonprofit sector and really being thoughtful about where you can use AmeriCorps to best effects, we do risk just putting people all over the place and not having outcomes and not having the kind of core curriculum – that I actually would also favor – to make sure that people who come through the experience leave with a heightened sense of civic responsibility and commitment.

So, Les, I think the challenge is that Congress looks very hard at trying to make this program as cheap as possible, which results in a lot of pressure on the Corporation for National and Community Service to fund programs that are maybe cheaper than other programs, but are not necessarily going to give the outcomes we want.

I wanted to say one thing about the military piece. I had the most interesting experience on inauguration day, and I'd like to share it because it made me think differently about that piece. We're always feeling like we're younger stepchildren of the military, because we see the sacrifice that people in the military are making and are humbled by it, and we've always been careful to set up benefits in AmeriCorps to be substantially lower than benefits in the military, et cetera. I had the opportunity to march in the parade with a group of AmeriCorps alums. It was a great honor, and there were a handful of us people who had been involved in running AmeriCorps over the years, and a lot of alums, many of whom were selected purely by lottery. So they weren't hand-selected to be the representatives.

In our bus, we had to sit around for a *really* long time, and we didn't get to hear the swearing in – it was one of those heartbreaking things. But Amity Tripp, who is the director of alums, came up with the idea that everybody on the bus should just say why they were there. So we all went around, and people told their stories. And a lot of the people who were there said things like, "I was on my way to this great career, but I decided to do AmeriCorps and it changed my life." There were people for whom it had been a huge hand up and opportunity. But everybody really shared the sense that it had made a tremendous difference in how they viewed themselves as a contributor to the world.

Now, everybody in the parade got assigned a military person to babysit you. We were assigned this guy who was a helicopter pilot in the Air Force. He had his full uniform, and he was quite a handsome African-American pilot. Well, we got to the end of all of the AmeriCorps people, and he stood up because it was his turn. And we were like, “Yeah – that’s awesome!” He got up and started telling his story: He’s a helicopter pilot. And then his voice cracked, and he said, “I never really thought about what I was doing the way you all did, and I’ve never been prouder than today when I have a chance to be with you and be a part of what you’re doing. And I applaud all of you.” He was crying; we were all crying.

And it made me realize that we’re not doing a good enough job in any context of really helping people work through their relationship to citizenship in this country. If somebody who is sacrificing himself or herself in the military and doing what this man did would need that bus experience to break through, we need to do a better job for everybody.

WILLIAM SCHAMBRA: Let’s turn to some questions from the audience.

MICHELLE HYNES, Experience Corps: What a great diversity of opinions and interests and comments – thank you very much! My question is about research and evaluation. I’ve heard folks say a couple of different things about the data that we have and don’t have to make decisions. I do have the advantage of running a program that has had two scientific studies done by academic institutions about its outcomes. And I think one of the things that we all struggle with in national service is the question, what kind of data do we have to help us tell powerful stories about impact in communities? As you are all thinking about whether and how we ought to expand national service, what kinds of investments do you think would be the most helpful in terms of knowing what we know – or don’t know – about what we’re doing?

LESLIE LENKOWSKY: I would offer two – and I’ve very pleased that we were trying, Shirley and I and others I have spoken with, to figure out what is in the latest version of the stimulus package. The numbers don’t seem to be very obvious. But the last time I looked, there was \$13 million in there for the research program of the Corporation for National and Community Service – a program, I should add, that I came under great pressure to kill. The attitude of Congress as well as board members of the corporation was that research would only serve the purposes of hurting the program.

I would offer two: One, I think the longitudinal study badly needs an updated panel, one that reflects the conditions of the program in the middle of this decade. Secondly, we need research that cuts across a broader range of programs than Teach for America and Experience Corps, which have been fortunate enough to have significant funding that they could use for research purposes, and includes other programs for which funding is not always available. Money ought to be spent on real performance evaluation – more than a self-reported “Gee, we did good work.” The most powerful story is not an anecdote; the most powerful story is real, hard, systematic data.

SHIRLEY SAGAWA: I do also think that national service programs would do well to look at those who, for example, are working in education or in some other field in which there are interventions that are addressing the same outcome, but that are not service oriented. That’s

another relevant comparison. Just because a national service program is getting an outcome in some area, it doesn't mean that they're getting it more effectively or there are better outcomes than when you have the same amount of resources dedicated through a non-service program, or a service program that costs less. Paying some attention to those other touchpoints and points of comparison is going to be really important over the long term.

SENATOR HARRIS WOFFORD: I've enjoyed listening, and it makes me think that this panel ought to be part of a rethinking of national service of the kind that went on when AmeriCorps was created and when the Peace Corps was created. Fifty years of the Peace Corps calls for a reinvention of international volunteering. And I think there could be some reinvention along the lines that Les (Lenkowsky) and I once talked about, even.

In honor of Bill Buckley, let me just add one other thing. Over the years I kept in touch with Bill, I think at that lunch, in addition to the very striking point about service being too hedonistic, I realized that the programs that mean the most to me are ones I see are very demanding, whether it's working in schools in a demanding way, or YouthBuild – building homes with people who have dropped out of high school, or the Conservation Corps in the High Sierras doing extraordinarily hard things.

I believe that we're now under 50 percent – are we not? – of full-time AmeriCorps members, in terms of the body count. (An audience member noted that it was 48 percent.) I think that I would like to see that (inaudible).

What Bill Buckley added, however, is that he couldn't endorse AmeriCorps because he wasn't yet convinced that it had to be done through government organization or with government money. His proposal of how to do it right, to get ultimately to the place where it was a common expectation of at least a year of service to the community in intense form as a part of coming of age in America, was to get the elite colleges and universities of the country to declare that two years hence, no one will be admitted into those institutions unless they have completed a year or more of intense service in the community.

And he said several times as I saw him over the years that the greatest disappointment in his life was that the conservatives to whom he had addressed the book<sup>7</sup> and from whom he expected the strongest support didn't get it. It has still not been able to persuade them to move out of this oxymoronic point when it seemed so absurd to him.

If it's an oxymoron, the great oxymoron is the armed services, the volunteer army – volunteer national service of the military kind. The Peace Corps is another. If it's full time – and that's the case he was making in the book, which I recommend – it would be necessary, obviously, that living expenses and *pay* – that dirty word – were a corollary to that kind of work, not a contradiction.

Faced with the fact that we haven't succeeded in making that case, and that so many people still have a problem with what they call “paid volunteering” of the full-time kind, is it time for the Obama administration to have a really serious effort at reinvention of where national service is

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<sup>7</sup> William F. Buckley, Jr., *Gratitude: Reflections on What We Owe to Our Country* (Random House, 1990).

going to go to get to the destination of a common expectation for all young people, which is what Obama has said time and again.

WILLIAM SCHAMBRA: Mr. Somin, perhaps you could illuminate us as to why conservatives have resisted this?

ILYA SOMIN: I'm not a conservative. I'm a libertarian.

WILLIAM SCHAMBRA: Exactly – there you go. That's the answer.

(Laughter.)

ILYA SOMIN: At the same time, I don't think that this is a pure left-right issue –

WILLIAM SCHAMBRA: Yes –

ILYA SOMIN: There were all of these liberals who led the movement against the draft in the 1960s and 1970s, and I would like to think that it's not only conservatives and libertarians but also, I hope, many moderates and liberals who have problems with the ideas laid out by Mr. Buckley in his book.

I think Buckley's book also illustrates another important issue here, which is how so-called voluntary national service can easily shade into mandatory national service. If you read Buckley's book, he writes that he is against mandatoriness; he thinks it should just be a voluntary program. But then he writes that people who don't want to participate should be subject to what he calls "sanctions," including not being allowed to graduate from high school, be issued a driver's license, and a whole list of other things. Now, if you have sanctions that include denial of the ordinary benefits of citizenship, it's not voluntary anymore; it's pretty darn mandatory.

If a smart and sophisticated person like Buckley could persuade himself that a program that includes all sorts of sanctions like this is actually a voluntary program, then it shows a path by which voluntariness can slip into mandatoriness. It's not like tomorrow we'll have a massive forced-labor draft like in the Soviet Union, but rather that by the incremental adding of various sanctions and incentives, you gradually come to a point where there would be, as Senator Wofford said, a "common experience."

So how do we prevent this? Yes, a rethinking is necessary, and it should explicitly renounce this objective of having a common experience, and instead embrace something else that was a theme of the Obama campaign, namely, diversity – that we are a nation of many different people and groups with different interests, and we are stronger and achieve our common ideals best by allowing individual people and communities to pursue their own goals and freedom, including the goal of hedonism. After all, I think hedonism is a good thing.

(Laughter.)

ILYA SOMIN: I remember a document that referred to something called “the pursuit of happiness.” And I like to think that’s part of what we as a nation should be about. I think it’s better than the ideal of Sparta; after all, Sparta was a brutal military dictatorship based on forced labor. Personally, I prefer the pursuit of happiness and freedom, not forced labor and Spartanism.

LESLIE LENKOWSKY: The notion that Thomas Jefferson is pursuing hedonism is one I’m having a hard time getting my head around.

ILYA SOMIN: He loved to live it up.

LESLIE LENKOWSKY: That’s a certain interpretation of history.

But let’s get to this notion of voluntary for a minute – that’s the thrust of Harris Wofford’s question and Ilya (Somin)’s response. I once said – in a moment of pique, undoubtedly – when I was asked once about paid volunteers, “Okay, look: I’ll call them ‘paid volunteers’ if you’ll refer to members of the military as ‘mercenaries.’” They are paid soldiers. That’s what a mercenary is!

The pay issue is a misnomer. In the courses I teach, I explain the Latin root of “voluntary.” The Latin root of “voluntary” is not “free.” That is a misreading. It became that way when the profession of social work tried to distinguish what they were doing from the activity of real volunteers, those friendly visitors of the nineteenth century. “Voluntary” means “willing,” not “free.” And so it’s a matter of willingness, it’s not a matter of whether you get paid – which gets to Ilya’s comment about mandatory and willing.

I think we can and do distinguish “mandatory” with respect to certain classes of people, one of which we call “students.” I have a rule that basically says, miss three of my classes and you’re getting an F. It is a mandate; they’re going to have to attend fifteen minus three if they want to pass my course. I require this because they are students, and they are, if I may say so, an inferior class of person.

(Laughter.)

LESLIE LENKOWSKY: And it is the job of teachers to mandate things for students.

Now in this context, obviously, we’re not talking only about students, and we’re certainly not talking about teachers. But we accept and can have that debate about whether or not the kind of voluntariness that Bill Buckley is proposing or even a more stringent kind is an unwarranted interference with the liberty of the individual. It’s not that something is mandatory per se that’s the problem; it’s whether or not there is a sufficient public interest to justify it.

BRUCE REED: I think Harris (Wofford) has a very good idea. The Obama administration and the Congress should look at this not just as a question of expanding AmeriCorps and Peace Corps, which are great programs; it’s an opportunity to think anew. And there are a lot of challenges that we’re going to be facing. We’re going to have to reinvent college aid as a country because we’re moving toward a time when college is going to be nearly universal – not mandatory (nodding to Ilya Somin). But for that experience to be worth public investment, we’re

also going to have to be more demanding in making sure that young people who go to college have an incentive to finish, and that universities have an incentive to make sure that students actually graduate. And so the reinvention of college aid is an opportunity to look at the larger question of service.

But I also think that for Obama, one of the greatest opportunities is simply to use the bully pulpit in a meaningful and ambitious way. The Peace Corps is a great legacy, but when John Kennedy challenged the country with “Ask not...” that was as important. It changed the ethic and lifted the sights of an entire generation. And I do think that Bill Buckley’s proposal is right. To me, we want to be in a position where as a society ambitious parents are not disappointed that their children decide to become teachers rather than lawyers or doctors or management consultants. That’s not something government can do. That is a fundamental shift in social norms. And I think it’d be great if elite colleges required some form of service of students or prospective students. I think it’d be even better if law schools did that.

For the civic side of this, the most important thing is for every one of us to understand that we have a duty to others. The greater our individual freedoms, the greater our responsibilities to one another.

SHIRLEY SAGAWA: I’ve always thought that the conversation about national service is really a conversation about how the country solves its problems and the role of government versus the role of ordinary citizens. And this is the time to have that conversation again. We’re at a point in time where what we’re doing isn’t working very well, and we have to also look at business and what it’s role is – because clearly something went wrong there.

One of the things in the Serve America Act is a little, tiny provision called the Commission on Cross-Sector Solutions to America’s Problems. The idea behind that provision is that this examination begins with looking at the nonprofit sector and government and business and how they interact in this space. And it’s a little, tiny thing, but it could be a forum for having a much bigger conversation.

CINTHIA SCHUMAN OTTINGER, The Aspen Institute: I have two questions. One, I’d like to hear more about the challenges of ramping up and really solving problems if we’re going to have a much larger group of AmeriCorps volunteers. And then another issue that I was not aware of, the whole part-time issue. Listening to both Les (Lenkowsky) and Shirley (Sagawa), it sounds like having part-time volunteers is possibly a problem, and I’m wondering how to get around that – because it seems to me that a lot of people can’t volunteer on a full-time basis. High-quality, part-time volunteering is really an important option.

WILLIAM SCHAMBRA: To sharpen the first question a bit, do we have the capacity, given the mechanism over at the Corporation for National and Community Service as it is now – and I invite a number of folks who are here in the audience from the Corporation for National and Community Service to comment on this as well. Do we have the capacity to make rapid, meaningful expenditure in this area, if indeed this is something that comes through in the stimulus bill in the next few days.

SHIRLEY SAGAWA: I'll speak to that because I'm now completely unencumbered by affiliation. I think the stimulus spending is absolutely in line with what can be done. I think it's \$200 million. A lot of it is in VISTA, which is an amazing program, and one great property of it is that it's easy to deploy and scale up and scale down fairly quickly. We ought to make great use of putting VISTAs in some of the communities that are hardest hit and really try to address head-on some of the specific problems that are happening as a result of the economic crisis.

In the long term, I think of AmeriCorps as being in two clumps. There is a clump of AmeriCorps programs that are run by national organizations or large organizations and states that would have the capacity to grow fairly dramatically if the financial capital were available. But for a whole host of reasons, including the inefficiencies of the philanthropic capital markets and the fact that AmeriCorps hasn't really been increased substantially in many years, they haven't even been able to build their infrastructure to grow. If a substantial amount of money were on the horizon, and there was some growth capital available for those programs, I think that they could rapidly double or triple in size. That's one area would should invest in.

Then there are a lot of programs that are small, community-based, and maybe funded through State Formula. And they're equally important. They're the ones that give my friends in the outcome measurement field some heartache, because they're little, tiny programs. Like, how are they going to track all of that stuff? They can't even afford a Westat evaluation. (Sarcastically.) Well, we shouldn't make them have them. But that doesn't mean they're not doing something tremendously important in low-income communities that ought to be supported. So we have to at some level take them on faith, and at some level do everything we can to support them with whatever we can get in terms of knowledge capital out of them, or well-resourced programs in other areas of expertise.

So those two things turn out to be really important. VISTA could actually be a connector to some of those organizations, and could be sort of the front line going in.

Now, it's not that AmeriCorps or some similar program could go to a billion dollars or just double or triple its size next year. That would be a stretch. But to use this idea that there's no capacity as a reason not to grow a program is silly. Anything can grow if you plan properly. I make my living doing planning for nonprofit organizations. You can get there if you make an effort and really think through what the steps are going to be.

LESLIE LENKOWSKY: There are over one million public charities in the United States – maybe a little less because they don't have to report when they go out of business. But if we were to ask each of them if they would like one AmeriCorps member, I have no doubt that you could use 250,000 of them right away. They would be there. The question is, what they would be doing? Would they be doing anything valuable? Would this have much of an effect? There's also some potential fraud issues – which gets to Cinthia's point.

There are now three million people volunteering at least as much time as a part-time AmeriCorps member volunteers. Three million! That's ten times the 250,000 we're talking about. I don't think you have to worry about the part-time volunteers; there are lots of opportunities for people to volunteer part time. If AmeriCorps is going to mean anything, it is going to be as a demanding

full-time assignment, not a part-time one – even if that means we don't hit these inflated numbers that have become the touchstone of the program.

ILYA SOMIN: Just a very small comment: I think that a large expansion of a program, particularly one that includes hundreds and hundreds of thousands of people, would in fact tend to exacerbate some of the problems of government decision making that I mentioned in my presentation. One of them is, obviously, the more people whose labor you're going to allocate, the more severe the information problems and the more you'll have issues with the fact that you don't have something like the price system in the market to guide your allocation. Second, the larger the pool of labor that you create, the more different organizations are going to be using their lobbying power and political clout to get some of that pool allocated to them. I'd like one of them to be one of my research assistants, for instance. Why not, if the federal government is going to pay for it? I'm sure a lot of people are going to feel the same way I do about that, and some of them have more political influence and will be able to get their way.

As Les (Lenkowsky) said, it may be that government can create a small, elite corps of people who can be narrowly focused on a particular objective and do well. Once you talk about the government allocating hundreds of thousands or even millions of people and their labor, all of these problems become severely exacerbated. And I don't think it's just a matter of research and planning to overcome this; it's a matter of the inherent weaknesses of the political process that I'm not sure can be overcome even with smart planners or researchers.

WILLIAM SCHAMBRA: (Sarcastically) I can't imagine that this area of national service is troubled by the issue of lobbying – that just strikes me –

ILYA SOMIN: (Sarcastically) That would *never* happen! I take back my remark.

(Laughter.)

PABLO EISENBERG, Georgetown University: Shirley (Sagawa), you mention the possibility of ramping up programs. The first question I have is, how do you prevent any expansion of national service from being a federal bailout for nonprofits? Everyone in the nonprofit sector is asking for a federal bailout. They forget that our foundations aren't doing a darn thing – although they should be used to that. Can you (inaudible) national service from being used to ramp up nonprofits when there are other sources that might be doing that?

My second question is about the issue of advocacy. In its early days, as you may recall, VISTA was engaged on Indian reservations and low-income communities, for example, doing activist work. Once AmeriCorps started, you had a dampening of activism. What's your sense of how the Obama administration will view service for service versus a more activist institution for social change?

SHIRLEY SAGAWA: To take the second question first, although I can't really speak for the Obama administration, it seems to me that we've always been struggling with the question of what activism is. There is nothing that prevents AmeriCorps members from being community organizers of the sort that start new programs and get the community organized around specific

goals. Where you run into trouble is if they're out there organizing political activity – the general counsel of the Corporation for National and Community Service is here, so I don't want to parse this too carefully, but –

(Laughter.)

SHIRLEY SAGAWA: The larger issue is that because of the political hostility towards AmeriCorps, everybody in the AmeriCorps field is just terrified of stepping over the line. So if there has been a discouragement of the allowable social activism that I was describing – and I believe that much of the work that President Obama did when he was a community organizer would fall under that – it really has to do with this “gotcha cop” environment that has existed in Washington for so long. Maybe there is a way to open the door for activism – not the illegal kinds that we don't want to see, and I wouldn't support having AmeriCorps members engaged in political activity or active lobbying. But I would encourage them to be looking at root causes and trying to organize communities to address the problems that they have, and if a spin-off of that turned out to be political or something else, that's great. But that's not what AmeriCorps is set up to do.

As for your first question, I can't imagine that enough of the foundation world is going to step up and do what needs to be done when they're all suffering, too. So I'm not sure who we'd be letting off the hook by expanding national service.

AMY KASS, Hudson Institute: I'd like to go back to the subject of military service versus national and community service. It's perfectly clear to me why Obama and McCain endorse both. It's not perfectly clear to me why you, Les (Lenkowsky) – and Bruce (Reed), you were nodding your head, seem to want to include both in the same kind of horizon or terms of reference. If I can press you on this, are the arguments that you would use for or against one kind of service the same as you would use for the other?

In my view, not all self-sacrifice is created equal. It seems to me that community service and military service require different kinds of things.

BRUCE REED (leaning over the Ilya Somin): You're not making an argument against military service, are you?

ILYA SOMIN: I'm perfectly in favor of voluntary military service, but not mandatory military service.

BRUCE REED: Well, I don't want to speak for Les (Lenkowsky), but I think that he was suggesting and I was nodding my head to the notion that we don't want to honor one and ignore or forget the other. The Obama administration has recognized that we have a lot of work to do in rebuilding our military. We're going to need to expand the size of our forces to make sure that we can put it at full strength. And I think that President Obama has done an excellent job of honoring that kind of service as well.

Look, I don't think that they should be competing with one another for public affection. They hold a completely different place in the hearts of most Americans. But I think it's important for us to honor and champion and talk about those kinds of service, and for that matter, other forms of public service which are also good – people dedicating their lives to things that will make the country a stronger place.

LESLIE LENKOWSKY: Shortly after leaving office, I was honored to be invited up to West Point for a couple of days to teach some classes including a freshman class – a huge class, about three hundred plebes – on American government. The idea was to make it an interactive class. So I posed the question, should we have universal service that could be fulfilled through either civilian service or military, or some combination of both?

I still remember a young plebe getting up and objecting to the idea. He said that being shot at in Fallujah is a lot more difficult than having to tutor a kid in a study hall. And I think that's certainly correct. And I don't think anything I said suggested that these are equivalent types of service, nor is there anything in the current laws that suggests that. Whether it's stipends, benefits, or other things, I think the priorities are placed where they should be placed – on the value of military service.

My only point is this: We are having this discussion of national service in the context of AmeriCorps. Despite President Obama's reference to the military in his inaugural address – and I know; it's only been three weeks, so let's not be impatient, here – it would be useful as he begins to talk about this, which I assume he will do in some short order, that he also remember the other portions of this national service program, which were part of his campaign platform, while he continues to single out the importance of military service and its distinctive qualities, both in terms of its rhetoric and in real, concrete policy.

WILLIAM SCHAMBRA: We have time for one last, very quick question.

GREG PRICE, VolunteerMatch: Several of you have mentioned building the capacity of nonprofits, but I haven't heard today or in general how that will be done. Les (Lenkowsky), you mentioned nonprofits all standing up and requesting an AmeriCorps volunteer, and certainly many can do that. But beyond that, there is this repeated need for capacity building. Any specifics?

LESLIE LENKOWSKY: They ought to read Shirley's book.<sup>8</sup>

The Obama administration has proposed – last I checked, in the Executive Office of the President – something called the Office of Social Innovation. They've talked about a variety of capacity-building measures. I'd part company a little bit with Pablo (Eisenberg, in the audience) on this, although I generally agree with a lot of what he has written on foundations, specifically that they ought to be going above and beyond the call of duty – meaning the payout rate – at this time.<sup>9</sup> But they, too – we talk a lot about a stimulus that is supposed to purchase long-term

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<sup>8</sup> *The Charismatic Organization* (Jossey-Bass, 2008).

<sup>9</sup> Pablo Eisenberg, "Foundations Need to Help Bail Out Nonprofits," *Philanthropy Journal*, February 18, 2009. Online at <http://www.philanthropyjournal.org/news/foundations-need-help-bail-out-nonprofits>.

improvements and not just short-term band-aids, and it'd be a great time for foundations to be investing in various kinds of capacity building, defined as better management, better evaluation, better fundraising, and better service delivery.

ILYA SOMIN: Just very briefly, I think a good way to build the capacity of nonprofits at least in many areas is to reduce the role of government in society. There is an excellent book by a historian named David Beito called *From Mutual Aid to the Welfare State: Fraternal Societies and Social Services, 1890-1967* (University of North Carolina Press, May 2000), in which he charts how over the course of the twentieth century the role and capacity of mutual aid and other organizations was greatly reduced because of their displacement by the expansion of government. Of perhaps even more immediate relevance, when you have a massive expansion of government spending and government debt, as we are now experiencing, that will tend to crowd out much of the private capital and resources that might otherwise be available to nonprofits as well as, of course, for-profit industry. So I think by means of displacement and also by means of occupying the resources that might otherwise go to nonprofits, the government in many ways plays a deleterious role in this area – and that should be focused on perhaps more than it is today.

WILLIAM SCHAMBRA: It's a terrific book, incidentally, for those of you who are interested in this topic. In fact, my father-in-law actually grew up in one of the organizations that Beito refers to – he grew up in Mooseheart as an orphan, supported by the Moose lodge.

SHIRLEY SAGAWA: It'll be not surprising that I think that a modest amount of government investment in nonprofit capacity would be a good idea. It is sort of contemplated in the Obama plan talking about a social entrepreneur agency within the Corporation for National and Community Service. It just seems to me that if government can invest resources to make nonprofits more effective, efficient, and able to use resources better, it would be a really good idea.

WILLIAM SCHAMBRA: Okay! Well, thank you all for being with us today. I thank our audience, and let's give our panelists a round of applause.

(Applause.)