

REVISITING THE FILER COMMISSION: JOHN D. ROCKEFELLER 3RD'S LEGACY

Alicia C. Schortgen
Assistant Professor of Public Affairs
The University of Texas at Dallas
6363 Vickery Blvd.
Dallas, Texas 75214

alicia.schortgen@swbell.net

© 2009 by Alicia C. Schortgen

Editor's Note: This research report is presented here with the author's permission but should not be cited or quoted without her consent.

Rockefeller Archive Center Research Reports Online is a periodic publication of the Rockefeller Archive Center. Edited by Erwin Levold and Ken Rose under the general direction of James Allen Smith, Vice President of the RAC and Director of Research and Education, Research Reports Online is intended to foster the network of scholarship in the history of philanthropy and to highlight the diverse range of materials and subjects covered in the collections at the Rockefeller Archive Center. The reports are drawn from essays submitted by researchers who have visited the Archive Center, many of whom have received grants from the Archive Center to support their research.

The ideas and opinions expressed in this report are those of the author and are not intended to represent the Rockefeller Archive Center.

ABSTRACT

The Commission on Private Philanthropy and Public Needs was founded in November 1973 to study the role of philanthropic organizations in the American public policy landscape. History has credited John D. Rockefeller 3rd with establishing the Commission in an effort to protect the American nonprofit sector, especially private foundations. Part of a larger study of the impact of the Filer Commission on the modern nonprofit sector, this report primarily examines the role of John D. Rockefeller 3rd in the creation, execution, and subsequent implementation of the Commission on Private Philanthropy and Public Needs and its findings. One of the most surprising results of this archival review is what was not found in the RBF and RFA collections, particularly the apparent lack of formal communication between JDR 3rd and principal commission members.

The Commission on Private Philanthropy and Public Needs was founded in November 1973 to study the role of philanthropic organizations in the American public policy landscape. The Filer Commission, named for committee chair John Filer, Chief Executive Officer of the Aetna Life and Casualty Company in Hartford, Connecticut, brought together a diverse group of representatives from all sectors to conduct a two-year inquiry into “the value to our nation of the

private philanthropic initiative.¹ The commission's report, *Giving in America: Toward a Stronger Voluntary Sector* (1975), and accompanying research papers remain the most comprehensive study of the nonprofit sector. The 30th anniversary of the commission's commentary has passed with virtually no pomp, a vexing reality given the widely recognized significance of the commission's findings.

Part of a larger study of the impact of the Filer Commission on the modern nonprofit sector, this report examines primarily the role of John D. Rockefeller, 3rd in the creation, execution, and subsequent implementation of the Commission on Private Philanthropy and Public Needs and its findings. The Rockefeller Archive Center holds the papers John D. Rockefeller 3rd and the relatively small Council on Foundations archives that consists predominately of Filer Commission documents and correspondence. Examination of several of the Rockefeller Archive Center's collections provided materials that contribute to understanding the history and significance of the Filer Commission.

The Rockefeller family has always had a vested interest in public policy governing the charitable sector. John D. Rockefeller, Sr.'s eleemosynary pursuits are well documented by his many biographers, and, along with his contemporary Andrew Carnegie, JDR set the standard for American philanthropic behavior. Analogous to the Sage family, JDR sought to formalize his family's charitable giving by incorporating a foundation. In 1910 John D. Rockefeller filed for a federal charter recognizing his \$100 million grant-making foundation. Despite JDR's significant compromises during negotiations, he could not escape the stigma of the antitrust suit against Standard Oil and consequently withdrew the application. New York State eventually granted a

¹ Commission on Private Philanthropy and Public Needs: Outline of Issues, ND. RAC, RFA, RG 5, Philanthropy and Public Interests – Filer, Box 43, Folder 254.

charter to the Rockefeller Foundation to promote the “well-being of all mankind around the world.”

Similar to his father and grandfather before him, John D. Rockefeller 3rd became actively engaged in policy processes affecting the philanthropic behavior. John D. Rockefeller 3rd's personal documents and correspondence confirm his intimate involvement in the workings of the Filer Commission. In 1969 the Peterson Commission, with which JRD3rd was also associated, issued an extensive report that recommended, among other things, bringing together a group of knowledgeable people to review philanthropic tax incentives. On November 1, 1972, John D. Rockefeller 3rd sent a letter to Wilbur Mills, a U.S. Representative from Arkansas and the Chairman of the Ways and Means Committee and Joint Committee on Internal Revenue Taxation, suggesting formation of a committee to “follow-up” on the Peterson Commission’s proposal. Specifically JDR 3rd suggested “bringing together a small group of individuals to study the incentive question in regard to philanthropy and to make their report to [Mills].” Rockefeller urged Congressman Mills to act quickly in anticipation of the next congressional session and offered to help fulfill the request.²

Congressman Mills replied to JDR 3rd on November 8, 1972. Mills passed all responsibility for organization and execution of the committee to Rockefeller and offered Laurence Woodworth, the Chief of Staff of the Joint Committee on Internal Revenue Taxation, as the group’s primary contact person.³ It was important for the commission’s activities to have the blessing of the taxing authority and appear sectoral in nature. Nearly all subsequent relevant

² Letter from John D. Rockefeller 3rd to The Honorable Wilbur Mills, November 1, 1972. RAC, RFA, RG 5, Philanthropy and Public Interests – Filer, Box 43, Folder 254.

³ Letter from Wilbur Mills to John D. Rockefeller 3rd, November 8, 1972. RAC, RFA, RG 5, Philanthropy and Public Interests – Filer, Box 43, Folder 254.

communication mentioned the support of Mr. Mills and the committees he chaired for the commission and its study.

Rockefeller appointed a family attorney residing in Washington, D.C., Leonard Silverstein, to oversee his personal interest in the commission's activities. Silverstein eventually became executive director of the 501(c)(3) organization affiliated with the Commission on Private Philanthropy and Public Needs. Rockefeller began vetting candidates for committee chairmanship in early 1973. In July 1973, JDR 3rd contacted John Filer regarding the position, and Filer, despite not knowing Rockefeller personally, accepted the role of chairman.

The Filer Commission's first formal working meeting took place in Washington, D.C. on October 31, 1973. It appears from the archives reviewed and the scant literature on the subject that Rockefeller relied on his advisors to represent his personal interests and those of the family's foundations during the Filer Committee's meetings and deliberations. JDR 3rd's advisors, Porter McKeever and Elizabeth McCormack, were actively involved with the commission and saw it through from formulation to drafting the *Giving in America* report.

In addition to active participation in the commission's activities through its representatives, the Rockefeller family financially supported the study's efforts. The Rockefeller Brothers Fund and the Rockefeller Foundation contributed \$100,000 each to the Filer Commission's affiliated 501 (c)(3). Correspondence in the RBF archives suggests that the commission's gift was given expedited treatment despite the gift amount exceeding the foundation's typical minimum grant. A RBF file memo from Robert Bates dated July 25, 1974 indicates "the RBF has a direct interest in the kinds of questions the Commission will be addressing, that these questions are important to the future of all private philanthropy, including

foundations.”⁴ While there are few mentions specifically of John Rockefeller 3rd in the RBF archive, it is apparent that he was represented in the RBF’s support of the Commission on Private Philanthropy and Public Needs.

Neither the Commission’s final report nor any previous list names John D. Rockefeller 3rd as a direct participant in the study. In its introduction, *Giving in America* acknowledges JDR 3rd for initiating the Commission, but reveals no specific connection between Rockefeller and the Filer Commission. RBF archives and the RFA show that Rockefeller was actively involved with organizing the commission early on, and appear to confirm his virtual absence from direct participation in committee activities. The only notable exception is Rockefeller’s co-hosting a luncheon on June 19, 1974, in New York City for foundation executives to discuss the commission’s activities.⁵

Amid controversy from various dissenting groups and individuals (including JDR 3rd), the Filer Commission presented its report and findings to Congress in December 1975. Rockefeller spoke at the Washington press conference and praised the work of Filer and the commission. He referred to the Commission as “Mills’ initiative,” and remarked that the release of the report “must be thought of, not as the end of a debate, but rather the beginning.” JDR 3rd’s comments cast a pall on the state of the nonprofit sector and stressed “particularly the recommendation calling for creation of an ongoing body to be established by Congress to focus on the problems and importance of the private nonprofit sector.”⁶

⁴ Memorandum from Robert C. Bates to RBF Files, July 25, 1974. RAC, RBF, RG 3, Commission on Private Philanthropy and Public Needs, Box 241, Folder 1529.

⁵ Summary of the Luncheon for Foundation Executives – Co-Hosted by John D. Rockefeller, 3rd and C. Douglas Dillon on Wednesday, June 19, at the University Club, New York City, 12:00 Noon. RAC, RBF, RG 3, Commission on Private Philanthropy and Public Needs, Box 241, Folder 1529.

⁶ John D. Rockefeller 3rd’s Remarks at the Filer Commission Presentation, December 2, 1975. RAC, RFA, RG 5, JDR 3rd Addresses – Filer Commission, Box 7, Folder 56.

Beginning in 1976 JDR 3rd became increasingly active in the implementation of the Commission's recommendations. While McKeever, who had officially become Rockefeller's philanthropic representative, remained involved in the follow-up efforts, JDR 3rd personally participated in meetings and planning sessions. Echoing the sentiments of his remarks at the release of the Filer report, Rockefeller wrote that he was particularly interested in the recommendation encouraging creation of a "permanent national commission on the nonprofit sector."

JDR 3rd reemerged at a pivotal time in the history of the American philanthropic sector, and in the absence of John Filer to execute the Commission's recommendations, assumed a prominent role in political maneuvering. Working alongside the IRS and the Department of the Treasury, Rockefeller and his advisors sought a departmental advisory committee to oversee nonprofit sector policy. Concerned for the future of the advisory function under the new administration, Rockefeller wrote to a Special Assistant to President Carter to address "a serious situation."⁷ Despite JDR 3rd's personal efforts to the contrary, the Advisory Committee on Private Philanthropy and Public Needs was disbanded. When John D. Rockefeller 3rd was killed in a car accident on July 10, 1978, implementation efforts were significantly stymied. Eleanor Brilliant writes, "With his death the idea of a national commission lost its most powerful supporter and no longer seemed to be viable."⁸

The documents reviewed in the Council on Foundations archives did not reveal much new information to the researcher, but supplied myriad reports and memoranda not previously acquired. Most importantly I was able to obtain a copy of the *Donee Report*, which is not as

⁷ Letter from John D. Rockefeller 3rd to Stuart R. Eizenstat, Presidential Assistant, March 1, 1977. RAC, RFA, RG 17, Associates – McKeever, Box 1, Folder: Filer Commission.

⁸ Eleanor L. Brilliant. *Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions* (Bloomington: Indiana University Press, 2000). pp. 143.

readily available as the *Giving in America* report. The Council on Foundations played a considerable role in representing American foundations during the Filer Commission's proceedings, and the RAC collection reflects its historical significance.

One of the most surprising results of this archival review is what was not found in the RBF and RFA collections. With few exceptions, including JDR 3rd's initial correspondence with Congressman Mills, there was little formal communication between Rockefeller and his representatives regarding the Commission. I found no letters or memoranda exchanged between JDR 3rd and John Filer, Leonard Silverstein, or Robert Bates. Eleanor Brilliant's detailed review of the Filer Commission's activities indicates that several phone calls and in-person meetings took place between Rockefeller, his advisors and other commission stakeholders, but there seems to be no written recounting of conversations in the RFA, RBF, or COF archives.

My visit to the Rockefeller Archives was productive, especially considering that I reviewed all materials set aside by the archivist pertaining to JDR 3rd and the Filer Commission. I was able to review most of the COF collection, and my research will benefit greatly from the documents discovered therein. Since returning home from the Archives, I have discovered from peripheral materials the apparent wealth of information that John D. Rockefeller 3rd's diary contains regarding the Filer Commission and its activities. I hope to visit the Rockefeller Archive Center again soon to more deeply examine JDR 3rd's diary to gain insight to his personal sentiments regarding the Commission on Private Philanthropy and Public needs.