

The Unlikely
Philanthropic
Odyssey
of Sir John
Templeton

His increasingly influential
\$250 million foundation, devoted to
the intersection of science and spirituality,
has funded research on everything from spiritual
healing to character development *By John Sedgwick*

PHOTOGRAPHS BY BRIAN VELENCHENKO



QUICK, NAME ONE FOUNDATION THAT comes anywhere close to producing the kind of society-transforming effect that is now a routine product of corporations. Where is the Internet of the foundation world? The Palm VII? The Human Genome Project? ■ Truth be told, it's the rare foundation that makes any news at all these days, except for the increasingly Gatesian size of benefactions or the occasional scandal. What little buzz there is in the foundation world still involves age-old political disputes between left (like the liberal warhorse Ford Foundation, for example) and right (conservative upstart Olin Foundation). ■ A more telling distinction in charity may be "in" versus "out," meaning the established and safe versus the experimental and risky. Even though most of the money going into foundations was made by taking substantial risks to get sizeable rewards, most of the money that comes out of foundations takes the opposite tack. Foundations often rely on tried-and-true patterns of giving in their modest ambition to give

society little more than a gentle upward nudge. On the in-out scale, nearly all foundations are clumped together way down on the "in" end.

But there are some notable "outs," and their stories make valuable reading for new philanthropists who are seeking maximum impact from their social investments. Take the quarter-billion-dollar John Templeton Foundation, founded in 1987 by the noted global investor Sir John Templeton. (He was knighted for his many philanthropic efforts in England, most prominently the creation of Oxford University's Templeton College for the post-graduate study of business management.) By foundation standards, the Templeton is way out there. While its official mission is "to pursue research at the boundary between theology and science," it might be thought of as a scientific search for God. For the Templeton's core interests are cosmology, astrophysics, evolutionary theory, teleology, and other big-think disciplines that, in the foundation's mind, might someday yield the hint of an outline of the deity. "It's the beginning of the beginning of a conversation between religion and science," says theologian Martin Marty, a Templeton advisor.

Since 1973, Templeton has awarded the now-famous annual Templeton Prize for "progress in religion," a whopping monetary award shrewdly pegged just above the Nobel to be the richest prize in the world. This year, in a pomp-filled ceremony at Washington National Cathedral, almost \$1 million went to physicist Freeman Dyson for his efforts to promote science as a tool for social justice. The foundation also sponsors learned conferences on the religious aspects of science, and vice versa, and it has published, under its publishing arm Templeton Foundation Press, a slew of books by various authors, with subtitles like *Scientists Discover God*, *Science Discovers the Mysterious Harmony of the Universe*, and *Revelations of the Divine in Contemporary Science*. The Templeton has taken flyers on medico-religious projects, such as funding "forgiveness research" to determine the physical and emotional consequences of reconciliation.

Funding has also gone to studying the development of character through the promulgation of worthy maxims like "Help yourself by helping others," a new chestnut authored by Sir John himself; and the establishment of *The Infinite Mind* radio program to explore the search for meaning on the nation's airwaves.

Wacky stuff, maybe, but it is getting places. The foundation's spirituality and health initiative, once a fringy, New Age topic, is now moving to the center of the culture, thanks to long-time Templeton grantees like Herbert Benson of the Mind/Body Medical Institute of Beth Israel Deaconess Medical Center in Boston, who has used Templeton money to investigate, and to promote, the power of prayer and belief in improving health. The Templeton also gives \$25,000 grants to medical schools that support spirituality courses as part of their curriculum, spreading the gospel of spiritual healing to 27 schools since the program started in 1996. And a measure of the Templeton's success on the science-and-religion front is the presence of television shows like PBS's recent *Faith and Reason*, which was partly underwritten by the Templeton, or the headline SCIENCE FINDS GOD on the cover of *Newsweek*, which quoted authorities at places like Berkeley's Center for Theology and the Natural Sciences, whose work the Templeton has long supported. In



all, the foundation paid out \$20.3 million in grants last year.

For all the boldness of his views, Templeton himself is hardly a firebrand. Now 87, he lives reclusively in tony Lyford Cay, Nassau, in the British Bahamas, where he enjoys power walks in the sea and quiet evenings with a few old friends at the Lyford Cay Club. Shaped by the Depression and a small-town upbringing in rural Tennessee, Templeton is not one to let money fly. In a credit-card world, he typically pays with cash. In his biography, he reports that in 1940 he took pride in furnishing his five-room apartment—on the sixth floor of a no-elevator building on East 88th Street in Manhattan—for a grand total of \$25. He recalls that he secured a \$200 sofa bed for \$5, and it was “so good we used it for 25 years.” He still eschews most of the proud displays of the megarich—the private planes, the yachts, the art collections. Despite his passion for saving and investing, money itself has been of only limited interest to Sir John. He may be one of the few rich men to practice what might be called a reverse tithing: He customarily gives away to charity ten times the amount he spends on himself.

The superrich have their aura, of course. At a foundation luncheon not long ago, near the Templeton’s headquarters in Radnor, Pennsylvania, Templeton made himself available to me for a few precious minutes. When the moment came for our interview, I didn’t actually sense his presence until I turned and found a smallish elder with bright eyes, a Templeton College necktie, and a beatific smile that would not be out of place on the Dalai Lama. Templeton might have been blown in by the breeze. But once he was there, it was as if a rock had landed beside me, so enigmatic, almost mystical, did I find him.

TEMPLETON DOES NOT DO SMALL TALK, SO I GOT right into it and asked him if his foundation is indeed trying to know God. “No,” he told me. Pause. “Would you like to know why?” He gestured toward the bouquet in the center of the table. “It’s like asking the tulip there to explain you. The tulip is a beautiful creation, with millions of atoms cooperating with each other to produce great beauty, but ask that tulip to talk about you, and it can’t do it. It doesn’t have those perceptive abilities.” He turned to me sternly. “Wouldn’t it be conceited to suggest that I had the abilities to describe the deity?” This was a telling remark; his “no” had a “yes” hidden inside. The foundation does not seek to know God only because it can’t: Templeton’s God is not to be known.

So what does the foundation do? “The correct description is that we try every day to become more humble when we talk about divinity,” Templeton replied. “We try to realize how little we know and how open-minded we should be. It’s self-centered to think that human beings, as limited as we are, can describe divinity, or even the purposes of divinity.” Templeton speaks often of “spiritual information” and his wish that spiritual discoveries could double human understanding of divinity every 20 years and thus keep up somewhat with scientific information. But in fact, to him, spiritual information progresses backward—toward openness, blankness, even. Toward the mind of the tulip.

To Templeton, such humility has the power of near clairvoy-

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ance, with value beyond the spiritual realm. One of Sir John’s most powerful convictions is that spiritual principles are guiding financial principles as well. With Gary Moore he has written a charming little book, published by the Templeton Foundation Press in 1998, called *Spiritual Investments: Wall Street Wisdom From the Career of Sir John Templeton*. The book codifies this belief into 17 maxims, like “Don’t panic,” that are guides to life on Wall Street and Main Street simultaneously. Now, Templeton tells me that only the open-minded can see commercial opportunity. “My competitors used to say, ‘Which American stocks should we invest in?’ But I would say, ‘Don’t be so small-minded. Maybe there are better investments in 106 other nations.’ By being more humble, I opened up myself and my clients to discovering other opportunities that people didn’t know existed.”

For a seer, Templeton is remarkably optimistic, almost relentlessly so, with a childlike appreciation of the beauty of capitalism. He has often pointed out that the best companies, the ones worth investing in, are the ones that actually do good things for people. They produce “goods.” But he has startled people by proclaiming that the Dow Jones Industrial Average will go over one million in this century. Thanks to the glories of compound investing, that figure in fact assumes only a 4.6 percent annual increase. Templeton is also remarkably self-contained. Mark Holowesko, president of Templeton Global Advisors Ltd., says that the only time Templeton showed significant passion was on the day of the October 1987 market crash, when Templeton was absolutely overjoyed that all his favorite stocks were now suddenly 30 percent cheaper.

Templeton has come to thrive on the worst imaginable news, since that means things can only improve. Starting out in the 1930s, he put together his first significant financial stake on the eve of World War II, when he borrowed \$10,000 to invest \$100 in each of the 104 companies then selling for no more than \$1 a share, even though 37 of them were actually in bankruptcy at the

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time. Just four years later, those stocks had gone up fourfold. More recently, he bucked the prevailing wisdom to recommend a heavy investment in South Korea when everyone else saw nothing but dust and ashes. The market has since gone up about 200 percent.

Before settling on the foundation, Templeton considered other more conventional philanthropic avenues, like educational programs and antipoverty initiatives. But he is a pure product of his father's Presbyterianism, his mother's Norman Vincent Peale-like Unity Church, and his own youthful fascination with math and science, especially astronomy. He'd served for years as chairman of the board of trustees for Princeton Theological Seminary, but he wanted to be involved in a religious campaign that was more open-ended. “I thought, I'm only going to be on this planet once, and only for a short time. What can I do with my life that will lead to permanent benefits?” The answer was a foundation to try to merge these historical opposites, religion and science. And as a contrarian, he was only confirmed in the rightness of his approach by the foundation's initial reception from the media. “It was a blank,” he says. “An absolute blank.”

IN THE WORLD OF U.S. PRIVATE FOUNDATIONS, POLICED AS it is by the IRS, literally anything goes—at least so long as the foundation meets the IRS requirement for a charitable institution. For example, it must not advocate illegal acts, nor engage in electoral politics, and of course, it must avoid self-dealing and excessive payments to foundation employees. When Susan Shiroma, a librarian for the Foundation Center, first laid this out for me, I thought I had misunderstood. Surely some private foundations would be too goofy for the IRS. What about a private foundation for the study of lint? “That could be educational,” she said. “Lint could be very interesting technologically, as an industrial by-product.” A private foundation to support navel gazing?

“That could be therapeutic,” she said. “Or philosophical.”

The point is, social value is in the eye of the beholder. As with commercial products, scientific theories, or works of art, it's the projects that initially seem bizarre that are most likely to be transformative, producing the “paradigm shift” that is the cultural equivalent of a home run. The Council on Foundations has posted on its Web site a list of “Great Grants,” and there are several interesting items, the development of the 911 emergency call system and Goddard's contributions to rocketry in the 1920s, a precursor to space exploration, among them. The classic example here is *Sesame Street*, a project initially funded by the Carnegie Corporation of New York, which proved to be the birth of a new approach to learning. If *Sesame Street* now seems commonplace, it is only because it has redesigned the world in its own image.

Many projects are funded every year by foundations, but only a few become historically memorable. “There are examples of significant impact, but they're rare and hard to find,” concludes Mark Kramer, managing director and cofounder of the Center for Effective Philanthropy in Boston. “At most foundations, people tend to do what everybody else does, or whatever's easy, or whatever comes in the door.” Kramer argues that part of the explanation has to do with the Daddy Warbucks nature of foundations. “It's like anyone else who is handing out money,” he says. “You quickly begin to think you're very wise because everyone treats you as if you are. They tell you everything you do is wonderful, because they want your money.”

Like many in this field, Kramer distinguishes between what is referred to in the trade as “dead-donor foundations,” and “living-donor foundations.” The former tend to be more cautious, because once the founding donor has died, the primary concern is the continued existence of the endowment, which boldness can only endanger. When the donor is still alive to insist on higher principles, the foundation is more likely to be innovative.

Sir John Templeton, of course, is very much alive to spur the Templeton Foundation on to ever-greater heights of audacity. It may be that Templeton's ego is his foundation's most valuable asset, after his money. He has drawn his children to his cause; his daughter, Anne Zimmerman, is on the board, and his son, John, was persuaded to serve as board president, even though he had to give up a flourishing career as a pediatric surgeon to do so.

A founding donor needs to be fully invested—financially, emotionally and spiritually—to dispense money as successfully as he makes it. It must be his show. Templeton is referred to as “Fax-a-Minute” because of the barrage of missives from Lyford Cay. It's been eight years since Templeton sold his mutual fund company to his major competitor, Franklin Resources. But he has never looked back. “I focus on spiritual wealth now,” he says, a vigor coming into his voice. “And I'm busier, more enthusiastic, and more joyful than I have ever been.”

Perhaps Templeton's efforts will raise the standard of accomplishment for today's new philanthropists who hope to make a difference by creating a private foundation—they must be willing to dig deep into more than their wallets. ■

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