Rotary International was founded in 1905 by Paul Harris in Chicago. There were many clubs in the U.S. at that time, but they were mostly trade and labor groups, as well as associations of people who shared common ethnic backgrounds, religious beliefs and political persuasions. But Paul Harris, Silvestor Schiele, Gustavus Loehr, and Hiram Shorey wanted their new Rotary club to be unlike any other. Instead of having numerous lawyers or bankers or accountants, they wanted only one man to represent each profession. Thus was born the classification system used by Rotary clubs today. They soon attracted other members from diverse backgrounds and grew the Rotary club of Chicago to 200 members in 3 years. In 1908 a Chicago Rotarian traveled to San Francisco on business, where he met a young lawyer named Homer Wood – he was so interested that he started a San Francisco club. Within two weeks, Wood traveled to Oakland to persuade his friends to start a Rotary club there. His fellow San Francisco charter member Art Holman traveled to Seattle, and thus in 1909 Seattle #4 became the 4th Rotary club in the world. Now we have 1.2 million Rotarians in 32,000 clubs in 168 countries around the world – more countries than are members of the United Nations.

It is interesting to note that Paul Harris was 37 years old when he founded Rotary, and the other three men were also in their 30's.

Although Rotary's early focus was on fellowship and business networking, members soon incorporated the elements of service. In 1906, there was an amendment to the bylaws which stated, "An organization that is wholly selfish cannot last long. If we, as a Rotary club, expect to survive and grow, we must do some things to justify our existence. We must perform a civic service." The first service project of the club was a public toilet outside City Hall in Chicago. The club became the first service club in the U.S. Likewise, today, fellowship and business networking are not enough to retain a Rotarian’s membership. He or she must get involved in a service project to stay interested in Rotary.

Three members of Seattle #4, Roy Denny, Emie Skeel and James Pinkham presented a Rotary platform at the annual Rotary convention in Portland in 1911, and out of that came the Object of Rotary:

The Object of rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

First:
The development of acquaintance as an opportunity for service.

Second:
High ethical standards in business and professions; the recognition of the worthiness of all useful occupations; and the dignifying of each Rotarian’s occupation as an opportunity to serve society;

Third:
The application of the ideal of service in each Rotarian’s personal, business and community life;

Fourth:
The advancement of international understanding, goodwill, and peace through a world fellowship of business and professional persons united in the ideal of service.

65 years later, RI adopted a concise definition of Rotary which we still use today: “Rotary is an organization of business and professional persons united worldwide who provide humanitarian service, encourage high ethical standards in all vocations, and help build goodwill and peace in the world.”

In 1924, the four avenues of service were adopted: club service, community service, vocational service and international service. That year was also the first time that RI entered a float in the Rose Parade on New Year’s Day in Pasadena.

The Rotary Foundation was Arch Klumph’s idea. He was RI president in 1917, but it wasn’t until 1947, when Paul Harris died, that the Foundation really took off when it was suggested that Rotarians each make a gift of $10 to the Foundation in his honor. Money poured in from around the world, and a year later, the first Foundation program was launched – Ambassadorial Scholarships. That program is the world’s largest privately funded international scholarship program for university studies. Its purpose is to promote further international understanding and friendly relations between people of all nations- the first step to a peaceful world.

By 1957, contributions were beginning to decline and the trustees announced that anyone who contributed $1000 to the Foundation would become a Paul Harris Fellow and there would be a category called Sustaining members for those who could not give $1000 at one time but
pledged to give $100 annually. When they attained the $1,000 they became Paul Harris Fellows. Al Brush from Laurel, Mississippi became the first Paul Harris Fellow, and soon the one millionth Paul Harris Fellow will be named.

Another great program of the RI Foundation is Group Study Exchange, which was started in 1965 between districts in California and Japan and was such a success it spread quickly around the world. A district selects a Rotarian as a team leader and then four to six young professionals, non-Rotarians between ages 25-40. This team is then matched with another district by RI, and spends 4 – 6 weeks in each other’s country, staying in Rotarians’ homes, and visiting schools, courts, civic leaders, businesses and Rotary clubs. There are 50,000 GSE alumni – all of whom make wonderful Rotary membership prospects.

By the 1960’s, jet travel had made the world a smaller place. More Rotarians met one another at international meetings and explored ways in which clubs and districts in different countries could work together on projects. The Foundation established the Matching Grant program in 1965 as a way of leveraging the Foundation’s funds while simultaneously increasing participation among Rotarians and clubs. Suddenly, Rotary clubs in two or more countries could partner with one another in a World Community Service project and apply to TRF for funds to match what they raised locally. Matching grants are not blank checks sent out to good causes. They require the active involvement and oversight of Rotarians from a club where the project is located and by an international partner. The most successful ones I’ve seen in clubs are where a Rotarian has traveled to some part of the world, discovered a project, gets the club involved, is passionate about the income – that’s what creates a member’s retention.

In 2002, the Rotary Foundation achieved a major milestone when the number of Major Donors (someone who has contributed $10,000 to TRF) reached 5,000. The largest gift to date has been from a Rotarian in Turtle Creek, PA in the amount of $7 million.

Individual grants cover the travel costs for a Rotarian to work on a World Community Service project in another country. Thus a British education could teach students in Madagascar how to use solar-powered radios, an Indian engineer could assist flood victims in Mozambique and a Rotarian physician from Spain could teach physical therapists in Paraguay. We have had nine Rotarians in our District receive Individual grants in recent years.
That covers a bit of history of the Foundation – other important events in the history of Rotary International include the Four Way Test which most of us are familiar with: Is it the Truth, Is it Fair to all Concerned, Will it build good will and better friendships, Will it be beneficial to all concerned? When the Great Depression hit in 1930, Rotarians faced the greatest challenge of their lives. There was no better time to test for ethical conduct than during such a dire economic crisis and the scramble to survive. Herbert Taylor, a member of the Rotary club of Chicago, took over the near-bankrupt Club Aluminum Company in 1932. It was a last-ditch effort to save the company, which had no money, low employee morale and ruthless competition. He used his Rotary background to draft a 24-word code of conduct that he used to guide all his daily decisions dealing with employees, customers, dealers and suppliers. He deliberately walked away from business that, while profitable, would have failed one or more of its standards. The company’s fortunes turned around and built a net worth of $2 million. Herb credited the Four-Way Test and when he became RI President in 1954, he donated the copyright of the test to RI. It has been translated into the languages of more than 100 countries.

RI has several programs dedicated to youth –

- RYLA (Rotary Youth Leadership Awards) was founded in 1959 in Australia – this program selects outstanding high school students to attend a conference to learn about leadership, decision-making, goal setting, good citizenship, conflict resolution and other life skills from accomplished business, community and political leaders.

- Interact – Service club modeled along the lines of a Rotary club for high school students ages 14-18. “Interact” stands for a contraction of the words international and action. Started in Florida in 1962, it has grown to over 200,000 members in 8000 clubs in 107 countries.

- Rotaract - Started in 1968 in Charlotte, North Carolina to fill a gap between Interact (high school students) and Rotary clubs (established business leaders). It's not a youth program, but rather is designed for young adults between ages of 18 and 30 who want to serve the community, are committed to high ethical standards, seek fellowship with those of like mind, but do not yet qualify for membership in Rotary. Today, there are more than 170,000 Rotaractors who meet and serve their communities in 7500 clubs in 155 countries.
Youth Exchange, which has been one of Rotary’s most successful and popular programs, was launched in 1927, when the Rotary Club of Copenhagen, Denmark, arranged an exchange with American boys. Today about 7,000 students ages 15-19 are placed with Rotarian families in another country for a year or 4-6 weeks in the summer program. This has been an excellent starting point for teaching them cross-cultural sensitivity at an age when they are just becoming truly aware of the world beyond their home communities. 2005-2006 RI President Carl-Wilhelm Stenhammar, a huge advocate of Youth Exchange, has said that if every 18-year-old could be a Rotary Exchange student, there would be no more war in this world.

A momentous event in the history of Rotary was on May 4, 1987, when the United States Supreme Court ruled that Rotary clubs do have a business purpose under the public accommodations legal test and ruled that Rotary International could not bar women from membership. At the 1989 Council on Legislation, the Board of Directors eliminated the word male from the constitutional documents. Despite the predictions that the end of Rotary was near, the organization moved on. Contrary to the dire claims of the nay-sayers, the women who joined were not husband-stealing temptresses, but bankers, shopkeepers, computer executives and lawyers. In due course, women became club presidents and district governors and today are referred to simply as Rotarians. In our district and in the U.S. in general, about 20% of our membership is female. Worldwide, that number is 11%.

1987 was an important year in Rotary history for another reason: The launch of PolioPlus, a campaign to raise $120 million and the marshalling of Rotarian volunteers to immunize all the world’s children against polio by the 100th anniversary of Rotary in 2005. We’ve now raised over $600 million and the job is nearly done, with only a few countries in Africa left to accomplish eradication of the live virus.

There are many resources available through the RI web site at www.rotary.org, including Rotary Basics, This is Rotary, and the ABC’s of Rotary. I would also strongly recommend each club purchase the book, A Century of Service, the Story of Rotary International, which was written in honor of Rotary’s Centennial. It is available for $12.50 through the Rotary web site at www.rotary.org (Publication 913)

Presented by Sally J. Gray, District 5030 Governor 2005-2006
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