



# Foreword

The debate inside and outside California about AB 624, the state bill that would mandate the collection and posting by foundations of data about their grantmaking to communities of color, presents a clash between well-intentioned but misdirected intervention by government and

defensive reactions from the philanthropic sector. The net result, whatever happens to the legislation - which seems unlikely to pass in its current form, anyway - is that mistrust between the two sectors could widen. There is danger that the debate will distract attention from the most profound issues of race and power that the bill is trying to address.

There is an important value in the independence of foundations from government interference in their mission that ought to make the sponsors of AB 624 think twice about even so apparently benign an intervention as requiring data collection. I am highly sympathetic to the goal of increasing philanthropic investment in communities of color, and to the closely related, but not identical goal of increasing the diversity of foundation staffs and boards and those of their grantees. Obviously, foundations and nonprofits have no exemption from civil rights laws. But if a progressive legislature can require foundations to publish data on race and ethnicity, a conservative one can bar a grantmaker - like the Ford Foundation, which has done this for years, or the Arcus Foundation, which asks its grantees for proof of gay rights employment practices - from doing so. Race and ethnicity are vitally important, but an argument can be made that a foundation's carbon footprint, or services to the old or the young, are also fit subjects for legislation. This is a slippery slope, and philanthropic pluralism and independence are not trifling concerns.

So I understand why a number of my fellow philanthropic leaders have raised their voices against the legislation. But I also think that foundation leaders should be careful not to over-argue our case. It's especially important in a time when the foundation field is increasingly preoccupied with "metrics," outcomes and impacts, grantee accountability and the like, that we not exempt ourselves - and of all issues, the continuing barriers of race - from measurement. Without measurement, you have no idea how much you have accomplished or how far you have to go.

The question of what is measured is crucial, of course, and here we could use a much more robust discussion than the AB 624 debate has so far afforded. Whether Black, Latino, Asian and Native American people are around the table when foundation strategies are set and grant allocations determined is certainly a leading indicator. We are in a moment when a Black man who has

spoken honestly and clearly about race is a strong contender for the presidency. Fortune 500 companies and the military now readily recognize and celebrate the strength that diverse teams bring to achievement of mission. It would be strange indeed for foundations, which ought to be in the vanguard of social progress, to resist this connection.

## **Strategic Awareness of Race is Critical**

In addition to internal foundation diversity, there are other leading indicators as well. Surely one, the target of AB 624, is the diversity of organizations in which foundations make investments. Foundation decisionmaking is more strategic and well informed when the table is more reflective of our increasingly multiracial and multiethnic society. For the same reason, so too are grantees' strategies likely to hit the mark when the communities most affected have a strong say and when the multiplicity of their views and perspectives is reflected - not just in who's "served," but in who's doing the "serving."

Each of these factors is interdependent, but the most critical one is often the one least discussed: do foundations' strategies, and those of their grantees, take account of the continuing significance of race in America? To the extent they do not, they will be much less effective. I'll close with a powerful example. Several funding partners, including my foundation, Atlantic Philanthropies, backed the Coalition for Comprehensive Immigration Reform quite heavily. But the campaign lost badly in 2007 when the federal immigration reform measure it supported failed to pass through Congress. The coalition did many things right, and the loss was attributable to numerous factors, many beyond their control. But the coalition members all agree that what they failed to predict was the way racism - simple, hateful stereotypes about Black and Brown people - spewed over talk radio, overwhelmed the debate and doomed the bill. Waging a "good government" campaign that pretended race was not a factor turned out to be a flawed strategy. They won't make that mistake in the next round.

This volume of essays from PRE turns a spotlight on important issues sometimes missed in the overwrought AB 624 debate. We should take advantage of the proposed legislation to elevate the discourse beyond the pros and cons of the bill's proposed mandatory reporting requirements to focus on what philanthropy - and indeed the entire nonprofit sector - should be doing and asking not simply about commitments to diversity, but about advancing the cause of racial and ethnic justice.

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