



# Fund Racial Justice Strategies, Not Just Diversity

by Rinku Sen

The Applied Research Center (ARC) has studied philanthropy in relation to communities of color through our report, *Short-Changed: Foundation Giving and Communities of Color*, and through a racial equity assessment tool that we have tested with two foundations. In each case, our findings revealed that although the total philanthropic dollars going to communities of color is dismal in itself, we have to go beyond counting diversity data to ensure that such philanthropy is generating racial justice.

It is difficult to count the distribution of philanthropic dollars by race - not all foundations keep such data, and there is no public mandate requiring it. Even with having to qualify some of the data, however, *Short-Changed* found that although people of color make up nearly one-third of the general U.S. population, grants explicitly targeted to benefit them constituted only 7 percent of foundation giving in 2001. Grants to African American organizations in 2000 and 2001 constituted only 1.4 percent of total foundation grants, dropping from a high of 3.8 percent in 1999. The average size of grants to organizations that supported African Americans shrank by nearly 20 percent in that time. Grants to other communities of color showed similar patterns. Giving to Native Americans was at .5 percent, to Asian Americans and Pacific Islanders between .3 and .5 percent, and to Latinos 1.48 percent of large grants. Support for immigrants and refugees was at .7 percent, particularly small given that foreign-born residents comprise more than 11 percent of the population. Further analysis revealed that the expansion of professional staff of color within foundations has not led to the allocation of more philanthropic dollars to communities of color.

From a racial justice perspective, however, the problem extends far beyond the lack of diverse representation among foundation grantees. Most foundations have no common definition of racial justice. *We define racial justice as the proactive reinforcement of policies, practices, attitudes and actions that produce equitable power, opportunities, treatment, impacts and outcomes for all.*

## Need More Support for Policy Change

If policies are to work for the benefit of communities of color, those communities must have the power to define, advocate for and then be engaged in their implementation and refinement. Philanthropy lacks adequate data on policy-related grantmaking and race, but anecdotal data indicate that the ratio of policy grants to people of color-led organizations is even smaller than the already dismal proportion of all grants noted above. Much of the funding to communities of color has fueled service provision rather than policy change or other structural interventions in fighting institutionalized racism.

We distinguish racial justice from diversity and from multiculturalism. There can be diversity without equity. A **diversity focus** primarily addresses the symptoms of racism - with the goal of minimizing racial tensions and maximizing people's ability to tolerate difference and get along. A **racial justice focus** primarily addresses the causes of inequality and the solutions and strategies for producing equity. For example, in 1954, the U.S. Supreme Court ordered the integration of all public schools, yet our schools remain highly unequal. Even fully and partially integrated schools, experience racial achievement gaps and other disparities across race.

Likewise, culture is only one aspect of race. Neither a diversity frame nor a cultural frame addresses the question of power. Race is a social construct that stems from differences in power - imbalances and abuses of power underlie racial categories and the mechanisms of racism.

Efforts to promote cultural awareness, sensitivity and inclusiveness are important steps, but ignoring the dynamics of power helps to perpetuate institutional racism. According to this definition, equitable impacts and outcomes across race - a reduction in racial disparities - is the ultimate indicator of success.

Over the last nine months, ARC and the Philanthropic Initiative for Racial Equity have been conducting racial justice assessments with two foundations that have made a commitment to racial equity. In each case, even with foundations that give substantially to communities of color, we found that foundation staff often used implicit rather than explicit language to describe their racial equity commitments and kept data for some but not all grantees. Staff members were hard pressed to make grants to projects with a structural or policy-making component that actually equalized power between people of color and the private and public institutions in which they live and work. Among their grantees, we often found that diversity stood in for direct discussion of institutionalized racism - that is, a group comprised largely of people of color would assume either that everyone had a racial analysis, or assume that diversity in itself was enough to address racism.

### **Recommendations for Racial Justice Work**

For these and other foundations that wish to expand their racial justice work, we recommend the following:

1. Establish an understanding of and then set racial justice criteria for grantees - criteria such as the existence of people of color leadership, structural analysis and a plan for racial equity advocacy.
2. Establish racial justice as an explicit funding category.
3. Invest in capacity-building around racial justice

questions in particular, both in the foundation itself and among grantees.

4. Distinguish individual acts from institutional racism; prioritize systemic change.
5. Support research to identify model initiatives.

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Before a foundation selects an intervention, it is helpful to conduct a full analysis of how racism is operating at the micro (internalized or interpersonal) level or macro (institutional or

structural) level. This will inform the strategies that the foundation selects and develops. Because race is such an integral factor in poverty, poor health and limited education, foundations committed to addressing such issues will inevitably find that they need to build the capacity to capture key data.

### **Focus on Structural Solutions**

For systemic change, foundations should focus solutions on institutional and structural causes. Racism within and between institutions requires outcomes that address procedure and policy change and address disparate outcomes. Foundations that choose to deal with structural racism (racist history, culture and systemic inequities) must be willing to expose these historical roots, have an intersectional analysis and be an equal partner in social justice movements.

Legislation mandating that foundations gather data to reveal their funding patterns may be a start, but it may not, in the final analysis, lead to new racial outcomes in poverty, education, housing and health numbers. Foundation giving that encourages societal change at that level will need to look to the kinds of strategies they support, in addition to the color of the communities.

*Rinku Sen is the president and executive director of the Applied Research Center and publisher of ColorLines magazine ([www.arc.org](http://www.arc.org)). Her latest book, Stir It Up: Lessons in Community Organizing (Jossey-Bass) was released in 2003. She is a member of the PRE advisory board.*