Support the Right People to Do the Right Things



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Last summer, sponsors of California Assembly Bill 624 dropped legislation that had been introduced in 2007 and passed by the Assembly in January 2008. If it had been enacted, AB624 would have required funders to report on the race of their grant recipients' leaders. Many large foundations lined up in opposition to the bill in various public forums, and then eventually "settled" with bill cosponsors. The bill was not as thoughtful as it should have been. There was not sufficient dialogue with a wide range of stakeholders in either its inception or preceding the deal that was made.

Foundations need to have a much more self-critical internal and more robust public dialogue about why and how they must support people of color-led organizations.

Importantly, California foundations have acknowledged that the future of the state depends on the majority of its population, people of color, being able to promote its well-being. This is true both for California, which is already majority people of color, and the nation, which the U.S. Bureau of the Census predicts will be by 2050. Large foundations in California agreed to take several steps to ensure a diverse grantee pool: fund leadership development, technical assistance and examine access issues to the foundations themselves. These steps are useful and welcome. And they are inadequate.

The steps largely look at communities of color through a deficit lens. They're based on an assumption that in order to get grants, people of color-led organizations need more capacity. In some instances this is true; I know of few groups of any racial make-up or size that would reject leadership or other technical support. But grantwriting training or leadership development may not be the primary strategy to ensure the future of California or the nation. A lens that will lead to better grantmaking and more responsive capacity-building strategies would assume the importance of communities of color, and acknowledge the leaders, ideas, strategies, relationships and other assets in communities of color. Then the conversation shifts to one about how best to support these communities, not whether to support them in a competitive model that pits groups against each other across race.

Effectiveness: Doing the Right Thing

In essence, the California approach is based on a narrow form of capacity-building. "Capacity," a generic term, ranges in meaning from the ability to perform a given task to taking work to "scale." At its core it always implies some assumptions about effectiveness. But effectiveness for what? Capacity to do what? Management guru Peter Drucker defines effectiveness simply as "doing the right things." Seeding and supporting the growth of community of color-based organizations – groups led by people of color and that work on issues of priority to communities of color – are necessary to be effective. And not just in moral terms.

Communities of color must be shored up to engage in our social, economic and political institutions if these institutions and society are to thrive. To do this, people of color-led groups need general support. They need funds for networking, programs and projects that build community engagement, strategies and implementation. Foundations must invest much more broadly and deeply in organizations and their work through a clear analysis of the critical role communities of color play in reaching almost any social goal foundations typically seek. They should recognize the value of supporting people of color-led groups to shape the contours of the issues, strategies and methodologies of the work.

Organizations Need Space to Build

We have some real world examples of the critical importance of this type of approach. In 1988, Pineros y Campesinos Unidos del Noreste (PCUN), just three years old, launched a decade-long fight for collective bargaining rights for rural Oregon farmworkers. It is hard to imagine that in those early days PCUN looked like a strong group given its staff, resources or name-recognition. Through the legislatures, courts, streets and fields, churches and union halls, college campuses, and editorial boardrooms; through strikes, boycotts and media, PCUN brought the western U.S.'s largest food processor, grower-owned NORPAC Foods, to the bargaining table and forged the first-ever collective bargaining agreement for farmworkers, many of whom are undocumented. Now many funders, perhaps still not enough, but many understand that PCUN can be effective.

There are many PCUNs, and their primary needs may not be met with leadership development and board training grants. They need the space to build an organization more broadly and holistically. They need general support.

Sometimes the work, like PCUN's, might not fit existing categories or grant guidelines. When Hurricane Katrina pummeled the Mississippi Gulf Coast in September 2005, the Red Cross in Mississippi bypassed many communities of color. It lacked institutional and community relationships. It did not have volunteers in many of these communities. The Mississippi State Conference of the NAACP, not a relief or service delivery organization, used its network to gather and deliver needed supplies to reach Black communities overlooked by the Red Cross. Relief work is not its programmatic mission. And if we were to consider who had the capacity to support relief efforts, we would not typically identify the Mississippi NAACP, an advocacy group. Yet, it did what the community needed. It may well have helped the Red Cross better understand its shortcomings and helped it to become a stronger institution in the Gulf Coast south. In fact, the Biloxi NAACP branch president now serves on the board of the Mississippi Red Cross, an important cross-fertilization of organizational and individual leadership relationships. That office works without paid staff and little foundation support.

In the wake of Katrina, some foundations, looking for effectiveness from government, gave money to the Mississippi government. Governor Haley Barbour returned the favor by using community development block grant funding for middle class homeowners with insurance, ignoring the greater need for rebuilding resources in low-income communities that had low insurance rates, often communities of color. Thankfully, another funder supported the Mississippi NAACP and other groups to develop affordable housing advocacy work. They did not have this capacity prior to Katrina, but recognized, and were able, with foundation support, to contest the use of taxpayer dollars to benefit a wider swath of those in need. Imagine the power and strength of the work if the Mississippi NAACP had received earlier and larger investments? What if it did not take a storm for us to recognize the need for strong institutions in communities of color?

Grantmakers should support community of color-led organizations:

- 1. to address greater needs in communities of color;
- 2. to acknowledge that U.S. demographics are changing;
- 3. to overcome the use of race as a wedge to undermine support for policies or programs that we perceive as supporting another racial group; and
- 4. to effectively address a range of problems experienced by all of us.

These are related and overlapping reasons. They are all important and one cannot work for one of these reasons and ignore the others, if we are to be effective.

Addressing The Greater Need in Communities of Color

Starting with need, it is critical that we address racial disparities. Racial disparities are well known to philanthropy. I will not belabor them here. But it is worth examining what they mean in relationship to other big projects, like poverty reduction. Too often, grantmaking approaches assume that if we tackle poverty without regard to race and the way it operates in society, communities of color will benefit. We must solve poverty; that is indisputable. But poverty eradication efforts that ignore race and gender may not tackle key aspects of the problem. Consider that a middle class Black family, on average, has less income wealth (about \$15,000 in assets) than a working class white family (about \$17,000 in assets). Class does not explain this disparity. Blacks are more likely to have a subprime mortgage loan when eligible for a prime rate loan than whites. Class does not explain this disparity either. People of color organizations, which have a difficult time getting antipoverty funding, articulate race and poverty as a related set of problems. Siloing into "racial justice" categories means less access to foundation resources to reduce poverty.

And because of race-based disparities and the prevalence of poverty in communities of color, people of color must have the opportunity to shape conversations about key social issues. For example, if Americans of all races lack health insurance, that is a problem we must solve together. In fact, more than half of the 47 million Americans who lack health insurance are non-white. Then, one might argue, people of color will benefit the most from universal health insurance. However, according to one research study, health insurance would only address 42 percent of the health access disparities of Blacks compared to whites and 20 percent of Latinos

compared to whites. Therefore, higher morbidity and mortality rates of people of color compared to whites may well continue, even with the much needed race-neutral policy of universal health insurance. Universal approaches that are race-neutral in policy and implementation, that do not address how marginalized communities are located in institutional and structural arrangements that produce different results based on race.

Keeping Up With Demographic Changes

As the country becomes predominantly Latino, Black, Asian and Native American, we must get ahead of the disparities or fail to produce the results we want. We want universal access to health insurance not just for health insurance's sake. We want it because we believe it will produce better access to health care and healthier people. If people of color are not supported to assert the types of programs they need and how they need them implemented to ensure that they benefit from them, we will fail a huge percentage of the population, even while we have done something good. Without the resources to shape these debates, the needs and implementation issues of people of color communities may go unexamined and unsolved.

The Ripple Effect of Wedge Politics

Equally important, whites stand to lose if people of color are not in and shaping the debate. This is a less obvious point. Most assume that support for racial justice and community of color leadership requires the primacy of the needs of community of color over white communities. This is wrong. Racial justice is not special pleading. It neutralizes the power of opponents to government social investment programs from using race as a wedge to undermine debates about race neutral investments. In the 1980s opponents of income support programs for poor families used images of Black women to suggest that welfare fraud was rampant and the program rife with lazy people who did not want to work. Most recipients were white, but the framing reinforced the mistaken view that Blacks were primary beneficiaries. Unfortunately, research shows that this reduces white support for such programs. George Bush used the shorter life expectancies of Black men to argue for the privatization of social security. FreedomWatch.org has used images of Central American immigrants to undermine support for universal health care. Without regard for what any of us believe the right outcomes of these policy debates should be, we should agree that race should not be used as a wedge in an honest and fact-based debate about what we need and how should go about producing it.

A Better Life for Everyone

As Professor Lani Guinier has reminded us, an examination of these marginalizations tell us how our systems are broken or inadequate for all of us. Communities of color are the miner's canary. Here's one example. In some circles, "rural" has become synonymous with – or code for – white poverty, despite the sizable numbers of people of color in rural poverty and the fact that rural communities of color are growing. If communities of color can contest for policies that rural communities need to survive and thrive, their engagement will strengthen the cause for rural communities without regard to race. Interestingly, a white-led, rural education reform group in Arkansas has already figured out that it must be deeply invested in racial equity to improve educational quality for rural white children.

In fact, history tells us that strength in organized people of color communities have produced important victories and seeded opportunities more broadly. During Reconstruction, after the Civil War, Black elected officials pushed for education reforms that ultimately strengthened public education for all students and supported important reforms for working people. The War on Poverty programs of the 1960s and 1970s, which benefit communities of all races, were a product of the civil rights movement.

Imagine if communities of color had the resources to contest predatory lending on a much larger scale than they had in the past 15 years. Perhaps our economy would be stronger. Black and Latino communities knew the subprime mortgage market was a problem long before the nation was rocked by the capital market's house of cards. As frequent victims of mortgage discrimination, or redlining, Blacks and Latinos are much more likely to have subprime mortgages than their white neighbors. 1 This is even true if you compare African American and white homeowners who have the same income. In fact, there is a *larger* subprime-prime gap between Blacks and whites at higher income levels.

Profound Challenges for All Americans

Now, more than ever, it is critical that the growing majority of the country's populace participates in solving our national and global problems. Consider our conditions even before the global economic crisis. The middle class is shrinking and we have a burgeoning wealth divide. Our public systems, like health and education, are faltering. Forty-seven million Americans, many with middle-class jobs, lack health insurance. Only 27 percent of Americans has college degrees in an economy where 90 percent of the fastest growing jobs require a college education. [3]

The pathways to well-being are increasingly blocked for more people. And the soup pot is being brought to a boil with global warming, failing public infrastructure, rapid immigration by those from poor countries desperate to find ways to support their families, terrorism, political conflict and an increasing sense of fear about the prospects for our future.

Philanthropy cannot be more central in producing a better society and cannot be more challenged to support the right things, or, rather, to support the right things and the right people to do the right things.

Who are the right people and what are the right things? What will be effective – the right things to do – in our national and global context? We must ensure that the growing majority of the country is able to build the institutions needed to support those communities; these communities can participate in the debate about what they need and why, and that they can be in relationship with white communities about collective strategies as well as tailored interventions. As the preeminent legal scholar Roberto Ungar points out, "There is a way to dispense with crisis as the enabling condition of change while seizing on the transformative opportunities with which our circumstance provides us. The hallmark of the alternative is to anchor social inclusion and individual empowerment in the institutions of political economic and social life." This inclusion and empowerment cannot happen without support.

A Los Angeles Group's Capacity

Indeed, philanthropy has and can continue to identify and build on great work that has happened with few resources. Community Coalition for Substance Abuse Prevention and Treatment (Community Coalition), has not only been successful, it has spawned new leadership and its founder, Karen Bass, is now the powerful speaker of the California State Assembly. Founded in 1990 with an initial seed grant from the Liberty Hill Foundation, and based in South Central Los Angeles, it had dynamic leadership, community connections, and clear analysis and strategy needed to support the neighborhoods most affected by the violence of the early 1990s. It had little "capacity" – money and institutional systems – in the more formal sense. With its grant funds, the Community Coalition organized a campaign to keep liquor stores in their communities that had been burned down in the civil disturbances from being rebuilt. These stores had become crime magnets for drug trafficking and prostitution. Coalition members wanted to build grocery stores and Laundromats instead.

The initiative was a tremendous success and helped to reduce crime and stabilize many neighborhoods in the area. Their efforts kept 150 liquor stores from being rebuilt, helped open 44 community-friendly businesses, and encouraged the Los Angeles City Council to pass stricter requirements for opening liquor stores in South Los Angeles. [4] Importantly, it is not at all clear that groups outside of the neighborhood would have identified liquor stores as a blight on the community, understood their relationship to crime and seen the opportunity to rebuild the neighborhood differently. If Liberty Hill Foundation had not recognized the potential of the Community Coalition, it might not exist today. And the legislature might not have a community activist and visionary as the speaker of the assembly.

Strategies for Making Smaller Grants

Some large foundations simply cannot make the relatively small grants that seeding new and emerging organizations require. By regranting through regional and national foundations like the Liberty Hill Foundation, the New World Foundation, the Southern Partners Fund, the Tides Foundation and the Twenty-First Century Foundation, larger foundations can leverage their resources, while acknowledging their own institutional limits to seed small, community-based organizations. Liberty Hill's Fund for a New Los Angeles provided more significant support to anchor organizations in the city, made possible by a individual donors. Over time, the fund began to attract large foundation support, including from the Ford Foundation and the James Irvine Foundation.

Large foundations can also develop funding collaboratives to build and leverage resources to people of color-led organizations and to encourage the networking and strategic relationships across race. Foundations have done this on issues from immigration reform to affirmative action.

There is much more capacity in communities of color than is known or recognized, and there is tremendous need to invest much more capacity. By reexamining guidelines and portfolios based on discussions with communities of color, foundations may well improve guidelines and grantmaking. Grains of sand when aggregated can become a beachhead in our pursuit of wellbeing, of healthy wholeness as people, a nation and a world.

- [1] Allen J. Fishbein, Patrick Woodall, "Subprime Locations: Patterns of Geographic Disparity in Subprime Lending" Consumer Federation of America. September 5, 2006.
- [2] Debbie Gruenstein Bocian, Keith S. Ernst and Wei Li, "Unfair Lending: The Effect of Race and Ethnicity on the Price of Subprime Mortgages," Center for Responsible Lending, May 31, 2006.
- [3] http://www.drummajorinstitute.org/library/article.php?ID=6520
- [4] http://ccsapt.charityfinders.org/accomplishments (downloaded April 3, 2007)

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