

2008-2009 Waldemar A. Nielsen Issue Forums in Philanthropy:

## The Role of Philanthropy in Shaping Public Policy

### TAKING ACCOUNT OF RACE: A PHILANTHROPIC IMPERATIVE

October 3, 2008

#### SUMMARY

The 2008-2009 Waldemar A. Nielsen Issue Forums in Philanthropy seek to inspire conversation around the role that philanthropy could and should play in influencing public policy around some of the major issues of the day. Pablo Eisenberg, senior fellow at Georgetown University's Center for Public and Nonprofit Leadership, frames the conversation in his opening remarks:

"The issues and challenges that our country currently faces are far more complex, pressing and demanding than ever before. A dysfunctional health system, growing income and wealth inequity, climate changes that are endangering our very lives, substantial lingering poverty, a political system dominated by big money, the decline of quality journalism, a failing regulatory system, I could go on and on and on. Since our public and corporate sectors cannot resolve these problems by themselves, foundations and a few major individual donors increasingly are being moved to engage in policy activities and community activism. Independent from the marketplace and politics, they can sometimes do what government cannot."

Gara LaMarche, president of Atlantic Philanthropies, launches the first Issue Forum with a expansive discussion of race - and the manner in which race is shaping the philanthropic landscape in America today.

Philanthropy, LaMarche says, confronts race through a moral lens, and a practical one. Building bridges among and across races, eliminating racism, whether personal and individual or structural, is a moral imperative.

"...we must be careful never to cede the moral ground, which moves us to act on these issues in the first place," he says.

But philanthropy faces its own set of challenges around race, most recently, and prominently, highlighted by the attempted passage of Assembly Bill 624 in the California state legislature. The bill would have required large California foundations to report on the racial and ethnic composition of their staff, board, and grantees.

LaMarche lifts up a few critical data points on “the philanthropic landscape where race and numbers are concerned.”

“...While two-thirds of New Yorkers are people of color, RPA [Rockefeller Philanthropy Advisors] reports, based on Council on Foundations data, they are only 15 percent of boards and less than six percent of CEOs and little over a third of staff.”

“...Staff and board diversity, where virtually all the attention in our sector is focused is, of course, important since who is at the table has a great deal to do with how the pie is divided. But where the money goes, while connected to the people directing it, is a different matter, and even more critical. According to the recent Foundation Center report, ‘Embracing Diversity,’ focused on the California foundation giving benefitting communities of color, “by itself, the California Endowment accounted for more than half of all domestically focused grant dollars explicitly targeted to benefit populations of color in 2005.”

LaMarche quotes Handy Lindsey of the Field Foundation in Chicago telling the Association of Black Foundation Executives, “Despite three decades of deliberative effort, we see the inconvenient truth: our field does not look the way it should. However intended, our practices result in exclusion.”

LaMarche takes care to note that the shortcomings of philanthropy occur in a larger frame, in a society and culture that, despite notable advances in the last 50 years, still struggles with issues of race.

“On his blog last July, Bob Ross himself wrote that one of the things that bugged him about AB 624 was that, ‘It wags its legislative finger at the failings of organized philanthropy about matters that, in the final analysis, are about social inequity, lack of opportunity, and poverty. And our federal and state lawmakers have done precious little in the recent years,’ Bob writes, ‘to close that gap.’ This is exactly right, and I join Bob’s sentiments in the spirit in which they were offered - not to excuse the failings of philanthropy but to locate them in a larger public failing. Since that is true, it is imperative that philanthropy has more voices like Bob’s, calling for aggressive advocacy to move government to action.”

But he also warns that the current political and economic climate create ripe conditions for intense scrutiny of philanthropy and put the field under intense pressure to address its shortcomings.

“I don’t think there is any question that we are entering a time in which governmental, and particularly legislative, scrutiny of and pressure on philanthropy will intensify. When money is tight and times are tough, a sector that is insulated from the tax base because it is thought to serve a public purpose is an obvious target, particularly when social need is acute. Add to that the growing political empowerment of African-American and Latino lawmakers, whose mounting seniority in state houses and in Congress provides a powerful perch from which to raise questions about equity, and you have a kind of perfect storm.”

The appropriate response, LaMarche says, is to boldly take account of race.

“In upholding an affirmative action program, the late Justice Harry Blackmun once wrote: ‘In order to get beyond racism, we must first take account of race. There is no other way.’ ... There is no other way

for philanthropy, either, whatever a donor's stated mission. No other way to make sure that all children are equipped for work, civic participation, and lifelong learning. No other way to perfect our democracy. No other way to improve public health. No other way to bring about safer communities. No other way to make sure our elders can live lives of dignity and purpose."

LaMarche's remarks find support and amplification in responses from:

Terri Lee Freeman, president of The Community Foundation of the National Capital Region, who argues that "philanthropy can be used as a catalyst for organizing, creating community change" and cites examples of the work her foundation has accomplished;

Bill Schambra, director of the Hudson Institute's Bradley Center for Philanthropy; who challenges the "new effort to battle racism by appealing to international human rights," questioning the urge "to rely on unsettled, abstract, ethereal doctrines of human rights, typically developed in international fora dominated by nations whose hypocrisy with regard to rights even Frederick Douglass himself could barely shame... instead of relying on founding principles familiar to and cherished by all reasonably informed Americans."

Clarissa Martinez De Castro, director of immigration and national campaigns at the National Council of La Raza, which "was supported by many private foundations that believed us... that there was a strong need to build institutions that this community was lacking," and who challenges the notion of what it really means for people to work together.