

TAKING ACCOUNT OF RACE: A PHILANTHROPIC IMPERATIVE

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TRANSCRIPT

MARK LLOYD: My name is Mark Lloyd. I am the vice-president for strategic initiatives at the Leadership Conference on Civil Rights, a broad-based coalition, and an affiliate professor here at Georgetown Public Policy Institute. It is a real pleasure to be here. I want to give a special note of thanks to Kathy Kretman and the Center for Public and Nonprofit Leadership for pulling this very important program together.

Our first guest, Pablo Eisenberg, really needs no introduction. He is a Senior Fellow here at Georgetown and he is renowned among all of us who care or think about philanthropy or nonprofits. He is a fierce advocate for transparency, for focusing on equality and for making sure that philanthropic institutions actually do a mission that serves the public good. Let me welcome Pablo.

PABLO EISENBERG: Thank you, Mark. It's a pleasure to be here to talk about one of our collective favorite subjects, philanthropy. As you know, philanthropy, both institutional and individual, does many things. It supports our universities and colleges, underwrites our social service programs, subsidizes the science and research that we find at universities, subsidizes the arts and culture, and assists local grassroots organizations throughout the country.

In addition, as some of you know, our philanthropic community has been engaged for almost a hundred years in helping to shape both national and local public policy. The civil rights, environmental and women's movements were fueled by both foundations and individual donors. The work of foundations helped to create and maintain public television and public radio. The community development movement owes much of its seeding to philanthropy and many of the advances in tobacco, prison and education reform are really the result of charitable giving. We could cite many other notable policy interventions on the part of philanthropic institutions and a few donors.

But unfortunately, these successes have been due to a relative handful of foundations and, until recently, the overwhelming number of foundations stayed away from grantmaking that supports policy efforts and activism on behalf of social change. For the most part, foundations continue to be safe, risk-averse and non-innovative. However, that is changing - we can see a new trend.

A growing number of foundations now are moving into the policy arena, driven by new leadership and the demands of the times. 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.

What specific roles can foundations play in shaping public policy? What should be their priority areas of attention? How should they relate to government efforts and programs? Can they help ensure the accountability of our public sector, our corporate sector and our nonprofit sector? What kind of activism and advocacy should philanthropy support? What can we learn from its past successes as well as mistakes? How can foundations themselves be reformed and made much more responsible and responsive to the communities in which we live?

These are the types of questions that we trust will be addressed in the four forums. And we hope that all of you will join in this dialogue, not only today but on a continuing basis.

We have chosen as the topic for our first forum, race. How we, as a country, deal with this critical issue will, to a large extent, define the strength of both our civil society and, yes, our very democracy. It will test our commitment to social and economic justice and it will help determine our capacity for leadership in an increasingly pluralistic world.

The question of race triggers many responses - controversy, passion, fear, tolerance, hope and many other feelings. But tough as the issue is, it must be addressed directly and constructively. For philanthropy, it poses a major challenge, and that is as it should be.

Waldemar Nielsen, the inspiration for this forum and the namesake of our Georgetown Chair in Philanthropy, would not have wanted it any other way. As a loving critic of philanthropy, he believed strongly that foundations should not only raise their performance standards, but also be much more involved in policy and advocacy activities. Long a supporter of greater risk and innovation in the field, he would have encouraged and welcomed these discussions.

Nielsen, as some of you may know, was perhaps the last of our country's philanthropic giants. He held a great variety of high-level jobs and civic positions: government administrator, diplomat, foundation executive, nonprofit CEO, critic, author and board member of many, many nonprofit organizations. However, it was as an analyst, writer and critic of philanthropy that he found his greatest influence. His first book, *The Big Foundations*, published in 1972, is still a must-read for all students, beneficiaries and practitioners of philanthropy. In that book, he did what no other writer had done before; exposing the rotten underbelly of many of our largest foundations previously hidden from public view under a veil of secrecy and silence.

But it was not an irresponsible or wanton act. For a person like Wally, who loved philanthropy, it was almost a sacrilege that so many of the large institutions at that time did not pass the test of relevancy, competence, innovation and accountability. He did not hesitate to name names or pull any punches. And not surprisingly, he incurred the wrath of many foundations and big donors. Many never forgave him for what they considered an enormous breach of etiquette - forget its accuracy. Telling the truth, he later commented, was more important than pleasing colleagues and friends. Indeed a lesson that we should take to heart today.

His later books and writings embellished the themes that he had stressed in his first book and hopefully, his values and his spirit will infuse these forums of this year.

In kicking off today's discussions, we are fortunate to have, as our keynote speaker, a person very much in the tradition of Wally Nielsen - a man who, despite having been an insider for more than a decade, has had the courage to write and speak critically about his own world of philanthropy.

Gara LaMarche has been a public servant and an agent of social change for most of his life. In the mid-1980s, he was the director of the Texas Civil Liberties Union, which thrust him in the forefront of the battles over the death penalty. He then served as director of the PEN American Center, the world's oldest human rights and international literary organization. From there, he became associate director of Human Rights Watch. In his 11 years as vice president for U.S. Programs at the Open Society Institute, he won a national reputation as an outstanding grantmaker, combining a flair for innovation and risk taking with the courage to tackle unpopular causes. Always frank and outspoken, he appealed to many of his grantees, who, too often, received the runaround from many of his foundation counterparts.

Now, as the new president of Atlantic Philanthropies, one of the country's largest foundations, he has the enviable task of spending out the institution's more than \$4 billion in assets over an eight-year period. He already has begun to transform the organization into much more of an advocate for social justice, social change and human rights. And he has just come into emphasizing his interest in senior citizens - not surprising as he slowly glides towards his social security years.

Despite the heavy burden of dispensing so much money in so short a time, he carries these responsibilities lightly, maintaining a keen sense of humor, writing innumerable blogs and keeping up with his interest in jazz and many other forms of music. Few people are as well qualified and suited to launch these forums. So, it is a pleasure and indeed an honor for me to present you with Gara LaMarche.

GARA LAMARCHE: Thank you, Pablo.

You might ask me a question, seeing me up here, and don't worry that it might hurt my feelings: What gives me the right to make a speech about race?

Well, first of all, I have a race. It might seem obvious, but we're all so inured to whiteness as the default position, deeply internalized by virtually all white people and even many people of color, that race is something that only black and Latino and Asian, and Native American people are thought to

have. So yes, I am white, and more specifically, I'm a white male who by virtue of that carries with him a set of privileges; of which finding it easier to hail a taxi going uptown or walk alone on a dimly lit street at night without fear of being sexually assaulted are just the beginning.

At least in the critical, earlier stages of my career, whatever my individual merits, I was taken more seriously because I was a white man, certainly by the white men who had a virtual monopoly on selection and hiring, and I competed in admission and employment pools that were woefully lacking in the available talent of women and people of color. I didn't set it up that way, or even recognize it at that time, and the world has changed a bit, though hardly enough, since. But candor compels me to say that I wouldn't be standing here today in all likelihood with the hand on the tiller of nearly \$4 billion in philanthropic resources if I wasn't, to some extent, the beneficiary of a system of racial privilege and exclusion. That is a hard truth but don't worry, it's not my intent to stand here for the next half hour or so and simply flagellate myself.

One of the ways I try to keep myself honest in philanthropy, a field in which the power dynamic distorts and isolates, and in which it is much too easy to become a social engineer, losing sight of the real challenges of real people, is to remind myself and our staff that every issue we deal with is one we have to navigate personally as well as professionally. We devise strategies for employment and health care issues for older people but also have to arrange home care for our ailing and widowed mother. We support advocates working on No Child Left Behind, but also worry about whether our third-grader's teacher is competent and fair. We press for comprehensive immigration reform but still have to help our niece's Bulgarian fiancé get a green card.

And since our racial history and racial identities infuse every aspect of our life, in our communities and on this planet, no separation of the personal and the professional is possible. If we pretend that isn't so, if we ghettoize race as a niche concern, we impoverish ourselves as people and citizens and marginalize ourselves as philanthropists and nonprofit leaders. So we must think about it and talk about it. Nobody gets a free pass.

In that spirit, let me say a few words at the outset about my own racial history. Both in these initial words and throughout this talk, I want to stress that I speak for myself, and can only sketch the surface of a huge topic. To suggest that I could make a comprehensive survey of race would take more hubris than I possess.

I grew up in a small town in Rhode Island - at least I always thought it was small but since it is about twice as large as Wasilla, Alaska, I now realize that it is a complex metropolis - where to the best of my knowledge, the only African-American resident, or at least worker, was the man who drove the garbage truck. I don't think I ever exchanged a word with him, or any black or Latino person, until I went to college.

Perhaps because of the blinding whiteness of my hometown, despite the fact that I was born in the year of *Brown v. Board of Education*, and that my childhood coincided with Little Rock, The March on Washington, Selma, the Civil Rights and Voting Rights acts, the assassination of Martin Luther King, culminating in Nixon's Southern Strategy as I was entering high school in 1968, I remember almost no talk of race. My parents never used racial epithets, and a crude uncle by marriage who did was

thought of by all my other relatives as an ignorant embarrassment, though no one ever took him on over his racist insults. I remember that with great discomfort. Our politeness allowed him to indulge his bigotry with our complicity.

We were part of a French Canadian clan so small in our town, where the dominant groups were Italian American Catholics and old-line English-Scottish-Irish Protestants, that I never thought of myself as having an ethnicity. In the schoolyard at Immaculate Conception, we told jokes about Italians, still in the early 1960s, striving to become, as the scholar of Noel Ignatiev would have it, fully white.

My sense of racial and ethnic insularity was so strong that it led to an unusual reaction, which, looking back, I admire in my younger self but am at a loss to explain. I was eager to put myself in the minority in college and where I hoped to be accepted was Brandeis, a heavily Jewish institution that I figured would have some kind of an affirmative action program for Catholics. But I didn't get in, and the only other top school that took me was Columbia, a place that served very well, it turned out, for my burgeoning Semitophilia. I asked for a roommate of a different race and was paired with a Japanese American from California. We didn't get along and I learned my first valuable racial lesson - that people of other races can be nasty, boring and stupid, just like white people. So, while Columbia, along with many other elite schools, has become significantly more racially diverse in the thirty-some years since I studied there, I hardly remember any black or Latino students and had only one African-American professor. I still lived in a racial bubble.

But soon, through a series of serendipitous events, I became, at 19, a substitute teacher at a nursery school/daycare center in Morningside Heights in the Gardens apartment complex that I later learned was built in 1957 as the first racially-integrated housing development south of 125th Street in Manhattan, where Thurgood Marshall had lived. Eventually, while still a Columbia student, I was hired as a full-time teacher there, and it was my home, in many ways, for four years.

Gardens was an unusual school in those days, like no place I'd ever been before and rarely since. There was a range of children from the mostly black and Latino working poor families from the Grant Houses across Amsterdam Avenue, their tuition subsidized by the city budget, to the full-fee paying kids of Columbia faculty and New Yorker cartoonists and every economic range in between. There were many children of international students and faculty. No racial or ethnic group predominated and there were a number of black and Latino teachers as well. While I don't pretend Gardens was a paradise, it was a bracing immersion for me in a multi-racial world, and I became friendly with a number of black and bi-racial families. I thrived on the richness of it, and came to feel that my heretofore monochromatic existence was woefully incomplete. The Gardens experience has framed my hopes for the world since.

I know you didn't ask me here today for a personal memoir, I realize, and I will get to some meat-and-potatoes of issues and opinions before long, but let me continue. Through another series of flukes - my high school debate coach had moved to New York and had a minor staff job at the ACLU where he engineered my appointment to a committee - I entered the social justice/human rights world, where I still dwell.

In the ACLU of the 1970s, despite its good work on civil rights issues, there were but a handful of nonwhite people on the staff outside the secretarial ranks and only a few as well on the 80-member board. I soon became a kind of a bright young thing and attracted the notice of higher-ups. When my friend, Dorothy Samuels, just a few years older than me, became the Executive Director of the New York Civil Liberties Union in 1979 (the story of the sexism she encountered there reverberates today in some of the courage of Hillary Clinton's presidential campaign - and the parallel universe of gender privilege and exclusion is a topic for another day) she offered me, then 24 years old, a job as her deputy. There were only two black members of the 51-person NYCLU board then and one of them, who has since become a neoconservative crank, challenged her routine personnel report by asking why, with an all-white, mostly male staff, the organization was hiring another white, lightly experienced man in a key position without even bothering to do a search?

On the sidelines of this debate - which led not only to a month-long process at the end of which I was hired, but also to a permanent change in the organization's hiring procedures - I was nervous, since I was eager and ambitious but I also had to concede that the board critic was right. The way things that had been done up to that point - the way things are still done in too many places - perpetuated a racial advantage.

The fact that I myself was not born to privilege - that I was, for instance, the first generation in my family to go to college, and had worked to put myself through, paying back loans for 10 years after I graduated - made it more emotionally complicated, perhaps, but did not alter that basic reality. The skirmish over my hiring was one of a number of events that ushered in a period of 10 or 15 years in which the ACLU grappled mightily with issues of racial equity and inclusion, a period in which I was an active participant at many levels.

The ACLU did not always get this right, then or now. Among the key players have been some liberal whites who think their 1960s civil rights activism should suffice to insulate them from any claims of racial insensitivity; some blacks all too willing to exploit the guilt of liberal whites; some whites who privately saw the board's growing number of people of color as "single issue" members, no matter what their actual commitments, their expertise and passions, and some blacks who believed that the unique history of slavery trumped any other claim for justice or inclusion by Latinos or gay people or the disabled; and many others along the spectrum. These are the stresses and tensions of earnest efforts at equity and honesty.

I wish I could say that the other liberal organizations for which I worked in the 1980s and 1990s traveled the same challenging path, and arrived, at least, at a place of consciousness if not correction. But for the most part, they did not. One lesson is that organizations with no constituency, either in the form of a membership and broad donor base or in the form of vital working relationships with community and national organizations that do have a base, are much less likely to feel accountable in their governance structures and program strategies. If the accountability chain is primarily upwards to donors, then the responsibility of donors is great - hence, the recent focus on foundations and to whom are foundations accountable?

I want to say a final word in this personal introduction, as a white man, concerned for many years with race, as it plays out in people and programs of the leading human rights organizations and

progressive foundations, to note a few things I've observed along the way. I've seen that too often the nod to "diversity" - a bland euphemism that more often obscures than illuminates the underlying issues - means that a board or senior staff or team or a critical meeting will have but one or two people of color and the burden on those few to "represent the race" will be quite heavy and quite unfair. Very often - and this is true for anyone who is isolated by their race or gender or sexual identity in a predominantly white, straight, male setting - it will cause that person to mute his or her voice for fear of being marginalized as a special-interest pleader. That will happen whether or not the person in question uses their seat at the senior staff or board table to press for attention to raise some gender issues, expectations and stereotypes being what they are.

I've had the opportunity to shape staffs where people of color are among many voices on a multi-racial scale producing the exhilarating, if challenging, sounds of debate and disagreement, there being no monolithic black or Latino point of view or experience any more than there is a monolithic white one. This spectrum of true diversity, where the table has room for many and there's a genuine effort at exchange and listening, produces stronger organizations much better equipped to meet the challenges of our time.

Now, I asked to talk about race today, in this inaugural lecture of Georgetown Nielsen series, because there are three forces, societal and philanthropic, that make this an important moment to do so.

First, race and its impact are more central than ever to the national discourse, because of Barack Obama's candidacy, in a way that it has not been for some time. The senator's own thoughtful, candid, and eloquent engagement with it, in his March 18 Philadelphia speech, set a very high bar, assuming the intelligence of the American people in a way that is all too rare among politicians, and challenging us to talk about it more.

Second, the Greenlining Institute's work on race and philanthropy, one impact of which was California Assembly Bill 624, to require reporting by larger foundations on the racial and ethnic composition of their staff, board, and grantees - though ultimately withdrawn after the California foundations committed themselves to a big capacity-building initiative for communities of color - has certainly gotten everyone's attention. The initially inadequate response of some of our California brethren shows we all have a lot of work to do, and I'd like to offer my own thoughts on this particular approach to race and philanthropy.

And finally, we are in a period in the foundation and nonprofit sector where effectiveness is the mantra, metrics the path, good outcomes the Holy Grail. How, then, do we think of race in this environment?

So, let us start with the moment. What might it mean, we are all asking - or, rather, often not asking, race being the elephant in the room in this historic Presidential election - for America to have a black President, for the most powerful and visible leader on the planet to be a man of African ancestry, a man whose parents' interracial marriage was a crime at the time of his birth in the state of Virginia, just across the bridge from here, where polls show him leading his opponent as of this afternoon?

We don't know, and it is exciting, no matter what your Presidential preference, to imagine the possibilities. But we do know it will not obliterate America's racial history, absolve us of our sins, or "put race behind us" once and for all. I don't want to seem like one of those people who don't like to be confused with the facts or who tend to see just the cloud, not the lining. But Barack Obama's elevation to the Presidency would leave the Senate without a single black member, a situation that has remained constant for all but a few moments of American history, only two Latinos and two Asian Americans, both from Hawaii. On November 5, there will still be only one black governor - the second in post-Reconstruction U.S. history, (Mass' Deval Patrick and NY David Patterson plus Va Doug Wilder since reconstruction) only one Latino, and only one of Asian descent, and the percentage of people of color in the House of Representatives will remain, at best, half of their presence in the population as a whole - a percentage that, we all know, is growing to the point where many of us in this room will at some point in the coming decades live in a majority non-white country. The political world, like the financial world and most centers of power in America, is way out of line with the reality of this country.

It's possible for two things to be true at once. One is that many white Americans will be moved, by admiration for Senator Obama and by their sense of the country's needs at this time, to cast a vote for him. At the same time, they may harbor generally racist attitudes, of the old-fashioned, not subtle variety, as the recent Associated Press poll jarringly reminded us, reporting that one-third of white Democrats view most African Americans as lazy or violent. It's the same contradictory impulse, human beings being complicated creatures, that has a white realtor Tivo'ing Oprah Winfrey while she steers black families away from certain neighborhoods, or a white cop cheering on Michael Jordan or Tiger Woods while he arrests black marijuana users at a rate many times that of whites.

Moreover, everything we know about elections for all of American history tells us that race has been omnipresent, long before there was any credible chance that a black man could be elected President. President Johnson's prediction that his support for the black civil rights movement would deliver the South to the Republican Party for decades to come has proved true, despite some recent harbingers of change.

While many of the devices used to keep blacks from voting, such as poll taxes and literacy tests, have been struck down and abandoned, there continue to be numerous highly racialized barriers to electoral participation by those left out of the original democratic compact. The disenfranchisement of formerly imprisoned people has clear roots in America's history of racial subjugation. And to this day, despite some positive movement in the last few years, up to a third of African-American men are permanently barred from voting in several Southern states due to their having spent time in prison. If you think this is an academic issue, consider the unquestionable fact that if Florida had moved to restore voting rights for former prisoners before 2000, as Governor Charlie Crist has recently done - imperfectly, but it's progress - Al Gore, not George Bush, would have taken the oath of office as President nearly eight years ago. Exclusion has consequences.

In his recent New York Review of Books essay, "Obama: The Price of Being Black," Andrew Hacker cites an array of evidence that Barack Obama would need to rack up a big lead indeed to overcome not only racist tendencies in many white voters, but what is properly called structural racism in the voting process. For instance, Hacker writes: "Requiring a driver's license to vote," as the Supreme

Court this spring permitted the State of Indiana to do, “has a disparate racial impact. To apply for the state ID card that Indiana offers as an alternative, non-drivers must travel to a motor vehicles office, which for many would be a lengthy trip. While licenses do not record race, Justice David Souter cited relevant studies in his dissent. In one survey, made by the Department of Justice in 1994, black residents of Louisiana were found to be four to five times more likely not to have the official photograph needed for an identifying document, not to mention access to a car; recall how many couldn’t leave New Orleans as Katrina approached.”

Hillary Clinton’s candidacy caused much soul-searching about the sexist tinge in media coverage of her campaign. To some extent this discussion has taken place - though not nearly enough, yet - because Senator Clinton, herself, has raised and encouraged it. Senator Obama and his allies, in contrast, have been extremely careful not to suggest that coverage of his candidacy has been racialized, and indeed, like racism generally, the signs of it are less crude, more suggestive, for the most part, than explicit. This is not the place for an exhaustive treatment of them, and not every question raised about Senator Obama’s experience or associations is a code for discomfort with his race. It would be a disservice to the candidate and to the many legitimate grounds for political support and opposition to suggest otherwise. Yet some of them are.

Just to provide an example of how a lack of racial context can be a serious impediment to understanding, let me cite the columns of Maureen Dowd, who, while certainly an equal opportunity skewerer, has time and again tweaked Barack Obama for being too cool, cerebral, and buttoned-down. She’d like him to show a little more fire, be a little less starchy in his attire, hurl a few bowling balls that manage to hit the pins. Leaving aside the possibility that in contrast to so many politicians, Obama may be acting in character, being himself, whether Dowd likes it or not - consider the implications of her critique.

A black man in contemporary America, despite all the undeniable gains, does not have the luxury of public anger, whatever he is actually feeling, certainly not one who is trying to be the first to cross a broad racial divide. Whatever the term is for an angry black man in the public sphere, it is not likely to be Mr. President. And why are so many black professional men and women perfectly coiffed and cufflinked and collared, while many white folks can run around like every day is casual Friday? Could it possibly be that because in the quest for respect and advancement, they have little margin of error? Barack Obama should be no different than any other public figure in being a fair target for jokes and even ridicule. But not to understand the context of hot and cool in this presidential race is to leave out an important part of the story, something no self-respecting journalist can afford to be lazy about.

Now to the second context in which this talk takes place, which is the growing pressure on philanthropy to show that it reflects the changing diversity of the country and that it directs appropriate levels of resources to low-income communities of color. Since AB 624 hit our California colleagues like a two-by-four - what John McCain might call a “game-changer” - you might say that we have arrived at the intersection of philanthropy and politics.

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 first thing to be said about this is that those of us in philanthropy should welcome the scrutiny, not run from it. We need more, and we certainly don't get it from our grantees and rarely from the press, apart from the occasional scandal. And while, as my friend and former Ford Foundation President Susan Berresford and others eloquently argue, philanthropic pluralism and independence from government are significant and important values, we all know that the United States tax code did not come to us on tablets from Mount Sinai. It is a human creation that reflects, or should reflect, public values. There are legitimate debates about where the line should be drawn but it is not wrong to raise the question of whether organizations enjoying a tax benefit that might otherwise be available for democratic allocation should be, at the very least, more transparent about which communities are reflected in the decision making about grants and whether all are reflected as beneficiaries.

Just a few things we know about the philanthropic landscape where race and numbers are concerned: Some months back, introducing a Hudson Institute panel on AB 624, alliteratively and provocatively titled, "Mandating Multicultural Munifence?" Bill Schambra, who I am glad is among my respondents today, pointed out that only five years ago, when he accepted the James Joseph Award from the Association of Black Foundation Executives, Handy Lindsey of the Field Foundation in Chicago reminded his audience that in 1971 eight African American leaders stood up at the annual meeting of the Council on Foundations to demand the inclusion of blacks on the slate of nominations. What a thrilling moment that must have been, and it's hard to recall such a pointed and powerful disruption in the ranks of organized philanthropy since. Thirty years later, Lindsey told ABFE, "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."

There has been much criticism about the methodology of the Greenlining Institute's work, partly of course, because self-reporting on such matters in philanthropy is extremely spotty and inconsistent. But in the wake of the California experience, a group of New York nonprofits came together to form the New York Committee for Fairness and Equity in Philanthropy, encouraging self-regulation but, failing that, greater government oversight and regulation, and their draft vision statement relies on a study by the Rockefeller Philanthropy Advisors. While two-thirds of New Yorkers are people of color, RPA 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.” The argument was made by some California foundation leaders that the “benefit” question is more than a numbers game, and indeed it should be. It may be reductionist, for example, to look only at whether organizations are led by, or predominantly serve, people of color. Some minority-led organizations are ineffective and a waste of philanthropic dollars and some white-dominated organizations do a very good job of strengthening education and jobs and health care in communities of color. Yet who is at the helm, either in terms of executive leadership or a genuine base, is at least a good place to start a discussion of whether grant money goes to the communities that need it most.

To suggest that any broad-based foundation initiative, say, to reverse climate change or promote the arts, by definition benefits people of color in a city or state, misses the mark, because this is a question of strategy. Many, if not most, racially-neutral programs don’t reach all people equally, and well-targeted, culturally appropriate strategies are called for to ensure inclusion. Some initiatives that appear to be racially neutral in fact reflect in their design a set of exclusionary choices. Social Security, for instance, is often touted as the leading example of a universal program that is successful precisely because people of all races and ethnicities, at all income levels, have a stake in its strength. Yet Franklin Roosevelt could not have passed the Social Security Act without concessions to racist Southern Democrats who insisted on the exclusion of domestic and agricultural workers. Consider the racial and ethnic composition of domestic and agricultural workers then and now and you’ll get a good sense of what is meant by structural racism – continuing barriers that long outlast the racist bargains that produced them.

The current financial crisis was foreshadowed by the subprime mortgage crisis, something usually discussed in race-neutral terms. But a Kirwan Institute report in August points out that subprime lenders targeted minority communities precisely because traditional lenders were historically absent from low-income minority communities, making it increasingly likely that African-American and minority borrowers would suffer the earliest and the most from the crisis. This is another example of structural racism at work. If you add it all together – the denial of benefits like Social Security, unemployment insurance and welfare, the inability to access credit and build wealth because of redlining, the employment and housing patterns and schooling conditions that are the residue of slavery, Jim Crow and segregation – you don’t need malicious intent, you don’t need George Wallace or Bull Connor or Orval Faubus to see that the systems come together in a racist effect. That is what structural racism is, and finding a way to communicate that in a way that doesn’t cause all of us caught up in the system to feel accused, and undo its tenacious and continuing impact, is one of the great challenges of our time.

But this is not just about people of color. That the fates of whites and blacks and Latinos and Asians are bound together, in Dickens’ phrase, as “fellow-travelers to the grave,” is brought home most sharply by the financial crisis we are living through. As my friend Deepak Bhargava of the Center for Community Change has written, “Poor people of color were the ‘canary in the coal mines’ for techniques that ultimately were used on a broader population through the subprime crisis and brought about the meltdown of balance sheets.” Masters of the universe no more, when the tipping point comes for unsustainable inequality and exploitation, it threatens to engulf us all.

A final word about structural racism, which is too often caricatured, even by some of my friends. One of them, Bill Schambra, indulged in a neat but cheap little rhetorical trick in replying to the letters criticizing his sensationally-titled Chronicle of Philanthropy article, "Philanthropy's Jeremiah Wright Problem," a tough attack on the support by many of the leading U.S. foundations for organizations and initiatives that ground their work in a structural racism analysis. "Why are you upset by my article," Bill wrote, "I'm just echoing Senator Obama himself, who argued that Rev. Wright's views, so similar to the structural-racism framework" - that's Bill's characterization, not Obama's - "denigrate both the greatness and the goodness of our nation."

What Obama is saying, though, is something different. It is that the demonization of whites - whose racial anxieties he acknowledges with great sympathy and the failure to acknowledge significant racial progress, is a dead-end road. But make no mistake that Obama's analysis of the continuing challenge is perfectly consistent with a structural racism approach, whether or not he calls it that. Consider this passage from his Philadelphia speech: "Legalized discrimination where blacks were prevented, often through violence, from owning property, or loans were not granted to African-American business owners, or black homeowners could not access FHA mortgages, or blacks were excluded from unions, or the police force, or fire departments, meant that black families could not amass any meaningful wealth to bequeath to future generations. That history helps us explain the wealth and income gap between black and white, and the concentrated pockets of poverty that persists today in so many urban and rural communities."

Now, you all know by now that the AB 624 was shelved after a group of the largest California foundations agreed to spend significant funds to strengthen support for minority and low-income communities. The foundations acknowledged the lack of capacity of many minority-led and community-based organizations to compete for funding, the need for additional investment in capacity-building and leadership development targeted at communities of color, and the lack of access to larger foundations by many minority-led and other grassroots nonprofits.

This statement and the commitment that will follow it, is welcome, whatever the circumstances of its birth. Yet as Mark Rosenman of the Union Institute wrote pointedly on California Endowment President Bob Ross's blog, how you see lack of capacity and access depends on where you sit. "The solution offered," Rosenman writes, "casts the problem in supply-side terms - yet another inadequacy on the part of low-income communities of color. The problem definition seemingly fails to address the demand side - that is the inability of too many funders to discover, recognize and know how to work with the strengths and assets of alternatives to conventional organizations and dominant patterns of leadership."

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.

Now, finally, I promised to talk about foundation effectiveness - as I put it earlier, the Holy Grail of much contemporary philanthropy. Is a racially conscious strategy an aid to foundation effectiveness or an impediment?

First I should say that I have some misgivings about effectiveness as the organizing principle of philanthropy. Of course we should strive to be as effective as we can be in spending grant dollars. No one would argue otherwise. But effectiveness is a value-neutral term. You can fund a very effective campaign to undermine and defeat immigration reform or expand the death penalty, but that doesn't make it right. And in making arguments on effectiveness grounds, as many of the advocates we fund have become much more sophisticated about doing - torture doesn't work, incarceration is too costly - we must be careful never to cede the moral ground, which moves us to act on these issues in the first place.

So let me talk about effectiveness, as I began my remarks, by making it personal, that is, by staying close to home and using examples from the two foundations in which I have held leadership positions, the Open Society Institute and the Atlantic Philanthropies.

When we launched the U.S. programs at OSI a dozen years ago, we gave very little attention to race either in our internal deliberations or the public descriptions of our goals and strategies. Over time, we came to realize that the failure to do so was a barrier to impact. OSI's early and groundbreaking work on drug policy reform was cast almost entirely in libertarian terms. This kind of argument, which I personally accept, is not a promising route to change. In fact it is often counterproductive, not only in communities of color who have borne the brunt of the drug war's ravages, but among almost all families of any color, few of whom have escaped the consequences of drug dependency and dysfunction. The campaign to change the country's benighted approach to drugs finally got traction - and we still have a long way to go - when communities of color and their advocates began to recognize and act on the harms that the war on drugs was causing in their streets and neighborhoods, depopulated of young men, and increasingly young women, as surely as from a more conventional war or epidemic. To try to change drug policy without taking account of these realities, without supporting the voices of those most affected, is to resign yourself to failure.

At Atlantic, we are partners with OSI, Carnegie, and other foundations in the long, hard battle to enact comprehensive immigration reform. The terrific advocates who are leading this campaign, though most are themselves people of color, were inclined before our crushing defeat last year to cast their efforts as good government measures. But this vital initiative was undone, in the end, by racism, not that every argument against reform is racist, but that race played a key role. Not just on the part of nativist xenophobes, but in tensions among different generations of Asians and Latinos and between some U.S.-born blacks and other communities of color. Anyone trying to pass an immigration bill who doesn't take into account the realities of white and black talk radio, the Greenwich country club and the Harlem barbershop, is not going to be very successful. We won't make the same mistake next time. The fact that race is central to so many issues, from criminal justice to immigration, doesn't mean it always should lead the public framing of the issue - we've made much more progress against the death penalty highlighting innocence than racial disparities - but the racial dimensions must always be considered.

At Atlantic, in the last year, we have added a significant component to our aging work focused on communities of color because we came to realize that the paradigm we and our grantees are trying to advance - the tremendous asset represented by older adults who increasingly have the longevity, commitment, time, and financial security to make social contributions long after what has been considered normal retirement age - is grounded in a white middle-class worldview that doesn't work for everyone. Not, for example, for an African American seamstress in Cleveland who takes care of her two grandchildren while giving 20 hours a week to church or a Puerto Rican maintenance worker in the Bronx who can't afford to retire.

Sometimes these connections are present in our work but it takes a while, or an outsider's perspective, to see them clearly. We had a gathering of expert advisors last week in New York to review our U.S.-focused human rights work, which, in addition to immigration and the death penalty, includes a large campaign, with OSI as our principal partners, to reverse the terrible civil liberties abuses carried out in the name of national security during the last seven years. We invited Inez McCormack, a labor, peace and human rights activist from Belfast and one of the wisest people I know, and she knitted these three apparently disparate programs together with the observation that each was about fear and control. Look, she encouraged us, at the way immigration, the death penalty and national security are used to divide and marginalize by those in power, and which communities bear the brunt.

Inez's view from across the Atlantic leads me to close with a few observations drawn from Atlantic's work in other countries. Both Bermuda, where our key corporate operations are and where we do some philanthropy, and South Africa, where we have significant programs on health and human rights, are countries, like the United States, which have emerged from systems of explicit racial subjugation. Bermuda with 64,000 people is something like a small town, and it has arrived at this place with little of the upheaval that has accompanied transformation in the U.S. and South Africa. But submerging racial honesty does not erase underlying inequities and stresses, reflected, for example, in a school system much like that in the U.S., where all whites and better-off blacks go to private academies, and the public system is one of last resort for the poor and the small island nation is only recently starting to grapple with them.

In South Africa, despite black majority rule, I have been fascinated and sometimes troubled to find echoes of U.S. racial attitudes. In an essay in *Racial Redress and Citizenship in South Africa*, Steven Friedman and Zimitri Erasmus cite studies that show many white South Africans believe that racism is just a concept promoted by political ideologues, with raw or serious racism a rare exception. The 2001 World Values survey found that white South Africans are inclined to attribute poverty to laziness. Yet 80 percent of black South Africans tell pollsters they believe that whites feel they can go on living as they did in the past and strongly endorse affirmative action measures. Another study, by Kalati and Manor, reported that most whites do not feel personally responsible for apartheid and don't see their privilege as connected to poverty. They see racial redress as "damaging to race relations." All this sounds sadly familiar to American ears.

While I don't agree with them, I can understand why it is difficult for many U.S. whites to see why redress is necessary for events and practices that took place long before they were born. But I was

astounded to find similar attitudes in white South Africans, when the past was only yesterday. The impulse by those who've enjoyed racial privilege to put the past behind them is enormously powerful and apparently universal. But it must be overcome.

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." The context was university admissions but it could as well have been any sector. 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.

The paths to effectiveness and justice run on parallel lines. We have it in our grasp to fuse them. In the words of the Spanish poet Antonio Machado, which became an anthem for the U.S. civil rights movement and all who work for a more fair and humane world, we must make that road by walking it together. Thank you.

MARK LLOYD: We have three respondents, including one who has been pointedly noted by Gara, who will have an opportunity to respond.

Terri Lee Freeman is a long-time leader in philanthropy, and currently president of The Community Foundation of the National Capital Region.

Bill Schambra, whom Gara already has recognized, provides an important conservative perspective on issues confronting philanthropy as the director of the Hudson Institute's Bradley Center for Philanthropy.

Clarissa Martinez De Castro, one of the members of the Leadership Conference on Civil Rights, represents a growing and critical voice as the director of immigration and national campaigns at the National Council of La Raza.

TERRI LEE FREEMAN: Thank you. As the president of a public foundation, I was asked to talk about my experience around race and philanthropy and how foundations can play a role around public policy on this issue.

As a minority who sits in the public foundation space of community foundations, a world that is not necessarily known for its huge diversity, it becomes more and more evident that I am, truly, a minority. Since coming to The Community Foundation, now more than 12 years ago, the issue of race and ethnicity has always been one that had to be dealt with, because we were here in Washington D.C.

I'm from Chicago, Illinois, which was known in the '60s as the most segregated city in the country. When I moved here, I thought to myself, "Have those people ever been to Washington to see what the most segregated city is?" I always was astounded by the two conversations that went on in the room. There was "the conversation" and then there was "the" conversation. Everybody knew it was happening, but nobody ever wanted to talk about it. So I became totally committed to the fact that we had to deal with these issues of race, particularly in the District of Columbia. Now, even as you look at the region and the way the region is playing out, the western side of the region versus the

eastern side of the region, there are some real obvious issues around race. I think philanthropy plays a critical role in being able to effect some really community change with regard to that.

Our role is to provide funding and act as a catalyst to help communities deal with these issues. I don't think it's my role, specifically as a funder, to actually attack the issue, but to fund the nonprofit partners that are in the community, who can then move forward the agenda and who can actually catalyze and organize the constituents to deal with the issues communities are facing.

Consider the issues here in the District: Juvenile justice - I ask myself, "Are there no white people who commit crimes in the District of Columbia?" Because when you go to Oak Hill [juvenile detention facility], you don't see any. Or look at where we place jobs in this region, where the jobs are, where the transportation is, where the people are who need the jobs. There are issues here.

About 10 years ago, The Community Foundation engaged in an initiative called the Washington Area Partnership for New Citizens. The demographics of the region were changing significantly then. We were finding ourselves a region of immigrants, with no one group having a huge majority. We received money from the Emma Lazarus Fund to look at the issue of citizenship and how we might be able to work around citizenship with these new immigrants. Eventually, we morphed that into the Washington Area Partnership for Immigrants because it became no longer about new citizenry as much as it was about immigrants. It has since morphed itself into what is called the Partnership for Equity - we did some work around day laborers, which are a big issue in the suburban areas of Montgomery, Prince George's and in parts of Northern Virginia. During all of this it came to me that day laborers of today are basically the sharecroppers that we once were in the '40s and the '50s. And the question was: why am I going to fund something that's specifically for immigrants and then fund things that are specifically for African Americans when the issues, for the most part, are the same? We brought them together and created the Partnership for Equity.

I think philanthropy can be used as a catalyst for organizing, creating community change. We funded the D.C. Language Access Coalition, which has the mission to ensure that D.C. residents and workers have equal access to the most essential government services despite having limited English proficiency. In 2004, the group successfully organized and advocated for the creation and passage of the D.C. Language Access Act, which mandates that District of Columbia agencies and D.C.-funded programs ensure access to limited English-speaking residents. The grant was \$7,500 but leveraged significant power for language access in the District.

BRAVO, the Buyers and Renters Arlington Voice, has the mission to preserve affordable housing and the economic and cultural diversity in Arlington. In March 2008, it created a tenant association to address relocation issues during the renovation of the Taylor Place apartments. BRAVO worked with the tenants to develop a petition against the developer that was presented to Arlington County's board. As a result of these actions, each tenant received a \$1,000 relocation benefit.

Our Place D.C., whose mission is to support women who have experience with the criminal justice system, successfully moved the D.C. City Council in 2007 to pass legislation mandating discharge planning and continuity of care for female inmates at the D.C. jail so that these inmates continue to receive needed social services for themselves and their children after being released from the D.C.

jail. Close to 80 percent of women in the D.C. jail have children and more than 50 percent are incarcerated on drug-related charges.

WILLIAM SCHAMBRA: Thank you. Among our largest foundations today, as we've heard, it is frequently said that America cannot make further racial progress until it appreciates the importance of structural racism. According to this theory, we should draw little comfort from the considerable abatement in individual racist attitudes and behaviors over the past decades. For today, the real racism is reflected in and perpetuated by the most fundamental structures of American society, including housing, education, criminal justice, and so forth.

Indeed, so oppressive are American institutions that it would be foolish for us, in this view, to expect much relief from purely American political principles. So it becomes necessary for us to look elsewhere, beyond the narrow confines of our Constitution and laws, for assistance.

Although Gara didn't mention it today, Gara LaMarche is, in fact, one of the leaders in the effort to direct our attention to international human rights as a transcendent and superior source of philosophical support for the effort to uproot American structural racism. Indeed, I think you managed to persuade the Council on Foundations to hold their first ever plenary session on this very topic at its last annual meeting.

One of the great promises of international human rights, as expressed, for instance, in the Ford Foundation's report *Close to Home*, is that they assert "the inalienability of rights" in a much broader sense than has ever been expressed, constitutionally, in America. Beyond the limited political and civil rights of our Declaration of Independence and Constitution, human rights include a fulsome range of economic, social, and cultural rights. Among those are rights to adequate wages, food, shelter, clothing, education, health care, and so forth, the pursuit of which would finally enable us to overcome structural racism.

As Gara said of my remarks about structural racism earlier, there is something a little too neat about this approach. Policy proposals that have not fared particularly well in the forum of public opinion: the abolition of the death penalty, the equalization of education taxes, the pursuit of comparable worth and affirmative action, the provision of a living wage, suppression of hate speech, more open borders, and so forth, are not properly matters for public deliberation at all, we are suddenly told. Rather, they have been decided once and for all in the realm of human rights. And they've been decided in a manner, invariably and suspiciously, close to the solutions desired all along by liberalism. As the Church Lady says, "How convenient."

It's no surprise, then, that unlike traditional American political rights, which tend to limit government, economic and social rights. These instead call for government's infinite expansion. How else to insure that everyone's rights to housing, jobs, education, and so forth are fully satisfied? But beyond transparent partisanship, there's a much larger problem here. The embrace of international human rights calls into question one of the central convictions of America's age-old struggle against racism, the conviction that the principles of our own Declaration of Independence and Constitution are necessary and sufficient allies in that struggle. Whenever that struggle has triumphed, it's because it didn't have to resort to abstract and unfamiliar notions of moral obligation drawn from

obscure theoretical treatises or international treaties. Rather, it's been able to point to our own founding principles and insist that all Americans live up to their own deeply familiar and beloved professions of equal rights for all.

Such was the lesson taught us by the great American statesman Frederick Douglass, when he challenged the radical abolitionist view that the American Constitution should be dismissed as a pro-slavery covenant with death and an agreement with hell. They were thereby throwing away the chief instrument in the struggle for equality. He insisted instead that it was a glorious liberty document. And so he was able to go before his white audiences, not as a meek supplicant for altruistic charity, not as an errant philosopher teaching an obscure, cosmic theory of morality but rather as an indignant, righteous prophet, pouring scorn upon his listeners for hypocritically failing to live up to their own most revered constitutional principles.

Ever since, the leaders of successful efforts to advance racial justice have reverted to this call to Americans to live up to their own most cherished convictions, to be true to their own best selves. Dr. Martin Luther King famously noted that when the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir.

Senator Barack Obama's recent speech, "A More Perfect Union," took note of the stain of slavery in our founding but went on to argue that of course, the answer to the slavery question was already embedded within our Constitution - a Constitution that had, at its very core, the ideal of equal citizenship under the law.

By contrast, the new effort to battle racism by appealing to international human rights suggests that the Declaration and Constitution are no longer adequate to move us toward our aspirations. But what are we really giving up, when we leave our founding documents behind? Instead of the unmistakable bedrock commitment to equality etched therein, we're urged 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, the new human rights effort, in the words of the Ford Foundation, seeks to "reshape U.S. society according to a philosophy and framework of rights that most people have not heard of and have been taught to think of as foreign."

But whatever those rights are, as Mr. LaMarche put it three years ago, they must be "inclusive and dynamic, given content and force in every generation by those who claim them." Which is to say, they must fluctuate with the fads and fashions of the time rather than be found in enduring documents.

Frederick Douglass said of the American Constitution that it is "no vague, indefinite, floating, unsubstantial, ideal something, colored according to any man's fancy." I fear the same cannot be said of international human rights. Every successful American struggle against racism, from the fight against slavery on, has been rooted in the conviction that our founding documents and principles provide all we need to make progress toward equality. That's because Americans have consented to govern themselves according to those principles.

When we demand instead fulfillment of a lengthy wish list of ill-defined rights of which most Americans have not heard and to which they most definitely have not consented, we may be doing the cause of racial progress more harm than good.

CLARISSA MARTINEZ DE CASTRO: Thank you. I am in a different space since I am not associated with a foundation. But given the role of the National Council of La Raza, which is a 40-year-old civil rights Latino organization, we often have had the vantage point of being on the side of a grantee and a grantor in many ways, and it is from that perspective that I will comment.

In terms of progress on race and equality, whether someone takes their inspiration from the Constitution of our country or whether they take their inspiration from the shared fate of an increasingly globalized society, I'll take either one. I don't care where they draw their inspiration, as long as they believe that through that inspiration they can gain some commitment to make progress on these issues.

The birth of National Council of La Raza, in many ways, was supported by many private foundations that believed us, the leaders of this and other Latino organizations at the time, that there was a strong need to build institutions that this community was lacking. A lot of the work that we were doing, particularly at the beginning, was to provide additional information about this community, which was sorely lacking. We were doing primary research, digging through census information so that we could paint a more accurate picture of not only who made up the Latino community, in all its diversity - it is a very, very heterogeneous community - but also what its challenges and opportunities were. In many ways, I think we continue to play that role, although in different ways from those beginnings.

As the organization grew, we were able to build relationships and help support the development of organizational infrastructure in the Latino community. That, I think, has been an important role for many organizations, both in the African-American community and the Asian community and the Latino community. As groups become more established, they can help identify other organizations that need support. In many ways, our role is to be the intermediaries and absorb some of the risk that was alluded to earlier that foundations may or may not be willing to take.

That links back the notion of capacity building. Capacity building, both from the perspective of hiring diverse capable staff, and from an organizational perspective, doesn't happen from one day to the next. It is a long-term process. It is very labor-intensive and it is a continuous process. Our organization has to continue to learn and grow and face additional challenges. How do you support nascent organizations so that they can stand on their own feet and bring their voice and their influence to different networks? That is a very challenging piece.

We play that role; we act as a grantor in some of those areas. We balance the need to build capacity through time and investment of technical assistance, with the need to measure progress so that capacity building does not continue to be a euphemism for a waste of money or lack of accountability. For a lot of communities that are growing, not only simply in ethnic terms but in nascent issue agendas, there is that road of investment that has to be walked, no matter what.

We need to figure out how to do that better and how to do it in a way that is able to last as long as a group needs to be able to stand solidly, but at the same time, in a way that is accountable so that you can measure that progress and see the graduation and the evolution of those groups.

As has been said, many funders do not engage in the change they are trying to create directly, but allow the groups they fund to do that. I do think that there is an opportunity for more involvement that can leverage the outcome of investments. There might be a large investment made on an issue - health, for example - and there is a solid established mainstream player, but one that is not quite as representative or diverse as the face of America. The funder might identify other groups to bring into the work, groups that bring that flavor to the mix. Often, in the reality, the work is not taking place in a collaborative manner. The other groups may be treated as peripheral to the process and development of strategy. In the context of policy, once you get to where the rubber meets the road and negotiations happen, it is those peripheral groups, those with the interest and the voices that they represent, that often are the first ones to be excluded from what the final package may be.

One of the ways in which philanthropy could play a role in helping move the process along is to make sure that those grants, which are normally made by the same foundation or by a group of foundations, really demand a more expressed collaboration among those groups, as opposed to simply simultaneous but unconnected grants with a lack of accountable collaboration among the groups.

Similarly, it is important to realize how involved coordination is. What does it really mean for people to work together? There have been many times when we have been approached by groups who have received a multi-million dollar grant to do work on children's issues, and they want to meet with us so we can tell them everything there is to know about Latino children. "And if you can keep it to a couple of meetings that would be great," they say, "but if not, then we want you to be part of our coalition." We, as groups, have to also balance the need to be part of networks and the need for accountability between who is doing and who is informing the work.

In the civic engagement arena, there have been some positive developments that could help grantmaking in other areas, but also some points of caution. There has been a push to try to quantify results in such a way that the groups doing the work get the credit, as opposed to a group may have more connections.

TERRI LEE FREEMAN: I want to address Gara's three areas - national discourse, the Greenlining report in race and philanthropy, and effectiveness and race. When I think of the national discourse and where we are now - personally, I didn't think that I would see this; I thought my kids would, but I didn't think that I would see this - I think it's interesting from a racial perspective. A radio show that I listen to aired a little segment on things that you can do in an Obama t-shirt - I'm not going to go in to any explanation of what they are, but it suggests that we are thinking of ourselves in a little differently because of his position.

The whole Greenlining report on race and philanthropy piece: there recently was published a list of the 50 best nonprofit executives, or something like that. In that list of 50, I think there were maybe two who were of color. A young woman who works for the nonprofit Roundtable of Greater

Washington wrote a letter to the editor to question this, and their response was, well, you know, that this was reasonable. She said, "No, based on what the environment looks like and the community looks like, it wasn't reasonable." I'm pleased that she took the initiative to challenge the selection.

And finally, with respect to effectiveness: When I first came to The Community Foundation, we had the "Circle of Hope," which was a violence prevention initiative. I was trying to figure out what our metrics were, how we would tell if we were making progress? These were very grassroots, community-based organizations. I came to the conclusion that we had success because in the end, the meetings were on time and they had agendas. I'm not trying to be funny. We have to be realistic about what we're talking about with grassroots community-based organizations and what a real metric is and what progress is.

GARA LAMARCHE: What Terri said about the work that is trying to bridge African-American communities and immigrant communities - that is extremely important work for the reasons I suggested earlier. It's one of the most important things that can be done.

Bill, it is true that I believe we live in an international system of law and there are treaties to which we are party and they embody principles that are consistent with the U.S. Constitution and we should applaud the fact that the greater proportion of the world accepts the rule of law and accepts principles of human rights, and we should consider ourselves to be part of a global community in which, hopefully, we'll be able to exercise more credible moral leadership at some point in the future. But you're attacking a different speech than the one I gave, so we could have that debate another day.

Clarissa's point, which is worth a very rich discussion, is that, typically, large national funders fund national organizations that aren't very inclusive and empower the national organization to go off and work with local communities and kind of suck up their knowledge and expertise without really making them equal partners. Something has to change about that.

MARK LLOYD: Let me ask one question and allow Bill to be the first to address it. Part of what we're wrestling with here is public policy. It's not simply the relationship between the issues of race and philanthropy, but whether there is a role for public policy in shaping that relationship. Do you have any sense of that?

WILLIAM SCHAMBRA: Philanthropy has been engaged in shaping public policy from the very moment of its birth in modern times. Certainly, Rockefeller and Carnegie, Russell Sage at the turn of the 20th century were very concerned about shaping public policy and pushing it in a progressive direction. I know that this focus on public policy advocacy seems to be gaining traction and I think that's fine.

But going to a point that Terri made, I think this is terribly important. We keep thinking that foundations have this obligation to develop a grand strategy of change and address society in some strategic grand fashion with theories of change and logic models and all the current jargon in the foundation world. All of that is fine, but I think Terri's point is terribly important:

Don't impose that on grassroots groups. Philanthropy has, for a hundred years now - I'll just put it very bluntly - had nothing but contempt for grassroots groups, especially faith-based groups of all kinds. That's been a terrible mistake.

As we move into the new era of metrics and measurements and all these sophisticated techniques for measuring impact, it means the money is going to the sophisticated groups that can generate that kind of data, that kind of measurement. That does an incredible injustice to the real engines of civil society, which are those grassroots groups that, frankly, don't have an enormous staff to write grant proposals and to figure out what their theory of change is and to come up with a logic model and all this stuff and then do it again next year, and, furthermore, do it for 12 or 15 foundations. These are grassroots groups that have one full-time director and 14 volunteers. They don't have time for that. And the more sophisticated philanthropy becomes or thinks it's becoming, the more and more it leaves behind these very tiny groups that, I think, are the real voice of civil society.

CLARISSA MARTINEZ DE CASTRO: For many of the groups, who are trying to appeal to philanthropy, there is pressure to be everything to everybody and we often succumb to that pressure. There are a lot of different voices within any given community, and sometimes the pressure is "we want to fund the one who represents you." You hear it very often: "Who is your Martin Luther King? Where is that person?" A friend at another organization was called by a reporter and asked that kind of question and he replied, "Well I want to know who is the leader of white people because they're doing pretty good."

We acknowledge that pressure and often, we, as groups, are compelled to over-represent what we're able to do or deliver. It also is important not to underplay how much it takes to accomplish something. We must not romanticize the smaller groups and feel good by giving them some money and then letting them try to sail alone. That is the tricky and challenging balance.

Q&A

QUESTION: I'm Bill Gormley from the Georgetown Public Policy Institute, and thanks to the panel and to Pablo for some very perceptive and thoughtful comments. I have a question for Mr. LaMarche. I understand why you think that foundations such as yours ought to pay more explicit attention to race in hiring decisions and in grant decisions. It's less clear to me how you would make the case that in public debates over extremely controversial issues, such as immigration reform, we should frame the issue in terms of race, focusing explicitly on racial divisions and consequences. Given the example that you cited with the death penalty, what leads you to believe that more explicit issue framing focused on race would lead to comprehensive immigration reform?

GARA LAMARCHE: I wasn't making the point that an analysis that takes account of racial barriers to effectiveness inevitably leads you to frame a public issue in racial explicit terms. That was why, in the example of the death penalty, I said that there has been more traction of late with an innocence approach.

On the immigration front, I'm not arguing that either. I think the groups like La Raza and the Center for Community Change and the folks that we fund on immigration are doing some interesting work in

thinking about how to deal in the next round with the fact that the arguments against us were heavily racialized. I think there has to be a bit more naming and shaming and calling that out, as crude and explicit as it was. Don Imus was off the air because he crossed a certain line. You have to have an evolving standard of what's acceptable and some of the discourse around the immigration bill crossed that line and it wasn't called out by people. That doesn't mean that the way to win the immigration debate is to vilify all white people, or for that matter, all people of other colors who might have some issues with illegal immigration. It just means that if you don't think about it, talk about it, plan for it strategically, you're likely to be blind-sided as we were by the racialized nature of the campaign.

This, obviously, requires a lot of discussion. I don't mean to give a pat answer to it, but I think that sometimes, a more explicit racial framing is, in a sophisticated way, the way to get at an issue. Sometimes it is not. But always, in being strategic, one has to take account of what the racial barriers are to success. That was the point I was trying to make.

CLARISSA MARTINEZ DE CASTRO: I was at the Coalition for Comprehensive Immigration Reform last year. It was not looking at how race and ethnicity were playing in that debate that really helped undermine progress on the legislative front. People who were working on that issue at that time were really trying to look at it very strictly from the perspective of public policy and what kinds of laws needed to be passed to fix the immigration system.

QUESTION: Good afternoon. Thank you very much. My name is Audrey Alvarado, a concerned citizen of the U.S. Some of the things that we get to do in universities are think and write and debate. There is a sense of urgency out in our communities right now that we haven't really addressed. You really cannot separate race from class in our society. You really can't, economically. We've been living under a climate of fear for far too long. Now we're living in a climate of financial economic uncertainty. Many, many people are impacted and affected by this. That leaves lots of room for zealots, on the right and the left with extreme points of view and perspective, to rally the forces of those people for significant social unrest in our country unlike we have ever seen. Now, the solutions that I heard today - Terri, you mentioned investment and leadership at the community level. Clarissa mentioned investment and technical assistance to groups, as did Bill in terms of the faith-based grassroots groups. What are we doing, in terms of the philanthropic side, to try to invest in leadership that is saner and can harness that anger and frustration in ways that contribute to the success of our country?

TERRI LEE FREEMAN: The investment in leadership issue: What I can tell you is that these conversations around leadership in the nonprofit space are going on almost ad infinitum right now, particularly with respect to investing in leadership of color. When you look at organizations that work in community, they are overwhelmingly led by Caucasian women, primarily, and men. When we try to locate organizations that have leadership of color, you often hear, "Well, we can't find anybody." Working here in the metropolitan Washington region, I say if you can't find them here, you can't find them.

This gets to effectiveness measures. This gets into who's doing the funding. Who's got the money? What do they think are leadership qualities and characteristics? Until we have the conversation that

begins to look at your experience versus my experience, and then begin to have the experiences come together, you won't be able to achieve any change there.

I have just left the board of the African-American Nonprofit Network, which is focused on trying to place African-Americans, in particular, in positions of leadership. It's not been an easy task and lots of people don't think it's worth investing in. They don't see why you have to do that. So the discussion is taking place around investing in leadership that can bring some balance.

MARK LLOYD: Is a legislative fix required here?

GARA LAMARCHE: It might be. I think I expressed myself fairly explicitly in saying that I don't think that "Don't tread on me" was the right position for the foundation community with respect to AB 624. I think that the California Foundation is very proud of itself for having staved off the legislation. But the fact is it worked. It turned out to be a very successful tactic, right? Because the foundations were quite vulnerable. I'm not sure AB 624 was a perfect measure. There may be a better measure than that. But if philanthropy doesn't get its act together to actually ask itself some very hard questions and produce some results and alter its use of color, I think legislation is inevitable. Change must come and if doesn't, if the voluntary approach doesn't work, I think we might have to have legislation.

CLARISSA MARTINEZ DE CASTRO: In terms of leadership development, I would say that while some funders tend to think of capacity building as the "black hole," leadership development could also be talked about as a black hole.

One thing that is really important to work together on for groups and foundations is this: in funding leadership development, we need to go deeper than just the executive directors of organizations. Within organizations you must fund leadership vertically, so that you are not touching just the executive director but other folks within that organization who can hold the ED accountable. We also must recognize that leadership comes from joint leadership development. One of the things we were able to make progress on last year, with the support of many funders, was bringing together immigrants rights groups, painfully, but jointly in a way that holds groups accountable to each other, prevents extreme or increasing polarization, and starts building a center. You still have the polarized sides to deal with, but that leadership among groups helps build a center.

WILLIAM SCHAMBRA: I'd like to go to this question of structural racism. In all of these matters, I take my bearings from one of my personal heroes, Dr. Louis Sullivan, for I whom I worked with many years ago now. Dr. Sullivan was the founder of the Morehouse School of Medicine. One of his lifelong causes was disease prevention and health promotion, especially in the African-American community. When he became Secretary of Health and Human Services under the first Bush administration, he spoke eloquently and often about this problem of structural inequality and health outcomes. He was acutely aware of the disparities in health care and indeed, he led the fight, for instance, against a major institution, tobacco. He actually managed to stop a new cigarette brand that was going to be targeted explicitly to inner-city African-Americans. We shamed them into withdrawing that brand.

He also talked about the need for the black community to assume responsibility for its own health behaviors, by which he meant that they have to stop smoking. He was an ardent advocate of this and he mentioned it in every speech. He saw the need to change a number of behaviors, including diet that would lead to better outcomes. He described this as “the need for a new ethic of personal responsibility.”

So alongside the notion of fighting the structural barriers to improvement is this notion that you don't have to wait until those mega-structures change. You may be waiting a long time. There are things you can do in your own world to change the outcomes. My fear about much of the structural racism theory, as funded by the foundations, is that concepts like personal responsibility are now treated as simply code for racism. It wasn't that way with Dr. Sullivan. I'm deeply concerned that we have ruled out of the discourse certain alternatives in this effort to restructure the conversation around structural racism.

KATHY KRETMAN: Thank you all very much. I am Kathy Kretman, director of the Center on Public and Nonprofit Leadership. I want to thank all of our speakers, thank each of you for attending, and thank Pablo for being an inspiration to all of us here at Georgetown and always keeping us on our toes.

I also want to give you a bit of background. We have an advisory committee for the Nielsen Forums and as we came together and discussed what the forums could be and what voices we wanted to hear we agreed that we wanted to hear from Gara. And Gara, in turn, said the issue of race was a subject he cared about and would be honored to talk about. That touched me, and it touched the entire committee.

It has been a rich and appropriate topic for this day and for the launch of our series. Obviously, we just touched the surface. If I had anything to do over again, I would have made this a two-day event! So I will leave you all with the thought that this is just the beginning of the conversation. How can each of us take it further in the work that we do, wherever we are doing it?