

# Responsive Philanthropy

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*NCRP's Ryan Schlegel interviewed Mary Reynolds Babcock Foundation's executive director Justin Maxson and network officer Lavastian Glenn about philanthropy in the South. Among the topics they discussed: foundations' support for social change in the South, how to strengthen partnerships between Southern and national funders,*

*and what has changed in the South since Lavastian authored an article in the summer 2013 edition of Responsive Philanthropy.<sup>1</sup>*

**Ryan:** It's been three years since Lavastian wrote her wonderful piece for *Responsive Philanthropy* about the *As the South Goes*<sup>2</sup> report, specifically about the urgency of investing more philanthropic dollars into Southern communities. What has changed for the South in those three years?

**Justin:** National funders are paying more attention to the South. We have more conversations with funders who recognize the need to support the ad-

vancement of economic, social and racial justice.

Three things helped bring this about: First, I think the Movement for Black Lives helped increase the national conversation around race. Second, the deepening demographic shift in the South continues. And third is the growing recognition of economic inequality.

Those three realities have really prompted recognition from national funders to realize that all of those things collide so directly and systematically in the South. If you care about those issues, you have to figure out how to be in the South.

Obviously there is a lot of room between where (continued on page 12)



challenging grantmakers  
to strengthen communities

# A message from the President and CEO



Dear Readers,

Our work together is more important than ever. Over the Thanksgiving holiday, I found myself reflecting about how grateful I am for all of you, staff, volunteers and trustees for an amazing web of nonprofits and foundations. I know this to be true: Philanthropy has a vitally important role to play in building a more just, fair and democratic world.

I hope by now you've seen the new strategic framework<sup>1</sup> that will guide NCRP for the next 10 years. We're expanding the scope of our work to engage with wealthy individuals who don't give through foundations. We'll intentionally link with movements to help our nation move forward. And we're continuing some of our key major initiatives.

This issue of *Responsive Philanthropy* includes some terrific articles that we hope will spur conversation and much-needed action on equity, the untapped potential of the South and the rigorous study of our sector's role in a democratic society.

How has philanthropic support in the South changed over the past few years? How can we strengthen partnerships between Southern and national funders? NCRP's Ryan Schlegel posed these and other questions to Mary Reynolds Babcock Foundation executive director Justin Maxson and network officer Lavastian Glenn. Read about it in "**Grantmaking in the South: An opportunity to support equity and opportunity.**"

A few months ago, the Ford Foundation announced that it will explicitly include people with disabilities in their focus on addressing inequality. In "**Ford Foundation and supporting the disability rights movement: We've only just begun,**" disability rights organizer Jim Dickson and Sarah Blahovec of the National Council on Independent Living ask: "What is the rest of the philanthropic community going to do?"

Philanthropy has been largely ignored by academia despite its important role in our democratic society. In "**Moving philanthropy from the margins to the center,**" Robert Reich, Chiara Cordelli and Lucy Bernholz are encouraging scholars to ask tough questions about how philanthropy may contribute to or threaten the public good.

Finally, we're excited to feature the **National Birth Equity Collaborative** in this edition's Member Spotlight. NBEC, based in New Orleans, seeks to reduce Black maternal and infant mortality through research, collaboration and advocacy.

Let us know what you think of these articles. We're always eager to hear your comments and story ideas, so don't hesitate to send your feedback to [community@ncrp.org](mailto:community@ncrp.org).

Sincerely,

Aaron Dorfman  
President and CEO, NCRP

<sup>1</sup> Visit <https://www.ncrp.org/about-us/strategic-framework>.

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# Ford Foundation and supporting the disability rights movement: We've only just begun

By Jim Dickson and Sarah Blahovec

Praises, kudos and congratulations to the Ford Foundation for its recent recognition of the disabled community. On Monday, September 12, 2016, Darren Walker, president of The Ford Foundation, announced that the foundation would stop “fueling injustice” and would now be including people with disabilities in all aspects of the foundation’s work.<sup>1</sup>

Ford went through an 18-month strategic planning process to produce Ford Forward, the goal of which is to “disrupt inequality.” Originally, there was no mention of people with disabilities in the plan. When disability leaders challenged Ford for its sin of omission, some criticized gently. Others were accurate and blunt in calling out the exclusion of people with disabilities as an act of hypocrisy.

The Ford Foundation should be commended for the comprehensive and appropriate way it is putting disability on its agenda. It is not creating a new category, a disability ghetto for funding. Instead, the Ford Foundation will be asking how all of its grantees and contractors are addressing disability issues. In addition, the foundation’s own staff, board and consultants will be working to include individuals with disabilities to all aspects of the foundation’s life.

When it comes to recognizing and integrating the disability community into their work, grantors, foundation boards and organization personnel need to keep in mind the mission of what they have set out to do by establishing their

institutions. In the words of Roberto Clemente, “If you have a chance to accomplish something that will make things better for people coming behind you and you don’t do that, you are wasting your time on this earth.”

The question now is this: What is the rest of the philanthropic community going to do? Will foundations continue to ignore the planet’s 1 billion people with disabilities and the 56 million Americans with disabilities, our country’s largest minority? Many people have trouble believing there are so many of us; yet there are 11 million legally blind Americans, only 1 million of whom are totally blind and use canes or dogs to get around. And while the vast majority of the disabled are poor and unemployed, those with disabilities need to be viewed as productive, engaged citizens with something to contribute (as opposed to objects of pity and a burden on society).

A recent report issued by The Pew Research Center<sup>2</sup> found that people with disabilities are more likely to follow the news more closely than the general population, and 15.6 million of us voted<sup>3</sup> in the 2012 general election, yet we are not seen as a voting bloc. In 2012, there were nearly as many disabled voters as black voters, and we significantly outnumbered Hispanic voters. For the 2016 election, it is projected that one-sixth of all eligible voters have some form of disability. The disability voting bloc is growing despite the fact that 30 percent of us experienced problems<sup>4</sup> voting at the polls in

2012, as compared with only 8 percent of able-bodied voters.

Darren Walker explicitly stated that he and the foundation were “ignorant” in excluding consideration of people with disabilities from their work. This ignorance stems from many causes; the three most important and devastating of which are shame, guilt and fear. These powerful emotions come from the fact that the disability community is the only oppressed group that anybody reading this article could join at any time. In fact, if you live long enough, most of you will become disabled. Thinking about disability, and sometimes being with people who are disabled, inevitably makes us think about our own vulnerability and mortality.

However, those of us with disabilities know that the biggest barrier to our integration into society isn’t our own limitations but the attitudes of others toward us and our disabilities. Justice William J. Brennan recognized this when he said that, “Congress acknowledged that society’s accumulated myths and fears about disability and disease are as disabling as are the physical limitations that flow from actual impairment.”

When it comes to disability, foundations (in general) are not leaders and visionaries. Instead, many of their staff and their boards are captives of the fears and prejudices that are part and parcel of American culture and society.

There are foundations that donate to organizations that serve people with disabilities: the Foundation Center reports that in 2012, 4 percent of grants go to-



People at Liberty Plaza during the final Disability Day at the Capitol sponsored by the Georgia Council on Developmental Disabilities. Photo by Ryan Johnson, [www.flickr.com/photos/dancingtarrapin/25035573051/](http://www.flickr.com/photos/dancingtarrapin/25035573051/).

ward disability causes, but these grants are overwhelmingly for care and research. Of course, these are worthwhile efforts, but where are the investments in the disability rights movement?<sup>5</sup>

Adding insult to injury, the 16th largest grant in the disability category goes to Goodwill Industries, an organization that uses an outdated labor law loophole to pay its disabled employees subminimum wages. In fact, disability rights organizations are engaged in efforts to pass legislation to close this loophole and prevent businesses and “charitable organizations” (such as Goodwill) from exploiting disabled workers for cheap labor. The fact that foundations provide substantial financial support to organizations such as Goodwill shows that ignorance of disability issues is not only extremely prevalent but also contributing to the exploitation and harm of people with disabilities.

Regardless of a foundation’s mission or its geography, people with disabilities and our issues offer vast opportuni-

ties for investment. We are one-fifth of the population, we live everywhere and we cross all racial, gender and religious boundaries. Just about every problem faced by our society offers a new pathway to solutions when viewed through a disability lens. For example, it is estimated that 750,000 incarcerated individuals have a disability, so criminal justice reform can and must take into consideration the disability status of the prison population.

Also, as previously stated, it is still legal for employers (such as Goodwill) to obtain special wage certificates that allow them to pay disabled employees subminimum wages based on outdated productivity benchmarks. This is but one example of how disability is inherently tied to income inequality. The lack of accessible and affordable transportation also has been identified as a major barrier to employment for those with disabilities.

Similarly, the lack of affordable housing that is also accessible for people with disabilities limits options

for those who wish to remain in their communities. This, along with federal law, condemns many to living in nursing homes, even though community-based living (coupled with appropriate support services) costs less. This is why the disability community is fighting for the passage of the Disability Integration Act, a crucial piece of civil rights legislation that will prioritize the right of people with disabilities to receive home- and community-based services as an alternative to living in nursing homes or institutions.

Civic engagement is yet another area that offers funders an opportunity to support strategies that include consideration of the rights and needs of the disability community. The voter participation gap between citizens with disabilities and the able-bodied is 5.6 percent. This supports the need for foundations to include disability organizations when granting funds in support of integrated civic engagement.

Also, despite there being 36 million disabled voting-age Americans, people

with disabilities are most often not included in the media's public opinion surveys. Thus, the work of those interested in researching the disabled electorate (such as Doug Kruse and Lisa Schur of Rutgers University) needs to be supported.

The fundamental tenet of the disability rights movement is "nothing about us without us." Therefore, foundations that wish to address many of the issues they care about must reach out and engage with organizations and leaders who are at the forefront of the disability rights movement.

We have labels for the bundles of myths and emotions that oppress other communities: racism, sexism and homophobia. For years, disability theorists have proposed terms such as disability phobia, dis-ism, and ableism. Like most things having to do with disability, these words have been ignored by the general population. In order for society, as well as philanthropy, to change their behavior and attitudes, discriminatory and exclusionary practices must be labeled and condemned.

Philanthropic leaders and their institutions must emulate Darren Walker and the Ford Foundation. They must look inward and ask themselves: Why am I ignoring this large and growing disenfranchised community? This will not be simple task. It will require a serious commitment of thought, effort and resources dedicated to learning how foundations can properly support the disability community. But philanthropy can and must expect this of itself. ■

*Jim Dickson is a disability rights organizer and a board member of The Needmor Fund and the Aid Association for the Blind of the District of Columbia.*

*Sarah Blahovec is the disability vote organizer for the National Council on Independent Living.*

## Notes

1. Darren Walker, "Ignorance is the enemy within: On the power of our privilege and the privilege of our power," *Equals Change*, September 12, 2016, <http://www.fordfound.org/ideas/equals-change-blog/posts/ignorance-is-the-enemy-within-on-the-power-of-our-privilege-and-the-privilege-of-our-power/>.
2. Ruth Igielnik, "A political profile of disabled Americans," *FactTank: News in the numbers*, September 22, 2016, <http://www.pewresearch.org/fact-tank/2016/09/22/a-political-profile-of-disabled-americans/>.
3. Lisa Schur, Meera Adya and Douglas Kruse, *Disability, Voter Turnout, and Voting Difficulties*, U.S. Elections Assistance Commission, July 18, 2013, <https://www.eac.gov/assets/1/Page/Disability%20and%20voting%20survey%20report%20for%202012%20elections1.pdf>.
4. Ibid.
5. See Jim Dickson, "Philanthropy's Blinds Spot: The Disability Rights Movements," *Responsive Philanthropy*, Spring 2011, [http://www.ncrp.org/files/rp-articles/Responsive\\_Philanthropy-Spring2011-Dickson.doc](http://www.ncrp.org/files/rp-articles/Responsive_Philanthropy-Spring2011-Dickson.doc).

## WE'RE EXCITED ABOUT OUR NEW WEBSITE!

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[www.ncrp.org](http://www.ncrp.org)



### OUR MISSION

NCRP promotes philanthropy that serves the public good, is responsive to people and communities with the least wealth and opportunity, and is held accountable to the highest standards of integrity and openness.

#### WHY NCRP IS VALUABLE

For more than 40 years, the National Committee for Responsive Philanthropy has served as the country's independent watchdog of foundations.

[LEARN MORE](#)



#### WHY ORGANIZATIONS JOIN

NCRP's member benefits package allows you to raise your voice in philanthropy, while providing access to free or discounted services your organization needs to carry out its mission.

# VISION

Philanthropy contributes in meaningful ways to the creation of a fairer, and more just, democratic and equitable society.

You can help make this vision a reality! Learn more: <https://www.ncrp.org/timeline/new-strategic-framework>

## STRATEGIES



## SHORT-TERM OUTCOMES



## MID-TERM OUTCOMES

Funders and donors use NCRP content and/or relationships to inform and improve how they operate and/or how they allocate resources.

Grantees working for social justice, especially NCRP members, use NCRP content and/or relationships to strengthen their fundraising. They feel more empowered in their relationships with funders.

Policymakers use NCRP CONTENT to inform their decisions.

## LONG-TERM OUTCOMES & GOALS

#↑  
The number of funders who intentionally seek to benefit underserved communities increases

#↑  
The number of serious social justice funders increases

↑  
General operating support and multi-year funding for social justice increases

#↑  
The number of individual donors giving substantially for social justice increases

Mission investments that benefit underserved communities in the US expand

Diversity among trustees and CEOs of foundations improves

Grantees working for social justice increase their impact and win important campaigns



# Moving philanthropy from the margins to the center

By Robert Reich, Chiara Cordelli and Lucy Bernholz

*This article is adapted from the book Philanthropy in Democratic Societies.<sup>1</sup>*

## PHILANTHROPY IS EVERYWHERE.

In the United States and most other countries, we see philanthropy in all areas of modern life. Individuals use private resources to support public benefits of myriad kinds, including poverty relief, education, health care, cultural and artistic expression, international aid and associational organizations of a thousand different stripes. Sometimes we use philanthropic resources to complement and sometimes to counteract public choices about the allocation of public or taxpayer funds. Philanthropic activity comes in many forms, from large gifts from a few individuals to small donations of money and time from almost everyone, from charitable organizations to private foundations to informal giving circles.

In the United States, philanthropic activity supports a kaleidoscopic nonprofit sector of well more than one million organizations that accounts for approximately 10 percent of the labor force and that touches the daily lives of most citizens. In 2013, total giving in the United States was estimated to be \$330 billion, an amount larger than the size of the gross domestic product of many countries.

Philanthropy is not just a beneficent activity or a funding mechanism. It can also be a form of power. When Diane Ravitch, former assistant secretary of education, describes Bill Gates as the “unelected superintendent of American schools”;<sup>2</sup> or when Stephen Edwards,

a policy analyst at the American Association for the Advancement of Science, reports to the *New York Times* that “the practice of science in the 21st century is becoming shaped less by national priorities or by peer-review groups and more by the particular preferences of individuals with huge amounts of money,”<sup>3</sup> they are referring to philanthropy as an exercise of private, and yet politically sa-

lient, power. When scholars document the shift in American associational life from mass membership organizations to groups managed by professionals who collect donations, rather than volunteer hours, from members, they are describing a significant change in the power wielded by average citizens in civic life.<sup>4</sup>

As with all forms of power, the practice of philanthropy triggers important questions concerning its typology, emergence, legitimacy, discretion and distribution. What kind of power – private or political – is philanthropy? How does this power interact with the economic power of market actors and the political power of states? Is the exercise of philanthropic power justifiable and compatible with the fundamental values of a liberal democratic state? What kind of discretion should powerful philanthropic actors possess? What kinds of philanthropic activity should be encouraged, merely permitted, strictly limited, or banned? How is the distribution of philanthropic power affected by and, in turn, how does it affect the distribution of economic resources and political influence across society? These are questions worthy of the attention of scholars across many disciplines.

Yet philanthropy has not received much attention from scholars. Those few who have examined philanthropy have ignored the particular challenges that philanthropy raises in democratic societies. When is philanthropy good or bad for democracy? How does, and should, philanthropic power, which tends naturally to be exercised by the wealthy, interact with expectations of equal citizenship

When is philanthropy good or bad for democracy? How does, and should, philanthropic power, which tends naturally to be exercised by the wealthy, interact with expectations of equal citizenship and political voice in a democracy?



THE TWO PHILANTHROPISTS.  
 "Don't fret, Uncle Sam, we only want to make a bigger man of you!"

and political voice in a democracy? What makes the exercise of philanthropic power legitimate? What forms of private activity in the public interest should democ-

racy promote and celebrate? What forms should it resist or restrain?

*Philanthropy in Democratic Societies* arose out of a conviction that phi-

lanthropy plays a significant and growing role in democratic societies – in the provision of social services, in cultural activity, basic research, policy advocacy, political engagement, religion and, of course, in associational life. And yet philanthropic activity resides at the margins of scholarship, a bit player in the overall ordering of human affairs, especially when compared to markets and governments. Our aim in this book is to make philanthropy the visible object of scholarly scrutiny, to move philanthropy from the margins to the center.

....

### PHILANTHROPY AND DEMOCRACY

From its Greek roots, philanthropy means “love for humankind.” And we generally think of philanthropy as the practice of voluntary donations – donations of money, property, time and body parts, such as blood – aimed at producing some other-regarding or prosocial benefit. In this respect, philanthropy is generally associated with altruism, charity and benevolence. But this general and vague definition is far from settling the question of what counts as philanthropy.

Philanthropy can refer both to actions and to institutions. We can think of philanthropy both as a form of individual giving and as a complex economic and policy structure – as the institutionalized practice of privately funding the production of public benefits. If regarded from the first, agential perspective, philanthropy stands apart from other forms of giving, such as gift-giving to friends and family, and from spending for private consumption. If looked at from the second, structural perspective, it stands apart from alternative, institutionalized mechanisms of finance, such as taxation or market exchange.

Let us start by looking at philanthropy as a special kind of act. What makes an act “philanthropic”? What makes philanthropic acts distinctive and dif-



ferent from other kind of acts, say, gift-giving or spending?

One way to answer these questions is to define the philanthropic act by reference to the subjective motives and intentions of the donor. There are, however, problems with defining the philanthropic act in this way. First of all, we would need a definition of what motives or intentions count as truly philanthropic. Does an act motivated by love toward one's own children – say, the act of donating money to their current, well-off school so as to increase their educational advantages – count as philanthropic? Certainly children, including one's own children, are a part of mankind, but many would reject the idea that acts motivated by the particularistic love for those near and dear to us qualify as philanthropic.

Second, the presence of philanthropic motives, even when concerned with benefiting strangers or the public at large, seems insufficient and perhaps not even necessary to qualify an act as philanthropic. What if one acts out of “love for mankind” but that act turns out to produce harmful consequences for third parties instead? Would the act still count as philanthropic? And what if, by contrast, one's act produces very good consequences for mankind – helps to save many lives or send many poor children to school – but it is mainly motivated by what economists call a “warm glow” – a desire to consume the emotional benefit of feeling that one is doing something good? What if the motive for giving is entirely self-serving: by a wish to be praised by others or by the desire for prestige or social status? Should that act count as philanthropic, in spite of the nonphilanthropic motives? Perhaps motive is not all that matters.

Another option is to define the philanthropic act not only by reference to motives but also by reference to the form of the act, as well to the particular means or institutional forms through which

the act occurs. According to this view, even if an act is motivated by “love for mankind,” it cannot be a philanthropic act unless it comes under the form of a voluntary donation and channeled via specific kinds of institutional arrangements or particular organizations. By this standard, a decision, for example, to buy fair trade products so as to benefit the economy of developing countries and thus to help those living in conditions of need in those countries would not count as a philanthropic act. Similarly, paying taxes out of a strong commitment to support a social safety net does not count as a philanthropic act.

Limiting philanthropy to voluntary donations helps us to understand it as a distinctive form of exchange, different from both spending and taxation. Unlike spending, philanthropy is nonreciprocal, at least insofar as there are no immediate returns from or consumable goods purchased with the act of giving. Unlike taxation, philanthropy is voluntary, rather than coercively enforced.

But at this point a further difficulty arises. Does a donation to a pauper in the street count as an act of philanthropy? Certainly this is a voluntary donation and an act of almsgiving, and yet some would object that it is not a philanthropic act. They argue that philanthropy is a legal term, picking out voluntary donations to certain kinds of organizations, such as nonprofit or nongovernmental organizations, not to specific individuals, however needy. Donations to formal organizations, but not to specific individu-

als, are frequently offered advantageous tax treatment. According to this legalist definition, a donation qualifies as an act of philanthropy only when it is recognized as such by the law, specifically by the tax code.

Finally, one may consider an act of philanthropy to be unconsummated until some public benefit actually results from that act. Here the focus is not on the motive for or the form of the act but rather on its ends or outcomes. A focus on outcomes avoids the “everything goes” problem. Mere wishes or good intentions are not enough to qualify an act as philanthropic. Results matter as well.

And yet, there is a problem with an outcomes-based approach: how should outcomes be defined and by whom? Who should be in charge of defining what counts as the “public benefit” toward which philanthropic acts need to be directed in order to count as fully philanthropic? Should donors themselves decide what counts as public benefit? Should public benefit be limited to whatever is recognized as such by the law or by the tax code? Should an objective, moral theory of value provide the ultimate criteria that define the appropriate ends of philanthropy? Or should the demos – citizens standing as equals in a democratic community – decide what counts as public benefit and thus as philanthropy?

If we look at philanthropy from a structural perspective, as a part of a society's economic and policy structure – an institutionalized mechanism

## New and Renewing Members

Blue Shield of California

Bush Foundation

Evelyn and Walter Haas Jr. Fund

Hewlett Foundation

Humboldt Area Foundation

John and Catherine MacArthur Foundation

Lumina Foundation

Silicon Valley Community Foundation

for privately funding the production and provision of important goods – we face similarly complex questions. First, we need to identify the constituents of this structure – what forms of organization and what kinds of institutions frame and define this funding mechanism, as opposed to other funding mechanisms, such as the market and the state? What is the “space” that philanthropy occupies in the economic structure of a society?

Of course, these questions can be answered both descriptively and normatively. From a descriptive perspective, we can refer to history, organizational theory and political science to find out how philanthropic organizations and institutions, as well as their social role and power, emerged, developed and changed over time. Has the role of philanthropy changed throughout history or only its organizational forms, or both? Historically, how have the boundaries between the philanthropic sector, the market sector and the public sector been drawn? From a normative perspective we should ask, what is the appropriate role or distinctive function of philanthropy as an institutional structure within democratic societies? And what is the moral ground of, and what moral limits should be placed on, the exercise of philanthropic power?

In order to answer these questions, we need some independent standards. The benchmark we used is provided by fundamental political values, including the values of liberty, equality and social justice. How to specify these values is itself contested terrain. When does philanthropy become an illegitimate exercise of power? Are there things philanthropy should not be expected to accomplish in a democracy? When is philanthropy beneficial to or disruptive of democracy?

Here, by “democracy” we do not mean only a particular system of government characterized by free and fair elections or some appropriate form of

representation. We mean, much more generally, a society committed to a fundamental principle of equal concern and respect for its citizens. This principle manifests itself when citizens stand in equal relation to one another, formally equal under the law and possessing equal opportunity for political influence and participation. This democratic principle implies a society where socioeconomic inequalities are sufficiently limited so as not to threaten the ability of individuals to relate as equals within the public domain, and a society characterized by respect for, protection of, and fulfillment of fundamental basic liberties (such as freedom of conscience, speech and association). So defined, democracy reflects a concern with both outcomes (e.g., limits on material inequality) and procedures (e.g., equality under the law and equal opportunity for political participation).

...

*Philanthropy in Democratic Societies* provides a genuinely fresh look at philanthropy as a hybrid and ever-changing form of public and private power. It also underscores the enduring importance of philanthropy in democratic life generally, and in American democracy specifically.

Moving philanthropy from the margins to the center of scholarly inquiry permits a task at the heart of any inquiry about democracy: understanding the complex division between what is public and what is private, tracing the evolution of that division over time, identifying the public dimensions of private wealth and power, and recognizing when private action supports or, alternatively, threatens the public interest.

*Philanthropy in Democratic Societies* provides an integrated, multidisciplinary exploration of philanthropy’s role and legitimacy in a democratic society, revealing how such a focus can open up

powerful analytical vistas or conceptual possibilities for understanding shifts in the pursuit of the public interest and under what circumstances private action and the public interest are aligned. We are at once appreciative and critical in outlook, motivated by the idea that the broadest understanding of democratic life requires an engagement with the historical development, institutional embodiments and moral grounds and limits of philanthropy. ■

*Rob Reich is the faculty director of the Center for Ethics in Society, faculty codirector of the Center on Philanthropy and Civil Society, and professor of political science at Stanford University. Chiara Cordelli is assistant professor in the Department of Political Science at the University of Chicago. Her main focus of research is contemporary analytical political theory. Lucy is a senior scholar at the Center on Philanthropy and Civil Society and codirector of the Digital Civil Society Lab at Stanford University.*

## Notes

1. Reprinted with permission from *Philanthropy in Democratic Societies*, by Rob Reich, Chiara Cordelli and Lucy Bernholz, published by the University of Chicago Press. © 2016 The University of Chicago. All rights reserved.
2. As quoted in chapter 4 for the book, by Aaron Horvath and Walter Powell.
3. William J. Broad, “Billionaires with big ideas are privatizing American science,” *New York Times*, March 15, 2014, <http://www.nytimes.com/2014/03/16/science/billionaires-with-big-ideas-are-privatizing-american-science.html>.
4. Theda Skocpol, *Diminished Democracy: From Membership to Management in American Civic Life*, (Norman: University of Oklahoma Press, 2003); Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon & Schuster, 2000).

Foundations need to do more to prioritize underserved communities, support efforts that promote and protect equity and justice, and strengthen our nonprofits.

# PENNIES FOR PROGRESS:

A DECADE OF BOOM FOR PHILANTHROPY, A BUST FOR SOCIAL JUSTICE

How did the largest foundations give from 2003-2013?

Underserved communities  
**RECEIVED LESS THAN 1/3**  
of large foundation funding



■ National large foundation funding \$16.6 billion  
■ Share of grant dollars to underserved communities



Of the largest US foundations

**90%**  
**GIVE < 1/2**

of grant dollars in ways that benefit  
underserved communities

To achieve Philanthropy at Its Best,  
foundations should aspire to these minimum  
funding levels:



Among foundations, there is a  
**LACK OF COMMITMENT**  
to empower people and address the root  
causes of inequity & injustice in society



**10%** OF LARGEST FOUNDATIONS' GRANT DOLLARS  
DEVOTED TO THESE STRATEGIES

Learn more:

<https://www.ncrp.org/publication/pennies-for-progress>

# Grantmaking in the South

(continued from page 1)

we are and where we need to be, but I know of five to seven national foundations that are in serious exploration. They have deepened their strategy and investment in the region. That's a positive thing.

**Lavastian:** Over the last three years, I've had the privilege of working with Grantmakers for Southern Progress (GSP). In traveling around the country and working deeply in the South, the platform of GSP has resonated with many people in philanthropy. There are active conversations and learning among Southern and national funders on developing racial equity or equity lens for their work. I think we've been successful in helping funders identify organizations and networks, actually spend time in the region and begin to break down perceptions about the lack of capacity. However, there's more work to do.

From electoral-, get-out-the-vote- and democracy-focused foundations, there is definitely interest in the South. Part of that increased interest comes from this unusually high-pressure, high-stakes general election and the understanding that shifting demographics hold a lot of promise for new leadership, progressive policy and more inclusive civic discourse. It has been interesting to watch the shift in attitudes about people of color and ideas about what progress looks like versus the "we need to go back to America of the past" attitude.

While all of that plays out in the public sphere, we have several high-profile police shootings of, and racially motivated, violent crimes toward African-American people and people of color. It brings back imagery and memories of the Jim Crow South.

So while there is more conversation in philanthropy about the opportunities to invest in the South, all of our greatest fears about the past are front and center in 2016.



Lavastian Glenn



Justin Maxson

**Ryan: The gap that exists between national resources and Southern communities seems to be both about the perception of and the real lack of capacity. Babcock has made a commitment over 20 years to build the capacity of Southern organizations, especially with an eye toward resilience. How can other foundations support that process?**

**Justin:** There is absolutely a perception that the South has less capacity, and clearly the South has capacity challenges. The region has been underfunded for decades. However, between the perception and real challenges is real capacity. It takes patience and a willingness to look underneath the lid in communities, states and networks to find it.

One way to support the process is to fund networks whose work includes building the capacity of their participating organizations. This is a good approach for foundations that do not want to specifically support organizational development.

In my experience, however, organizational development and capacity building are important parts of supporting the work. Organizational support isn't just a separate category; asking a potential grantee about his or her organizational development and its strength is something you can do if you're supporting state policy advocacy, grassroots organizing or economic development work. For any of those strategies, these organizations need organizational support.

**Lavastian:** Folks doing community and economic development in South Carolina, for example, are hugely under-recognized for their work. They have created a network of community-development entities, working to improve the conditions of people living in their communities.

South Carolina, like many other states, has a particular approach to governance that prides itself on smaller government that does not invest in local communities, not to mention the legacy of overt and structural racism. What these folks have been able to do is create an infrastructure that stands outside of, and is parallel to, the mainstream. When we go to a conference and see 250 people from around the state, the majority of whom are African Americans and people of color, we know they have created that for themselves.

You have to see for yourself to understand the capacity, vision and leadership. I have to give credit to Bernie Mazyck and Michelle Mapp. Both are very smart and passionate but are also entrepreneurial; they know that this is all about making the work better.

**Ryan: The South was not founded as an economic democracy. We hear from folks that one of the stumbling blocks that some funders encounter is a misapprehension or a lack of understanding of the power dynamics that play in those communities. How does Babcock approach power dynamics in those communities?**

**Justin:** That's a great question. It's just hard to do. We acknowledge power dynamics in places, but fundamentally we are partner/grantee-led, so we do a lot of listening and ask a lot of questions.

We're looking to support actors who are conscious of the relations of power and have their own theory of change. We're not looking for a logic model, but we're looking for groups to at least be able to say "Here's what we're trying to address; here's how we're going to go about it and why we think we're successful."

We have a fundamental tenet: We aim to work as much as we can with directly impacted people. That starting point generally means that they'll have some version of a power analysis. It's important for us to listen to their stories and their understanding.

We're also very interested in unusual partnerships in which you have grassroots leaders in legitimate collaboration with intermediary organizations or decision-makers where these folks see shared interests and can get important things done.

Power is often central to making things happen in communities, so we listen closely to what our partners say about their strategies, their partners and how they will get their work done. There is usually a great deal of wisdom there.

**Ryan: How is Babcock's understanding of what social justice looks like different from the prevailing understanding of national funders? And how is that understanding influenced by Babcock's specific contacts in the South?**

**Lavastian:** We have this deeply held value that states, "We know what we know because of work in the community."

How we move and act as funders in the region is grounded by a sense of humility. And that's not to say that we don't have intelligent folk on staff who can deeply evaluate issues and access research to understand how we can make a difference. We really try to practice what we preach by listening to communities and leadership on the ground. We know that it's their call.

We've learned over the years that investing in people to lead processes in their local contexts brings the most impact and sustainability. As funders, it is really easy to enter into spaces with nonprofits and communities with your own plan to move the needle. We work hard not to enter in that way.

We enter by listening to how a non-profit leader or network is describing

his or her own ecosystem and analyzing political power and the kind of tools and influence it takes to achieve these goals. If it lines up with our general framework (economic opportunity, civic engagement promoting democracy, accountability to people who are directly affected, etc.), then that's what we invest in.

**Justin:** As Lavastian said, it's based in a set of values that go pretty deep. We recognize a set of connected structural challenges (racism and other isms, economic inequality, political exclusion, cultural narratives about success), and because we believe the solutions are also complicated, so we generally don't pick an issue or one strategy.

We try to support places where there is opportunity in the context or place and do so in a way that we build resilience and effectiveness overtime. Babcock's vision for change is rooted in a recognition of the complexity that the region faces and an understanding that the most effective solutions aren't one-off responses. This involves support to build resilient organizations and networks and develop strong, multilayer relationships over time. We hope that allows organizations to make progress today and move the needle on longer-term challenges.

The last decade has been tough in the region, particularly politically. It takes a long-term perspective to advance social justice in the region. Partnerships between national funders and regional/local funders is key because we can help interpret context and explore connections to local work.

We recognize that this work is going to take long-term, place-based general support that expects outcomes but also to invest in building capacity such as staffing, organizational development and resources to support innovation.

**Ryan: What tools or information do you think funders need to strengthen those**

We really try to practice what we preach by listening to communities and leadership on the ground. We know that it's their call.

## partnerships and create sustained investment for structural change in the South?

**Justin:** We need as many examples of capacity and work on the ground as possible. They need to understand that there is capacity. It may look different than the capacity they're used to, and it may need support to be made stronger, but there is significant capacity across the region.

It's not enough to just fund the outcomes. Part of funding outcomes is actually supporting the growth of more resilient

pushing ourselves to understand outcomes and support work that will achieve them. We think building resilient organizations and networks supports both near-term outcomes and longer-term progress on super hard issues. We work to support community and organizational leaders who are working toward both.

**Lavastian:** We really need tools to help bridge differences. How do you partner with communities and with nonprofit agencies in a way that is equitable, fair

Funders also need vehicles to invest in a way to move money with a shared risk, with opportunities to leverage investment. Equity, by definition, means investing more in places that have less, or have people starting from a different point, all in order to create an equal playing field. What does that mean for philanthropy? That is probably the biggest challenge for folks investing in the South.

A common push-back is that there are just so many needs, and the South is so behind. But if you truly have an equity or racial equity framework in your grantmaking, then it is an easy choice: you invest in those who need it most.

We need to prioritize helping foundations and stakeholders to reframe what progress looks like. If your understanding does not contain an equity lens, then places like the Deep South lose out every time. There is something inherently unjust about that. That is an outside-the-box opportunity we have in philanthropy; we need to show up in places that on paper look like they can't add up but need help nonetheless.

**Ryan: I think the last bit that you said resonates most with me. If we say that we can't invest in places under our current framework because they "don't add up," then that's not a problem with those places; that's a problem with our framework.**

**Lavastian:** That's right. ■

*Ryan Schlegel is senior associate for research and policy at NCRP.*

## Notes

1. See <http://www.ncrp.org/publications/responsive-pubs/rp-archive/responsive-philanthropy-summer-2013/region-at-the-crossroads>.
2. See [www.nfg.org/gsp\\_south](http://www.nfg.org/gsp_south).

It's so important to say, "We're going to make mistakes, but we are going to do this together and will fail forward."

and effective organizations and making the case for integrating organizational support with support for outcomes.

So what are the most effective strategies that national funders can take to best support the work? I think it involves seeking to understand the context in a place, listening well, building relationships and real partnerships and spending enough time to do the previous things well.

While we all need to support work that aims at short-term results, our experience says we are more effective with a slower, deeper approach that builds on the skills and experience of local actors. Patient work that helps funders get a sense of the opportunities and challenges in the region is likely to be much more successful.

The Babcock Foundation believes deeply in outcomes and results. We have a thread of practicality that runs through our work, so our approach to this isn't ideological. It really is the result of our experience.

Our experience shows that, if what you want to do is help generate outcomes in a place with tough challenges, there aren't quick solutions. We are always

and pays attention to the power dynamic? We need more tools, more training and more dedication to develop a racial equity and justice lens.

We need leadership that understands the urgency. One of the things that is really difficult about philanthropy is that it is so slow and takes so long to make decisions. I don't know what can be done about the speed, but there's something to be said for prioritizing work around structural change.

It is so important for us to say, "We're going to make mistakes, but we are going to do this together and will fail forward."

Also, funders need to know the potential funder partners within the region. So, for example, we are part of an effort to organize funders to invest in the Black Belt. It is a historic community that has experienced persistent poverty over the years. And while the community carries a lot of the passion and leadership from the civil rights movement, it has not yet reaped the benefits of all that activism. There is an opportunity to come together with communities and ask how we can support work for deep change here.

# National Birth Equity Collaborative

<http://birthequity.org>



*NBEC founder and president Dr. Joia Crear-Perry, and national training director Carmen Green at the 2016 NCRP Impact Awards.*

**NCRP: What is NBEC's mission and how does it address infant mortality rates among African-American families?**

**NBEC:** NBEC aims to reduce Black maternal and infant mortality through research, family-centered collaboration and advocacy.

Total U.S. infant mortality has declined in recent decades, but Black infant mortality rates are persistently disproportionate to other race groups. The white infant mortality rate hovers around five per 100,000. The Black infant mortality rate is two to three times that, according to the most recent CDC data.

It is increasingly cited in the medical and public health world that there is more to infant death than clinical care and pre-term related complications. Social determinants of health inequities strongly suggest that institutional racism, community connectedness, the built environment and chronic stress bear the weight of blame. The lack of research toward this end caused us to engage in this work.

Understanding that true health equity starts at birth, we base our work around the family voice, racial equity and multisector collaboration for the greatest impact.

The Campaign for Black Babies aims to reduce Black infant mortality rates by 25 percent and 50 percent in specific cities within five and 10 years, respectively. We have identified 20 cities across the nation with the greatest burden of Black infant death. We have chosen the following subset of those cities as a pilot program to feasibly create an evidence base before expanding: Baltimore, Maryland; Chicago,

Illinois; Clarksdale, Mississippi; Cleveland, Ohio; Detroit, Michigan; Memphis, Tennessee and New Orleans, Louisiana.

The Campaign for Black Babies is a national release of the research conducted in these pilot cities. Our research includes independent quantitative analysis and deep community participation to better understand the social and environmental factors behind infant death. We use the analysis and community voices in this report to help state and local health entities reframe their response to reducing infant mortality.

Truly addressing the social determinants cause us to interface with departments of transportation, city planners, housing and development, etc. for multisector collective impact.

**NCRP: Why is it important for the organization to engage in advocacy as well as conduct research and provide services?**

**NBEC:** Inequality and health disparities exist because there are weaknesses built into every level of our health care system. Advocacy allows us to collaborate authentically within all of those levels, including hospital systems, state government and federal government.

NBEC understands that we can compound our research efforts and increase our impact exponentially with advocacy engrained in our organization.

**NCRP: What roles have foundations played in supporting NBEC's work?**

**NBEC:** Foundations have been invaluable to NBEC's establishment. A W. K. Kellogg Foundation grant for general operational support allowed us to begin working with our pilot cities in 2015. We have experienced major growth and demand in the last year, alone, as we travel and connect with these awesome communities.

This growth could not have been achieved without the consideration of the Kellogg Foundation, and other donors, that believed in our mission and helped get our campaign off the ground.

**NCRP: What tips would you offer grantmakers that wish to become effective partners to organizations like yours?**

**NBEC:** We encourage grantmakers to lean toward innovation.

Our largest challenge is that our methodology is based on best practices and promising practices within an emerging framework. There is no evidence base for a program of our type on a multistate scale. Therefore, we are often unqualified in a number of grant opportunities.

We work hard to build a relationship with funders so they see the theory behind our methodology and the passion behind our mission. What better way for philanthropy to help change the world than to be the financial backbone of groundbreaking movements?

We appreciate the network of NCRP partners and members who are on the leading edge of research and advocacy for social good. ■



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## Select Publications

### *Pennies for Progress: A decade of boom for philanthropy, a bust for social justice*

by Ryan Schlegel

November 2016

This new report from The Philanthropic Landscape uses the latest available data to examine the giving of the country's largest foundations from 2003-2013. Which foundations prioritized underserved communities? Which supported social justice strategies the most? Are these foundations giving more multi-year flexible funding?

### *The Oregon Community Foundation: Can it build a statewide legacy of equity and inclusion?*

by Lisa Ranghelli and Caitlin Duffy

June 2016

This second Philamplify assessment of a community foundation examines Oregon's largest grantmaker. Findings show that while OCF is well-respected by many of its constituents, some communities of color and LGBTQ groups do not see signs of progress, despite the foundation's commitment to equity and inclusion.

visit: [www.philamplify.org/foundation-assessments](http://www.philamplify.org/foundation-assessments)

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