THE CHRONICLE OF PHILANTHROPY

OPINION

Philanthropy Can Help Americans Understand Why Stomping Out Racism Benefits All

By Vincent Robinson OCTOBER 1, 2020

Philanthropy often talks about its work to combat racism and advance equity as crucial ways to advance justice and morality.

After all, any decent person would agree that we should treat each other fairly and equally — and that we should take steps to change systems that are skewed in favor of one group at the expense of others.

But not everyone sees it that way; they fear they will lose out if others get more benefits from society.

When such falsehoods are reinforced by those in power, people are even more likely to do what they can to protect what they have — or what they think they deserve.

The argument in favor of self-interest too often outweighs the case for a just and equitable society. It's been that way for four centuries in the United States.

Now it's time to change for philanthropy to take aggressive steps to change that perception throughout society and help everyone understand that a benefit for one is a benefit for all.

<u>A 2019 study</u> by economists at the University of Chicago and Stanford University traced the conditions behind America's thriving economy after World War II and determined that reducing discrimination against minorities and women fueled more than 40 percent of the county's per-worker economic growth. Meanwhile, the inequities that still exist in our systems carry a significant cost — \$16 trillion since 2000, according to <u>a 2020 Citigroup study</u>.

"It's the reason the country could sustain rapid growth with low unemployment, yielding rising wages for everyone, including white men without college degrees," *New York Times* economic-policy reporter Jim Tankersley <u>wrote recently about the</u> <u>findings</u>.

This argument is a compelling one, for it frames the conversation in a new way — one that shows how equity will expand the pie and expand (rather than diminish) everyone's opportunities for success. It also amplifies Eduardo Porter's recent work in <u>American Poison: How Racial Hostility Destroyed Our Promise</u>, which persuasively argues what we already know: Racism holds back our collective interest and progress.

How Grant Makers Must Change

Philanthropy can spread the word about such studies as part of reshaping narratives. But foundations must also change their structures, whom they fund, and whom they enlist in carrying out the work. It is not enough simply to add racial equity to their missions or send more money to efforts to fight racism. Instead, philanthropy must grapple with the ways it is unwittingly perpetuating structural racism and inequality through its internal processes and external actions.

Philanthropy's ability to make true progress is blunted by the same deeply entrenched self-interest that we often project on those who more openly combat equity efforts. Nonprofit chief executives and board members might believe that they support equity, but in the vast majority of cases, they have benefited from the current system. Because of this, they are often unwilling to cede enough of their power to push forward with systemic changes.

So, how do we change?

It starts with rethinking who should be leading our organizations and serving on our boards — and explaining how it benefits all of us to bring new faces and voices to the table. It also requires investing in nonprofits and collaborative efforts that have their roots in the communities they are working to improve. This is the true path to relinquishing the power and control necessary to expedite progress.

A client of our executive search firm, the Meyer Memorial Trust in Portland, Ore., offers a powerful example of how this plays out in real life.

Meyer has a long history of supporting racial-equity efforts through its grant making. But when it decided in 2018 to hire Michelle DePass as its chief executive, it ensured that it had a leader who had life experience that aligned with its values — one of a Black woman from an immigrant family that had to overcome systemic racism before becoming a senior official in the Obama administration and a public-policy school dean. Under DePass's leadership, the foundation is now actively working to hire other people of color who understand what it's like to live in a racist society. It is also investing heavily in Black-led nonprofits through its recently launched Justice Oregon for Black Lives program, which pledges \$25 million over five years to make strategic investments that help Black people across the state.

"As the first Black CEO of Meyer Memorial Trust, I decided that I was going to take this to my board, and we were going to grapple with a moment of surge, a moment of risk," DePass said in <u>a recent interview with the *Chronicle of Philanthropy*</u>. "One of the sparks for opening up the coffers and bringing change in philanthropy is through change in the leadership."

Meyer now has leaders who understand and see the benefits of taking a new approach. In doing so, it is opening new opportunities within its own ranks — and committing to rethinking how the foundation directs its funding.

Moral Arguments Aren't Enough

Such steps are overdue. <u>A recent study</u> by Bridgespan and Echoing Green found that nonprofits led by people of color win less grant money and are trusted less to make decisions about how to spend their grant funds than groups with white leaders. Truly, as Candid research shows, not even 2 percent of grants aim to support issues that directly affect Black people.

Moral arguments and half measures won't change such practices.

We've tried that approach — and yet we still see massive inequities within our own organizations, let alone in the communities we serve.

One might argue that amid our current political climate, changing hearts and minds poses an impossible challenge.

That reality only underscores the pressing need to take a new approach.

It is only when we take a hard and honest look and decisive action in our own organizations, and philanthropy as a whole, that we will have the credibility — and the proof — necessary to initiate real change in our neighborhoods and communities.

All of us have the power to make that happen — and the opportunity to share in the good fortune that follows.

We welcome your thoughts and questions about this article. Please <u>email the editors</u> or <u>submit a letter</u> for publication.



Vincent Robinson

Vincent Robinson is the founder and managing partner of the 360 Group, an executive search company that places leaders at nonprofits and foundations.

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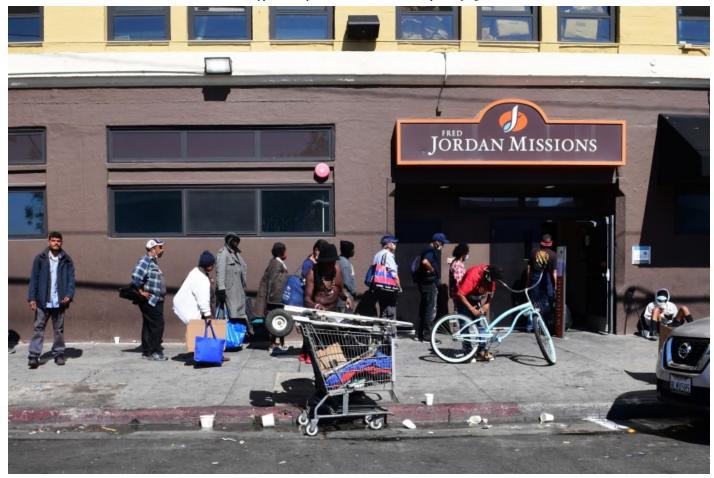
Q&A

How the Lessons of Hurricane Katrina Apply to Philanthropy's Challenges Today

By Nicole Wallace

Takema Robinson, executive director of the Greater New Orleans Funders Network, talks about what foundations learned from their efforts to help the region rebuild and how grant makers can apply those lessons to racial justice, pandemic recovery, and more.

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OPINION

Philanthropy Won't Make Headway on Racial Justice Without Tackling Housing Justice

By Amanda Andere and Bill Pitkin

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RACIAL JUSTICE

Foundations Pool \$36 Million for Black-Led Organizing Groups

By Alex Daniels

Democracy Frontlines Fund, a group of grant makers led by the Libra Foundation, is pushing for more support for smaller grassroots organizations working to help improve the lives and build the political power of Black people.



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