

SOCIAL JUSTICE

Grantmaking

HIGHLIGHTS



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For more information on this report, contact Steven Lawrence, senior director of research, at (212) 620-4230, or e-mail sal@foundationcenter.org. *Social Justice Grantmaking II* "Highlights" are also available at foundationcenter.org/gainknowledge.

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This report owes much to the 26 grantmakers and practitioners who participated in the 2008 interviews that provided the basis for Chapter 2 of this report. (See page iv for a

list of participants.) Their responses have contributed critical insight into the evolving nature of social justice philanthropy. We are also grateful to the grantmakers and practitioners who provided perspective on the reemergence of human rights in the domestic U.S. context.

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—Steven Lawrence

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Key Findings

***Social Justice Grantmaking II: An Update on U.S. Foundation Trends* provides a comprehensive overview of social justice–related funding by the nation’s foundation community. It is designed to further both the understanding and practice of social justice philanthropy. The report includes perspective on the opportunities and challenges facing social justice funders, insight on emerging strategies in the field, and detailed quantitative benchmarking of changes in social justice funding, ranging from principal grantmaking priorities to the geographic distribution of funding.**

The report updates and builds upon *Social Justice Grantmaking: A Report on Foundation Trends*, issued in 2005. By providing the first-ever quantitative measurement of this type of funding, *Social Justice Grantmaking* moved discussions of the state of social justice philanthropy by U.S. foundations beyond anecdote and laid the groundwork for funders to be able to benchmark this activity going forward. The report also documented the perspectives of leading social justice funders on the state of social justice–related grantmaking during a politically challenging time for social change.

The first *Social Justice Grantmaking* study found that social justice–related support encompassed all areas of foundation activity from civil rights to health to the arts and represented 11 percent of overall foundation giving. At the same time, interviews with 20 social justice philanthropy leaders identified numerous barriers to social justice philanthropy, especially the political climate at the time, the extent of problems relative to available capacity and philanthropic dollars, and a lack of field coherence and new ideas. This had led a number of interviewees to question the terminology and continuing efficacy of social justice philanthropy and a small cadre of these funders to move away from supporting structural transformation and toward a strategic framework emphasizing choice, opportunity, and individual empowerment.

Four years later, the prospects for social justice philanthropy appear markedly improved. While the field accounted for a fairly consistent 12 percent share of overall foundation giving, funders engaged in social justice

philanthropy and practitioners working in the field report renewed optimism for the potential of their activities, even as they critically assess their past efforts. They cite a changed political environment, the demonstrated success of a new generation of community organizing in the recent presidential campaign, and new ideas and energy in the field among a number of factors reinvigorating a commitment to social justice philanthropy. Grantmakers and practitioners are also consciously moving away from past practices and strategies that they believe will not effectively serve a social justice agenda going forward.

SOCIAL JUSTICE PHILANTHROPY FOR A NEW ERA

Following years of declining faith in the efficacy of social justice philanthropy, both grantmakers and practitioners are showing renewed optimism. Interviews conducted in 2008 with 18 leading social justice funders and eight advocates/activists provided a set of key recommendations for advancing the field, as summarized below. These recommendations are particularly notable for the frequent overlap between the perspectives of grantmakers and practitioners.

The Funder Perspective

◆ Adopt a “Small Tent” Strategy.

In the past, many multi-issue and multi-constituency collaborations sought to enroll an expansive organizational and stakeholder base—sometimes at funders’ insistence. However, these collaborations could be

diversity

criminal justice reform

empowerment

environmental justice

human rights

contentious and had difficulty moving quickly. Foundation interviewees identified a burgeoning tendency toward pursuing a strategy of “small tent” collaborations, which contain fewer groups, and are seen to be more nimble and disciplined and provide a higher level of trust and mutual accountability.

♦ Find Common Ground.

Many interviewees believe that social justice philanthropy is most effective when it seeks to bridge differences of race, class, language, region, and generation toward a vision of the common ground. Among areas identified by grantmakers as holding promise for bringing together multiple constituencies were health care, economic development, political enfranchisement, education, and environmental concerns.

♦ Focus on the Grassroots.

Community organizing continues to be the most prevalent grassroots social justice strategy and warrants much more funding than it receives. Nonetheless, there are concerns among interviewees that many traditional community-based organizations continue to employ a “power analysis” framework that ensures their

stakeholders will remain outsiders. In addition, some place-based foundations have been moving beyond an exclusive reliance on community organizing and are working with a variety of local agents to develop community wealth and other assets of power and influence.

♦ Do Not Ignore the Political Sphere.

Although grassroots funding is the priority for social justice philanthropists, some funders note that grassroots support alone rarely yields enough political leverage and expertise to significantly address larger social justice issues. For these grantmakers, providing support for nonpartisan electoral and public sector participation is equally critical.

♦ Support Identity-based Philanthropies.

Interviewees agreed that the social justice sector as a whole is underfunded but highlighted identity-based funds as a promising source of new philanthropy. Beyond increasing the resources available for social justice philanthropy, funders believe that these institutions will also change the leadership, discourses, and grantmaking practices of social change advocacy.

◆ **Build and Renew the Social Justice Infrastructure.**

The importance of supporting an *infrastructure* that sustains and links the work of social justice organizations and grantmakers was referenced by several interviewees. Funders are increasingly supporting ongoing collaboration among national policy groups and their allies working for change at the state and local level. Additionally, multi-issue funders have coordinated with one another, often through funder affinity groups, to support different facets of the social justice infrastructure. Funders appear to be more inclined than in the past to work across strategy or constituency. There is also a growing consensus among funders—and grantee leaders—that the fields of technical assistance and organizational development need to be expanded and updated.

◆ **Collaborate with Other Funders.**

Grantmakers named greater field cohesion and partnership as the second-greatest social justice priority, behind the need for more core social justice funding. The increased desire for opportunities to network, convene, and collaborate is being sustained in part by new technology that is offering cost-effective ways to undertake peer learning and gain ongoing value from learning communities and other networks.

◆ **Collaborate with Grantees.**

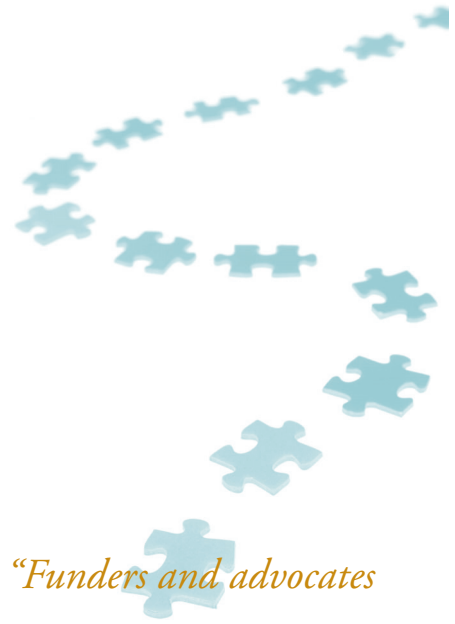
The move toward closer collaboration is extending to the relationships between social justice funders and their grantees as well. Some interviewees are already making this level of collaboration core to their institutional strategy and operation. However, grantees will also have to be open to change and experimentation. An optimistic sign is that several funders noted a cultural shift as a new generation of nonprofit sector leaders takes over. These younger leaders prefer working together and sharing resources and are, in general, less territorial.

◆ **Create Capacity.**

All of the social justice funders interviewed for this study agreed that making general support grants to premier groups—multi-year if possible—constitutes the ideal funding strategy. But there was also a rising commitment to capacity building as a way to strengthen organizations, the field, and prospects for sustained social change. The preferred capacity building investment among current funders is leadership development, usually for grantees' executive directors and, occasionally, promising community members.

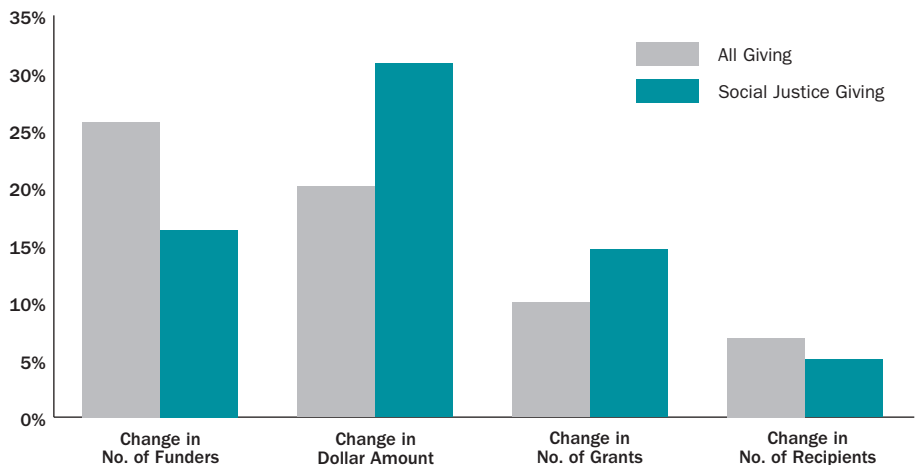
◆ **Plan for a New Generation of Leadership.**

Most interviewees noted that the social justice field is at the beginning of a large leadership transition, as baby boomer executives retire. Foundations are increasingly focusing on the development of young leaders to build the bench that will run important nonprofits in years to come. It will be especially important to develop pipelines for the new leaders *within* these organizations. At the same time, senior leaders are often not ready or able to move on. Negotiating this leadership transition and providing ways to continue to engage senior



“Funders and advocates are more positive about the prospects for social justice philanthropy to have a meaningful impact than was true just a few years ago.”

Social justice giving grew faster than overall foundation funding between 2002 and 2006



Source: The Foundation Center, *Social Justice Grantmaking II*, 2009. Based on all grants of \$10,000 or more awarded by a sample of 1,005 larger foundations for 2002 and 1,263 for 2006.



“[Practitioners] are not opposed to effective evaluation efforts. ‘Often the best groups are not encouraged to pursue their best ideas, and weak groups are allowed to limp along. Raise the bar!’ ”

leaders will be a central piece of social justice organizational development in the next decade.

◆ **Re-evaluate the Role of Evaluation.**

Some social justice funders find the growing use of evaluations to be counterproductive. A number of funders said that the lack of clear protocols to measure social justice progress and impact creates problems for both funders and their grantees, especially in terms of quantitative analyses. Despite these challenges, most funders believe that evaluation is necessary and useful.

◆ **Embrace Mission-related Investing.**

Some foundations are using program-related investments and mission-driven investments to augment their grant support for community groups. In the past, these partnerships with business and public sector allies might not have been considered social justice philanthropy at all, since they involve cooperation with sectors often seen as opponents of the priorities of marginalized groups.

◆ **Target Underfunded Priorities.**

Beyond community organizing, other areas of social justice activity that interviewees considered to be underfunded included

communications and the use of technology, youth and people of color leadership development, mid-career leadership development, convening and collaboration, and technical assistance dedicated specifically to sustaining networks and collaborations. Top-ranked among over-funded organizations according to interviewees were national think tanks and policy groups.

The Practitioner Perspective

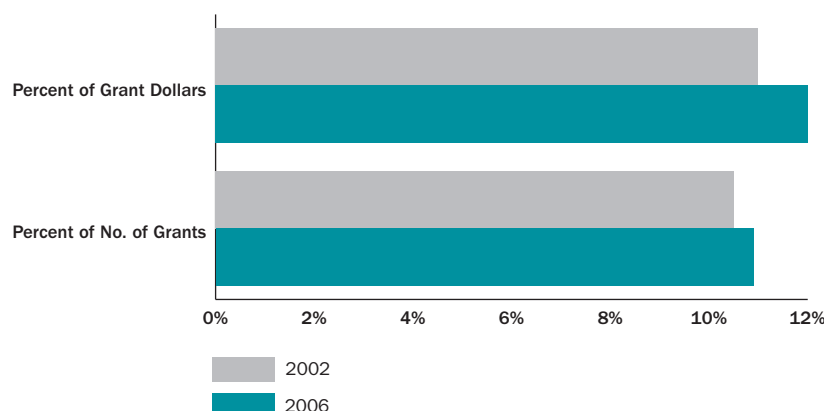
◆ **Understand the Transformation Taking Place in the Field.**

Many of the practitioner leaders interviewed believe that progressives have yet to put forth an updated and broadly compelling vision of the common good. But starting in the early 2000s, social justice advocates changed their strategies in two significant ways that might remedy this gap. First, many more social justice groups became involved in electoral politics. Second, social justice organizations have increasingly focused on communications, messaging, and media relations to build their base and educate the public and decision makers. These changes are moving social change work away from taking adversarial stances to promoting negotiation. Many interviewees also believe that the discipline and sophistication of the Obama campaign as a community organizing event will lead to dramatic changes in the social justice field.

◆ **Engage in Strategic Partnerships.**

Practitioners feel that closer partnership is possible with grantmakers in ways it has never been before. Increasingly, foundations invite community leaders and organization executives onto their boards and program committees, and program officers help raise money for their leading grantees and find ways to promote sector leaders. At the same time, interviewees feel that the divide between funders and practitioners continues to limit field growth and

Social justice giving accounted for 12 percent of overall foundation support in 2006



Source: The Foundation Center, *Social Justice Grantmaking II*, 2009. Based on all grants of \$10,000 or more awarded by a sample of 1,005 larger foundations for 2002 and 1,263 for 2006.

experimentation, often due to a perception that funders are risk averse. They believe that the key to addressing this disconnect is more opportunities for honest, joint exchange—but not more “show-and-tell” conferences. Most interviewees feel they are a waste of time.

♦ **Support Community Organizing and Other Under-funded Activities.**

Consistent with the perspective of grantmakers, practitioners too believe that high-quality community organizing is under-funded and undervalued by philanthropy. They also cite civic engagement and election-related activities as being under-funded, especially given recent electoral advances, along with leadership development, litigation, coalition building, investment in rural social justice, and work that builds a global social justice movement. Practitioners think that philanthropy’s segmentation in terms of interests and guidelines has contributed to the disconnect between funding and need and call upon grantmakers to think more holistically about the field and work with grantees to establish priorities.

♦ **Provide Multi-year, Unrestricted Support.**

All of the practitioners interviewed for this study agreed that the way foundation grants are typically made inhibits the field. Single-year project grants are seen as leading to tentative work and inhibiting innovative thinking.

♦ **Fund Constructive Evaluation Efforts.**

While practitioners may at times feel burdened by current efforts at evaluating their work, they are not opposed to effective evaluation efforts. Several interviewees noted that funders often continue to support weak, less effective groups. They believe that developing evaluation tools that would help to identify which groups are succeeding in their missions and deserve more support is critical.

♦ **Connect Think Tanks, Intermediaries, and Small Community-based Organizations.**

When asked for their perspective on over-funded social justice activities, practitioners cited similar and sometimes conflicting ideas. Like social justice funders, most social justice groups believe that national think tanks and policy groups receive disproportionately high levels of funding relative to their impact. Intermediaries were also seen as receiving too much support and as being unhelpful and self-interested gatekeepers between national funders and grassroots realities. At the same time, some social justice practitioners believe too many small-issue and -constituency groups are being supported, especially in crowded geographies. Because they are not connected to state, regional, and national allies and may be duplicating the work of other organizations in their area, they tend rarely to be effective in promoting significant social change.

THE RETURN TO HUMAN RIGHTS

For most of the 20th century, social justice advocacy in the United States meant working toward ensuring civil rights. Human rights, by contrast, was generally perceived as referring to the struggles of political dissidents enduring repressive regimes in faraway places. Now a shift in the perceived relevance of human rights to the domestic civil rights and social justice arena is clearly underway. Following is perspective from interviews with grantmakers and practitioners about how social justice and human rights frameworks have evolved and are currently being viewed.

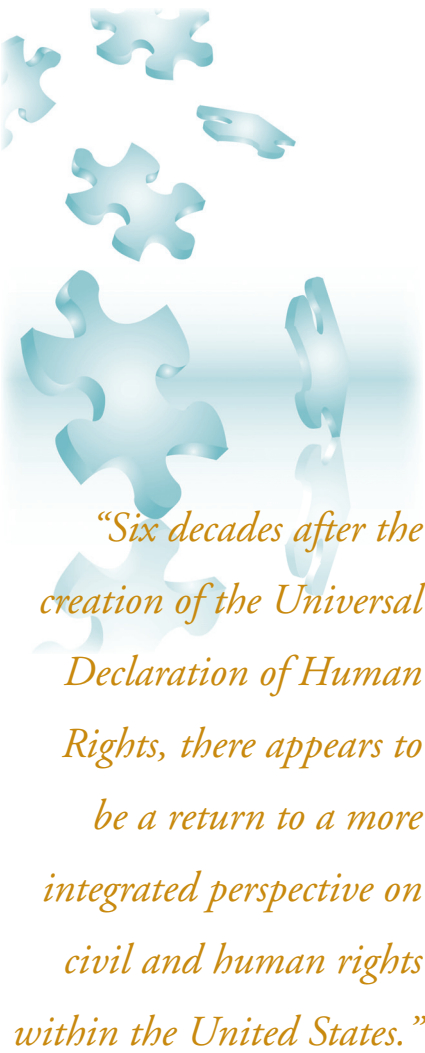
♦ **Why the Move to Integrate Human Rights?**

Many of the funders and practitioners interviewed indicated that the use of human rights concepts in domestic advocacy is not a substitute for civil rights or social justice, but an



“The last 25 years have taught us that we need a more expansive message and course of action.

Speaking confrontational truth to power no longer works, if it ever did. Power has no trouble ignoring or punishing us.’ ”



“Six decades after the creation of the Universal Declaration of Human Rights, there appears to be a return to a more integrated perspective on civil and human rights within the United States.”

affirmative enhancement of that vision. They see human rights as a unifying framework that allows for better integration of advocacy strategies (e.g., litigation, grassroots organizing, and policy work) and issue sectors, as well as linkage to global standards and enforcement mechanisms. Grantmakers and practitioners pointed to several useful aspects of the human rights approach including:

- **GRASSROOTS LEADERSHIP**
Virtually all of those interviewed agreed that the new energy around the application of human rights concepts domestically is being fueled largely by the grassroots. Several organizers noted that the idea that all people are born equal in dignity and rights, regardless of citizenship, race, or economic status, is enormously empowering to vulnerable and marginalized people.
- **AFFIRMATIVE, BROAD STANDARDS**
Others said that by articulating basic standards of treatment to which all people are entitled, human rights norms provide a set of positive rights that government is obligated to work incrementally to *fulfill*, alongside U.S. constitutional rights *against* discrimination. Some interviewees noted that the emphasis of human rights on equality of outcomes offers strategic benefits in an era in which discrimination is more often structural, rather than overt.
- **A FRAMEWORK FOR ADDRESSING ECONOMIC RIGHTS**
Leaders in the movement to integrate human rights into the domestic context are small anti-poverty groups that organize around economic justice issues like welfare and housing—concerns that the U.S. Constitution does not recognize as rights. Although the United States has never ratified international treaties recognizing economic rights, some activists nonetheless see these standards as providing useful organizing

principles for their work. Law schools have also begun to explore the application of human rights theories to poverty law practice, training legal services lawyers to deploy international human rights standards along with more traditional claims in welfare-rights and housing litigation. Immigrant worker organizations are also now pointing out that, in a context in which human as well as financial capital flows across borders, international standards are necessary to guard against exploitation of workers in both sending and receiving nations.

- **THE PROMISE OF COMMONALITY AND INTERSECTIONALITY**
Several interviewees who worked directly with constituents said that human rights encompassed multiple issues relevant to their communities more readily than civil rights, which is often deployed with a single-identity focus. Several grantmakers agreed that the human rights framework is a boon to cross-sector thinking and organizing.

♦ **What Are the Challenges to Adopting a Human Rights Framework?**

Interest in human rights may be rising, but it is still far from the dominant framework for social justice advocacy. Among reasons for the slow adoption of a human rights framework, interviewees cited the fact that human rights treaties still have little traction in domestic courts and legislatures; lingering tensions between civil rights and human rights activists, who for many years seemed content to ignore racial and gender injustices in their own backyard; a concern that the universal frame of human rights will dilute focus on continuing problems of racial and gender injustice; the view that no matter how lacking U.S. human rights protections may be, they far surpass those of many other nations with no rule-of-law mechanisms; and that civil rights or opportunity frames are more consistent with cultural norms.

◆ **How Do Foundations View This Trend?**

Most foundation interviewees viewed human rights framing as an increasing but still marginal trend. While some grantees have been quietly integrating human rights in their domestic work, many hesitate to emphasize this approach in their grant applications for fear that grantmakers will see it as a naïve or underleveraged strategy. But increasingly, foundations with a history of funding civil rights and social justice are redrafting their guidelines to signal interest in human rights.

TRENDS IN SOCIAL JUSTICE GRANTMAKING

The following analysis examines funding trends between 2002 and 2006 based on all of the grants of \$10,000 or more reported by a sample of over 1,005 of the largest U.S. foundations in 2002 and 1,263 in 2006. Grants included in the samples represented approximately half of giving by all U.S. foundations in each year.

◆ **Social justice funding grew faster than overall giving between 2002 and 2006.**

Providing support for domestic and international social justice activities continues to be an important priority for a number of U.S. foundations. Overall, giving for social justice-related purposes by sampled foundations rose nearly 31 percent between 2002 and 2006, surpassing the roughly 20 percent increase in foundation giving overall. Actual grant dollars totaled \$2.3 billion in the latest year, up from roughly \$1.8 billion. As a result, social justice-related funding accounted for 12 percent of overall grant dollars in 2006, compared to 11 percent in 2002.

◆ **The Bill & Melinda Gates Foundation accounted for over half of the growth in grant dollars.**

Numerous factors contributed to the increase in social justice-related

grantmaking, from a return to growth in overall foundation giving following the early 2000s economic downturn to the accession of the nation’s largest grantmaker—the Bill & Melinda Gates Foundation—into the role of the country’s top social justice funder. Between 2002 and 2006, the Gates Foundation’s social justice-related giving jumped from \$59.1 million to \$355.1 million, accounting for well over half of the rise in social justice-related grantmaking. Nonetheless, excluding the Gates Foundation, social justice funding would still have risen more quickly than overall foundation giving during this period.

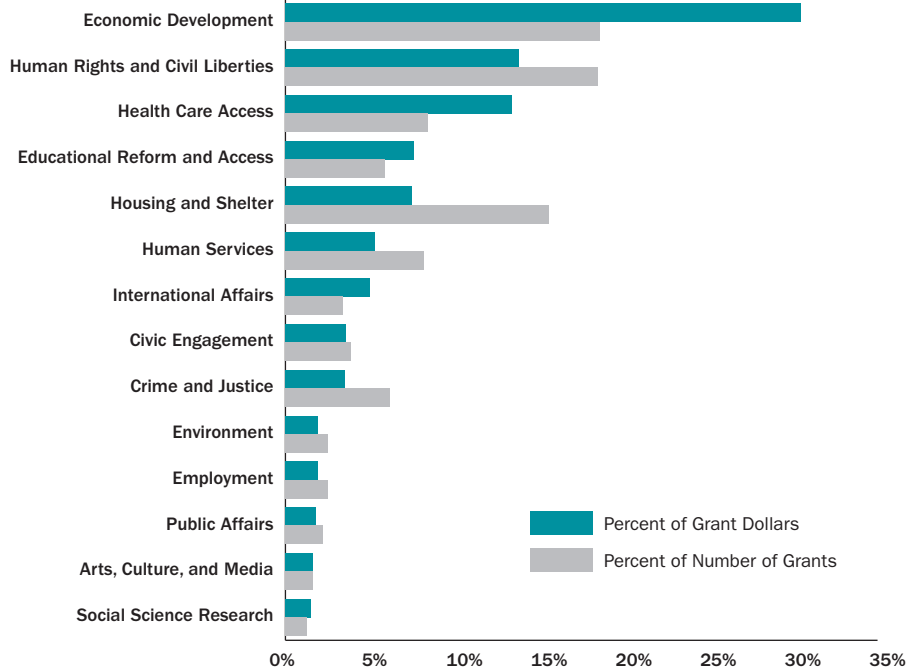
◆ **The top 25 social justice funders provided over two-thirds of grant dollars.**

The 25 largest social justice funders in the United States have a significant impact on grantmaking trends in the field. These foundations provided \$1.5 billion of the \$2.3 billion awarded by all social justice funders in 2006. Together, the three largest funders—the Bill & Melinda Gates

DEFINING AND TRACKING “SOCIAL JUSTICE PHILANTHROPY”

For the purpose of this report, social justice philanthropy is defined as “the granting of philanthropic contributions to nonprofit organizations based in the United States and other countries that work for structural change in order to increase the opportunity of those who are the least well off politically, economically, and socially.” (For the full version of the social justice philanthropy working definition and background on its development, see Chapter 1 of *Social Justice Grantmaking II.*) To track grantmaking trends, the Foundation Center mapped this definition to its subject-based grants coding system. Because the system is objective, grants that met the social justice coding criteria were included regardless of whether funders may have considered them to be related to social justice.

Economic and community development accounted for the largest share of social justice giving by foundations in 2006



Source: The Foundation Center, *Social Justice Grantmaking II*, 2009. Based on all grants of \$10,000 or more awarded by a sample of 749 larger foundations for 2002 and 871 for 2006. Excludes giving by operating foundations.

grassroots

health care access

housing rights

citizen participation

economic development

Foundation, Ford Foundation, and W.K. Kellogg Foundation—provided over one-third of total social justice support. Nonetheless, this tremendous concentration of resources among the largest funders is not unusual. For example, the top 25 international funders in 2006 represented 79 percent of overall international giving.

◆ **Economic and community development topped social justice grantmaking priorities.**

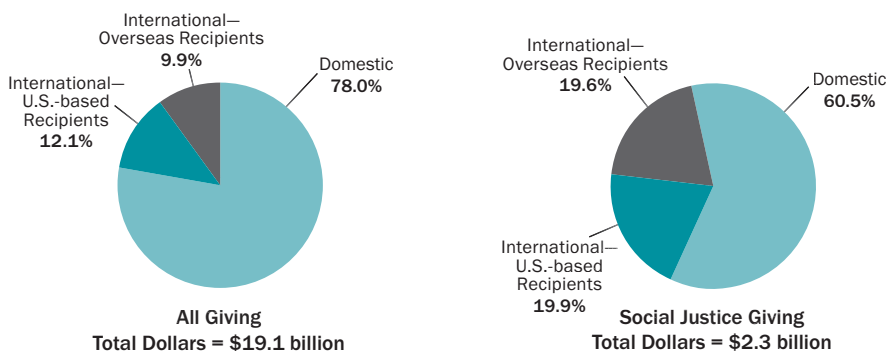
Social justice-related giving spans all areas of foundation activity, but only three areas commanded at least

10 percent of social justice dollars in the 2006 grants sample—economic and community development (30.5 percent), human rights and civil liberties (13.8 percent), and health care access and affordability (13.4 percent). By share of number of grants, economic and community development again ranked first (18.6 percent), but its share was nearly matched by human rights and civil liberties (18.5 percent). The variation in rankings by grant dollars and grants generally reflects differences in the average size of grants awarded in a field. For example, grants for economic and community development, educational reform and access, health care access and affordability, and international affairs, peace, and conflict resolution were far larger on average than in other fields.

◆ **Support rose for all but three social justice fields.**

Foundations increased their support for 11 of the 14 major social justice fields between 2002 and 2006, although rates of growth differed substantially. Two fields doubled in giving: economic and community development (up 109.7 percent) and arts, culture, and the media, including efforts

Nearly 40 percent of foundations' social justice giving funded international activities in 2006



Source: The Foundation Center, *Social Justice Grantmaking II*, 2009. Based on all grants of \$10,000 or more awarded by a sample of 1,263 larger foundations.

to increase the participation of underserved and minority populations (up 101.2 percent). Other fields experiencing significant growth included international affairs, peace, and conflict resolution (up 65.4 percent), civic engagement (up 47 percent), crime and justice (up 37.8 percent), and the environment and environmental justice (up 31.5 percent). The three fields experiencing a decline in grant dollars were social science research (down 40.4 percent), public affairs—including support for welfare policy reform and multipurpose policy reform (down 15.7 percent)—and educational reform and access (down 6.2 percent).

◆ **Most social justice grants targeted specific population groups.**

Given the role of social justice funding in addressing social inequities, it comes as no surprise that the vast majority of 2006 social justice grants (84.2 percent) were specifically targeted to benefit one or more population groups. By comparison, less than half (46.9 percent) of grants in the Foundation Center's overall sample were targeted for specific groups. The economically disadvantaged benefited from by far the largest share of social justice support—63.9 percent of grant dollars and 59.5 percent of grants. Ethnic or racial minorities followed with almost one-quarter of grant dollars and close to one-third of the grants. Only two other population groups were targeted with at least 10 percent of social justice grant dollars in the latest sample—children and youth (17.9 percent) and women and girls (11.4 percent).

◆ **Social justice funders were almost twice as likely as funders overall to provide international support.**

A markedly larger share of social justice grant dollars supported international activities in the latest period. Social justice-related funding for U.S.-based

international programs and overseas recipients totaled \$908 million in 2006, more than double the \$440 million recorded for 2002. As a result, internationally focused social justice funding represented 40 percent of grant dollars in 2006, compared to the 22 percent of *overall* foundation grant dollars that provided international support that year. Most of this growth in grant dollars resulted from exceptionally large awards provided by the Bill & Melinda Gates and Rockefeller foundations to introduce the “Green Revolution” to Africa.

THE IMPACT OF THE ECONOMIC CRISIS ON SOCIAL JUSTICE GRANTMAKING

Social justice-related giving by U.S. foundations continued to grow in 2007. Funding for social justice by grantmakers included in the Foundation Center's grants sample reached \$3 billion, or 13.7 percent of overall grant dollars that year. (The share of number of grants remained nearly unchanged at 10.7 percent.) Nonetheless, the outlook for social justice grantmaking, and foundation giving overall, changed dramatically as a result of the economic crisis that took hold in 2008.

In the midst of a deepening economic downturn, the Foundation Center has estimated that the nation's grantmaking foundations increased their giving 2.8 percent in 2008. Although this change amounted to a 1 percent decrease after inflation, foundation giving nonetheless remained remarkably stable given the severity of the downturn. Looking ahead, however, the Center expects that foundation giving will decrease in the range of the high single digits to low double digits in 2009 and decline further in 2010.¹

What does this mean for social justice-related funding? Undoubtedly, grant dollars for social justice will decrease in the near term, as they will for all areas of activity. But there is no reason to expect that social justice-related grantmaking will be disproportionately affected by the crisis.

Supporting this conclusion are findings from a Foundation Center research advisory, which showed that the economic downturn of the early 2000s did not have a discernable impact on foundations' funding priorities.² Findings from an early 2009 survey buttress this conclusion, with the vast majority of foundation respondents reporting that they do not anticipate changing the number of program areas they currently support.³ Moreover, given the recent change in administration in the United States and the impact of the economic crisis on already disadvantaged populations, there may be even greater incentive for foundations to seek opportunities to support social justice.

Endnotes

1. See Lawrence, S., and R. Mukai, *Foundation Growth and Giving Estimates: Current Outlook*, New York: Foundation Center, 2009.
2. See Lawrence, S., *Do Foundation Giving Priorities Change in Times of Economic Distress?*, New York: Foundation Center, 2008.
3. See Lawrence, S., *Foundations Address the Impact of the Economic Crisis*, New York: Foundation Center, 2009.

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