

Social Change Philanthropy and How It's Done

HANDS ON: There are many paths to social change. Here's how funders dedicated to that concept go about supporting it.

by Alison D. Goldberg

"Social change philanthropy" is the term used to describe grantmaking that aims to address the root causes of social and economic inequalities.

A number of social change foundations were created in the last three decades to support community organizing, social activism and political advocacy. These foundations continue to adopt new methods for gathering and integrating the input, experience and leadership of community leaders and disenfranchised populations to make informed grant decisions.

Despite their growth in numbers, the ranks of social change foundations are still relatively small in the world of philanthropy. The National Network of Grantmakers estimates that less than 3 percent of all domestic, private, institutional grantmaking is distributed to social change causes. The numbers show that foundation resources have been overwhelmingly distributed to direct service programs—providing important support in a climate of eroding safety nets—but not effecting policy changes to solve social problems.

Economic disparity in the United States has worsened significantly during the past two decades, so that today the wealthiest 1 percent of the population controls 40 percent of household wealth. In the contemporary political environment, organizations working for social and economic justice have an immediate need for resources to support their work.

The Means Matters as Much as the Ends

What distinguishes social change philanthropy (also called "social movement," "social justice" or "community-based" philanthropy) from other forms of grantmaking is the central tenet that philanthropy's success is measured not only by where money is given, but also the process by which it is given.

Social change philanthropy strives to incorporate giving principles that provide access to those left out of grantmaking in order to support their campaigns for social and economic justice.

The following are core principles of social change philanthropy:

It focuses on marginalized and disenfranchised communities. Social change philanthropy focuses on social and economic justice issues that affect marginalized and disenfranchised communities. This includes protecting the rights of communities of color, low-income populations, women, immigrants, international communities, disabled people, and lesbian, gay, bisexual and transgender people.

The issues and campaigns that social change philanthropy supports include civil and human rights, political access, peace and nonviolence, worker's rights, anti-poverty strategies, environmental justice, corporate reform, prison reform, education and healthcare access, as well as challenges to international trade and privatization.

It addresses root causes. Social change foundations support work by community leaders that creates systemic or policy change to address the root causes of problems. Rather than applying Band-Aid solutions to problems, it aims to prevent the problems in the first place. Such work requires shifting the

power dynamics in communities through grassroots organizing, advocacy, policy-related work, research and activism.

It strives to be accountable to marginalized and disenfranchised communities. Grantmakers are accountable to a board of trustees. Social change foundations recognize a second, equally (if not more) important level of accountability—the communities where they make grants.

That's why social change foundations invite community leaders and the people affected by the foundation's programs to participate in the needs assessments and related decisionmaking. Participation might range from establishing advisory groups to inviting members of the affected communities to serve as board members. Also, social change foundations investigate the demographics of grantees' leadership to determine whether the organizations are community-led.

It establishes inclusive processes. Social change foundations pay particular attention to the accessibility of their grantmaking processes for grassroots organizations, recognizing that generally these groups operate with very few staff members who have little time to spend writing proposals. They are concerned with grantees' access to information and whether their processes are respectful of grantees' time. Foundation staff often will take part in workshops or other training programs to evaluate their assumptions—especially, those that guide their perspectives on social issues, and therefore, their grantmaking. Evaluating the power issues that inform the experiences of grantmakers will help them become more effective and improve their communications with grantees who are likely to have race and class backgrounds different than their own.

While traditional philanthropy also works to benefit marginalized and disenfranchised communities and to support the root causes of issues, the process, players and analysis of politics and power are what distinguish social change philanthropy from other forms of grantmaking. Peace Development Fund Executive Director John Vaughn puts it this way: "It is more than teaching people to fish. It's supporting their efforts to get a company to stop polluting the lake they're trying to fish in."

"Change Not Charity"

Social change philanthropy is not new. It dates back to the early twentieth century and has grown steadily since the 1950s. Support in the 1950s and 1960s went mainly to the civil rights and peace movements.

In the 1970s, the alternative funds that eventually became the Funding Exchange network were created. These public charities, established by wealthy inheritors, created funding boards that included or were made up entirely of local activists under the banner "change, not charity."

Since 1979 the Funding Exchange network (www.fex.org) has had a major influence in shaping social change philanthropy. The National Network of Grantmakers (www.nng.org), which was created 20 years ago, serves as a professional network for practitioners of social change philanthropy and currently is affiliated with more than 200 grantmaking organizations (see the profile of NNG on page 10 of this issue).

More recently, an infrastructure has emerged that supports social change philanthropy among specific demographic groups. The rapid growth of funds to support and promote philanthropy among women, African Americans, Asian/Pacific Americans, Native Americans, Latinos, as well as lesbian, gay, bisexual and transgender (LGBT) people and progressive religious communities are important components of social change philanthropy, providing learning and support networks. In addition, a "young donor organizing movement" has emerged with the development of a number of organizations and networks through which young people are using their financial resources for social change (see "[Young donors support social change](#)," page 36).

Varying Degrees of Intensity

Several foundations have incorporated components of social change philanthropy, in varying degrees of intensity, to address a wide range of issues. Examples of methods include:

- The **Svrluga Foundation** in Newton, Massachusetts, is a small, family foundation that provides funding to organizations that reduce domestic violence. The foundation has a multitiered approach, supporting shelters and housing for families, programs that work with individuals to reduce domestic violence, and advocacy programs. The family's grantmaking is influenced not only by Donna Svrluga's experience as a clinical social worker and her two daughters' active involvement, but also by the informal network of advisors Donna has developed with a group of five women who are active in related fields of work. These women meet monthly to discuss some of the challenges the organizations encounter and to provide support networks for each other. In addition, Donna says, "Annual site visits have proved a crucial means of informing our trustees and building collaborative relationships with those organizations we fund." The Svrluga Foundation benefits from these additional levels of input and accountability. (Donna Svrluga, 617/332-4465, donnasvrluga@worldnett.att.net)
- The **Richard Nathan Anti-Homophobia Trusts** were created in 1998 at The Funding Exchange in New York to support nationwide efforts to combat homophobia through education, community organization and political action. The organization's trustees consulted with leading activists around the country to establish a focus, and through a unique nomination process, invited activists to suggest organizations for possible funding. This approach minimizes the number of proposals and targets the organizations that are known to be doing effective work in this area. Following the first grant distributions, trustees held meetings with grantees to hear about successes and challenges of their programs and the funding process. The summary of these discussions has been distributed to other practitioners (both grantmakers and activists) to elicit a sharing of insights. Through the report, grantees encouraged other grantmakers to replicate this process by working with a community foundation to establish ties to activists, inviting activists to assist in grantmaking, making large multiyear grants and conveying clear information to applicants as the process progresses. (Marcia Gallo, 212/529-5300, Marcia.gallo@fex.org, www.fex.org)
- The **Foley, Hoag & Eliot Foundation**, established by the partners of the law firm of the same name, has a 20-year history of supporting programs to eliminate racism in Boston, particularly among young people. In 1980 the firm received an unexpected compensation for its successful representation of plaintiffs in a Boston public school desegregation case, and the partners used a portion of that payment to establish the foundation. Most of the foundation's trustees are unaffiliated with the firm; for example, the board includes anti-racism activists. The foundation also uses a youth advisory committee to select grants. The foundation has instituted an annual forum that provides opportunities for networking and information sharing among past and present grantees and allows participants to assess the changing climate of race relations in Boston. This event also draws attendance from other area foundations and leaders across the city. Family foundations can extend the impact of their grantmaking by providing similar networking opportunities for their grantees. (Phil Hall, 617/426-7172)
- The **Boston Women's Fund**, a women's community foundation that supports programs in the greater Boston area, has demonstrated the benefits of including teenage girls from low-income communities in its work. The fund was concerned that it was not responding in a significant way to the next generation of women activists and that the voices of youth were not present within the fund. The Young Sisters for Justice program was created to train girls as grantmakers and provide them with analytical tools to evaluate proposals through the dual lenses of social justice and gender. The allocations committee has been refashioned to include equal representation of teenage girls and older women, and as a result, the fund has been able to expand its support of programming for girls. To guide the fund's grantmaking, the girls conducted research and wrote a

report to identify the characteristics of effective programs for girls. (Gina Wang, 617/725-0035, www.bostonwomensfund.org)

- The **Peace Development Fund** (PDF) is a publicly supported foundation in Amherst, Massachusetts, committed to supporting a broad-based movement for social change. PDF does this by building the capacity of peace and social justice community organizing, nationally and internationally; PDF provides funding as well as direct training and assistance. One of PDF's initiatives, called Dismantling Racism, challenges grassroots groups to examine the structures, policies and attitudes that allow racism to exist within organizations and to explore strategies for change. At the same time, PDF's board and staff is addressing racism internally to better understand how it affects their own work as grantmakers and trainers. (John Vaughn, 413/256-8306, www.peacefund.org)
- **Access Strategies Fund** is a new family foundation that was created to help disenfranchised populations in Massachusetts access the political process. This year, the foundation developed an allocations committee of long-time political activists to assist in its grantmaking. The allocations committee makes recommendations to the staff, who then conducts site visits and makes recommendations to the board. (Maria Jobin-Leeds, 617/547-1969, www.accessstrategies.org)
- The **Southern Partners Fund** in Atlanta is an unusual example of a family foundation—the Bert and Mary Meyer Foundation—that decided to turn over its assets to its grantees and other community leaders so it can be transformed into a new (and much larger) public foundation. The Southern Partners Fund supports systemic social change in the rural South. Currently, the fund is undergoing a transition, during which the membership, including community members and grantees, must raise \$7.5 million to receive a dollar-for-dollar match from the Meyer Foundation. In addition, creating a new public foundation has involved capacity-building training for the board and intensive fundraising. (Joan Garner, 404/873-0014, www.spfund.org)
- The **Chahara Foundation** was created and endowed by Karen Pittelman in 1999 when, at age 25, she gained control of and dissolved her trust fund. Its mission is to support radical grassroots nonprofits run by and for low-income women in the Boston area. The foundation is now run by a board of women activists with low-income life experience, and Karen has transitioned out of the foundation. (Deahdra Butler Henderson, 617/247-1580, www.chahara.org)

A consistent thread in all of the examples above is that each foundation sought community input in their grantmaking process. While most of those funds are quite small, their impact is extended through collaborative processes that provide benefits beyond the grant dollars.

Foundations can serve as bridges between donors, nonprofit and community leaders who are working to create social change, the populations affected by grants, academic communities and policymakers. By engaging such collaborations, the process of philanthropy can have as significant an impact as the financial resources it provides.

Young People's Approach to Social Change

During the past six years young people—under 35, generally—have created several new networks and organizations to use their resources specifically for social change:

Active Element Foundation builds relationships between grassroots youth organizers, donors, professionals and artists through grantmaking, technical assistance and hip hop culture. (Gita Drury or Kofi Taha, 718/783-6856,

ActivElement@aol.com, www.activelement.org)

Adventure Philanthropy is a newly formed organization that actively encourages creative philanthropy through outreach on college campuses and philanthropic research services. (Billy Wimsatt, billywimsatt@yahoo.com, www.adventurephilanthropy.net)

Emerging Practitioners in Philanthropy (EPIP) is a newly established national network of young professionals and other people involved in the work of organized philanthropy. Membership includes staff, trustees, donors, students and others who are involved in philanthropy and interested in connecting with a peer group to promote a social justice agenda and provide youth leadership within the philanthropic sector. EPIP has regional chapters developing in New England, New York City and San Francisco. (Rusty Stahl, 212/573-4766, r.stahl@fordfound.org, www.foundationsforchange.org/epip.htm)

Foundations for Change works to increase the number of young donors and family foundations that give resources to social justice groups through shared decisionmaking processes that link donors and activists across race and class. The organization provides training and tools for grantmakers to learn about and to educate their peers and families about social change philanthropy. (Alison Goldberg, 617/225-0614, alison@foundationsforchange.org, www.foundationsforchange.org)

The Jewish Funders Network (JFN) has an active **Younger Funders Working Group** that offers a safe, supportive and helpful community to explore common issues, including wealth, family relations and the responsibilities of business and philanthropy, as well as the transition of assets, traditions, concerns and priorities from generation to generation. (Stephanie Green, 212/726-0177, Stephanie@jfunders.org, www.jfunders.org)

Reciprocity works to build connections across social divides, and to partner with affluent young people to find ways to bridge the gap that their financial wealth can create between them and other members of their communities. (Easter Maynard, 919/832-3821, easter@creatingreciprocity.org, www.creatingreciprocity.org)

Resource Generation is a national alliance of people under 35 supporting and challenging each other to effect social change through the use of their financial and other resources. The network shares money-related information, builds community and connects new donors to the progressive philanthropic network. Programs include monthly dinners in six cities and cosponsorship of the annual Making Money Make Change conference. (Hez Norton, 617/441-5567, hez@resourcegeneration.org, www.resourcegeneration.org)

Self-Education Foundation supports communities initiating their own education, especially student-led school reform efforts, resources by and for homeschoolers and dropouts, independent artists, incarcerated self-educators and popular education practitioners. (Sara Zia Ebrahimi, info@selfeducation.org; www.selfeducation.org)

Third Wave Foundation is the only national activist foundation for young women between the ages of 15 and 30. Through grantmaking, public education campaigns and networking programs, Third Wave informs and supports a generation of young, feminist activists. Third Wave cosponsors the annual Making Money Make Change conference with Resource Generation. (Julie Shah, 212/388-1898, info@thirdwavefoundation.org, www.thirdwavefoundation.org.)

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Ten Ways to Do It

There are many ways grantmakers (or individual donors) can adopt the principles of social change philanthropy. Here are just ten of them:

1. **Reflect on your grantmaking process** and program areas; consider if you are practicing any of the principles of social change philanthropy.
2. **Hold a meeting for grantees**, past and present, to think collectively about the issues you are addressing and how you can extend your grantmaking to have a greater impact.
3. **Ask your grantees what they think about your grantmaking process**, the types of grants you give, and how you help and hinder their work.
4. **Solicit community leaders who work in your program areas and populations affected by your grants for input**; enlist the help of your former grantees, your local community foundation or an advisor.
5. **Get involved with active membership organizations and affinity groups**. The Council on Foundations supports a number of affinity groups. The National Network of Grantmakers, the Neighborhood Funders Group, as well as several of the identity-based affinity groups, include many social change grantmakers in their memberships. (For a list of affinity groups and how to contact them, go to www.cof.org/links/affinity_index.htm.)
6. **Find other funders** who are active in social change philanthropy and hold a meeting to share information and strategies.
7. **Support social change foundations or funds that distribute grants in your area of interest** or region and find out which organizations they support. Look at the National Network of Grantmakers directory, search the Foundation Center database, or contact Changemakers, Foundations for Change or your regional association of grantmakers.
8. **Set aside a proportion of your grantmaking funds to support advocacy and organizing**.
9. **Create a community-based task force** for one of your foundation's issue areas.
10. **Invite community representatives or nonprofit leaders to join your grantmaking board** as members or advisors. Consider who can help you become more accountable to your grantmaking community.

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