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Latinos and the Philanthropic Agenda: The Foundation Center/HIP's Hispanic "One Percent" Report

By Ed Morales (April 3, 2012)

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**National Institute
for Latino Policy
(NiLP)**

25 West 18th Street
New York, NY 10011
800-590-2516

info@latinopolicy.org
www.latinopolicy.org

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It hasn't been easy adjusting to our increasingly "free" society, where federal entitlements are called handouts, and the common good must always be stamped by a corporate logo. As reasonable tax policies become equated with socialism, philanthropy has increasingly become a central player in addressing problems in our society, whether it's health, education or welfare. But if you are one of those who honestly feels that Bill Gates or WalMart really has the Latino community's best interests in mind, I can only say they have a funny way of showing it.



In fact, they're not showing much love to us at all. In a December report by the Foundation Center, "[Foundation Funding for Hispanics/Latinos in the United States and for Latin America](#)," done in cooperation with the foundation affinity group [Hispanics in Philanthropy \(HIP\)](#), between 1999 and 2009 Latinos received only 1.3% of funding dollars from major foundations and corporations. This, despite Latinos growing to be 16% of the US population.

It's no secret that our approach to providing solutions to communities in need has changed drastically in the last 30 years. As the economic policies of the neoliberal era have increasingly abandoned or discouraged government-sponsored solutions to the problems of marginalized communities, the unhealthy dependence on philanthropic solutions has greatly increased. And, unfortunately, those private foundations and corporations have not done a scintillating job directing needed funding toward Latinos and their advocates.

The HIP Webinar and the Really Big Gap

Last month, Hispanics in Philanthropy, a foundation sector affinity group with a \$7 million budget sponsored a webinar called "[Foundation Funding & Latino Communities: Gaps and Opportunities](#)" in an attempt to address this issue. The webinar took as its starting point the flat numbers from the Foundation Center report regarding contributions made "explicitly to benefit Hispanics." It found, for example that between 2007 and 2009, about five times as much foundation money was donated to Latin American countries than U.S. Hispanics, most of that going to "environmental giving" and "international affairs."

The report actually breaks ground with its brief section on foundation giving

to Puerto Rico, illuminating the island-territory's relationship to the U.S. as consistent with critiques of its colonial nature. While the funding priorities were analogous to the way they are deployed in the U.S., the report makes the point that "despite the higher rate of poverty in Puerto Rico, U.S. foundations gave proportionally less to recipient organizations in the territory compared to some states with a similar number of Latinos." This is reminiscent of the caps on federal outlays to the island on the larger entitlement benefits like Medicare, Food Stamps, and SSI.

The only bright side offered by the presenters was the fact that, given the economic crisis that has stunted all giving since 2008, the numbers for Hispanics have *not decreased significantly*. In fact, it was half-heartedly brought up by HIP president Diana Campoamor as somewhat of a mitigating factor to the same old grim news in the report's findings. But it's inescapable that the crisis for Latinos is deepening: with so many living below the poverty line and unable to access the basic tools for advancement, the inadequate commitment by foundations and corporate funders reeks of a profound disconnect between them and the purported targets of their efforts.

Still others feel that organizations like HIP can be part of the problem. One national Latino nonprofit leader, who asked that his/her name not be used here, questions how the group has been able to command a \$7 million budget, according to its [latest 990 form filed with the IRS](#), without playing an effective enough role as an advocate for a trouble Latino nonprofit sector. "Are they setting themselves up to siphon more foundation money away from the Latino community? Did they even outline a strategy during the webinar?"

HIP's Campoamor seemed to want to keep the focus on strong methodological techniques and information gathering as the best way to convince foundations of the need to address the problem. "The best way to move the dial is to examine baseline data to help us think about what change looks like, about what are the best practices," said Campoamor in her opening webinar remarks. "We need to work with good data and develop a long-term vision through collaboration and commitment."

During the HIP webinar, Aida Rodríguez, Chair of Management Programs at the New University's Milano School, gave some reasons for why these troubling funding gaps exist. She pointed to the lack of strong Latino nonprofits that attract major funders - "many Latino organizations are operating with a less than \$100,000 annual budget," she said. Rodríguez feels that strategies must be developed to bring more "people into the conversation," and emphasize the "role Latino nonprofits can play in the social justice movement." These organizations need to be stabilized because they "develop a base for Latino leadership." "The New York Foundation [of which Rodríguez is a trustee] funded the NAACP over 100 years ago." She insisted, "Why do we continue to think of small nonprofits as risky investments?"

Another View: The Hispanic Federation Model?

While this seems to make sense, given that small nonprofits would naturally have more direct and intimate contact with the Latino community and better understand its needs, well-meaning advocates like Henry Ramos feel otherwise. Ramos, an original founder of HIP, a former Ford Foundation program officer and now an independent consultant, has a different, big-picture view.

"Small organizations are not the places where leveraged impact happens," said Ramos. "The focus needs to be on the high-performing, strong influential organizations that, by virtue of their advocacy, can help the smaller organizations in time to get more visibility. I think it's got to be a balancing act between trying to identify and support the most effective and promising of these smaller organizations. But to say that the focus needs to be on those smaller organizations, I would disagree with."

While Ramos gives props to trailblazing organizations like PRLDEF (now LatinoJustice PRLDEF), and the National Institute for Latino Policy (NiLP), he is most enthused by the model provided by the Hispanic Federation, which is "very plugged into city and state politics in New York." "They're beginning to demonstrate the model for how a lot of our organizations are going to be benefitting from this middle-class advancement that we're experiencing," said Ramos, referring to [a recent article distributed by The NiLP Network on Latino Issues](#) about upscale Latino consumers in the U.S., which asserts that in the last decade such households have doubled in size to 2.9 million.

But the Hispanic Federation has not been universally welcomed in New York's Latino community as the vanguard force they might be. With political actors like Luis Miranda as its first director (who is currently allied with former Bronx Democratic Party chairman Roberto Ramirez in the politically connected consulting firm, the MirRam Group), the Federation acts as a kind of intermediary group that, in addition to voter registration drives and running technical assistance programs, funnels money to smaller nonprofits. But, according to *El Diario* columnist and NY1 commentator, Gerson Borrero, there are many complaints about the Federation's vigor by grantees fearful of publicly voicing their dissatisfaction.

"From the figures available, it doesn't seem their political connections have helped much," said Borrero. "They seem to do a good job at being able to provide large salaries for the qualified people they have, but there's unrest in the community as to exactly how much help they are really providing." Borrero may have been referring to the leadership of outgoing director Lillian Rodriguez, who in 2010 made over \$230,000 a year and left abruptly this year for a position at Coca Cola in Atlanta.

Ramos feels there will be "significant catching up" because of the emerging Hispanic middle class. But it won't be felt significantly for another 5-10 years. "It won't happen with the speed that it should if we are not partnered by very significant private foundations and corporations that can help accelerate our ability to develop our philanthropy through things like matching grant programs," added Ramos.

The Targeted Universalism Solution

In the meantime, advocates for fairness in philanthropy are fighting an uphill battle to extract some kind of commitment to accountability from foundations and funders. One of the webinar's panelists was [Aaron Dorfman](#), representing the [National Committee for Responsible Philanthropy](#). Dorfman partly defined the NCRP's mandate as serving as an independent watchdog, responsive to communities with the least wealth, and trying to hold foundations accountable to high standards of integrity and openness about their giving.

NCRP calls for foundations to make an attempt to adhere to a set of [socially](#)

[responsible benchmarks](#). These include such goals as designating 50 percent of grant dollars for underserved or marginalized communities and having 25 percent of all dollars should go to advocacy, civic engagement or community organizing to promote long-term systemic change.

Dorfman also touched on a concept developed by Harvard sociologist Theda Skocpol called "[targeted universalism](#)." When applied to philanthropy, targeted universalism acts as the inverse of trickle-down economics. If grants are targeted to communities in need, in the long run the entire society benefits, rather than only a segment that is benefitted by grants intended to serve "general purposes."

"It's really hard to think that we can continue to have major parts of our population that are not performing or given an opportunity to perform, and that the rest of society can continue to benefit somehow," said Henry Ramos. "This is what the 99 percent movement was all about."

But veterans of the philanthropy world, such as Blanca Facundo (who wrote a pioneering report about how Hispanics were underserved in philanthropy back in 1981), while on board with NCRP, are skeptical. Facundo's groundbreaking report, "[Responsiveness of U.S. Foundations to Hispanic Needs and Concerns](#)," was published by the Chicago-based Latino Institute's Research Division in 1980 (the Latino Institute is no longer in operation). The findings were pretty bleak, but not all that different from the Foundation Center/HIP study. The total funding figure was hovering at about 1% of total foundation grant dollars, and large funders like the Ford Foundation, Robert Wood Johnson, Carnegie Corporation and Rockefeller Foundation dominated.

"Do you really think people care about ideas like 'targeted universalism'?" asked Facundo, who left the philanthropy world years ago to teach in Puerto Rico. "One of the things we observed is that the foundations want to see that their money was being well-used. Their thirst for results pushed non-profits to a place where they didn't want to be, but they were afraid to lose their funding. In effect, they destroyed the institutions they funded to begin with."

Giving Latino Nonprofits a Voice

As far back as 2005, the [Greenlining Institute](#) had already identified serious disjunctures between foundations and minority nonprofits. There has been a preference by non-profits to tend to the immediate needs of their stakeholders rather than focus on relationship building with foundations. Just formally approaching a foundation or establishing a presence that would entice a funder to solicit them to submit a grant can be a tenuous proposition. Foundation boards are reluctant to engage with stated needs that appear to have a political agenda; they prefer policy research that works toward national agendas and not local ones, and there remains the problem of the paucity of foundation staff or executives who are themselves people of color.

"It can become a vicious cycle," said Facundo. "They want to give grants to organizations that are established and have a track record, but how do you get a track record without substantial funding? Organizations begin to professionalize their staffs but that often makes them less responsive to the community."

Aida Rodriguez says a major problem is that Latinos are "not well positioned

in major foundations" as far as staff and board membership are concerned. "There is no hiring from within, no interlocking networks in our community with wealthy philanthropists. A lot of foundations just don't want to fund ethnic-specific stuff. Most of the time I go to these meetings and I am the only Latina in the room." But rather than "monitoring" foundations, Rodriguez felt it was more realistic to make effective recommendations.

A few years back, a short-lived coalition of nonprofits of color called the [New York Collaborative for Fairness and Equity in Philanthropy \(CFEP\)](#) stressed the importance of how Latino nonprofit community based organizations can be involved in holding foundations accountable. While adopting the NCRP's recommended benchmarks to "access and enhance grantmaker impact," also brought up at the HIP webinar by Dorfman, the collaborative stressed increasing the capacity of CBOs to monitor the foundation sector. The Greenlining Institute had pioneered drafting legislation to regulate foundations on the state level, but its director, Orson Aguilar, having caught much blowback from major foundations, cautioned against pursuing such legislation if it weren't a *fait accompli* that it would pass.

Racial/Ethnic-Based Philanthropy?

After 30-odd years of frustration and inadequate priority-setting, it seems that national policy may be threatening ethnic-targeted philanthropy on the whole as a matter of principle. Cynthia Rivera Weissblum of the Edwin Gould Foundation explained during the HIP webinar that issue-targeting was most effective in her efforts. She has been championing college completion for low-income youth in her work, arguing that it was one of the most effective ways to directly address the growing income gap in this country. She referred to a recent Sage publication called "[Whither Opportunity](#)," a book that outlines the shift happening in the national dialog about how the access to education is limited on the basis of social class rather than ethnicity.

The continuing attacks on the concept that needs can be ethnic- or race-based seems again to be tied to whatever makes corporations comfortable. They are still perceptible in offhand remarks about President Obama's lack of qualifications that somehow enabled him to edit the *Harvard Law Review*, notions that spread virally from talk radio to the web. Still, this distortion can be confronted with skillful re-contextualization of available facts.

Henry Ramos feels just looking at class-based need is not the most productive way to approach inequality. "There's a hard reality that most poor people in this country are white, but it's clear that the rate of poverty in our communities are higher than in white communities," said Ramos. "If you go on a class basis, numerically what you're going to be doing is reinforcing a lot of the racial disparities."

But there is a hard reality is that racism does not entirely disappear once one has had some success in accumulating capital, status, or professional distinction. "You can't diminish the salience of racism when you talk about how power is distributed in society in real terms," Ramos continued. "Race and color have to be the preeminent driver of how we make adjustments on the level of social policy."

This is why it continues to be important that Latinos find a way to increase their presence and visibility on the staffs and boards of major funders. "My theory is you have individuals that are personally affected by injustices-that's

why program officers that are hired should have some understanding of the vision of an organization," said Aida Rodriguez. "If you're going to be involved in funding Latino areas, your own experience personally impacts decision-making."

The Problem of Technocratic Jargon

Unfortunately, what our community is left with is technocratic jargon to narrate the never-ending search for more effective ways to "move the dial" when it comes to getting more effective philanthropic funding of Latino advocacy and non-profits. As is the case in many of our discourses about politics and policies, there is a strong reluctance to recognize that much of the problem is ideological. The focus on producing numbers and taking political ideology out of foundation grant giving, while ostensibly non-political and non-ideological, is, ironically, exactly that. Ideas have become the metaphorical hoodies on our heads, disqualifying us from being taken seriously enough to air acceptable grievances.

Still, jargon can be catchy and has often proved itself as somewhat effective in getting people together to engage issues like how to address the issue of Latino groups' underfunding by major foundations. For example, Hispanics in Philanthropy is sponsoring a two-day conference on April 27th and 28th in Los Angeles called "[HIP GameChangers Conference: Ideas and Investments for the Next Decade](#)." The conference hopes to address the "structural underfunding" of Latino communities by getting funders to "make strategic investments to advance social change in policy areas that most affect Latinos," and suggesting "cutting-edge models, emerging technologies, and promising new initiatives."

Many of the participants in February's webinar will be present, as well as Chicano/a Studies professor Aida Hurtado and journalists Maria Hinojosa and Juan Gonzalez. The panels are designed to address different issues and constituencies in the community as well as outlining general concerns about Latinos and the "Game".

While the language and structure of the conference reflects the need for multifaceted approaches, it points to a paradigm shift that seems to be gaining momentum. "We need to move toward a broader commitment by all sectors of the Latino community, not just those involved in philanthropy, to make progress in this issue," said Aida Rodríguez in an interview with me and who will be speaking on panel called "What are the GameChangers for Latino Philanthropy?" "We need an education campaign-if you are in business, try to engage with philanthropy-I don't think we've campaigned this way."

Choice Between Two Evils, or Acting "Out of the Box"?

We come back to the one game-changer that has served to stifle debate and progress: participants in the webinar and philanthropy professionals across the board concede is that foundation and corporate giving cannot replace the commitment of the federal and state governments. The choice between two evils has been made for us: the potential for corruption and poverty pimping that seemingly plagued us in the waning days of the Great Society has been excised in favor of the so-called wisdom and efficiency of the private sector. It's a wonder that any giving happens at all given the hegemony of a societal philosophy that doubts the efficacy of altruism in the first place. We are living, after all, during an era where someone in Hollywood raised enough

money to make an embarrassing remake of "Atlas Shrugged."

Thirty years ago, our society began to move in the direction that declared government intervention in social problems ineffective and, inexplicably, corrosive to society. The decision to address human needs in terms of corporate and number-based priorities has been proven to be ineffective. Whether what we need is some kind of hybrid between these approaches, or a radical reimagining of priorities is still a matter of debate. Wherever that needle starts determines how far we have to move it, because on a political level we've moved so far to the right that liberal has come to mean at best delusional and, at worst, criminal.

For all concerned citizens who recognize the necessary evil of appeasing the philanthropic powers that be, the question remains: How long can we afford to allow conditions in our communities to deteriorate as we wait for policy makers and board members to realize that we need innovation and change?

It seems imperative for Latinos to somehow break through and act "out of the box" to confront the problem. The shift from relying on the public sector and the best efforts of community-based organizations and policy makers to effect material change is not the most intuitive one. But the world of philanthropy and its experts is a relatively small but influential one, and up to now it has been operating in a kind of hermetically sealed universe that needs fresh blood, a new kind of political advocacy with a strong community base.

Ed Morales is a journalist whose work has appeared in *The Nation*, *The New York Times*, *The Los Angeles Times*, *The Village Voice*, *Newsday* and *New York Stories: The Best of the City Section of the New York Times*. He is the author of two books, *Living in Spanglish* and *The Latin Beat: From Rumba to Rock*. Morales is also a poet whose work has appeared in *Aloud: Voices From the Nuyorican Poets Café* and various small magazines, and whose fiction has appeared in *Iguana Dreams*, and *Boricuas*. Morales was the recipient of a *Jerome Fellowship* in 1992 and in 2006-7 was selected for the prestigious *Revson Fellowship* at *Columbia University*. While a *Revson Fellow*, he co-directed a 55-minute documentary called "Whose Barrio?" He is currently an adjunct professor at *Columbia University's Center for the Study of Ethnicity and Race*. Morales can be contacted at edmoraless@edmoraless.net.