



national committee for  
responsive philanthropy

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# **UNDERSTANDING** **SOCIAL JUSTICE PHILANTHROPY**

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“...[S]ocial change philanthropy aims explicitly to facilitate the changing of societal institutions so they don’t produce the very problems that ‘charity’ tries to alleviate.” (Rabinowitz, 1990)

## **INTRODUCTION**

As watchdog for the philanthropic sector, the National Committee for Responsive Philanthropy (NCRP) has a special role in promoting, critiquing and building a progressive philanthropic movement by helping foundations to more effectively serve populations that are the least well-off politically, economically and socially. While many who work for foundations recognize that their grantmaking has an impact on disadvantaged nonprofits and constituents, it is difficult to determine whether their grants effect lasting change. Does philanthropic support help move society toward economic, political and social fairness? Does making society fairer improve the condition of those who are worse off or does it exacerbate existing problems?<sup>1</sup> Does grantmaking promote greater access in the economic, social and political arenas for people who are excluded?

For those involved in philanthropy, these questions periodically arise. For those new to philanthropy, or for the layperson unfamiliar with the foundation world or the nonprofit sector, these questions may seem foreign. The conflict associated with giving for the sake of charity (traditionally associated with a sense of duty to give alms to the needy, without necessarily addressing the sources of inequality) as opposed to giving for positive structural change is as old as the voluntary sector itself. Will time and money donated meet an urgent need? Will it create what economists refer to as “moral hazard,” (an overuse of services that are provided for free)? Will the donation change the power dynamic for individuals and communities that suffer inequity? These questions get to the root of tension in giving styles among grantmaking foundations and underscore the importance of giving and the motivations behind it.

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<sup>1</sup> For example, some would argue that an absolute democracy is the “most fair” method of governance, but others would argue that this is not the most effective way to develop policy and would lead to a “dictatorship of the majority” at the expense of minorities.

**NCRP and Social Justice Philanthropy**

NCRP believes that social justice philanthropy involves giving to create a more equitable distribution of power -- to truly reform institutions so that the need for chronic charity is eliminated. This, we believe, is the most important role that philanthropy plays in our democracy. We appreciate the importance, benefit and impact of traditional charity; indeed, it is often critical, as the events of September 11<sup>th</sup>, 2001, have shown. However, traditional giving in response to human need and suffering is only part of the entire charitable picture. In a more comprehensive approach to giving, philanthropy might be regarded as a channel through which wealthy individuals, families and institutions (such as corporations) participate in advancing the public good through tax-exempt institutional mechanisms (private and corporate foundations, donor-advised funds, charitable trusts, etc.). These exemptions represent billions of dollars every year in forgone public revenue<sup>2</sup> that, in theory, might have been used instead to improve society through governmental institutions (public agencies) with some dimension of public oversight and consent. We believe that in exchange for forgoing this revenue, Americans ought to expect that these resources will be used wisely and that they will be used to advance the public good. Furthermore, we feel that these resources ought to be held under greater scrutiny and must aim higher in achieving the public good than both government and the private sector. Otherwise, what is our collective rationale in forgoing these resources?

The good news is that foundations provide a sizable portion of essential monies to nonprofits that provide critical services to those in need. The bad news is that no one knows exactly what the true, lasting impact of this giving is. Few would dispute that the intentions of most private foundations are good; however, they are not required to illustrate how the tax benefits that they receive promote the public good. There is very little public evaluation of the priorities and

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<sup>2</sup> Foundations account for more than 5 percent of the U.S. annual GDP. Private foundations registered with the IRS numbered 88,509 as of September 2001. In 2000 there were 80,420 (See <http://www.irs.gov/exempt/display/0,,i1%3D3%26genericId%3D16872,00.html>). Assets of private foundations in 2000 totaled almost \$500 billion and they gave roughly \$27.6 billion ([http://fdncenter.org/fc\\_stats/pdf/02\\_found\\_growth/04\\_00.pdf](http://fdncenter.org/fc_stats/pdf/02_found_growth/04_00.pdf)). Foundations accounted for 10 percent of all private giving in the U.S. (Independent Sector. "The New Nonprofit Almanac: In Brief." 2001)

allocations of foundations and no public process for administrative review or legislative oversight as there is with government funding.

### **The Scope of This Paper and Project**

Current legal limitations aside, NCRP believes that philanthropy can (and sometimes does) play a major role in creating positive structural change for the most disadvantaged in society through practicing social justice philanthropy. Social justice philanthropy provides a long-term societal benefit as it works toward solving society's problems *at their source*. It reduces the need for public and private sector response to these problems. By tackling these problems at the root, social justice grantmaking reduces the demand for charity and basic service programs and also allows people without economic, political and social access the opportunity to improve their conditions through systematic change. Philanthropy can encourage civic action by addressing critical social and public problems, monitoring government action, taking risks on building community networks, and collaborating with the government and the private sector to lay the foundation for a society with a fairer distribution of and access to social, economic and political power. These are but a few of the characteristics of social justice grantmaking.

The purpose of this paper, part of a larger project to research social justice philanthropy, is to draw on different subjects and sources to define social justice philanthropy. The second phase of this project involves collecting data on and surveying social justice grantmaking institutions. Finally, building on the findings of our study, we hope to offer these institutions a platform through which social justice grantmakers can convene. NCRP is researching social justice philanthropy in order to encourage foundations to rethink their relationship with individuals and populations that they serve and recapture notions of equity and fairness in social, political and economic realms. We believe that this advances philanthropy in its most democratic sense; we feel that promoting social justice philanthropy that addresses and attempts to reverse social, economic and political inequities imparts substance and meaning to philanthropy, capturing philanthropy's most dynamic role as the risk capital for social change. Raising the bar for foundations is done in the belief that foundations do have a tremendous impact on society and have a responsibility to create change that is both lasting and positive.

Although philanthropy's resources are significant, the resources of the other sectors of society dwarf them. NCRP sees social justice philanthropy as one of the most effective ways that grantmakers can leverage their limited resources to make the kind of difference that truly matters.

### **SOCIAL JUSTICE PHILANTHROPY**

Based on our literature reviews and conversations with grantmakers, academics and nonprofit practitioners the following definition of social justice philanthropy has emerged. **Social justice philanthropy is the practice of making contributions to nonprofit organizations that work for structural change and increase the opportunity of those who are less well off politically, economically and socially.** For the purpose of this study, we focus on grantmaking foundations, including private, family, community and corporate foundations. We believe that there are very specific activities that fall within social justice philanthropy and other types of philanthropy, however the lines are sometimes blurred. For example, funding for the arts usually does not fall within social justice philanthropy, however it can if, for example, it is directed towards improving the self-esteem of children who fall under the poverty line.

Some in the foundation world maintain that any money given to those less well off in society equates to social justice. NCRP believes this much of this is charity in the purest sense – giving people enough to alleviate their immediate suffering without considering the structural implications. Others in the foundation world believe that social justice involves giving individuals, neighborhoods and communities the tools they need to prevent the need for charity. Still others would go further and say that social justice philanthropy goes beyond preventing poverty and advances equal opportunity or even equal distribution in the social, political and economic realms. NCRP believes that foundation support for social justice is best conducted through advancing equal opportunity and improved socio-economic outcomes tied to increasing the access to power by those populations disadvantaged by existing resource and welfare imbalances.

Although equal distribution of political, economic and social power is seemingly the goal of social justice philanthropy, it is an ideal that may never be reached. If, for example, a disadvantaged group increases its political power to compensate for a lack of economic power,

then this is a step toward a more just society<sup>3</sup>. This compensation, if administered properly, can bring us closer to a more just society. Without the goal of both a more fair *and* equitable society, however, there would be no improvement in social ills. Therefore, social justice philanthropy becomes a process through which we as a society increase the ability of the least well off to attain greater political, economic and social power and a more equal society. We further believe that equal power in these realms is not guaranteed, nor may it be desirable to all people at all times (see first footnote). However, having equal opportunity is essential. Because the government and the private sectors have brought us only so far on the road to equal opportunity, we believe that the nonprofit sector in general and grantmakers in particular can and should do more to further that goal of equal opportunity. **Social justice philanthropy – charitable donations that work for structural change that increases opportunity for those who are the least well off politically, economically and socially** – is key to advancing that goal.

### **What Are the Main Elements of Social Justice Philanthropy?**

It is important to note that what makes social justice philanthropy is not merely *what* a foundation does, but *how* it does it. For example, under NCRP's definition of social justice, a "women's group" that opens a free clinic aimed solely at providing direct services would not fall under the definition of social justice, while a group that organizes women to change maternity leave policies in the workplace would be. This, we believe, is one of the important distinctions between charity and social justice grantmaking — the main difference being the offering of services versus teaching a group of people how to organize and influence change that has a positive impact for themselves and society as a whole. It does not mean, as some observers imply, that social justice advocates cannot or should not provide direct service, but that service alone does not meet enough of the standards to constitute social justice action.

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<sup>3</sup> For example, the Civil Rights Act of 1964 made workplace discrimination based on race, sex, religion ethnicity and country of origin. This was, on the surface, a political remedy to economic and social problems. For a more detailed explanation of compensating benefits, see the section on John Rawls.

NCRP proposes the following as broad categories that foundations and organizations can consider as the purposes or targets of social justice funding:

1. Researching root causes of social problems (like poverty and its implications, discrimination, lack of access to politics, public policymaking and the economy, etc.).
2. Communicating and disseminating this information to the public, with a particular emphasis to reach those who are directly disadvantaged by social problems.
3. Strengthening new and/or existing social movements that work for social, political and economic equity through:
  - Grassroots political activism toward the mobilization of disadvantaged and disenfranchised groups;
  - Creating networks or alliances among social justice groups;
  - Community organizing toward increasing opportunity and redistributing political power;
  - Technical assistance including board development, inclusion of constituencies and democratic funding processes for social justice nonprofits;
  - Economic development that increases the socio-economic opportunities of disadvantaged and disenfranchised populations;
  - Labor organizing;
  - Legal advocacy; and
  - Political lobbying to enact changes in government laws<sup>4</sup>, policies, regulations, and programs affecting disadvantaged populations.
4. Promoting inclusion of constituents in grantmaking decision-making processes and governance structures.

### **Contradictions in Social Justice Philanthropy**

Social justice philanthropy has several inherent contradictions that are worth mentioning. Foundations are tax-exempt institutions with the dual purpose of holding excess wealth and benefiting the public good. This excess wealth is quite often the result of the inequitable distribution of economic, political or social power. The question becomes then, “How can tax-exempt institutions that benefit from power inequalities and control great wealth work toward equal opportunity and social, economic and political power for those without it?” Without market (economic or political) signals to determine the demand for social justice, how can institutions

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<sup>4</sup> Although foundations may not themselves engage in advocacy for specific legislation, they can support nonprofits that do. For more information on the legal limits of advocacy see the Alliance for Justice’s website, <http://www.allianceforjustice.org/foundation/index.html>.



that are the result of the private market *and* inventions of public policy determine such a demand?

Foundations (private, public and corporate) have played a tremendous role in shaping social change in the United States. In many cases they have been at the forefront of social change and social justice, notably prior to the War on Poverty (for example, the Russell Sage Foundation's work early in the Twentieth Century on low-income housing, urban planning, social work, and labor reform). The reallocation (or potential for reallocation) of power to a more equitable state can be problematic. Foundation support for social justice calls into question the very existence of foundations themselves: If foundations promote a society that no longer needs them, they may indeed find themselves without a purpose, thus calling into question their other *raison d'être* -- as a repository for hundreds of billions of dollars of tax-exempt assets. NCRP, however, believes that philanthropy can best serve our society, our democracy and our world in peril. This can be accomplished through bolstering, creating and supporting movements that help to alleviate the political, social and economic problems of the poor and minorities.

### **WHAT DO WE MEAN BY SOCIAL JUSTICE?**

Social justice might be thought of as the process through which society attains a more equitable distribution of power in the political, economic and social realms. Although social justice is an ideal toward which we can strive, a completely just society (a utopian state) is unachievable. However, when society is made fairer in economic, social and political realms, when the opportunity for a more equitable distribution of power is achieved, we can say that a society is in the process of becoming more socially just.<sup>5</sup>

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<sup>5</sup> For the purposes of researching the extent of social justice philanthropy or promoting more of it, the term "social justice" has to become more than simply an assertion of goodness or, in philanthropic terms, a contention that grants for a disadvantaged or disenfranchised population, simply by virtue of the grantmakers' intentions, constitute social justice philanthropy.

NCRP defines social justice *movements* as efforts by these oppressed groups and their organizational representatives to foster collective and equitable distribution of political, social and economic power. We explore below some of the theoretical parameters of social justice.

### **Theoretical Framework**

Discussions of social justice lead to questions of how equity and power fit into the concept (see Appendix B.). Equity in social, political and economic realms can mean many things. Equity can mean equal *distribution of power (economic, political, social)*, equal *welfare* (or utility), or equal *opportunity*. In the United States, the focus has been on fostering equal opportunity (the ability to pursue happiness) as opposed to the other two. In promoting equality of opportunity, one must address how power relations and imbalances affect the ability of those less well off to pursue opportunity.

The definitional approaches to rectifying societal inequities and grievances may imply different interpretations of social justice. One realistic, pragmatic construct for social justice philanthropy might be found in the tradition of seeking a balance of individual and collective rights. The idea of increasing everybody's welfare (in the economic sense) without making anyone else worse off leaves much room for advancing social justice and using philanthropy (excess social welfare) as a means to accomplish that goal. This falls in line with the concept of "Pareto Optimality" in which the utility (benefit, welfare) for society is maximized collectively without making any one person worse off. Other fields draw on these concepts of economic fairness and reaffirm that humans place value on things beyond their mere economic worth, or things that can be measured by money or simple utility.

### **Philosophy: John Rawls**

The work of John Rawls provides some of the groundwork for our concept of social justice philanthropy. In *A Theory of Justice* and *Political Liberalism*, Rawls lays out a comprehensive system of justice and proposes that justice is fairness, based on two principles:

- First, "equality in the assignment of basic rights and duties;" and
- Second that "social and economic inequalities ... are just only if they result in compensating benefits for everyone, and in particular for the least advantaged members of society."

Rawls suggests that a completely egalitarian world is impossible, yet believes that a just world is possible as long as the inherent benefits (excess social welfare) from inequalities go to aiding the disenfranchised and disadvantaged. He also believes that justice can occur in a society where free and equal people are given the ability to pursue their own conceptions of the good. According to Rawls, the following criteria must exist in any society in order for justice to occur:

1. Basic liberties (freedom of thought and liberty of conscience).
2. Freedom of movement and free choice of occupation.
3. Access to the power and prerogatives of public office and positions of responsibility.
4. Ability to obtain income and wealth.
5. The social basis of self-respect.

According to Rawls, a just society cannot exist without these five conditions. In the real world, both government and the private sector often fail to provide these to all people. In the absence of one or more of these, the nonprofit sector is a vehicle through which groups lacking these qualities can organize and influence the government and private sectors. One possible way to use Rawls's definition of social justice in the world of philanthropy is to posit that grantmaking must partially meet and address a majority of these five criteria to qualify as social justice philanthropy.

### **Politics: Rousseau and the Social Contract; de Tocqueville and the American Experiment**

The political realm is the vehicle through which collective good is legitimated. No matter how repressive the regime, if it does not protect and enhance the interests of the majority, it will lose legitimacy and be replaced by a regime that does. This process may be slow to occur, and may regress before it advances, but the history of the world suggests that a government that does not meet the needs of most of its citizens will eventually fall. Additionally, the interests of those without power (minorities or the poor) are also integral to how well a society functions. A government that does little to protect, let alone advance, the interests of the least well off will have a difficult time legitimating its authority over all of its citizens resulting in a fractious and disharmonious society. In the United States, the not-for-profit sector is one of the major vehicles through which the least well off voice their interests (de Tocqueville, 1835). Philanthropy is a way of bridging the gap between the more well off and the least well off and is

an essential component to the functioning of our democracy. Furthermore, the onus is on foundations to bridge this gap.

A cornerstone to how the wealthy politically justify their existence in the United States comes from Rousseau's Social Contract (1742). By giving up some freedoms for the interest of the group, and through acting responsibly through one's own "free will," one actually enjoys greater freedom and all of society benefits. Citizens that enjoy "elite" status in a society may use this philosophy to justify their elevated and separate status in society. They feel that it is through their own inherent superiority that they enjoy the benefits that they do (political, economic, social). In a twist on Social Darwinism, the group that once benefited from the extension of political rights and privileges now uses its position to argue for the perpetuation of its wealth and political power. However, this belief system ignores its own origins – that the social contract of which Rousseau speaks works for everyone – that one's economic, political and social freedoms also increase one's responsibility to the society that fostered such growth. When combined with Rawls' theories on social justice one could posit that the measure of how well a polity treats its most disadvantaged citizens is also a measure of how civilized that society is.

### **Economics: Market Failures and Human Capital**

"[Independent] utility functions ... allow the social valuation of welfare of individuals to be calculated independently of the utility (income) levels of others. The 'separability' is a weakness if an interdependent view of income distribution is deemed crucial (see Sen 1973). Putting yourself in the position of others is the core idea of fairness or equity, being seen as the absence of envy." (Cullis and Jones, 1998)

Many people equate social justice with economic equality. In the tradition of Adam Smith, many economists view the untouched private market as the best method of determining the fair distribution of resources. In this view market failures – public goods, unbalanced market power, imperfect information and externalities – alone are the justification for government intervention. Many (not all) economists would argue that inequity is not a market failure and that equitable distribution in society must be a collective choice. Those who argue that inequity represents a market failure and requires government remedy predicate their beliefs on combinations of the following notions:

- Poverty negatively impacts the public good (it is a public bad). The existence of great levels of inequity has adverse effect on all members of society – reflected in crime, the visible effects of poverty, such as witnessing human suffering;
- Interdependent utility functions are real. Economists call utility the amount of satisfaction that a person gets from the consumption of goods and services. Typically economists calculate social welfare by adding up every individual's utility. This does not take into account that one person's welfare affects the welfare of other people, thus creating interdependence among us all.
- Great inequity leads to a less efficient society. Poverty engenders the feeling that society is unfair and as a result people are less invested in assuring that this society functions well. From a purely capitalist point of view, poverty makes it more difficult for people to get to work; leads to more sick days; and may diminish the possibilities that one sees for oneself.
- Discrimination reduces the size of the labor force, the housing market and adversely impacts most segments of the economy. If an employer will not hire a worker based on immutable characteristics, the he /she may be overlooking the person who will help to maximize profits for that employer, thus reducing the efficiency of the firm and society as a whole.

The first classical economists, including Adam Smith, described the accumulation of wealth from what was then thought to be an objective point of view – wealth could be accumulated when individuals were free to pursue it in the absence of government interference. As the pursuit of wealth resulted in and served to justify exploitation, and the pitfalls of industrialization became evident, many economists acknowledged the failings of the unrestricted private market and prescribed political solutions for these economic problems. Some of these economists predicted the end of free market capitalism through the end of wealth and private ownership.

Today, the concept of economic empowerment is not about overthrowing the entire system, but working for positive change within it. Instead of the *soi-disant* class war between the wealthy few and the poor masses, today's struggle to redress imbalances in economic power is accomplished through rational, structural changes within a fair, safe and clean free market system. Amartya Sen, a modern economic theorist, builds on previous economic theorists to elaborate social justice from an economic perspective. In his analysis, Sen examines the economic impact of freedoms beyond just those freedoms pertaining to income and wealth: creative discontent and constructive dissatisfaction instead of mental satisfaction, and the consequences of liberty, not merely libertarian procedures. He states that, "If our attention is

shifted from an exclusive concentration on income poverty, we can better understand the poverty of human lives and freedoms in terms of a different informational base (involving statistics of a kind that the income perspective tends to “crowd out” as a reference point for policy analysis),” (Sen, 1996-97). What this entails is a shift in perspective from “humans as capital” to “human capital,” focusing not only on the amount of money people make, but on their quality of life, including lifespan, political freedom, child mortality, fertility rates, literacy and more. Sen claims that it is the public’s responsibility to become “agents of change” and not passive “patients” of public policy (Sen, 1996-97).

The ideas of Amartya Sen are echoed in some of the policies of the World Bank. In their framework for the dimensions of poverty, “income poverty” is only one category mentioned. Also included are health, education, vulnerability, voicelessness and powerlessness (*The World Development Report: Attacking Poverty*, 2001). Although income and wealth may be the most measurable and examined aspect of poverty, other factors that reinforce it are looked at as well.

### **Education: Freire Defines the Catalyst**

One crucial element of social justice is education. Education provides essential skills and develops thinking that allows people to improve the quality of their life and also to act responsibly within accorded rights and freedoms. If, through economics, we recognize the importance of access to and distribution of resources as power, education is how we devise the means and systems to distribute these resources more wisely.

Paulo Freire has examined the teachings of oppression and advocates for education of empowerment. He believes that, “any curriculum which ignores racism, sexism, the exploitation of workers, and other forms of oppression at the same time supports the status quo” (Heaney, 1995), thus perpetuating cycles of poverty and prejudice through neglect. He defines education for empowerment in the following ways: Power is not given, but created, and expression of that power is a collective action on mutually agreed upon goals with an emphasis on groups, and a focus on cultural transformation instead of social adaptation (Heaney, 1995). For Freire, the goal of education is not the “banking” model, where “the riches of knowledge [are] deposited in the empty vault of a learner’s mind,” but for dialogue and critical thought. The goal of education

should be to arm people with the skills and power to effect positive change for themselves and for society as a whole.

These ideas are sometimes evident in contemporary American education. An article in *The Social Sciences* from October 2001 states, "Teachers should be aware of the way in which issues of race, class, gender, ableism, and sexual orientation operate not only within classrooms, but also within the policies and practices of the school systems in which they work" (Lewis, 2001). This article concentrates not only on the need to empower marginalized groups, but to teach the privileged to recognize and understand their advantaged position in society. It is the responsibility of both sides to bring about social justice. An article in *Education* furthers the call for empowerment, stating, "A social justice framework primarily targets the need for liberation of oppressed students so they can develop a 'voice' for participation in a changing society" (Vista, 2001).

The field of education can help individual members of disadvantaged groups by providing the means for defining social justice and devising a plan to attain it. Empowerment through education, though not explicitly stated in Rawls, is related to his concepts of freedom, political power and the social basis of self-respect, and echoes the economic tradition as well.

### **Psychology and Its Application: Alice Miller and the Wall of Silence**

Psychology and psychiatry provide an additional lens through which we view ourselves, and also how we relate to others. By understanding why humans do the things they do and confronting these things differently we may be able to inject a more human component to our conceptualization of the term social justice. It may seem unusual to think of psychology playing a role in social justice movements, but social justice comes from empowerment, which comes from self-esteem. Therefore, our perception of self may play a crucial role in determining the capacity that individuals have in claiming their fair place in society and how so-called "oppressors" acknowledge, accept and modify their behavior.

Assuming that empowerment can only arise from a healthy and functioning individual or group, distorted or maladaptive views of the world impede attempts to improve conditions for individuals, groups and the whole of society. Alice Miller, a Swiss psychiatrist, claims that the

actions of some of the greatest oppressors in history can be traced to the abuse they received as children – be it physical, verbal, emotional, sexual or neglect. Hitler, Stalin and Ceausescu all experienced well-documented abusive childhoods. Aside from the capacity of these individuals to perpetrate the atrocities that they did, the abuse they received as children, Miller asserts, increased their capacity to cause the death and suffering of millions. Miller believes that the abuse they received is the cause and effect of such wide-scale human brutality – a cycle that has been perpetuated as long as humans have existed and one that can only be broken through “a course of remembrance and recognition on the part of the victim, and ... awareness and condemnation of child abuse on the part of society.” (Miller, 1997.) Miller feels that by exploring the human psyche and through awareness and acceptance on the part of the victim and modification of the behavior on the part of the abuser (oppressor) that we can create a world safe for empowerment. Miller does not suggest imposing therapy on millions as a matter of public policy (this would be both impractical and unethical). However, her work does suggest that when an individual confronts the demons of one’s past, his or her capacity to relate to other people in a fair and just way increases. Psychology is one powerful tool through which the “social basis for self-respect” is attained.

### **The Role of Morality, Religion and Spirituality**

Although there are many definitions of morality, religion and spirituality we must look at these concepts for what they are in order to ascertain how they play a role in social justice. Morality, “a doctrine or system of moral of conforming to a standard of what is right and good,” (<http://www.m-w.org/cgi-bin/dictionary>) can tell us which standards are “right,” but it may actually lead to a less just society depending upon whose perspective is adopted *en masse*. Religions across the world have played a large role moving societies towards social justice. At it’s most basic level religion is an organized system of beliefs, practices, rituals, and symbols designed:

- To facilitate closeness to the sacred or transcendent (God, higher power, or ultimate truth/reality); and
- To foster an understanding of one's relationship and responsibility to others living together in community (Koenig, 2001).

Spirituality “is the personal quest for understanding answers to ultimate questions about life, meaning and relationship to the sacred or transcendent, which may (or may not) lead to or arise



from the development of religious rituals and the formation of community.” (Koenig, 2001) The interplay between the various roles of morality, religion, spirituality, social justice and charity is a complex one. It gets to the very core of the complex moral relationships between the individual, society and conceptualization of the “sacred or transcendent.” Although intended to foster spiritual growth, organized religion is susceptible to the same limitations of any organized institution.

Historically, the idea of charity and benevolence to the poor has its roots in religion. Christianity, Judaism, and Islam all hold charity as one of the foundations of their faith. However, analyzing the theoretical and practical applications of religion towards philanthropy underscores a crucial distinction we make; social justice philanthropy and charity are two very different things. The question becomes, “What is the *goal* and what are the *outcomes* of giving?”

In the United States, Christian churches receive two-thirds of all private donations made to charity (Wagner, 2000). However, some question whether Christian philanthropic traditions aid social justice or whether they support the concept of “charity” as we have defined it in this paper. In practice Christianity has played a major role in social justice movements. Some American religious institutions have been integral to such movements as the abolitionist movement, the civil rights movement, the Women’s movement and the movement to end discrimination based on sexual orientation and gender identity. Indeed, the teachings of Christ have inspired many to fight for social justice – structural change that improves the lives of society’s most marginalized.

In Judaism, charity is called *tzedakah* and is tempered by the requirement of compassion and empathy of the giver. *Tzedakah* is a very complex system based on a hierarchy of need (Just *Tzedeka*, 1998). Jewish Facts states, “The word ‘charity’ suggests benevolence and generosity, a magnanimous act by the wealthy and powerful for the benefit of the poor and needy. The word “*tzedakah*” is derived from the Hebrew root (Judaism 101, 2002), *Tzade-Dalet-Qof*, meaning righteousness, justice or fairness. In Judaism, giving to the poor is not viewed as a generous, magnanimous act; it is simply an act of justice and righteousness, the performance of a duty, giving the poor their due.” The meaning and practice of giving *tzedakah* is not implicitly based on a notion of social justice. However, many Jewish funders have taken this

meaning to the level of social justice, and Jews have a long history of supporting social justice movements. One example of this is the Jewish Funders Network, believing that, "... Those who have, have an obligation to serve." (Just *Tzedeka*, 1998)

Philanthropy is one of the five pillars of the Islamic religion. Each year Muslims are required to pay "*Zakat*," or "poor due." *Zakat* is based on the following three ideas: All money used must be lawfully earned, all wealth after personal and family necessity belongs to Allah and should be shared among the less fortunate, and all philanthropy should be done for the sake of Allah alone, not for recognition or benefits such as tax breaks.

Although practicing social justice may be the moral thing to do, morality may not necessarily lead a society to social justice because unchecked groups doctrines of "good" and "right" may change based on circumstance. The major religions, at their most basic level, facilitate the spiritual connection with a transcendent and with others through doctrines conveyed through literature and symbols. They teach us that we cannot nor should not operate in a vacuum when it comes to helping others. Our genuine concern for others must be rooted in the real situation as it is and not in our faulty human understanding of dictating what is best. It is important to note two things from this discussion of religion. First, the difference between social justice philanthropy and traditional charity is specific and important. Secondly, individuals both within "traditional" and "reformed" religious institutions have often been vocal proponents of social justice on a wide variety of issues and in line with some of the major moral and ethical teachings of their religion.

### **A Caveat on Language and Social Justice**

Many people inside and outside of "social justice" work find the language around social justice "loaded" and meaningless. A problem with many of the terms related to social justice is that they are associated with a period of time, or political beliefs that many people view as either irrelevant or inflammatory. The wide range of activities that people from all over philanthropy claim fall under the rubric of social justice may contribute to the dilution of its meaning and reinforce the fragmentation of social justice activities. Although funders may indeed advance social justice as we describe it, they may simply fund programs that affect poor people and minorities without addressing the political, economic or social causes of the problem. **The**

**important thing for social justice movements and social justice philanthropists to keep in mind is that no matter what the cause or how the activities are described, one must look at these things for what they are and ask: Do they work for positive structural change for the most economically, politically and socially disadvantaged?**

The problem is not with the political beliefs or with “social justice” work itself; what is problematic for funders and nonprofits is that describing “social justice” work often becomes a barrier in accomplishing the goals of social justice work. In philanthropy, “social justice” as it is sometimes used tends toward being overly self-referential, sometimes idiosyncratic, sometimes self-righteous, frequently self-marginalizing and generally rhetorical. The linguistic clothing of social justice philanthropy should be inclusive and understandable, not exclusive, idiosyncratic, or vague, else social justice philanthropy becomes simply a grantmaking fad or fashion rather than an instrument for supporting social movements toward rectifying societal imbalances.

## **CONCLUSION**

Through our project examining the extent, nature and practices of social justice philanthropy, NCRP will attempt to answer several questions about social justice philanthropy among grantmaking foundations in the United States today. With our understanding of what is and what is not social justice grantmaking, we want to assess the size of social justice philanthropy in the U.S. We want to ascertain how funders think of themselves in terms of social justice and compare that to their actual grantmaking. We want to find out what issues these foundations are focusing on as well as the type of grants they are making. We want to investigate the challenges and obstacles facing social justice philanthropy (see Appendix A), and research potential solutions. We hope to determine what sort of collaborations these groups participate in and whether there is room for more collaboration. Finally, we want to give this information back to interested funders and challenge them to do more in support of social justice through a forum that we organize.

Social justice is an oft-used, yet frequently ill-defined term, especially in the foundation world. Based on our preliminary review of how other fields of interest define social justice, we have attempted to apply those definitions to philanthropy. We hope that by doing so we can

encourage foundations to realize the benefit of this type of grantmaking and practice it. It is our belief that social justice philanthropy is not only the most cost-effective form of grantmaking, but it is also the right thing to do for people who are in the business of doing the right thing. In a dangerous world fraught with economic uncertainty and potential war and destruction, preservation of our democratic heritage is essential. By addressing social ills at their source and thus structurally improving the conditions of the most disadvantaged among us, philanthropy can fulfill its moral imperative. Social justice is one of the most fundamental aspects of our democracy and NCRP is committed to helping the foundation world support it robustly.

## **Appendix A. Challenges for Social Justice Philanthropy**

As NCRP embarked on this research project, reviewed the literature and invited the perspectives of our Social Justice Philanthropy Advisory Committee, a number of observations emerged regarding challenges and obstacles confronting social justice philanthropy today. As the project moves forward, we will explore these and other potential hurdles facing social justice philanthropy, and examine possible approaches to overcome them.

Many factors inside and outside of the foundation world make funding social justice movements problematic. In order for social justice movements to advance and social justice grantmaking to increase, the following challenges are among those that will need to be addressed. These obstacles are those we have identified both in the literature and by NCRP's Social Justice Philanthropy Advisory Committee.

- Political obstacles.
  - The current political climate scares many in the foundation world. There is a tendency toward risk-aversion that deters even progressive funders from making aggressive investments in social justice movement organizations. Overt support for social justice causes runs the risk of incurring the ire, disapproval and perhaps sanction of political opponents, including those in government who would use social justice grantmaking as a motivation to limit or curtail the latitudes of U.S. philanthropy.
  - Government policies that increasingly favor and incentivize the need for charitable support of services meeting human needs, either in conjunction with or in place of governmental resources, and the proclivity of foundations to respond accordingly.
- Social obstacles.
  - Many Americans do not view social justice movements as relevant to their lives, seeing the need for basic services as more immediate and tangible than the promotion of social justice. Foundations can get almost immediate recognition and reasonably measurable outcomes for funding “good deeds” as opposed to taking on societal or global phenomena and proposing to support change through

what are fundamentally “micro” resource commitments. The nature and scope of the problems causing the need for social justice grantmaking are immense; the grantmaking of even the largest foundations pales in comparison. Demonstrating progress and success against such mammoth issues clearly makes foundations lean toward the concrete and measurable.

- Overcoming the marginality of social justice work, the sense that social justice simply does not appeal to the majority of Americans or that Americans simply are not interested in programs addressing the needs of populations that are the least well off in our society.
- Economic obstacles.
  - With so much of foundation assets in the stock market and the market’s recent declines, many in the foundation world are paring down their grantmaking and funding “band aid” solutions – traditional charity instead of innovating and positioning their grants for long-term solutions.
- Obstacles internal to foundations.
  - Lack of understanding (or interest) on the part of foundation boards and staff as to the importance of social justice work – what social justice actually is and how (or what kinds of) grantmaking can be most useful to advance social justice, particularly in light of the problem of micro-resources facing mega-problems.
  - Lack of representation by minorities and poor people on foundation boards and staff, meaning that the voices of the populations in need of social justice grantmaking are unlikely to be heard, or at least heard directly, speaking for themselves, in front of foundation board members, trustees and other decision-makers.
  - The limited training available around social justice philanthropy for younger donors and trustees of family foundations in order to foster social justice leadership within philanthropy.
  - The weakness or even absence of arenas for social justice grantmakers to gather to strategize and collaborate around social justice movement building.
  - Organizational egos and bureaucratic differences among foundations, particularly a tendency among foundations (despite the rhetoric) against collaborative work

and in favor of individualistic, idiosyncratic, sometimes faddish grantmaking that exalts the new and distinctive simply because they are different.

- Developing a means to measure the need for and outcomes of social justice philanthropy, the fact that social justice grantmakers possess and use few instruments for calibrating their funding to the array of issues they might take on and for assessing the outcomes of their grantmaking in meaningful and appropriate ways.
- The tendency of many foundations toward “niche” or “boutique” funding as opposed to applying a more rigorous analysis of social and economic issues and deploying grants more strategically for improved social justice outcomes.
- The quandary of funding small or large groups and how to measure that impact: small groups tend to carry more legitimacy among specific constituencies and large social justice groups possess economies of scale allowing for larger impact. How can nonprofits grow and become more effective without losing their legitimacy with core constituencies, and how can small social movement organizations demonstrate their validity as productive recipients of foundation social justice grants?
- The contradiction between social justice grantmakers’ beliefs in democracy and their general unwillingness (or perhaps the structural impediments that make it difficult) to democratize their own grantmaking.
- Fostering a common ground between nonprofits and labor organizations, particularly when organized labor is so frequently not included as a category of social justice or social movement nonprofits.
- Legal obstacles.
  - Fear of skirting the legal limits of advocacy or lobbying, persistent reaction by even the most progressive foundations that supporting social justice movements endangers the grantmakers’ tax-exempt status or, even more dire, opens the foundations up to political scrutiny from ideological opponents. (This fear persists despite the fact that the law allows far more advocacy work than is currently being funded or performed by nonprofits. This is clearly a case where there is such concern about crossing the line that few even go anywhere near it –

to the detriment of nonprofits, social justice advocacy and our democracy as a whole.)

- Obstacles facing not-for-profit organizations.
  - The complexities of the application process, making it difficult for social movement organizations to navigate, identify and negotiate with funders that might have a propensity toward social justice grantmaking, especially when some social movement organizations might be good organizers and advocates but less skilled at nonprofit fundraising techniques.
  - The challenge of generating commitments for core operating support grants, which social movement organizations desperately need, going against the grain particularly of large foundations which increasingly favor project or program grants.
  - Encouraging funders to stay focused on a social justice project once it is started and not to move away from it, as opposed to the short attention span of all too many funders, that begin and then exit funding relationships long before their grantees have achieved any kind of long term sustainability.



## Appendix B. Definitions and Phrases

**Social Justice** The process through which society attains a more equitable distribution of power in the political, economic and social realms.

**Social Justice Philanthropy** Social justice philanthropy is the practice of making contributions to nonprofit organizations that work for structural change and increase the opportunity of those who are less well off, politically, economically and socially.

NCRP proposes the following as broad categories that foundations and organizations can consider as the purposes or targets of social justice funding:

1. Researching root causes of social problems (like poverty, its implications, discrimination, lack of access to politics, public policymaking and the economy).
2. Communicating and disseminating this information to the public, with a particular emphasis to reach those who are directly disadvantaged by social problems.
3. Strengthening new and/or existing social movements that work for social, political and economic equity through:
  - Grassroots political activism toward the mobilization of disadvantaged and disenfranchised groups;
  - Creating networks or alliances among social justice groups;
  - Community organizing toward increasing opportunity and redistributing political power;
  - Technical assistance including board development, inclusion of constituencies and democratic funding processes for social justice nonprofits;
  - Economic development that increases the socio-economic opportunities of disadvantaged and disenfranchised populations;
  - Labor organizing;
  - Legal advocacy; and
  - Political lobbying to enact changes in government laws, policies, regulations, and programs affecting disadvantaged populations.
5. Promoting inclusion of constituents in grantmaking decision-making processes and governance structures.

**Equity** Equity in social, political and economic realms can mean many things. Equity can mean equal *distribution of power (economic, political, social)*, equal *welfare* (or utility), or equal *opportunity*. In the United States, the focus has been on fostering equal opportunity (the ability to pursue

happiness) as opposed to the other two. In promoting equality of opportunity, one must address how power relations and imbalances affect the ability of those less well off to pursue opportunity.

**Power**

The resources available to an individual or collective group. These can be political, social or economic resources.

**Appendix C. NCRP's Social Justice Philanthropy Advisory Committee**

Carole Boughter	Center for Responsible Funding
Woody Carter	Bay Area Black United Fund
Elizabeth Collaton	Stern Family Fund
Peter Dreier	Occidental College
Rodolfo de la Garza	Thomas Rivera Policy Institute
Alison Goldberg	Foundations For Change
Craig Jenkins	Ohio State University
Dennis Keating	Cleveland State University
Norman Krumholz	Cleveland State University
Frances Kunreuther	Wisconsin Community Fund
Christine Lipat	Astraea Lesbian Action Foundation
Jeffery Lowe	Jackson State University
Richard Magat	Program on Non-Profit Organizations- Yale University
Cecilia Munoz	National Council of La Raza
Terry Odendahl	Wyss Foundation
Michael Leo Owens	Emory University
Rosalyn Pelles	Union Community Fund
Felice Perlmutter	Center for Public Policy- Temple University
Mary Lu Prosser	Native American Rights Fund
Sumner Rosen	National Jobs for All Coalition
Nondas H. Voll	Fund for Community Progress
George B. Walker	Center for Community Change

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