

A Region at the Crossroads

Why Grantmakers Need to Prioritize Investments for Structural Change in the South

By Lavastian Glenn

Since 2009, communities across the South have endured the fallout of the Great Recession along with a new wave of regressive policy actions that directly affect the civil rights and quality of life of people in the region. Extreme policy shifts, coupled with an organized effort to reduce spending on programs that help low- to moderate-income families, threaten to erode much of the progress achieved in southern states over the last 25 years.

During this time period, frontline social justice organizations leading change within the region were reporting a loss of national funding, along with an inability to make the case for supporting advocacy and organizing to local funders. Long-term supporters of these key infrastructure organizations began convening and asking why foundations are divesting in social justice work in the South at this crucial time.

This group of concerned supporters would become Grantmakers for Southern Progress in 2011. Led by staff from Hill-Snowdon Foundation, Mary Reynolds Babcock Foundation, Open Society Foundations, Needmor Fund, Foundation for Louisiana, Southern Partners Fund, the Greater New Orleans Foundation and the Marguerite Casey Foundation, the working group hopes to inspire national, regional and local funders to engage and collaborate in effective ways to build regional infrastructure for the advancement of democracy and structural change in the South and our nation.

The group released its first report, *As the South Goes: Philanthropy and*

Social Justice in the U.S. South, in an attempt to understand funder rationale for investing in structural change work in the South.¹

This research and subsequent report set out to explore the following questions about social justice work in the region:

- How do local, regional and national foundations think and talk about social justice work?
- Why do they choose to support or not support social justice work?
- What are the major barriers and facilitating factors for foundation support?
- What are some strategies to increase support?

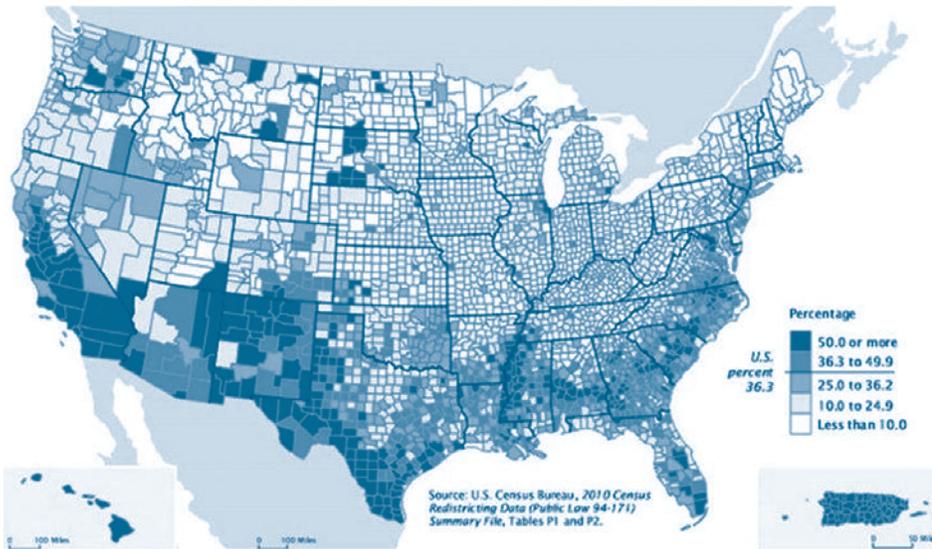
What we've learned has been much richer than anticipated and has implications for adjustments in funder behavior and investment strategy.

The following are key findings from *As the South Goes*:

- Southern and national funders use different languages and employ different strategies. How a funder talks about social justice, or whether the term is used at all, is critical to funder identity, approach and potential for funder partnering. See our companion report on funder language, *Words Matter: Language and Social Justice Funding in the U.S. South*.²
- More southern funders support social justice work than is typically understood, whether they call it that or not, employing a range of strategies that include community economic development, youth leadership development, organizing and direct services.
- Many funders who support social justice work in the South do so based on a belief that the region drives national trends and that supporting efforts to challenge regressive policies slows the advancement of such policy trends across the country. In addition, the persistence of historic and severe structural inequities serves as an incentive for funder investment.
- Funders that don't support social justice work in the South cited a lack of infrastructure, capacity and available funding partners. Other

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MAJORITY OF PEOPLE OF COLOR COUNTIES



Map credit: *The Institute for Southern Studies*

reasons included a perception of a dearth of social justice organizations and an overall perception of the region as a “lost cause.”

- This study found evidence of a larger pool of Southern funders and organizations that pursue a social justice agenda than previously assumed.

Our definition of social justice is: Any *structural or systemic change* that increases the *opportunity* and improves the *outcomes* for those who are *least well off socially, economically and politically*, and that *engages those most impacted in authentic partnerships*. Given what we learned about the challenges of using the term “social justice,” we prefer to talk about our goal for southern “progress.”

We envision progress as access to public resources and political processes, improved quality of life, and fair and equitable treatment of all people. Progress also means strengthened and expanded infrastructure for systemic change, as well as an expanded network of southern and national funders committed to long-term, strategic and

coordinated investments for social justice work in the South. As a working group, GSP is interested in overcoming barriers like language and geography in support of southern “progress.”

WHY INVEST IN STRUCTURAL CHANGE INFRASTRUCTURE NOW?

Once again, the eyes of our nation are on the South. The combination of post-2012 election demographic analysis and the virulent rightward tilt in some southern states has elevated the attention of policymakers, pundits and philanthropists on the region. Demographic changes are creating a new majority made up of African Americans, Latinos, Asian-Americans, and young and urban whites. These changes are creating the potential for new southern leadership and political power that is more inclusive of low-income families and serves communities of color more equitably.

Political scientists who are framing population changes in the South as an opportunity for building political power do so with the caveat that demographics are not necessarily destiny. This potential must be nurtured and developed through strategic investments

in civic engagement, organizing, policy advocacy and leadership development. If we examine the policy battles playing out in statehouses across the region, it would be clear that moderate and progressive leadership has been completely marginalized, while the existing progressive infrastructure has been outspent and out organized. In North Carolina alone, the last few months have seen the repeal of the Racial Justice Act, the passing of voter identification legislation and an end to federal unemployment benefits for 70,000 North Carolinians. An additional 100,000 residents will lose their benefits in a few months. The North Carolina General Assembly passed a budget that defunds affordable housing organizations and community economic development programs, and makes cuts to Medicaid coverage, access to affordable HIV medication and public education funding

To resist the most harmful policies and capitalize on the potential political power of a new majority, funders and community leaders must invest in strategies that improve and grow democracy throughout the region.

A ROLE FOR PHILANTHROPY

GSP exists because of our personal and institutional commitments to improving the lives of our neighbors who are the least well-off. There is a shared belief that solving entrenched structural problems that undermine the social, political and economic well-being of entire communities is core to improving conditions for all Americans. We believe that organized philanthropy can play a supporting role in helping local people and organizations improve systems and policies that strengthen democracy and improve outcomes for families.

As local and regional funders, we acknowledge how hard the work is in the region. However, based on our collective experiences alongside evidence obtained through the *As the South Goes* report, we

believe many opportunities exist to invest in the South for regional and national impact. The following are our recommendations to foundations interested in supporting progress in the region:

1. Develop a deeper understanding of the social justice landscape in the South to uncover hidden talent and capacity.

Despite its challenges, the South is not a “lost cause” for investments. In fact, because of the scarcity of resources, southern organizations are resilient, entrepreneurial and open to collaboration. This has led to impressive incremental change throughout the region, for example passage of progressive criminal justice reform in Georgia in 2012 and the preservation of reproductive rights for women in Mississippi in 2012.

2. Build strategic relationships with southern funders for greater alignment and collaboration to achieve structural change.

Allies and supporters of structural change do exist within the region. They may approach the work differently because of the historical, cultural and political climate, but southern foundations are willing to play a supporting role in improving local communities. Understanding the philanthropic landscape is also critical to surfacing potential partnerships and building relationships among funders. For example, funders in Alabama have supported and advocated for increased state support for early childhood education, constitutional reform and the creation of a state housing trust fund. In Arkansas, the Winthrop Rockefeller Foundation facilitated a positive statewide conversation about immigration through investments in sound research and messaging focused on demographic changes and economic impact. The foundation also has guided struc-

tural changes in the state’s public education system, including the adoption of the Common Core state standards and the creation of the Vision 2025 Legislative Commission on the Future of Higher Education.

- 3. Generate new approaches for investing in social justice organizations by thinking “outside your box”.** Social justice funding is limited within the region. Southern organizations not only need more funders, they need patient capital to achieve long-term, systemic change. Our chances for continued incremental change increase if we, as funders, place appropriate timelines to calculate return on investments, because many of the challenges we hope to address within the region have 5–20 year time horizons. Challenging ourselves to stretch beyond our institutional traditions to find ways to deploy the various forms of capital held by foundations is critical to moving the South forward.

Our region is poised at a crossroads that will direct the future of our nation. Never before have foundations had so little to risk and so much to gain by investing in the advancement of southern democracy through structural and sys-

temic change. Although the social, political and economic contexts change from state to state, ample resources are available in institutional and community leadership, organizational capacity, investment capital and relationships that can be leveraged with significant implications for the health of local communities.

Grantmakers for Southern Progress hopes more foundations will join us in this important conversation and effort to better understand the South as a region ripe for investments and critical to the creation of a just and caring America. ■

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Notes

1. See <http://www.nfg.org/index.php?ht=d/sp/i/25788/pid/25788>. GSP is grateful to NCRP for its generous help in the research for *As the South Goes*. NCRP provided information on foundation grantmaking in the South and lists of nonprofit organizations that strengthened the initial survey work carried out for *As the South Goes*.
2. Available at <http://www.nfg.org/index.php?ht=a/GetDocumentAction/i/25810>.



Photo by Christine Rucker