

Diversity in the nonprofit sector

November 3, 2022

PMAP 3210: Introduction to Nonprofits
Andrew Young School of Policy Studies

Plan for today

Institutions and individual action

Nonprofits and institutions

Diversity in nonprofits

Institutions and individual action

What are institutions?

**Rules and structures that
govern social interactions**

Formal

Informal

Assets vs. income

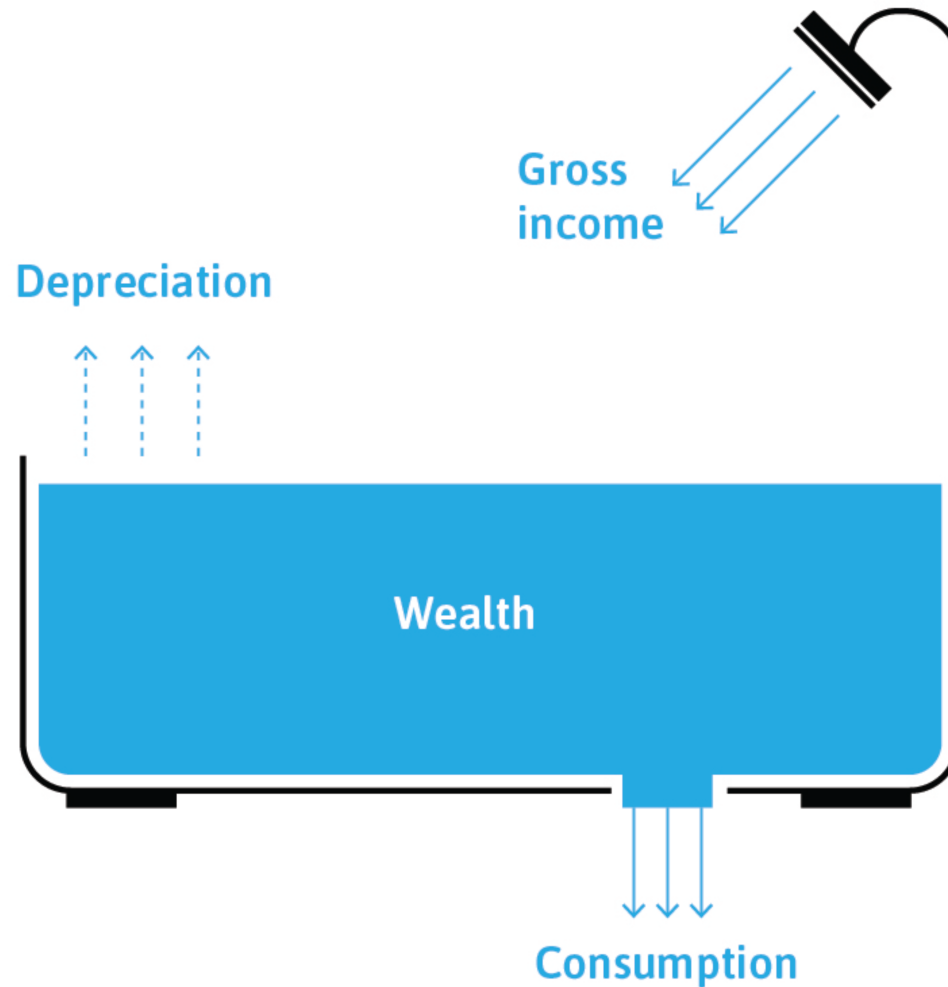
Income

Money that you earn

Assets

**Money that you
build up over time**

Assets vs. income



**Why are assets
important for wealth?**

“It’s all right to tell a man to lift himself by his own bootstraps, but it is a cruel jest to say to a bootless man that he ought to lift himself by his own bootstraps.”

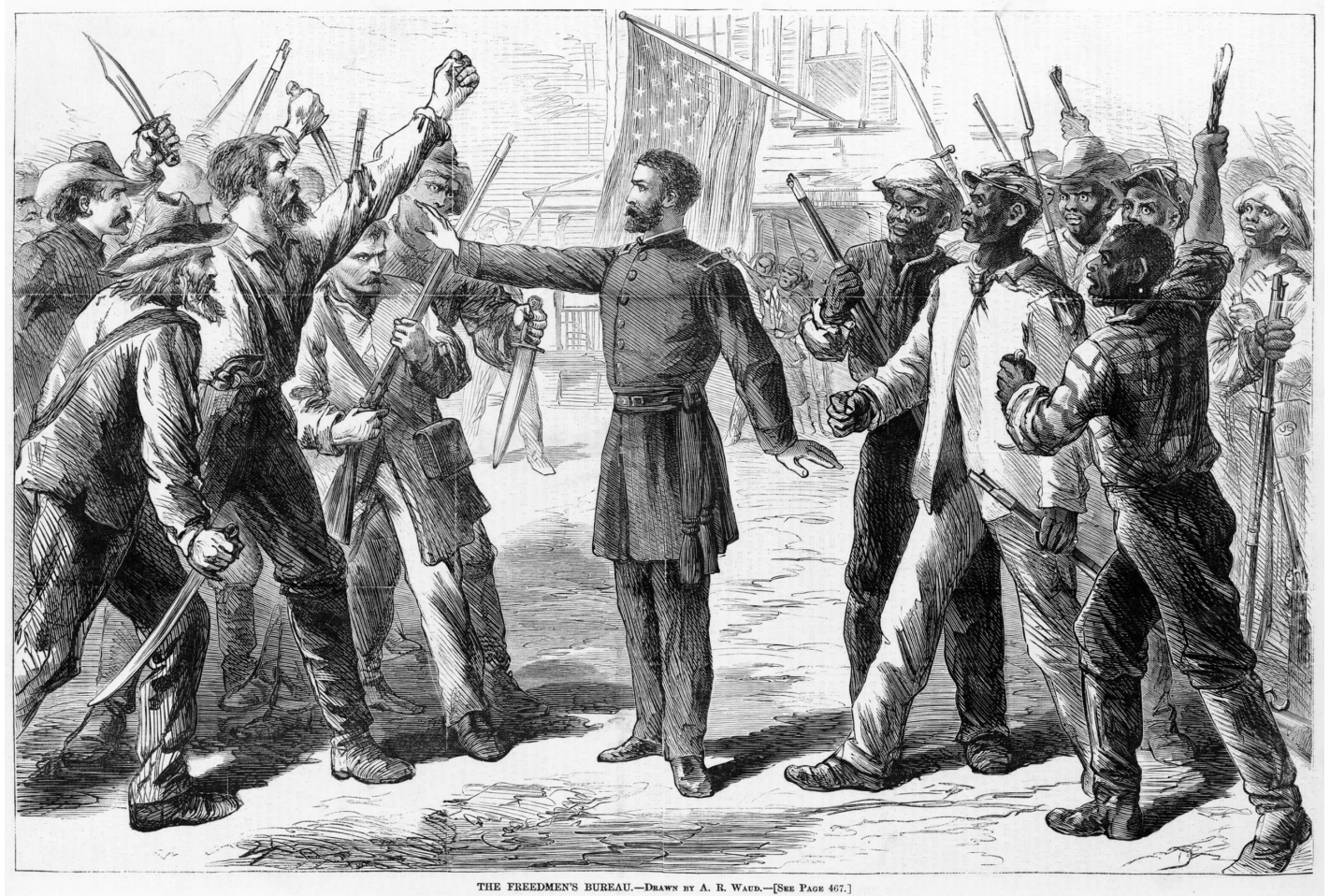
—Martin Luther King, Jr.

May 8, 1967 NBC interview

"40 acres
and a mule"

The Freedman's
Bureau

Designed to
promote assets



Repeal of inconsistent laws.

SEC. 20. *And be it further enacted*, That all acts and parts of acts heretofore passed, which are inconsistent with any of the provisions of this act, are, for the purposes of this act, hereby repealed, so far as the same are inconsistent herewith.

APPROVED, May 17, 1862.

May 20, 1862.

CHAP. LXXV. — *An Act to secure Homesteads to actual Settlers on the Public Domain.*

Certain persons may enter certain quantities of certain unappropriated public lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who is the head of a family, or who has arrived at the age of twenty-one years, and is a citizen of the United States, or who shall have filed his declaration of intention to become such, as required by the naturalization laws of the United States, and who has never borne arms against the United States Government or given aid and comfort to its enemies, shall, from and after the first January, eighteen hundred and sixty-three, be entitled to enter one quarter section or a less quantity of unappropriated public lands, upon which said person may have filed a preëmption claim, or which may, at the time the application is made, be subject to preëmption at one dollar and twenty-five cents, or less, per acre; or eighty acres or less of such unappropriated lands, at two dollars and fifty cents per acre, to be located in a body, in conformity to the legal subdivisions of the public lands, and after the same shall have been surveyed: *Provided*, That any person owning and residing on land may, under the provisions of this act, enter other land lying contiguous to his or her said land, which shall not, with the land so already owned and occupied, exceed in the aggregate one hundred and sixty acres.

Such persons to make affidavit.

SEC. 2. *And be it further enacted*, That the person applying for the benefit of this act shall, upon application to the register of the land office in which he or she is about to make such entry, make affidavit before the said register or receiver that he or she is the head of a family, or is twenty-one years or more of age, or shall have performed service in the army or navy of the United States, and that he has never borne arms against the Government of the United States or given aid and comfort to its enemies, and that such application is made for his or her exclusive use and benefit, and that said entry is made for the purpose of actual settlement and cultivation, and not either directly or indirectly for the use or benefit of any other person or persons whomsoever; and upon filing the said affidavit with the register or receiver, and on payment of ten dollars, he or she shall thereupon be permitted to enter the quantity of land specified: *Provided, however*, That no certificate shall be given or patent issued therefor until the expiration of five years from the date of such entry; and if, at the expiration of such time, or at any time within two years thereafter, the person making such entry; or, if he be dead, his widow; or in case of her death, his heirs or devisee; or in case of a widow making such entry, her heirs or devisee, in case of her death; shall prove by two credible witnesses that he, she, or they have resided upon or cultivated the same for the term of five years immediately succeeding the time of filing the affidavit aforesaid, and shall make affidavit that no part of said land has been alienated, and that he has borne true allegiance to the Government of the United States; then, in such case, he, she, or they, if at that time a citizen of the United States, shall be entitled to a patent, as in other cases provided for by law: *And provided, further*, That in case of the death of both father and mother, leaving an infant child or children, under twenty-one years of age, the right and fee shall enure to the benefit of said infant child or children; and the executor, administrator, or guardian may, at any time within two years after the death of the surviving parent, and in accordance with the laws of the State in which such children for the time being have their domicile, sell

Certificates and patents, when to issue and upon what proof.

Affidavit.

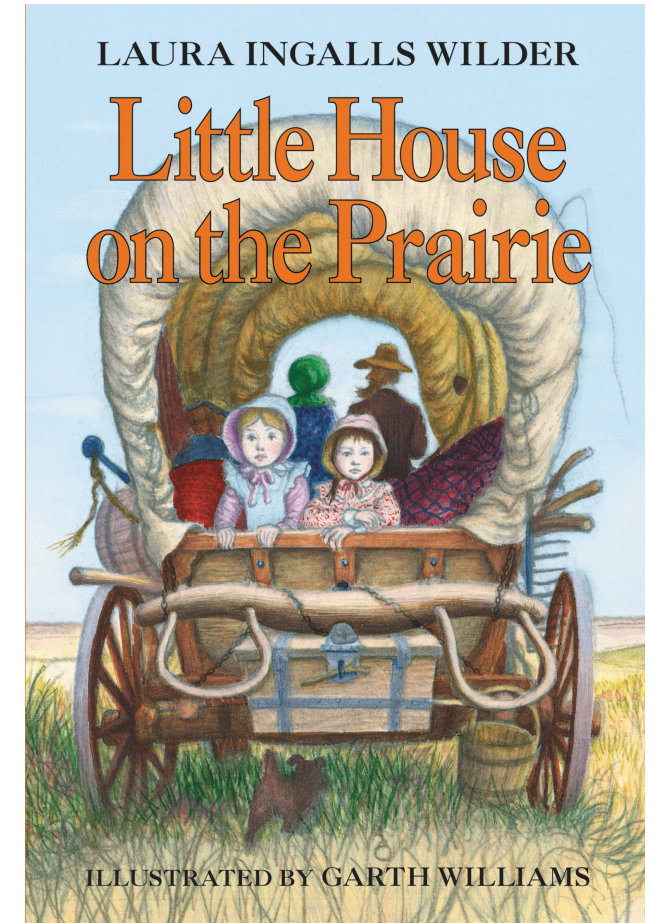
Provision in case of death of applicant, &c.

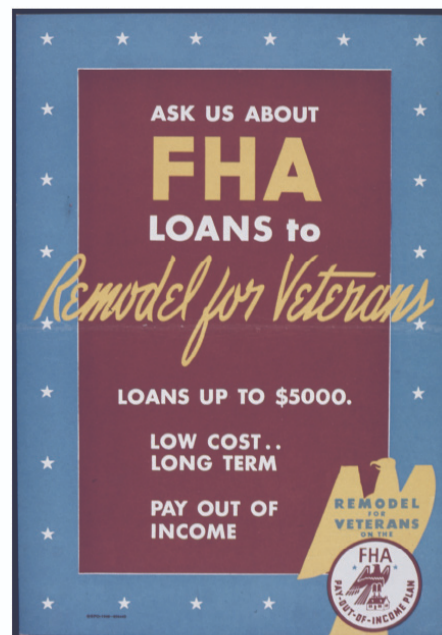
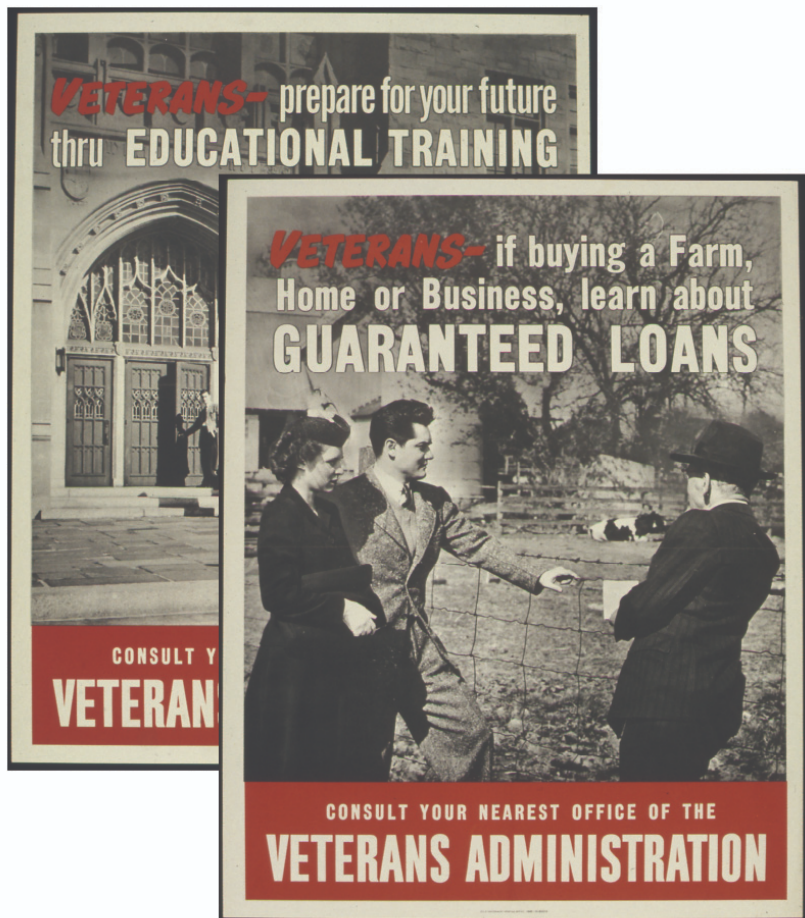
Homesteading Act of 1862

160 acres in the west

Distributed
80 million acres
by 1900,
mostly to
white settlers

(Promoted assets)





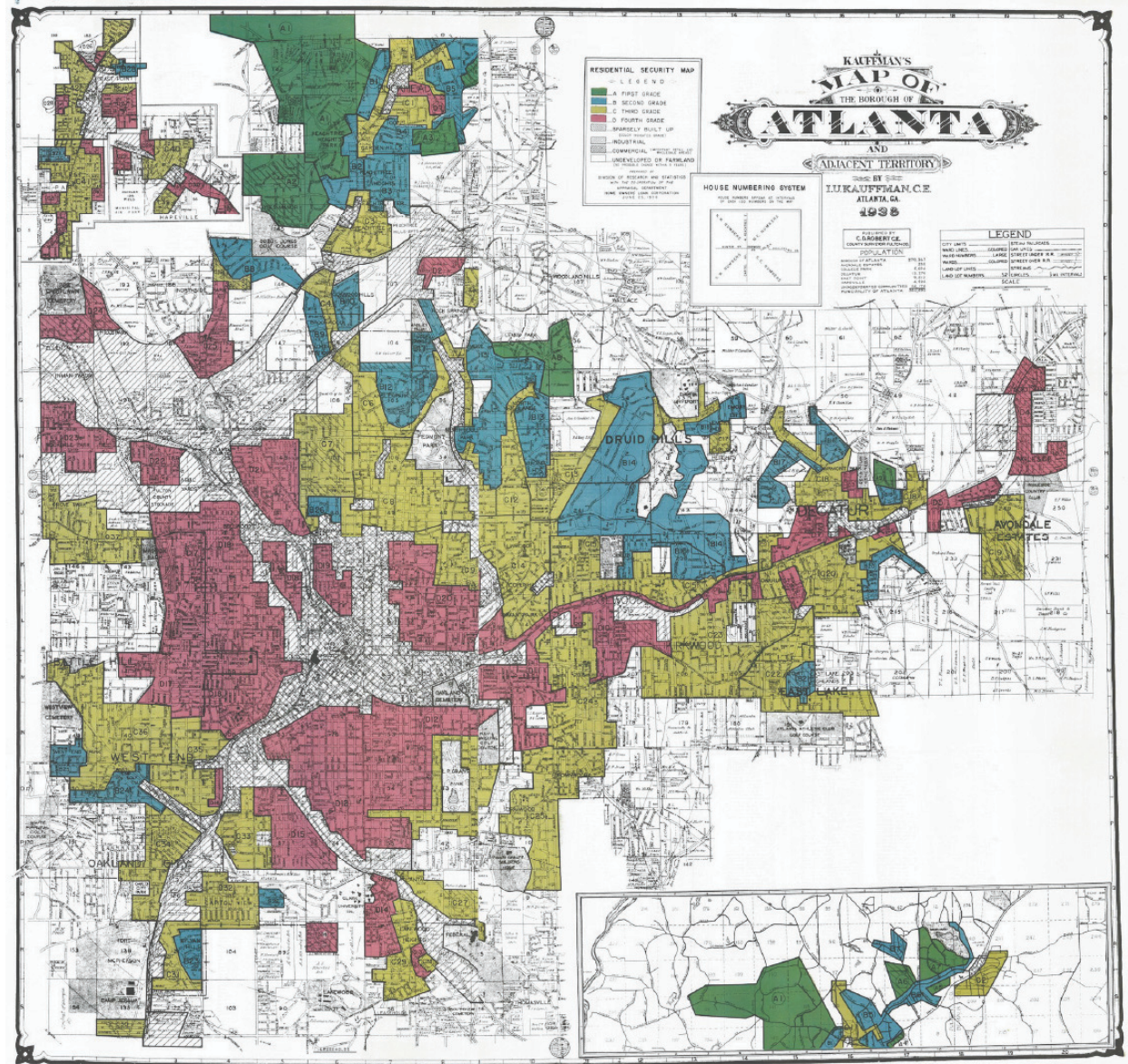
Designed to
boost assets

Access to
programs was
unequal and
racialized

**Implementation
of FHA was
systemically racist**

andhs.co/atl-redlining

andhs.co/atl-airport



Civil rights laws in 1960s banned redlining



For people of color, banks are shutting the door to homeownership

“It is the unearned birthright of inheritance or other family transfers that has the greatest effect on wealth accumulation, and likewise is the largest factor erecting barriers to wealth accumulation for people of color.”

Darity, et al., 3

“There’s no amount of lattes and avocado toast that you can forego that will take the place of an FHA mortgage to your grandfather.”

Mehrsa Baradaran

Neoliberalism

The idea that all human interaction
can be imagined as a competitive market

Poverty

Opinion

The Real Roots of 'Black Capitalism'

Nixon's solution for racial ghettos was tax breaks and incentives, not economic justice.

By Mehrsa Baradaran

Ms. Baradaran is the author of "The Color of Money: Black Banks and the Racial Wealth Gap."

March 31, 2019



Opinion

The Real R

Nixon's solution for r
economic justice.

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March 31, 2019

Before the 1968 presidential election, the choices for reform seemed clear: housing integration, reparations or both. One Republican candidate, **George Romney**, called for an integration plan to loosen the "high-income white noose" of white suburbs around black ghettos. Several candidates presented reparations proposals, one of which, introduced in Congress with Republican sponsors, called for federal capital investment and Treasury financing to build up capital in the ghetto.



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While a generation of white Americans had gained wealth through discriminatory government-sponsored credit subsidies for student and mortgage loans, **Mr. Nixon pointed blacks to the free market and wished them luck**. Black capitalism was so politically appealing, every administration since Mr. Nixon's has adopted it in some form. Black capitalism morphed into Ronald Reagan's "enterprise zone" policy, Bill Clinton's "new market tax credits," and Barack Obama's "promise zones."

Neoliberalism

The idea that all human interaction
can be imagined as a competitive market

Poverty

Free market capitalism

Education

Charter schools, No Child Left
Behind, Race to the Top

Neoliberalism

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Charter schools, No Child Left Behind, Race to the Top

Environment

Carbon offsets & permits

Neoliberalism

The idea that all human interaction can be imagined as a competitive market

Poverty

Free market capitalism

Education

Charter schools, No Child Left Behind, Race to the Top

Environment

Carbon offsets & permits

Other government services

US COVID response, demand that USPS be profitable

Consequences of neoliberalism

**Individual actions and
personal responsibility are
preferred over
institutional and structural change**

(Income over assets)

Nonprofits and institutions

Quick historical review

1600s–1700s

Church-based charities

1787+

Formal constitutional right of association

1900–1960

Tax exemption and more formal institutional structures

1960s–today

Corporatization and professionalization

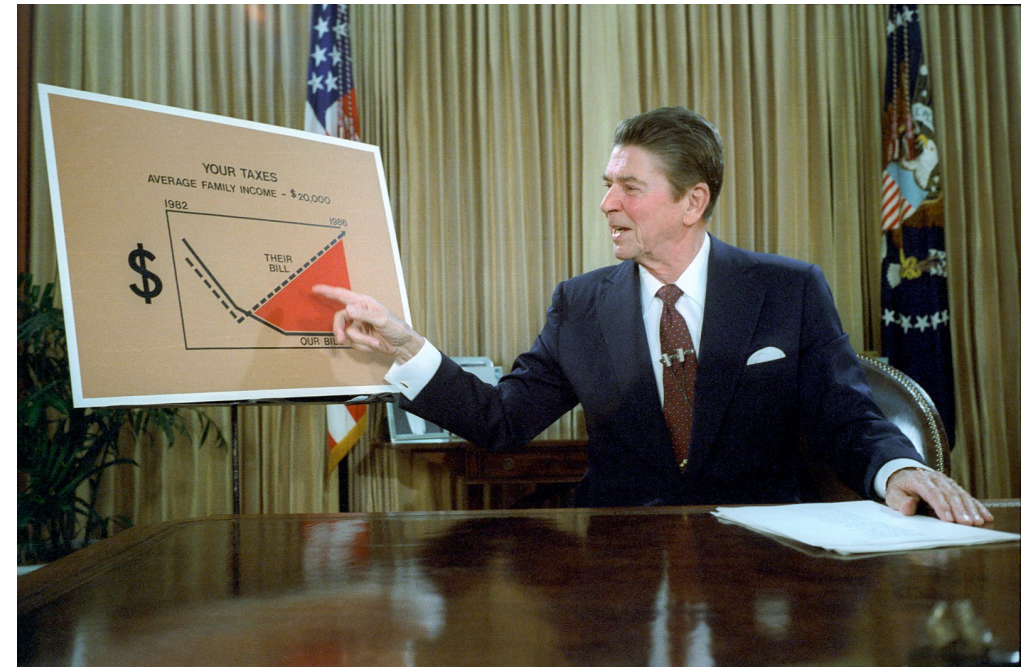
1960s—today

War on Poverty



Increased federal funding

Neoliberal privatization



Corporatization & professionalization

Non-Profit Industrial Complex (NPIC)

Professionalization and standardization

Every organization has to fill out the same forms

Most nonprofits have the same organizational structure

Staff get the same kinds of degrees

Master of Public Administration (MPA)
in nonprofit management

Undergraduate courses and
programs in nonprofit management

WHAT YOU'RE DOING RIGHT NOW

Non-Profit Industrial Complex (NPIC)

Organizations all look the same

Foundations require similarity

Individual donors want consistency

GuideStar and Charity Navigator

Non-Profit Industrial Complex (NPIC)

"The NPIC is a system of relationships between the State, the owning classes, foundations, and nonprofit and social justice organizations that results in the surveillance, control, derailment, and everyday management of political movements."

—Neesha Powell

Non-Profit Industrial Complex (NPIC)

**Nonprofit organizational standardization
fundamentally limits nonprofits' ability to
undertake institutional change**

Nearly 30 years later, I look around and see many shelters and services for survivors of domestic violence, but no large-scale movement to end male violence. I see many batterer intervention programs, but few men involved in challenging sexism. The loss of vision that narrowed the focus of men's work reflects a change that occurred in other parts of the movement to end violence, as activists who set out to change the institutions perpetrating violence settled into service jobs helping people cope.

Paul Kivel, "Social Service or Social Change?", *The Revolution Will Not Be Funded*, p. 129

Social services vs. social change

Social services

(Analogous to income)

Helping individuals suffering from
systems of exploitation and
violence

Nonprofits are
designed for this

Social change

(Analogous to assets)

Challenging the root institutional
causes of systemic exploitation and
violence

Nonprofits
struggle with this

Institutional limits

Existing institutional structures limit nonprofits from pursuing institutional changes

Legal limits

501(c)(3)s can't engage in substantial lobbying

Organizational conformity

Funders like "standard" nonprofits

Pressure to tame programming in order to get easily measurable results to make funders happier

Diversity in nonprofits

Foundational institutional issue

Existing nonprofit regulatory environment was largely designed for white- and male-led organizations providing paternalistic social services, often as a replacement of the government

POC-led nonprofits face an institutional environment built for white organizations

Diversity in the nonprofit sector

Demographic trends reflect this institutional history

90% of nonprofit board chairs are white

90% of nonprofit executive directors are white

≈20% of nonprofit staff are people of color

73% of nonprofit staff are women

45% of nonprofit executive directors are women

Women executive directors make 66% of men's salaries

Underrepresentation of LGBTQ populations

How to fix this?

**Deeper institutional
restructuring... somehow...**

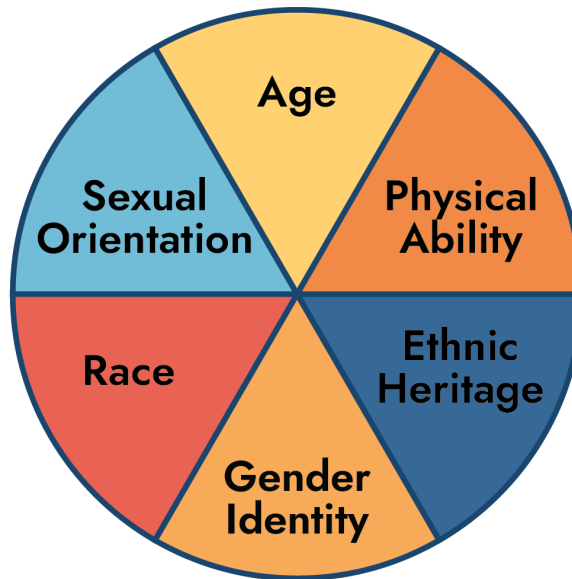
**Organization- and sector-level
increase in diversity**

Diversity

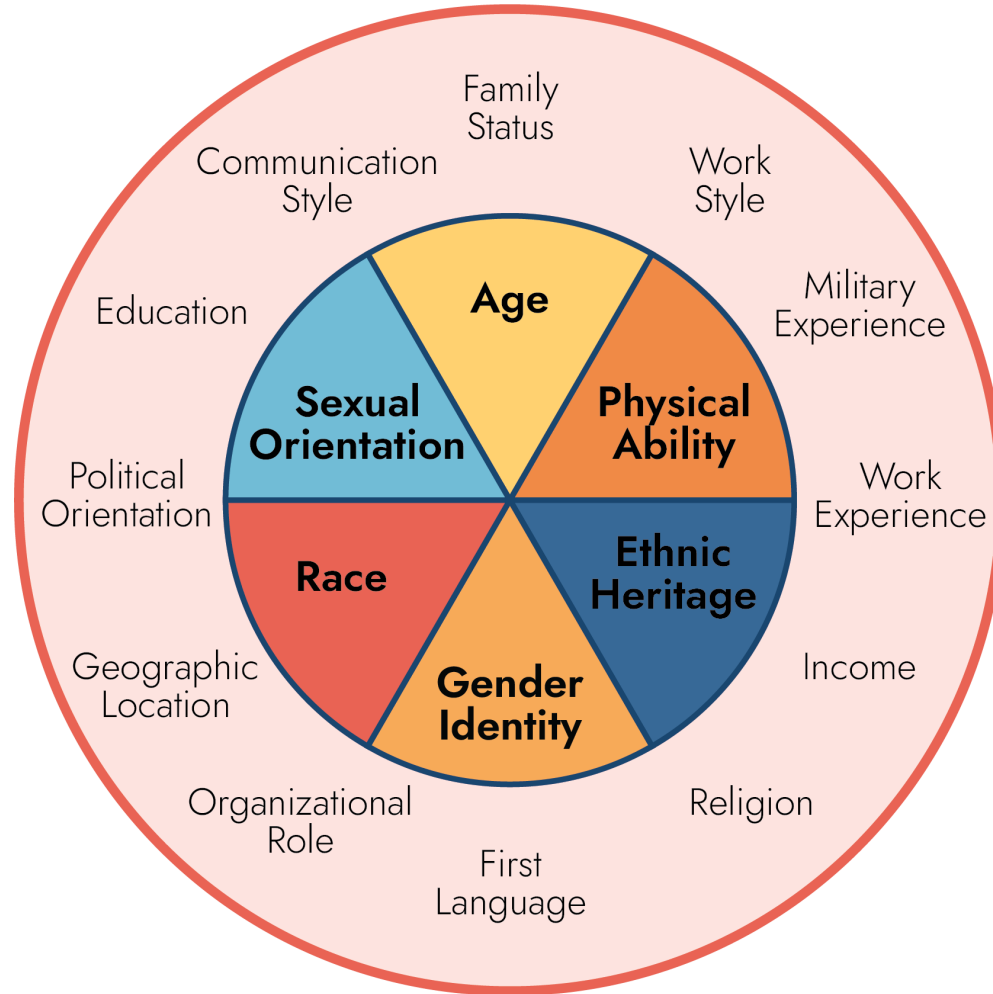
**Diversity is a characteristic of groups,
not of individuals**

**You can talk about a *member* of a
diverse community but not about
a diverse individual**

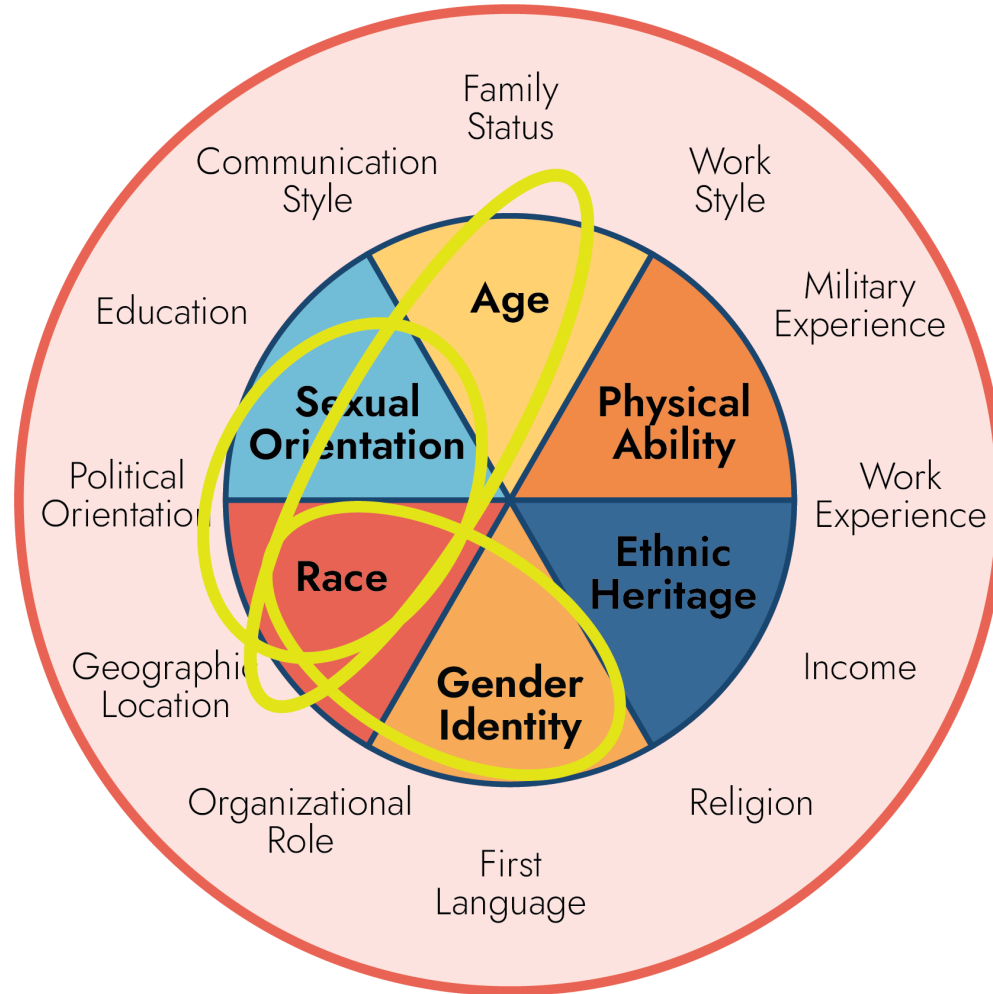
Primary dimensions



Secondary dimensions



Intersectionality



Business benefits of diversity

Better, more creative decision-making

Better performance

Better community engagement and involvement

More money from donors and foundations

Representative bureaucracy

A nonprofit should represent the community which it serves

(This is a general idea, not a one-to-one checklist)

Lip service vs. real diversity

You can't just hire a bunch of different people

You must actually take in
the perspectives of different people

**This requires structural
changes within the organization!**

Institutionalizing diversity

Set up organizational structures that actually allow for and encourage multiple perspectives

Board recruitment

Staff hiring practices

Volunteer management

Better pay

Client advisory boards

Clear channels of communication