

Democracy Is the Best Theory of Change

By Steve Phillips

Many philanthropists believe that society's problems stem from polarization, inadequate relationships between opposing forces and insufficient information to win hearts. Armed with this worldview, favored "solutions" include changing minds, connecting people on opposite sides of conflicts and conducting research and studies. But if we're being honest, there is little evidence that these types of strategies are successful. Fortunately, there is a different approach with a demonstrably better and more effective track record: Fostering greater democracy is the best theory of change at this point in U.S. history, one that too many in the donor world fail to appreciate as a powerful anchor for their work.

The demographic revolution that has unfolded in America since 1965 has created a New American Majority supportive of the goals of progressive philanthropy. Catalyzed by the historic events in Selma, Alabama, 51 years ago, America has seen a seminal shift in the country's population and electorate. The 1965 passage of the Voting Rights Act and Immigration and Nationality Act removed race-based barriers to entry into the country and participation in its elections. The results have been nothing short of revolutionary. The percentage of people of color in our population has grown from 12 percent in 1965 to 38 percent today, paving the path to the election of the country's first African American president in 2008. Today, a majority (51 percent) of America's eligible voting popu-

lation consists of progressive people of color and progressive whites, and that majority is growing every day.

Stressing the importance of people of color in this historic shift is not to say that "demography is destiny" in a metaphysical sense, or that the melanin content of one's skin determines one's receptivity to social change. Rather,

the sad truth of U.S. history is that the melanin content of one's skin has been used to enslave, discriminate, disadvantage and oppress entire groups of people. The subsequent racial inequality in America, seen in all sectors from household wealth to quality of health to access to education, creates a situation in which democracy and equality are co-equal imperatives.

If people of color and those whites who support equality are now the majority of people – and they are – then expansion of democracy is a powerful tool in the arsenal of philanthropists seeking improved societal outcomes and conditions. California offers an instructive example of how philanthropic dollars can be leveraged tenfold by aligning investments with the demographic revolution. People of color now comprise the majority of people in California, and multiple studies have shown that the residents of communities of color are more likely to live near toxic waste dumps, breathe dirty air, eat unsafe and unhealthy food, and struggle to access quality health care.¹

In 2006, California's Democratic-controlled legislature passed legislation to fight global warming that was signed by Republican Governor Arnold Schwarzenegger. Despite this bipartisan agreement on needing to fight climate change, the cap and trade formula developed by the state did little to address the conditions in California's communities of color. From 2006 to 2010, the governor, legislature and state bureaucracy failed to take meaningful action

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to tackle the environmental problems in disadvantaged communities, even though research shows these communities are especially vulnerable to environmental hazards.²

During this time, California’s philanthropists were similarly stymied in efforts to foster change. Typical tools in the philanthropic arsenal, such as studies documenting the problem and convenings to “bring both sides together,” were ineffective. Over time, expanding democracy ultimately made the difference. People of color – a majority of the population – comprised just 32 percent of California’s voters in 2006, but by 2010 that percentage had grown to nearly 40 percent of all voters. This more representative electorate elevated both a new governor more responsive to communities of color, Democrat Jerry Brown, and a legislative champion

himself from a low-income community, State Senator Kevin de Leon.

This new electorate also transformed the public policy landscape, making the elected leaders more responsive to the multiracial majority, and the legislature passed – and the governor signed – a “Polluter Pays” bill. SB 535 requires that 25 percent of the funds from the earlier cap and trade legislation go toward disadvantaged communities in the form of funding for improved public transportation, housing and energy efficiency. In 2016, those funds will exceed \$500 million, a sum that dwarfs the amount of philanthropic dollars directed to inequities in those communities.³ California’s expansion of democracy is responsible for similar public policy success stories in the fields of education and criminal justice, such as the passage of Proposition 47 in

2014, a ballot measure that resulted in much-needed criminal justice reform in California.⁴

It’s important to be clear about exactly what fostering democracy means. At its most basic, it involves increasing the percentage of people of all racial groups who are voting so that the pool of voters reflects the total population. Because of existing structural inequities, this includes supporting efforts to eliminate barriers to registration and voting, disseminating information about where and how to vote, communicating the significance of what’s on the ballot, and investing in groups and leaders who are rooted in under-represented communities and working to expand the civic participation of those groups. For example, even in the progressive state of California, Latinos comprise 34 percent of the state’s

COMPOSITION OF THE NEW AMERICAN MAJORITY
(Percentage of all U.S. Eligible Voters)

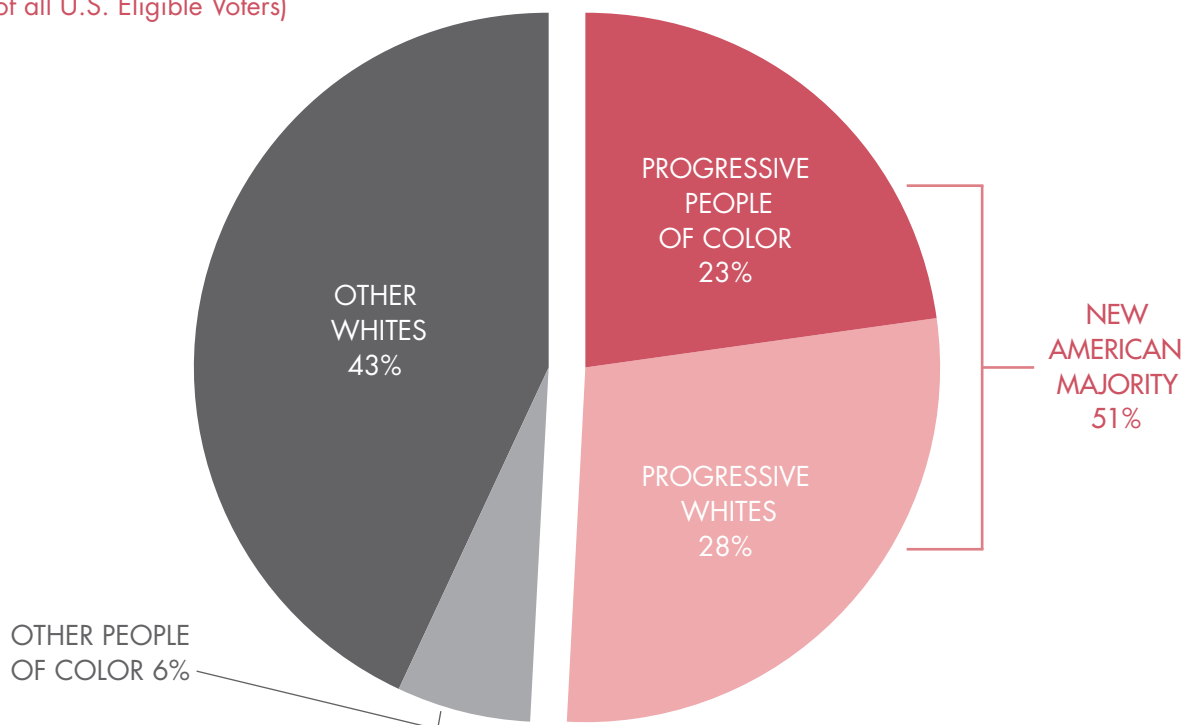


Chart from *Brown is the New White: How the Demographic Revolution Has Created a New American Majority*, an activist treatise by Steve Phillips on how changing demographics are having a profound effect on the political climate. For more information, visit <http://thenewpress.com/books/brown-new-white>. Source: Based on American Majority Project Research Institute’s analysis of U.S. Census Data.

adult population, but just 18 percent of likely voters.⁵ Nationally, people of color remain underrepresented in the voting population – and ameliorating this should be a priority for foundations committed to social justice.

WHAT SHOULD PHILANTHROPISTS BE DOING?

During our continued period of demographic transformation, an effective philanthropic focus entails using the full suite of funding tools and levers to expand civic participation. Foundations have the power to promote awareness and paint a picture of what true democracy is.⁶ Encouraging victories in expanding voter registration show the way for foundations looking to get involved in this kind of work. In 2011, I helped organize donor support for the efforts of California Common Cause, PowerPAC.org and other nonprofit organizations that succeeded in getting California to adopt an online voter registration system. As soon as the system was put in place, 800,000 people registered to vote in just five weeks.⁷

Oregon has gone even further with expanding democracy by enacting an automatic voter registration program that turns historical voter registration on its head. Rather than assuming citizens are not registered to vote and requiring busy people with complicated lives to take active steps to fill out registration forms, Oregon has instituted a system whereby everyone in the database of the Department of Motor Vehicles who is eligible to vote is automatically registered. You have to opt out if you don't want to be registered. It's a revolutionary approach that shows what's possible when elected leaders actually want full democratic participation. Philanthropists can and should be doing everything they can to increase public awareness of these promising reforms.

Foundations should also encourage – rather than discourage – grantees to

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make full use of their lobbying resources as allowed under law. Most 501(c)(3) organizations can use up to 20 percent of their resources for lobbying, which includes contacting voters about pertinent ballot measures, if they take a simple 501(h) election, which amounts to filing an extra tax form.⁸

In 2003, I worked on a statewide ballot measure campaign with a coalition of groups that defeated an attack on affirmative action laws. That campaign worked day and night to scrape together \$5 million, most of which came from teachers' unions. But if the participating 501(c)(3) organizations had all ex-

ercised their 501(h) election, the available funds would have exceeded \$20 million. That's an incredibly powerful leveraging tool available to, but infrequently used by, philanthropy.

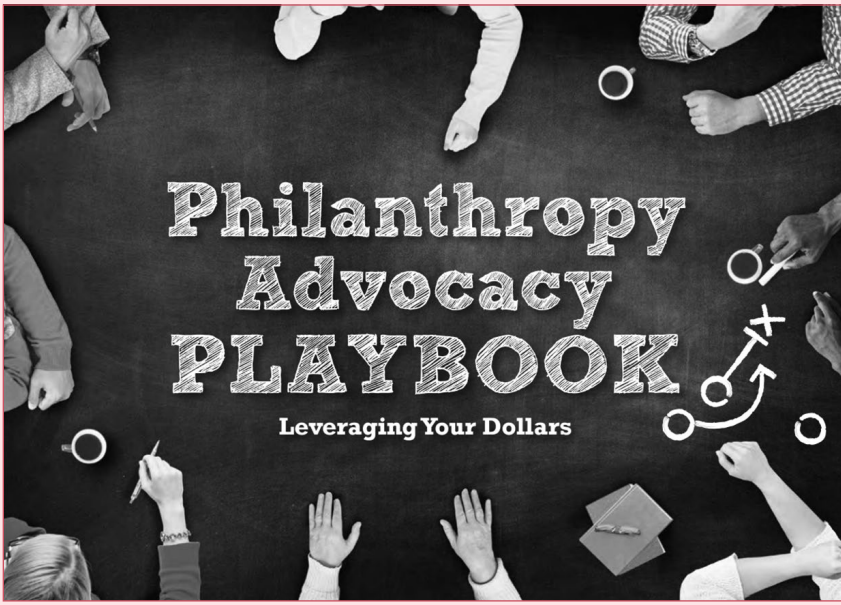
Additional specific steps that could make a meaningful difference include supporting naturalization of the nearly 9 million immigrants who could quickly become citizens and promoting online voter registration which, as noted above, resulted in hundreds of thousands of Californians registering to vote in just over a month.

Philanthropic organizations are spending millions of dollars on pursuits unsupported by data and evidence. Instead of changing hearts and minds, philanthropy would do well to tap into the substantial majority already eager for progressive change. Too many funders are blind to the transformative implications of the demographic revolution. As a result, the potential of the movement to make America more just and equal is hampered, to say nothing about the reality that the effectiveness of much philanthropy is not maximized. Intellectually investing in the New American Majority can leverage and accelerate change by connecting with the larger social trends that are transforming the country. ■

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Notes

1. Vien Truong, "Addressing Poverty and Pollution: California's SB 535 Greenhouse Gas Reduction Fund," 2014,



The Philanthropy Advocacy Playbook: Leveraging Your Dollars, a new guide from the Alliance for Justice, sheds light on how foundations can effectively and legally support advocacy within their foundations and through their grantmaking.¹

Many foundations shy away from advocacy, in part due to legal concerns – not realizing “the overwhelming majority of advocacy activities, including lobbying and nonpartisan electoral activity, are permissible.”

Divided into 11 chapters, the guide gives foundation leaders the resources to pursue their goals by embracing organizing, civic engagement, public policy, voter registration, grassroots work and other advocacy strategies. These resources include initial considerations for foundations first looking into advocacy, a clear explanation of the related legal rules, profiles of foundations that have successfully incorporated these strategies into their work, and a list of ten best practices for effective grantmaking to support advocacy.

Advocacy strategies are effective because they help foundations and their grantees address the root causes of social problems – a cornerstone of NCRP’s work. In fact, the Playbook cites NCRP’s report *Leveraging Limited Dollars*, which found that every dollar invested in advocacy, organizing and civic engagement provides a \$115 return.²

As AFJ President Nan Aron declares in the preface, “The record is clear: for foundations seeking to leverage the impact of their limited grant monies, the highest payoff comes from investing in advocacy strategies.” ■

Notes

1. *Philanthropy Advocacy Playbook* (Washington, D.C.: Alliance for Justice, 2015), <http://bolderadvocacy.org/focus-on-foundations/philanthropy-advocacy-playbook>.
2. Lisa Rangelhi, *Leveraging Limited Dollars* (Washington, D.C.: National Committee for Responsive Philanthropy, January 2012), <http://ncrp.org/files/publications/LeveragingLimitedDollars.pdf>.

Harvard Civil Rights-Civil Liberties Law Review, http://harvardcrcl.org/wp-content/uploads/2011/09/493_Truc-ong.pdf.

2. Sarah Hansen, *Cultivating the Grassroots* (Washington, D.C.: National Committee for Responsive Philanthropy, February 2012), https://www.ncrp.org/files/publications/Cultivating_the_grassroots_final_lowres.pdf.
3. *Ibid.*
4. For more, see Shelley Whelpton and Loren McArthur, <http://www.arabellaadvisors.com/wp-content/uploads/2015/09/August-10-prop-47.pdf>.
5. Mark Baldassare, Dean Bonner, David Kordus and Lunna Lopes, “California Voter and Party Profiles,” Public Policy Institute of California, August 2015, http://www.ppic.org/main/publication_show.asp?i=526#.Vqu699g3UOY.
6. For more information about how nonprofits and foundations can engage in this kind of activity, two essential guides respectively are, *The Rules of the Game A Guide to Election-Related Activities for 501(c)(3) Organizations* (Washington, D.C.: Alliance for Justice, 2012), <http://bolderadvocacy.org/wp-content/uploads/2012/01/Rules-of-the-Game.pdf> and *Philanthropy Advocacy Playbook* (Washington, D.C.: Alliance for Justice, 2015), <http://bolderadvocacy.org/focus-on-foundations/philanthropy-advocacy-playbook>.
7. Lisa Garcia Bedolla, “Nativity and California Online Voter Registration and Turnout in November 2012,” *California Journal of Politics and Policy*, 6(3), 2014, <http://escholarship.org/uc/item/1bs3p2j2>.
8. Ballot Measures and Public Charities: Yes, You Can Influence That Vote,” Alliance for Justice, http://d3n8a8pro7vh.mx.cloudfront.net/unitedchurchofchrist/legacy_url/3172/BallotMeasures.pdf.