

**CHARITY IS GOOD BUT JUSTICE IS BETTER:
REIMAGINING THE POTENTIAL OF COMMUNITY
PHILANTHROPY**

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Let me say how delighted I am to join you in this global summit. It comes at a time of extraordinary ferment not just in my own country but in communities around the world. This is thus a good time to consider how community philanthropy can help shift the power to create a world more just, inclusive and caring. I have spent much of my life over the last fifty years in efforts to promote civil rights, empower marginalized communities and expand opportunity. And the one central lesson that comes out of my experience and informs my message today is that while charity is good, justice is better.

I would like, therefore, to take a few minutes to encourage you to do three things: 1) to think big and respond boldly to the great issues facing our communities; 2) to reimagine the potential of community philanthropy; and 3) to never lose hope, for despite the dark clouds looming on the horizon we have within us the potential to someday make hope and history rhyme.

Let me begin with the first challenge, thinking big and responding boldly. There are many who share our dream of a more just world order, but the issues before us are so enormous that it will be easy to stand on the sidelines, lament the scope of the challenge and respond to consequences rather than address causes. Far too many will conclude in the words of the child from the tagline of the Children's Defense Fund that "The Sea is so wide and my boat is so small."

It is true that community philanthropy holds out great possibility, but we are coming to grips with the reality in the United States, for example, that even if every foundation spent down its endowment, we would still be deploying only one percent of financial assets under management. The good news, however, is that there are also non-financial forms of capital available to you that if used strategically and with imagination can add greatly to the impact of community philanthropy. Some of my friends who have heard me make this argument have started to call this the SMIRF plan, in that it calls for an integrated use of social, moral, intellectual, reputational and, of course, financial capital. I don't have time to walk you through each of these in detail, but let me provide a framework for thinking about how you might shift the power from an over reliance on financial capital to the strategic use of other forms of non-financial capital at your disposal.

Social Capital

The first is social capital. Robert Putnam popularized this concept and we now use it frequently to refer to the idea of networks, social trust and voluntary cooperation for mutual benefit. Given the pervasive concern about new forms of tribalism in Western nations, it is not surprising that community philanthropy is being asked to provide leadership and resources to help reimagine and to some extent restart the enduring effort to establish justice and promote the general welfare. I hope you will use your social capital to help persuade those in the networks of which you are a part that diversity need not divide, that pluralism rightly understood and rightly practiced is a benefit and not a burden, and that the fear of difference is a fear of the future.

My efforts over the years to use social capital to help reimagine the genesis of community has included a conceptual transformation that comes from the insights of the African American mystic, theologian and poet Howard Thurman who was a mentor to Martin Luther King. Dr. Thurman was fond of saying "I want to be me

without making it difficult for you to be you.” That should be a part of every elevator speech about the mission and purpose of community philanthropy. Can you imagine how different our world would be, can you imagine how different our nations and communities would be, if both you and your neighbors were able to say I want to be me without making it difficult for you to be you?

You have an opportunity to use your social capital to not only help create a new narrative but to help reimagine what it means to be a caring society. But we are so accustomed to thinking of community as a shared sense of place that we are in danger of overlooking the many ways in which social cohesion will require a shared sense of belonging.

As I travel around my own country, indeed as I travel around the world, I hear more and more people saying that until there is respect for their primary community of history and heritage they will find it difficult to fully embrace the larger community in which they are being asked to function. It is not surprising, therefore, that the more interdependent we become, the more people are turning inward toward smaller communities of meaning and memory. While some see this as reason for despair, it may be that respect for difference is the first requirement of the search for common ground.

We can also use social capital to work with the new groups who are enriching our civic culture. Communities in different and distant places have been experiencing a population shift that has brought new neighbors who are fueling the economy and a new middle class of color that provides the potential for a new, but stronger, civic life. They should be embraced as neighbors who have the potential to help enlarge the supply side of philanthropy rather than being associated and stereotyped only with the demand side. But before we can fully engage them in a common effort to make a community more of a community, they must be made to feel that they belong, that their traditions are respected and their contributions recognized.

Moral Capital

The second asset of community philanthropy that is often absent from strategic thinking is moral capital. A primary question for activists of all sorts is this, are we going to accept the drift toward a post-values world where the insidious creep of racism, sexism and other forms of bigotry are given moral equivalency with the ideals that drive community philanthropy? The most effective civil society institutions are often those that understand the many ways in which they are custodians of values as well as resources.

I like to use the story of the Good Samaritan to make the distinction between providing charity and promoting justice. I ask you to imagine that a traveler finds an injured man on the side of the road and stops to provide help, but as he repeats that trip he constantly finds someone injured in the same spot and each time he stops to provide aid. While we applaud him for his charitable spirit, should he not at some point ask who has responsibility for policing the road? His initial impulse should invariably lead to a more strategic intervention that seeks to eliminate the cause rather than simply ameliorate consequences.

We can also use our moral capital to help others cope with moral ambiguity. In times of crisis or perceived crisis, many people turn to those who affirm absolutes and reject those who point to ambiguities. They desperately want to believe that issues are more simple and moral imperatives less complex than they are being told, so they respond more easily to those claiming one truth and one theology.

I hope that you will use your moral capital to help persuade those who romanticize authoritarian and coercive leadership of the wisdom of the Chinese philosopher who said 2500 years ago that “The great leader is the one, who when all is said and done, the people say ‘we did it ourselves.’” Too many people are looking for leaders who fit their comfort zone, someone in whose image they see themselves; someone who looks like them, act like them, and thinks like them, if they think at all. We ignore this romanticizing of ordinariness at our peril.

Intellectual Capital

The third asset in your tool kit is intellectual capital. Community philanthropy can help civic activist ground their passion into persuasive evidence by providing not just networks but knowledge. Intellectual capital can help strengthen the capacity of those presently or formerly marginalized to participate in deliberations about their future.

Let me provide an example. I served as chair of the Louisiana Disaster Recovery Foundation in the aftermath of the hurricane that devastated New Orleans a few years ago. We were set up to provide relief and recovery, but we discovered that we could be most helpful if we also promoted reform. So we helped provide community leaders with the data and other forms of information they needed to tackle pre-existing conditions that made the impact of the hurricane worse than it should have been.

Intellectual capital can also be used to help expose and even limit the drift toward a post-truth world of fake news, deliberate deceptions and the rise of anti-science denialists. There is also much to be learned about strategy from the wise use of intellectual capital. A recent survey of American attitudes toward race found, for example, that when most whites thought about racism, they thought about racist individuals, but when people of color thought about racism they were more likely to think of racist institutions. Those who seek healing and social transformation should be guided by this clear evidence of a need for strategies that also include economic reconciliation.

While I have emphasized the importance of moral capital, we do not necessarily need moral language to achieve moral ends. Nowhere is this more obvious than in how we use intellectual capital to address issues of equity and inclusion. The authors of the book *The Spirit Level*, for example, have documented how more equal societies almost always do better than less equal societies.

In other words, there is now empirical evidence from comparative national research that inequality is socially corrosive, that it damages social relationships, and that measures of trust and social cohesion are higher and violence is lower in more equal societies. That is the message we must convey as widely as we can. We have an opportunity to change the narrative from simply a moral imperative to enlightened self-interest. I learned a long time ago that the language of morality can sometimes be

a deterrent to achieving moral ends. Enlightened self-interest sells in many instances where public interest does not.

Community philanthropy can support studies and provide objective data that can inform and rich the public discourse without identifying with partisan political advocacy or promoting partisan political activity. At the Heron Foundation on whose board I sit, we take the potential impact of intellectual capital so seriously that we now have a Vice President for Knowledge and Influence. We are not a very large foundation, but we see this as an area in which we can have great impact.

Reputational Capital

A fourth asset of community philanthropy used strategically is a form of capital we rarely think about and is one of the most overlooked and underutilized. It is what Robert Putnam has called reputational capital. Like conventional capital for conventional borrowers, a small local foundation can use its reputational capital as a kind of collateral for those whose formal credentials under state their potential and reliability. An endorsement through a grant, a loan, technical assistance or even high level partnerships is especially helpful to groups that are often marginalized because of the past of those who lead them and the pathologies of those who are served by them. Even a small grant can serve as a good housekeeping seal of approval that can often lead to larger public acceptance and support.

Financial Capital

Finally, there is financial capital, with more and more foundations interested in impact investing. It is important that those of us associated with a foundation examine whether our foundation is making money on the very things that may be undermining our mission. We at Heron have been provocative in this regard in suggesting that not to do this would be a breach of our fiduciary duty of obedience to mission.

When we took the first step, we examined our holdings and asked what do we have under investment. How do our holdings affect our mission to help people to help themselves out of poverty? We decided that we should use our financial assets to try to create good behavior within corporations and financial institutions.

So there you have it. Throughout the world, we see examples of community philanthropy, whether long standing or newly launched, whose donors and staff understand that their uniqueness lies in the ability to go beyond grantmaking to develop and deploy the full tool kit at their disposal. I cannot close these remarks, therefore, without reminding you that this is a time when we need leaders in philanthropy who are willing to take risk and leaders who are not afraid to stand for something. I have been a leader and I have been a manager. As a manager, I prized order, but as a leader I had to be willing to risk chaos. If you are to help shift the power and establish more just communities, you will need to take risks that may disturb your comfort zone; but I know from my experience that times of crisis are also times of opportunity and that when you provide help you also provide hope. This then is your moment. I hope you will be the architects of a new era in which organized philanthropy will once again act wisely and boldly, without fear or timidity.

Over the last half century, I have ended almost every message to leaders in philanthropy by trying to place what you do and who you are in a deeper perspective

than simply the practical and most visible aspects of your work. And there is no better way to remind you of the importance and potential of what you do then to re-emphasize whenever and wherever I can that when you provide help you also provide hope. And to quote Vaclav Havel, “The gift of hope is as big a gift as the gift of life itself.” So when you ask yourself why do you take on the challenges you face, why you do the work you do in the presence of such great odds, I hope you will remember that when you provide help you provide hope and the gift of hope is as big a gift as the gift of life itself.

Thank you and keep the faith.

(Professor James A. Joseph was appointed President Emeritus of the Council on Foundations in 1995 after almost 14 years as Chief Executive Officer. He was a civil rights leader in Alabama and later president of the Cummins Foundation before serving as Under Secretary of the Interior for President Jimmy Carter and U.S. Ambassador to South Africa for President William Clinton. He has also taught at Duke, Yale, Claremont and the University of Cape Town)