

# Diversity in the nonprofit sector

**March 29, 2022**

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

**Do your check-in!**

# 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

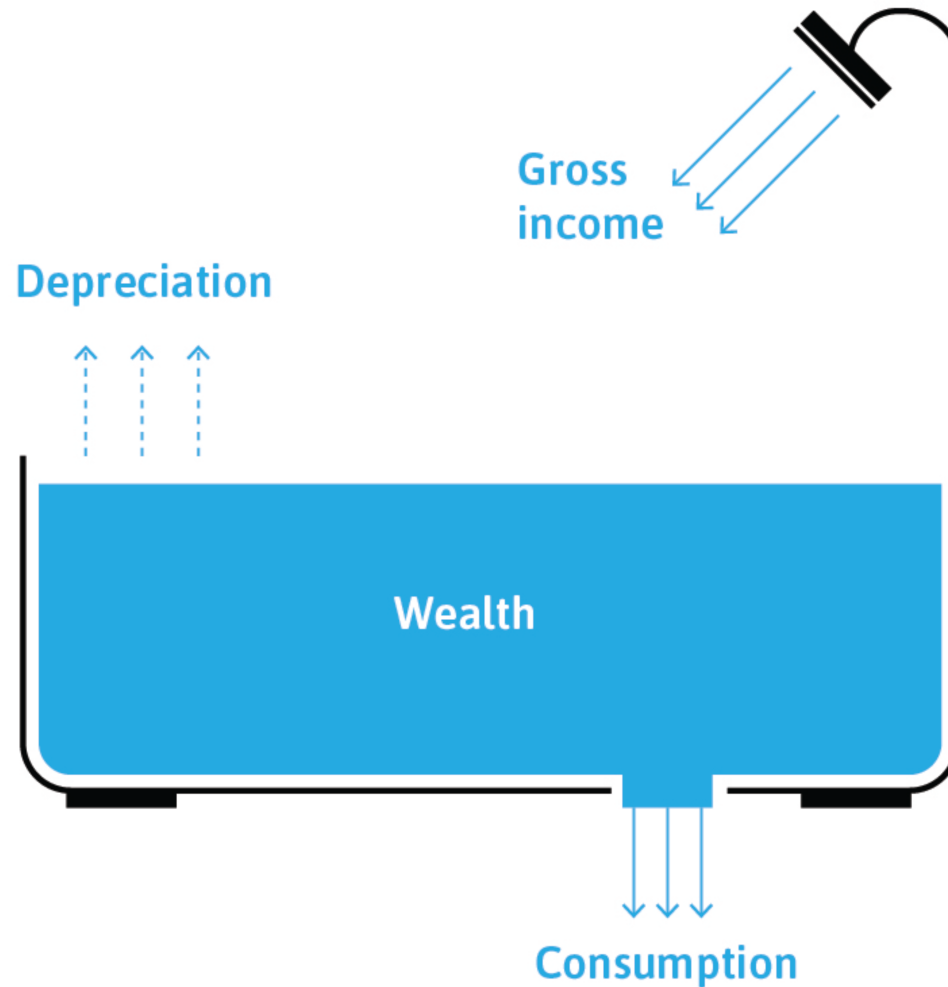
**Income**

**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.”

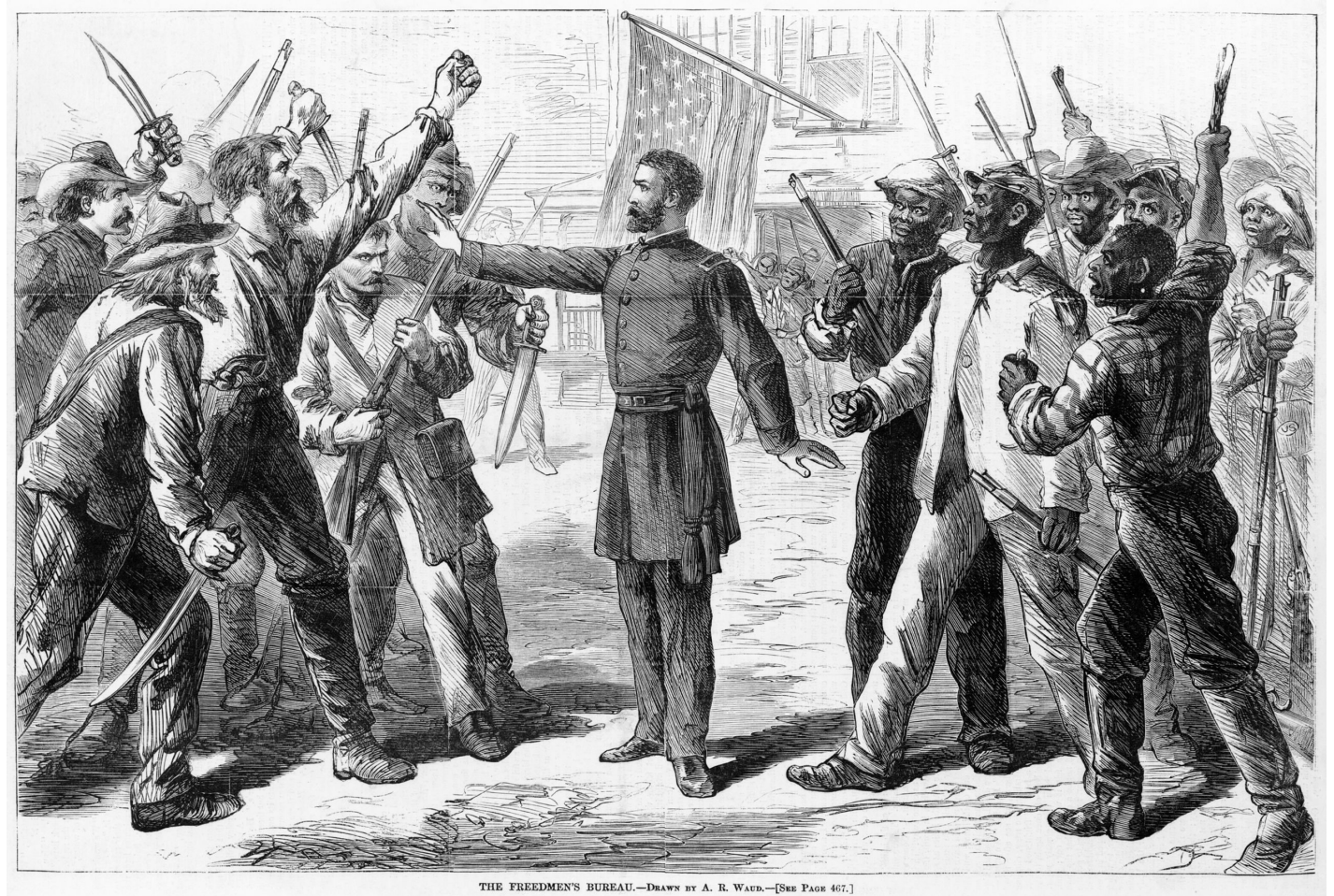
—Martin Luther King, Jr.

May 8, 1967 NBC interview

"40 acres  
and a mule"

The Freedman's  
Bureau

Designed to  
promote assets



THE FREEDMEN'S BUREAU.—DRAWN BY A. R. WAUD.—[SEE PAGE 467.]



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passed, which are inconsistent with any of the provisions of this act, are, for the purposes of this act, hereby repealed, so far as the same are inconsistent herewith.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.

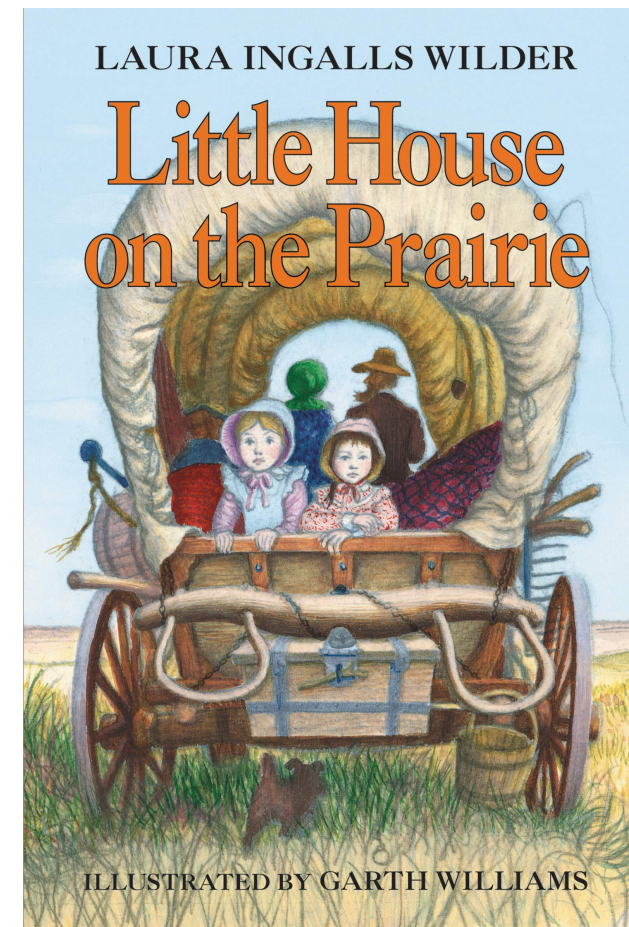
Provision in case of death of applicant, &c.

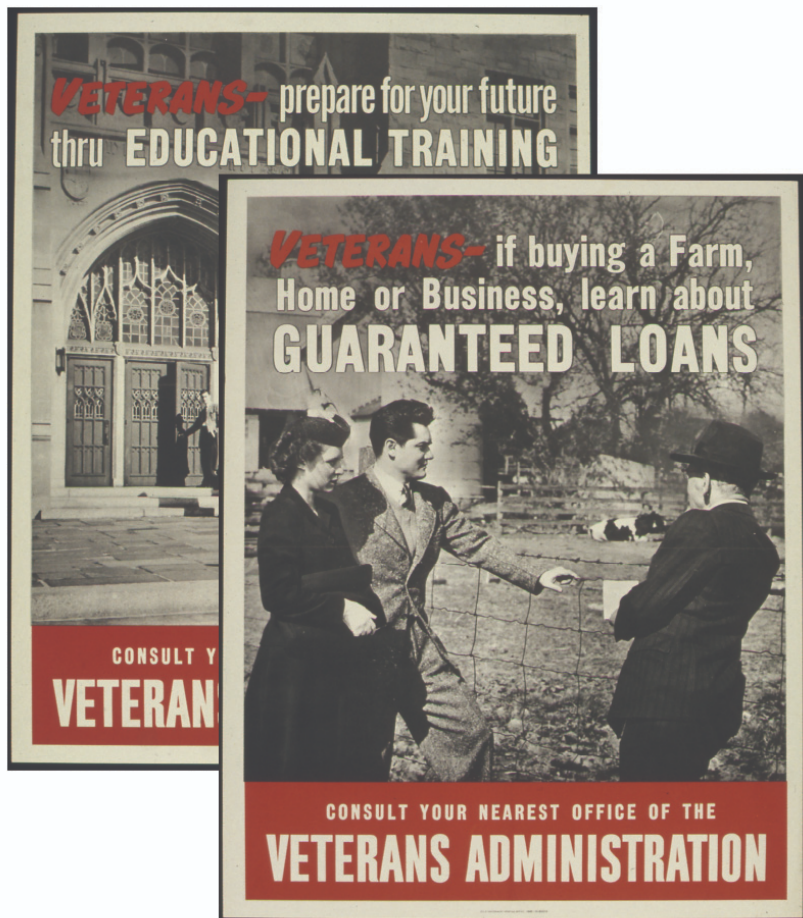
# Homesteading Act of 1862

160 acres in the west

Distributed  
80 million acres  
by 1900,  
mostly to  
white settlers

(Promoted assets)





Designed to  
boost assets

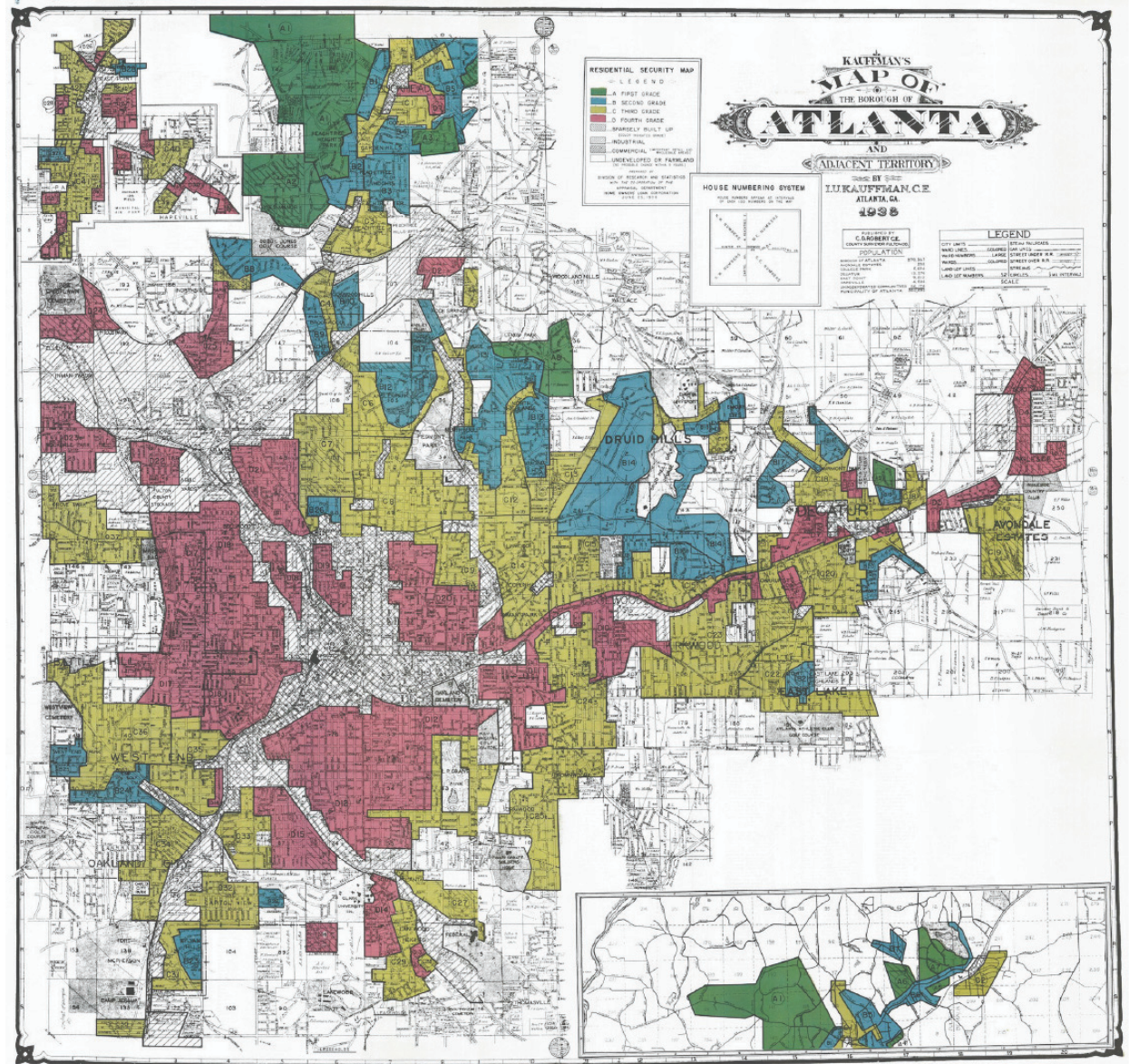
Access to  
programs was  
unequal and  
racialized



Implementation  
of FHA was  
systemically racist

[andhs.co/atl-redlining](https://andhs.co/atl-redlining)

[andhs.co/atl-airport](https://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.

**By Mehrsa Baradaran**

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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  
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Poverty

Free market capitalism

Education

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

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Free market capitalism

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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

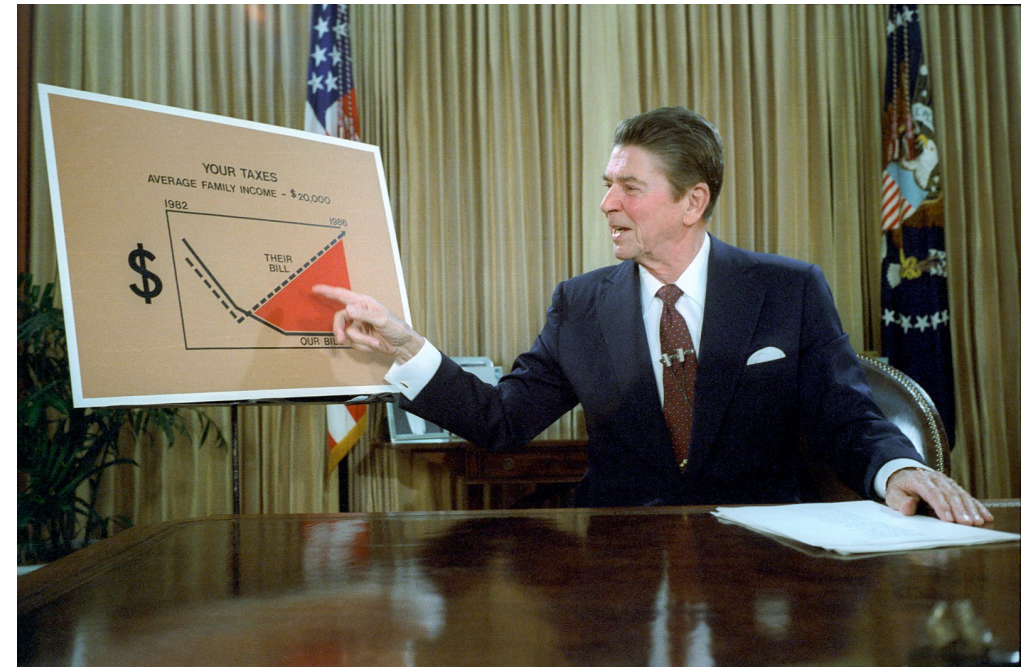
# 1960s—today

## 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...**

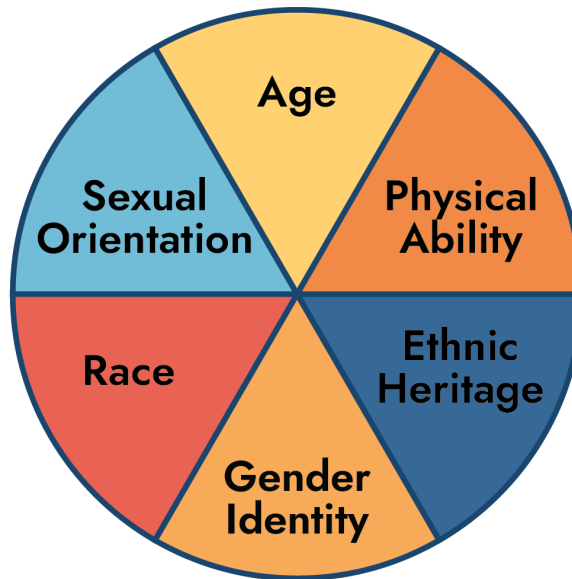
**Organization- and sector-level  
increase in diversity**

# Diversity

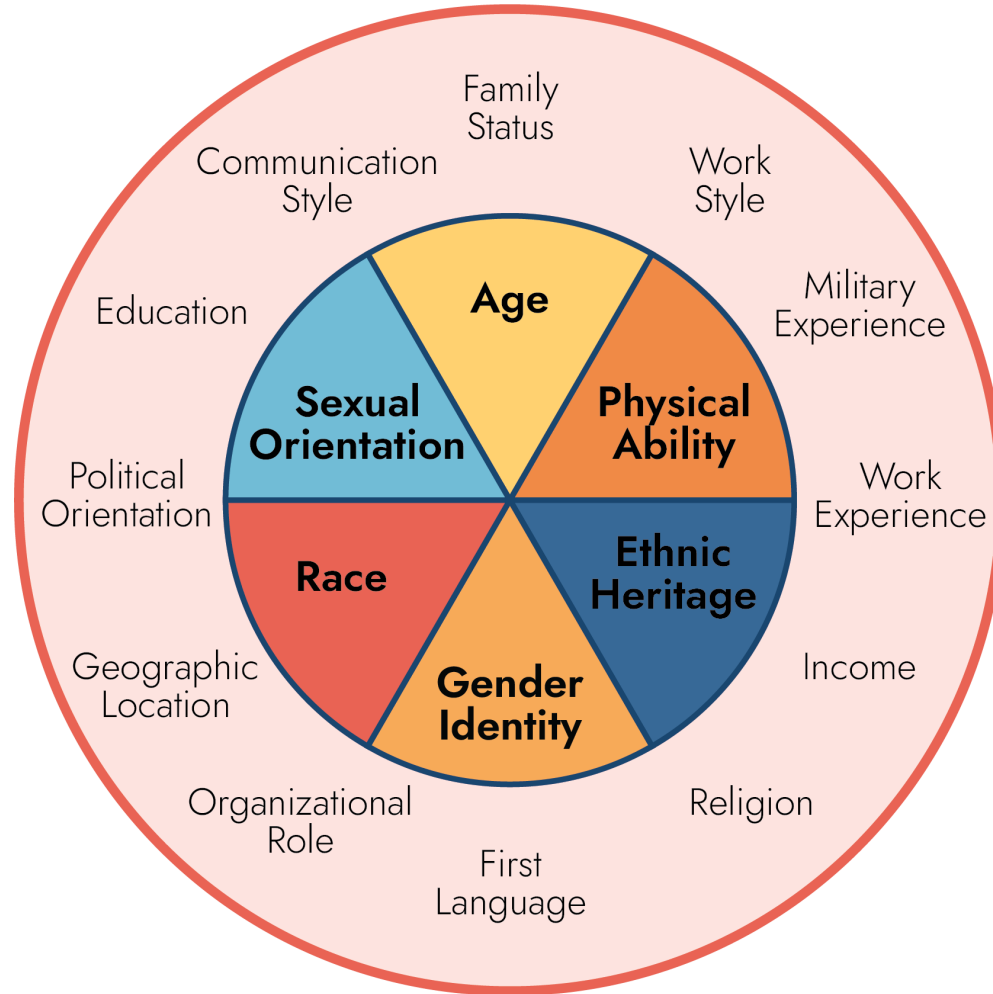
**Diversity is a characteristic of groups,  
not of individuals**

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

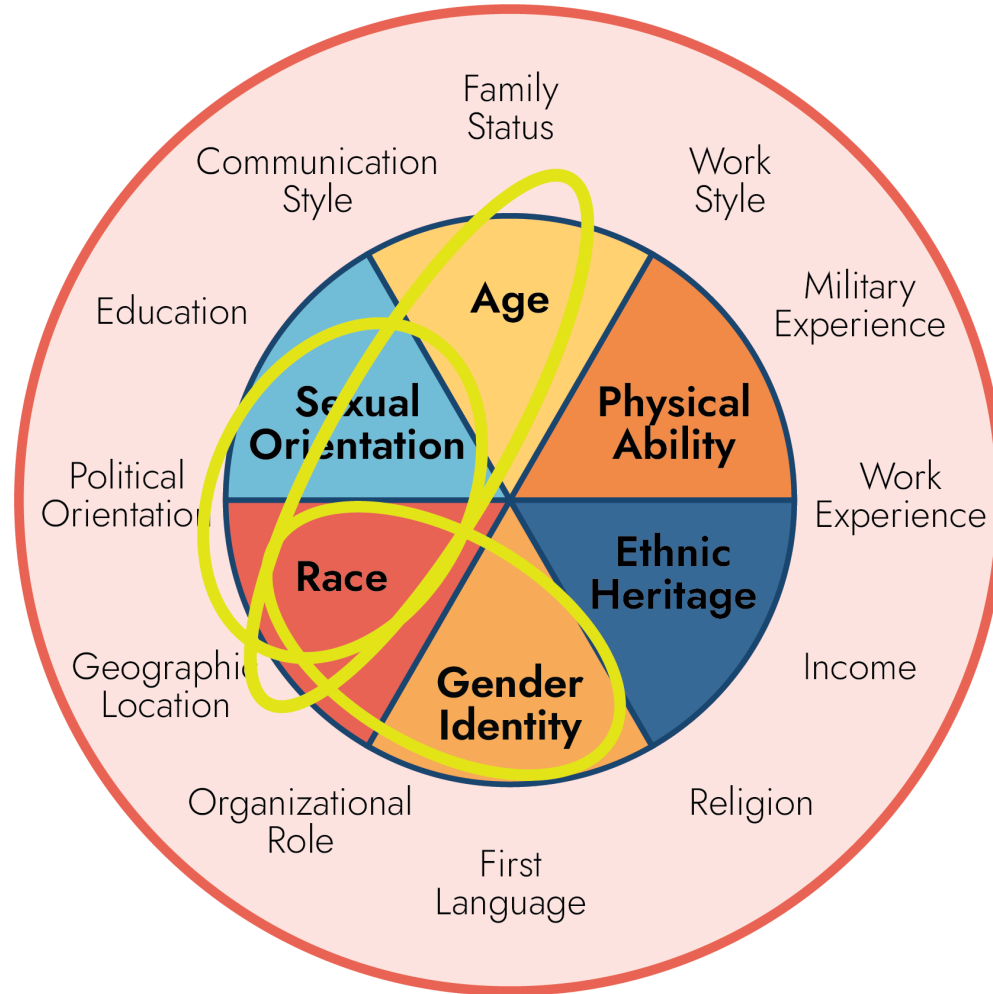
# Primary dimensions



# 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**

**Better pay**

**Staff hiring practices**

**Client advisory boards**

**Volunteer management**

**Clear channels of communication**