



**REALIZING
ECONOMIC
JUSTICE**

Confronting
Racial Bias in
Asset Building
Philanthropy



**ON THE ROAD
TO RACIAL AND ECONOMIC JUSTICE**

Essential Questions for Addressing Racial Bias in Asset-Building Philanthropy

Acknowledgments

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ON THE ROAD TO RACIAL AND ECONOMIC JUSTICE

Essential Questions for Addressing Racial Bias in Asset-Building Philanthropy

AFN developed the *On the Road to Racial and Economic Justice* funder primer to help asset-building funders navigate and to expand our commitments toward realizing racial and economic justice. We do this together as part of a learning community working toward mission fulfillment. This primer is meant to support you, wherever you are, on your own journey toward achieving racial and economic justice through deep reflection and focused intention. We hope you use this primer to support level setting, shared analysis, and a framework for reflection as the first step toward action within your asset-building-focused grantmaking.

Introduction

MOVING FROM SOLIDARITY TO SYSTEMS CHANGE

There is no perfect way to begin a journey toward realizing racial and economic justice in grantmaking.

Amid a pandemic and racial justice uprisings, many leaders in philanthropy made statements of solidarity with people of color and pivoted funding to be more responsive and accessible to the most impacted communities, which meant investing millions of dollars in pandemic relief grants to Black, Indigenous, Latinx, Asian and Pacific Islander, and Southwest Asian and North African people. Some in philanthropy have begun to transform these statements of solidarity and emergency relief grants into sustained action toward racial and economic justice.

Moreover, the urgency for sustained transformation in 2022 and beyond is apparent as we respond to an insurrection that exhumed the racial hatred still deeply rooted in our nation's politics and reckon with recent high court rulings that threaten to widen racial and gender wealth gaps. This transformation toward a more racially and economically just society demands that we intentionally invest in work led by people of color to build resiliency, and more radically, to address the root causes of racial and economic inequity through systems change. We also acknowledge that, as a sector, philanthropy has been complicit in the systemic accumulation and concentration of wealth in the hands of a few. It is our duty to correct this in our grantmaking if we want to realize economic justice fully and authentically.

Racial justice requires economic justice; economic justice requires racial justice, and a catalyst to realizing both is asset-building-focused philanthropy.



Building upon racial equity grantmaking best practices and recommendations from our sector, as well as AFN's corpus of work related to race-conscious asset-building philanthropy, AFN developed the *On the Road to Racial and Economic Justice* funder primer to empower our network to deepen our reflective practice and spur action toward achieving racial and economic justice.

This primer is meant to support you, wherever you are, on a journey toward achieving racial and economic justice with clear and deep intention.

It is absolutely intended to instigate action, so the reflection questions offered at the end of each section are not rhetorical but are meant to be used and adapted into your organizational strategy sessions, weekly team meeting agendas, and conversations with grantees and partners in philanthropy. We define terms in our shared language document to support level setting across your organization and the ecosystem.

THE CONTENT OF THIS PRIMER INCLUDES THREE SECTIONS:



MAKING THE CASE: HOW RACISM CONTRIBUTES TO ECONOMIC INJUSTICE

As asset funders who care about our collective economic prosperity, we must do our part to secure economic justice for and with people of color who have been systematically excluded from wealth building.



WHAT IS RACIAL BIAS IN PHILANTHROPY?

Many common philanthropic practices perpetuate bias within our sector and disadvantage initiatives led by people of color. There is no perfect way to begin a journey toward realizing racial and economic justice within our organizations and sector. It will be messy; it will be uncomfortable; it will be rewarding; and it will require courage and vulnerability.



THE RACIAL WEALTH GAP AND THE RACIAL FUNDING GAP ARE INEXTRICABLY CONNECTED

Just as the racial wealth gap persists, so too does the racial funding gap. Structural racism and implicit bias within philanthropy limit the amount of power and resources allocated to the work led by people of color, even though that is where our resources could have the greatest impact.

We recognize that grantmaking practices focused on racial and economic justice vary, depending on philanthropic focus, geography, populations served, and emergent events, so this primer does not seek to provide universal actions or plans for achieving racial and economic justice through grantmaking. **We instead offer reflective prompts with the goals of supporting our network in level setting and actualizing individual organizational frameworks for reflection, change, and action.**

We recommend using this primer alongside our brief, *From Relief to Resilience: Reimagining Reinvestments*, which provides concrete asset-building policies, strategies, and actions that support Black, Latinx, Indigenous, and Asian and Pacific Islander people who suffer because of historically and systemically entrenched financial disparities. Our forthcoming publication, *Learning in Action: Advancing Racial Equity in Asset-Building Philanthropy*, presents a series of case stories featuring how five different AFN members are incorporating economic justice and equity into grantmaking, policies, and operations. The case stories' five themes focus on how funders are tackling the issue of economic justice and the areas in which racial equity intersects with the grantmaking process and internal practices.

This primer complements additional resources on AFN's *Realizing Economic Justice (REJ)* platform. REJ is a series of activities, educational offerings and programming to present funding strategies and philanthropic practices members can use to confront and address racial bias in economic security and asset-building philanthropy. Because we believe that learning and action can take place simultaneously, we also want to highlight [AFN's Equity Amplifier Directory](#) as a resource to connect grantmakers with diverse organizations and communities in their region. This [searchable directory](#) leverages the connections of the AFN network to expressly highlight AFN member grantees focused on building economic security and asset building by, for, and with communities of color.

We aim to support our members, our sector, and ourselves, in looking inward to question how we define our priorities and whom we support through funding. By adopting this reflective framework, we seek to surface the questions we must continuously ask to fulfill our missions of becoming anti-racist asset-building grantmakers who understand that we must take action to champion race-conscious policies at the individual, institutional, and structural levels.

There is no perfect way to begin a journey toward realizing racial and economic justice. Learning and doing can, and should, happen simultaneously. Let's act from where we are today, so that tomorrow, race will no longer determine life outcomes for anyone.

INTRODUCTION

Reflection Questions

Addressing these questions will help create a baseline for your current context and journey as you move through the primer.



SEEKING RACIAL ECONOMIC JUSTICE

What does racial justice mean to us, and how is it informing our work?

- What becomes possible when racial justice is a priority within our philanthropic strategies?

What does economic justice mean to us, and how is it informing our work?

- What becomes possible when economic justice is a priority within our philanthropic strategies?
- Do you think of economic justice as the same, adjacent or parallel to, or intersectional with racial justice, and why? Is that the same or different from your peers?

What do we know about:

- How the qualities of and conditions for racial justice and economic justice inform and impact each other?
- How we can advance strategies that take advantage of this bidirectional relationship?

FROM WORDS TO ACTION

Have we translated our organizational statement of solidarity with people of color into action through funding?

If we have:

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- Name and describe the organizational policies that advance racial justice.
 - Name and describe the organizational policies that advance economic justice.
 - How can we more intentionally connect the policies that advance racial justice and economic justice?
 - What will we do to hold ourselves accountable?

If we have not:

-
- What's holding us back from advancing policies and systemic change that advance racial and economic justice?
 - What actions will we take to change this, and what is our timeline?
 - What will we do to hold ourselves accountable?

Are we simultaneously acting and learning by immediately allocating resources to racial and economic justice grantmaking? Is our approach to social investments effectively focused on racial and economic justice?

How will we create and share our commitment to realizing racial and economic justice honestly and transparently with our stakeholders – board, staff, grantees, the community at large?

POWER AND ACCOUNTABILITY

How are we reimagining and redefining power and accountability to achieve racial equity and justice?

- How are we explicitly and intentionally including and empowering people of color in the design of our policies and strategies to close the racial wealth gap?
- How has accountability historically been evidenced within our organization?
- To whom have we been accountable in the past? Currently?
- How might accountability shift or become more inclusive when we prioritize racial and economic justice?
- When we shift or expand to whom we are accountable, what will change about the ways in which we select grantees or how we evaluate changes?

SUSTAINING THE WORK

To sustain this work, we must regularly ask:

- How are we incorporating anti-racist grantmaking practices into every level of our work as an ongoing commitment?
- How are we prioritizing racial justice in our philanthropic investments to address asset building and systems change? What can I actively do to sustain these efforts?
- What will it take to adopt organizational processes that will hold us accountable for advancing racial and economic justice?