Cast Your Vote Funders, Grantees & the Electoral Debate

In the midst of the red, white and blue of election year it’s often difficult to keep abreast of the presidential race issues, let alone the grassroots struggles going unmentioned on CNN. Harder yet, is to understand that the two are interrelated, and that we need to take an active role in the political arena locally and nationally in our work toward lasting social change.

Avoiding electoral politics isolates us from defining moments to have the maximum impact on the issues we support. We have seen it happen with statewide regressive ballot initiatives, citywide workers’ campaigns and local housing rights efforts. In this NetworkNews, Nan Aaron of the Alliance for Justice reveals the do’s and don’ts of election related activities for funders and nonprofits, while Madeline Janis-Aparicio with Laura Joseph of the Los Angeles Alliance for a New Economy recount how community organizations are altering local politics to further the democratic values essential to make government respond to existing social needs.

The essence of democracy lies in the ability of communities to take action. Our role as activists and funders is to re-ignite the flame that allows people to solve their own problems and work to ensure that they have the power and opportunity to do so. By supporting public education and civic participation our goal is to give voice to those otherwise unheard. Philanthropists and community organizations operating within the parameters of admissible support and involvement in advocacy work can further the professional goals of both worlds and reaffirm the belief that government, not philanthropy, bears the greater responsibility to better society.
Election Season — An Opportunity for Grantmakers and Grantees

Nan Aron Alliance for Justice

Election season is a prime opportunity for nonprofits to capture the attention of the public — and of candidates — on public policy issues. Nonprofits, with support from grantmakers, have often served as the catalysts that push critical matters into the limelight. On issue after issue — civil rights, family leave, gun control, the environment — nonprofits have helped to force the discussion and ultimately, to get the candidates to address the issues.

Yet, it remains all-too-common wisdom among nonprofits that involvement in any kind of election related activity is forbidden to public charities. While “partisan” electoral work is prohibited by law, there are many related activities such as voter education and getting out the vote that nonprofits can do and foundations can support.

For example, this year, some grantmakers are supporting voter education on a range of issues (including voter education via the internet), youth participation in increasing voter registration and other election related work. Many other grantmakers, however, are still unaware that they can play in this arena.

Opportunities for 2000 and 2002

It is an opportune time for nonprofits to raise important issues, organize candidate debates and disseminate candidate questionnaires for the elections in 2000 as well as to begin planning for the next cycle in 2002. And community foundations have the same leeway to actually participate in these activities, as do nonprofits.

There are plenty of valuable activities that can be done without favoring one candidate over another. The key word for nonprofits to keep in mind is “nonpartisan.” Here are some examples:

Voter Registration and Get Out the Vote: With participation in elections at an all-time low, activities that encourage people to vote are important for the future of the democratic process. Nonprofits can conduct these efforts, as long as their campaigns are designed solely to educate the public about the importance of voting, and do not show bias for or against a particular candidate or party. Low-income, minority, low-turnout, homeless and student populations are acceptable targets for a voter registration drive, but not people who belong to a particular political party, who voted a particular way in the past, or who are in a district where the race is likely to be close. Activities related to increasing voter registration are also legitimate for public charities to conduct.

Voter and Candidate Education: There are numerous, perfectly acceptable ways of educating both voters and candidates on the issues. Sponsoring debates, developing candidate questionnaires, holding issue briefings for candidates and holding training sessions are among the possibilities. Again, the key is to be impartial.

Creative Approaches to Involve Youth: Young people are staying away from the voting booth in droves. According to a recent Aspen Institute study, less than one third of young people aged 18-24 voted for President in 1996, and less than one fifth voted for Congress in 1998. Here is an opportunity for funders to get creative, using the election year as a springboard for expanding foundation involvement in the key democratic systems of our country and reversing young people’s disenchantment with the electoral process.

Ballot Measures: A great deal of activity occurs in election years quite apart from the candidates running for public office. Initiatives, referenda, and constitutional amendments account for a substantial share of the voters’ attention and interest. Nonprofits can play a role in educating the public about the issue or issues at stake in a particular measure.
Are National Politics Relevant to Local Grassroots Organizing?

Madeline Janis-Aparicio & Laura Joseph
Los Angeles Alliance for a New Economy

As the country heads into election season, local activists are asking the age-old questions: Are politics — and especially national politics — relevant to economic justice and anti-poverty organizing? Aren't those Republicans and Democrats all just the same anyway: defenders and representatives of the most wealthy and powerful?

In the past five to ten years, we have seen a resurgence of grassroots organizing throughout the country. The poorest service and manufacturing workers are standing up to huge multinational employers and demanding a living wage, respect on the job and a union. Low-income communities are standing up to developers and demanding justice and real economic development for their neighborhoods. Parents are fighting for better schools and immigrants and low-income people of color are organizing for civil liberties and respect in the face of widespread law enforcement harassment. Unions and community groups, churches and small businesses are working together for the first time in many years, to achieve shared objectives.

Back to this question about the relevance of politics. Politics is power and power — together with good organizing, effective research, bold use of the media — can help us not only change our communities but, eventually, our country. As we begin to build a locally-based movement for economic and environmental justice, we believe that politics and policy have a vital role to play in our success. The involvement of legions of low-income people in local politics is helping to transform the terms of the debate in dozens of cities across the country. Our own work illustrates the potential uses of local political involvement to achieve economic justice objectives.

Here in California, the Los Angeles Alliance for a New Economy (LAANE) led the successful campaign for a Living Wage Ordinance, adopted by the L.A. City Council in 1997. Since then, LAANE has refined its successful strategy — a combination of research, policy development, grassroots organizing, coalition building and advocacy — and has involved thousands of people in Los Angeles politics for the first time. In partnership with labor, we have seen 5,000 formerly minimum-wage workers at the L.A. International Airport earn a Living Wage and many of them achieve respect on the job through a union. We have also used the political process effectively as the fulcrum for leveraging policies that benefit workers — whether through policy or the administrative process.

Throughout the campaign for the Living Wage Ordinance, and in the work to implement it, low-wage workers have been empowered by participating in the political process: meeting with council members, testifying at council meetings and influencing decision-making.

An unforgettable illustration of this occurred in December 1998 when LAANE sought to amend the L.A. Living Wage Ordinance to impact as many workers as had been hoped. For weeks prior to the crucial vote, worker delegations visited council members and talked about their lives and the importance of a Living Wage to their families. As a result of these meetings, during the discussion of the amendments, member after member of the City Council spoke emotionally about the importance and justice of the Living Wage. The amendments passed unanimously.

In Santa Monica, the living wage movement was inspired and propelled by the workers in the city's tourism industry and their fight for living wages and decent working conditions. These workers, with their allies in the community, are now going toe-to-toe with the luxury hotel industry, resulting in the greatest level of civic involvement since the rent control battles of the 1970s.

All this begs the question: Are national politics relevant to low-wage workers and their communities? Following the same logic that applies to local politics, national politics could be relevant. Changes in the federal labor law to make it easier for workers to organize are an important goal. Amendment of federal legislation to enable localities to mandate employer-paid health

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erenda, state constitutional amendments, city charter amendments, bond measures and declarations of policy all involve passing laws, not selecting or removing public officials. Nonprofit organizations can express their views for or against such ballot measures with more flexibility. These activities are considered lobbying by the IRS, not electoral work.

**Surveys of Public Opinion and Focus Groups:** These can be powerful tools for addressing issues of concern. But the data must not be used to influence an election — for example, by turning the data over to a candidate’s campaign committee.

**Prohibited Activities**
Public charities must consider if in light of the message, the target and other circumstances, does the activity support or oppose candidates for office? The Alliance’s advice is to stay clear — and make sure your grantees steer clear — of anything close to partisan support or opposition. Here are some examples of no-no’s:

- Issuing negative comments about someone running for re-election (as opposed to comments about the issue being discussed).
- Sponsoring a political action committee to support or oppose candidates.

**Distributing partisan campaign materials or providing space for political tables at events (unless equal access is given to all contenders).**

- Paying for candidate questionnaires or voter guides that put one candidate in a better light than another or that reflect the organization’s own agenda.

**A Valuable Opportunity**
The Alliance for Justice is in the midst of carrying out major public education campaigns on gun safety and judicial selection this election season. Other organizations are asking politicians specific questions in topical areas such as the environment, reproductive rights and gay/lesbian issues.

But there is more to be done, and a much wider audience of grantmakers who still need to get the message. Nonprofits have a key role to play in advancing important policy. They traditionally serve constituencies and issues that have a limited voice in the policy process. They frequently have the best, or the only, information on the social needs they exist to address. And they are less subject to self-interested motivations.

**Why is electoral work important for nonprofits?**

- Because the election process is still the most central, open and important forum for public debate and decision-making.
- Because involvement in the electoral process generates a greater commitment to solving problems in communities and society at large.
- And because wider participation in electoral work by all segments of society helps to build connections to communities and nationally. The election season is a valuable opportunity in the political cycle — don’t let it slip away.

The Alliance’s publication, *The Rules of the Game: An Election Year Legal Guide for Nonprofit Organizations* is available for order. Tel (202) 822-6070, Fax (202) 822-6068, E-mail: HN5866@handsnet.org

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insurance would directly benefit working families, almost 40 percent of whom are uninsured. Modification of "welfare reform" to eliminate the use of welfare recipients as sub-minimum wage workers would strengthen workers' ability to negotiate for higher wages. And increases in the minimum wage are always relevant to low-wage workers.

But, can unorganized workers and low-income communities impact national politics? We think the answer, for today at least, is no. Even organized labor, for all its campaign contributions and voter mobilization, could not stop trade agreements that it opposes strongly. So participation in national politics has the opposite effect of that described above in the local context: It leaves workers feeling powerless.

However, we should not abandon national politics. Just as at the local level a permanent movement and structure are needed to make a Living Wage policy effective, in the absence of a grassroots base and strong infrastructure for a national movement, any policy victories would be short-lived and empty. It is important to note that LAANE is not the only organization that is doing this type of work at the local level and that we are networking and providing mutual support and assistance. We are very close to the time when we will create coalitions of local groups to affect policy on a regional or state and, eventually, national level.

In reaction to our Santa Monica Living Wage proposal affecting workers in the large hotels in the city's tourism zone, the multinational hotels have put a measure on the November ballot that, disguised as a "living wage" policy, would prevent the City Council from enacting any wage legislation — ever.

Activists and funders must play a leadership role in defeating this unprecedented threat to the Living Wage movement nationally. To bring people together to challenge the companies that dominate the local economy, to support worker organizing and to advocate for economic justice for workers and their communities is an effective way to fight against poverty and the wealth gap. In recent years funders have provided us with long-term commitments, large grants and general support funding. We have been able to wage this battle with foundations that have stepped forward to fund this local political work. And from this work, we believe, a national movement will eventually emerge.

Although all politics are not local, those that matter most to our work for the immediate future are.

Madeline Janis-Aparicio is the founder and Executive Director of LAANE and a leader in the movement for economic justice for low-wage workers and Laura Joseph is the Director of Finance and Administration for LAANE and is responsible for foundation grants.

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**Leading By Example**

As we encourage NNG members to increase their payout by 1% More for Democracy, we would like to recognize those making a significant contribution to help empower and support communities and organizations whose voices have been traditionally unheard in the democratic process. In the philanthropic community we have remarkable institutions that are committed to payout to the maximum capacity of their organization, whether their objective is to exist in perpetuity or to spend out within a donor's lifetime.

The Rose and Sherle Wagner Foundation is a private, family foundation in New York with assets of approximately $5 million that funds community organizing and youth programs. While currently they do not have a specific payout policy, Executive Director Amy Wagner comments, "Even though we have not paid out well above 5 percent over the past few years, we have committed to paying out more this year. We are talking about the role we play and have questioned how foundations can stick to such a small percent when there is so much money and so much more work to be done. The main underlying value is that it is wrong for this money to keep accumulating. It certainly doesn't serve the family anymore by sitting there; it needs to go into the hands of community programs where it will do good. Our commitment is to fund work that needs to be done now."
Changes in the Network

At the Unitarian Universalist Veatch Program at Shelter Rock (Shelter Rock, NY), Anannya Bhattacharjee has been appointed as Program Officer.

Kanyere Eaton is the new Executive Director of the Sister Fund (New York, NY).

Marjorie Fujiki has left the David and Lucile Packard Foundation (Los Altos, CA) where she served as Program Officer for the Organizational Effectiveness and Philanthropy Program. She is joining the Peninsula Community Foundation (San Mateo, CA) as Senior Program Officer.

Deborah Holder has announced her resignation from the Unitarian Universalist Veatch Program at Shelter Rock (Shelter Rock, NY) where she has served as Program Officer.

Kathleen Lee has joined the Tides Foundation (San Francisco, CA) as Program Officer.

The California Wellness Foundation (Woodland Hills, CA) has announced that Tawnya N. Lewis has joined as Program Officer for Violence Prevention.

Athan Lindsay has left the Mary Reynolds Babcock Foundation (Winston-Salem, NC) to move on to Davidson College.

June Makela is now Program Director at the Norman Foundation (New York, NY).

Sushma Raman, Program Officer with the Open Society Institute's Emma Lazarus Fund (Los Angeles, CA), has been nominated and selected for a fellowship through the German Marshall Fund’s Memorial Fellowship.

After seven years, Christina Regalado is leaving the Los Angeles Women’s Foundation (Los Angeles, CA) to join The California Wellness Foundation (Woodland Hills, CA) as a Senior Program Officer for Special Projects.

Rebecca Reichman has left the San Diego Foundation (San Diego, CA) and is working as a consultant for nonprofits.

Rebecca Riley is leaving the John D. and Catherine T. MacArthur Foundation (Chicago, IL) where she has served as Vice President for Civic Affairs.

Nan Langen Steketee has resigned as Executive Director of the Center for Responsible Funding (Philadelphia, PA) to move to the San Francisco Bay Area.

The French American Charitable Trust (San Francisco, CA) has announced that Elizabeth Tan has joined as a Program Officer.

Rev. John Vaughan is the new Executive Director of the Peace Development Fund (Amherst, MA).

Our Newest Members

NNG is a membership organization. Our direction and work comes from the ground up — our members. Welcome to our newest members!

Maya Ajmera, Executive Director, Global Fund for Children • Constance Crosson, Deputy Director, Philanthropy Department, Rockefeller Financial Services • Kathleen Lee, Program Officer, Tides Foundation • James Lokey, Director Business Development, TEXANA Mental Health & Rehabilitation Center • Jaylene Mosley, Managing Director, Flintridge Foundation • Brina-Rae Schuchman, Schuchman-Orent Fund • Wm. Myles Taylor, Wellspring Advisors

Longtime peace activist and NNG member Cora Weiss of the Samuel Rubin Foundation was recently nominated for the Nobel Peace Prize. Her accomplishments include her work with the Hague Appeal for Peace.
My parents are passionate about voting. It is a passion they share with other eligible voters in Puerto Rico where the voter participation rate is almost 90 percent. I envy their passion.

I have thought of them often this summer as I drive into work listening to radio news coverage of “R2K,” “D2K,” the “Shadows,” the “Greens” and warring factions of the Reform Party. The experts declare nonchalantly that we are in “anti-political age.” While their nonchalance troubles me, I can’t deny that apathy and distrust are becoming too common a response to government and the political process in this country.

In the Sunday paper I read that while Bush and Gore have spent $150 million on their campaigns, Americans just aren’t paying attention. The reason? The elections are boring and dull. They lack “drama.” People would rather watch “Survivor” than the conventions. “Survivor?” It takes me a moment to remember that “Survivor” is a televised modern day gladiator spectacle, a contest for a $1 million prize among a group of people marooned on a deserted island.

I turn a few pages and read about pac.com, a group formed by Silicon Valley businessmen to influence centrist Democrats. One of the pac.com founders comments, “Priced today, politics is the bargain of the century. For $10 million you could do anything.” The cynicism is jarring.

What breeds such apathy, distrust and cynicism? The reasons are shaped by our expectations of government and understanding of its appropriate role in a democratic society.

As members of NNG we share a vision of social and economic justice. Many of us hold government responsible for securing and guarding that justice and roundly criticize its failure to do so. While we accomplish a lot as activists and funders, we recognize that government has the potential to reach the most people and spread the most opportunity. At the moment, this may be a distant hope. Certainly, with voter participation rates dipping below 50 percent, many funders are suffering from what Geri Mannion of the Funders Committee on Civic Participation recently labeled “the same kind of fatigue about election issues as the public.” Still, we cannot abandon our efforts to rekindle the passion for voting in this country.

Among the reasons I avoid funder fatigue is Californians for Justice (CFJ), a statewide grassroots membership organization that is building power for people of color, immigrants, women and young people. CFJ has organized opposition to a number of regressive ballot measures in California beginning with the anti-affirmative action campaign. While that measure won at the polls, it was defeated in the over 1300 precincts where CFJ organized.

I also draw hope from my parents’ experience. During the 20 or so years that they lived in New York when I was growing up, they never voted—not once. Initially they were kept away from the polls by written English literacy tests, but even after those tests were abolished, they still didn’t vote. Thirty years ago, they returned to Puerto Rico and since then have voted each and every year. If their passion for voting could be rekindled, so can others.
I recently had the opportunity to attend the International Society for Third Sector Research conference. That experience, coupled with the spate of press articles about the trends in philanthropy got me thinking about who gives, what and why?

The giving patterns of America's grantmaking organizations and individuals are highly documented in the philanthropic and mainstream press. Foundation giving reached $22.8 billion in 1999, an estimated 17.2 percent increase over 1998; while assets rose 16.7 percent. The scope of grants' size is increasing, 1998 saw over 350 foundation grants of $2.5 million or more. Almost nine out of ten foundation grant dollars, goes to U.S.-based programs, with education receiving the largest share.

Giving in the U.S. is dominated by individuals. The latest Giving USA survey indicates that, when bequests are included, individuals accounted for 83 percent of total donations in 1999. Americans on average give 3 percent of their incomes to charity, with 27 percent of all U.S. individual tax returns including write-offs for donations in 1999. This "typical" donor tends to contribute to local and individual concerns such as schools, church, arts organizations and so forth.

All in all, the largesse of the philanthropic world is peculiarly American. It has the potential to mislead the public that the private sector can and should take on the responsibilities previously assumed by the state. The Third Sector Research conference provided an opportunity for cross-cultural comparison of the place of giving in civic life. One interesting contrast is the far less localized approach to giving in other societies. In Western Europe for example, the greatest source of charity is international aid. The collection box, door-to-door solicitation and sponsored walks remain the typical channels for donations and the national lottery provides a sizeable source of charitable income.

Another telling distinction is the tax incentives associated with giving. A major reason for giving in the U.S. is the tax incentive to the donor. In Britain, there are no tax benefits to the donor. Rather, for gifts of $300 and over, the recipient organization applies to the Internal Revenue for the amount the donor would have owed on the sum. Some lessons, perhaps, are worth importing!

For us, philanthropy is a fact of life. Yet this culture of giving is not as entrenched in societies with a fundamentally different view of the role of the private and public sectors. I can't help but think that the concept of social change philanthropy, which we at NNG struggle to elaborate for the media and general populace, would be far more likely to resonate with non-U.S. audiences. Indeed, the alternative public charities, women's funds and other identity-based funds that make up the progressive funding movement are beginning to gain attention outside of the U.S. The model of publicly-raised money, democratic governance and grantmaking focus embodied at these institutions are more likely to translate in cultures that still have to be convinced of the efficacy of private support for basic human services. Within the U.S., NNG and the progressive funding community continue to argue that the principles of community-based, diverse and democratic grantmaking must not remain marginalized but need to become part of the philanthropic mainstream.