



FAQs for Philanthropists **to Defend Diversity, Equity & Inclusion (DEI)**

From civil rights to gender rights to labor rights, DEI is a centuries-old movement dedicated to upholding the freedom of all Americans to access life, liberty and the pursuit of happiness. Currently, there is a multi-pronged attack on DEI efforts taking place across the country that attempts to roll back years of progress and restrict access to the American Dream.

American Pride Rises is here to support philanthropic funders like you in championing DEI.

Below are key questions that we have been asked, and answers that will help you **feel empowered to stand by your DEI commitments through funding, programming and operations.**

Q1: I want to talk about DEI in a way that will resonate across my organization.

What messaging should I use?

First, it is key that you communicate how vital DEI is to your overall philanthropic strategy — it is not a “nice to have” that is only relevant to certain grant streams, or — internally — it should not only be the concern of your Human Resources Department. Make it clear that DEI is necessary for hitting your shared goals for impact and success as an organization.

Second, DEI is not a collection of recent policies that can be reversed without consequence. If DEI is not considered in how we operate organizations and in decisions over access to capital, we undermine the promise of America, and our leadership as organizations and as a nation.

- **Diversity simply means all people.** Organizations that reflect the diversity of America are best positioned to tap into the brain power, resources and cultural capital that each community holds. Without diversity, American organizations risk losing top talent, relevance and loyalty in a fast-moving global economy.
- **Equity is fair access to opportunity.** America was founded on the idea that everyone should have a fair chance at success. Without equity, the promise of opportunity fades away for hard-working Americans everywhere — and if that promise fades, so does our country’s competitive edge.
- **Inclusion is participating in the American Dream.** We are made stronger when we use our collective knowledge and skills to move our nation forward. If we abandon efforts to strengthen inclusivity, we risk limiting our country’s talent pool in education and business, thus hindering progress, innovation and leadership. Inclusion is not the same as “preference” — simply because someone has an opportunity does not mean it was taken from another.



Q2: What is at stake if philanthropists back off from DEI in their funding strategies?

Deemphasizing or defunding DEI from philanthropic strategies will directly lead to greater inequity across the United States; and it will undermine your mission. In addition, standing down tacitly validates attacks on the core imperatives of justice and equality.

- **Weakening the public commitment to your mission and values**
 - Martin Luther King Jr. said, *"Philanthropy is commendable, but it must not cause the philanthropist to overlook the circumstances of economic injustice, which make philanthropy necessary."* In short, philanthropies must make DEI central to their work to avoid being complicit in extending existing, systemic inequities and generational wealth gaps.
- **Fracturing historical understanding of your legacy in society**

"Philanthropy plays an essential role in shaping the marketplace of ideas... diversity in philanthropic giving can help shape and inform discussions about the most important issues of the day. It is through this diversity that philanthropy can proffer, study and test a multiplicity of ideas and approaches to confront society's greatest challenges." — Darren Walker & others, Ford Foundation.
- **Abandoning philanthropy's vital, unique role in catalyzing progress in the USA**
 - Philanthropy has a unique opportunity in society to act as "risk capital" for solutions that can benefit underrepresented and under-resourced communities, free from shareholder pressure. *"The role of philanthropy in civil society has been premised on the notion that truly independent financial capital dedicated to the public good is critical to national progress. Philanthropy can focus on issues that sometimes fall off the public agenda. Philanthropy can take risks on ideas that may be overlooked."* — Darren Walker & others, Ford Foundation.
 - Charitable giving makes up 1.4–2% of the total US GDP ([Non Profit Times](#)) — in the top 3 giving countries worldwide; an essential source of redistribution of funds in a country where wealth inequality continues to grow due to historic systemic racism. ([Reuters](#))
 - Total amount of charitable giving in the US was close to \$500 billion in 2022 – around \$105 billion from foundations; just below \$30 billion by corporations. ([National Philanthropic Trust](#))
 - In crisis, such as the COVID-19 pandemic, philanthropy is essential to respond quickly to immediate needs (like direct cash, PPE, shelter, etc.) in a way that government is not able. *"It's a bridge until public money can get there"* — Connie Ballmer, co-founder of the Ballmer Group.
- **Undercutting your work to date**

Stepping away from a DEI focus now will undermine the long-term impact of your equity work to date, and leave millions unsupported.

Q3: How do I make the case for DEI to be/remain a core part of our funding strategy?

Whether you are considering (i) DEI as part of your funding strategies to help close the opportunity gap in the US; or (ii) DEI as part of your funding strategies to advance American progress more generally — make sure to back up your case for DEI with data.

- **Philanthropies that center DEI do essential work to accelerate community-centered, evidence based solutions to urgent and persistent issues** e.g.



- The racial wealth gap continues to widen. ([Brookings](#))
- Discriminatory violence against underrepresented communities is rising — based on race, religion or ethnicity ([Guardian](#), [DOJ](#), [ADL](#)), and against transgender and gender non-conforming individuals. ([HRC](#))
- Discrimination in hiring and access to opportunities is ongoing. ([NYT](#), [Northwestern](#))
- **Centering DEI in philanthropic funding is vital to unlock access to capital for underrepresented communities and help close the opportunity gap in the US**
 - Endowments of BIPOC-led organizations are [nearly four times smaller](#) than those of white-led organizations.
 - Native American communities in the United States continue to face pervasive structural barriers that threaten their economic security and opportunities. ([Joint Economic Committee](#))
 - Capital allocation to diverse-owned asset management firms is only 1.4%, far lower than allocation to other firms. ([Knight Foundation](#))
 - In the US, the average small business loan for Black business owners is [almost 50 percent less](#) than the national average, and Black-led nonprofit organizations have [76 percent less unrestricted net assets](#) compared to white-led organizations.
- **Supporting DEI strategies has huge economic benefits for our country:**
 - Asian-owned businesses are big contributors to the U.S. economy, making up the largest share of BIPOC-owned employer businesses in the U.S., employing 5.2 million people, and generating \$841 billion in revenue per year. ([Score](#))
 - Black-owned businesses in the U.S. are major contributors to the economy, generating \$206 billion in annual revenue and supporting 3.56 million U.S. jobs. ([Fortune](#))
 - Businesses owned by women account for 39.1% of businesses employing 12.2 million workers, and generating \$2.7 trillion in revenue. ([Wells Fargo](#)) The United States loses \$840 billion of economic output with muted participation of women in the workforce. ([Moms First](#))
 - In 2016, a report found that LGBTQ+-owned businesses had generated over \$1.7 trillion in economic impact, creating 33,000 jobs. America's estimated LGBTQ+ buying power in 2015 was \$917 billion, which magnifies the contributions of thousands of entrepreneurs and the millions of American households and families they serve. ([National LGBT Chamber of Commerce](#))

Q4: What power do I have to support DEI?

As a philanthropic leader, you have direct power to defend DEI through (i) how you operate your organization, (ii) your funding strategies, and (iii) how you use your voice and influence in the sector.

Internally, you can support DEI by:

- Integrating DEI throughout your operations by establishing DEI strategies and goals that clearly serve your overall philanthropic goals.
- Making the strategic case for DEI to program leads and hiring managers: tying your own talent and growth plan into your goals for community relevance, impact outcomes and donor engagement.
- If you have a DEI lead or department, ensure that they report directly to leadership and decision-makers, such as the President or Executive Director.



- Ensuring that leadership within the company is representative of the stakeholders and communities that you serve (and those you seek to engage in the future).
- Creating pathways for regular employee and grantee feedback (e.g. an annual survey) to understand their needs and pain points, and be transparent on how you are responding to their needs.
- Measuring, tracking and sharing progress on your DEI goals, making clear how they support overall organizational goals e.g. strategies to increase diversity of organizational leadership and program leadership to better represent the communities you serve.

Q5: The term 'DEI' has become politicized. Should we stop using it?

No. By failing to use the term DEI, we give legitimacy to anti-DEI supporters who are actively creating barriers to the American Dream by undermining and overturning DEI efforts. Changing the name will not stop the attacks - it simply appears to concede their point.

DEI is essential to the American Dream and should not be forced underground — manipulative tactics to encourage people and organizations to abandon DEI language is an infraction on one's freedom to speak truthfully about your American values.

Our diversity is the key to America's strength — we should be proud to support DEI, because without it we are less powerful and less competitive as a nation.

Q6: Is it "too risky" to stand by DEI approaches in the current legal climate? How should I approach this discussion?

There is no case law that prohibits organizational missions and goals tied to diversity. The Supreme Court has affirmed that organizations and governments can continue to implement strategies that expand opportunities for all communities using legally permissible ways to achieve DEI goals.

In light of the overall value DEI bestows, you must ask yourselves as an organization:

1. Why are we considering scaling back or eliminating our DEI work? Is it due to misinformation, fear of litigation or another factor?
2. What is the cost to our mission and organization of pulling back our DEI commitments? What benefits of DEI will we risk losing?
3. Instead of operating from a place of fear or misunderstanding, can we implement legally permissible DEI solutions that align with our organizational goals and have a positive impact on our communities, stakeholders and employees?

Organizations should ask their legal counsel to clearly articulate the risks and consequences of existing policies — based on current laws. This exercise is important for every layer of the organization and can be a helpful tool for supporting operational decisions.



Q7: How can I help defend DEI and the American Dream?

- **Speak Up** — Tell us about your experiences: Are you facing pushback on DEI programs or funding strategies? Have you been the target of litigation? Your stories are powerful and help us to help you and others like you.
- **Stand Firm** — Do not retreat at the first challenge: Make clear the business case for DEI in your organization and funding strategies, and make sure every anti-DEI claim or pushback is interrogated against organizational and impact goals and what is permitted under the law (not levels of fear).
- **Stay In Touch** — Reach out to American Pride Rises and your fellow philanthropists for support and to share information and help build a cross-sector, nationwide coalition of DEI support.

We cannot afford to sit back and let the progress of American values and rights be halted by baseless attacks — anti-DEI legislation and litigation must be contested and DEI champions must be supported.

Speak Up. Stand Firm. Stay In Touch.

For more information go to www.aprnetwork.org or contact: info@aprnetwork.org