



SOCIAL EQUITY: IS PHILANTHROPY UP FOR THE CHALLENGE?

This is how we make change possible

A letter received by the Bermuda Foundation during lockdown contained a chilling statement: “I am drowning.” It was an eerie echo of those desperate “I can’t breathe” cries of a dying man in the United States. The deaths of Black people at the hands of police in the US, and the struggles of the poor and the disadvantaged in Bermuda are without doubt pandemics in their own way. And as with Covid-19, we don’t have a cure or a vaccine for either.

The Covid-19 pandemic has left a trail of economic devastation in its wake: diminished/lost industries, jobs and livelihoods. It has created a deepening chasm into which the most vulnerable will inevitably fall and the climb back out will be almost impossible for even the brightest and most determined.

Bermuda, like others, will grapple with the challenges presented by a post-Covid community. Given the country’s level of debt, Government does not yet have a comprehensive social infrastructure to protect the growing number of individuals and families who are unable to meet their most basic needs.¹ In addition, we continue to navigate the consequences of an education system which fails to adequately educate the vast majority of students. Of course, there are success stories, highlighting graduates of both systems who have gone on to achieve great things, but too many are failing to reach their potential. Too many young people are graduating without the ability to compete in the workforce, because they are not sufficiently prepared to gain the further education or training to make the grade. We have a flawed system. Public schools, quite rightly, are required to accept all children, regardless of ability, and the private schools get to pick and choose their intake. Fair enough. But how then can we stand up and deride our own public system by unfairly comparing it with a system that is able to select and deselect at will. The narrative becomes one of outstanding results for those who can afford private school education—versus the rest. That is not a fair comparison and it’s not working for Bermuda. We need to fix this if we are serious about inclusion.

To effectively address the fallout of the Covid-19 pandemic, short-term and longer-term, will require innovation, adaptability and energy. Our man-made socio-economic pandemic attacks people’s dignity and feeling of self-worth and creates barriers to genuine equity that only full-scale education, economic and immigration reform can resolve. Structural inequities restrict opportunities for poor people to get a good education blocking their access to well-paying jobs and self-sustaining employment, a healthy life and access to capital. We need to get serious about addressing the consequences of an education system, as a whole, that is not making the grade, because every year of stagnation contributes to more inequality and multi-generational poverty, creating communities within our society that are physically and emotionally unhealthy.

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1 On September 9, 2020, Government announced the introduction of a new supplemental benefit that includes basic health insurance for workers left unemployed by the pandemic and who may be ineligible or waiting for financial assistance. This benefit is in addition to the temporary unemployment benefit introduced earlier in the year.

We can't breathe

Philanthropy in all its forms has shown up big-time during the Covid pandemic. International and local business, community groups, families and individuals have made significant financial and in-kind contributions to nonprofits that deliver core essential services to a greatly expanded vulnerable population. As a community of donors, the private sector donated \$2.5 million to the Emergency Fund alone, to ensure that people with little or nothing could eat, feed their children, pay for medication, and meet minimum health needs. The extraordinary generosity and unfailing spirit of this community lives. Frankly, it protected all of us in different ways. But it is not sustainable and this is where philanthropy (our giving) needs to focus now.

How to breathe: the relationship between social equity and the Black Lives Matter movement

Bermuda in its diverse entirety has also shown up in agreement that dignity and equality should be for all. More than 7,000 people took part in the BLM march and we know that thousands more stood in solidarity, kept away by concerns that their months invested in "shelter in place" behaviour could be placed at risk. Fair enough. What this public response demonstrates is that as a community we support fairness and equity for all. That's a great start; now we need to define what the solution looks like and how we get there. The Covid-19 pandemic reinforced what we already knew: access to education, mobility and the commensurate income level is not equal, and the lines clearly follow racial demographics. The remedy for these pervasive issues will require a blend of policy reform, institutional and personal action. Now is the time for everyone in the community and every sector of the economy to work together to create a fairer, more equitable Bermuda.

It's not easy and it can no longer just be about people getting along better and understanding each other, although this is good and necessary for our general community wellbeing.

In the wake of the Covid-19 pandemic, the Bermuda Foundation and the Bank of Bermuda Foundation commissioned the development of a financial model from two of Bermuda's leading economists. At that time, projections showed that at least 9,000 people will roll in and out of employment for the next three to six months. That's about a quarter of the working population. These individuals will continue to require access to the food services the Third Sector has provided for almost 21 weeks to August 31 (peaking at 11,000 meal equivalents per week). We know this because food service requirements directly correlate to unemployment and reliance on government assistance. Financial assistance benefits, if one is even eligible, do not meet Bermuda's high cost of living.² This means that people are seeking food and other benefits to meet basic needs. It also means they lack the resources to develop in meaningful ways. This is the legacy of poverty: it makes it impossible to move on, to accumulate wealth and to break the cycle. Covid-19 will increase the number of people in the cycle of poverty unless we act.

This will be hard, uncomfortable and anxiety-provoking work. Solutions will not come easily and may require capacities, skills and money we don't currently have. It may require the wholesale rejigging of our education systems with knock-on effects, such as holding people accountable in ways we have not done before. Perhaps we need to consider returning to the pre-1990s minimal standard assessments that spanned both systems, to support accountability and an objective analysis of outcome data. Change will require empathy, patience and self-discipline; and some of our core beliefs will be challenged.

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² On September 24, 2020, the Government announced a comprehensive Financial Assistance Reform strategy that: loosens restrictions on asset and income criteria, including child support rules; improves access to affordable housing; enhances employment services; revises a cross-government approach to effective social services and enhances employment services to people with disabilities. Many of these issues were highlighted in the BCF's *Managing Philanthropy* publication, which made public excerpts of a request to the Government seeking support for the nonprofit sector providing essential services where gaps in public service became prevalent in the wake of the pandemic.

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It's going to require deep investment in upskilling, literacy growth in maths, finance, technology and even basic reading skills for some. The digital divide will have to be closed by ensuring that wifi, laptops and technical training are accessible. In addition, we need to provide all the wrap-around support, handholding/hand-off, nurturing, and focused mentoring that we would provide to our own children, with intentionality and resources. Along the way, we need to have an appreciation for the context, constructs, lack of entitlements and relationships in which marginalised people experience the world.

The Government's role in the long term is to fix the public education system. In the short term, it is to help unemployed and under-employed people reskill, working with the private sector to implement policies that encourage and incentivise businesses to take on new people or redeploy existing employees so they remain employed.

These issues extend beyond education and public sector services. They impact private business and need to be approached in a business-like manner—with objectives, timelines and measurable outcomes.

These issues need the same type of attention that smart and industrious professional and corporate leaders give their own business issues. Finding solutions requires the expertise of people who build institutions where maybe structural inequities continue to exist. Their commitment is needed because they have the skills. In some cases, this may require changes to a system that they helped to create and sustain, one that has worked for them. Individuals who have experienced inequity can provide insight into ways they continue to be marginalised and disadvantaged, but changing structures, access, mobility and compensation requires input and effort from the people running the business sector. This is where philanthropy has some influence.

Our road well travelled

This is not my first rodeo—nor that of many other equity champions and allies. In 2005, the Commission for Unity and Racial Equality (CURE) published *The Experience of Racism in Bermuda and in its Wider Context* by the late Dr. Eva Hodgson. CURE hosted diversity training sessions and speakers: Lee Munwah of Stir Fry Consulting, who urged Bermuda to ask burning questions of itself and Tim Wise, who wrote *White Like Me*. Conversation Projects and Government's "Big Conversations" were held. The former Diversity Institute of Bermuda ran community-wide and Police training sessions on diversity and inclusion. Columbia University was commissioned to study the plight of Bermuda's young black men. In 2015, the Bermuda Community Foundation worked with the Aspen Institute to publish *Racial Dynamics in Bermuda in the 21st Century*. The Bermuda Foundation hosted a series of public and key stakeholder meetings to spearhead dialogue on wealth inequality featuring Chuck Collins of the Institute for Policy Studies.

Bermuda is governed by leaders who reflect the majority population, but the owners, managers and decision-makers of many of the larger businesses do not reflect Bermuda's racial composition. Racial wealth data is largely unavailable but the most recent data (unfortunately fairly dated) to which the Aspen-Bermuda folk had access shows:

- Proxy wealth gap metrics like income disparity, poverty and home ownership show a growing gap. Approximately 50% of black female-headed households with children fall below the poverty line, and about 11% to 13% of households of

all types do not earn enough to purchase sufficient basic goods and services.

■ Inconsistencies in pay cannot solely be explained by levels of education and experience: Whites earn about 134% of the median wage, Blacks 93%, and other groups 87%.

■ Disparities in school achievement and levels of college attendance and completion indicate a need for a different system, as a significant proportion of Bermudians, overall, lacked academic qualifications of any kind: Blacks (28%) and Whites (21%). About 90% of Black students attend government-funded public schools, and 90% of White students attend privately funded schools. Private school connections are valuable as they provide opportunities to build and tap into networks that are not available to public school students.

■ Despite an often-sympathetic judiciary and criminal justice practices that differ considerably from the US, the laws are the laws, and arrest, prosecution and incarceration rates are skewed. Roughly 98% of prison inmates are Black, yet Blacks make up only 65% of Bermuda's population.

My advice to those who want to be part of solving these problems, including business and family philanthropists, is to read, listen and then act to influence your businesses and constituencies. Creating equity in the workplace is, for the most part, a task for the people who have influence in their business sectors and companies. Attending to this problem means "pushing past anecdotal evidence and conventional wisdoms about why some individuals and groups succeed and others do not," say the authors of the Aspen-Bermuda report. Structural constructs of race cannot be reduced exclusively to individual behaviours and interpersonal relationships. This is about how equity, access and mobility become an inseparable part of how business is conducted, every single day.

Discussions about the need for social change have been a hard sell until the recent past. We now must recognise that changing the status quo is not only for the good of poor and vulnerable people, it is a necessity for us all.

The Role of Philanthropy in Creating a Better Future

Recently, I took a call from a friend, a White man who wanted me to know that Black lives matter. He wanted to know how he might let the world know of his concern and earnestness around getting it right. Frankly, I wasn't yet ready for another round of debate on racism (and the power dynamics that differentiate it from prejudice and bad behaviour) or the hierarchies of the "isms."

But I did say the following, as it is important to be clear on terms if we want to progress the work of philanthropy:

■ Equity is a complex, intractable social construct. An equitable society is one in which the distribution of resources, opportunities and burdens is not determined or predicted by race or other constructs. The goal is to have no statistical differences in key indicators such as education or health or economic opportunity, based on race. At present in Bermuda, race influences the allocation of economic power, the distribution of benefits and burdens among all groups. Diversity and inclusiveness are important commitments but are not ultimately powerful enough to achieve the change we need.

■ Race-neutral practices will simply keep in place historical advantages and disadvantages. Each of us, in our own circles of influence, must ask ourselves how existing racial disparities stand in the way of the goal to build and foster a

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more equitable and fair society. Without some explicit questions, solutions may be elusive or incomplete.

■ In order for philanthropists, or representatives of charitable giving entities, to advance equity requires increasing our understanding of what's at stake. In a report underwritten by the Ford and Charles Stewart Mott Foundations, applying an equity lens to this work means paying attention to race and ethnicity while analysing problems, looking for solutions and defining success. In other words, you must really want to know what you don't know and be prepared to feel uncomfortable with what you learn and what you might have to do about it.

What's in it for me (and you)? Make no mistake: this is not just about altruism. An equitable Bermuda is one that is healthy, safe and good for everyone living and working here.

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Recently, other community foundations in other countries have articulated an approach that we suspect may seem alien to Bermuda's traditional approach to philanthropy: funding organisations where the leadership is representative of its constituents versus the relational practices we have had in place. This is known as grassroots and grasstops* leadership. In the Toronto Foundation's own words: "Get started with Black-led and serving organisations." (You've gotta love Canada!) Replace the word "Black" with "marginalised," "disenfranchised" and "grassroots" and we have a formula that would work for Bermuda because it is inclusive of poor people from all strata of our population. Grassroots organisations are where movements for change tend to start because they highlight the plight of the people they serve, raising the awareness of the need for solutions. They often tend to be small, emerging nonprofits which could benefit from a sustained consistent investment in growth. The significance of the representative leadership is that it ensures the work will be delivered in a culturally relevant and appropriate way. It also communicates an empowering message of self-determination which results in more sustainable change.

Our Canadian counterparts also say that Black people disproportionately experience systemic discrimination, even compared with other marginalised groups. Systemic discrimination is part of the Bermuda story too, with Blacks at its centre, Black Bermudians in particular. This is not to say there aren't White folk who struggle but it is well documented that Black folk disproportionately experience the worst effects. Any work towards equity must address the needs of these groups.

Local grasstops and grassroots leaders are the ones who will take a call in the middle of the night to help someone out. In Bermuda, they were the ones who found ways to stay open or geared up to make sure the people they work with had access to them during the pandemic—and they didn't need to be advised or prompted to do it. Grassroots and community leaders have access to people and places that some of us will never have, despite our good intentions.

*Grasstops leaders are influential individuals affiliated with an organisation or cause, who have a relationship with elected officials and participate in high-level policy debates. They work with constituents to manage an issue they care about. They have many possible connections, i.e., to large employers, city or government officials. They may be figureheads in a faith community.

What can people in leadership and leading positions do?

1. Learn from and build relationships with leaders and organisations doing the work to advance racial justice. Use your platform, networks, and influence to speak up and raise awareness.
2. Think about near-term actions, which can move the dial on removing structural equity. For example, to the extent that it is meaningful and in context, ask and track diversity metrics of your funding committees, employee groups, grant recipients and their beneficiaries. Questions to ask could include income levels

or economic status (class), ethnicity, race, nationality/status, gender and age of recipients, the number and percentage of people served by a project and by the organisation, the number of people on staff, and the number of people on the board by those diversity metrics.

3. Read. Not just on a theory of change or activating a “racial equity lens” but novels by and about the lives of other folks. The Ford Foundation’s protocol for discussing diversity with grantees and other resources for grantmaking with a racial equity lens can be found at www.bcf.bm. Bermuda delegates to the Aspen Institute for Racial Equality drafted “theories of change” for tackling structural inequalities, which can be found there as well.

What does effective, impactful philanthropy look like in Bermuda?

Now is the time to support organisations championing social equity values, from programmes to strategy to leadership. Working towards effective, impactful philanthropy does not mean you have to abandon your pet projects and funding interests. It does mean funding programmes that are addressing critical and timely issues by investing in programmes and leadership that:

Increase tech literacy

- Information technology and computer literacy education
- Ensure access to technology: laptop computers and wifi connectivity

Improve education access

- Deliver cost-effective GED programmes that graduate young people and help them move on to college, university or jobs
- Structure college and career preparation, from identifying and developing interests to course selection guidance through to application
- Deliver alternative schooling for young people that incorporates wrap-around supports that link them to the next set of needed resources
- Develop core literacy and numeracy
- Deliver evidence-based early childhood education and early intervention programmes
- Train and upskill early childhood and daycare providers

Provide access to more and better training and development programmes

- Deliver skills-based wrap-around programmes in places and spaces where the young people are
- Train and upskill people to work in emerging industries. This is about making a commitment to increase the ability of people to engage in the economy; the redistribution of resources in order to give people a stable footing and equitable access to opportunities; attend to the causes of inequities that prevent people from participating in society and that perpetuate disparities in power and access
- Improve financial literacy: a history of financial illiteracy has led to mistrust and a reluctance of the most disenfranchised and disengaged to put money in banks, ultimately resulting in unhealthy relationships with money and its value
- Offer financial support that hits the emerging pain points
- Tackle student debt; support students to meet hardship expenses beyond books and fees
- Support young people exiting the foster care and child protection systems who are transitioning to independent living
- Support robust, multi-year scholarships based on financial need to ensure

college access and persistence; give to collective funding schemes if partners are needed to achieve this aim

Tackle equity and access by way of building public awareness

- Promote equity and the dismantling of structural barriers to mobility and opportunity
- Support people and groups (grassroots connectors) that serve people in communities that are often overlooked and under-served—and ask these ambassadors who they serve and why their services were needed

Support human and social services to provide a social safety net in the absence of a national one

- Provide a range of social services to the most disadvantaged, including homelessness, housing insecurity, transitional housing and related supports
- Build nonprofit capacity building and leadership development to improve standards of practice and social outcomes
- Drug prevention and education.

The challenge for philanthropy—getting support, distributing resources effectively and achieving optimal donor engagement—is real, regardless of what the Government does or does not do. We need to recognise the problems to which we have provided stop-gap answers are enduring socio-economic pandemics which are going to get substantially worse given the economic fallout of the Covid pandemic. Thousands of residents, a large proportion of whom are people of colour, struggled to make ends meet even before the Covid outbreak. The creation of a genuine social safety net requires our ongoing attention—an economic response as well as a socio-economic response. In addition, and just as important, is the need to shore up the nonprofits in the sector that are achieving impact or demonstrating the potential to tackle these social problems in innovative ways.

To borrow the words of Michael McAfee, President and CEO of PolicyLink, a US research and action institute focused on advancing racial and economic equity: “Leaders [in philanthropy] must meet this crisis with the truth about what the nation needs to stabilise, rebuild, and prosper. And there must be an unequivocal commitment made to change the rules of the game to reverse toxic inequality, remove the burdens and barriers of structural racism, and commit to rebuilding a just and fair nation for all.”

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