

# Why Funding Advocacy is Critical to Achieving Philanthropy's Purpose

Daniel Lee, Executive Director, Levi Strauss Foundation

Philanthropy Meets Parliament Summit: Opening Keynote Address — Canberra, 12 September 2017

I'm honored to launch Day Two of Philanthropy Meets Parliament Summit and share some thoughts that build on yesterday's discussion on why funding advocacy is critical to achieving philanthropy's purpose. I hope that sharing some additional examples and insights from Levi Strauss' experience prove helpful and illuminating for funders grappling with the prospect of adding advocacy to their arsenals in the Australian context.

Before we delve in, I'm guessing some of you must be wondering why and how a corporate foundation like ours is prone to funding advocacy.

Let's just say it's in our "jeans".

We turn to the story of our founder, Levi Strauss, who was an immigrant and refugee. He came to U.S. in search of a better life after fleeing religious persecution in the Bavaria region of Germany. He settled in San Francisco in 1853, opening a wholesale dry goods company called Levi Strauss & Co. — at the height of the California Gold Rush.

So what set in motion the shift from Levi (the person) to Levi's (the iconic product)? Miners toiling for gold in the foothills of California had a problem: their pants kept ripping. As they carried ore samples in their back pockets down the mountain to the purveyor's office, the seams would tear under the strain.

So Levi partnered with a tailor named Jacob Davis to design and bring to market an innovation to address this problem. That innovation was a metal rivet. Sewn into the pants at the points of strain, the rivets transformed these into hubs of durability. The patent for "riveted overalls" (as it was known) was granted in 1873.

The next time you see someone wearing a pair of Levi's® jeans, remember that these pants are a direct descendant of that first pair made back in 1873. And that two visionary immigrants — Levi Strauss and Jacob Davis — set in motion with a bit of denim, thread and a little metal a product legacy that would eventually become known as the "fashion item of the 20th century," as TIME magazine declared.

But Levi was not only known for this legacy of commercial success. In his community, he was also known for his bold, generous, and vocal support for social causes and people in need. When he passed away in 1902 at the age of 72, his obituary read: "Levi Strauss, merchant and philanthropist, dies peacefully in his home." A sizable portion of his estate, valued at \$6 million (over 150 million Aussie dollars today), was donated to local charities.

This pairing of innovation, values and giving back continues to drive Levi Strauss & Co. forward. Bob Haas, President Emeritus of our company and foundation and a direct descendent of Levi Strauss himself, famously characterized a pair of Levi's as "an embodiment of the energy and events of our time."

Our signature product, Levi's 501 jean, is not merely as an item of clothing but has long stood as a "symbol of freedom and self-expression in the face of adversity, challenge and social change."

We are guided by four institutional values that reflect this: originality, empathy, integrity and courage.

It's also not lost on us that the change-makers and visionaries who wear this garment throughout history tend to show similar hallmarks for discovery, passion and urgency. Levi's was not only the uniform of miners in the Gold Rush. It also clothed student organizers who registered voters in the American civil rights movement of the 1960s, the youth who famously dismantled the first bricks of the Berlin Wall, gutsy activists in the LGBTQ rights movement. As a company, foundation and brand, we see this space of engagement and activism as absolutely core to our spirit and identity.

Given the legacy of our founder, products and consumers, we like to think of ourselves as pioneers at the foundation. In that vein, we aim to step out and take courageous risks on behalf of what we believe is the right thing to do.

This spirit and heritage gives us the imprimatur in our philanthropy to support pioneering community advocates through the Levi Strauss Foundation. We embrace advocacy as a high-impact, high leverage strategy that powerfully mirrors the spirit of our founder and brand.

In fact, 80 percent of our grants locally, nationally and globally integrate advocacy approaches — from our response to the global HIV/AIDS epidemic to our support for next-generation civil rights leaders in our hometown community in San Francisco. I hope the examples I share are provocative — and useful for the Australian context.

### **Advocacy is a perfectly sensible and permissive proposition**

While we touched on this yesterday, allow me to say a few more words on what advocacy is and is not. In large swaths of philanthropy, advocacy is sorely misunderstood as a minefield of risk, but I would submit it is a garden of opportunity.

As we discussed yesterday, advocacy is when someone promotes a policy or idea and encourage others to adopt it.

And there's one "no-no" in terms of crossing over into prohibited activity in the Australian context:

- Supporting or opposing a political party or candidates.

Advocacy encompasses a wide range of activities that are all legally permissible from a funding standpoint:

- Educating the public and the media;
- Carrying out research to gather evidence and parse a problem;
- Mobilizing and educating voters (of course, in a nonpartisan way);
- Filing a legal challenge, or extending legal aid;
- Community organizing, which brings people together to take on the issues affecting them engage decision makers;
- Holding government agencies accountable.

In sum, advocacy ensure that communities have a voice in the public sphere — and enables nonprofits to shape the debate on important social issues.

My next point is targeted to many in this room who seem to be getting gospel on the value of funding advocacy but might be scratching their heads about how to send this “up the flagpole” to their trustees.

### **Bridge the worlds together to demystify and reveal the power of advocates.**

The connective tissue of relationships is trust, and when players operate in distinct sectors of spheres — as advocates and foundation board members might — trust is best built through direct contact and encounter.

At our foundation, it has proven invaluable to forge direct connections between our board members and community partners. Through site visits and board sessions, we curate conversations that bring to life the standout leadership characteristics of our partners, the challenges of change management and life-cycles of social change.

As we set the table for trustees to understand the value of funding advocacy, it is useful to illuminate: *what makes an effective advocate?*

### **Advocacy is the terrain of pioneers and innovators.**

Meaningful philanthropy requires outstanding advocates. Over the years, as we identify and select community partners, we’ve learned a lot about what qualities effective advocates exhibit and what they do. Here are a few of the Levi Strauss Foundation’s observations:

- They are first-movers when bad things happen;
- They have deep connections and wells of trust in the community, ensuring voices from every level of society are brought to the fore;

- They bridge seamlessly across sectors, communities and cultures. As Helen Sullivan incisively said yesterday, they *bridge* social capital vs. *bond* social capital. If you will, they are “code switchers” and “crossover players”:

The American author Heather McLeod Grant, whose book *Forces for Good*, which was named by the Economist as a Top 10 Book of the Year in 2012, identifies the qualities and “skills of the day” that the most effective nonprofit leaders exhibit.

At the Levi Strauss Foundation, we use these as criteria for identifying effective leaders:

- Work with government and advocate for policy change
- Harness market forces and see business as a powerful partner
- Convert individual supporters into evangelists for a cause (movement builders)
- Build and support nonprofit networks, treating other groups as allies
- Adapt to the changing environment
- Share leadership, empowering others to be forces for good.

### **Advocates are custom-made for turbulent times**

Let’s face it: it is often the case that social movements and social change are triggered and defined by bad things happening – that is, egregious rights violations or bad policies. Unfortunately, we’ve been seeing a lot of that in the news lately.

The example of the U.S. civil rights movement is powerfully illustrative of advocacy in action: these threats may, in fact, instigate a ‘perfect storm’ of change if community leaders are deft, savvy and tenacious enough to take advantage of those opportunities that present themselves. And there were, in fact, a cluster of small family foundations that were instrumental in funding voter education and mobilization at key moments of truth.

It is certainly not possible to predict these circumstances or foster this spark of change in every instance, but our goal as advocacy funders is to help prepare our partners to be ready when these moments arise.

We’re working with leaders of movements for the rights of transgender people, Black Lives Matter, voting rights, housing affordability, environmental justice, criminal justice reform.

In these turbulent times, they are showing their true colors, in the midst of movement moments happening every day. Finding the right leaders and sticking with them allows a funder to have highly nimble and responsive tentacles in the community, offering a vanguard of defense for the most marginalized.

Speaking of turbulent environments, in times of fiscal cutbacks, funding advocacy might seem untimely or even a luxury. Rather this strategy becomes more critical than ever to influence policy decisions around the allocation of public resources. Let's remember that is the bailiwick of advocates to ensure that public budgets reflect the values and priorities of people and communities.

Not every funder needs to be or should be a rapid responder. What we do need to bear in mind is that the political context all across the globe is changing very rapidly, so being flexible with how our funds are used is of the highest importance right now.

### **Patience has its rewards**

We currently live in the era of the “gospel of innovation.” This gospel has the tendency to privilege the new and disruptive over the tried and true. This is translating into shorter and shorter time horizons for measuring impact in our field – and likewise, a tendency to shift strategies over shorter lifespans.

One of the most underrated virtues in philanthropy is patience. As our President Emeritus, Bob Haas, says: “One of the most difficult lessons in philanthropy is to be patient and stay committed – especially when the going gets tough. But real change is hard. It takes time.”

We’ve seen this especially with our grantee partners advocating for change on HIV/AIDS. Thirty-five years into this fight, the struggle is still all too real among people of color; poor people; sex workers; injecting drug users; young people; men who have sex with men; and trans people.

We are learning that long-term commitment, grounded in shared values and ambitious goal-setting, has its rewards. Commitment fosters honesty and intimacy. In turn, this fuels risk-taking and more expansive ambitions.

### **Advocacy funding drives outsized impact**

Foundations alone cannot solve the immense issues facing society. As a funder active in the response to the HIV/AIDS epidemic, we’re keenly aware that private foundations account for only six percent of all global funding in this field.

The name of the game is leverage – that is, generating outsized impact with our modest resources. A decade ago, we made the decision to shift all our funding from prevention to advocacy because dollar-for-dollar it offered the greatest potential for deep impact.

The HIV/AIDS field illustrates how private foundations, at their best, are uniquely positioned to address pressing and politically sensitive issues that cut against the mainstream — and HIV/AIDS represents most stigmatized medical condition in history.

Private foundations are independent, nimble and capable of taking courageous risks. During the past three decades, they have been responsible for key advances in HIV/AIDS policies, enabling

key voices speaking on behalf of the most marginalized communities to be heard and organizations that governments and businesses are not ready to support to thrive.

[Two case studies]

*Achieve, Philippines:* In 2011, LSF supported a group in the Philippines called ACHIEVE to review and "grade" the national AIDS law. This grant and its end result triggered a series of events for ACHIEVE--from positive acknowledgement from the government to carrying out a series of public forums for key government players: the Commission on Human Rights, the Supreme Court and the Department of Justice; to eventually being offered a seat on the Philippines National AIDS Council. They're currently working with the Senate to amend and revise the national AIDS law.

*Community Legal Aid Institute, Indonesia:* Employs 12 full time staff, plus 50+ volunteer community paralegals. This cadre of lawyers and paralegals bring incredible dexterity and empathy to hear as they extend legal support to hard-to-reach communities that are highly vulnerable to HIV/AIDS — and frequent victims of arbitrary arrest and detention: people who inject drugs, sex workers and transgender people. Beyond this, it generates tremendous leverage by training the Indonesian Ministry of Health, which in turn deploys paralegals in the field nationwide. It implements all of this with an annual organizational budget of 560M rupees – or AUD\$75,000. This is high-impact advocacy fueled by modest amounts of funding.

Research by the National Committee for Responsive Philanthropy (a U.S. organization) confirms a powerful bang for the buck of advocacy work. All in all, it found that for every dollar invested by foundations in policy and community organizing work, a \$115 benefit was realized. This exhaustive study found that \$231 million invested in advocacy yielded \$26.6 billion in benefits for taxpayers and communities across 13 states (<https://www.ncrp.org/wp-content/uploads/2016/11/LeveragingLimitedDollars.pdf>).

Highlights of impact:

- Advocacy funding affected hundreds of policies on a broad range of issues, saved the government money by making programs and services more efficient.
- It enabled 700,000 residents in 13 states to voice their concerns publicly. Beneficiaries included: children and youth, low-wage workers, families living in poverty, people with disabilities, immigrants, communities of color, LBGTQ people.
- Yielded policy changes: raising local or state minimum wage (8 states), increasing funding for public schools, and spurring affordable housing development.
- It also created cost savings by changing bad policies – related to the environmental conservation, expanding health care access and immigrant rights, reducing bullying.

**Funders can start sensibly: blend advocacy and service funding**

Funding advocacy doesn't require a "road to Damascus" conversion moment or a radical shakeup of grant portfolios. All the contemporary research about high-impact social sector organizations point to one common characteristic. They don't just focus on doing one thing well.

Some might start providing great programs, but eventually recognize they cannot achieve the scale of change they want through service delivery alone. So they add policy advocacy to monitor access to government services. Other nonprofits start out doing advocacy and later add service programs to innovate and advance their mission.

In a world of mounting challenges, no organization can afford to serve effectively without embracing advocacy in its efforts. As funders, asking the right questions, opening the door for a broader conversation and allowing a dose of flexibility can go a long way.

### **Advocacy is a lifeblood of democracy**

In our profession, advocacy is sometimes shunned out of fears of creating controversy or stewing "trouble." *Au contraire.*

A fundamental principle of democracy is the participation of all in the issues facing them. In an increasingly polarized world, and in a political terrain flooded with special interest money, the role that community organizations play to engage ordinary citizens in public life cannot be overestimated.

Advocacy is a vital tool for surfacing the voices of marginalized or vulnerable citizens and bringing them front-and-center in the democratic process as agents of change. It is also a potent tool in this day and age when paired evidence and facts. We know very well that these approaches yield more durable, lasting results because they promote ownership and confront root causes – and this, my friends, is profoundly democratic.

When citizens exercise their voices, they aim to challenge power, hold government accountable or reform policies. This creates tension, but let us remember this tension ultimately serves to strengthen democratic processes.

As the American social reformer, and former slave, Frederick Douglass famously said: "Power concedes nothing without a demand."

As we work toward a more inclusive society and responsive government, let us bear in mind that as funders, it is our core work to fund the demand.

### **Epilogue**

As we think about what it means to fulfill philanthropy's purpose, it is instructive to examine word origins.

Many of us know philanthropy has Greek roots, with *philos* meaning 'love' and *anthropos* referring to 'human beings.' Putting these together, philanthropy means "love of humankind."

This is all well and good. But allow me to bring in the words of arguably the greatest American, Dr. Martin Luther King, Jr.:

Love without power is sentimental and anemic;  
Power without love is reckless and abusive. [*repeat*]

Dr. King goes on to say:

Power at its best is love implementing the demands of  
justice, and  
Justice at its best is power correcting everything that stands against love.

The words of Dr. King suggest that philanthropy is not a sentimental, feel-good proposition. Rather his words implore us to look deeply at the fault-lines of justice — and mobilize our funding in the service of those with the least wealth, opportunity and power.

The American philosopher and intellectual, Cornel West of Harvard University, paraphrases: "Justice is what love looks like when it shows up in public."

In closing, it is advocacy that fuels the fires of justice. Anyone seeking high-impact grantmaking — whether on the local or global front — would do well to embrace it as an indispensable part of the tool-chest of philanthropy.