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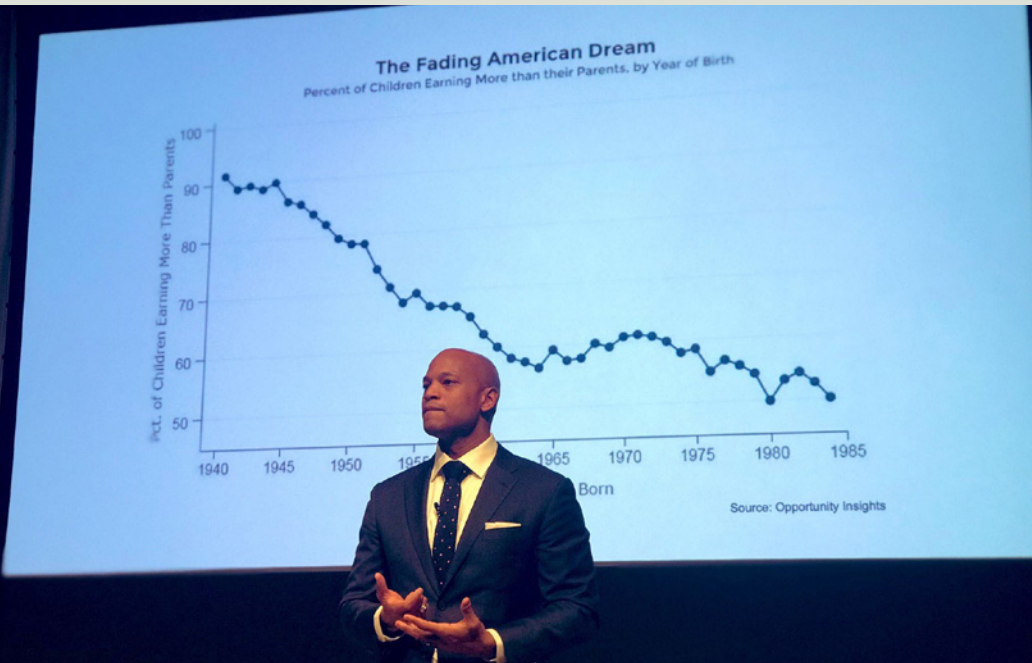
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Wes Moore speaks at the Philanthropy NY Annual Meeting on the crisis of economic mobility, May 16, 2019. (Image courtesy of Robin Hood.)



Philanthropy for change, not charity

By Wes Moore

For Robin Hood, community-grounded policy efforts are essential in its fight against poverty in New York City.

You don't have to look very far to see that we are in a critical moment in the poverty fight.

More than 40 million people across the U.S. live below the Federal Poverty Level – that is a household income of just \$25,100 for a family of 4. In New

York City, where I lead Robin Hood's efforts to fight poverty, nearly 1 in 2 New Yorkers – a city with a population of 8.5 million people – are living near poverty.

Confronting this reality and reflecting on our 30-year history drove a new strategic vision for Robin Hood – a process I led over my first 18 months as CEO. Earlier this year, we announced that Robin Hood must commit to moving households out of poverty in New York City measurably and sustainably.

This is a critically important progression for the organization, and a goal that will require our grantmaking to be at its best. We will rely upon the deep

relationships we have built with community-based organizations over the past 3 decades.

But grants alone will not get us out of this.

DISPELLING THE POVERTY MYTH

Data from our Poverty Tracker¹ shows that, while the poverty rate in New York City is about 19%, some 42% of New York City's residents have experienced poverty at some point over the past 3 years.

This data shows the pervasive and systemic nature of poverty and the disparities across (continued on page 9)



challenging grantmakers to strengthen communities

racial, ethnic and gender lines. And it speaks to larger realities across the country. Black Americans are the only racial group in the U.S. making less than they were in 2000. More than half of Black workers are paid less than \$15 per hour; close to 60% of Latino workers make less than \$15 per hour.

The problem isn't that impoverished communities are not working, as prevailing (and misleading) narratives would have us believe. In fact, our Poverty Tracker paints a strikingly different picture: 45% of New York adults living in poverty worked more than 6 months out of the year based on 2017 data.

This data contrasts the narrative that, if you just work hard enough, you can pull yourself up and out of poverty to grasp that ever-elusive American Dream. This myth also elevates individual responsibility above the collective choices and intentional policies that leave people and families struggling to keep their head above water, not to mention how it degrades the social and emotional wellbeing of those families fighting for a better life.

CONFRONTING THE POLICIES BEHIND POVERTY

Over the course of American history, government policies have created, perpetuated or deepened inequality, poverty and neglect in communities across the nation.

Here is just one crucial example: As of 2017, 11.5 million children in the U.S. live in poverty. Yet the federal Child Tax Credit (CTC) – one of the most effective poverty-fighting policies in the past 40 years – leaves out approximately 1/3 of children and families who earn too little to get the full credit. The administration had the opportunity to reform this flaw, but 2017 tax cuts did not include improvements in the credit or a token increase. Instead it was households with incomes

as high as \$400,000 that received large CTC increases. The 2017 law also eliminated the CTC for about 1 million children in low-income working families because they lack a Social Security number. This overwhelmingly affected “Dreamers” with undocumented status whose parents brought them to the U.S.

That is a political choice that flows from narratives surrounding poverty around the so-called “deserving poor.”

Despite this reality, last summer the White House’s Council of Economic Advisers declared that President Lyndon B. Johnson’s War on Poverty (launched half a century ago) is “largely over and a success.” The council issued this report to argue for new work require-

ments on those who qualify for federal safety-net programs, which perpetuates the current administration’s efforts to turn the War on Poverty into the war on *people* in poverty. These cruel policies target the most vulnerable neighbors in our society and range from child separation to denying food stamps to millions across the country.

We should be clear: This state of systemic and chronic poverty, hardship and disadvantage is a result of *choices* influenced by destructive and inaccurate narratives and political calculations. It has nothing to do with fairness, hard work or ambition. Nor is it because philanthropy failed to do its job.

CHANGE, NOT CHARITY

As a philanthropic force, Robin Hood is not interested in charity; we are interested in change. And to create real change, we must actively and aggressively leverage the role of philanthropy to combat these destructive policies head on.

Robin Hood has pre-thought and rethought philanthropy for a new generation of government action. It was one of the first organizations to fund needle exchanges at the height of the HIV/ AIDS epidemic during the 1980s. But, in addition to our renewed focus on creating sustainable mobility from poverty, we must support and leverage our grantmaking with efforts on policy, partnership and changing the narrative around poverty.

We must build on the deep relationships our program staff has developed through partnerships with city and state governments. We must ensure we learn from and add to the work being done by the many great organizations that have been in this space longer than us.

Most importantly, we have to continue deepening Robin Hood’s relationships and opportunities with our community partners and remain wide-eyed about the challenges that come with

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Wes Moore (center) and Robin Hood's Chief Public Policy Officer Jason Cone (left), meet with Staten Island District Attorney Mike McMahon (right) to discuss his efforts to combat drug overdoses in Staten Island on July 29, 2019. (Image courtesy of Robin Hood.)

operating in the policy space.

To lead our progression into policy, we recruited Jason Cone – a dynamic and seasoned leader who previously led Doctors Without Borders in the U.S. – to serve as Robin Hood's first chief public policy officer. Cone is building our policy efforts at Robin Hood on the foundation of our rich history of rigorous, outcome-focused grantmaking.

WORK THAT IS GROUNDED IN DATA AND COMMUNITY

At Robin Hood, we see our programmatic work as the risk capital of society. But we are also aware that solid programs and high-impact outcomes aren't enough to drive government uptake of

these poverty-fighting interventions.

We will center the people closest to the problems in the design of the solutions – whether programmatic or political – that we are spearheading.

We know our policy efforts must support both grantmaking and the direct service work that our more than 250 community partners do every day.

Efforts must be grounded in data and backed by evidence. They must lift the voices of those who will benefit from policy change. They must have the potential for larger impact. And, when necessary, they must react to issues and protect the policy's beneficiary: our community partners and communities who live in poverty.

There must also be a clear rationale for Robin Hood's action: We are not adding our voice to policy work just for the sake of it; we know that Robin Hood has a distinct and additive role in creating opportunities for those we serve.

PRIORITIZING OUR PARTNERS AND COMMUNITIES

Earlier this year when New York City officials negotiated a budget of more than \$90 billion, we showed what Robin Hood's public policy work will look like – we staked out a fight that prioritized the needs of our community partners.

New York City relies almost exclusively on city-contracted, nonprofit human service organizations to deliver basic services to its residents, especially low-income New Yorkers. The city outsources these vital services to more than 1,000 of these organizations to operate homeless shelters, early child-care programs, mental health clinics, emergency food pantries and other vital services that 2.5 million New Yorkers deeply rely on every day.

But New York City chronically underpays and delays paying these invaluable nonprofits. In 2017 and 2018, New York City Comptroller Office reported that the city was an average of 221 days late in registering payments for contracts. An independent analysis by Sea Change Capital Partners, a nonprofit merchant bank, found that the city's delayed payments created a cash flow burden of approximately \$744 million on contracted

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nonprofits. This burden directly affects these organizations' ability to pay even a modest cost of living adjustment to a predominantly female- and person-of-color-led workforce.

In response, Robin Hood raised our voice to confront this policy issue that affected many of our partners (more than half Robin Hood's community partners are city contractors). We wrote Mayor Bill de Blasio in May to ask the city to address this issue in its upcoming budget negotiations. We received no response, but local press coverage shed additional light on the issue. We convened meetings with key stakeholders, and spoke with the City Council members, the leader of the City Council, the city comptroller and New York City's budget director.

In an op-ed in the *New York Daily News*, I wrote: "We should not continue to see the financial burden of caring for the most vulnerable New Yorkers shifted to cash-strapped non-profits. But while we do, the least the mayor could do is pay them fairly and on time."

And we kept the pressure on: hitting the phones and taking to social media to keep this issue in the forefront of budget negotiations. Our action helped mobilize and support our community partners to share their voices on this issue as well, where they otherwise would have felt alone and afraid of losing government contracts for their services.

The result?

In their press conference announcing the budget, both the mayor and speaker of the City Council personally pledged to address the issue. Not only by having nonprofits file adjustments to their contracts to make up for underpayments and late payments, but the city government pledged to fix the problem over the coming year with budget adjustments.

In late August, the de Blasio administration announced improvements in

the contract registration process for several key human services agencies while not mentioning changes in others. We will continue to monitor progress and reserve our judgment for when our community partners and the low-income communities they serve experience the benefits of these actions.

Throughout this private and public confrontation, we continued to partner with the city on a wide array of programs, most recently as the seed funder for an initiative – ICARE – that provides legal services to undocumented and unaccompanied children facing deportation proceedings. In that very same budget, the city agreed to sustainably co-finance the program that had until then been largely supported by philanthropic organizations.

OUR COMMITMENT

All of our efforts on policy will continue to look like this because our goal is to move New York families out of poverty permanently.

We will achieve this by tackling issues based on their impact, not salience or sexiness.

We will deconstruct systems and narratives that stand in the way of mobility out of poverty.

We will stand with communities, focus on outcomes, fill a unique role and leverage data to drive our efforts.

We will partner with those who align with our community partners' interests, and boldly and humbly confront those in power, should they stand in our way. ■

Wes Moore is chief executive of Robin Hood.

Notes

1. Visit <https://www.povertycenter.columbia.edu/poverty-tracker-data>.

