The Power of Black Giving: Where Generosity Meets Community

Sherreta Harrison August 23, 2024

When the Valdry Family made their very sizeable donation to Southern University to establish the Valdry Center for Philanthropy (VCP), it began a process that would result in the nation's first "academic unit at a Historically Black College and University (HBCU) to focus on philanthropic studies and nonprofit management." The building itself, with the names of the Valdry family members who invested in the center prominently displayed, makes it clear whose gifts made the center possible.

The Valdrys are residents of the other L.A., the one on the west coast, but they remain connected to our LA, Louisiana, as Southern University Alumni. Their 5 decades of giving has helped to build the Baton Rouge Institution in ways that were largely unknown to the larger portion of the city before the VCP was erected.

And isn't that representative of much of Black Philanthropy? A 2012 study by The W.K. Kellogg Foundation and Rockefeller Philanthropy Advisors estimates that African American households donate a staggering \$11 billion annually, outpacing all other peer groups. A 2023 report by Indiana Univeristy's Lilly Family School of Philanthropy showed that in 2018, Black Americans gave a higher percentage of their income to non-religious organizations than any other racial or ethnic group. Still, Black Americans aren't known as philanthropists and their smaller, more consistent contributions to community are often unrecognized as "traditional" philanthropy.

Traditional philanthropy is often painted as the large contributions of white-led institutions or wealthy, white individuals. It elevates the gifts of Bloomberg Philanthropies or McKenzie Scott while ignoring the smaller, more frequent contributions of those without large amounts of wealth or big name foundations. And while Bloomberg and McKenzie Scott have backed some much-needed work here in Baton Rouge and across the country, painting their gifts as superior to the gifts of those with far less wealth but much more at stake dilutes the true meaning of philanthropy and further exacerbates racial disparities in income, wealth, and financial giving.

As it stands, Black-led organizations receive much less funding than their white-led counterparts. Moreover, according to the 2020 Racial Equity and Philanthropy report by Echoing Green and The Bridgespan Group, white-led organizations have 76% more unrestricted income than Black-led

organizations. This unrestricted funding typically pays for things such as employee wages, healthcare packages when available, and innovative, but necessary programming that has yet to earn the support of dedicated funding sources. What this means is that Black-led organizations generally have less money to serve their communities, have less money to offer those who work to serve their communities, and ultimately, have less money to implement solutions that are responsive to the changing needs of their communities. And considering that Black-led organizations typically address issues related to poverty and economic security, these issues have a greater chance of being exacerbated.

But, there is hope. Individual gifts, regardless of size, given directly to organizations can bridge the gap between funding disparities and the cost of doing good. Many organizations are able to avoid cash flow issues and build cash reserves that support the long-term efforts that many issues require by having a reliable, consistent source of funding from individuals or groups of individuals.

One might even argue that individual giving, especially small-scale giving, is the oldest form of philanthropy. It certainly is the basis for Black Philanthropy which has its origins in precolonial West African countries' traditions of giving, sharing, and caring. These traditions can be seen throughout history in Black communities in the forms of giving circles, mutual and social aid groups, rent parties, neighborhood childcare, special collections at churches, and private gifts.

The gifts of Black Africans-turned-Americans have always sustained its community and when regarded equitably, philanthropy acknowledges these gifts for their transformative power. Unfortunately, much of what is considered philanthropy ignores the contributions made by Black Americans and perpetuates the narrative that philanthropy doesn't exist within the Black community.

This narrative is not only erroneous; it's dangerously close to erasure. It also serves to dissuade entire generations— ones that have built their identities on social and community justice— from leaning in to its own generosity. A generosity so powerful that it can break chains, fuel movements, influence policy, and build thriving communities.

Black Philanthropy Month was created to acknowledge the rich contributions of people of African descent to charitable organizations and to address the funding disparities in philanthropy. In doing so, the month-long observation reminds us that philanthropy isn't owned by one race, class, group, or institution. It is an act that represents the highest form of community. And, it simply requires a love of humankind and the willingness to put your money (and your time and talent) where your heart is.

^{1.} Cora Jackson-Fossett, "L.A.'s Valdry Family Partners with Southern U. to Open Philanthropy Center," LosAngeles Sentinel, 2019, https://lasentinel.net/l-a-s-valdry-family-partners-with-southern-u-to-open-philanthropy-center.htm

^{2.} Candid. "Most Black-led nonprofits operate on less than \$500,000, study finds", August 2023, https://philanthropynewsdigest.org/news/most-black-led-nonprofits-operate-on-less-than-500-000-study-finds