

Second Chances

We hear a lot these days about the growing rich-poor gap and how it is undermining the American dream. A telling indicator is that hard work is no longer the sure-bet ticket to getting ahead it once was. Millions who struggle to make ends meet have little realistic chance of achieving a better life. And for the rest of us, it's all too easy to believe there's little we can do to mitigate this hardship. We often sigh at the magnitude of inequality, seeing personal stories of misfortune as tiny drops within a huge ocean of need.

Giving Hope is an antidote to this pessimism. It outlines ways your giving can offer second chances to Americans who have dim prospects for moving their lives forward without outside help. Even small donations of time or money can significantly improve the lives of those experiencing hard times, enabling them to embark on a path toward success.

Of the more than \$300 billion annually given to charity in the United States, 81 percent comes from individuals. And most of this money is donated not by the celebrity philanthropists we often hear about but

by people *like you*. About 80 percent of individual giving is by those with annual incomes under \$1 million and over a third by individuals who earn less than \$100,000. These are indicators that your generosity can provide a critical source of help. ¹

Well over 2000 years ago, Aristotle astutely commented: “To give away money is an easy matter and in any man's power. But to decide to whom to give it and how much and when, and for what purpose and how, is neither in every man's power nor an easy matter.” This book provides tips about where to contribute so that you can give gifts that keep on giving. It identifies 75 nonprofits from coast to coast that efficiently use their donations and have track records of creating access to housing, employment, and educational opportunities.

These charities rarely get the exposure they deserve. Although they do vital work to help needy people turn their lives around, they're small and lack the resources to do the sort of publicity that would enable you to know about them already.

Giving to those who have less has deep roots. The Bible contains over 3000 references to helping the poor. From the Old Testament: “Thou shalt surely open thy hand unto thy brother, to thy needy, and to thy poor, in thy land” (Deuteronomy 15:11). From the New Testament: “And though I bestow all my goods to feed the poor, and though I give my body to be burned, and have not charity, it profiteth me nothing (Corinthians 13: 1-13). Bestowing love and spiritual uplift upon the poor is a requirement for attaining

salvation. In Matthew 19:21, Jesus told the rich man, "If you want to be perfect, go, sell your possessions and give to the poor, and you will have treasure in heaven." The Koran frequently mentions the importance of giving to the poor; indeed *Zakat* is one of the five pillars of Islam.²

Beyond religious obligation and ethical concern, we also give to gain tax advantages or relieve guilt. Most of us support causes that personally affect our lives, and we often have as much to gain as do the recipients of our generosity. As Booker T. Washington put it well over a century ago, "If you want to lift yourself up, lift up someone else."³

A classic study of people who saw a film about Mother Teresa's volunteer work in India found that they subsequently had elevated immune systems. The mere thought of donating to charity activates the same part of the brain stimulated during eating and sex. Giving, plain and simple, is an elixir.⁴

For the past couple of years, I have taught a philanthropy course where I've seen firsthand the powerful effects charity can have on donors. Students read the book in front of you, visit several of the nonprofits described, and decide which ones to support with money they've raised. Because students actively participate in funding change, many leave the course inspired to pursue careers in the nonprofit sector after they graduate.

MY INTEREST IN writing *Giving Hope* emerged several years ago in the wake of Hurricane Katrina. Like millions of other Americans and people around the world, I became mesmerized by footage of the massive destruction. The 2005 storm left 1800 people dead and caused billions of dollars in property damage across Louisiana, Mississippi, Alabama, and Texas. Eighty percent of New Orleans flooded after major levees broke. Approximately 95,000 of the city's estimated 143,000 single-family homes were in need of repair. The government's poor planning for a storm of this magnitude was plainly obvious for all to see. ⁵

One aspect of this disaster that particularly caught my eye was how people came out of the woodwork to support the relief effort. An astounding 63 percent of U.S. households donated to hurricane relief the year Katrina devastated the Gulf Coast. The \$6.5 billion given by Americans set a record. Habitat for Humanity International alone received \$95 million. This enabled its local affiliate in New Orleans to become a leader in the city's revitalization, rebuilding 276 storm-damaged houses in the four years after Katrina.

A hallmark of its work was Musicians' Village. Conceived by renowned recording artists Harry Connick, Jr. and Branford Marsalis, this development of 72 single-family homes provides affordable housing to musicians displaced by the storm. Even though there was significant residential blight in New Orleans before Katrina, in the 22 previous years the local affiliate had only raised enough money to build 101 houses. Its development director told me when I

interviewed her almost five years after Katrina that the organization had recently been able to tap a large group of donors who hadn't had much interest in New Orleans housing until the storm propelled the city's inequalities into the national spotlight. ⁶

The fact that Katrina had exposed these inequalities is the very reason I visited New Orleans. I went with a curiosity about why greater generosity hadn't been shown toward people experiencing hardship there – and across the U.S. – before the storm. After that trip I became interested in how I might inspire others to help people desperately in need who are not seen suffering on TV or on the internet. This book, consequently, highlights ways we as private individuals can give to mitigate the everyday hardships experienced by so many of our fellow Americans.

My interest in this topic has deep roots. *Tikkun Olam* – “repairing the world” – lies at the core of my Jewish identity. One way Jews mend social injustice is by giving *Tzedakah*. The great medieval scholar Maimonides wrote in the Mishnah Torah – his 14-volume codification of Jewish law – that the highest form of *Tzedakah* is enabling others to attain skills so that they can provide for themselves; to teach people how to fish rather than giving them fish. This is akin to what C.S. Lewis wrote in *The Four Loves*: “The proper aim of giving is to put the recipients in a state where they no longer need our gifts.” This book shows how you can do just that. ⁷

Perhaps you contributed to the relief effort after Hurricane Katrina or, more recently, after Superstorm

Sandy. If so, then you know how good it feels to assist people who are both struggling and worthy of help. It is particularly gratifying to aid disaster victims since it's easy to empathize with them. You can likewise experience this same feeling through giving that enhances the quality of life for millions of Americans who, despite their best efforts, have few prospects for moving their lives forward without outside help.

WHEN I WAS growing up, during school vacations I occasionally accompanied my parents during the 20-minute drive to their law office located a block from Yankee Stadium in one of the poorest sections of New York City. While en route, I became fascinated by stark differences between the bucolic neighborhood where we lived and bleak indicators that we were approaching our destination. Many buildings were boarded up and panhandlers were frequently standing on street corners. I was just a kid and had no idea why my eyes focused on these captivating details.

It wasn't until I was a sophomore in college and took my first sociology course that I began to connect the dots. I started to see that those scenes of neighborhood disparity I had taken notice of years earlier were a telling indicator of broader inequalities in American society. Around the same time that I was gaining this insight, I was also beginning to uncover a different kind of epiphany: that ironically I recognize social inequalities in part because I have been visually impaired since birth. Due to my severe nearsightedness, contrasts are particularly striking to

me. Just as I fixate on dark branches whistling against the bright blue sky, the existence of poverty in close proximity to opulence catches my eye.

As I write these words, I am struck by the fact that now more than at any other time in my life there are millions of Americans struggling to make ends meet who have few realistic chances of getting ahead without outside help. This is so grossly at odds with cherished ideals we hold about ours being a land of opportunity.

It is no wonder, then, that among the jarring stories which surfaced in the days following Hurricane Katrina, the plight of Tracy Jackson, Jerel Brown, and their four children ages 1, 3, 5, and 7 particularly caught my eye. This family had found shelter during the previous week in the squalid conditions at the Louisiana Superdome and New Orleans Convention Center. Before the storm they had lived in a crowded two-bedroom apartment located in a low-income neighborhood across the street from a housing project. They fled the apartment amidst a fire caused by the rising floodwaters. With their \$2,000 in life savings now up in smoke, they literally had no more money.

When *New York Times* reporter Jodi Wilgoren interviewed them at Louis Armstrong International Airport as they awaited a flight to a purportedly better place, they still had on the clothes they were wearing when they had abandoned their blazing apartment several days earlier. They had no idea where they were being evacuated.⁸



At the airport with all their remaining possessions

The massive charitable response to Katrina enabled the Jackson-Browns and countless other storm victims to receive temporary shelter, fresh clothing, hot meals, and emergency medical care. Those who donated to the relief effort had every reason to see these people as deserving of aid. They were, after all, like so many others who have been the unfortunate victims of natural disasters – people who, through no fault of their own, suddenly find themselves desperately in need of help. After Katrina, there were pieces of Tracy Jackson, Jerel Brown, and their four children in all of us. A comment posted on katrinahelp.com succinctly captured this sentiment: "I've been to New Orleans, I know people who are living there – it seems more personal. It's Americans. It's me." ⁹

At the same time, this family's story was unique. Because they had nowhere else to go, they and so many other New Orleans residents stayed in their homes or

bunkered in city shelters as Katrina's drenching rains and vicious gusts wreaked havoc. Media coverage of the storm depicted those whom the storm left behind as particularly deserving of compassion since they had lived on the margins of society long before the floodwaters took what little they had. But prior to the hurricane – and again soon afterwards – most onlookers were apt to view such people unsympathetically. When there is media coverage of the poor, it tends to depict them as personally responsible for their own hardships and thus unworthy of others' generosity. The immediate aftermath of Katrina was a rare exception to the norm wherein reporting seldom chronicles the daily hardships experienced by millions of low-income Americans.¹⁰

In the course of my research for this book, I came to see just how extensively the media shape public compassion toward the needy. Disaster victims and low-income people are similar in that they both suffer from extraordinary deprivation. Yet, journalists typically portray them as night and day. Donors consequently feel inspired to relieve highly publicized emergencies yet are often indifferent, and sometimes even antagonistic, about supporting antipoverty programs. Comparing Americans' charitable response to Hurricane Katrina with everyday giving highlights the disparity between our enthusiasm for mitigating emergency suffering and our reluctance to address the inequalities that lie at the root of this suffering.

I HAD BEEN curious about this disparity for quite some time before Katrina. My first book *Unequal Partnerships* investigated an initiative undertaken by foundations, corporations, government agencies, and community organizations in Chicago to prevent local violence following the 1992 LA Riots. Whereas this initiative significantly expanded summer programs for poor youth, it failed to achieve its stated goal to implement long-term strategies for addressing root causes of violence in low-income neighborhoods.

Soon after completing that book, a New Yorker essay by Hendrik Hertzberg about the 2004 Indian Ocean tsunami caught my eye. He argued that the outpouring of aid did not merely signify a massive worldwide response to a humanitarian crisis. This tremendous compassion – Americans contributed \$1.9 billion to the relief effort – also brought into sharp focus how little charity targets other social problems that afflict the same people whose lives the tsunami shattered. As aid poured in, UN humanitarian chief Jan Egeland pointed out that more than 30,000 people die every day from starvation and disease in the very places the tsunami devastated. This means that over any given nine-day period more people in these places die of preventable causes than perished in the tsunami. Yet, starvation and disease do not receive nearly the charitable response that the tsunami got.¹¹

Other writers have passionately argued that citizens of affluent nations should give to redress these global inequalities. In the wake of Hurricane Katrina, I started looking at domestic giving through this same lens these writers have used in their call for a greater

charitable response to the suffering afflicting the roughly one billion people who live on the equivalent of \$1.25 a day. I became curious about the gulf between our incredible altruism following Katrina and our comparatively muted concern about addressing inequalities that lie at the root of what was not just a natural disaster but a tragedy with longstanding sociological roots.

This curiosity led me to New Orleans and Washington, D.C., where I interviewed people on the frontlines of the relief effort. I investigated the charitable response to Katrina in the way social scientists have traditionally studied disasters – by highlighting how they expose key aspects of our social world that are typically hidden from view. I subsequently collected data about Boston nonprofits that are making a significant impact in providing access to housing, employment, and educational opportunity. I interviewed staff at these organizations as well as individuals who have benefitted from their programs. These interviews inform the central message in this book: your giving can make a dramatic difference in restoring the American dream. You can significantly help people who live in conditions resembling those the Jackson-Brown family in New Orleans experienced on the eve of Katrina.¹²

JOHN EDWARDS' BID for the 2008 Democratic presidential ticket was doomed long before he admitted to having an affair with his campaign videographer and to fathering her child, both of which

occurred as his wife Elizabeth was dying of cancer. Before these sordid details went public, Edwards had held his own quite well for several months against party rivals, Barack Obama and Hillary Clinton. He built his candidacy on the theme of “Two Americas,” highlighting how unjust it was that the incomes of most people had stagnated or declined in recent years while the wealthy were amassing a growing slice of the pie. Edwards spoke passionately about how, if elected, he would make attacking the rich-poor gap a centerpiece of his administration.

There was a lot of substance behind his rhetoric. Whereas after-tax, inflation-adjusted earnings of the “one percent” rose 275-fold from 1979-2007, incomes rose just 18 percent for the bottom fifth of the population. Some corporate executives now make in a single day what it takes the majority of workers all year to earn. Roughly 50 million people, about 16 percent of Americans, are officially poor. This is the highest poverty rate since *before* the war on poverty during the 1960s. In many cities – including Miami, Buffalo, Cleveland, Detroit, St. Louis, Philadelphia, Cincinnati, and Milwaukee – more than a quarter of residents are poor. And millions more who do not live in poverty still struggle daily to make ends meet. Nearly 1 in 2 people live in families with annual incomes less than twice the poverty line.¹³

Even had Edwards not become embroiled in scandal, it’s hard to imagine he would ever have been elected president. It was one thing for the Occupy movement, comprised mostly of young radicals, to bring attention to inequality and wealth redistribution

a few years after Edwards' campaign. It was quite another matter for a mainstream politician to do so. Over recent decades several federal policies – including privatization of government services, industrial deregulation, cuts in safety net spending, and failure to raise the minimum wage to adjust for inflation – have actually played a key role in contributing to rising economic inequality.¹⁴

The current political climate is unreceptive to reversing these trends. Record deficits have spurred strong support for curtailing social spending. Fiscal constraints are unlikely to abate any time soon, given the mass retirement of Baby Boomers that looms on the horizon. The federal government will be paying out ballooning amounts in entitlements at a time when the retiree population will be growing faster than the tax base, crippling the government's capacity to undertake major initiatives to redress inequality.¹⁵

Yet, public opinion is in step with growing media coverage of how our society is not living up to its promise as the "land of opportunity." More than 90 percent of respondents to a 2010 survey indicated they believe the distribution of wealth in the U.S. is grossly unjust. Regardless of how much they earn or their politics, people agree that such a disproportionately large share of resources concentrated among so few goes against the strong cultural value we place on equity and fairness.

Likewise, 70 percent of respondents to a 2011 Gallup poll indicated it was "very" or "extremely" important to increase equality of opportunity so that

those who want to get ahead can. This sentiment reflects the alarming reality that for many, the American dream was becoming unattainable. The Pew Charitable Trust compared household incomes of youth growing up during the late 1970s and early 1980s with their family incomes as adults 20 years later. Of those born into the poorest fifth of the population, just 7 percent moved to the highest fifth. In contrast, 34 percent did not achieve any mobility whatsoever. Another 27 percent moved up just to the next highest fifth. For those who started in the second lowest fifth, 45 percent either stayed there or actually moved downward. “A consensus view has emerged,” wrote the study’s author Bhashkar Mazumder, “suggesting that the United States exhibits much less intergenerational economic mobility than previously thought and appears to be less economically mobile than are many other industrialized countries.”¹⁶

That just 46 percent of respondents to the 2011 Gallop poll said it was “very” or “extremely” important for the government to address this issue suggests a preference for the types of charitable remedies this book advocates. A 2012 study by the Indiana University Center on Philanthropy and Bank of America found that whereas 91 percent of people expressed confidence in nonprofits’ capacity to solve problems, only 56 percent trusted the government.¹⁷

THESE FIGURES INDICATE the moment is ripe for *Giving Hope*. Its encouraging message is that each of us has the power to help people in need achieve successes

that would be unimaginable were it not for the unsung work of so many nonprofits across the U.S. Although we have divergent political leanings, directing our giving so that hard-working people can achieve the promise of a better life is an idea around which we can agree. We've long seen charity as a way to offer second chances. Now should be no exception.

The following pages highlight just how big an impact your giving can make. Chapter 2 documents stories testifying to Americans' robust spirit of generosity and illustrating the powerful long-term impacts it can have. Chapter 3 chronicles examples of people who give with an eye to how they can spur access to opportunity. Chapters 4-6 highlight specific ways your generosity can restore the American dream, showcasing the work of Boston nonprofits with track records fostering access to housing, jobs, and education. Chapter 7 highlights the tremendous amount we have to gain when we give hope to others. And finally, Chapter 8 lists by geographic region charities from coast to coast you might choose to support that are making a significant difference in enabling people down on their luck to achieve success.

My aim for you in reading this book is to feel the same sense of urgency to take action that so many of us felt after Hurricane Katrina when we saw photos of people on their rooftops desperately waiting in the blazing heat for rescue crews to arrive. Those photos were the canary in the coalmine urging us to view *everyday* financial hardship as a crisis deserving our charitable response.



Stranded on rooftops awaiting help

The notion that those who aspire to get ahead yet struggle to do so are deserving of help aligns with the longstanding value we place on equality of opportunity. It isn't right that our society advertises the American dream as available to all yet leaves so many with little hope for a better life. You can change that.

¹ “Patterns of Household Charitable Giving by Income Group, 2005” (2007), 15.

² Singer, *The Life You Can Save* (2009), 19-20; Wagner, *What’s Love Got to Do with It?* (2000), 77-79.

³ This quote from Booker T. Washington can be found at http://www.leadershipnow.com/leadingblog/2011/02/the_wisdom_of_booker_t_washing.html.

⁴ Moll et al, “Human Fronto–Mesolimbic Networks Guide Decisions about Charitable Donation” (2006); McClelland and Kirshnit, “The Effect of Motivational Arousal through Films on Salivary Immunoglobulin” (1988).

⁵ Katrina damage projections come from Brinkmann and Ragas, “An Estimate of the Cost of Hurricane Katrina Flood Damage to Single-Family Residential Structures in Orleans Parish” (2006); a good source for basic facts about Katrina is Douglas Brinkley, *The Great Deluge* (2006). I also consulted web sites of well-reputed organizations, including the Discovery Channel and National Geographic. See <http://dsc.discovery.com/convergence/katrina/facts/facts.html> and http://news.nationalgeographic.com/news/2005/09/0906_050906_katrina_facts_2.html.

⁶ This 63 percent figure also includes the two other major hurricanes that occurred in 2005 – Hurricanes Rita and Wilma – and comes from the Conference Board Survey of 5000 Households, April 2006; The \$6.5 billion figure is based on data collected by the Indiana University Center on Philanthropy during 2005 and 2006 and reported in *Giving USA 2006* and *Giving USA 2007*. Statistics about Katrina contributions given to Habitat for Humanity International come from data collected by the Indiana University Center on Philanthropy about total Katrina aid during the six months after the storm: http://www.philanthropy.iupui.edu/Research/Giving/Hurricane_Katrina.aspx. Figures about the number of houses built by New

Orleans Area Habitat for Humanity and about its Musicians' Village development come from the organization's web site: <http://www.habitat-nola.org/>. I interviewed the development director, Gina Stilp, in her New Orleans office in April 2010.

⁷ Lewis, *The Four Loves*, 1960.

⁸ Wilgoren, "In Tale of Two Families, a Chasm between Haves and Have-Nots" (2005).

⁹ Quoted in Wilgoren, "In a Multitude of Forms, the Offers of Help Pour In" (2005).

¹⁰ See Dyson, *Come Hell or High Water* (2005). Even prior to Katrina, a number of commentators had emphasized that there is no such thing as a wholly "natural" disaster: that hurricanes, earthquakes, and the like disproportionately affect those who already live on the margins of society based on their income, race, and where they live. See Cockburn, Clair, and Silverstein, "The Politics of 'Natural' Disaster: Who Made Mitch So Bad?" (1999); Fothergill and Peek, "Poverty and Disasters in the United States: A Review of Recent Sociological Findings" (2004); and Steinberg, *Acts of God* (2000). This perspective became much more pronounced after Katrina since some of the most extensive damage to New Orleans occurred in city's most impoverished neighborhoods. In addition to Dyson's groundbreaking book, see Bates and Swan, *Through the Eye of Katrina* (2007); Hartman and Squires, *There is No Such Thing as a Natural Disaster* (2006); and Marable and Clarke, *Seeking Higher Ground* (2008). For discussions of typical media coverage of American poverty, see Clawson and Trice, "Poverty as We Know It" (2000), 61; Gamson et al "Media Images and the Social Construction of Reality" (1992), 374.

¹¹ Hertzberg, "Flood Tide" (2005); Data of Americans' contribution to the tsunami relief effort come from the Indiana University Center on Philanthropy and are published in GIVING USA. Egeland's comments were reported in the Boston Globe article, "Official Fears Drop in Aid for Others" (2005).

¹² These writers include Novogratz, *The Blue Sweater* (2010) and Singer, *The Life You Can Save* (2009); The 1.4 billion statistic comes from the World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/0,,contentMDK:20153855~menuPK:373757~pagePK:148956~piPK:216618~theSitePK:336992,00.htm>; Rich illustrations of social science research about disasters are Kai Erikson's *Everything in its Path* (1976) and Eric Klinenberg's *Heat Wave* (2002).

¹³ Congressional Budget Office, "Trends in the Distribution of Household Income Between 1979 and 2007" (2011), <http://cbo.gov/ftpdocs/124xx/doc12485/10-25-HouseholdIncome.pdf>; Mishel, Bernstein, and Shierholz, "The State of Working America 2008/2009" (2008), 9, <http://www.stateofworkingamerica.org/>; U.S. Census Bureau, The 2011 Statistical Abstract, http://www.census.gov/compendia/statab/cats/income_expenditures_poverty_wealth.html; Luhby "Poverty Rate Rises Under Alternate Census Measure" (2011), http://money.cnn.com/2011/11/07/news/economy/poverty_rate/index.htm; Tavernise, "Soaring Poverty Casts Spotlight on 'Lost Decade'" (2011), http://www.nytimes.com/2011/09/14/us/14census.html?_r=1&scp=2&sq=poverty%20increase&st=cse; Yen, "Census shows 1 in 2 people Are Poor or Low-income" (2011), <http://finance.yahoo.com/news/census-shows-1-2-people-103940568.html>.

¹⁴ Schmitt "Inequality as Policy" (2009), retrieved from <http://www.cepr.net/documents/publications/inequality-policy-2009-10.pdf>, 4; Block, Korteweg, and Woodward, "The Compassion Gap in American Poverty Policy" (2006), 16.

¹⁵ Goldberg, *Billions of Drops in Millions of Buckets* (2009), 63-69.

¹⁶ A perusal of the *New York Times* in July 2012 is a clear indicator of the timeliness of this topic: see David Brooks, "The Opportunity Gap" (July 9); Jason DeParle, "Two Classes in America Divided by 'I Do'" (July 14); Joe Nocera "Addressing Poverty in Schools" (July 27); and Peter Edelman, "Poverty in

America: Why Can't We End It?" (July 28). Ariely, "Americans Want to Live in a Much More Equal Country (They Just Don't Realize It)" (2012), <http://www.theatlantic.com/business/archive/2012/08/americans-want-to-live-in-a-much-more-equal-country-they-just-dont-realize-it/260639/>. The Gallup poll was conducted December 16, 2011, <http://www.gallup.com/poll/151568/Americans-Prioritize-Growing-Economy-Reducing-Wealth-Gap.aspx>; Mazumder, "Upward Intergenerational Mobility in the United States" (2008), 5, http://www.economicmobility.org/assets/pdfs/PEW_EMP_UPWARD_INTERGENERATIONAL.pdf.

¹⁷ The Indiana University/Bank of America study was released in November 2012, <http://www.philanthropy.iupui.edu/research-by-category/the-2012-study-of-high-net-worth-philanthropy>.