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A Love Letter to Nonprofit and Philanthropy

Another world is not only possible, she is on her way. On a quiet day, I can hear her breathing.

—Arundhati Roy

A FEW YEARS AGO, before the pandemic, I was waiting to board a plane when I heard a voice calling my name. “Mr. Vu!” I turned to see a young man behind an airline counter beaming at me. He looked familiar, but I couldn’t place him. Before I could deploy the usual strategy of smiling and faking it, he said, “Do you remember me? Binh. I was one of the students in your afterschool and Saturday morning programs.”

For several years, I worked at the Vietnamese Friendship Association (VFA, now Kandelia), a nonprofit focused on helping immigrant and refugee kids and their families who had just arrived in the United States. We had several programs, including some to help kids catch up on their academic and social skills and find jobs, and others to help parents navigate the school system.

Binh arrived as a tall, lanky teenager. A bit awkward, but also bright and gregarious, always cracking jokes, he was a favorite among the staff. Over the years, as his language and social skills developed,

he became a great resource for the programs, helping other kids and interpreting for the staff. He was a reliable volunteer every Saturday morning and throughout the week.

By then, I had become the executive director, so I was out attending meetings, wrangling money, writing reports, and occasionally huddling in the fetal position in the supply closet, weeping and beating my chest in despair over cash flow and assorted other issues.

While the work had been fun and meaningful, it was also full of challenges. There was a constant feeling that everything was in crisis mode, and I was failing as a leader. The search for funding was relentless and anxiety-inducing, and any relief that came through a grant or donation was short-lived.

On some days, I wondered if I might have chosen the wrong profession. I had been a pre-med student as an undergrad. I could have been a doctor! And now it was midnight, and I was still in the office, sitting on a rolling chair with a broken wheel, working to edit answers on a grant proposal, while trying to ignore the scratching noises coming from the walls, an indication of the pest issue we were dealing with.

But the students made it all worthwhile.

My team was also amazing. Every person on my staff was brilliant and courageous, coordinating the programs and helping our students with the same level of creativity, thoughtfulness, and determination as they did in handling budget shortfalls, random community members who showed up thinking we were an immigration attorney's office or medical clinic, and the increasingly assertive rodents living in our walls.

"Binh," I said, "it's so good to see you! I'm sorry I didn't recognize you at first. It's been so many years since I last saw you. How have you been?"

"I'm good, Mr. Vu," he said, "Thanks to VFA, I graduated from high school and college, and I got this job with this airline!"

We traded more pleasantries before I boarded the plane, Binh waving and smiling at me as I passed him.

Seeing Binh was a reminder for me of how amazing our sector is and of all the good we do. It was also a reminder that our work creates ripples we may never fully see. The programs my nonprofit ran served

so many kids and families over the years. They graduated or left and gradually lost touch, so we were never sure of the long-term impact, if any, we made on them.

It was by chance that I ran into Binh and learned how he was doing and how he thought our programs affected his life. It was nice to see our program participants ending up happy and successful. It was good to have the rare confirmation that my nonprofit and its dedicated, hardworking team had contributed somehow to making life just a bit better for him and his family.

Best of all, I got a free seat upgrade, which is a tangible proof of the ripples we make, even if we seldom see them!

Invisible and Essential as Air

I've always thought nonprofits are like air, whereas other sectors, especially the corporate sector, are like food. People can see food, so they appreciate it; they take pictures of food and call themselves *foodies*. Air is just as essential, if not more so, but because it's invisible, no one appreciates it until they need it. People don't recognize the value of senior centers, for example, until they or their parents start aging. They may not pay much attention to food pantries until they lose their jobs. They don't think much about mental health organizations or suicide hotlines until they are in trouble or know someone who is.

The general public is ignorant about how nonprofits work and contribute to society at large, benefitting all people, not only those they directly serve. I wrote a blog post dispelling some myths people had about nonprofits and received a bunch of comments pushing back. One stood out:

When we invest in for-profits we do so for the potential of realizing more value (thicker wallet) to us as individuals. When we donate money to nonprofits, we give our money with no hope of self-gain. Therefore those of us who give our hard-earned money have every right to judge a nonprofit any way we want.

This sort of attitude is pervasive, probably because our sector tends to attract nice people who are more focused on helping others than

trying to educate clueless numpties on the Internet. If people just take a minute to think about it, they will realize that just because they can't hold or see something does not mean they do not benefit from it.

We all benefit from nonprofits' work more than we'll ever know. If people feel safe walking down the street, it's likely due in part to the nonprofits working on neighborhood safety and providing services to those who need help. If they appreciate the free art and music in their neighborhood and city, it's likely because there are nonprofits supporting kick-ass artists and musicians in the community. If they like parks and clean air, it's probably because there are nonprofits focused on making sure there are green spaces and recycling services and clean transportation. If people care about democracy, there are nonprofits educating and engaging people around voting and policy-related issues.

For so long, nonprofits have remained invisible and underappreciated even as we are vital to a functioning society. We barely have any shows about us! I sometimes daydream about pitching some ideas to TV executives on shows we could have about nonprofit work. For example:

- *The Amazing Free Supplies Race*. In each episode, a bank or large business moves or shuts down, and they send out a notice about free supplies and furniture, and all these nonprofits assemble into teams and try to be the first to get there and secure that sweet metal filing cabinet that locks. They'll use it for the personnel files!
- *Nonprofit and Afraid*, based on the Discovery Channel's *Naked and Afraid*, which pairs up strangers who must endure the wilderness for three weeks. They each get a survival item, usually a machete and some sort of fire-starting device, and they must find food and shelter. Each episode of *Nonprofit and Afraid* would feature someone who has never worked at a nonprofit being placed at a nonprofit. They must accomplish difficult tasks to help community members. They get a survival item, like a 1993 Honda Accord.
- I'm also thinking of creating *Nonprofit, the Musical* and have thought about what kind of characters it would have. For example,

there's a robot that's also a consultant, and it repeats exactly what the staff says. . .but the board listens to it! And the development director character is played by a new actor in every scene.

Nonprofits' Role in Society

The nonprofit sector contributes over a trillion dollars every year to the U.S. economy, which is 5.6 percent of GDP.¹ In the United States, nonprofit is the third-largest sector, eclipsing several industries, including construction, finance, and manufacturing, according to the Johns Hopkins Center for Civil Society Studies 2020 Nonprofit Employment Report.² The sector employs over 12.5 million workers, behind only retail and trade (15.8 million) and accommodation and food services (13.6 million). That means that one out of every 10 workers in the United States is employed by a nonprofit.

Meanwhile, some of the most important advances and transformations in society have occurred because of nonprofits, including the Civil Rights Act of 1964 and the Voting Rights Act of 1965, marriage equality, the Affordable Care Act, the Clean Air Act, the Clean Water Act, the Paris Climate Accord, and so on. Think of any social transformation in history and our sector has likely been involved in some significant way.

None of these things mean that our sector is perfect; far from it. The fact that we have so many nonprofits and foundations, with many more forming every day, often reflects the failure of other systems. In an ideal world, many nonprofit organizations would not exist because capitalism wouldn't be an all-consuming exploitative force that concentrates wealth in the hands of a few super-rich people while starving the poorest; corporations would compensate their workers with thriving wages; the wealthy would pay their fair share of taxes; and government would not be controlled by a bunch of oligarchs but instead is strong and representative and takes care of its people. Such a world would have many fewer nonprofits because there wouldn't be a need for them.

Unfortunately, that's not our reality. We can work toward it, but until we reach that vision, nonprofits will continue to play a critical role. And it's been super frustrating how taken for granted,

ignored, and abused this sector has been by the rest of society. As air, we allow our communities to breathe, providing vital social goods everyone benefits from. But it's time we stop being invisible, own our full power, demand respect, and push back against things that impede our work.

The Crap We Put Up With

Over the past two decades I've been in this sector, I'm constantly amazed by the people in it. Yeah, there are a few assholes, but most people are incredible: hardworking, kind, hilarious, determined, brilliant, and creative. We would have to be all those things to put up with the shenanigans thrown at us every day, stuff that other sectors don't have to deal with, philosophies and practices we've taken at face value that are inane or infuriating. Here are just a few of them.

Overhead: What's Your Hose-to-Water Ratio?

There has been a long-held belief that certain expenses are good, such as books and backpacks for students, and others are bad and should be minimized as much as possible. These "bad" expenses are called "overhead" or "indirect" expenses and include things such as staff salaries, office rent and utilities, insurance, and website hosting. Funders and donors hate paying for these expenses and often limit how much nonprofits can spend on them, often clutching their pearls if overhead rates are above 20 percent, which is ironic, as the average overhead rate for for-profits can be 35 percent or higher.³ This is one of the biggest, most annoying, and most nonsensical barriers in our work. We've taken it as par for nonprofit work, but imagine if for-profits had to deal with it.

Any funder that still restricts funds or fixates on overhead is basically the equivalent of a climate-change-denying anti-vaxxer of our sector.

Imagine a bakery where a customer walks in and asks for a cake. However, they agree to pay only 20 percent of the cake and ask that other customers help pay for the rest. They also insist that the \$20 only be spent on eggs and butter, not any of the other ingredients, because

they don't like paying for those, and definitely not for the electricity for the oven, since that's an indirect cost.

Everything has been so urgent, so I've been using a different metaphor, which is that nonprofits are like firefighters working to put out the fires of injustice. We're rushing to a fire and someone stops us and says, "Hey, I want to donate money to help you put out fires, but I only want my money to go to the water, not the hose, because the hose is overhead. What is your hose-to-water ratio?"

The focus on overhead has been distracting and harmful, forcing nonprofits to fight serious societal problems with underpaid staff and inadequate resources. Plus, the more time we spend playing Funding Sudoku, the less time we spend putting out fires. So this "overhead" fixation among funders and donors is not just annoying, it's been harmful, allowing the fires of injustice to spread.

We need to move away from overhead. Don't mention it on your website. Don't brag about how "94 cents of every dollar raised go to programming" or whatever. And funders need to stop asking about it. Considering the vast amount of data that is out there regarding how effective multi-year general operating dollars (MYGOD) are, any funder that still restricts funds or fixates on overhead is basically the equivalent of a climate-change-denying anti-vaxxer in our sector.

The Sustainability Question

A few years ago, I called up a program officer of a foundation to discuss my org's mission to bring leaders of color into the nonprofit field. "That's a great idea," he said, "but what's your sustainability plan? We don't tend to support projects unless we know they will be financially independent in the future."

"Well," I said, "I have a great plan for that. Have you heard of teeth tattoo? Imagine: the Seahawks logo on your incisors! We will open a teeth tattoo parlor, and it will generate millions of dollars in income, enough to fund the project forever!"

All right, I didn't say that. I waffled something that sounded intelligent—"We are building up our base of individual donors, establishing relationships with local businesses, and using the

synergistic paradigm action matrix (SPAM) to explore earned revenues”—like a good grant-seeker. Then, I hung up and unwrapped a bar of dark chocolate and ate it, both me and the chocolate 72% bitter.

Sustainability is the idea that nonprofits should be able to be financially self-reliant, and buried in innocent-sounding questions like “how will you sustain this program” is the deeply held belief that nonprofits are a bunch of freeloading parasites. Many funders are terrified nonprofits will be “dependent” on them, like lazy adult children who moved into their parents’ basement, eat all their parents’ food, and refuse to get a job and be out on their own.

Well, who says nonprofits should be sustainable? Maybe some of us would like to do a good job, solve whatever problems we’re working on, close our organizations, and follow our long-deferred dream of opening a vegan butcher stand at the farmer’s market to share our joy of plant-based protein. The thinking that every organization should be around for the long term reflects a lack of imagination, which I elaborate more on in the next chapter.

The concept of sustainability is insulting, when nonprofits are filling in the gaps left behind by the rest of society and addressing problems we didn’t cause in the first place. Plus, it’s impossible to achieve; even large organizations still rely on grants. Also, funders’ obsession with this ridiculous concept has paradoxically prevented sustainability. Imagine if all customers of a bakery refused to order cakes from it unless the bakery had a “long-term sustainability plan to avoid being financially dependent on customers.”

A bakery’s job is to make pastries, and as long as it does a good job at that, customers keep buying from it; that’s how it’s sustainable. The same goes for nonprofits. Nonprofits’ jobs are to run programs and services, and funders’ jobs are to fund nonprofits as long as they’re doing good work. If funders want nonprofits to be sustainable, it should be the *funders’* jobs to sustain them.

Bizsplaining

One time, I was showing a potential board member our Saturday morning program, which served 150 kids. It was his first visit, and he

launched into a lecture about having a business plan. “We have a three-year strategic plan,” I said, and before I could elaborate, he interrupted to explain what a business plan was. This man, who had never run a nonprofit before, cut in several more times to explain various *important business concepts* to me as if I had never heard of such things as revenues or returns on investment.

There is a pervasive belief that nonprofits are generally ineffective and should run more like for-profits, and it manifests in what my friend and colleague Allison Carney calls *bizsplaining*.⁴

Bizsplaining, similar to mansplaining, is when someone from the “business” world talks to a nonprofit employee about their work in a condescending manner ... I understand that since we make less money and “do good,” you think that we don’t know what we’re doing. The truth is, we’re in a completely different world than you.

I rarely see nonprofit folks ever assuming the same patronizing attitude toward for-profits. But maybe we should start saying things like “I’ve never run a restaurant before, but I have eaten at several, and I think you need to consolidate with other restaurants in your neighborhood into one mega-restaurant, to lower overhead costs” and “When I’m retired from my career in youth development, I’d love to open my own corporate law firm. It seems so rewarding!”

I don’t know where our corporate friends’ arrogance comes from, when they have a leg up in almost everything. As Nancy Long, former executive director of 501 Commons, says, “Business has easy access to capital. Nonprofits are doing much more difficult jobs and producing harder ‘products,’ if you will—changing lives, without access to working capital.”

Even with such an advantage, 49 percent of for-profits fail within their first five years and 65 percent within 10 years, according to the U.S. Bureau of Labor Statistics.⁵ Nonprofits are working on some seriously entrenched problems, such as poverty and homelessness, with completely different funding models and dynamics.

There are always things the sectors can learn from one another. For-profit colleagues need to knock it off with the know-it-all attitude,

and nonprofit professionals need to stop internalizing this inferiority complex and unproven belief that our sector is somehow less effective and inefficient than any other sector.

The Reality We Face

One of my favorite shows is *Chopped* because it's a great visual analogy for our sector and the creativity of the people in it. *Chopped* features a competition where contestants are given baskets of random ingredients and asked to make delicious meals out of them: "Here's some trout, three slices of fermented beets, and some licorice-flavored marshmallows. Go make a dessert!"

In our sector it's like, "Here's a 12-year-old computer, a printer that only prints when the moon is in Gemini, one half-time underpaid staff member, several people on the Internet who hate you for no reason, and a \$5,000 grant you can only spend on paperclips on Tuesdays. Go end poverty!"

And you know what, we still manage to do incredible, life-changing stuff every day. Sure, I am biased because I've mostly worked in this sector, and because I'm so grateful for all the organizations that helped me and my family when we first arrived. But I am always impressed and humbled by the people in this sector and what we manage to achieve despite inadequate funding, unrealistic societal expectations, unfair comparisons to other sectors, and the involuntary twitch in one eye some of us have developed from planning galas.

However, things are horribly dire. Humanity has entered what I call the era of Fascist Extremist Assholes' Reign (FEAR). Democracy, fueled by misinformation and a rise in right-wing extremism, falters as dictators increasingly assume power. As I'm writing this book, Trump and the Republicans have taken control of all three branches of government and have been using their power to exponentially further injustice and inequity. They are dismantling vital institutions, cutting critical services, destroying reproductive and other rights many people before us fought hard for, suppressing free speech, and disappearing people who protest their actions.

Meanwhile, the wealth gap continues to widen, and a handful of billionaires have more money than half the world's poorest population

combined. The planet becomes more and more uninhabitable as ocean levels rise and natural disasters intensify. Israel's genocide of Palestinians continues, funded by our tax dollars. Horrific injustices continue against people in Sudan, Congo, Tigray, and other areas of the world. The people and communities all around the world who are already most marginalized by the ongoing effects of capitalism, white supremacy, and patriarchy continue to suffer even further.

Amidst all this, when our sector is most needed to address these rising problems, the U.S. government, corrupted by billionaire oligarchs, goes all in on demonizing nonprofits and eroding the public's trust in us. They dismantled USAID, tried to freeze federal grants that had already been allocated to nonprofits, cut down provisions for the USDA to send to food pantries across the country, tried to pass the bill HR9495 to allow the government to mark any organization it doesn't like as "terrorist-supporting," and took over vital nonprofit organizations like the U.S. Institute for Peace, among other horrific things designed to overwhelm and demoralize us so we don't fight back.

Are We Ready for the Fights Ahead?

As much as I love our sector, I don't think in our current conditions we are prepared for the battles ahead. I've been watching a lot of TV shows and movies, mainly because I am exhausted, and these forms of entertainment give me needed reprieve. The best ones provide a sense of hope and optimism we all desperately need from time to time. In shows and movies where the forces of good are fighting the forces of evil, there is a trope where during the final battle, when all hope is lost, everyone who is on the side of Good shows up at the last minute and mounts a final push to save humanity.

J.R.R. Tolkien's *Lord of the Rings* comes to mind. It parallels what we have now: Evil forces led by one man, moving across the land, destroying everything in their path, blanketing the world with strife and despair. The beings on the side of Good must combine forces and fight back. But if *Lord of the Rings* were set in our sector, here's what it would look like:

The elves, who hold the most power and resources, decide they're only going to give out 5 percent of their riches to fight Sauron, maybe

increase it to 6 percent, and keep the rest in their endowments, since they are immortal beings who plan to leave for the Undying Lands of Perpetuity, where none of Sauron's actions really affect them.

Gandalf thinks the best way to fight Sauron is to gather a fellowship of brilliant warriors—so they can spend the next three years researching which communities have been most hurt by Sauron. They release a white paper and hold a summit. The first recommendation in this white paper is. . .to do more research.

Aragorn's Council of Advisors believes it's "mission drift" for him to form an army to fight Sauron, since his focus has been to be a ranger and protect the forests. Fighting Sauron is too "political" and that's just not something they think he should do.

Boromir thinks maybe it would be best to work with Sauron, meet him in the middle; he can't be that bad, and it's good to have diverse perspectives; the important thing is that everyone is civil with one another and with Sauron when they disagree.

Gollum, meanwhile, is a consultant teaching people how to raise money to fight Sauron, using traditional tactics that center the emotions and whims of donors, despite Sam and Frodo saying these tactics strengthen Sauron's power: "Why do they hates the old ways of fundraising, Precious? The old ways works! They raises money, Precious!! They keeps us employed!"

A Time for Righteous Anger

But we don't have to be like that. Our sector has all the potential to fight against an evil as great as the one we're facing now. To do that effectively, we need to shift how we do things. We need to shed our skin of niceness and compliance and adopt one of righteous anger. The kind that Desmond Tutu describes here:

Righteous anger is usually not about oneself. It is about those whom one sees being harmed and whom one wants to help. In short, righteous anger is a tool of justice, a scythe of compassion, more than a reactive emotion. Although it may have its roots deep in our fight-or-flight desire to protect those in our family or group who are threatened, it is a chosen response and not simply an uncontrollable reaction. And it is not about

one's own besieged self-image, or one's feelings of separation, but of one's collective responsibility, and one's feeling of deep, empowering connection.

We need to be angry at the cruelty of this administration and the horrible things it has been doing. We need to be angry at all the politicians who are aiding in the dismantling of democracy and civil society.

Meanwhile, instead of being compliant, we need to be angry at those who wield money and power in our sector, who waste our time and make our work difficult. We can't continue to be like air, invisible and underappreciated, helping our communities breathe while we ourselves suffocate and burn out. We need to be angry so we can resist and fight and protect the people and communities we care about.

The time to be nice and put up with bullshit—whether from political leaders, funders, corporate partners, donors, society in general, or other nonprofits—is over.

Another World Is on Her Way

Lately, it's been hard not to fall into despair. Or to become numb or avoidant. On several days these past few months, that's where I find myself—in bed, doomscrolling the state of the world, feeling small and futile. I am filled with fear and grief for the people whose lives have been or will be torn apart, dread for the years ahead, and preemptive exhaustion brought on thoughts of the horrors and battles we will be facing every day.

But I am also fired up and determined to fight. On a walk to clear my head, I saw someone had written this quote by writer and activist Arundhati Roy: “Another world is not only possible, she is on her way. On a quiet day, I can hear her breathing.”

We can't continue to be like air, invisible and underappreciated, helping our communities breathe while we ourselves suffocate and burn out.

I appreciate this hopeful vision, not just because it contrasts with the chaos and destruction we're facing, but also because of Roy's courage and conviction. In her unapologetic speech⁶ accepting the PEN

Pinter Prize, she condemns the collective imagination that would condone and fund Israel's genocidal campaign against Palestinians:

An imagination that cannot countenance diversity, cannot countenance the idea of living in a country alongside other people, equally, with equal rights. Like everybody else in the world does. An imagination that cannot afford to acknowledge that Palestinians want to be free, like South Africa is, like India is, like all countries that have thrown off the yoke of colonialism are.

The pushback against Palestine's liberation, as well as DEI, trans people's existence, immigrants, the poor—all of it stems from this narrow, sad imagination of greedy, cowardly people. They know a better, more inclusive world is coming, and they are fighting tooth and nail to stop it. But this reality of a better world is inevitable.

In an article⁷ written during the current turmoil, writer and consultant Venkatesh Rao elaborates on the quote by Antonio Gramsci, an Italian philosopher and communist who loudly criticized fascist dictator Mussolini and was imprisoned. Gramsci's words have been translated as "*The old world is dying and the new world struggles to be born. Now is the time of monsters.*" Rao calls this period between the old world finally dying and the new world being born as the Gramsci Gap.

It seems we are firmly in that gap right now, a "time of monsters." In many ways, our society may be like a snake shedding its old skin—the yoke of colonialism, imperialism, white supremacy, capitalism. What we are seeing is the resistance to this evolution as white nationalists, misogynists, racists, and xenophobes start to reckon with the fact that they will soon be outnumbered, oligarchs start to realize their time is nearing its end. They will fight desperately to preserve the old order and hierarchy where they have been on top, and they will try to consume the systems, structures, and communities in their way. But like a snake eating its own tail, will destroy themselves.

A snake eating its own tail is the ouroboros, the Egyptian symbol of the cycle of destruction and rebirth. We are in the destruction phase, marked by the prevalence of monsters, ones fueled by bigotry, ignorance, and lack of imagination. Though it may not seem like it now,

this period of destruction will be followed by a period of renewal and growth, and a world many of us write about in our vision statements. It may take a while, and I have no illusions it will be easy. But I have faith humanity will get there.

And our sector, filled with amazing, dedicated, kind, thoughtful, talented, brilliant, and obviously very good-looking people despite the graying hair and involuntary eye-twitch thing, has a significant role to play in creating that reality. That is, if we keep hope and imagination alive, hold on to our values, and are ready to shed our own skins, which include many of the philosophies, practices, hang-ups, traditions, and fears that have been holding us back.

I believe in us.

Discussion Questions

1. If you have experience working in the nonprofit sector, how and why did you get into it? If you haven't, what intrigues you about it?
2. What do you think are the strengths of this sector?
3. Think of some key nonprofits in your geographic area. What do they do, and how does it benefit people, both the ones who use their services, as well as those who don't?
4. Why is it that our sector plays such an important role in society and yet remains so invisible and underappreciated?
5. Have you encountered instances of the overhead myth, sustainability question, or bizsplaining?
6. What other forms of BS and shenanigans have we been dealing with?
7. How does our sector push back against these things?
8. What fears do you have with everything happening sociopolitically?
9. What positive things do you hope may come out of this "cycle of destruction and rebirth"?

