



**HORIZON FORUM**  
PHILANTHROPY | EQUITY | DIALOGUE

# **WHAT DO THE EXPERTS SAY:**

## **Hate Funding in Philanthropy**

---

*Annotated Bibliography #3*  
*Prepared by: Nagham El Karhili*



## **HORIZON FORUM**

Horizon Forum is a fiscally sponsored project of the Proteus Fund, a 501(c)(3). The initiative aims to strategically engage with sector leaders in philanthropy to ensure their charitable missions are insulated from extremism, bigotry, and hate activity.

Horizon Forum’s primary activity consists of hosting semi-annual dialogues with stakeholders and researchers familiar with the institutional landscape of philanthropy and unique challenges of self-regulation therein. It also partners with peer institutions and university-based research centers to provide public facing thought leadership and data-based recommendations for stakeholders. Finally, the program also provides direct services for foundations, assisting them in establishing processes and policies for vetting grantees and ensuring they protect their mission to nurture the public good and “do no harm” with their philanthropy.

Copyright © 2021 Horizon Forum



## WHAT DO THE EXPERTS SAY

“What Do the Experts Say” is an ongoing series that reviews recent discussions affecting the philanthropic sector by thought leaders and experts from a variety of sources in the form of an annotated bibliography. It captures the state of the debate today, helping readers navigate an otherwise complex and multidimensional field.

## CONTENTS

Introduction .....	4
Philanthropic Sector .....	5
In the News: .....	5
Nonprofit and NGO Reports: .....	8
Academic Sources:.....	9



## INTRODUCTION

Debates around hate funding have grown in multiple spaces as issues of social violence, extremist ideology, and organized hate come to the forefront of public conversations. Advocacy organizations are flagging such activities, along with their funding sources, and implementing high profile campaigns pressuring organizations to stop what they consider to be hate funding. In recent years, various approaches have been adopted by the philanthropic sector to raise awareness of the issue and put an end to hate funding, which most often takes place through the use of Donor Advised Funds. Campaigns such as the “Hate is Not Charitable” pledge by Amalgamated Foundation and GuideStar’s brief attempt to designate hate groups on their site have been met with both praise and caution by sector leaders and advocacy groups. Meanwhile, as researchers continue to document the extent of the problem within the sector, stakeholders attempt to find practical, equitable, and lasting solutions to the debate. The sources below represent voices of leading actors, advocates, and researchers, documenting the issue in recent years.



# PHILANTHROPIC SECTOR

## *In the News:*

Barzegar, Abbas and Fink, Anna. "[Who Pays for Hate.](#)" *Inside Philanthropy*. January 21, 2021.

Prompted by the January 6 Capitol attacks, this article points to the problem of hate funding in philanthropy. Barzegar and Fink explore the links between the lack of a legal designation for 'hate speech,' an under-regulated digital financial sector, along with the overly open categorization of 'nonprofit' by the IRS. The combination of these contextual elements creates an environment where charitable donations have become hate groups' primary funders.

Theis, Michael. "['Hate Groups' Received Millions From 351 Charities and Foundations, Chronicle Review Finds.](#)" *Chronicle Review*. February 3, 2021.

This article by investigative journalist Michael Theis documents the latest developments in philanthropy's funding of hate groups. Theis highlights donations by 351 organizations amounting to a total of \$52.8 million to SPLC-designated hate groups through 2018. Notably, he underlines DAFs' counting for \$34 million of these contributions. The piece provides further detail on donors such as Fidelity Charitable and the National Christian Foundation as the top donors accounting for 50% of the total funding given to hate groups.

Glaser, April, and Olivia Solon. "[Accused Hate Groups Receive Pandemic Aid.](#)" *NBC News*. December 9, 2020.

This news report exposes a group of fourteen organizations that received funding from the Paycheck Protection Program totaling \$4.3 million. Although the organizations were designated as hate groups by various reputable sources including the Global Disinformation Index, the Institute on Strategic Dialogue, the Southern Poverty Law Center, and the Anti-Defamation League, they have all benefited from the pandemic federal relief funds.

Armus, Teo. "[Kroger Unknowingly Funneled Donations to a Militant Group. After the Capitol Riots, it's Cutting it Off.](#)" *Washington Post*. January 20, 2021.

Kroger removed the Oath Keepers from their list of community organizations eligible for charitable donations by the company. Known to many as a hate militia group, the



Oath Keepers is an IRS approved nonprofit that successfully signed up to receive donations through Kroger's customer-directed program.

Alpert, Sharon. "[How Philanthropy Can Curb the Rise of Hate: Count It, Condemn it, Confront It.](#)" *The Chronicle of Philanthropy*. April 29, 2019.

In response to the recent rise in hate crimes and active hate groups, this article by Sharon Alpert, former president of the Nathan Cummings Foundation, provides organizations with an action plan to curb their participation in hate funding. Alpert encourages grantors to raise the alarm about the growth of white nationalist discourse and activity, unite in their efforts to counter hate groups, and support other grassroots organizations at the forefront of this issue. Particularly, she urges foundations to use their institutional clout as a way to raise issue awareness and take immediate action.

Barzegar, Abbas and Keizer, Willemijn. "[How We Can Stop Hate Groups from Abusing Philanthropy to Raise Money.](#)" *The Chronicle of Philanthropy*. March 10, 2020.

This article highlights philanthropy's obligation to halt hate funding in the sector. Barzegar and Keizer invite leaders in this space to collaborate, consult, and coordinate their efforts in order to restore faith in charitable activity.

Armus, Teo and Alexander, Ames. "[Foundation For the Carolinas Under Scrutiny Over Grants to Anti-Immigration Groups.](#)" *The Charlotte Chronicle*. November 20, 2019

This article reports on the case of a known philanthropic foundation funding hate groups. Although the Foundation for the Carolinas is well-known for its support of a range of civic organizations, it has contributed to funding a network of anti-immigration groups. Faced with pressure from the community and other advocacy groups, the foundation reiterated their commitment to funding groups from both sides of the political spectrum. The article emphasizes the significance of DAFs as a primary tool used by anonymous donors to fund multiple groups who have been designated as 'hate groups' by the SPLC.

Glaisyer, Tom and Firozvi, Nadia. "[As Hate Attacks Rise, Philanthropy Can Take Steps to Curb Them.](#)" *The Charlotte Chronicle*. December 13, 2019.

This article, written by leading voices at the Democracy Fund, outlines philanthropy's role in interrupting rising hate groups across the US. Glaisyer and Firozvi sketch their own organization's commitment to creating protective strategies in the most



vulnerable communities. Pointing to various cases of successful responses to organized hateful activity, the authors encourage the philanthropic sector to take the lead in supporting grassroots organizations in forming more resilient communities.

Fadel, Leila. "[Mainstream Charities Are Unwittingly Funding Anti-Muslim Hate Groups, Report Says.](#)" *NPR*. May 7, 2019.

This article highlights findings from a Council on American-Islamic Relations report tracing funding from over 1,000 largely mainstream charities to 39 anti-Muslim groups that it calls the Islamophobia Network. Some of the mainstream charity organizations such as Schwab Charitable and Fidelity Charitable respond to the finding by pointing to their grant regulations which serve to theoretically restrict the use of funds for charitable purposes. Ultimately, the funders point to the IRS as the sole responsible organization to determine what organization qualifies as a nonprofit.

Gandel, Stephen. "[Charles Schwab charitable funds halts donations to NRA.](#)" *CBS News*. November 27, 2019.

This article reports on Schwab Charitable's decision to suspend clients' ability to give money to NRA-affiliated charities through its donor-advised fund. Stephen Grandel further connects this decision to parallel state scrutiny into the NRA's non-profit status. The article also notes the significant role that DAFs play in providing funding to similar groups in recent years.

Sandoval, Timothy. "[Federal Court Says GuideStar Was Within Legal Bounds to Add 'Hate Group' Labels.](#)" *The Chronicle of Philanthropy*. January 24, 2019.

This piece reports on GuideStar's victory when a federal court ruled it was within legal bounds to put a hate label on a nonprofit's profile. Liberty Counsel sued GuideStar after a label was placed on its profile page noting that the legal organization had been designated a hate group for its anti-LGBTQ stances. Liberty Counsel claimed that the label was defamatory and hurt its reputation.

Kotch, Alex. "[America's Biggest Christian Charity Funnels Tens of Millions to Hate Groups.](#)" *Sludge*. March 18, 2019.

This article sheds light on an example of philanthropic organization misguidedly funding extremist groups. Specifically, the piece focuses on the case of the National Christian Foundation. The philanthropic group passed along \$56 million from anonymous individuals to nearly two dozen anti-LGBT and anti-Muslim hate groups



over the last three years on record. Additionally, Kotch points to the various issues surrounding donors' ability to use DAFs as a vehicle for anonymous donations.

### ***Nonprofit and NGO Reports:***

Council on American-Islamic Relations & Southern Poverty Law Center "[Hate Free Philanthropy](#)." 2020.

In this report, SPLC and CAIR assess the current state of hate funding in philanthropy. When it comes to adopting comprehensive anti-hate policies, the report highlights progress in various sectors and proposes the development of a shared framework for sector-wide reform.

Institute for Strategic Dialogue & Global Disinformation Index. "[Bankrolling Bigotry: An Overview of the Online Funding Strategies of American Hate Groups](#)." 2020.

In this analysis, the Institute for Strategic Dialogue and the Global Disinformation Index found that 73 US-based hate groups have used 54 online funding mechanisms. More specifically, an overwhelming number of those groups have nonprofit status in the US which potentially provides them with some of these avenues to raise money. Additionally, the report points to the online platforms' lack of policies preventing such funding streams to hateful activity.

Fink, Anna. "[Hate is Not Charitable](#)." *Amalgamated Foundation*. April 4, 2019.

This piece by Amalgamated Foundation Executive Director Anna Fink sheds light on the organization's decision to establish the Hate is Not Charitable initiative. Fink links this initiative to the foundation's larger commitment to social justice.

Innovia Foundation. "[Innovia Foundation Board Adopts Anti-Hate Policy For Grantmaking](#)." April 2, 2020.

This statement outlines the newly adopted anti-hate policy by the Innovia Foundation. The policy includes the foundation's articulation of hateful activities, and pledge to not make grants to groups that fit this definition. The foundation positions this organizational shift within larger debates of the grave role played by philanthropy in funding hateful groups.

Northern California Grantmakers. "[Funding Hate: A Philanthropists Guide to Prevention](#)." December 6, 2019.





In this webinar, leading voices in philanthropy discuss a need for increased scrutiny, policy, and procedures that screen out grantees of the philanthropic sector. The session includes insight by James Head, Eric Ward, Anna Fink, Abbas Barzegar. The event was hosted by the following partners: Philanthropy CA, Council on American-Islamic Relations, United Philanthropy Forum, Southern California Grantmakers, and the Northern California Grantmakers.

Harold, Jacob. "[GuideStar and Data from the SPLC.](#)" *GuideStar Blog*. June 15, 2017.

As a reputable source of information about nonprofit organizations, GuideStar historically announced their 'hate group' addition to their database. GuideStar CEO Jacob Harold, explains that the organization saw an increase in user concerns around hate groups and hate speech. Seen as a pivotal moment for the sector, GuideStar began using SPLC's hate group list into their database and note the designation to their user.

### ***Academic Sources:***

Amarante, Eric Franklin. "[Why Don't Some White Supremacist Groups Pay Taxes?](#)" *Emory Law Journal*. 2018. 67.

In this article, legal scholar Eric Franklin Amarante proposes a change in the Treasury regulations for the category of nonprofit. Noting the number of white supremacist groups enjoy tax-exempt status, Amarante's article suggests restricting the definition of educational organizations to refer only to traditional, degree-granting institutions, distance learning organizations, or certain other enumerated entities. The change is meant to stop white supremacist groups from hiding under the charitable label and eliminate the government's implicit blessing of hate groups.