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✓ PREMIUM

# Wealthy Donors of Color Largely Ignored by Philanthropy, Study Says

By Julian Wylie

Wealthy donors of color are nearly invisible in the world of philanthropy, a "spectral presence" whose "priorities, interests, and experiences are invisible in discussions of high-net-worth philanthropy," according to a new report.

White donors still have the most money to give, in large part because of big disparities in inherited wealth, the report states. More than 8 million white Americans have a net worth of more than \$1 million, compared with 620,000 Asians, 515,000 Hispanics, and 185,000 African-Americans.

But those disparities are changing as the nation becomes increasingly diverse and as nonwhite people become more upwardly mobile. "High-net-worth donors of color constitute a substantial and growing community of philanthropists," the report states.

The findings are from "The Apparitional Donor: Understanding and Engaging High Net-Worth Donors of Color." The report is from Faces of Giving, a nonprofit, and the Vaid Group, a social-strategy firm.

African-Americans are "far behind, not because of the accumulation of debt during the course of a black person's life cycle; we're far behind because we don't start out with an inheritance," said William Darity, professor of public policy and African and African-American studies and economics at Duke University, who was quoted in the study.

The report classified high net worth as having investable assets of more than \$1 million. Researchers interviewed 103 donors nationwide.

## **Growing in Number**

Donors of color with an annual income of \$500,000 were noted as future philanthropists and growing in number. They may also be the first in their families and communities to enter the top 1 percent and become medium- to high-profile givers.

Other findings from the report said high-net-worth donors of color may be ignored because only a few of them serve on foundation boards or lead a foundation. One way to combat this, the report said, is to increase outreach and oversight by adding high-net-worth donors of color to those networks.

The report also found that wealthy, diverse donors represent an opportunity for fundraisers for particular causes.

"High-net-worth donors of color may represent new resources for social- and racial-justice initiatives and for specific challenges affecting communities of color."

The study added: "Many report not having been asked to engage in this kind of giving, further indication that the opportunity is real."

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