The Radicalization of Race: Philanthropy and DEI

Katharine C. Gorka and Mike Gonzalez
About the Authors

**Katharine C. Gorka** is former Director for Civil Society and the American Dialogue at The Heritage Foundation

**Mike Gonzalez** is Angeles T. Arredondo E Pluribus Unum Senior Fellow in the Douglas and Sarah Allison Center for Foreign Policy Studies at The Heritage Foundation.
Diversity, equity, and inclusion (DEI) has become the guiding principle and dominant focus of many foundations, corporations, and the federal government. At the heart of these multi-billion-dollar efforts—both public and philanthropic—are certain key assumptions: America is systemically racist; white America harbors unconscious racism; and equal rights, meritocracy, and the law itself reinforce a regime of white supremacy. Most of DEI’s practices violate the Constitution and the Civil Rights Act. Numerical quotas, government race-conscious policies, and speech codes do nothing to close the real disparities of achievement, because they do not address the root causes. DEI eradicates the best aspects of the American experiment, which have brought prosperity and opportunity to so many—the rule of law, respect for individual rights, and equal treatment under the law.

The language of diversity, equity, and inclusion (DEI) now infuses the grantmaking of the majority of America’s largest private foundations. As a result, hundreds of millions of dollars are being invested in organizations and programs shaped by the assumptions that underlie DEI. At the same time, because foundation dollars provide early-stage research and development for solving societal issues, whatever philanthropies are supporting today has the potential for widespread implementation in the future. This means that philanthropic dollars have an outsized influence on American culture and society. It is therefore essential to understand the assumptions that underlie DEI, the problems that funders are working to solve, and whether the DEI approach that many mainstream philanthropies are advocating and funding is achieving the desired results. This *Special Report* sets out to answer those questions.
Definitions

Already, the premises of DEI pervade the actions of the Biden Administration. In his first act as President, on January 20, 2021, Joseph R. Biden signed Executive Order 13985,1 which required all federal agencies and departments to root out policies that could have a disparate impact on members of the different racial and sexual population categories that are deemed “underserved.” Since then, the Administration has made the promotion of DEI one its highest priorities.2

The private sector is also completely submerged in DEI. A 2021 study of 65 of the largest universities found that the average American university has 45 DEI personnel—with the University of Michigan sporting 163 of them. That means that universities have 40 percent more DEI staff than they have history professors.3 The study also examined campus climate survey results to see if the number of DEI staff made campuses more welcoming or inclusive, and found that the opposite was the case. Why is that?

It is essential at this point to examine what exactly the phrase “diversity, equity, and inclusion means,” and why it has become so prevalent.

An examination of DEI in 21st-century America and its relationship to the major philanthropies must tackle two issues. The first is definitional: What exactly do people mean by diversity, equity, and inclusion? The second is historical: Any discussion of DEI must take full account of the evolution of racial discrimination, exclusion, and oppression in American history.

The Merriam-Webster Dictionary definitions of the three words can be of some help. For diversity, Merriam says that it is “the condition of having or being composed of differing elements: variety.” It then adds that diversity especially means “the inclusion of people of different races, cultures, etc. in a group or organization,” and gives the sole usage example of “programs intended to promote diversity in schools.”4 The first entry for equity says it is “justice according to natural law or rights.” Merriam’s third definition for equity says it also means “remedial justice under or by the rules and doctrines of equity, a body of legal doctrines and rules developed to enlarge, supplement, or override a narrow rigid system of law.”5 These two definitions are in fact diametrically opposed understandings of justice. Lastly, inclusion also evinces these dualities in language. The first definition gives the neutral meaning that it is “the act of including,” but then adds that it is also “the act or practice of including and accommodating people who have historically been excluded (as because of their race, gender, sexuality, or ability).”6
These definitional dualities exist because the meanings of the three words have evolved. The English language, lacking a controlling authoritative body, such as Spanish has with the Royal Academy of the Spanish Language, is more democratic in its acceptance of evolutionary changes, with the various private-sector dictionaries making independent decisions about which terms to include, Merriam-Webster being but the most famous one for American usage. Definitional evolutions can come organically from the grassroots or ideologically from the grass tops of the academy, the media, or other institutions engaged in making meaning. Because most Americans do not know that the meaning of these specific terms has changed (and, in fact, they ascribe to them the traditional definition, which is why some may be generally supportive), while academics and journalists are conversant in the new meaning, one can assume whence came the pressure for the words to drift. As Amy Harmon put it in *The New York Times*, “The new lexicon has become a kind of inscrutable code, set at a frequency that only a narrow, highly educated slice of the country can understand.”

James Lindsay, Bruce Gilley, and Peter Boghossian, three dissenting academics who are members of the Oregon Association of Scholars, drafted a “Cheat Sheet for Policy Makers.” It is a glossary of what they found working inside the American university system. *Diversity* is “[a]n identity-based approach to society; includes only those who agree with Social Justice, which is a violation of individual identity; enforced intellectual conformity; political quotas; an attack on merit and a form of soft bigotry.” *Equity* means “equality of outcomes plus reparations, which is a violation of equality before the law; a dismantling of the foundations of a free society; state management of society by redistributing resources, opportunity, and access.” *Inclusion* means “restricted speech and justification for purges, which is...an attack on freedoms of association and speech; an enforced separation of people by race (‘neo-segregation’).”

As Lindsay, Gilley, and Boghossian make clear, the evolution of the three terms has perversely distorted the new meanings into almost the precise opposite of the traditional meanings. Diversity today means the automatic denial of diversity of thought, because a person who does not believe in mandatory mathematical proportions of racial and gender groups is automatically disqualified from employment. Equity means the opposite of equality, because what equity calls for is unequal treatment of Americans depending on the racial, sexual, or gender identity category to which they are designated. Inclusion, through use of language codes, excludes from social life those who are canceled because they expressed a thought not in accordance with the political orthodoxy of the day.
The traditional meaning and sound of “equity” are so close to “equality” that it is what many Americans still believe it to mean. That the word now means its functional opposite was demonstrated when Kamala Harris, as vice presidential candidate in November 2020, tweeted: “There’s a big difference between equality and equity. Equality suggests, ‘everyone should get the same amount.’” Equity, however, Harris went on, is “about giving people the resources and the support they need, so that everyone can be on [an] equal footing, and then compete on [an] equal footing. Equitable treatment means we all end up in the same place.”

And, for how diversity and inclusion have come to mean the exact opposite of their erstwhile definitions, the professional travails of the three academics who wrote the “Cheat Sheet” provides ample evidence. Gilley has faced a torrent of academic opposition to his work, if not to say persecution, and publishers have dropped plans to print his material after organized signature-collection campaigns. Boghossian resigned his decade-long position as a lecturer in philosophy at Portland State University in September 2021, citing professional harassment. Lindsay, for his part, had been banned by Twitter but was reinstated by Elon Musk after he bought the social media giant.

Many Americans instinctively embrace DEI because the words diversity, equity, and inclusion each have dual meanings. Indeed, each of these concepts, in its original meaning, is central to the American ethos. The notion that “all men are created equal,” to quote from the Declaration of Independence, is the most profound commitment to diversity and inclusion that any nation has made. The Declaration’s words, “they are endowed by their Creator with certain unalienable rights,” is a direct expression of the first meaning of equity: “justice according to natural law or rights.” But the fact is that each of these words has been distorted to mean the very opposite of its original intention. As a result, these words as they are now understood in the DEI paradigm are taking the United States in a direction opposed to what the Founders had originally intended. How did this divergence come about and what are the assumptions that drove it?

The History of DEI

Following are the two important timeframes that created the foundations of today’s DEI paradigm:

1941–1964: From Non-Discrimination to Keynesian Social Planning. The evolution and history of DEI is deeply intertwined with America’s tragic and complex history of slavery, the eradication of slavery, and, then,
efforts to make amends for and rectify the lasting impact of slavery. Slavery itself lasted for over 250 years. Then, barely 20 years after a bloody civil war in which more than 600,000 Americans lost their lives in the fight over slavery, the country started almost seven decades of Jim Crow and *Plessy v. Ferguson*’s “separate but equal” regime. All of this history saw cruelty upon cruelty inflicted on black Americans, from the master’s lash of the slavery years to the noose of lynchings during Jim Crow to the destruction of Black Wall Street. These horrors formally ended more than 60 years ago, with the victories of the civil rights movement—primarily *Brown v. Board of Education* in 1954 and the Civil Rights Act of 1964. But the endurance of racial disparities, from wealth to education, to health, criminality, and incarceration rates, continues to bedevil policymakers. This, in essence, is one of the key problems philanthropies have been keen to address.

Institutional philanthropy in the United States dates to the early 20th century, when individuals who had amassed significant wealth during the height of the industrial revolution sought ways to keep that wealth from transferring to the government through inheritance taxes. The result was the creation of foundations in which family members could ideally keep a hand. The problem is that foundations are largely free from the checks and balances that moderate government power, as well as from the market forces that moderate corporate power, and over time stray from their founders’ intent. In 1953, Congress established a select committee to look into these foundations’ growing wealth and tax-exempt status. One of the staff attorneys, Rene Wormser, noted the significant hazard inherent in the philanthropic sector:

> A more tight and monopolistic control of great wealth would be hard to find in any other segment of American economy. Unlike the power of corporation management, it is unchecked by stockholders; unlike the power of government, it is unchecked by the people... [Americans] are not likely to be pleased to find a quasi-monopoly operating in intellectual areas which are not mere “ivory tower” but influence our society very materially.

So not only were these large foundations unchecked in their power, but many operated with progressive assumptions. As Luke Rosiak explains:

> From its beginnings, the foundation movement was a politically progressive one, fueled by a belief in the power of science to improve lives, and the idea that the wealth of the elite obligated them to pursue some big ideas that could make the world a better place. It was also defined by a fixation with race.
In some cases, this led to positive outcomes. For example, The Carnegie Foundation supported education of black Americans. The corporation had been charted by the industrial giant Andrew Carnegie himself in 1911 with a broad mission of supporting the diffusion of knowledge. The Scots-born Carnegie had made his fortune in steel in 19th-century America. He then used much of his money to improve the education of black Americans and to improve racial relations in general. He supported the work of Booker T. Washington and by 1903 had provided $600,000 to Washington’s Tuskegee Institute (now Tuskegee University), an historically black university in Tuskegee, Alabama.

In 1935, the former Secretary of War Newton Baker, who was then a member of the board of trustees of the Carnegie Corporation, suggested that the executive committee “give consideration to the general question of negro education and negro problems”—which meant consideration of financial grants. The grant that Baker suggested in 1935 eventually funded one of the most influential books on race relations in American history, *An American Dilemma: The Negro Problem and Modern Democracy*, by the Swedish economist and sociologist Gunnar Myrdal. Myrdal documented extensively the wide disparities black Americans were facing in everything from housing to employment to education. The American dilemma that Myrdal identified was the conflict between what he saw as a widespread belief in the American Creed—liberty, equality, justice, and fair opportunity for everybody—and enduring deep-seated prejudice. The book resonated with a wide audience. It served as a validation for what many black Americans experienced, and it was a wake-up call for white Americans. It had a direct impact on the Supreme Court’s unanimous ruling in *Brown vs. Board of Education* decision a decade later, in 1954, which finally ended legal segregation in schooling.

But philanthropic engagement on race had a very mixed record. Some of the most prominent foundations embraced the progressive fascination with eugenics—the idea that human populations could be improved through control of reproduction, an idea made infamous by the Nazis. Carnegie, John Harvey Kellogg, and the Rockefeller Foundation all supported eugenics research. The director of the Carnegie Institution of Washington Station for Experimental Evolution lobbied for policies that would “restrict immigration and sterilize ‘defectives.’”

While large foundations, with their progressive aspirations, were supporting radical ideas such as eugenics, the U.S. government, to its credit, was taking a more measured and practical approach to addressing racial issues, largely by using the power of government to ensure non-discrimination in hiring:
• In 1941, President Franklin D. Roosevelt signed Executive Order 8802, outlawing discrimination based on race, color, creed, and national origin in the federal government and defense industries. Executive Order 9346 expanded it in 1943, making it applicable to all government contractors.

• In 1951, President Harry Truman signed Executive Order 10308, creating the Committee on Government Contract Compliance, which would oversee compliance by federal contractors with the non-discrimination provisions of Executive Order 8802.

• In 1953, President Dwight D. Eisenhower signed Executive Order 10479, which created the President’s Committee on Government Contracts and stipulated that “it is the obligation of the contracting agencies of the United States Government and government contractors to insure [sic] compliance with, and successful execution of, the equal employment opportunity program of the United States Government.”

But in the late 1950s, the philanthropic world began to dramatically shift its approach to race, and this, in turn, eventually shaped the federal government’s approach as well. To be sure, many factors served to push the government in more radical direction—a burgeoning civil rights movement, mayors concerned about poverty and crime in their cities, and a growing frustration that the promises of non-discrimination were not, in fact, resulting in expanded employment opportunities for African Americans. But it was the ideas and programs coming out of the foundation world, the Ford Foundation in particular, that had a singular influence in changing the U.S. government approach: from color-blind non-discrimination to color-conscious affirmative action, from organic, bottom-up gradual adjustments to centrally planned, top-down sweeping change.

Paul Ylvisaker was at the heart of this effort. Ylvisaker had been an academic, teaching at Swarthmore College, who then gained real world experience as executive secretary to the mayor of Philadelphia, Joe Clark. There he developed a lifelong interest in cities, particularly in how to address the problem of urban decline. He joined the Ford Foundation as a program officer in the Public Affairs department in 1957, which provided him the opportunity to develop his ideas into programs. His efforts coalesced around the problem he identified as the City of the Gray Area, “that growing wasteland which starts at a moving point uncomfortably close
to the central business district and extends to a moving point uncomfortably close to the better residential suburbs.” He identified a number of developments that were causing this problem in cities in a 1963 speech: “migration, automation, racial tensions, relaxing moral standards, [and] exploding populations.” All of this contributed to what he saw as both rapid and irreversible urbanization of life in America but also a series of problems for America’s cities.

Indeed, the decline in American cities was a concern for many. What made Paul Ylvisaker’s work on this issue particularly influential is that he had millions of Ford Foundation dollars to spend on the problem. The Ford Foundation had four times more in assets than Rockefeller, the next largest foundation. Moreover, and this is critical for the eventual evolution of DEI, Ylvisaker believed in the power of central planning. His solutions were firmly grounded in the thinking of British economist John Maynard Keynes. In his 1936 opus, *The General Theory of Employment, Interest and Money*, Keynes argued that governments could manage currencies in a way to ensure full employment. Ylvisaker believed that cities and the people in them could be similarly managed by government in such a way as to erase racial tensions, poverty, and decay: “What we need now is for someone to analyze our social system as Lord Keynes analyzed the economic system.”

What would this require in practice? According to Ylvisaker:

Our Keynesian social analyst will have to identify the existing social imperfections that stand in the way of achieving equilibrium and full employment, and then we shall have to root them out by determined action—not simply wait for some unknown force to correct them.

I believe that we are now in the process of developing a social theory for this kind of action—action that is going to call for strong executive leadership at all levels of society.

In short, comprehensive social planning and management by government would be the solution. Today, Keynes’s theories no longer enjoy general approval, but at the time, they were widely embraced. On December 31, 1965, the year after Ylvisaker wrote that particular passage, *Time* magazine featured Keynes on its cover, though he had died 20 years earlier, with the feature article titled, “We Are All Keynesians Now.” This was misquoting Milton Friedman, who later clarified things in a letter to *Time*, though Richard Nixon did paraphrase it when he said in 1971 that he was “now a Keynesian in economics.” Indeed they had all been Keynesians for
several decades. As Richard Ebeling, professor of ethics and free enterprise leadership at The Citadel, explains:

For four decades, from the mid-1930s to the 1970s, Keynesian economics almost monopolized economic policy in the United States and around the world. The “new economics,” as it was called, was going to assure mankind economic stability, full employment, and material prosperity—all through wise government management of monetary and fiscal policy.23

While many criticized Keynes’s theories, Friedrich Hayek and Milton Friedman prominent among them, it was the writer Henry Hazlitt who best captured the fundamental flaw in Keynes’s proposal for increased governmental control and planning. According to Hazlitt, in order for this system to work, there would have to exist “a class of people (perhaps economists very much resembling Lord Keynes) who are completely informed, rational, balanced, wise, who have means of knowing at all times exactly how much investment is needed and in exactly what amounts it should be allocated to exactly which industries and projects, and that these managers are above corruption and above any interest in the outcome of the next election.”24

But since that type of comprehensive, perfect knowledge does not exist, nor is even humanly possible, government planners simply cannot aggregate or manage the vast amount of information that must go into the millions of transactions that take place every day. The complex network that is the free market is the only mechanism that can do that effectively. Even more importantly, central governments cannot “plan,” or manage the economy, without controlling every aspect of daily life. As economist Friedrich Hayek explained, “While an equality of rights under a limited government is possible and an essential condition of individual freedom, a claim for equality of material position can be met only by a government with totalitarian powers.”25

And all of this had a direct impact on philanthropy. One can hear in Ylvisaker’s words an ominous requirement for coercion: “we shall have to root out [the social imperfections] by determined action.” What, or who, are those social imperfections, and who decides? What exactly are those “determined actions”? Ylvisaker also prescribed “action that is going to call for strong executive leadership at all levels of society.” What exactly is “executive leadership”? Unelected leaders? Who appoints them? And what types of decisions will they be making over the lives and fates of others? What happens when an individual or a group does not like a decision made by this “strong executive leadership”? The implications are foreboding,
and yet these are the roots of the ideas that shaped the massive expansion of government welfare programs in the 1960s and that we see playing out today both in the vast bureaucratic state and in the DEI paradigm.

Ylvisaker disparaged the notion of the market mechanism, saying that “an invisible, self-correcting device” simply did not exist. To be fair, he was hardly alone in his belief in an all-knowing, all-powerful government that could fix all ills. Indeed, those were the beliefs of socialists going back nearly a century. But he was in a uniquely powerful position, and his dream of a Keynesian solution for social engineering had far-reaching consequences. His Gray Cities program at the Ford Foundation poured millions of dollars into addressing the social ills plaguing the cities, and it then became the blueprint for President Johnson’s vast governmental initiative, the War on Poverty.

To be sure, there were many other influences, from civil rights leaders, such as Martin Luther King, Jr., and Michael Harrington’s social democratic analysis of poverty in his book *The Other America*, to United Auto Worker president Walter Reuther’s Citizens’ Crusade Against Poverty, but it was the Ford Foundation’s Gray Cities program, under the leadership of Paul Ylvisaker, that had put concrete programs into action, which then provided both a rationale and a blueprint for a vastly expanded role of the federal government in distribution of resources and social planning.

1965–1989: Affirmative Action, Identity Politics, and Race-based Treatment. The War on Poverty, with its Keynesian approach to addressing social issues through central planning and federal programs, is the first major step toward today’s DEI approach to race and inequality. It was the War on Poverty, building on the Ford Foundation’s Gray Cities Program, that overturned the quintessentially modern liberal approach to human flourishing and prosperity: (1) “limit the power of the state, in defense against tyranny and stagnation,” and (2) “liberate the energies of individuals and independently organized communities,” as Michael Novak so cogently expressed it. Now, the calculus was that some individuals could not lift themselves out of poverty but that the government, in all its wisdom, could. This starting point, with its fundamentally flawed logic, made possible the three pillars of DEI: affirmative action, identity politics, and the underlying idea that government (and by extension, private businesses) would treat individuals differently depending on their race, all of which the big philanthropies also had a hand in cultivating.

Just 45 days into his presidency, John F. Kennedy issued Executive Order 10925, which sought to ensure that executive departments and agencies, as well as federal contractors, took affirmative steps “to realize more fully the national policy of nondiscrimination within the executive branch
of Government.” The executive order’s first “whereas” stated plainly that “discrimination because of race, creed, color, or national origin is contrary to the constitutional principles and policies of the United States.” This language was closely aligned with the non-discrimination executive orders issued by Presidents Roosevelt, Truman, and Eisenhower listed above. But in a paragraph on federal contractors, Kennedy’s executive order departed from the earlier approaches with its mention of the term “affirmative action”:

The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin.29

The executive order enjoins contractors to act “without regard to their race, creed, color, or national origin.” It does so three times. After centuries of government-mandated discrimination at the state level, President Kennedy and the federal government were taking a stand against discrimination on the basis of race or national origin and saying that it violated the nation’s principles. It is exactly the opposite, of course, of what affirmative action soon became, and what today’s DEI regime reinforces.

Soon after the issuance of this executive order, the Kennedy Administration started to encourage private foundations to help the budding civil rights movement.30 By May 1963, the Rockefeller Foundation had already begun to internally discuss funding groups such as the United Negro College Fund (UNCF). The debate ended when President Kennedy wrote to John D. Rockefeller III asking the Rockefeller Foundation to contribute $5 million to the UNCF, referencing a recent $15 million pledge from the Ford Foundation.31 The Rockefeller Foundation rejected Kennedy’s initial request, but after subsequent appeals appropriated $2.5 million to the UNCF in September that year.32

But it was not until the 1960s that other major foundations also started giving generously to the cause of race relations. In 1960, one year before President Kennedy’s Executive Order 10925, the Carnegie Foundation, the Rockefeller Foundation, the Field Foundation, the Alfred P. Sloan Foundation, the Ford Foundation, and others gave handsomely to several programs, with the Ford Foundation alone approving $13 million in grants for “institutional development” at “13 Negro Institutes.”33 After 1962, when President Kennedy and his Administration reached out to the philanthropic
world to support race relations, the grants rapidly accelerated. “In the 1960s, struggles for racial equality had cohered into a globally-recognized civil rights movement that brought renewed attention to segregated schools and educational inequality,” writes Barry Goldberg, a research fellow at the Rockefeller Archive Center. These issues may not have aligned neatly with the Rockefeller Foundation’s priorities as it headed into the decade, adds Goldberg, something that could have been said of most philanthropical foundations, but the trends of that tumultuous decade were too difficult to buck. Lest one forget, the event that had prompted Newton Baker in 1935 to ask the Carnegie Corporation to plunk down money into “negro problems” was the race riot that shook Harlem that year.

High-profile assassinations of Americans associated with the civil rights movement—such as President Kennedy in late 1963; his brother, the Democratic Party candidate Robert F. Kennedy, in June 1968; Malcolm X in 1965; and, most important, the icon of the civil rights movement, Martin Luther King, Jr., in April 1968—contributed to the radicalization of the movement, leading to the creation of violent groups, such as the Black Panthers in 1966, the Weather Underground in 1969, and the Symbionese Liberation Army in 1973. The leadership of large foundations saw it as their job to change this course of America.

Identity Politics

When McGeorge Bundy left the Johnson Administration to become president of the Ford Foundation in 1966, he pushed the foundation into an even more radical form of racial activism. As National Security Advisor from 1961 to 1966, to both Presidents Kennedy and Johnson, the Groton- and Yale-educated Bostonian had helped to steer the Administrations’ engagement in Vietnam, and by 1966 he had plenty of ghosts to expiate. The racial unrest America was living through shook Bundy to the core, as it did many other elite Easterners. Pulitzer Prize–winning journalist David Halberstam described Bundy as possessing “a dark view of the seriousness of the racial conflict in America, and a belief that something had to be done and done immediately.” Bundy had the utmost faith that the Ford Foundation and other major foundations could solve America’s race problem with their leadership and funding.

Indeed, the Ford Foundation had a key hand in steering society away from President Kennedy’s original message of color-blindness and race neutrality, and into its opposite—race-conscious policies and government-led racial division.
As discussed above, Paul Ylvisaker, director of public affairs at the Ford Foundation from 1959 to 1967, was one of the earliest promoters of Ford’s engagement in racial affairs. He referred to philanthropy as “the passing gear of social change,” and lived by those words. He spoke in terms of “power structures” in a way that pleased leftists. He was involved in programs for black Americans, especially in urbanism, starting in 1961 with the foundation’s Gray Areas program, a failed project that aimed to bring together welfare and educational organizations to help low-income populations in neighborhoods affected by urban renewal and the black migration from the South (and which became the model for LBJ’s failed War on Poverty). Between 1965 and 1970, Ford Foundation grants to help black Americans increased from 2.5 percent of total domestic programmatic outlays to 40 percent.

But Ylvisaker supported equally ground-breaking work with Hispanics. Indeed, he had a big hand in the creation of the category itself, which had not existed previously. A fateful encounter with Mexican American activist Herman Gallegos led to Ylvisaker’s (and the Ford Foundation’s) creation of the Hispanic category, thus giving the future “diversity” one of its main components. Carmen Samora, daughter of Julian Samora—co-founder of the radical affinity group La Raza, and who opened the first Hispanic Studies department, at Notre Dame—wrote that Gallegos first met Ylvisaker in the 1960s in San Francisco, while Gallegos was working on a Ford Foundation program. Gallegos told Samora in an interview: “Ford does not fund programs to help Mexican-Americans.”

Gallegos then began to intensely lobby Ylvisaker to do more to support Mexican Americans, which paid off. But Gallegos had not been entirely right that the Ford Foundation did not fund programs for Mexican Americans.

Already in 1964, Ylvisaker had committed $647,999 of the foundation’s money, a significant amount at the time, into a multiyear study canvassing Mexican Americans in the Southwest. The lead researcher was Leo Grebler of the University of California, Los Angeles (UCLA). The study asked, “In what respect are the adaptation problems of Mexican-Americans unique, and in what respects are they comparable to those of other immigrants of previous generations or of Negroes to-day?” That analogizing of the Mexican-American experience to that of black Americans was false from every perspective, but it was an important first step in the creation of identity politics, which is the precursor to today’s “diversity.”

Not long after this encounter, Ylvisaker asked Gallegos, Julian Samora, and Ernesto Galarza, all of whom had been working with Saul Alinsky in a project funded by the Rosenberg Foundation, itself a philanthropy for hard-left causes, to embark on a comprehensive assessment of the opinions of Mexican Americans in the Southwest. Alinsky, a Marxist who is credited
with inventing modern neighborhood organizing, had tried to unite Mexican Americans in the 1940s and 1950s, but was stymied by their lack of organization. The Ford Foundation was to be more patient.

In fact, the Grebler study, once finally published in 1970, was to be a cornerstone in the creation of “diversity” as a concept. Sociologist Vilma Ortiz told the Los Angeles Times in 1999 that, “Up to that point, the discussion had been about African Americans and whites. This brought to light a whole other population that had really been ignored.”

One of the problems that Ylvisaker said he wanted the study to solve was the “difficulty” among Mexican Americans “of finding common ground and presenting a united front.” The use of the term “united front” was interesting, to say the least, as it was one employed by the Bolsheviks as soon as they grabbed power in Russia in 1917 in their effort to unite the workers of the world and foment universal revolution. The very notion of a “united front” was deeply rooted in socialist thinking and revolutionary history.

For the study, Grebler and UCLA colleagues Joan Moore and Ralph Guzman interviewed 1,550 residents of Los Angeles and San Antonio. The title was indicative of the study’s goal—The Mexican-American People: The Nation’s Second Largest Minority. As one of this study’s authors wrote in 2019, “the study played a formative role in creating a consciousness of minority status among Mexican Americans, and analogizing their experience to the unique history of African Americans.” The study’s title ascribed to Mexican Americans the identity of minority, even though the subjects themselves rejected it.

Prejudice had been a loaded topic of conversation in Mexican-American communities across the country, as the Grebler study pointed out:

Indeed, merely calling Mexican Americans a ‘minority’ and implying that the population is the victim of prejudice and discrimination has caused irritation among many who prefer to believe themselves indistinguishable [from] white Americans…. [T]here are light-skinned Mexican-Americans who have never experienced the faintest discrimination in public facilities, and many with ambiguous surnames have also escaped the experiences of the more conspicuous members of the group. Finally, there is the inescapable fact that…even comparatively dark-skinned Mexicans…could get service even in the most discriminatory parts of Texas a generation or two ago.

The respondents to the study were very clear that they knew they faced discrimination, but they said these were matters they could solve individually. They were not victims. But this individualism and personal agency
did not serve the philanthropists’ idea of what Mexican Americans should be. The study was “an important promoter of the idea that Mexican Americans constituted a minority, one that was racial, whose grievances raised it (or lowered it, depending on one’s view) to the category of victimhood, and therefore entitled it to certain benefits.” Grebler and his colleagues, working with Ford Foundation funding, admitted all of this:

Our first exploratory interviews with Mexican Americans throughout the Southwest in 1964 suggested that we were defining the Mexican-American population in a particular way—as a national minority. To a leadership involved in local and regional quarrels, this was a novel interpretation. Our definition (tentative at the time) seemed threatening to many leaders but classification of an ethnic group as a collective entity serves the limited purposes of enabling one to see the group’s problems in the perspective of the problems of other groups.

But to a Ford Foundation determined to manufacture diversity in order to create “a united front,” this was just a delay of game, not the final play. The foundation committed even more money to creating the idea of collective racial identity and victimization. In 1968, the Ford Foundation made an initial start-up grant of $630,000 to an entity that had been incorporated in Phoenix, Arizona, by Samora, Gallego, and Galarza and which went by the name of the Southwest Council of La Raza (SWCLR). The new organization initially had Gallegos as executive director. Ford followed up the next year by granting an additional $1,353,700 but demanded that La Raza desist from explicit political organizing and instead focus on education and economic issues. Gallegos resigned and took with him the communist Bert Corona, who had served on the board of directors. La Raza accepted but, its leadership being good disciples of Alinsky, insisted that it would continue to do community organizing.

One politician who complained bitterly about what the Ford Foundation and La Raza were doing was Representative Henry González, a Democratic Party lion from Texas. He decried the fact that, “not long after the Southwest Council of La Raza opened for business, it gave $110,000 to the Mexican-American Unity Council of San Antonio; this group was apparently invented for the purpose of receiving the grant,” which “has not given any assistance that I know of to bring anybody together” and existed only to “promote the rather odd and I might say generally unaccepted and unpopular views of its directors.” On another occasion, speaking generally on ethnic solidarity, González rejected it as a “new racism [that] demands an allegiance to race above all else.” González added that
I cannot accept the belief that racism in reverse is the answer for racism and discrimination. As deeply as I must respect the intentions of the Foundation, I must at the same time say that where it aimed to produce unity, it has so far created disunity. The Ford Foundation believed that the greatest need of this particular minority group [Mexican Americans] was to have some kind of effective national organization.... This good desire may have rested on a false assumption; namely that such a disparate group could, any more than our black brothers or our white “Anglo” brothers, be brought under one large tent.50

The Ford Foundation was using the awesome power of its purse to create “diversity,” and González was complaining about the divisiveness that comes with diversity. Why was the foundation doing this? It was the work of McGeorge Bundy. Like other members of the white, Eastern establishment, Bundy and many of the New England elites around him viewed the spread of civil rights and anti-war riots around the country as a direct threat to the republic, and they panicked. These elites were wrought with “anxiety in [the] face of rioting that, escalating between 1965 and 1968, hit dozens of cities, cost hundreds of lives, and laid waste to hundreds of millions of dollars in property,”51 writes Karen Ferguson in a sympathetic history of the Ford Foundation.

Bundy’s Ford Foundation not only created the SWCLR (which went on to be renamed La Raza and today goes under the tamer UnidosUS) but also the Mexican American and Puerto Rican Legal Defense Funds, “both created out of whole cloth by the Foundation as Latino versions of the NAACP [National Association for the Advancement of Colored People] LDF [Legal Defense Fund]. The Foundation established these organizations, which had no grassroots membership.... They acted on behalf but not with their respective racial communities in the courts, not the streets, to achieve their public policy victories.”52 Each of these entities went on to pressure the federal bureaucracy to create the official categories of Hispanics, Asians, and so forth, making full use of the false black-to-Hispanic analogy that the philanthropies had generated. It took them about 10 years, and they succeeded in forcing this change.

This is how the Ford Foundation invented “diversity.” But the foundation also had a strong hand in creating “equity” and “inclusion.” It did so through affirmative action. Bundy came to believe that America in the late 1960s and 1970s needed a period of racial separation, a balkanization that would allow all sides to internalize the changes that had taken place in their own corners, before reassimilating at some point in the future. Ferguson calls this astounding strategy “developmental separatism.” This is why, as she noted, in 1969 the foundation’s Social Development Program was making
“grant proposals directed at increasing the group identity and power of minorities.” The intention was to promote “a balkanizing ethic for the black urban poor that emphasized the need for the continuing isolation of minority communities so that they could experience a cultural revitalization that would lead to what Bundy called ‘social development’ and eventual assimilation into the mainstream American political economy.”

Bundy decided to throw his weight behind the racial preferences of affirmative action. In 1977, as the Supreme Court was debating the Bakke case that, in a tortured way, made legal the use of racial preferences in college admissions while insisting that outright quotas were unconstitutional, Bundy wrote in The Atlantic, “Precisely because it is not yet ‘racially neutral’ to be black in America, a racially neutral standard will not lead to equal opportunity. To get past racism, we must here take account of race.”

That type of contradictory thinking had a direct impact on affirmative action. In an opinion that concurred with the controlling opinion in the Bakke case, Justice Harry Blackmun wrote:

I suspect that it would be impossible to arrange an affirmative action program in a racially neutral way and have it [be] successful. To ask that this be so is to demand the impossible. In order to get beyond racism, we must first take account of race. There is no other way. And in order to treat some persons equally, we must treat them differently. We cannot—we dare not—let the Equal Protection Clause perpetuate racial supremacy.

Justice Blackmun was quoting from Bundy almost verbatim. Just a few months before Bundy had penned those words, Henry Ford II had resigned those words, Henry Ford II had resigned from the board of trustees of the foundation his father had founded, leaving a letter to the other trustees warning them that “the Foundation is a creature of capitalism,” but that “it is hard to discern recognition of this fact in anything the Foundation does.”

The Ford Foundation was by no means alone in its anti-free-market, radical leftward move. As mentioned, other philanthropic organizations had joined the movement and were donating millions of dollars to various civil rights organizations. The major foundations often tried to work with well-established and “moderate” groups like the NAACP and the National Urban League. Some organizations, such as the Taconic Foundation, focused their work solely on racial matters.

The Civil Rights Act and surrounding executive orders had led to an increase in “racial and gender diversity in the workplace.” Foundations were increasingly driven by liberal trustees and activists, one of the reasons Henry Ford II stepped down. As the
foundations slanted more leftward and radical, they grew increasingly distant from their original founders and goals.

**Diversity in the Corporate World**

While leading U.S. foundations were bringing their ideologically driven agenda to race relations, the corporate world was grappling with challenges in a more practical way. Until the late 1980s, diversity in the corporate world had focused largely on complying with the law. Therefore, up to that time, diversity training focused predominantly on “treating historically underrepresented minorities and women fairly and equitably in white male-dominated environments and on avoidance of lawsuits.” But in his 1987 State of the Union address, President Ronald Reagan spoke about the fact that the economy was shifting away from manufacturing and toward service and technology jobs, which, in turn, would require a more educated and skilled workforce. America therefore needed to prepare the workforce of the future. To develop a comprehensive policy response to these impending changes, Reagan’s Secretary of Labor, William Brock, commissioned a study titled “Workforce 2000,” which resonated deeply in the corporate world.

“Workforce 2000” concluded that the number of white men in the workforce would decline, and women, minorities, and immigrants in the workforce would rise significantly, as would the demand for skilled workers. In order to prepare for this future, employers would need to “reconcile the conflicting needs of women...and families [and] integrate Black and Hispanic workers fully into the economy; and improve the educational preparation of all workers.” But exactly how that was to be accomplished, the report did not elaborate. It merely said: “If there are real breakthroughs in training and hiring young disadvantaged workers between now and the year 2000, ‘second chance’ educational systems developed at the worksite are likely to play a key role.”

With the publication of “Workforce 2000,” according to Rohini Anand and Mary Frances Winters, “the discussion changed from how to comply with legal mandates to how to assimilate what was expected to be additional large numbers of women and minorities into existing, homogenous corporate cultures.” This was not an unreasonable shift in focus. Indeed, more women and minorities had entered the workforce. From 1970 to 1990, the percentage of women in the workforce rose from 43.5 percent to 57.3 percent. The shift for African Americans was less dramatic—from 59.9 percent to 63.9 percent—but significant, nonetheless. And yet it was believed that women, African Americans, and other minorities were facing obstacles to
success. This perception spurred a shift in focus from simply “diversity” to “diversity and inclusion.” It was not enough to hire more women and minorities: Corporations needed to find a way to help them to succeed as well as to accommodate their unique needs. For example, more women with children might want flextime or part-time work. Some years later, Vernã Myers, vice president of Inclusion Strategy at Netflix, described the difference between “diversity” and “inclusion” this way: “Diversity is being asked to the party, Inclusion is being asked to dance.”

R. Roosevelt Thomas, Jr., PhD, a pioneer in the field of diversity management, wrote an article for *Harvard Business Review* in 1990 arguing that the circumstances which had driven affirmative action in the 1960s had changed: “[A]ffirmative action is an artificial, transitional intervention intended to give managers a chance to correct an imbalance, an injustice, a mistake. Once the numbers mistake has been corrected, I don’t think affirmative action alone can cope with the remaining long-term task of creating a work setting geared to the upward mobility of all kinds of people.” Thomas argued that a new approach was needed:

> Women and minorities no longer need a boarding pass, they need an upgrade. The problem is not getting them in at the entry level; the problem is making better use of their potential at every level, especially in middle-management and leadership positions. This is no longer simply a question of common decency, it is a question of business survival.

Not only was the workplace truly becoming more diverse, but Thomas also drew attention to the negative side of affirmative action, now that it had been in place for two decades:

> Affirmative action is a red flag to every individual who feels unfairly passed over and a stigma for those who appear to be its beneficiaries.... Moreover, I doubt very much that individuals who reach top positions through affirmative action are effective models for younger members of their race or sex. What, after all, do they model? A black vice president who got her job through affirmative action is not necessarily a model of how to rise through the corporate meritocracy. She may be a model of how affirmative action can work for the people who find or put themselves in the right place at the right time.

Thus, the corporate world, driven by the very real need to gain and maintain good workers, was taking a sound and reasonable approach toward diversity and inclusion. The corporate workplace was adapting in
an incremental and organic way to a changing workforce. But throughout this same period, developments in the academic world would take diversity and inclusion in a very different direction: one in which races, genders, and ethnicities were pitted against each other in a zero-sum game, in which America was systemically racist, and for which the only solution would be “massive social transformation.” Ultimately these radical developments in the academic world edged out the more incremental approach and have brought the country to the world of DEI that it finds itself in today.

1989: Critical Theory and the Radicalization of Diversity and Inclusion

In 1989, as the countries of Central and Eastern Europe were finally able to throw off the corruption and brutality of socialism and embrace freedom, *The New York Times* noted that a new kind of Marxism was taking root here in the United States. On October 25, 1989, just two weeks before the Berlin Wall fell, the *Times* published an article titled, “The Mainstreaming of Marxism in U.S. Colleges.” Felicity Barringer, Moscow correspondent for the *Times* from 1985 to 1988 and author of the article, wrote, “As Karl Marx’s ideological heirs in Communist nations struggle to transform his political legacy, his intellectual heirs on American campuses have virtually completed their own transformation from brash, beleaguered outsiders to assimilated academic insiders.”

John Miltimore and Dan Sanchez commented on the article, writing that “Marxism was not dying, it was mutating.” The economic failures of Marxism in the Soviet Union and Eastern Europe were clear for all to see, so the economic angle of the Marxist argument was abandoned, but it found new life in legal theory and literary criticism. “Marxism and feminism, Marxism and deconstruction, Marxism and race—this is where the exciting debates are,” Barringer quotes Jonathan Wiener, a professor of history at the University of California at Irvine, in the article.

Barringer argued that Marxism was finding new life in American academia. Indeed, just a few months earlier 24 scholars had gathered at a convent near the Wisconsin Law School to launch what would become the most impactful strand of the new Marxism: critical race theory. The scholars who gathered were trying to address a very real problem: the continued absence of African American professors from American law schools. According to a Society of American Law Teachers (SALT) survey, the percentage of African American law professors in white-run institutions was a mere 2.8 percent in 1981 and by 1987 had risen only to 3.7 percent.
majority of America’s black law professors taught in historically black law schools.75 University of Alabama Law professor Richard Delgado, son of an immigrant Mexican American father who went on to become one of the chief architects of CRT, famously wrote about what he saw as a young law professor in the 1970s: About a dozen white men dominated civil rights legal scholarship, whom he infamously dubbed the “imperial scholars,” in spite of the fact that there were, at the time, “about one hundred black, twenty-five Hispanic, and ten Native American law professors teaching at American law schools.”76 So the fact that minority legal scholars were not being seen or heard or hired in white-led American law schools is not disputed. The issue arises over the diagnosis of why this was happening and the diagnosis for how to resolve it. On June 9, 1989, the scholars who had gathered for the workshop titled, “New Developments in Critical Race Theory,” in Madison, Wisconsin, had found their answer in the bleak, simplistic, and reductionist theories of Karl Marx: that human relations would always be defined by a power struggle between oppressor and oppressed in a zero-sum contest. They concluded, moreover, that the American system of law is central to upholding white supremacy.77 CRT, when it emerged as its own discipline at that 1989 workshop, was thus a racialized outgrowth of critical legal studies (CLS). It should come as no surprise that the radicalism of CRT came out of the law schools, because the law schools had already been fostering their own kind of radicalism as they started hiring radicals who had been students in the 1960s. Duncan Kennedy, who became a professor at Harvard Law School and one of the leading scholars of CLS, described the CLS group this way: “[J]ust about everyone in the network was a white male with some interest in 60s style radical politics or radical sentiment of one kind or another. Some came from Marxist backgrounds—some came from democratic reform.”78 CLS was a radical critique, grounded in Marxism, of American law. Kennedy told an interviewer:

> From Marx I got two things which I think are just great: his critique of the way capitalism works, especially the role of ideology, and his emphasis on the struggle between classes. But we don’t have to just say the struggle between classes, it’s groups oppressing each other, fighting against each other, domi-nating each other, all in the context of ideology.79

Critical legal theorists wished to throw off the prevailing norms about race in America that had emerged in the 1960s and 1970s, norms that aspired to “integration, assimilation, and the ideal of color-blindness.”80
So, for about 20 years, from the late 1960s to the late 1980s, the predominantly white, male CLS professors had led the way with their radical critique of the American legal system. But then in the 1980s, a new movement began to emerge out of CLS, similarly radical in its critique of the American system, but with a focus on race and in fact deeply critical of the seeming racism and sexism of the white men’s club that was CLS. This began with Derrick Bell, a black American who had been a litigator in the civil rights movement in the 1960s and then became a professor at Harvard University, where he developed ideas around race-conscious legal doctrine. He wrote that “whites will promote racial advances for blacks only when they also promote white self-interest,” and that “the law simultaneously and systematically privileges subjects who are white.” As Kimberlé Crenshaw, a co-founder of CRT, later described him, “Bell insisted on placing race at the center of his intellectual inquiry.... Bell’s position within the legal academy...was akin to putting up his fist in the black power salute.” He is widely recognized as the Godfather of CRT.

Through the 1970s and 1980s, minority law professors, including Bell, were meeting through various fora and developing their own ideas about American law and race, which finally emerged as CRT at the 1989 meeting at a convent in Madison, Wisconsin. To begin with, they described the problem as one of “apartheid,” which suggests a deliberate decision to maintain two distinct systems based on race. As prominent social critic Cornel West wrote, “Critical Race Theorists have, for the first time, examined the entire edifice of contemporary legal thought and doctrine from the viewpoint of the law’s role in the construction and maintenance of social domination and subordination.” In other words, the critical race theorists believed that there was a deliberate decision by the U.S. government as well as the broader society to maintain a system that would discriminate against non-white races. Their emergence gave ideological ballast to what was to become DEI.

Crenshaw, professor of law at UCLA and the main organizer of the 1989 meeting, highlights the Marxist roots of CRT (while acknowledging other sources of inspiration), and at the same time making clear that CRT is not about fine-tuning the American system but condemning it as irredeemably bad:

While no determinative definition of the work is yet possible, one can generally say that the literature focuses on the relationship between law and racial subordination in American society, it shares with liberal race critiques a view that law has provided an area for challenging white supremacy. Critical race theory goes beyond the liberal critiques, however, in that it exposes the facets...
of law and legal discourse that create racial categories and legitimate racial subordination. Other broad themes common to critical race theory include the view that racism is endemic to, rather than a deviation from, American norms. This developing literature reflects a common skepticism toward dominant claims of meritocracy, neutrality, objectivity, and color blindness. Critical race theory draws upon several traditions, including poststructuralism, postmodernism, Marxism, feminism, literary criticism, liberalism, and neopragmatism...and radical pluralism. CRT goes beyond liberal understandings of race and racism by exploring those of its manifestations that support patriarchy, heterosexism, and class stratification. The normative stance of CRT is that massive social transformation is a necessary precondition of racial justice.

Four key points are worth highlighting here. According to Crenshaw, central to CRT is (1) the belief that racism is endemic to American norms; (2) skepticism toward such foundational American beliefs as meritocracy and color blindness; (3) its roots in Marxism, along with several other traditions; and (4) the recognition that, because of these beliefs, the only solution to this systemic racism is “massive social transformation.” CRT proponents believed that the problem was not merely that white-led law schools were excluding minority law professors or not addressing the interests of minorities, nor even that the law itself was systemically flawed, but rather, as West wrote, that the law was central in “upholding white supremacy.” In other words, white people designed and maintained the American system of law in order to maintain their supremacy over non-whites.

This was the baseline thinking in CRT as it started to take shape in 1989. While there were many debates and developments over the following years, two further developments were particularly important in leading to today’s DEI: Crenshaw’s notion of “intersectionality,” and Charles Lawrence’s work on “unconscious racism.”

Crenshaw introduced the concept of intersectionality—so central to today’s discussion of DEI—in 1991. She started with the assertion that women’s lives are shaped by “almost routine violence,” in “a broad-scale system of domination.” In fact, it is estimated that anywhere from 1 in 3 to 1 in 7 women experience violence, and that experience can be once in a lifetime. So to say that women’s lives, all women’s lives, are shaped by routine violence is simply untrue, and yet this false assertion is the foundation for a worldview that is today shaping Americans’ lives. Crenshaw also described intersectionality itself as “the various ways in which race and gender intersect in shaping structural, political, and representational aspects of violence against women of color.” The Center for Intersectional
Justice explains further: “The concept of intersectionality describes the ways in which systems of inequality based on gender, race, ethnicity, sexual orientation, gender identity, disability, class and other forms of discrimination ‘intersect’ to create unique dynamics and effects.”

Thus the concept of intersectionality provides a menu of ways in which one might be oppressed or disadvantaged.

The second important development was Charles R. Lawrence III’s theory of unconscious racism. Again, it is important to unpack his underlying assumption: Because of Americans’ shared cultural and historical heritage, in which racism played a dominant role, Americans “share many ideas, attitudes, and beliefs that attach significance to an individual’s race and induce negative feelings and opinions about nonwhites.”

That is a very powerful assumption—that national shared ideas and attitudes induce negative feelings and opinions about non-whites. It is, however, an assumption that is impossible to test or verify. Does it allow the possibility of change over time, and if so, how is it measured?

Lawrence—another of the organizers of the 1989 workshop—further concludes:

To the extent that this cultural belief system has influenced all of us, we are all racists. At the same time, most of us are unaware of our racism. We do not recognize the ways in which our cultural experience has influenced our beliefs about race or the occasions on which those beliefs affect our actions. In other words, a large part of the behavior that produces racial discrimination is influenced by unconscious racial motivation.

Again, these are very big assumptions, virtually impossible to measure, with far-reaching consequences, and yet this is the foundation on which the notion of “equity” and today’s woke culture have been built.

Where exactly has it brought us? Thirty years after the initial workshop in 1989 when CRT took shape, Harvard Law School (HLS) hosted the First Annual HLS Critical Race Theory Conference. On the conference website, the organizers define CRT as it has evolved:

CRT is a movement that examines and seeks to transform the relationship between the intersections of our identities (e.g. race, ethnicity, gender, sexuality, and national origin) and state power, violence, and subordination. CRT scholars have three core tenets. First, racism and other forms of subordination are deeply embedded in the legal system and in the ordinary functions of our society. Second, both elite and working-class whites accrue benefits from this
system and thus are often induced into helping to maintain it. This is known as interest-convergence theory. Third, racism and other forms of subordination are socio-political and economic constructs used to preserve the subordination of minority groups in an effort to preserve white supremacy.  

The original flawed assumptions of Crenshaw and Lawrence have hardened into the now widely held beliefs that racism is deeply embedded in the American legal system and society, and that white people actively work to preserve their supremacy over anyone who does not look like them. Moreover, the notion that the solution to this problem is discrimination and a dismantling of the American system, is gaining traction across many sectors of the population. Not only are these assertions wrong, but they are also profoundly destructive. As much as many people have certainly experienced racism, one cannot possibly know what is in every individual’s heart. Moreover, this assumption disregards the true nature of human beings. Humans, as individuals, do not relate to groups; they relate to other individuals. Only in a world viewed through the distorting lens of Marxist power dynamics does the individual disappear into a faceless group and every human relationship is seen through group membership. It goes without saying that CRT is unjust to every white person. But what is not acknowledged is that CRT does an even greater disservice to those it purports to serve: minorities, especially African Americans, by casting them as uniformly oppressed. It robs them of agency, attacks the family, creates dependence, and instills a spirit of victimhood. CRT is a disservice to all Americans because it says that they will never be able to work together in community to end racism or create greater prosperity and opportunity for more people. Not only is that a fundamentally dark worldview, but history—particularly American history—has repeatedly proven it false.

Philanthropy and the Radicalization of Race

Despite the divisiveness, antagonism, and outright racism that CRT engenders, in the years after that fateful Wisconsin gathering in 1989 that launched CRT, major foundations began to increasingly adopt its premises. Similar to what was happening in the corporate world at the time, foundations and other actors in American society made an effort to increase “diversity,” where diversity was defined by race, sex, gender, sexuality, and disability. One such effort was the Increasing Diversity in Philanthropy Committee, which was formed in 1990 and lasted until
It then continued as the Committee for Equitable and Inclusive Philanthropy. Another initiative was the Diversity in Philanthropy Project. Begun in 2007, 50 foundations and allied leaders came together for this time-limited campaign to expand diversity in the philanthropic field. In 2010, a number of nonprofits, companies, and high-status individuals came together to form the D5 Coalition, a five-year effort to advance philanthropy’s DEI mission.96 Partners included the Rockefellers, the Kellogg Foundation, and the William and Flora Hewlett Foundation.97

Again, diversity was narrowly defined as “the demographic mix of a specific collection of people: racial and ethnic groups, LGBT populations, people with disabilities, and women.

In December 2019, the consulting firm Community Wealth Partners convened 21 foundations to form a new coalition—paid for by the Kresge Foundation, which has an endowment of $4.3 billion—including the Rockefeller, Gates, Bush, Hewlett, Kellogg, and Packard Foundations. A two-day summit was called to address how to “Support Nonprofit Leaders’ DEI Capacity.” A report detailing the coalition’s takeaways stated that “DEI work...requires dismantling practices and policies in order to create space for new ways of working.”98 The Ford Foundation later hopped on the wagon as well by releasing its “Guidance for Engaging Grantees on DEI.”99 As a result of this coordination, foundations began to ask for DEI statistics from their grantees. Following the death of George Floyd in May 2020, most large foundations significantly increased their funding to DEI causes. To list just a handful of examples:

- The Hewlett Foundation spent $2 million in DEI grants in 2018,100 $4 million in 2019,101 and then pledged $150 million over the next 10 years for “racial justice.” As one of its illustrative practices, it lists “Examining how systemic racism affects each of our grantmaking strategies and the fields in which we work.”102

- Beginning in June 2020 the Packard Foundation committed $100 million to its “justice and equity” fund over five years.103 Of that, $20 million went to the Black Liberation Pooled Fund (BLPF).104 The BLPF works on many issues, including “climate justice...electoral justice, media and narrative shift, Trans justice and leadership development and building and sustaining movement infrastructure.... BLPF grant partners [are] rooted in a Black queer feminist framework, an abolitionist lens and/or an anti-capitalist politic.”105
In 2020, the Ford Foundation committed $95 million for “racial justice” and then doubled that to $180 million in 2021. Its website states that DEI is the “core” of its mission.

In 2021, the Bush Foundation, founded by former 3M vice president Archibald Bush in 1953, announced a $100 million commitment to fight for “racial equity.”

The Prudential Foundation, the 501(c)3 arm of Prudential Insurance, committed $200 million to private DEI investments in 2021, while also stating that it is committed to advancing racial equity and that equity and inclusion are “Core Business Principles.”

In 2022, the major philanthropies launched a new initiative titled Reimagining Capitalism, for which they posted the following rationale: “Neoliberalism offers no solutions for the biggest challenges of our time, such as the climate crisis, systemic racism, and rampant wealth inequality—and in many ways, it has made those problems even worse.

As argued at the start of this Special Report, leaders of major foundations, particularly Paul Ylvisaker and then McGeorge Bundy at the Ford Foundation, were instrumental in knocking the United States off its course of fostering human flourishing by limiting government power and maximizing individual freedom. They flipped the calculus to one of expanding government power at the expense of individual freedom and agency. That has led the United States down a path of ever-greater constraint and coercion, an inevitable outcome of growing government power. As Michael Novak poignantly wrote, “the state which does not recognize limits to its power in the economic sphere inevitably destroys liberties in the political sphere.”

Foundation staff were swayed by certain ideologies, but they were likely driven by a sense of guilt as well as fear over the violence roiling the country in the 1960s and 1970s. That drove them to significantly increase their spending to address inequality in education, income, and civic participation, but by elevating race consciousness rather than the color-blindness that both President Kennedy and Dr. King advocated. Today, the activists who foment instability and try to transform society are candid that they are exploiting guilt. BLM co-founder Patrisse Cullors openly said in May 2022 that the tens of millions her organization had raised in 2020 “was a lot of white guilt money.” The architect of The New York Times’s 1619 Project,
Nikole Hannah-Jones, told a University of Chicago audience in October 2019: “I’m not writing to convert Trump supporters. I write to try to get liberal white people to do what they say they believe in,” she said. “I’m making a moral argument. My method is guilt.”

To be fair, many of the philanthropists funding DEI were also likely motivated by moral compulsion. But as the violence died down and the radicals of the 1960s moved into academia, universities increasingly became the locus of change. First through CLS in the 1970s and into the 1980s and then with CRT after 1989, it was academics rooted in Marxism who drove the more moderate diversity and inclusion programs into the more radical paradigm that incorporates equity.

Today, the majority of America’s major foundations are taking their cues from critical race theorists, BLM, and the 1619 Project. While proponents of CRT emerged in response to the absence of African Americans among law school professors, they attributed that neglect to unverifiable and cynical causes, and they prescribed solutions that history has demonstrated repeatedly will lead to tyranny, oppression, and poverty. What makes this development all the more concerning is that advocates of CRT are not merely one thread of a multistrand conversation about human flourishing, but that every other conversation on this topic has become verboten. Certainly no one in a mainstream university is allowed to question the assumptions and conclusions of the DEI regime without being pilloried.

As “The 1776 Commission Report” concluded:

Today, far from a regime of equal natural rights for equal citizens, enforced by the equal application of the law, we have moved toward a system of explicit group privilege that, in the name of “social justice,” demands equal results and explicitly sorts citizens into ‘protected classes’ based on race and demographic categories.

Creating protected classes has profound and invariably destructive consequences. As Katharine Gorka has written previously:

The Founders...knew that injustice and tyranny would inevitably follow without the consent of the governed, without clearly enumerated rights based on the equality of every individual, without strict limitations on government, and without the rule of law based on immutable truths. The dirty little secret of group rights is that the elites get to decide who is in which group, and who is granted which rights.
With the elevation of group rights through the DEI revolution, one already sees the emergence of an elite class that determines who is in which group and who is granted which rights. The liberal foundations are part of that elite class both as arbiters of rights as well as funders bolstering the DEI regime.

Responding to DEI

DEI has become the guiding principle and dominant focus today of many private foundations, corporations, and the federal government. At the heart of these multi-billion-dollar efforts are certain key assumptions: that America is systemically racist; that all white Americans harbor unconscious racism; that equal rights, meritocracy, and the law itself all reinforce a regime of white supremacy; and that the free market is at least partly to blame. The end result of these assumptions, of this worldview, is that America itself is fundamentally flawed, hopelessly unfixable, and must be radically transformed, which has long been a Marxist goal.

Many of the practices and principles of DEI violate the Constitution and the Civil Rights Act. DEI suppresses rights of some while elevating the rights of others. Numerical quotas, government race-conscious policies, and speech codes do nothing to close the real disparities of achievement, because they do not address the root causes. Simon Fraser University professor Karen Ferguson had it right when she wrote that Bundy and his men dealt with the “psycho-cultural and therapeutic issue of black identity without having to deal with the structural and material issues that initially fostered the call for black self-determination.” That is still the lethal charge against DEI. It works to eradicate all the best aspects of the American experiment that have brought prosperity and possibility to so many: the rule of law, respect for individual rights, and equal treatment under the law. DEI is leading the country to the tyranny of collective rights, where people’s fates are in the hands of elites.

How, then, should Americans respond? What can one do to preserve the principles of limited government, individual freedom, and equality under the law—on which this country was founded and which have led to the freedom and prosperity for so many—while acknowledging that problems do endure, whether racism, poverty, inequality, underrepresentation, or any number of other issues that plague all societies? First, Americans must begin in a spirit of optimism, knowing that the U.S. Constitution and the Declaration of Independence, with their unequivocal assertion that all men are created equal, provides the surest path to true equality. Frederick Douglass embraced this optimism when he argued in 1860 that the Constitution did not support slavery:
Its language is “we the people,” not we the white people, not even we the citizens, not we the privileged class, not we the high, not we the low, but we the people; not we the horses, sheep, and swine, and wheel-barrows, but we the people, we the human inhabitants; and, if Negroes are people, they are included in the benefits for which the Constitution of America was ordained and established.120

This was the promissory note to which Martin Luther King, Jr., said that all men would fall heir: “This note was a promise that all men would be guaranteed the inalienable rights of life, liberty, and the pursuit of happiness.”121

There is no better foundation than that for achieving the best outcome for all people. With that as the touchstone, what practical steps can funders and policymakers take to deliver on the promise of the Founders and push back on those who argue that quotas based on ethnicity or sexual preference, anti-racism training, and a stronger hand for government are the solutions?

- Funders who are committed to the American purpose and free-market principles must go on the offensive against DEI. Fear of being called a racist should not pervert the goals and values of individuals, philanthropists, and foundations. One of the characteristics of DEI is to shut down debate and impose conformity of thought. Americans who remain committed to the Founding principles must have the courage to reject that silencing and vocalize their dissent.

- Foundations can provide a key role in helping Americans to understand the destructive nature of DEI through the funding of public information campaigns. It is essential that more Americans understand that DEI and all its related concepts are fundamentally unconstitutional, divisive, and engender greater conflict and tension between different members of the American population. Too many Americans believe that DEI creates more social justice and harmony, as opposed to the reality that it perpetuates racial division, segregation, and categorization based on innately bigoted divisions.

- Funders and policy institutes can foster and support research into DEI and its impact. For example, The Heritage Foundation’s Jay Greene found that the exponential jump in DEI staff at universities did not, in fact, create a better campus climate, and may have made it worse.122 He also found that in K–12 schools with chief diversity officers, the achievement gap widened, rather than narrowed.123 This type of fact-based research helps to expose the falsity of the DEI paradigm.
Funders and policy institutes can support the work of those who are challenging the assumptions of DEI and providing sounder analyses and programs. Economist John Sibley Butler; Kendall Qualls, founder of Take Charge; Devon Westhill, president of the Center for Equal Opportunity; political scientist Carol Swain; Bob Woodson, president of the Woodson Center and founder of 1776 Unites; journalist Clarence Page; emeritus professor of finance at the University of Tennessee Harold A. Black; Columbia University associate professor of linguistics John McWhorter; author and journalist Jason Hill; educator Ian Rowe; and many others have done so. These men and women believe that the American system, as the Founders conceived it and as generations of Americans have worked to improve it, provides the best possible path to true equality and opportunity.

The question is, can funders and policy institutes help these voices to be heard in time to reverse the destructive path that the country is on?
Endnotes


8. The Oregon Association of Scholars is a chapter of the National Association of Scholars that describes itself as “a non-profit organization incorporated in the state of Oregon that promotes excellence, freedom, and merit in higher education in the state” and is composed of professors, graduate students, university administrators, trustees and independent scholars in the Beaver State. Oregon Association of Scholar, “About,” https://oregonscholars.org/about/ (accessed October 13, 2022).


10. Ibid.


13. Ibid.


16. Ibid.


21. Ibid., p. 198.


24. Ibid.


31. Ibid.

32. Ibid.


39. Ibid., p. 181.


46. Grebler, Moore, and Guzman, The Mexican-American People, pp. 4 and 577.


48. Ibid.


50. Ibid.


52. Ibid., pp. 81 and 82.

53. Ibid., p. 80.

54. Ibid., p. 7.


Ibid., p. 141.

Ibid.


Ibid.

Ibid.

Ibid.

Ibid.

Ibid.

Ibid.

Ibid.

Ibid.

Ibid.

Ibid.


Barringer, “The Mainstreaming of Marxism in U.S. Colleges.”


Ibid.


Ibid.


Crenshaw et al., eds., *Critical Race Theory: The Key Writings that Formed the Movement*, p. xx.


Cornel West, Foreword, in Crenshaw et al., eds., *Critical Race Theory: The Key Writings that Formed the Movement*, p. xi.


West, Foreword, in Crenshaw et al., eds., *Critical Race Theory: The Key Writings that Formed the Movement*, p. xi.

Kimberlé Crenshaw, “The Intersection of Race and Gender,” in Crenshaw et al., eds., *Critical Race Theory: The Key Writings that Formed the Movement*, p. 357.


Ibid., p. 358.


93. Ibid.


119. Ibid., pp. 79 and 80.


