

Anti-Racism Analysis of the American Friends Service Committee Fiscal Crisis of 2016-2017

A Report of the Chief Diversity Officer
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“Privileged people need to become familiar with critical social analysis because it increases self-awareness and offers a moral assessment of social relations. People are like soft putty, shaped by the repeated impact of persons, events, systems, and institutions. Critical social analysis helps us discern how we are constructed as persons [and organizations] through patterned and very ordinary relations of domination and subordination. We can gain some control over the persons [and organizations] we wish to become only if we use social analysis to make a moral evaluation of how unshared power is continually misshaping us and our relations with others. Understanding the workings of class, race, and sex/gender systems is basic to an ethical life because these systems, and the institutional interactions that reproduce them, deeply condition the morality of our lives-in-relation.”

Mary Elizabeth Hobgood, *Dismantling Privilege: An Ethics of Accountability*

“We have been, as a class, grievously wounded, wounded in the house of our friends, and this wound is too deep and too painful for ordinary measured speech.”

Frederick Douglass

Speech at the Civil Rights Mass-Meeting Held at Lincoln Hall
October 22, 1883

Purpose and Approach

The purpose and scope of this analysis is to provide a critical account and treatment of the handling of the AFSC financial crisis* of 2016-2017. The analysis will consider in what ways institutional racism was evident throughout this process. The analysis concludes with constructive recommendations for how the organization might work to resolve the fundamental issues that underlie this most recent crisis and previous crises. It is a work that is done in the spirit of accountability to those who have been directly and indirectly impacted by the decisions made in response to the crisis. The intent is to be honest in the effort to enable a clear path forward toward a healing that is comprehensive and a learning that is resolute and lasting. Toward that end, this analysis draws on previous reports and analyses that have been done in the past decade in addition to other relevant data and organizational learnings. Rooted in the principles that the organization has established and seeks to affirm and live into, this analysis is an effort to move the AFSC considerably closer to living into its principles and objectives.

Objective

This anti-racism analysis is meant to be received as an assessment of the process and decisions thus far made during this most recent crisis. It is to be viewed as a critical learning document. It is written with the understanding that the organization is committed to critical self-reflection in its effort to undo racism at every level in the organizational life of the AFSC.

Understanding Institutional Racism

Adapted from definitions provided by the Aspen Institute on Community Change and the Applied Research Center at UC Berkley, institutional racism is best understood as explicit and implicit racial bias that occurs within and across institutions and social structures that work to reproduce advantages for white people. It is the impact of any organizational or social structure in which laws, policies, practices, cultural assumptions and socio-political and economic norms work in various and often reinforcing ways to perpetuate racial inequity and discrimination against people of color.

The *institutional* in “institutional racism” means that conscious effort is not required for institutional racism to exist within an organization. It can and often does occur with the best of intentions in place. The very structures and arrangements of power within the organization benefit from the social structures that are the manifestations of historic and contemporary systems of racial oppression throughout society. Further, institutional racism is not the doing of any one person or group of people within an organization. It should also be noted and stressed that the presence of people of color in leadership or throughout the organization does not stop an organization from engaging in or enacting institutional racism. Institutional racism is not revealed exclusively in the actions of leadership or the policies and practices of the organization. Although evidenced there, institutional racism is best witnessed in the disproportionate impact had on people of color and the communities of color the organization engages.

To further provide clarity on what institutional racism is and how it functions, the following examples are provided. In addition, these examples will provide critical illustration that will prove useful for this

analysis. These examples *are not meant* to compare the AFSC with the institutions named or addressed. They are shared to help the organization better understand the dynamics of institutional racism toward sharpening the organization's anti-racism lens towards properly addressing it within.

Institutional Racism is Structural and More Insidious than a Single Act of Racism

When addressing the destructive impact of institutional racism many people fail to consider the deep roots from which the violence of institutional racism emerges. When Michael Brown was shot several times and killed by Ferguson police officer, Darren Wilson, in the summer of 2014, many people focused on the issue of police violence without considering the foundation of institutional racism that enabled and even encouraged that act of homicidal violence.

In an Atlantic exclusive "Ferguson's Conspiracy Against Black Citizens," we learn about the crude and cruel abuse of power by city officials that became the daily harassment Black people faced in Ferguson. In the name of generating revenue, African Americans were hounded by police who created a hostile environment devoid of justice and mired in communal resentment and distrust.

"For years, Ferguson's police force has meted out brutality, violated civil rights, and helped Ferguson officials to leech off the black community as shamelessly as would mafia bosses. ... Ferguson officials repeatedly behaved as if their priority is not improving public safety or protecting the rights of residents, but maximizing the revenue that flows into city coffers, sometimes going so far as to anticipate decreasing sales tax revenues and urging the police force to make up for the shortfall by ticketing more people. Often, those tickets for minor offenses then turned into arrest warrants. (Friedersdorf, 2015)"

By leeching off the most vulnerable populations within the city limits, the city ensured that budgets were fully financed. Municipal expenses were paid at the expense of the rights of an entire community. As in the case of Michael Brown, some people paid with their lives. Structural inequity contributes to and sets the context for daily injustices and reduces safety, leaving communities vulnerable to singular acts of violence and violation. Institutional racism enables various systems to work together from the exploitation of oppressed people for the unjust benefit of those in power.

Institutional Incompetence is Not a Substitute for Institutional Racism

Often, institutional racism is dismissed by those that claim that the issue is not racism but incompetence. This is what occurred during the Flint water crisis. Many pundits countered the charge of racism by stating that the issue was the incompetence of the city and state leadership. Yet the task force established by Gov. Rick Snyder provides a keen lesson in how incompetence lends itself to institutional racism. After a review of the evidence, the six-member task force issued a sweeping indictment "accusing his administration and others in state government of 'failure, intransigence, unpreparedness, delay, inaction and environmental injustice' in the contamination of Flint's water supply. The article continues,

"Its members were clear in their criticisms Wednesday that the failures in Flint demonstrated the qualifications of environmental injustice. ... Task force member Dr. Lawrence Reynolds of Mott Children's Center and Sikkema addressed the allegation. '... Intention doesn't matter, it's

the disparate effect,' Reynolds said. "The components of environmental justice require that people who are different are listened to fairly in a neutral environment. And when there is any disparate effect identified, that it's remediated." Sikkema added: 'It's about equal treatment — in this case equal environmental protection and public health protection regardless of race, national origin or income — as one pillar of it. And the second pillar is meaningful participation in government decision making. '... There was no meaningful ... participation in government decisions when you don't have a democratic process (Lynch, 2016).'"

What the task force determined as environmental injustice is the presence and consequence of institutional racism. In circumstances where people of color are impacted, incompetency is but a pretext to or cover for institutional racism. Rarely if ever does this level of "incompetency" occur in predominantly white and affluent communities. What is noteworthy here are the two points drawn out by Reynolds - countering the effects of institutional racism means in part ensuring equal treatment and equal access to decision-making.

Several persons within the AFSC have questioned whether this latest crisis is the merely the result of incompetence or to use the language from the article, "failure, intransigence, unpreparedness, delay, inaction." Yet, as the article clarifies, even amid mistakes institutional racism can be experienced. In fact, that is the stew in which it works most effectively.

Institutional Racism is Detrimental to All People

Another myth surrounding institutional racism is that it only impacts people of color in a detrimental manner. The housing crisis of 2008 provides the best clarification to that misunderstanding. The housing crisis was instrumental in the stock market crash of 2008 that impacted the entire US population. Principal to that housing crisis was the exploitation of Black home-buyers.

"Predatory lending aimed at racially segregated minority neighborhoods led to mass foreclosures that fueled the U.S. housing crisis, according to a new study published in the American Sociological Review. ... The U.S. economy is still struggling with the effects of its longest recession since the 1930s, which was triggered in large part by the housing crisis, which was in part triggered by the crash of the subprime loan market (Carey, 2010)."

This housing crisis led to one of the largest fair-lending settlements in the nation's history.

"In one of the largest fair-lending payouts in history, Wells Fargo agreed on Thursday to spend at least \$175 million to settle federal accusations that it steered black and Latino borrowers into high-cost loans and charged them excessive fees. The settlement with the nation's largest home mortgage lender is rooted in a lawsuit filed four years ago by Baltimore over fair-lending violations. It culminated Thursday in what federal officials called "systemic discrimination" spanning 36 states and involving more than 34,000 minority customers over five years (Mui, 2012)."

Institutional racism, although directed at and disproportionately impacting people of color, can and does have life-altering implications for those that materially benefit from racism. Mary Elizabeth Hobgood addresses this in her book *Dismantling Privilege: An Ethics of Accountability*.

“Consequently, while we might be tempted to think that only those routinely disadvantaged by class, race, and sex/gender structures would wish to change them. ... We need to investigate not only how class, race and the sex/gender systems confer undeserved privilege on elites, but also how they confer pseudovalues, impoverished social relations, limited consciousness, and ecological destruction that diminish elites. Therefore, a Christian ethic worthy of the name must investigate how dominant behavior patterns and cultural values deeply distort and impoverish all relationships, even those of the privileged. Political theorist Michael Parenti says, 'The power of the system operates even over those who are its more powerful participants (Hobgood, 2000).’”

In what ways does the organizational structure of the AFSC and its cultural values provide unearned advantage to a few in leadership and governance who are empowered to make decisions over others with relative impunity? And how does that power arrangement impoverish relations in the organization?

Institutional Racism and the AFSC

Due to AFSC’s organizational structure and the often ambiguous processes of power and authority that structure provides, the AFSC is at constant risk of institutional racism. Decision-making authority lies at the organization's apex which is predominantly Quaker. The organization's Quaker requirements and national origin expectations at that level of organizational authority create a circumstance that lends itself to white privilege given the make-up of the Quaker community within the United States.

The Quaker legacy represents a clear path of privilege as a racialized white community that benefited from European colonialism and their own contrived laws and regulations that hindered full and equal participation of people of color (see *Fit for Freedom, Not for Friendship* by Donna McDaniel and Vanessa Julye). The composition and culture of AFSC's governance bodies are a consequence of that legacy. The resultant issues of racism, colonialism and white privilege sit at the center of any consideration of organizational behavior or culture (how and why things are done in the manner they are done). And, even though the organization has made critical changes in this second half of its first century to address that legacy (thanks in large part to the dedication and determination of the people of color who have worked in and with the organization), these dynamics of power yet remain.

The Board Community Equality and Justice Committee addressed this in their report from the 2014 restructuring.

“Much of AFSC's work is in communities of color and people of color who are not Quakers are invited to participate in supporting the work. In this context, aspects of AFSC and Quaker culture are marked by avoidance of open conflict which perpetuates a system of white supremacy. Because open conflict is not welcomed, sometimes anyone who challenges or disagrees assertively with those in authority or power will be silenced, ignored or dismissed. This misuse of Quaker process impedes institutional change, leads to critical decisions being

made without adequate input and marginalization of those not from other cultures and is oppressive to people of color.”

What happens when you place a conflict avoidant organizational culture comprised of a privileged leadership class employing a culturally diverse workforce within a corporatized structure equipped with a decision-making process that is received as opaque and unclear to staff? This is a recipe for institutional racism.

In 2003, the National MultiCultural Institute conducted a Diversity Audit for the AFSC. In 3 of its 4 general recommendations, the Institute lifted this issue of organizational structure and culture for the AFSC’s consideration in addressing issues of equity and inclusion:

1. The Quaker principles and values are the guiding forces at AFSC, yet there seems to be some incongruence between the internal “talking” and “walking” of these principles. There is a need to align and practice within AFSC the values embodied in the Quaker principles with actions, behaviors and attitudes.
2. To continue to attract committed, knowledgeable, and diverse employees, AFSC will need to re-structure its internal systems and culture, particularly its decision-making processes, communication channels, and Board and senior management composition.
3. There is a perception that AFSC is moving towards a corporate culture that collides with the centrality of its own existence around equality, integrity, peace, and justice. Thus, there is a need for all staff to come together in a process to build trust, deepen relationships, and enhance their ability to work together for common purposes.

As AFSC seeks to grow into a renewed understanding of its identity and purpose, it is encouraged to consider the significance of all three of these salient and insightful recommendations made more than a decade ago. The organization has done considerable work on diversifying its Board and senior management composition. But for it to believe that that accomplishment is sufficient to redress institutional racism, it will be making a costly mistake that this most recent crisis is but a harbinger. There is tremendous learning here for the organization that, if engaged with true commitment to understand and discern, can prove beneficial as the organization embarks on the next 100 years of its existence.

Conflicted Priorities: Narrative Timeline of the Financial Crisis

On July 11th in the wake of series of national and international acts of mass violence, the General Secretary sent an organization-wide email stating the following:

“The events in Baton Rouge, Falcon Heights and Dallas come in the wake of the Orlando massacre and horrific bombings in Iraq, Saudi Arabia, Turkey, Bangladesh – too many places to name! Despite already doing powerful work on race and violence, I see painful, thoughtful exchanges among staff from all across AFSC struggling with what more we need to do together – in the world and inside our own organization.

In the face of this relentless epidemic of violence, we all share a deep concern for the vulnerable young people committed to peace and justice who have been organizing to end oppression in this country and around the world. I am grateful to know that even as you deal with your personal grief and anger, so many of you are there to be allies, counsellors, and advisors in this time of turmoil. I also know that taking on these supportive roles can take a toll on each of you.

I want to be sure that we are doing all we can to support our spiritual, mental and physical health. What more can we do as an organization do to be of help? What can each of us do to support each other? What can I do for you? Please let me know what you need!

How can we better model what we want to see in our communities across America? All of us are clear that heartfelt statements on our website are inadequate responses to these recurring acts of violence and oppression. It may not be easy to thoughtfully discern what the “more” is that we must do, but the need is urgent and all us must make this a priority.” The General Secretary would continue to state, “AFSC can and must be accountable, effective, engaged partner in the struggle to transform our lawless, racist, militarized society.”

This was followed by an all-staff meeting to “share our work and vision on institutional racism” mostly growing out of the commitments made before and following the 2014 restructuring.

As these organization-wide statements of support and meetings took place, actions were being taken and decisions were being made that would result in additional stress to programs and staff. That summer executive committees were tasked with trimming their budgets into 2018. For a number of programs the decisions made by these committees would result in their loss of funding or the conclusion of their formal relationship with the AFSC. Information was being provided to leadership and discussed among leadership leading into the fall of 2016 that would lead to significant cuts to address an “overcompensated” budget.

By this time the energy within the AFSC had shifted. Efforts at campaign development to accompany the Black Lives Matter movement as approved by the board in September 2016 and the Native American led movement against the Dakota Access Pipeline were shelved as the organization was consumed with addressing the budget crisis.

At the leadership meeting the first week of November, the agenda was wholly determined by the need to address the fiscal status of the AFSC. No considerable conversation or engagement was had regarding the impending social crisis on the eve of the US presidential election or plans for the organization to respond.

The rest of the year was marked by a spirit of anxiety as regions and units braced themselves for impending decisions regarding their programmatic work. Later that month and again in December, the General Secretary and the leadership team gave updates on the crisis during all-staff meetings. On December 7, 2016, the General Secretary shared an organization-wide communication that detailed the organization's efforts to “reach a sustainable budget.” In that communication shared in the spirit of transparency, the following was revealed:

“About a year ago, the Stewardship Committee realized that the organization was overextended, that we were regularly spending more than we raised in income and had been relying on investment gains in what had been a strong stock market to make up the difference. The Board started a process with the executive committees to identify a smaller core of program and administrative work that would be sustainable and would provide a foundation on which grant-funded and shorter-term projects could be built. Executive committees have been working on the process of identifying this core, with some ahead of others.

In November, after we learned that our reserves had diminished faster than we expected, all regions and central office units were asked to propose possible cuts for FY17 and to estimate reductions in FY18 related to reaching a sustainable level in FY18.”

On February 2nd, an email update was forwarded to all staff indicating certain critical decisions that had been made including identifying those that were to be laid off in the central office. Of the five persons named, three are African American. The General Secretary later identified the criteria that the Leadership Team used to make these cuts. The first question in that criteria read “What are the effects of the cuts, individually or collectively, on the AFSC as an anti-oppression/anti-racist organization?” The follow-up question was “What communities and staff are most impacted by the proposed cuts?”

On March 21st, a memo titled “Ad Hoc Core Program Working Group Decisions” was shared with staff and executive committee members that detailed and discussed the process and decisions made by the working group toward reaching a sustainable budget. All totaled, the number of programs impacted by this internal financial crisis stands at 25 of 72 programs with 15 programs ending in 2017, another 3 ending in 2018 and 7 programs retained with reduced funding. In addition to these, 5 administrative cuts have been made – three in International Programs (Africa, Asia and the Middle East) and two in the US (Northeast and West).

Assessing the Process

From Transparency to Accountability

In most of the communications from the General Secretary there was clear indication and intention of acting in the spirit of transparency. Although that is commendable and expected given the severity of concerns addressed, it was and is insufficient at providing the level of information and engagement that would enable staff to maintain what level of confidence there was left after the last crisis. The quality of information shared and the depth of concern provided did not enable the organization to effectively process what happened to cause this crisis. Further, the level of transparency has yet to provide the necessary processes to ensure it does not happen again. In the best of anti-racism work, a better and more appropriate goal than transparency is accountability.

In the Beyond Diversity 2014 anti-racism restructuring report, they name this as a recommendation for the organization. In the report's summary statement, they indicate “to meet the needs of marginalized populations (and thereby address concerns of structural racism), AFSC must focus on issues of organizational design related to leadership, decision-making, work processes, communication, *staff*

accountability, and organizational culture (my emphasis).” The lack of staff accountability in the AFSC implicates all the other concerns named both in the Beyond Diversity report and this one.

Accountability not only provides for and requires transparent communication, it also requires an account given by those responsible to those impacted by the decisions made. AFSC does not presently have the appropriate organizational structure or space to provide for such accountability and should begin to consider the implications of this. All-staff meetings – even with time allotted for staff-to-staff sharing outside the presence of leadership – is not and cannot be viewed or considered adequate or appropriate structural space for the kind of disclosure and critical engagement that provides the kind of organizational assessment and learning a crisis like this demands. Even after all that has been shared, critical questions remain unanswered:

- Who are the responsible parties for this internal multi-million-dollar mishap (overextension)?
- What role did the former Finance Director play in this internal financial crisis?
- Why would the AFSC, an organization committed to addressing the root causes of oppression and poverty/economic injustice, make the decision to risk its financial solvency in Wall Street stock markets?
- What does the organization's approach to finances say about its commitment to programs and partners?
- At a time when similar organizations are experiencing record-level fund-raising and support, why is the AFSC in this current financial position on the eve of its Centennial?
- What are the lessons governance and leadership have learned regarding organizational finances and what plan is in place to put those learnings into practice?

These questions emerge from an anti-racist framework that seeks to hold accountable those that wield power and influence and whose decisions impact and have the potential to trouble the lives of people of color and communities of color already saddled with such problems aplenty.

In her now classic essay, “White Privilege: Unpacking the Invisible Knapsack,” Peggy McIntosh addresses the ways in which institutional racism creates silences that work to protect those with power. “To redesign social systems, we need first to acknowledge their colossal unseen dimensions. The silences and denials surrounding privilege are the key political tool here. They keep the thinking about equality or equity incomplete, protecting unearned advantage and conferred dominance by making these taboo subjects. Most talk by whites about equal opportunity seems to me now to be about equal opportunity to try to get into a position of dominance while denying that systems of dominance exist.”

What are the silences surrounding this financial crisis that have worked to protect unearned advantage and conferred dominance within the AFSC? To say that transparency is the intention yet not provide time for critical engagement can appear as disingenuous to those most impacted by the decisions. There is a clear power imbalance when individuals and programs are made to pay for the costly mistakes of others. That power imbalance is the result of institutional racism and the white privilege it confers upon those protected from giving an account of their faulty accounting.

A Vision of Organizational Accountability

Whenever accountability is discussed in an organizational context, confusion abounds. The responses come in a flurry: “Are you suggesting that staff should dictate policy, make organizational decisions on their own?” Individuals in Western society have grown accustomed to a power dynamic that renders elites in possession of disproportionate degrees of authority in an economy where fewer and fewer entities have a greater share of the social contract. Therefore, it is understandable that the idea of shared power would be received with such aversion and hesitation amongst organizational leaders. Yet, if such organizations are to embody an anti-oppressive ethic, it must confront the biases born within organizational structures that construe an imbalance of access to processes of power in management and executive levels.

Returning to the 2003 Diversity Audit, the NMI stated the following in their report in the section entitled “High Priorities of Internal Concern”:

“Finally, employees were asked to identify the two most important issues that AFSC must address in order improve the work environment within the organization. The number one issue identified by 73% of the respondents is “perceived differences in power and authority.” The number two issue identified by 47% of respondents is ‘making improvements in the area of working with people of different racial and ethnic backgrounds.’”

These dynamics persist due to a lack of attentiveness to this overriding issue of organizational accountability. At present, organizational accountability flows in one general direction – from the bottom up. Programs operate with the support of the AFSC with a clear understanding of expectations in place. Reports are to be done on a regular basis and provided to supervisory units who then incorporate that data into reports that are provided to their supervisors who then incorporate that data into reports that are provided to committees and executive management who then create reports to the board. Once it reaches the board where consequential decisions are made or approved, the voice and perspectives of the community and/or programs are not as present or prominent, if present at all. Yet those communities stand to bear the impact of the decisions that get made.

The AFSC is equipped with the appropriate principles to live into a new reality of internal relations if it has the courage to reconsider modes of operation that contribute to friction and conflict. Considering a new vision of organizational accountability begins and ends with an ethics rooted in the Golden Rule – “do unto others as you would have them do unto you.” Anti-racist organizational accountability does not mean an end to authority in the workplace. It does mean an acknowledgment of authority by those in authority and a naming of responsible parties when decisions are made that impact the lives of others. Anti-racist organizational accountability means providing access to the decision-making process for marginalized communities and staff outside the Central Office and executive management. It means pulling back the curtain on how decisions are made at every level. Further, it requires a willingness on the part of leadership to invite and receive critical feedback in a way that honors the courage made by those who would speak up. It means building relationships with other organizations of color that are not dependent on funding provided by the AFSC. Anti-racist organizational accountability means meeting

with community leaders and stakeholders before, during and after the development of AFSC programs and recognizing them as equal partners in the success of the program. It means that when a white person entrusted with organizational authority makes a decision that has negative consequences and/or disproportionate impact on people of color, it is then the expectation of that organization to provide time and space for that individual to give an account for their decision to those impacted by it in a way that honors the organization's responsibility in allowing for that impact to occur. With these dynamics and processes in place, the AFSC would take a huge step in embodying the Quaker values it espouses, not just as an outward expression, but as an inward living conviction.

This vision might seem burdensome to some and difficult to achieve to others. But for those who face the burdensome and difficult every day, such an organization seeking to name itself as anti-racist must find a way to pull together and envision those solutions that are in fact actionable *and* aspirational.

The Anti-Racism Criterion/Framework and the Staff/Program Cuts

The February 2nd email from the General Secretary stated that five persons were to be laid off in the Central Office. Of those five, three are persons of color. Given AFSC Board's diversity directives and mandates, this series of layoffs sets the organization behind in its effort to maintain diversity within the Central Office. Prior to the cuts, people of color represented 42% of the Central Office staff. Following the cuts that number will stand at 39%. To announce these cuts in the name of transparency and then to follow that with criteria that includes an anti-racism component leaves one to wonder how this decision was reached.

On an organization-wide level, the cuts did not negatively impact the diversity goals of the AFSC. Prior to the cuts, the percentage of staff of color was 64%. After the cuts, that number increased to 66%.

This concern of commitment level to anti-racism is not confined to the Central Office. Throughout the process of discernment regarding cuts, certain executive committees displayed a lack of investment in utilizing the anti-racism framework offered by the Board Community Equality and Justice Committee and the Chief Diversity Officer. That framework, drawn from recommendations from the Beyond Diversity 2014 restructuring report, represents the AFSC's commitment to considering institutional racism's impact on program at the executive/governing level. The hesitation and ambivalence evidenced at the executive committee level caused the BCEJC and the CDO to create an abbreviated version of the document. After offering an abbreviated version of the framework, some committees considered it as an optional exercise and one even wondered if they could "fit it in." In the end, what began as a comprehensive anti-racism framework became two questions inserted into another seasoning document that programs were expected to complete for this process. Consequently, it is not possible to accurately provide an anti-racism assessment of the programs considered.

This is stated with full acknowledgment that this entire process was stressful and felt rushed with governance and staff making decisions in a manner that would not be described as in keeping with the best of Quaker seasoning practices. Executive committees were given a near impossible task. To discern which programs to cut with arguments made for all of them meeting the criteria was an often-distressing

experience for committee members – several of whom acknowledged during meetings their discomfort with the process established.

Special commendation is to be made to both Associate General Secretaries who worked diligently to ensure that some component of the anti-racism framework was utilized in the discernment process. Given this experience, there are several learnings that can aid in developing a process for executive committees to have a stronger handle on these dynamics of power. The recommendations section of this document considers these concerns.

The demographic report does accurately compile the information provided from programs about the communities in which programs are operating and engaging. Yet this report and the attendant data does not provide a comprehensive understanding of the impact. That can only come with actual engagement with impacted communities. This is a structural problem. The AFSC programmatic structure is set up to enable program coordinators and directors to represent the organization in partnership with community. What happens when that individual/team/office/unit is laid down? What impact will that have on the AFSC's relationship with that community? How is it strained or in what ways does it deteriorate? At present, there is no methodology in place to address this.

To use another example – consider an AFSC program instrumental in the organizing of a coalition. What happens when that program is laid down? What impact will that act have on the coalition and the possibility of the coalition reaching its goals? That power built on the communal level has been lessened and the consequences on the communal level cannot be measured in the number of persons of color engaged with the AFSC program.

Further, merely stating how many people engaged the program without measuring that against another similar organization or identifying the number of people within the community as a whole leaves the data incomplete and the analysis ill-informed. If the AFSC is move past this present shadow of institutional racism, it must attend to this gap in its understanding and approach to program monitoring, support and development.

The Composition of the Ad Hoc Working Group

The Ad Hoc Working Group was established by the AFSC Board in November 2016 to consider the proposed cuts from all the regions and units toward recommending to the board “a composite program portfolio ... that is within the FY18 budgetary limits that the Stewardship Committee will recommend.” In assessing the composition of the Ad Hoc Working Group from an anti-racist perspective, the membership of the working group raises some considerable concerns. The Ad Hoc Working Group is comprised of 14 members and two observers. Five of the fourteen members are persons of color. Further, the working group does not sit any members from staff not in a leadership position. Neither does the working group sit any representatives from program or the communities impacted by the organization or its decisions. The working group also carries a concerning imbalance in representation from International Programs.

Institutional racism is evident when the majority of persons involved in determining the impact on a community of color are not a part of that community and/or are a member of the group that benefits from the oppression that community experiences due to structural racism.

Consequences of the Crisis on Anti-Racism Campaigns

As it has already been noted in the narrative timeline, the AFSC was in the process of taking part in national nonviolent justice campaigns (Black Lives Matter and Standing Rock) into the fall of 2016. Those initiatives were sidelined in the face of the organization's efforts to manage the fiscal crisis. As a result, the AFSC missed an opportunity to stand with Black and Indigenous communities of resistance to national oppression at a critical time in US and AFSC history. Had this financial crisis been avoided or not occurred, the AFSC, with proper and attentive planning and operation, could have developed campaigns or partnered in critical national coalitions that could have led to considerable funds raised to support current programs and create new ones as well as develop new campaigns and initiatives towards emboldening the organization's national platform and public standing. It is difficult not to imagine how different the spirit within the organization would be as the AFSC enters its Centennial celebration had this been the reality.

Organizational Impact and Implications

AFSC and Organizational Trauma

This is the third such crisis in the organization that involved the laying off of staff and laying down of programs/units in a decade. This is to say AFSC is an organization that is in the throes of organizational trauma. The Center for Nonviolence and Social Justice understands trauma as:

“experiences or situations that are emotionally painful and distressing, and that overwhelm people’s ability to cope, leaving them powerless. ... In addition to terrifying events such as violence and assault, we suggest that relatively more subtle and insidious forms of trauma—such as discrimination, racism, oppression, and poverty—are pervasive and, when experienced chronically, have a cumulative impact that can be fundamentally life-altering. Particular forms of trauma, such as intentional violence and/or witnessing violence, sustained discrimination, poverty, and ensuing chaotic life conditions are directly related to chronic fear and anxiety, with serious long-term effects on health and other life outcomes.”

AFSC staff and partners already work in high-stress regions of the world where staff experience trauma as they work alongside and with organizations, individuals, families and communities forced to endure trauma-inducing experiences. That staff must also face the risk of working in an organization that might create additional trauma due to self-inflicted financial wounds is too concerning “for ordinary measured speech.” When we look with a particular eye on the impact felt by staff and programs in the international context, one must be considerate of the impact on those for whom AFSC support is crucial to their ability to function and provide life-giving and liberating solutions for their communities. What might be considered inconsequential to a program’s ability to survive in US context can and often is the very thing that enables a program to thrive elsewhere.

In response to the anxiety surrounding the trauma of a third crisis in less than a decade, leadership has circulated talking points on how staff should discuss this most recent crisis.

In *Healing the Wounds: Overcoming the Trauma of Layoffs and Revitalizing Downsized Organizations*, author David M. Noer calls this administrative response a “control trap.”

“Free-flowing communication, emotional honesty, and personal authenticity are the basic ingredients of [organizational trauma] intervention. It is, therefore, important to confront and spring the jaw of the control traps that block communication, honesty, and authenticity.

Managers set up this control trap when they artificially manage and monitor the natural, authentic communication flow. In nearly every organization, there is someone who has a vested interest in managing information. In normal times this activity falls to the staff function that handles external public relations and internal employee communication. Usually the strategy is to control the way things are said – or often, not said – so that the organization and especially top management look good, or at least do not look bad. In times of crisis, the strategy is to tighten up these controls. Top management announcements are carefully crafted and scripted. Their “spontaneous” comments to employees while “walking around” are often rehearsed. At the very time when organizational leaders need to be most human and accessible to their fellow employees, they become most artificial and controlled.”

Not only does this effort at narrative control undermine the recent staff-to-staff sharing by attempting to fix what staff feel and think about what they are experiencing, it also entrenches the disconnection the organization is experiencing in the wake of these cuts. Just as one’s body is weakened by cuts, so too organizational cuts lead to weakened staff morale. Healing that ailment requires acknowledgment. Like air and clean water to a bruise, open and honest communication can be a source of healing for a traumatized organization.

Communities experiencing oppression are wounded from structural violence and the actual violence visited upon many within the communities AFSC engages. The last thing such communities expect is to be wounded by an organization seeking to accompany them as they seek life-giving solutions to the devastating effects of war, oppression and instability. As an organization committed to nonviolence, there is a hope that the organization would better appreciate how its actions can contribute to structural violence and the wounding of communities and take pro-active measures to eliminate the risk of institutional harm done to communities.

This is not to suggest that AFSC programs should never be let go or cease to exist. What is of concern is how they are made to end or allowed and enabled to end. The hope is that programs end with communal celebration of goals achieved and objectives attained. When a program ends due to problems not of their own making, the communal alarm that results should come as no surprise.

What is amazing is to witness the work of staff in pursuit of organizational goals in accompaniment with community ambitions in this time of national crisis. Motivated by the necessity of this work, they

continue to meet the challenges while addressing themselves to the crisis inside. Every single community that the AFSC works with and has ever worked with toward justice and peace is facing an assault from a white ruling class and a conflicted white working class engaging in random and organized acts of violence against them. If ever this was a time for the AFSC and its historic witness of nonviolent direct action, that time is now! For the AFSC to embody that historic witness as guided by the zeitgeist of oppressed communities organizing for self-determination and liberation, it will need to address itself in an unprecedented manner to the issues of institutional racism that undermine its best efforts to be a peace and justice organization committed to the work and practice of anti-racism.

Learning

What the AFSC did right and what it can still do better.

Affirmation: Establishing a process that encouraged regions and programs to prioritize an anti-racist lens in their discernment process.

Next: Clear and deliberate acts with obtainable goals set toward affirming the AFSC's investment in becoming an anti-racist organization at the program to executive and governance levels.

Next: Comprehensive anti-racism training for executive committee members, board members and senior staff leadership (see Recommendations).

Affirmation: Providing an opportunity for staff to speak with other staff without threat of reprisal. **Next:** Continue to build in such time throughout the calendar year in a coordinated effort to rebuild connection and comradeship among staff.

Next: Extend the time of staff meetings and demonstrate a willingness from leadership to receive constructive criticism in the name of building trust and confidence.

Affirmation: Providing updates to staff throughout the process.

Next: Continue to maintain transparency and work toward accountability by holding meetings where leadership shares what it is doing to address the financial state of the organization going forward.

Affirmation: Including an anti-racism framework into the executive committee discernment process.

Next: Include community leaders and partners in executive committee discernment process.

Recommendations

Although it was most appropriate for the organization to provide and expect its General Secretary to undergo anti-racism coaching, that act was insufficient to redress the organizational concerns of institutional racism. As has been stated, institutional racism is never the result of one person's actions, regardless of their level of authority or title in the organization. The following recommendations are made with this truth in mind.

1. Decolonization Workshop

The AFSC board participate in a decolonization workshop that details the role colonialism played in the destabilization of Indigenous communities and set the groundwork for racism and white

privilege. This workshop will address the Quaker experience in the colonial experience in the US and abroad and the implications for the AFSC's organizational culture and work today.

2. Comprehensive Anti-Racism Process

Staff, committees and governance participate in the comprehensive anti-racism training that has been developed to address the particular needs of the AFSC. This training will seek to provide critical space to allow and enable organizational leadership to:

- Learn the history of race as a social construct of oppressive power and how it intersects and interacts with other systems of oppression (sex, gender, class, ability).
- Understand how institutional racism impacts the AFSC.
- Address the legacy of colonialism in the Quaker experience and the how the colonialist approach still impacts AFSC's culture and practice.
- Develop a systemic understanding and analysis of how power is construed in the effort to rethink organizational culture and reconsider organizational structure to enable the AFSC to best reflect its liberating vision and embody its anti-racist goals.

This is done with the hope that after such comprehensive anti-racism training experience, organizational leadership will be equipped with the necessary understanding to reconsider the concerns of accountability, organizational structure, decision-making, communications, and organizational culture.

Conclusion: Crisis as Opportunity

From the beginnings of its awareness of the reality of racism as an internal concern, the AFSC has placed itself on a conscious and consistent path of learning and mindfulness in its work to eradicate racism. In the aftermath of the organization's third institutional crisis in a decade, may this Centennial year be more than a time of celebration of the organization's history. May it also be a time of critical reflection and engagement with that legacy, looking at every blemish and open wound with a boldness that seeks to heal and learn from its mistakes guided by a spirit of authentic accountability to the hopes of oppressed communities the AFSC has accompanied since 1917. May it come to understand that its external witness can only be as strong as its internal commitment to live into its justice-and-community-based principles. May it lean ever forward into deeper truths and shared understandings.

We do not yet know what the legacy of these financial missteps will be. What we do know is that they will be inherited by a new incoming General Secretary that will require the support of the entire organization to help navigate us through the next four to eight years of what is an outright racist assault by a right-wing political establishment that is currently in control of every branch of government with disastrous implications all over the world. We must do our level best to attend to the matters at hand to prepare us for the challenges that lie ahead. For who better in this time of pervasive violence to aid in providing the sanctuary and healing in this world than those who bear the wisdom from its wounds?

**The term crisis is used in this document in light of the experience of staff and communities impacted by decisions made and being made by the AFSC at this time. Individuals and programs have been laid off*

or laid down for problems they had no part in making. For them and their loved ones and the communities that depend on their presence and support, this is indeed a moment of crisis.

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