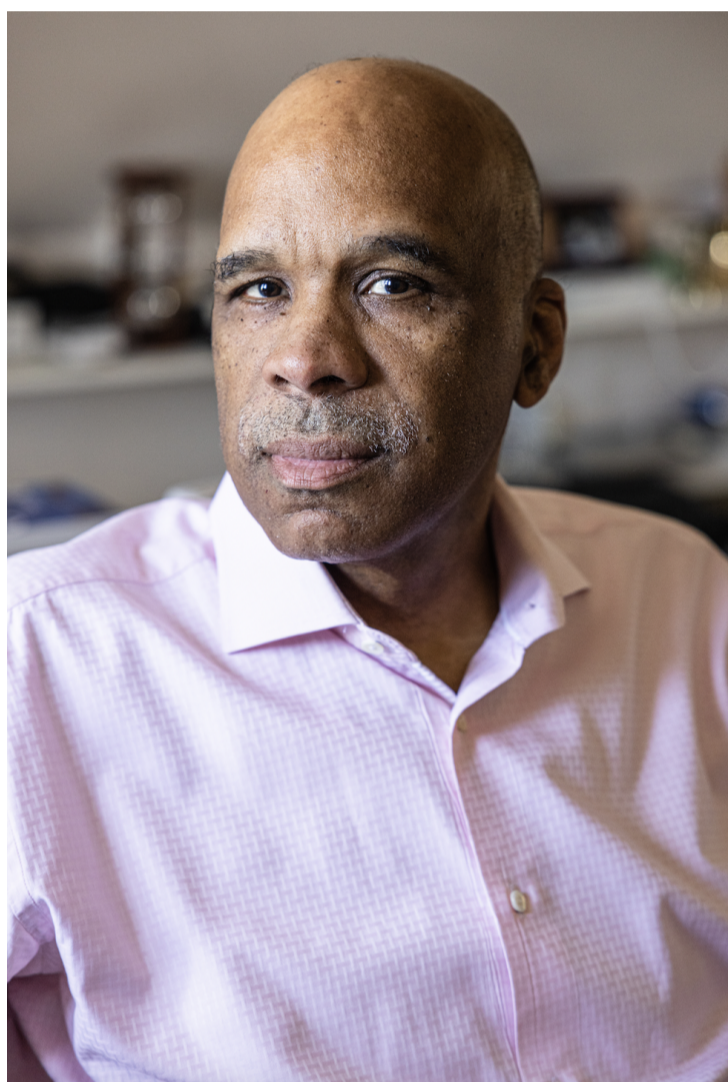


Steve Phillips Talks Progressive Philanthropy, the Sandler Legacy, and More

Ade Adeniji | January 09, 2024



STEVE PHILLIPS, COFOUNDER OF THE SANDLER PHILLIPS CENTER WITH HIS LATE WIFE SUSAN SANDLER

Steve Phillips is perhaps best-known as a political writer and pundit — he’s the *New York Times*-bestselling author of “Brown Is the New White: How the Demographic Revolution Has Created a New American Majority,” and a regular columnist for *The Nation* and *The Guardian*. He also founded [Democracy in Color](#), a platform “focused on political strategy and analysis at the intersection of race and politics,” which includes a podcast that Phillips hosts. Recent guests have included *The Washington Post*’s Alexi McCammond and Crystal Hayling, executive director of the Libra Foundation.

Phillips also has an impressive record as a political and philanthropic donor, putting his money behind Democratic politicians like Stacey Abrams and former Akonadi Foundation President Lateefah Simon, and otherwise supporting racial justice and progressive infrastructure. Much of his

work these days happens through the [Sandler Phillips Center](#), which supports organizations and campaigns led by people of color, women, immigrants and LGBTQIA+ people, and hosts the Fannie Lou Hamer Fellowships for courageous activists.

Philanthropy watchers will likely recognize the Sandler in the organization’s name. Phillips cofounded the center with his late wife Susan Sandler, daughter of the late Herb and Marion Sandler, who, in 2006, sold their Oakland-based Golden West Financial for a payday of \$2.4 billion. The couple put \$1.3 billion of the windfall into their [Sandler Foundation](#) and began a practice of [uniquely impactful progressive giving](#) that continues well after their passing. In the process, the Sandlers helped create the playbook for modern progressive philanthropy, financing institutions like ProPublica, the Center for American Progress, and the Center for Responsible Lending. Susan Sandler, working closely with Phillips, [carried on that tradition](#) in her own fashion — including moving millions toward racial justice groups — before tragically passed away in 2022 after a fight with cancer.

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I recently spoke with Phillips over Zoom, where I found out more about what he's been up to of late through the Sandler Phillips Center and other efforts, what he's doing to prepare for another critical election in 2024, and what he learned about philanthropy and power from the Sandlers.

A child of the civil rights movement

Born in 1964 in Ohio, Phillips' parents tried to move into what was at the time a predominantly white neighborhood in Cleveland Heights. The owner of a home refused to sell, so his parents got a white civil rights activist to purchase the home and then deed it over. Phillips grew up within the Black church where his grandfather was a minister. From an early age, he says he was drawn both toward civil rights and politics. When he was eight, he recalls attending the victory party of a neighbor who ran for state legislature.

But it was Jesse Jackson's 1984 presidential run that really inspired Phillips, then a student at Stanford, where he was head of the Black Student Union, to commit to the cause. "It brought all those things together in terms of civil rights, lineage... electoral politics and all of that wrapped in a language and culture of the Black church," Phillips said. Ever since the 1980s, he says he's been trying to build a "small R" rainbow coalition, a reference to Jackson's campaign platform rooted in the idea that all minorities come together to comprise a new majority. "That orientation has been a constant throughout my life," he added.

Then, in 1990, Phillips met Susan Sandler, his future wife of over 30 years. Around the time Susan's parents Herb and Marion Sandler were formalizing their philanthropy through the Sandler Foundation, Phillips and Susan Sandler started thinking about what they could do as donors themselves to truly elevate people of color. The two went to the San Francisco Foundation and set up a donor-advised fund. They were attracted to TSFF in part because of Eleanor Clement Glass, who was a program officer there at a time when there were few women of color in such positions. The couple sought to empower Glass, who went on to become chief giving officer at the Silicon Valley Community Foundation.

Apart from these early forays into philanthropy, Phillips earned a law degree and served as board of education commissioner for the San Francisco Unified School District from 1993 to 2001, where he rubbed shoulders with the likes of Nancy Pelosi, Dianne Feinstein, Gavin Newsom and Kamala Harris.

Democracy Alliance

In the early 2000s, a number of wealthy progressive donors were coming together to support the Democracy Alliance, which [grew into a crucial donor organizing hub](#) bringing together a who's who of left-leaning givers who commit to backing organizations on the DA's list — both 501(c)(3) and 501(c)(4) groups. Early donors included George Soros and longtime Progressive Insurance Company Chair Peter B. Lewis. Phillips and Susan Sandler were also involved early on in the DA, putting Phillips, the self-described "son of a divorced Black school teacher," smack-dab in the middle of these convenings. But with his organizer's mindset, Phillips decided to soak up as much as he could to understand the different players in the space and how to connect with them.

Back in his Stanford days as a student activist, Phillips looked at revolutions in Africa, Central America and China. "But how do you apply these lessons learned in what's going on in this country? And how do you leverage this relationship to this constellation of v people?"

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Phillips dove in and tried to identify people who had particular racial justice priorities. He traveled around the country, racking up frequent flyer miles. He became a DA board member and chair of the investment committee.

He also started to learn just how powerful these donor circles could be in getting things done in the government. He recalls that the regional Colorado Democracy Alliance (CODA), steered by a handful of donors, among them Tim Gill and Pat Stryker, leveraged philanthropy and political donations to flip the state legislature in Colorado. Back in California, Phillips applied these lessons to create the California Donor Table (CDT), a statewide community of donors who pool their funds to make investments in communities of color. The majority of CDT's donors are from the Bay Area, including real estate mogul [Wayne Jordan and his wife, lawyer Quinn Delaney](#), founders of the Akonadi Foundation.

“Steve, Susan, Quinn and Wayne set us on a great path to help us both programmatically, in terms of spending the money, and in doing donor education... So I think Steve's work has been key in combining racial justice, equity and realism,” said Ludovic Blain, a founding donor of CDT.

Building power on the ground

Steve Phillips and Susan Sandler were early backers of many star politicians today, including Stacey Abrams, Kamala Harris, Cory Booker; Michael Tubbs, former mayor of Stockton, California; and Andrea Guerrero, executive director of Alliance San Diego, a community organization that works to build collective power. Phillips says Guerrero built Alliance into a “multimillion-dollar electoral powerhouse in San Diego” that flipped the politics of that region. Like his earlier lessons observing Colorado Democracy Alliance, he saw the power that investing in good leadership could have on the ground.

Phillips laments, however, that too often, progressive white people of privilege only focus on ideas. So when American Enterprise Institute, Heritage Foundation and other conservative policy powerhouses were born, liberal donors rallied to counter these with their own progressive think tanks. But Phillips and Susan Sandler started to come to different conclusions.

Phillips takes us back to 2016, when Susan first received her diagnosis with a rare form of brain cancer, to which she eventually succumbed in December 2022. These circumstances brought more urgency and thoughtfulness to their work. She penned a [Medium post](#) in which she emphasized that people are more important than strategy or plans. She also sought to clarify that the end goal needed to [focus on power over persuasion](#). These principles helped to animate the Susan Sandler Fund (SSF), which is housed within the Sandler Foundation and makes grants to organizations and leaders working on racial, economic and social justice. Phillips helped Susan Sandler as she crafted the fund's mission, vision and focus.

When it comes to his political work, Phillips rejects the idea that there's this large, persuadable voting bloc of “undecideds” that Democrats should be trying to court. So when Democrats lose ground in elections, he argues, the wrong conclusions are drawn. Referencing midterm losses in the Obama era as an example, Phillips said, “Even David Axelrod wrote in his book, ‘this was a backlash against healthcare reform.’ But that's not at all what happened.” In reality, turnout among committed Democrats dropped and more Republicans came out. Nevertheless, he said, “this notion around persuasion and ideas is widely pervasive within the whole philanthropic sector.”

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Abrams first came to the couple back in 2010 with grand plans to register 1 million unregistered people of color in Georgia. With an early investment from Phillips and Sandler, Abrams' work helped to flip control of the Senate, and flip control of the whole Congress. So Phillips is clear that these results came from organizing, investing in and empowering people, not from multi-bullet policy papers.

There's also what Phillips calls people with the privilege of having "cocktail party capital." He saw it at the DA and he saw it far beyond. You can see it in the way voices change, and the way people perk up when talking about a white upstart versus a nonwhite one, he says. But Michelle Tremeo of the Texas Organizing Project and Andrea Guerrero, he said, are just as entrepreneurial as Mark Zuckerberg. "We don't think of these women of color as entrepreneurs. It doesn't fall into the same psychological space.... I saw it with Stacy Abrams' campaign, too."

Sandler Phillips Center and Democracy in Color

Steve Phillips and Susan Sandler established the Sandler Phillips Center as an LLC — a tax designation that offers wide latitude in how it uses its dollars for charitable, advocacy or political purposes — to continue to do the on-the-ground policy work and also invest resources in understanding lessons from policy wins and from defeats. After the watershed election of 2016, the Sandler Phillips Center team set out to understand how \$1.5 billion was spent to elect Hillary Clinton, only for her to lose. The center also launched the Take Back Congress Hub to take back the House in 2018, the Senate in 2019, and the White House in 2020.

The Sandler Phillips Center will soon roll out its new signature program, a social justice incubator that aims to find and support three to five leaders each year, with the inaugural program next year focusing on Texas. "I think it's a more cost-effective approach," Phillips said. "From a philanthropic standpoint... backing people is higher leverage and more affordable, frankly."

In addition, Phillips runs Democracy in Color with his book editor Sharline Chiang. Phillips calls the organization his "public opinion operation." His uncle was one of the first Black journalists to cover the White House in the 1950s, and ultimately established the *Niagara Falls Patriot*. Many years later, his uncle would influence and nurture Phillips' own passion for writing. Democracy in Color releases a podcast every other week, a weekly newsletter, and a Facebook Live.

Meanwhile, the DAF that Phillips helped establish at the San Francisco Foundation with Susan Sandler years ago is currently housed at Schwab, and provides early funding for promising projects of social justice leaders, usually in the realm of leadership development or civic engagement.

Looking back and looking ahead

Established in 1991, the Sandler Foundation was ahead of the progressive funding curve in terms of practices like general operating support and trusting leaders, whether in medical research, the environment or some of the foundation's other interests. As of the end of last year, the charity had given away more than \$1.2 billion.

"[Marion] was one of the first female analysts on Wall Street," Phillips said, as he launched into stories about what he learned from Marion and Herb Sandler, both in philanthropy beyond. One of the first lessons was about management and operations.

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Making an analogy to sports, he says he underestimated how important a coach or a leader is in making sure the rest of the team works well together and at peak performance. “A lot of it is management, and that was religion to the Sandlers. They used to talk about it. They didn’t have any patents. They didn’t have any special technology. They out-managed people,” Phillips said.

Phillips explains that one of Herb Sandler’s former World Savings Bank employees would serve as a roving COO for some of the Sandler Foundation’s grantees. In addition to general operating support, Phillips also mentioned the idea of patient, long-term capital and investing in an institution and in leaders over many years that distinguished the Sandlers from others in philanthropy.

At Susan’s celebration of life, Phillips said guest John Podesta told a story about the first time he met the Sandlers for a four-hour meeting in California about Center for American Progress. Podesta had grand ideas of presenting a business plan. But Marion shot the idea down: “We don’t invest in business plans, we invest in people.” So Podesta did a quick pivot. Susan learned this same lesson from her parents, but expanded the range of people to invest in, and really began to see the importance of supporting people of color.

This was a hallmark of the Sandler family’s philanthropy. When they wanted to create a new think tank, they got the chief of staff of the president. When they wanted to launch an investigative journalism outfit, they got the head of the *Wall Street Journal*. “They understood the importance of getting people,” Phillips said, noting that he and Susan Sandler put that lesson to work in their own giving. “It’s the people that we’ve backed that we think had the biggest and the most lasting impact.”

Correction: This article has been updated to more clearly distinguish between the Sandler Foundation and the giving of Steve Phillips and Susan Sandler. It has also been corrected to reflect that Herb and Marion Sandler were not involved in the Democracy Alliance.

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