

PRESIDENT'S 2015 ANNUAL REPORT
TO
SOUTHERN MUTUAL HELP ASSOCIATION, INC.
BOARD OF DIRECTORS
October 15, 2015

FORWARD-LOOKING STRATEGIES

Southern Mutual Help Association's Forward-Looking Strategies are grounded in an historical global perspective.

SMHA's history is rich in looking at our work through the lens of the world – seeing “otherness.” The three founders were bound to have a global view. Sister Anne Catherine Bizalio was a Rural Dominican Missionary from the French Alps, Grenoble, the core of the French resistance to the war-time German occupation. Henry Pelet, a Labadieville sugar mill worker and philosopher considered himself a citizen of the world. I learned at an early age to put some of my allowance into the little Lenton box to feed the world's poor. Later growing up, and even today, the Maryknoll Magazine introduced me to the “otherness” in the world. My quite brief stint as Sr. Martin de Porres, the name-sake of the Lima, Peru patron saint of interracial harmony and social justice, reflects a continuing interest in bridging the gap between rich and poor.

Every one of SMHA's board members has a world view:

- Attorney Marion Overton White, Activist Ashley Shelton and Dr. Ned Doffoney traveled to South Africa
- Karline Tierney, Robbie Madden and Judy Herring went to China. Judy worked in Central America
- Sr. Barbara Kraus' portfolio of service to SMHA is “international perspective on justice/gender equity issues”
- Mag Ritchey travels broadly even now returning from another country
- Senator Fred Mills is a successful banker, legislator, deeply committed to economic development and health care and has traveled to other countries
- Sr. Helen Vinton's work in addition to her travels, was engaged in global food security and water. Unknown to most, Helen started Earth Day as she celebrated it first in her classroom. One of her students was EPA's Rucklehaus' daughter, Jill Rucklehaus, who inspired her father, Bill, to create a national Earth Day.

Every SMHA board member has a world view and thinks globally as they collectively discern and decide on SMHA's expression of mission to create healthy, prosperous communities with special concern for the marginalized.

Over the years, SMHA has hired staff members who came from the PEACECORP such as Dr. Jim Grant and Jocelyn Farrington. Jocelyn, while living in West Africa, is on contract to measure SMHA data and impact, Melissa Hand, who started SMHA's archive work, is now traveling the world with 10,000 Villages.

In SMHA's second and third decade, cabinet level ministers from a number of African nations were sent by the United Nations Rural Development offices to tour and learn from SMHA's rural development work.

Even the very crop of sugar cane, so prominent in SMHA's history, is another world link. Tamouz Productions included SMHA's work with sugar cane plantation field workers in their film on the condition of sugar workers around the world.

SMHA has an expansive experience of diverse cultures, languages, values – an openness to “otherness”. This should continue to inform our forward-looking strategies.

THE EVOLUTION OF SMHA'S FORWARD-LOOKING STRATEGIES

Founder Bizalion was a stickler for research to document the conditions and injustices she wanted to tackle. It was her and others' research that led to the initiation of many programs in health care, education, job training, housing – all of which continue to exist in institutions or models that inspired others to operate or replicate.

Organizing efforts evolved from a living presence in and work with terribly distressed communities such as Rabbit Hill, to organizing four self-help communities in St. Mary Parish. Investments were made into those communities based on the commitment of the community to engage in self-help. Finally, the current, more sophisticated model of the West End of New Iberia produced stunning results. From a week of sun-up to sun-down Charrettes to listening and contracting with the leadership of the four self-defined neighborhoods, the investment of SMHA has yielded the largest impact. It is a salient study in how to invest successfully in community leadership to achieve what the community has chosen for itself.

Two stories will suffice:

First, when the city informed the West End Council of Neighborhood Association's (WECNA) that the usual \$16,000 for the summer program was not available, the community in 2014 and again in 2015 organized a comprehensive summer program for 250-300 youth (vs. the 35 or so the city usually had). WECNA fed them two meals for two months recruiting 30 volunteers. Youth were taught cooperation, public presentation and sports. young people were connected to mentors – all at no cost to the city!

Secondly, after leadership training, discernment and internal leadership decisions, WECNA successfully tackled the problem of Black-owned land not cleared through probate. Non-owners living in the homes were not able to use the property in commerce or to apply for repair monies. Using heirship affidavits costing only \$20 each, WECNA has cleared at least 50 properties, averaging a worth of \$40,000 per property, making over \$2 million available for commerce and for investments to make repairs.

Organizing success came through:

- Listening to all in community and their voting on what they want to become as a community
- Investing only upon proven determination by the community to attract outside investment (leveraged self-help)
- Repeated leadership training at local and national levels of the leaders selected by community and only after working together for awhile
- Policy changes at the state level (such as policy relative to property) to enable local legal actions
- Private philanthropy invested
- Media exposure to change their own image of their community and the larger community's image of the distressed community
- A skilled and experienced not-for-profit to work with the community-driven development

The early vision of SMHA as an Agent of Change for justice, for removing attitudinal as well as policy barriers, combined with the evolution of not-for-profit corporate strategies from dependence on government monies to private investments, and with a clear focus on entrepreneurial initiatives that build community as well as SMHA's corporate assets, has been nearly a half century in the making. This journey was not a cheap one: several board and staff members suffered heart attacks from trying to directly use government monies encumbered by overwhelming regulations making it nearly impossible to respond to realities in transitioning communities and industry sectors; several long-time staff members left as the "fit" from their idea that SMHA's work should be "charity/casework/service." A more pronounced entrepreneurial community development approach did not "feel right" – as though SMHA had lost its way. (It is noteworthy that Sr. Anne, a professional, licensed Social Worker from Tulane University never meant for SMHA to be a "case worker" organization. But rather envisioned and wrote about SMHA as an "Agent of Change".

FROM FOUNDERS TO SMHA'S FUTURE AS A STRONG, SUSTAINABLE AGENT OF CHANGE

Today and for some time to come, there are five global trends that will likely affect the work of "the Commons" *¹ and our own transition and sustainability:

The First Global Trend: The emergence of perhaps the largest refugee population ever destabilizing nations and creating porous borders due to war, poverty and tyranny

At stake are moral, logistical, legal and economic challenges to national, international institutions borders and local economics which create a sense of society's inability to solve mega disaster, dysfunction and displacement.

"The more clearly we can focus our attention on the wonders and realities of the universe about us, the less taste we shall have for destruction." Rachel Carson

¹ * "The Commons" - much as been written about the tragedy of the Commons. In this report, "The Commons" is referring to those things that build community or that we own in common with each other, such as water, air, the common pool of financial resources.

The Second Global Trend: Globalization of Information Technology and Economic Interdependence

There are challenges in bringing together different cultures and values from around the world. Laws and agendas are different. When China's growth slows, it affects economies the world over. When the Euro or dollar falters there are economic reverberations that challenge markets. Investments rise and fall quickly. Predictability and stability are likely casualties. This is a deterrent to long-term investment. Rather it favors short-term decisions not likely to be beneficial to long-term development.

Additionally, practitioners of cyber insecurity increasingly assault digital operations of commerce, communications, utility distribution, flight patterns, financial systems as the world revels in the simplicity of being "in the cloud."

The Third Global Trend: Climate Change

- With resulting rising coastlines affecting how the world builds on and uses those waters edges
- With shifting agricultural production
- With burning forests and whole communities
- With floods not seen in a thousand years
- With increasing frequency and intensity of major weather-caused destruction

Clearly the displacement of water from where it somewhat predictable was and now is not, is a global issue – one predicted and written about by Helen Vinton in the 1970's as editor of Rural Life.

Nece de Grasse Tyson, the Director of the Hayden Planetarium, has said: "I am often asked whether I believe in global warming. I now just reply with the question: Do you believe in gravity?"

The Fourth Global Trend: Increasing Wealth and Income Disparity

Being without safety, "stuff" and opportunity, especially when the comparison is made more evident by digital access, can tend to make people more dissatisfied and angry.

Being of scarce means and seeing a world of plenty can lead to suspicion of rigged systems.

The Fifth Global Trend: Growing cynicism and distrust of both government and business sectors
undermine civil society, its institutions and processes that require thoughtful dialogue and collective discernment to solve problems. When all voices are equal and bullying bluster is the commerce of the day, collective wisdom is submerged, not valued, perhaps even not heard.

This state of affairs if not countered, exacerbates the local, national and global ills and forstalls sensible, if difficult, solutions.

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What these selected global trends mean for the Commons – for the not-for-profit sector – for philanthropy and for SMHA is that:

- 1) Much of the common treasury of the world will be used in dealing with the realities of war and refugees, of cyber and economic insecurity, climate change, poverty amidst plenty and cynicism and distrust amidst a lot of yelling voices!
- 2) Streamlining of operations to produce more scaled impact to the benefit of the commons is imperative.
- 3) Calm discourse over time is needed with “thought leaders” of diverse experiences and varying sectors to direct private resources of time, talent and treasure to achieve consultative and collaborative results toward a fairer, more equitable quality of life for all.
- 4) An entrepreneurial approach might best be applied to not-for-profit community development work. Profits made in the not-for-profit sector are reinvested into the Commons. Much education of the public is needed – especially in the philanthropic world. In the Deep South, most generous private giving of resources needs to mature beyond charity and service, to include development of the Commons.
- 5) Because the future will require energy, innovation as well as experience and wisdom, an intergenerational team is likely to more successfully meet the impact of the five selected global challenges.

GOING FORWARD:

- Will philanthropy be informed and transformed? SMHA’s “Thought Leaders Initiative” hopes to advance toward that goal. Philanthropy needs to mature to embrace long-term development.

“In her book, Sweet Charity, sociologist Janet Poppendieck writes that charity acts as “as sort of moral safety valve.” It reduces the discomfort evoked by visible destitution in our midst by creating the illusion of effective action and offering us myriad ways of participating in it. It creates a culture of charity that normalizes destitution and legitimates personal generosity as a response to injustice.

For most of us the work of advocacy is less rewarding than day to day contact with needy people. As an advocate I may never see significant change; I would rather immerse myself in direct service. And so the desperately needed work of advocacy is left undone.”

Excerpt from articles by David Hilfiker as printed in the Sisters of Providence newsletter

- Will SMHA’s operations be streamlined in time? SMHA is already on that path as we have a small core of experienced, trained and dedicated technical staff members; have expanded core staff capacity and continue to contract with highly skilled professionals in various areas of our work; have digitized nearly a million documents and are decluttering office files which will take several years more to complete.
- Will SMHA better employ an entrepreneurial approach? Teche Ridge, LLC is a major movement in that direction and will achieve scale over the coming years. It is designed to eventually increase SMHA’s fiscal, policy and reputational capacity.

Southern Mutual Financial Services, Inc. (SMFS), CDFI affiliate is working to decrease losses and employ more entrepreneurial approaches to its services. Much work is needed in this area.

SMHA has created reserves which, if used well and successfully, can help fund SMHA’s Founders to Future work. SMHA must, however, raise a significant amount of money during the next four years. Foundation investments and local private giving are important. A lender, Mrs. Faye Chandler, left directions for trustees, upon her death, to convert her \$100,000 loan to a gift. Her bequest was received in September. SMHA’s work must be known by those who appreciate and identify with SMHA as an “Agent of Change.”

SMHA is improving use of data to demonstrate impact. Significant strides in collecting, analyzing and marketing results to attract talent and resources is needed.

Finally, SMHA’s ability to plan-on-the-move in turbulent times is an important asset. That valuable flexibility relies on a Board of Directors that is grounded in justice, blessed with critical thinking and who forges a mission with forward-looking strategies informed by a global perspective.

I am fortunate to work for such a Board of Directors.

Lorna Bourg
President, CEO