

REDF Investor QTRly

Information for the REDF Donor on Issues From the Frontline

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Not Even a Bronze Medal for America This Year



"The Bird's Nest" - China's National Stadium

by [Carla I. Javits](#), REDF President

The competitive spirit is embedded in our national DNA. We relish the achievements that result from hard work and commitment. And with the 2008 Summer Olympics beginning this week, Americans dream of glory in the games.

But on the playing field of the American dream, new evidence shows that the United States is not the winning team it once was. According to the recently released [American Human Development Report](#) (AHDR), which measures longevity, education levels and standard of living in each of our 436 U.S. Congressional districts, our country's competitive position is declining fast.

Stumbling out of contention

In 1990, the US was the world's silver medalist in human development. This year, the US comes in twelfth, not earning even a spot on the podium. Among the chief reasons is that while many in the US enjoy substantial income, unfettered access to education and a long life span, some communities are so far behind that they pull down the overall national standing.

Not surprisingly, the San Francisco Bay Area, among the most competitive and entrepreneurial places in the US, fares well. In fact, if the nine-county region were a State it would be ranked first overall in America. Good news on the surface, but it masks a harsh reality. While the Congressional district that includes the Silicon Valley ranks third overall, across the Bay the district that includes Richmond and Vallejo is 92nd. If current trends persist, the AHDR predicts that those living in Richmond or Vallejo will not catch up to their neighbors in the South Bay for 25 years.

These disparities are not just local. While California is home to the third, fourth and fifth-ranked regions



New Website Sneak-Peek

REDF has redesigned its website and will be launching it in mid-August. As a REDF donor, we invite you to take a sneak-peek at our new site.

Click on the screenshots below to open these images in a new window.



in the US, it is also home to the lowest ranked district in the US, which includes parts of Fresno, King, Kern and Tulare counties. Median earnings there were \$16,767 in 2005, compared to about \$46,000 in the top-ranked California districts. In Los Angeles, the Congressional District that includes Beverly Hills ranks fifth with 95% of residents having at least a high school diploma compared to 53% in the district encompassing downtown Los Angeles which is ranked 410th.

And nationally, despite the fact that the US is the global leader in healthcare spending, newborn children in 22 other nations can expect to outlive our progeny. While we have the distinction of a second-place ranking in per capita gross domestic product, our child poverty rate is also ranked number two. And this list goes on.



We need a new training regimen

[By allowing Americans to compare](#) the relative progress of each Congressional district and every State, the AHDR - the brainchild of a renowned team of economists at the United Nations and fostered by Bay Area entrepreneur and philanthropist William Draper III - demonstrates that the relative competitive position of the US erodes when we allow some members of our 'team' to fall behind. It challenges all Americans to find new ways to accelerate human progress for those who are being "left in the dust."

On a positive note, there is a growing trend that aims to address the kinds of inequities highlighted by the AHDR. Entrepreneurs are creating new enterprises that blend business acumen with social mission and finding new ways to complement the public sector. These enterprises earn income so as to minimize reliance on charity and government. This has become known as the "double-bottom line."

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As an example, a member of [REDF's portfolio](#) - San Francisco's [Community Housing Partnership](#) (CHP) - operates property management businesses which successfully employ formerly homeless people. These groups are part of a contingent of similar organizations that provide valued goods and services to the marketplace while acting as a bridge into the workforce for those who might not otherwise be able to get jobs.



While on a local level, these ventures (and others like it) are impressive, they are not yet operating at sufficient scale to impact the AHDR data. To make even greater progress we must find ways to fully incorporate into the mainstream our entrepreneurial spirit, readiness and eagerness to partner across the lines of business, nonprofits, philanthropy, and government.



Getting America back on the podium

With your help, REDF's new three-year strategy to put 1,000 people into jobs is creating the practical cross-sector partnerships that have at their core the goal of reducing the kinds of glaring disparities identified by the AHDR. For example, REDF recently joined [America Forward](#) - a coalition of like minded groups that is raising the profile of social entrepreneurship in the context of the upcoming Presidential campaign. Locally, REDF is engaging with city, county and state governments on what role social enterprise can play in reducing recidivism rates to jail and prison.

Efforts like this will help the United States get back into medal contention for human development and human progress. These examples give us hope that even when the cheering for our athletes subsides at the end of August, we can help the United States get back on the podium.

Carla I. Javits is the President of REDF and is a member of the AHDR advisory board.