

THE FULCRUM POINT

STARVING NONPROFITS EQUALS STARVING SOCIETY

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The Fulcrum Point – An Opinion Series

STARVING NONPROFITS EQUALS STARVING SOCIETY

By Chris Looney

Imagine a world without food banks, without shelters, without afterschool programs, mental health clinics, or crisis hotlines. Imagine hospitals struggling to serve uninsured patients, schools without arts enrichment, parks and museums shuttered, and environmental protections vanishing overnight. That world exists—it just hasn't arrived fully yet. But it inches closer every time our society devalues the nonprofit sector.

The recently proposed Big Beautiful Bill—and others like it that chip away at the infrastructure supporting charitable organizations—are not just policy missteps. They are deeply short-sighted. Any effort, legislative or otherwise, that weakens the ability of nonprofits to thrive is not just a blow to a sector—it is a blow to the soul and safety of our communities.

Nonprofits are not just “do-gooders” working on the margins. They are economic engines and essential service providers. In the United States, the nonprofit sector employs over 12 million people—roughly 10% of the workforce. In many regions, especially rural and underserved areas, nonprofit hospitals, schools, and service organizations are among the largest employers and only lifelines.

But beyond their economic power, nonprofits form the connective tissue of society. They feed the hungry, house the unhoused, care for the elderly, educate children, and heal the sick. They advocate for civil rights, protect the environment, elevate the arts, and build community. Many of the services people assume are provided by government are, in fact, operated by nonprofit organizations—often in close partnership with the public sector.

So what happens when we starve them?

When public funding dries up or philanthropic incentives are stripped away—as some versions of the Big Beautiful Bill suggest—the impacts ripple outward quickly. A community mental health clinic loses funding and lays off counselors. A formerly



incarcerated father no longer receives job placement support. A woman fleeing domestic violence finds that her local shelter has closed. A child misses meals during the summer because a nonprofit meal program had to shut down. And with fewer tax incentives for charitable giving, individual donors pull back at the exact moment when the need intensifies.

The idea that nonprofits can “do more with less” is not just outdated—it’s dangerous. There is nothing efficient about starving organizations that are already running lean. It’s a recipe for burnout, diminished impact, and ultimately, collapse. And when nonprofits collapse, government agencies and for-profit businesses are neither equipped nor inclined to fill the void.

We must stop thinking of nonprofit health as a private concern. It is a public imperative. Policymakers need to understand that to invest in nonprofits is to invest in public well-being, economic stability, and the resilience of our social fabric. Eroding the tax code to disincentivize giving, underfunding grants, or attaching unreasonable restrictions to nonprofit activities may seem fiscally prudent on paper—but in reality, it simply shifts the burden and multiplies suffering.

Yes, nonprofits must be held accountable for impact and transparency. But support, not skepticism, should be the default stance of our civic and political leadership. Philanthropy alone cannot shoulder the burden of societal need. It must be matched by robust public investment and policies that recognize the nonprofit sector as a full partner in building a just and equitable future.

In times of crisis, people don’t turn to Congress—they turn to nonprofits. We must ensure these organizations have the resources and respect they need to continue doing what they do best: holding our communities together.

Because starving nonprofits doesn’t just weaken a sector. It starves society.

For more information about Fulcrum Nonprofit Leadership, please visit our website at www.fulcrumleader.com or reach out to us directly via email at hello@fulcrumleader.com.