

GuideStar, "Hate Groups," Death Threats & A Lawsuit

08.08.17 | Linda J. Rosenthal, JD



What do you get when you mix:

- a respected charity-information reporting agency,
- a highly regarded civil-rights organization,
- 46 organizations with 501(c)(3) status but who espouse alt-right ideology,
- death threats, and
- litigation?

You get a mess – though a fairly predictable one – now in the high-drama summer heat of 2017.

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[Note, 8/14/17: This post was written well before the tragic events of August 12th at Charlottesville, VA]

A “Hate Groups” Banner Sparks an Uproar

GuideStar describes itself as the “world’s largest source of information on nonprofit organizations”:

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Many people think that we are a charity evaluator or a watchdog. We aren't. Instead, we are a 501(c)(3) public charity that collects, organizes, and presents the information you want in an easy-to-understand format while remaining neutral. Providing nonprofit information to a broad audience at no cost to those users is an important part of our public service, one that we pledge to continue.

A key audience for this information – though not the only one – is prospective donors and grantmakers.

The Southern Poverty Law Center (SPLC) was founded in 1971 “to ensure that the promise of the civil right movement became a reality for all.” They have “...won numerous landmark legal victories on behalf of the exploited, the powerless and the forgotten.”

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Our lawsuits have toppled institutional racism and stamped out remnants of Jim Crow segregation; destroyed some of the nation's most violent white supremacist groups; and protected the civil rights of children, women, the disabled, immigrants and migrant workers, the LGBT community, prisoners, and many others who faced discrimination, abuse or exploitation.

It's “Hatewatch” program unapologetically and aggressively “monitors and exposes the activities of the American radical right.” SPLC publishes a widely available database that labels organizations including anti-gay Christian and conservative nonprofits as “hate groups.”

GuideStar Adds “Hate Groups” Banner

At the beginning of June 2017, GuideStar took the step of adding “...a new feature: a warning label on tax-exempt nonprofits accused of spreading hate.” While this move took many by surprise, GuideStar had indicated earlier in the spring that it could take such a move.”

A banner at the top of the GuideStar profile for each of 46 nonprofits made this designation, including the SPLC's logo and a GuideStar profile that links to the civil-rights group's homepage. The president and CEO of GuideStar, Jacob Harold, explained that this action “reflects a ‘broader shift in how we imagine our role in the (nonprofit) field.’” It is a reaction and response to the “recent rise of ‘hateful rhetoric’ in the U.S.” He added: “It's unique in that it's highly politicized in a highly politicized moment in history.”

GuideStar did not do its own analysis but instead relied on SPLC's list. “[We] are making a judgment to trust that third party” and “feel that's quite defensible.” “The warning labels say GuideStar

believes the law center's analysis of hate groups is 'strong enough to share' despite disagreement over some of its choices."

"We leave it to you to come to your own conclusions," explains GuideStar in these banners.

Targeted Groups React

The reaction by some of the groups flagged with this "hate groups" warning label was as expected – and then some.

First, they demanded that GuideStar remove the banners, asserting that the SPLC uses its "hate group label to smear organizations that don't share [the SPLC's] ideology by lumping them in with overtly hateful groups, such as the Ku Klux Klan." Mark Krikorian, executive director of the Center for Immigration Studies – one of the targeted groups – asserted: "This is defamation. GuideStar is an accomplice to this defamation now."

As June progressed, the pushback included not only these demands, but, according to GuideStar, serious threats to GuideStar personnel.

By June 23rd, GuideStar backed off, promising to remove the banner labels. GuideStar's president offered a detailed explanation for this decision to change course; this rationale includes the matter of the death threats. "[A] significant amount of the feedback we've received in recent days has shifted from constructive criticism to harassment and threats directed at our staff and leadership."

But the group will continue to "make the information available to users who request it," because "there is a deep, nuanced conversation to be had with Americans of all political, cultural, and religious backgrounds regarding how we address – and identify – hate groups."

For its part, the Southern Poverty Law Center understands what prompted GuideStar's reversal, but cautions: "At a time when hate groups increasingly present a mainstream veneer, the public deserves such information."

Other Philanthropy Voices Weigh In

In a provocative article, Ruth McCambridge, editor of The Nonprofit Quarterly, published a June 12th post asking: "Should GuideStar Flag Hate Groups?"

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In a move that was surprising to many, GuideStar has flagged dozens of nonprofits as hate groups on its famously neutral website. Its identification of hate groups is derived from the Southern Poverty Law Center (SPLC) and, unsurprisingly, some of the 46 groups so flagged are protesting that the move is defamatory.

"GuideStar," she noted, "is accustomed to being cited in the news, but is seldom if ever the target of controversy, so it will be interesting to see how it responds. But the larger question is whether the flag belongs on the GuideStar website at all."

She asked for readers' comments on this issue.

In a subsequent post on June 26th – after GuideStar had promised to remove the banners, Ms. McCambridge made additional observations in a post titled: "[GuideStar Removes Banners Flagging 'Hate Groups' – But Why?](#)" "We're not exactly surprised about this outcome.... As an organization –

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that has received quite a bit of threatening mail ourselves, we confess we are a bit taken aback about the way GuideStar handled this. Either you do or do not believe these groups are hate groups; if, in your estimation, the charge hasn't been proven to your satisfaction, you should not designate them so. And if you are committed to the truth of the original statement, to back down and then claim to be doing so out of concern for staff just looks as if the whole thing was insufficiently thought through, at the very least. The one point the statement makes with which we overwhelmingly agree is that GuideStar, for which we have the utmost respect for in general, needs to consider carefully how it curates the information on its site.

And, Of Course, the Lawsuit

One thing in 2017 about which almost everyone understands: There will be a lawsuit. Several of the [flagged organizations filed suit](#) in United States District Court for the Eastern District of Virginia. They allege violations of the federal Lanham Act (a trademark protection statute) along with state claims of defamation and interference with business expectancy. These plaintiffs claim damages to their reputations and ability to attract donations.

[Among the allegations](#) in the Complaint are that "GuideStar has ... neither abandoned, nor retracted, nor remedied its defamatory publications, ... [but] has made those defamatory publications worse, by falsely implying that Liberty Counsel and other so-called 'hate groups' are now threatening or causing others to threaten violence against GuideStar."

In addition, [plaintiffs describe](#) "SPLC as reckless for lumping Christian organizations such as Liberty Counsel with neo-Nazis and other groups such as the Ku Klux Klan" and acting with intent to not only "monitor hate groups, but destroy them." GuideStar's president is portrayed as devoted to "liberal" causes, sharing "political ideology with the SPLC" to "diminish the opposing viewpoints and positions advanced by Liberty Counsel, namely religious liberty, the sanctity of human life, human sexuality, and family values."

Conclusion

Although there has been a showdown and a technical retreat, this saga does not look like it's going away anytime soon.