

Black Live Matters, Stop Asian Hate, ...: Do Nonprofits Make A Difference?

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* This work was supported by the 2022 RGK-ARNOVA President's Award *

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Abstract

As the nonprofit sector gains increased recognition and plays a larger role in addressing social issues, evaluating its effectiveness in tackling complex problems and promoting overall social well-being becomes crucial. Recent literature has explored the sector's impact across various contexts, but the findings from these studies are mixed. Consequently, the question of whether the nonprofit sector truly makes a difference remains inconclusive. This research investigates the impact of nonprofit sector density on mitigating hate crimes using U.S. state-level data and employs Necessary Condition Analysis. The study finds that a large overall nonprofit sector is not a necessary condition for low levels of hate crimes. However, specific nonprofit sectors, namely education, human service, and religious nonprofits, are identified as necessary conditions for reducing hate crimes. The study underscores the need for a nuanced approach to nonprofit sector development, emphasizing the critical role of specific nonprofits in creating safer and more inclusive communities.

Introduction

Over the past few decades, the nonprofit sector has undergone remarkable growth on a global scale, marked by a surge in the number of organizations and their expanding influence (Salamon et al., 2017). This surge is attributed to various factors, including heightened recognition of the sector's crucial role in addressing complex social challenges, increased governmental support, and a rising demand for the diverse services it provides (Frumkin, 2009; Salamon, 1995; Weisbrod, 1988). In the United States, data compiled by the National Center for Charitable Statistics (NCCS Team, 2020) indicates a notable 4.5 percent increase in the number of nonprofit organizations registered with the IRS, climbing from 1.48 million in 2006 to 1.54 million in 2016. Notably, the nonprofit sector contributed an estimated \$1.047.2 trillion to the U.S. economy in 2016, constituting 5.6 percent of the country's gross domestic product (GDP) that year (Friesenhahn, 2024).

However, despite the impressive expansion of the nonprofit sector, its profound impacts on both the local community and society at large have been a relatively understudied facet in nonprofit scholarship. In the early 2000s, Flynn and Hodgkinson (2001) criticized the lack of a comprehensive scholarly literature that assesses the multifaceted roles, functions, and contributions of the nonprofit sector beyond the scope of institutional-level evaluation research. This critical examination is pivotal to ensure that nonprofits continue to serve as effective agents of positive change and contribute meaningfully to the betterment of society. Moreover, such scrutiny holds significant policy implications, given that governments often rely on nonprofits to deliver public services and grant them tax-exempt status.

In recent years, a burgeoning body of literature has delved into the nonprofit sector's effectiveness in enhancing community well-being across diverse domains, encompassing crime

reduction, civic health, environmental sustainability, and social equity. This ongoing dialogue is imperative for fully unlocking the potential of nonprofits in advancing social progress and fostering a more equitable and compassionate world. However, findings from these studies present a mixed narrative. While some studies highlight the positive social impacts of the nonprofit sector in improving community life (e.g., Cheng et al., 2022; Haslam et al.; Rousseau et al., 2019; Sharkey et al., 2017), others raise pertinent questions about its overarching impact, citing factors such as limited capacity and resources, mission misplacement, and conflicts of interest among constituents (e.g., Meyer & Hyde, 2004; Peck, 2008; Ruef & Kwon, 2016; Shandra et al., 2010). In sum, the question of whether the nonprofit sector truly makes a difference remains inconclusive.

We continue this line of inquiry by investigating the social impact of the nonprofit sector in the context of hate crimes. Hate crimes, characterized by offenses committed against individuals or groups based on attributes such as race, religion, sexual orientation, or ethnicity, represent a pressing and pervasive social issue (Green et al., 2001; Levin & McDevitt, 2002). These crimes not only inflict direct harm on victims but also create an atmosphere of fear and intimidation within targeted communities. Understanding the nonprofit sector's role in mitigating hate crimes is crucial for fostering inclusive and harmonious societies. The rise in hate crimes in recent years underscores the urgency of comprehending how nonprofits contribute to the prevention and alleviation of such offenses.

In this manuscript, we combine different data sources and employ a unique approach known as Necessary Condition Analysis (NCA) to examine the impact of the nonprofit sector on mitigating hate crimes. Our study reveals that a large overall nonprofit sector is not a necessary condition for low levels of hate crimes. However, specific nonprofit sectors, namely education,

human service, and religious nonprofits, are identified as necessary conditions for reducing hate crimes. Education nonprofits foster tolerance and social cohesion, human service nonprofits address underlying socio-economic stressors, and religious nonprofits promote values of compassion and mutual understanding. These findings underscore the importance of targeted support for these sectors in policy and practice to effectively combat hate crimes. This study highlights the need for a nuanced approach to nonprofit sector development, emphasizing the critical role of specific nonprofits in creating safer and more inclusive communities. Future research should further explore the mechanisms through which these nonprofits influence hate crime reduction.

Does The Nonprofit Sector Matter?

The nonprofit sector has been widely acknowledged as a vital component of a nation's economic and social landscape (Frumkin, 2009; Salamon, 2012). The sector plays a multifaceted role in addressing fundamental social needs, employing diverse mechanisms that include service delivery, civic and political engagement, as well as the cultivation of social capital and community cohesiveness. Through these dynamic functions, nonprofits make significant contributions to enhancing the welfare and vitality of society.

Specifically, nonprofit organizations play a vital role in service provision by offering a wide range of essential and often unmet services to communities. Leveraging their missions to address social needs, these organizations offer services spanning education, healthcare, social welfare, disaster relief, and more (Allard, 2009; Mosley & Park, 2022). By targeting underserved populations and filling gaps in public service delivery, nonprofits ensure that vulnerable individuals and marginalized groups receive the support they require (Weisbrod, 1988). Drawing

on a sense of purpose and commitment to their causes, these organizations leverage volunteers, donors, and partnerships to deliver services that contribute to the betterment of society, addressing challenges that might otherwise remain unattended by the public or private sectors (Hansmann, 1980; Rose-Ackerman, 1996). Additionally, nonprofits frequently collaborate with governments to deliver services funded by government programs, creating synergistic partnerships that enhance the reach and impact of these vital services (Ansell & Gash, 2008; Salamon, 1995; Smith & Lipsky, 1993).

Nonprofit organizations play a multifaceted civic and political role by actively engaging in civic participation, advocating for social justice, and influencing policy changes. With a commitment to fostering democratic values, these organizations encourage community involvement, volunteerism, and grassroots activism, thereby bolstering civic engagement (Berry, 2005; LeRoux, 2009; Marwell et al., 2020; Sampson et al., 2005; Suárez, 2009). Moreover, nonprofits champion social justice by addressing systemic inequalities, combating discrimination, and advocating for the rights of marginalized and underrepresented groups. Through research, education, and mobilization efforts, they contribute to the creation of more equitable and inclusive societies (Jung et al., 2021; Kim & Mason, 2018). A significant aspect of their influence lies in policy advocacy, where nonprofits leverage their expertise to shape public policies, advocate for legislative reforms, and collaborate with government bodies to address pressing social issues (Beaton et al., 2021; Fyall, 2016; Mosley et al., 2023). This holistic approach empowers nonprofits to advocate and organize to amplify a variety of causes and concerns.

Nonprofit organizations contribute in crucial ways to community cohesiveness and solidarity that are essential for the functioning of communities. They serve as hubs that bring

people together, facilitating vital connections among community members. These connections are pivotal in fostering the sense of unity that is fundamental to the functioning of communities (Putnam, 1993). Nonprofits employ various strategies: some focus on promoting common beliefs and interests, thereby nurturing bonding social capital, while others actively seek to bridge gaps between individuals who might not otherwise interact, thereby building bridging social capital (Ruef & Kwon, 2016). Through collaborative projects, initiatives that encourage the sharing of skills, and volunteer opportunities, nonprofits empower individuals to actively engage in shared causes, reinforcing their sense of belonging. By addressing local challenges and promoting networks of mutual support, nonprofits cultivate an environment where shared responsibility thrives (Bursik & Grasmick, 1999; Sampson, 2012). At its best, the nonprofit sector acts as a connective tissue that brings people together, fosters trust, and nurtures greater mutual understanding within communities.

While the nonprofit sector serves valuable functions, concerns have been raised in the literature regarding its potential limitations. For instance, nonprofits are often constrained by their small scale and limited capacity to drive significant societal changes (Princen, 1994). Additionally, studies have identified a tendency for nonprofits to concentrate in resourceful and racially homogeneous areas (Ben-Ner & Hoomissen, 1992; Grønbjerg & Paarlberg, 2001; Wu, 2021), prompting questions about whether they operate where they are most needed. Furthermore, nonprofits may sometimes prioritize projects catering to the interests of donors or specific groups, rather than addressing broader public or collective needs (Meyer & Hyde, 2004; Ruef & Kwon, 2016). These limitations have been termed “voluntary failure.” As Salamon (1987) argued, “for all its strengths, the voluntary sector has inherent weaknesses as a mechanism for responding to the human-service needs of an advanced industrial society” (p. 42).

Salamon further summarized that the nonprofit sector may not effectively address societal issues due to philanthropic insufficiency, philanthropic particularism, philanthropic paternalism, and philanthropic amateurism.

Over the past several decades, the nonprofit sector in various countries and regions across the world has witnessed significant growth. With the nonprofit sector assuming an increasing role in shaping social affairs, there is a growing need to critically examine its capacity and effectiveness in tackling complex social problems and promoting overall social well-being. This critical examination is vital to ensure that nonprofits continue to serve as effective agents of positive change and contribute meaningfully to the betterment of society (Clotfelter, 1992; Flynn & Hodgkinson, 2001). As Ressler et al. (2021, p. 832) wrote, “despite nonprofit sector’s scope, we still understand little about the usefulness of the sector to improve the lives of individuals beyond the discrete impacts of individual programs.”

In recent years, there has been a growing body of literature delving into the nonprofit sector’s role in fostering social transformation across domains such as community well-being, crime reduction, civic health, environmental sustainability, social equity, and political participation. Table 1 summarizes empirical studies conducted in these diverse contexts. Interestingly, the findings presented in the Table paint a nuanced picture. While some studies demonstrate positive social outcomes attributable to the nonprofit sector (e.g., Cheng et al., 2022; Haslam et al.; Rousseau et al., 2019; Sharkey et al., 2017), others raise questions about the sector’s overarching impact (e.g., Meyer & Hyde, 2004; Peck, 2008; Ruef & Kwon, 2016; Shandra et al., 2010).

[Table 1 Here]

This ongoing dialogue in the literature underscores the importance of continually scrutinizing and enhancing the nonprofit sector's effectiveness in addressing the multifaceted challenges of our times. This study continues this line of inquiry by testing the efficacy of the nonprofit sector in a new context using a new method.

Hate Crimes as an Empirical Context

We evaluate the social impact of the nonprofit sector concerning hate crimes. The term “hate crime” was coined in the 1980s in the United States to describe acts of violence rooted in prejudice, particularly targeting Jewish, Black, and LGBTQ+ individuals (Green et al., 2001). By definition, hate crimes, also known as bias-motivated crimes, involve “crimes committed on the basis of the victim's perceived or actual race, color, religion, national origin, sexual orientation, gender, gender identity, or disability” (U.S. Department of Justice, 2023). Hate crimes can include a wide range of offenses, from verbal harassment and vandalism to violent physical assaults or even homicide (Lantz & Kim, 2019; Rose & Mechanic, 2002). These crimes may target individuals, groups, or property, but their ultimate purpose is to signal that certain groups are unwelcome in the community and may face victimization because of their social status and identity.

What differentiates hate crimes from general crimes is that they inflict harm not only on individual victims but also carry broader societal implications. Members of groups targeted by hate crimes often experience harm, especially fear and psychological distress, even if they were not directly victimized (Awan & Zempi, 2017; Bell & Perry, 2015; Paterson et al., 2019; Ruiz et al., 2021). These crimes create a pervasive atmosphere of fear, mistrust, and division within communities. They exacerbate existing inequalities and discrimination, further marginalizing

already vulnerable populations. In doing so, hate crimes challenge the shared values of a society committed to upholding principles of equality, diversity, and inclusivity. This social harm extends beyond immediate victims, affecting the entire community and undermining the sense of safety and belonging that should be enjoyed by all citizens (Levin & McDevitt, 2002).

Every year thousands of Americans are victims of hate crimes. In the United States, the Federal Bureau of Investigation (FBI) maintains the Uniform Crime Reporting (UCR) program, which collects and publishes hate crime statistics from law enforcement agencies across the country.¹

Figure 1 shows the number of hate crime incidents and the number of hate crime victims between 2010 and 2020. As seen in the figure, the first significant surge within this 11-year period began in 2016, with the number of hate crime incidents increasing from 5,850 in 2015 to 6,121 in 2016. Scholars have attributed this surge to the presidential election (Newman et al., 2021), during which the increase in hate crimes against marginalized groups has been widely noted, with the most common motivations being anti-Black, anti-Semitic, anti-gay, and anti-Latino (Edwards & Rushin, 2018; Levin & Reitzel, 2018). This upward trajectory in hate crimes continued after the presidential election in 2017-2019, with incidents numbering 7,175 in 2017, 7,120 in 2018, and 7,314 in 2019, respectively.

[Figure 1 Here]

¹ It is essential to note that the FBI's hate crime statistics may undercount the number of hate crimes, as police agencies may not accurately identify and report hate crimes, and victims may be reluctant to report them to the police (McDevitt, Levin, & Bennett, 2002; McVeigh, Welch, & Bjarnason, 2003; Pezzella, Fetzer, & Keller, 2019). Nevertheless, these statistics remain the primary measure for policymakers, researchers, civil rights groups, and the public to comprehend and monitor hate crimes (Farrell & Lockwood, 2023).

In 2020, the emergence of the COVID-19 pandemic significantly facilitated the spread of racism, creating a climate of national insecurity, fear of foreigners, and general xenophobia (Cordero, 2021; Tessler et al., 2020). This troubling atmosphere culminated in a dramatic surge in hate crimes, with reported incidents reaching a staggering 8,263 cases, marking the highest level in over a decade. These hate crimes were driven primarily by biases against the victim's race and/or ethnicity. Notably, two bias incident categories experienced particularly sharp increases: anti-Asian hate crimes witnessed a staggering 77% surge, while anti-Black hate crimes increased by 49% since 2019 (U.S. Department of Justice, 2022).

Hate crimes in the U.S. represent a multifaceted challenge with profound social and policy implications, necessitating a comprehensive approach that encompasses legal measures, educational initiatives, community engagement, and efforts to foster tolerance and inclusivity (Levin & McDevitt, 2002). Among these, the nonprofit sector can be instrumental in mitigating hate crimes through its diverse functions. First, their service delivery initiatives address the root causes of hatred by providing support, education, and resources that promote understanding and tolerance among diverse communities. Second, through civic and political engagement, nonprofits can advocate for inclusive policies, challenge discriminatory legislation, and foster dialogue that combats prejudice at its core. Finally, nonprofits excel at community building, creating shared spaces and platforms that encourage connections among individuals from different backgrounds, nurturing social cohesion and intergroup empathy. By combining these functions, nonprofits not only offer vital support to victims and promote awareness but also actively contribute to creating more inclusive and harmonious societies, ultimately reducing the incidence of hate crimes.

In fact, while hate crimes have garnered increasing attention, the role of nonprofits in addressing and preventing them has not been widely studied. After reviewing the existing literature on hate crimes, Farrell and Lockwood (2023, p. 120) highlighted that to better respond to and prevent hate crimes, “future research should examine the ways in which community agencies ... can address or alleviate the harms felt among community members who are affected by the spectrum of hate-driven incidents they have heard about, witnessed, or experienced.” This study helps address the gap in the literature by asking: Does the nonprofit sector reduce hate crimes?

Necessary Condition Analysis

Unlike the commonly used regression analysis in the existing literature (see Table 1), this study employs a unique approach known as Necessary Condition Analysis (NCA) to examine the impact of the nonprofit sector on mitigating hate crimes. NCA is a statistical method designed to identify the essential factors that are necessary but not sufficient for a specific outcome to occur (Dul, 2016; 2020). A necessary condition is defined as something that must be present for an outcome to occur. If the condition is absent, the outcome is guaranteed to be absent, as a necessary condition cannot be compensated for by other conditions.

NCA, based on a necessity logic, differs from conventional regression analyses with an additive logic, where multiple factors combine to influence the outcome and can sometimes compensate for each other. NCA focuses on a single, essential factor that can almost perfectly predict the absence of the outcome when it is absent.² NCA provides scholars with a deeper

² Since NCA focuses on a single necessary condition for a specific outcome, its data analysis is inherently bivariate. The concepts of omitted variable bias and control variables, commonly used in regression analysis, do not apply in this context.

understanding of the fundamental prerequisites and limitations that underlie the occurrence of an event, especially within complex and multifaceted systems. This analytical technique proves particularly valuable for identifying the core drivers that either facilitate or hinder the achievement of specific outcomes, thereby enhancing our understanding of causality. Indeed, NCA has increasingly found application among scholars in various fields seeking critical factors driving outcomes (e.g., Abner et al., 2023).

In our research context, NCA can help us determine whether a substantial nonprofit sector is a “must-have” condition for maintaining low levels of hate crimes. Building on the discussion above regarding the unique and wide-ranging roles nonprofits play, we hypothesize that achieving low hate crime levels could depend on the presence of a dynamic nonprofit sector actively involved in service delivery, civic and political organizing, and initiatives fostering social cohesion, diversity, and tolerance within communities. In NCA terms, when a sizable nonprofit sector is absent, low levels of hate crimes are almost guaranteed not to occur. In sum, NCA enables us to explore whether a robust nonprofit sector plays an indispensable role in reducing hate crimes. We thus test the following hypothesis using a necessity logic:

Hypothesis: A large nonprofit sector is necessary for low levels of hate crimes.

Variables and Data

Our outcome variable, *the level of hate crimes*, is measured as the number of hate crime incidents per 10,000 population in 2020, the most recent year for which reliable data are available.³ The data are sourced from the annual Hate Crime Statistics report published by the

³ Beginning in 2021, the FBI adopted the National Incident-Based Reporting System (NIBRS) for crime data submissions by law enforcement agencies. Agencies that did not transition to reporting crime data through NIBRS were unable to submit hate crime statistics to the FBI.

U.S. Department of Justice. This report originated following the passage of the Hate Crime Statistics Act by Congress in 1990. The Act authorized the FBI's Uniform Crime Reporting (UCR) program to collect data on "crimes that manifest evidence of prejudice based on race, religion, sexual orientation, or ethnicity" (U.S. Department of Justice, 2009, p. 4). Data collection relies on voluntary reporting by local law enforcement agencies to a centralized state repository. Therefore, the same as previous studies using the data (e.g., Gale et al., 2002; Ryan & Leeson, 2011; Stacey et al., 2011), we measure the outcome variables at the state level.

According to the 2020 Hate Crime Statistics⁴, a total of 8,263 hate crime incidents were reported by 15,136 law enforcement agencies across the country, affecting 11,126 victims in that year. Among these incidents, the largest bias motivation category was race/ethnicity/ancestry, accounting for 63.3% (5,227 incidents). Within this category, Anti-Black or African American hate crimes were the most prevalent, comprising 54.9% (2,871 incidents) of all race/ethnicity/ancestry-related incidents. Additionally, there were 869 incidents (16.6%) classified as anti-White, 517 incidents (9.9%) as anti-Hispanic or Latino, and 279 incidents (5.3%) as anti-Asian. Furthermore, 15.1% (1,244 incidents) of the reported hate crimes were motivated by religious bias, 13.4% (1,110 incidents) by sexual-orientation bias, 3.2% (266 incidents) by gender identity bias, 1.6% (130 incidents) by disability bias, and 0.9% (75 incidents) by gender bias.

The necessary condition under examination, *nonprofit sector size*, delineates the scale of the nonprofit sector within a particular jurisdiction. Consistent with numerous prior studies (e.g.,

Consequently, participation by law enforcement agencies in submitting all crime statistics, including hate crimes, has significantly decreased since 2021. Due to this incomplete data, we have exclusively used hate crime statistics from before 2021.

⁴ 2020 FBI Hate Crimes Statistics <https://www.justice.gov/crs/highlights/2020-hate-crimes-statistics>

Ressler et al., 2021; Rousseau et al., 2019; Sharkey et al., 2017), we use a density measure to assess the nonprofit sector's size, quantifying it as the number of nonprofits per 10,000 population. Additionally, we divide the nonprofit sector in a jurisdiction into nine subsectors and measure the number of nonprofits per 10,000 population in each subsector. These subsectors are based on nonprofits' National Taxonomy of Exempt Entities (NTEE) codes and include Arts, culture, and humanities (AR), Education (ED), Environment (EN), Health (HE), Human services (HU), International (IN), Mutual benefit (MU), Public and societal benefit (PU), and Religion (RE). This approach enables us not only to examine the effect of the overall nonprofit sector but also to explore subsector variations.

Data for this variable were procured from the IRS Business Master Files (BMF), which are archived within the National Center for Charitable Statistics (NCCS) Data Archive. The BMF provides comprehensive information regarding all active organizations registered for tax-exempt status with the IRS. Consequently, it is widely used to obtain the most current counts of nonprofit organizations, whether at the national level or within specific geographical areas. Since the outcome variable was measured in 2020, to enhance causal inferences, we used the 2019 BMF, which contains the number of organizations registered with the IRS as of August 2019.

Following guidelines outlined in the NCCS Data User Guide (McKeever, 2018), we implemented a series of data cleaning procedures to enhance data reliability. Notably, we excluded observations related to “out-of-scope” organizations, such as foreign-based entities and those operating in US Territories or overseas. Our dataset was further refined to include only active nonprofits that had filed with the IRS within the two years preceding the BMF release and reported more than \$0 in gross receipts. Lastly, our analysis was limited to active 501(c)(3)

public charities, as these organizations are typically oriented toward public service and associated with public benefit.

Table 2 presents the descriptive statistics of the variables under study.

[Table 2 Here]

Results

We analyze the data using the NCA method and package developed by Dul (2016; 2020; 2023). Specifically, we quantify necessary conditions by calculating the necessity effect size (d) and its statistical significance (p). Effect size represents the substantive significance of the necessity effect of X for Y. The effect size ranges from 0 to 1. The higher the effect size, the larger the constraint that X puts on Y. To distinguish the magnitude of an effect size, a general benchmark is: $0 < d < 0.1$ as a small effect, $0.1 \leq d < 0.3$ as a medium effect, $0.3 \leq d < 0.5$ as a large effect, and $d \geq 0.5$ as a very large effect. The p value of the effect size indicates the probability that the effect size of the observed sample is equal to or larger than the effect size of random samples where X and Y are unrelated. When p value is very small, it suggests that it is not possible that the observed effect size is the result of a random process of unrelated variables and thus the necessary condition may be true. In NCA, only if a condition satisfies the criteria of $d \geq 0.1$ and $p \leq 0.05$ at the same time can it be considered as a necessary condition.

[Table 3 Here]

We applied NCA to our data and present the results in Table 3. According to the criteria outlined, having a large overall nonprofit sector is not a necessary condition for achieving low levels of hate crimes at the state level ($d < 0.1$, $p > 0.05$). This suggests that merely having a substantial number of nonprofit organizations does not guarantee a reduction in hate crimes.

However, the NCA identified three specific nonprofit subsectors as necessary conditions for low levels of hate crimes. First, states with a large education nonprofit subsector tend to have lower levels of hate crimes ($d > 0.1, p < 0.05$). Second, a large human service nonprofit subsector is also deemed a necessary condition ($d > 0.1, p < 0.05$). Third, the presence of a large religious nonprofit subsector is identified as another necessary condition ($d > 0.1, p < 0.05$). In terms of effect magnitude, among these three subsectors, while all three have medium effects, the human service nonprofit subsector tends to have a stronger effect than the other two.

Discussion and Conclusion

As the nonprofit sector gains increased recognition and plays a larger role in addressing social issues, evaluating its effectiveness in tackling complex problems and promoting overall social well-being becomes crucial. Recent literature has explored the sector's impact on community well-being across various domains, including crime reduction, civic health, environmental sustainability, and social equity. However, the findings from these studies are mixed. While some research underscores the positive social impacts of the nonprofit sector in enhancing community life, other studies question its overall effectiveness, citing issues such as limited capacity, resource constraints, and strategic misalignments. Consequently, the question of whether the nonprofit sector truly makes a difference remains inconclusive. To contribute to this ongoing discourse, we investigate the social impact of the nonprofit sector specifically in the context of hate crimes, aiming to shed light on its potential role in mitigating these offenses.

Specifically, our research employs Necessary Condition Analysis (NCA) to examine the impact of nonprofit sector density on mitigating hate crimes using U.S. state-level data. The findings reveal a nuanced relationship between the size of the nonprofit sector and the prevalence

of hate crimes. Contrary to initial expectations, our analysis indicates that a large overall nonprofit sector is not a necessary condition for achieving low levels of hate crimes. This suggests that merely increasing the density of nonprofits in general does not directly correlate with a reduction in hate crime incidents. Instead, it highlights the importance of understanding which specific types of nonprofits are most effective in addressing this issue.

However, a more detailed examination of specific types of nonprofits reveals a different story. The NCA results show that a large education nonprofit sector is indeed a necessary condition for low levels of hate crimes. Education nonprofits play a critical role in fostering understanding, tolerance, and social cohesion within communities. By providing educational resources, promoting inclusive curricula, and facilitating dialogue among diverse groups, these organizations can effectively mitigate the factors that contribute to hate crimes. This finding underscores the importance of targeted interventions in the education sector to address and reduce hate crimes. Moreover, it suggests that policies aimed at supporting education nonprofits could have a significant impact on creating more inclusive and harmonious communities. Strengthening education nonprofits not only helps in building more tolerant societies but also equips individuals with the tools to challenge prejudiced views and behaviors.

Similarly, the analysis highlights the significant role of human service nonprofits in mitigating hate crimes. A large human service nonprofit sector is identified as a necessary condition for low hate crime levels. Human service nonprofits often address essential needs such as mental health support, housing, and social services, which can alleviate the underlying socio-economic stressors that may contribute to hate crimes. These organizations help to create a more stable and supportive community environment, reducing the conditions that foster hate and violence. The implication here is that investing in human service nonprofits can be a strategic

approach to preventing hate crimes by addressing the broader social issues that underpin such acts. Furthermore, by ensuring that vulnerable populations receive adequate support, human service nonprofits help reduce the desperation and marginalization that can lead to acts of hate.

The role of religious nonprofits is also pivotal in this context. Our findings indicate that a large religious nonprofit sector is a necessary condition for low levels of hate crimes. Religious organizations often serve as community anchors, promoting values of compassion, respect, and mutual understanding. They can be instrumental in building bridges between different community groups and fostering a culture of peace and acceptance. This highlights the critical role that faith-based initiatives can play in combating hate crimes through their extensive networks and moral influence. Strengthening religious nonprofits could therefore be an effective strategy in cultivating social cohesion and reducing incidents of hate crimes. Religious nonprofits often engage in outreach programs that address prejudice and discrimination, making them key players in the fight against hate crimes.

These findings have several important implications for policy and practice. First, they suggest that policymakers and community leaders should prioritize support for education, human service, and religious nonprofits as part of a comprehensive strategy to reduce hate crimes. This could involve providing targeted funding, facilitating partnerships, and encouraging community engagement initiatives led by these sectors. By focusing resources on these specific types of nonprofits, it is possible to address the root causes of hate crimes more effectively. Policymakers should recognize the unique contributions of these nonprofits and integrate them into broader social policy frameworks aimed at reducing hate crimes. Supporting these nonprofits can also enhance community resilience and foster environments where hate is less likely to take root.

Second, our study emphasizes the need for a nuanced approach to nonprofit sector development. Instead of a broad-based increase in nonprofit density, efforts should be directed towards strengthening the capacity and reach of education, human service, and religious nonprofits. This targeted approach can enhance the overall effectiveness of nonprofit interventions in reducing hate crimes and promoting social harmony. Policymakers and nonprofit leaders should collaborate to identify best practices and develop strategies that leverage the strengths of these specific nonprofit sectors to achieve greater impact. This collaboration can lead to more tailored and effective programs that address the specific needs and challenges of different communities.

The present study is subject to several limitations. First, due to data availability constraints, we relied on hate crime data at the state level. While state-level data provide a broad overview of hate crime trends, they may obscure variations at smaller geographic levels, such as within cities or counties. Using finer-grained data could offer deeper insights into localized patterns, enabling more targeted interventions and policy responses tailored to the specific needs of communities. Second, we relied on data from the National Center for Charitable Statistics' Business Master Files (BMF) to measure the size of the nonprofit sector. However, it is important to acknowledge that this data source has its limitations. For instance, it may not capture all nonprofit organizations, particularly smaller or informal entities that are not required to register or report their activities. Additionally, the BMF relies on self-reported data, which may be susceptible to errors or inconsistencies. Third, while necessary condition analysis brings a new perspective to our research, it identifies necessary conditions for an outcome without establishing causality. Therefore, it cannot determine whether the identified conditions cause the outcome or are simply associated with it.

In conclusion, while a large nonprofit sector in general is not a necessary condition for low levels of hate crimes, the presence of robust education, human service, and religious nonprofit sectors is crucial. These findings highlight the specific contributions of different types of nonprofits in fostering safer and more inclusive communities. Future research should continue to explore the mechanisms through which these nonprofits exert their influence and identify best practices for leveraging their impact on reducing hate crimes. Additionally, there is a need for ongoing evaluation and adaptation of strategies to ensure that nonprofits can continue to effectively address the evolving challenges associated with hate crimes. Understanding the specific contexts in which different types of nonprofits operate can help tailor interventions that are both effective and sustainable.

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Table 1. Empirical Studies on Social Outcomes of the Nonprofit Sector

Study	Country	Policy Area	Years	Unit of analysis	Dependent variable	Independent variable	Nonprofits under study	Analytical approach	Main findings
Rousseau, Berrone, & Gelabert (2019)	United States	Environmental sustainability	2005-2016	Metropolitan statistical area	Human toxicity of chemical releases, Number of new LEED-certified buildings	Number of nonprofits per 10,000 population	Environmental nonprofits	Two-stage least squares regression with instrumental variable	Cities with more nonprofits are associated with reductions in toxic contamination and increases in environmentally certified buildings.
Boulding (2010)	Bolivia	Political participation	1999-2004	Municipality	Voter turnout rate, number of protests	Number of nonprofits	Nongovernmental organizations	OLS regression	Increases in nonprofits do not impact voter turnout rates, but are associated with increases in protests.
Cheng, Yang, & Deng (2022)	United States	Public park access	2018	County	Proportion of each racial-ethnic group within a 10-minute walk of a park	Number of nonprofits per 1,000 population	Park supporting nonprofits	OLS regression, Quantile regression	Communities with more nonprofits enhance park access for racial-ethnic groups, with whites benefiting the most.
Crubaugh (2021)	United States	Neighborhood development	1990-2010	Tract	Neighborhood disadvantage index	Number of nonprofits; Total organizational income	Neighborhood development nonprofits	Fixed-effects regression	Nonprofits reduce neighborhood disadvantage only in high-resource, mobile non-Hispanic White neighborhoods.
Forbis (2013)	79 countries	Anti-corruption	1997-2004	Country	Government corruption index	Number of nonprofits per capita	International nonprofits	OLS regression	Countries with more nonprofits are associated with reductions in government corruption.
Haslam, Nesbit, & Christensen (2019)	United States	Public health	2004-2012	County	Obesity rate	Number of nonprofits per 10,000 population	Health nonprofits	Random-effects regression	Communities with more nonprofits experience decreases in obesity rates.
Lee & Ousey (2005)	United States	Violent crimes	1990	County	Black homicide offending rate	Number of nonprofits per 100,000 population	Social and civic nonprofits (e.g., civic associations, citizens' unions, community clubs)	OLS regression	Counties with more nonprofits are associated with lower Black homicide rates
Liu et al. (2023)	China	Environmental sustainability	2003-2017	Province	Environmental pollution index	Nonprofit development index	Environmental nonprofits	Three-stage least squares regression	Provinces with more nonprofits are associated with lower levels of environmental pollution.
Meyer & Hyde (2004)	United States	Neighborhood development	Unknown	Tract	Civic health	Number of nonprofits	Neighborhood associations	Survey, focus group, interview	A high number of neighborhood associations does not promote civic health but rather reflects community factionalism.
Peck (2008)	United States	Antipoverty	1990-2000	Tract	Poverty rate	Number of nonprofits	Antipoverty-serving nonprofits (e.g., health, justice, food banks, shelters, homeless services)	OLS regression	Neighborhoods with more nonprofits do not have lower poverty rates.

Ressler et al. (2021)	United States	Community well-being	2009-2012	County	Proportion of all words tweeted that reflect subject well-being	Number of nonprofits per capita	501(c)(3) nonprofits	Cross-lagged panel	Communities with more nonprofits experience reduced negative emotions, sentiments about relationships, and disengagement
Ruef & Kwon (2016)	United States	Neighborhood development	2000	Individual resident	Social capital scales	Neighborhood association membership (dummy)	Neighborhood associations	Ordered logistic regression	Neighborhood associations are linked to higher levels of social capital among non-homeowners, but this effect is diminished or reversed among homeowners.
Shandra, Shandra, & London (2010)	74 countries	Public health	1990-2005	Country	Infant mortality rate	Number of nonprofits per 10,000 population	Health and women's nonprofits	OLS regression	Countries with more nonprofits do not experience a decrease in infant mortality.
Sharkey, Torrats-Espinosa, & Takyar (2017)	United States	Violent crimes	1990-2013	City	Crime rate per 100,000 residents	Number of nonprofits per 100,000 residents	Community nonprofits (e.g., crime prevention, neighborhood development, substance abuse).	Fixed-effects regression with instrumental variable	Every 10 additional nonprofits per 100,000 residents leads to a 9% decline in the murder rate, a 6% decline in the violent crime rate, and a 4% decline in the property crime rate.
Slocum et al. (2013)	United States	Violent and property crimes	2005-2006	Block group	Number of crimes	Number of nonprofits	Community nonprofits (e.g., churches, schools, community centers, human services)	Negative binomial regression	Block groups with a higher overall number of nonprofits do not experience fewer crimes, but specific types of nonprofits can help reduce crime rates.

Note: This table does not cover all existing studies on the nonprofit sector's social outcomes but showcases the diverse research contexts and findings in the literature.

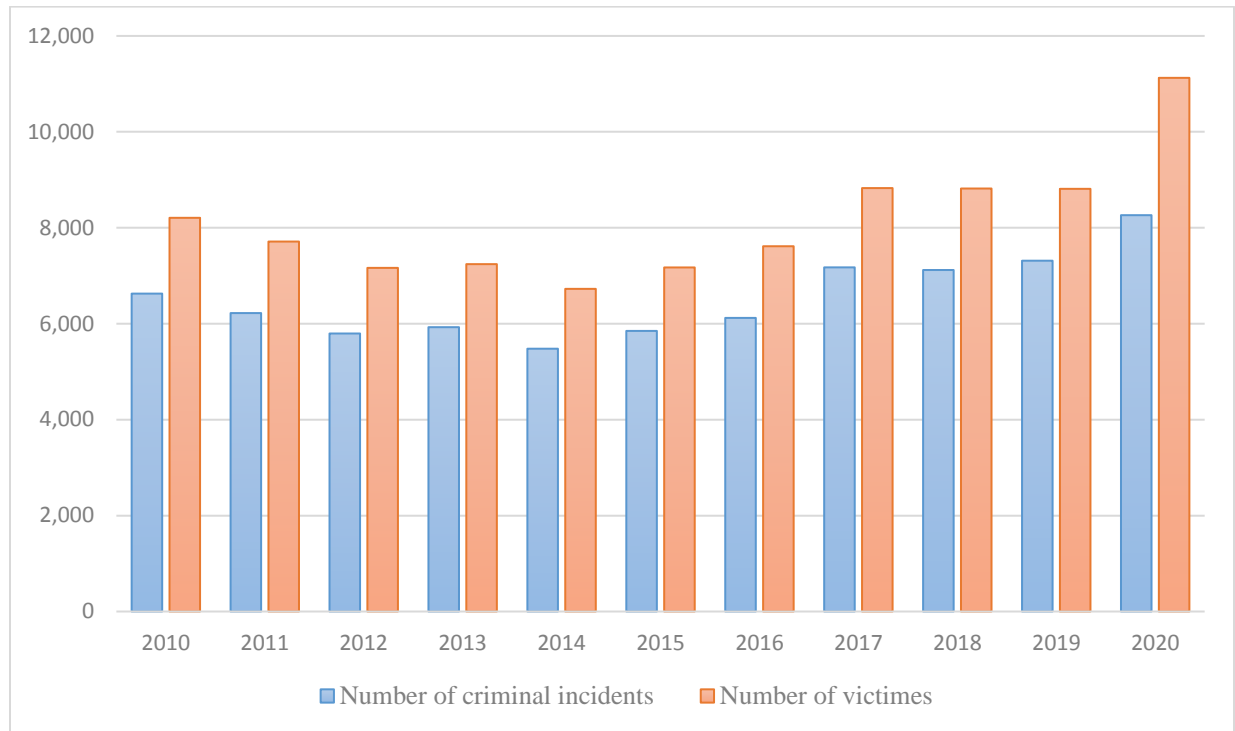
Table 2. Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Hate crimes	51	0.3133874	0.2947011	0.0200965	1.865839
Nonprofit sector size	51	19.00468	10.58301	9.38627	82.06884
AR subsector size	51	1.604243	1.098883	0.6882768	7.722292
ED subsector size	51	2.443429	1.343859	1.159032	10.42864
EN subsector size	51	0.8922191	0.5967335	0.3931255	3.66986
HE subsector size	51	1.86299	0.9693718	0.9111639	6.999656
HU subsector size	51	6.285011	2.704569	2.889246	18.97275
IN subsector size	51	0.3722125	0.9570714	0.0806411	7.027994
MU subsector size	51	0.530102	0.2824085	0.1497212	1.601136
PU subsector size	51	4.076556	3.090417	1.90006	23.30857
RE subsector size	51	0.8350612	0.2450637	0.2932041	1.969539

Table 3. NCA Results

	<i>d</i>	<i>p</i>
Nonprofit sector size	.00	.584
AR subsector size	.00	.744
ED subsector size	.19	.002
EN subsector size	.00	.861
HE subsector size	.00	.767
HU subsector size	.23	.000
IN subsector size	.00	.699
MU subsector size	.00	.841
PU subsector size	.00	.551
RE subsector size	.18	.017

Figure 1. U.S. Hate Crimes 2010-2020



Source: U.S. Department of Justice. FBI Hate Crime Statistics 2010-2020.