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Charities Must Work to Build on Successes in Fight Against Poverty, Report Says

By DOMENICA MARCHETTI

Non-profit organizations need to develop better management and fund-raising skills, and must be bolstered by government funds, to successfully combat the social problems caused by poverty, a new report says.

While charities ranging from youth clubs to economic- and neighborhood-development groups have played a crucial role in improving the lives of young people and revitalizing poor neighborhoods in cities and towns across America, racial and economic inequities persist and in many ways have gotten worse in the last three decades, said the report, which was released by two private organizations - the Milton S. Eisenhower Foundation and the Corporation for What Works.

To help undo the damage, nonprofit programs, as well as government programs such as Head Start and Job Corps, must devise ways to expand effectively so that they can reach more people in need, the report said.

Among the report's other recommendations:

- Create a national non-profit Corporation for Youth Investment at a cost of \$1-billion per year to channel federal funds, as well as local government and private funds, to grassroots groups that focus on youth.
- Spend \$15-billion a year in federal funds to overhaul urban public schools, adding such services as extended hours, cultural activities, and programs and services that involve parents.
- Create a national non-profit Corporation for Employment and Development that would oversee the distribution of federal funds in inner cities to help create jobs and spur economic development. A new national non-profit organization would run the day-to-day operations of the corporation.

Titled "The Millennium Breach: Richer, Poorer and Racially Apart," the report was released to mark the 30th Anniversary of a publication issued in 1968 by the National Advisory Commission on Civil Disorders in the wake of riots in Detroit, Newark, N.J., and other cities. The commission, known as the Kerner Commission for its chairman, Otto Kerner, then governor of Illinois, was appointed by President Lyndon B. Johnson in 1967 to recommend ways to improve conditions for the urban poor. It warned that America was "moving toward two societies, one black, one white - separate and unequal."

The Eisenhower Foundation, which was created to continue the work of the commission, concluded in its new report that "The Kerner Commission's prophecy has largely come to pass."

For example, the report stated, despite the robust economy, in a typical week the majority of adults in many inner cities do not work. What's more, it said, the United States is the "most unequal" industrialized country in the world, with the top 1 per cent of Americans sharing more wealth than the bottom 90 per cent. And, citing the fact that one in three black men are in prison, on parole, or on probation, the report calls the country's criminal-justice system "a symbol of discrimination."

Conservative Critics

The report drew criticism from conservative groups, who complained that it made little or no mention of government programs that have failed and that it also painted minorities in a negative light. "It equates minority status with being poor and disadvantaged," said Robert L. Woodson, Sr., president of the National Center for Neighborhood Enterprise. "And it treats the poor as if they're somehow passive pawns in a political and economic game."

Mr. Woodson characterized the report's proposed solutions as a "hodgepodge of loosely described programs with no scientific evidence that they can be effective throughout the nation."

The report did acknowledge that some well-intentioned efforts by charities to combat those problems have fallen short of success in urban areas.

"While the spirit of volunteerism is to be commended, it has sharp limitations in the inner city," in part because volunteers are difficult to come by in areas where many households are run by women who are juggling both child-rearing responsibilities and jobs and where residents are in need of paid work.

In spite of the gloomy findings, the report contended that there is reason for optimism because solutions to many of the problems associated with poverty are already known and can be found in the work of non-profit organizations.

The most successful programs share numerous characteristics, according to the report, including strong leadership, competent management, and the ability to generate a mix of public and private financing, especially for efforts to expand.

Government Cuts

But even those with the strongest organizations have suffered when federal belt-tightening has resulted in decreased government financing, the report said. One example is Centro Sister Isolina Ferre, a charity based in Ponce, Puerto Rico, that has worked with troubled youth since the 1960s.

In the 1980s, the program expanded to San Juan thanks in part to a grant from the U.S. Department of Justice. During the first two years of the expansion, when the Justice Department funds totaled \$165,000, the crime-ridden neighborhood that the program targeted saw its crime rate drop 23 per cent. When federal funds were cut to \$37,000 the following year, the crime rate in the neighborhood dropped just 3 per cent.

One way for charities to win support for their work is for them to pay more attention to communication, the report said. Few grassroots groups are good at explaining to the press and to the public what they do, and few have the resources to hire public-relations specialists. The report recommends that foundations support charities' efforts to establish communications plans.

Non-profit groups also need communications skills to better inform the public of the gaps that still exist between the rich and the poor, and they need to do a better job of informing elected officials of the needs and the opinions of those in the neighborhoods they serve, the report said.

Mr. Woodson, of the National Center for Neighborhood Enterprise, was critical of the recommendation that charities do more to improve their communications skills. "They want to do training on how to use sound bites rather than on how to run an organization and come to the table with solutions," he said.

But the report's authors argue that those skills are necessary to counter "the effectiveness of well-financed, nay saying think tanks" that have succeeded in "demonizing the poor, especially young minority males and 'welfare mothers.'"

To order a free copy of the report, contact the Milton S. Eisenhower Foundation via fax at (202) 452-0169 or write to it at 1660 L Street NW Suite 200 Washington, DC 20036.