

## Campaign for Human Development Improves

*But Significant Flaws Remain in Catholic Anti-Poverty Program*

by Patrick Reilly

**I**t took more than a decade, but the efforts of the Capital Research Center to urge reform of the American Catholic bishops' anti-poverty program have begun to bear fruit.

Last year, in the October 1998 issue of *Organization Trends*, we reported on proposed new "Moral Guidelines for Funding by CCHD." The guidelines, if approved by the American bishops, were expected to alleviate some concerns about the Catholic Campaign for Human Development's (CCHD) grantmaking.

The administrative board of the United States Catholic Conference, the national organization of bishops and lay people that sponsors CCHD, approved the revised guidelines last April. The guidelines and new policies established by CCHD executive director Rev. Robert Vitillo and CCHD committee chairman Bishop John Leibrecht of Springfield, Missouri, seem to have erased most concerns about the program's consistency with Catholic moral teachings.

But despite CCHD leaders' newfound desire to embrace the faith of their Catholic donors, CCHD continues to mislead well-intentioned Catholics with its rhetoric about helping "society's poor and voiceless achieve self-sufficiency." Since 1970, most CCHD grantees have focused primarily on shifting political power and public resources to groups caliming to represent those with low income, while increasing family dependence on government programs and taxpayer-funded entitlements. For CCHD, "self-help" too often means "help yourself to the government's coffers."

And that hasn't changed.

### Making Progress

One of the major criticisms of CCHD



The Catholic Campaign for Human Development tells donors it is concerned about poverty, although most of its grant recipients are more concerned with expanding government programs than providing direct charity or addressing the behavioral causes of poverty. This ad uses statistics from the leftist Children's Defense Fund.

since its founding in 1970 has been its lack of accountability to its Catholic donors. Each year just before Thanksgiving, Catholics nationwide donate to CCHD through their local churches. The 1997 appeal reached a record high of \$14 million; 1998 results will be announced this month, prior to the CCHD appeal on November 20 and 21.

To our knowledge, CCHD has never given any notice to donors that funds may be granted to organizations that act contrary to Catholic beliefs. But that is exactly what has been happening with the approval of the bishops and lay Catholic leaders of CCHD.

Before last April, the program's moral guidelines for grantmaking explicitly per-

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mitted grants to organizations engaged in activities objectionable to Catholics as long as the "primary or substantial thrust" of the group was not contrary to Catholic teaching. If the group's stated mission was not objectionable, but the group nevertheless engaged in anti-Catholic activities or projects clearly opposed to Catholic morality, it could still receive CCHD grants. "In such instances," the guidelines stated, "[CCHD] funds must be applied exclusively to support the project approved for funding."

These guidelines, which were established in 1972, created a large loophole. Under the 1972 guidelines, CCHD grants were "fungible." In other words, CCHD restricted the use of its grants to approved projects, but the organizations receiving those grants were free to shift other funds budgeted for the approved project to other projects that conflicted with Catholic morality. In effect, CCHD's grants indirectly funded those objectionable activities as well as the approved projects. Over the years, the Capital Research Center has identified many CCHD grants to organizations engaged in activities that are contrary to Catholic teachings.

That loophole is now partly closed. The

new guidelines approved last April deny CCHD grants to projects and organizations "which promote or support abortion, euthanasia, the death penalty, or any other affront to human life and dignity."

That forces a significant change in CCHD policy. Since its inception, CCHD has insisted on making a distinction between organizations and their projects, a rhetorical game that made possible grants to controversial organizations. CCHD's guidelines now ensure that groups opposed to Catholic teachings on "life issues" will not receive grants.

But the loophole is not entirely closed. The new guidelines retain the 1972 language permitting grants to groups "whose primary or substantial thrust is contrary to Catholic teaching." A stricter standard is enforced with regard to the "life issues," but not with regard to other Catholic teachings. For example, fungible grants can still be made to groups that publicly ridicule Christianity or otherwise offend CCHD's Catholic donors.

One such grant was made during CCHD's 1998-99 grant cycle to Pueblo Nuevo Enterprises of Los Angeles, which received \$25,000 from CCHD. Pueblo Nuevo is a thrift store and janitorial cooperative that employs primarily poor, Hispanic men.

The cooperative's founder and director is Rev. Philip Lance, a gay Episcopal priest. According to a July 1999 article by the Associated Press, Lance criticizes the Catholic Church as unjust because of its teaching on homosexual activity and Catholic hospitals' resistance to unionizing efforts by employees.

"The Church is saying that gay people are disordered," Lance told the Associated Press. "That is something we find very difficult to deal with."

### Fewer Problems

In general, CCHD's new guidelines resulted in fewer conflicts with Catholic teaching during the 1998-99 grant cycle. We were unable to evaluate grants for the 1999-2000 cycle, which were announced in September, because CCHD officials did not respond to our requests for information.

Last year, the Capital Research Center criticized CCHD grants to ACORN (the

Association of Community Organizations for Reform Now), Asian Immigrant Women Advocates, the Center for Third World Organizing, the Chinese Progressive Association, Community Shares of Tennessee and the Santa Clara Center for Occupational Safety and Health. These six groups had engaged in activities contrary to Church teaching on abortion and sexual activity.

Three of the groups were not funded again in 1998-99, and we could find no new grantees that violate the new guidelines. But despite last year's revelations, CCHD has continued to fund Asian Immigrant Women Advocates (\$30,000 this year, up from \$20,000 last year), Community Shares of Tennessee (\$20,000, down from \$25,000) and several state and local chapters of ACORN. We asked CCHD to explain these grants but received no response.

Asian Immigrant Women Advocates endorsed the National Organization for Women's (NOW) "Fight the Right March" in San Francisco in April 1996. The advertised purpose of the event was, in part, to "actively support... abortion rights and reproductive freedom... [and] lesbian, gay and bisexual rights." Because we are unable to identify more recent activities contrary to Catholic teaching, it is conceivable that CCHD is convinced the Advocates will abide by the grantmaker's moral guidelines.

Community Shares of Tennessee, how-

## CCHD Grants to ACORN, 1998-99

Arizona ACORN (\$20,000)  
Brooklyn ACORN (\$25,000)  
Connecticut ACORN (\$15,000)  
Denver ACORN (\$40,000)  
D.C. ACORN (\$25,000)  
East St. Louis ACORN (\$20,000)  
Illinois ACORN (\$45,000)  
Jefferson County ACORN (\$25,000)  
Minnesota ACORN (\$25,000)  
New Mexico ACORN (\$22,500)  
New York ACORN (\$50,000)  
Pulaski County ACORN (\$25,000)

**Editor:** Patrick Reilly

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**Address:**

1513 16th Street, N.W.  
Washington, DC 20036-1480

**Phone:** (202) 483-6900

**Long-Distance:** (800) 459-3950

**E-mail Address:**

preilly@capitalresearch.org

**Web Site:**

http://www.capitalresearch.org

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ever, has not only continued its controversial activities cited in *Organization Trends* last year, but it has expanded them.

Community Shares is a workplace giving program that is promoted as an alternative to United Way, because it supports grassroots and activist organizations that may be excluded from United Way funding. Last year, the Capital Research Center found that Community Shares funds AIDS Response Knoxville, a group that has distributed condoms and promoted “safer sex techniques” contrary to Catholic teachings. Community Shares executive director Shelley Wascom told the Capital Research Center that she hoped to support more controversial groups.

This year, Community Shares added one such group to its list of funding recipients: the Appalachian Community Fund, which itself has given more than \$2 million since 1986 to community activists in Central Appalachia (including eastern Kentucky, southwest Virginia, east Tennessee and West Virginia). Grants averaging \$4,000 to \$7,000 are given to groups advocating social change, with special emphasis on race and class issues. Smaller grants are provided for “seize the moment” activities such as organizing protests, printing fliers and other aspects of rapid organizing.

Community Shares and the Appalachian Community Fund work closely, sharing staff across the hall of their office building, according to Barbara Mott, an employee of both organizations. The Fund has awarded grants to Community Shares, Mott said, and now the Fund is eligible to receive income from Community Shares donors.

The issues the Fund lists as priorities include “issues of gender and sexual preference,” “environmental justice” and “workers’ rights, including the right to unionize.” Mott said the Fund supports “gay/lesbian/bisexual/transgender” groups that fight “homophobia,” suggesting a conflict with Catholic teaching. One such group is the Kentucky Fairness Alliance, a federation of 10 local homosexual groups that advocate nondiscrimination laws based on sexual preference — laws that conflict with the hiring practices of many religiously affiliated organizations.

CCHD also provides substantial funds to ACORN. The 1998-99 grants to 15 state and local ACORN chapters totaled \$437,500 (see list on page 2). ACORN was a sponsor of NOW’s 1996 “Fight the Right March” and co-sponsored the February 1996 conference of the Feminist Majority Foundation. The Foundation is led by radical feminist Eleanor Smeal and advocates abortion rights and government funding for contraception, positions contrary to Catholic teaching.

### Unhealthy Relationships

The 1972 guidelines had another loophole: nonprofit coalitions and their members could receive CCHD grants, even when the coalitions included groups opposed to Catholic teachings. Last year, the Capital Research Center identified CCHD grants to seven coalitions that included members like NOW, the Children’s Defense Fund, the League of Women Voters and the ACLU. Nothing in the 1972 guidelines addressed the issue of coalitions and working relationships that might be scandalous to CCHD’s Catholic donors.

The new guidelines address this problem, but they allow for exceptions. The guidelines state: “CCHD may be asked to support a specific project of an organization that also incidentally participates in other activities or coalitions whose own activities may not always conform with Catholic teaching. In such cases, funding decisions will be made in accord with the traditional Catholic moral principles governing cooperation.”

The latter sentence is ambiguous. But a footnote to the guidelines refers to the American bishops’ Ethical and Religious Directives for Catholic Health Care Services, pointing out that “cooperation, which in all other respects is morally appropriate, may be refused because of the scandal that would be caused in the circumstances.” The footnote suggests but does not guarantee denial of CCHD funds to controversial coalitions and grant applicants that work closely with objectionable groups.

We could identify no new grantees in the 1998-99 cycle that would violate the new guidelines. But among the seven coalitions criticized in the November 1998

*Organization Trends*, one continues to receive CCHD grants. The Philadelphia Unemployment Project’s Coalition for JOBS received a \$30,000 grant in 1998-99, up from \$10,000 the previous year. The coalition includes ACORN, AFSCME locals, the Pennsylvania and Philadelphia AFL-CIO, the state chapter of NOW and the Women’s Law Project.

NOW is one of the nation’s most aggressive proponents of abortion and special homosexual rights. It opposes virtually all restrictions on abortion, including parental notification and a ban on partial-birth abortions. (See *Organization Trends*, November 1997.)

The Women’s Law Project is a Philadelphia-based legal services provider that advocates “reproductive rights” and lesbian and gay parenting rights. It was founded in 1974 and led efforts to promote the Equal Rights Amendment. The Project proudly claims it has “fought generation after generation of restrictive abortion laws,” including Pennsylvania’s 1989 Abortion Control Act.

AFSCME has contributed thousands of dollars to pro-abortion groups, including Americans for Freedom of Choice, Emily’s List, Voters for Choice and the Women’s Campaign Fund. In 1996, a federal judge ruled that AFSCME violated the religious liberties of a Catholic union member by using his dues to lobby for abortion rights. AFSCME also has contributed to the Human Rights Campaign Fund, which advocates homosexual “marriage.” The union is affiliated with the AFL-CIO, which also assists and contributes to advocates for special homosexual rights and abortion.

The ACLU is the leading legal opponent of religious freedom in schools and in public places. It advocates special rights for gays and lesbians, opposes abortion restrictions including parental consent and a ban on partial-birth abortions and even challenged an Alabama judge’s courtroom display of the Ten Commandments.

### Leftist Priorities Remain

Despite a few ongoing problems, CCHD has improved with respect to its Catholic mission. But the primary pur-  
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## CCHD Keeps Silent, But the Left Speaks Out

Although CCHD officials have made some improvements, they aren't acknowledging it.

Despite several attempts by the Capital Research Center to speak with CCHD director Rev. Robert Vitillo or his staff about the new moral guidelines, CCHD would not reply, except to mail a copy of the guidelines. Nor did CCHD respond to requests for information about 1999-2000 grants, although CCHD press releases encourage readers to call for information.

But the Left has a lot to say about CCHD's new guidelines. Last December, the Capital Research Center discovered that CCHD had revoked a grant to the Center for Third World Organizing (CTWO) for advocating abortion rights and contraceptive use. CCHD claims the decision to revoke the grant was made before we criticized the same grant in October 1998. But regardless of the timing, we welcomed CCHD's long-awaited admission that it had funded at least one group that was objectionable to Catholics.

CTWO has been on a rampage ever since the grant was revoked. CTWO co-director Francis Calpotura has written articles critical of CCHD in *Colorlines* magazine and *Responsive Philanthropy*, the newsletter of the National Committee for Responsive Philanthropy. CTWO's website displays its angry analysis of CCHD's capitulation to "extremists."

Last September, a coalition of 14 leftist groups placed a full-page advertisement in the *Chronicle of Philanthropy*, accusing CCHD of taking a "radical swing to the right" and "launching a witch hunt among its grantees." The sponsoring groups included five that were funded by CCHD in 1997-98 but later cut off: CTWO, the Committee Against Anti-Asian Violence (New York City), Direct Action for Rights and Equality (Providence, Rhode Island), the Environmental Health Net-

work (Chesapeake, Virginia) and People United for a Better Oakland (Oakland, California). Readers were urged to complain to the bishops.

Although the ad was critical of "a small band of right-wingers" who had urged CCHD to change its policies, the Capital Research Center was pleased with this confirmation by the Left that CCHD had in fact funded groups which, by their own admission, could not accept Catholic moral standards.

We're still waiting for CCHD officials to admit it, too. In October 1998, immediately following the release of the Capital Research Center's annual report on CCHD, then-CCHD chairman Bishop Ricardo Ramirez of Las Cruces, New Mexico issued a letter to the American bishops defending CCHD and disputing our reports over the past decade. Because the "fact sheets" included with his letter were misleading, Capital Research Center president Terry Scanlon responded with a letter to the bishops setting the record straight. That letter is reprinted below.

December 28, 1998

Your Excellency:

In a letter dated October 9, 1998 and addressed to the American bishops, Bishop Ricardo Ramirez of Las Cruces, New Mexico made reference to "a small group of detractors" to the Catholic Campaign for Human Development (CCHD). Included with his letter were "fact sheets" responding to specific allegations made by the Capital Research Center in its 10 years of reporting on CCHD.

With all due respect to Bishop Ramirez, I find the October letter and "fact sheets" misleading. They accuse the Capital Research Center by inference, if not by name, of an "annual campaign of misinformation." But the "fact sheets" circumvent important criticisms and fail to accurately document any significant "misinformation"

in our reports.

Instead, accurate information disclosed in our October 1998 *Organization Trends* newsletter prompted CCHD's embarrassed leadership to revoke committed grants of \$31,250 to the Center for Third World Organizing (CTWO) (see the enclosed copy of a CTWO newsletter). CTWO has enjoyed CCHD support for almost two decades, yet my staff discovered CTWO's advocacy of abortion rights and contraceptive use after only a cursory review of CTWO's newsletters and its Internet web site. Although I am encouraged by CCHD's quick action, it only adds emphasis to the Capital Research Center's concerns about CCHD's evaluation and selection of grant applicants.

Bishop Ramirez did not provide his letter to the Capital Research Center. A Catholic parishioner, justifiably confused by the rhetorical game played out in CCHD's "fact sheets," provided us copies of the "fact sheets" and the Bishop's cover letter. What follows is a review of the Capital Research Center's "allegations" as contested in the "fact sheets."

**Allegation: The Catholic Campaign for Human Development does not fund direct service to the poor and is therefore not worthy of designation as a Catholic charity.**

The Capital Research Center has not made this argument. This "allegation" as stated in one of CCHD's "fact sheets" is nothing more than a red herring.

Instead, the Capital Research Center's October 1998 report criticized CCHD's support for liberal political advocacy and radical activism to solve the very real problem of poverty. We have not demanded only "direct service to the poor." Catholics who want to assist "direct service to the poor" might consider donations to scholarship programs for Catholic schools, pregnancy aid centers and other local

charities.

The “fact sheet” suggests two alternatives to traditional charity: 1) poor Americans should organize to improve their conditions with the help of CCHD, and 2) CCHD should confront the “non-poor” “to effect in them a conversion of heart” (i.e., challenge “more affluent Catholics” to “support poor people’s efforts for self-determination”). Despite CCHD’s assertions, many of its grants do not promote these alternatives to direct charity. Instead, many CCHD-funded projects encourage political agitation to maintain and enlarge big-government entitlement programs and regulation. The policies backed by CCHD rely on taxation of all Americans to address variances in individual incomes. CCHD also relies on government bureaucracy that is often unresponsive to human needs, instead of charity and private enterprise to increase the well-being and independence of poor individuals. This is probably not what most Catholic parishioners envision when Bishop Ramirez claims CCHD’s purpose is to fund “self-help projects” that “give the poor the tools they need to overcome their own poverty.”

The “fact sheet” does not once mention the political activity that CCHD grants support. If CCHD were more concerned with accurately describing its programs, rather than couching its descriptions in language that is meant to reinforce the assumptions of contributors, there would be no need for the Capital Research Center’s reports on CCHD.

**Allegation: CCHD has a persistent habit of funding organizations closely associated with the pro-abortion movement.**

**Allegation: CCHD project funds are “fungible”: they free up monies for organizations to spend on other activities at variance with Catholic teaching.**

The October 1998 Capital Research Center report explains that CCHD shrewdly uses the words “project” and

“organization” in a manner that confuses the average Catholic parishioner. When CCHD uses the term “project,” it refers to a specific activity funded by a CCHD grant (e.g., to lobby for additional welfare spending). But CCHD-funded *projects* are implemented by *organizations*, and it is the organizations that receive CCHD grants.

The “fact sheets” correctly cite CCHD’s grant guidelines, which require that “projects must be in conformity with the moral guidelines of the Catholic Church.” But the discussion of “projects” evades our point: CCHD grants for specific projects may have enabled organizations “at variance with Catholic teaching” to shift funds to activities that promote abortion, family planning and homosexual activity.

It is important to note what the “fact sheets” *do not* say. They do not contest the Capital Research Center’s reports of several CCHD grants to organizations “at variance with Catholic teaching.” Nor do they deny our reports that CCHD grants have indirectly benefited the abortion-rights movement in ways that might have been avoided. CCHD simply evades the issue by defending CCHD-funded projects and not the recipient organizations.

After nearly two decades of funding for the Center for Third World Organizing (CTWO), CCHD recently revoked committed grants of \$31,250 to CTWO for its advocacy of abortion rights and contraceptive use. CTWO’s advocacy and similar activities by other CCHD grant recipients were disclosed in our October 1998 report on CCHD. Nevertheless, CCHD has told us that CTWO’s grants were the only grants revoked this year.

**Allegation: In the late 1970s, the Catholic Campaign for Human Development funded the Claretian Medical Center in Chicago, which provided contraceptive services and abortion counseling.**

**Allegation: The Catholic Campaign for Human Development**

**funded JEDI Women, who endorsed the National Organization for Women’s “Fight the Right” 1996 March in San Francisco. JEDI Women is also a member of UPNET, an organization which promotes abortion and gay rights.**

Two of the “fact sheets” claim CCHD did not help fund four groups’ activities that violate Catholic Church teachings. These groups are: the Claretian Medical Center, JEDI Women, the National Organization for Women (NOW) and the Utah Progressive Network (UPNET). Importantly, the “fact sheets” obtained by the Capital Research Center do not dispute our reports of numerous other grants to groups that in small or significant ways have violated Catholic Church teachings on abortion, family planning and homosexual activity.

CCHD does not deny that the Claretian Medical Center received a CCHD grant, but instead distances the national office from a grant made by the Chicago office. Although CCHD claims the Claretian Medical Center never provided abortion counseling — a rebuttal based on the statement of a single person — it does not deny that the Center provided contraceptive services.

The “fact sheets” also recycle CCHD’s previous response to a September 1996 report by the Capital Research Center. That report identified JEDI Women, a CCHD grantee, as an endorsing organization for NOW’s “Fight the Right March.” The “fact sheets” make no mention of the several other CCHD grantees identified by the Capital Research Center as participants in the March. Our reports relied on NOW’s April 1996 list of endorsing organizations for its “Fight the Right” March, which includes JEDI Women of Salt Lake City. The list is posted on NOW’s web site at <http://www.now.org/issues/right/orglist.html>.

CCHD claims it “did not fund NOW  
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pose of CCHD is to assist low-income individuals and families. To this end, CCHD continues to fail because it often funds activities that lead not to greater self-reliance, but to greater dependence on government programs.

CCHD's public relations materials say it "funds self-help projects throughout the country to give poor people living in society the tools they need to overcome poverty." The theme for last year's November appeal was "Helping People Help Themselves."

CCHD also makes much of a brief statement made by Pope John Paul II in 1979, praising the program's efforts "aimed at establishing self-help projects.... They enable many people to achieve an increased measure of rightful self-reliance."

Not surprisingly, many Catholics support what seems to be a worthy program. But few donors to CCHD ever read the program's funding guidelines. There is good reason for this: the activities of CCHD are much more controversial than most Catholics realize, and even the Pope may not have known in 1979 that CCHD was more radical than it seemed.

CCHD's guidelines say it will not consider funding "for projects which can be funded by monies available from the private or public sector, unless applicants document that they are unable to obtain funds from these sources." Exceptions to this rule include "seed money" and matching grants. Also, CCHD will not fund projects "which have been operating for several years on funds from other funding agencies."

In other words, long-standing programs to assist low-income families that have been proven effective are ineligible for CCHD grants, unless they have a matching donor. Indeed, any project that can find no support from the virtually unlimited number of individual, foundation and government sources is exactly the type of project CCHD wants to fund. Projects controlled by "educational or ecclesiastical bodies" — including the Catholic Church's many successful programs for the poor — are excluded from funding. "Direct service" charities also are excluded.

So what projects get funded? Projects

"which are innovative and demonstrate a change from traditional approaches to poverty" by effecting "institutional change." This means changing laws and public policies, changing social structures and redistributing "decision-making powers." In other words, CCHD is about political advocacy and a struggle for power.

CCHD refuses to consider projects aimed at "attitudinal or relational changes in the 'institution' of the family" or direct assistance to the needy. But it is direct charity, educational programs and programs affecting behavioral change and family relationships that have best served the needy in this country. These are the strategies employed by most successful Catholic programs to empower the poor.

A clear philosophy emerges that better represents the views of the political Left than those of many American Catholics. CCHD aims to alleviate poverty in America by changing government and corporate policies and structures. It says the root of poverty lies in these policies and structures, and helping low-income groups achieve greater political and social power is the solution.

Most CCHD projects share this goal. During the 1998-99 grant cycle, CCHD gave \$7.3 million in grants for "organizing" projects that train and assist community activists on issues like housing, environmental protection, worker's rights and wages. The remaining \$1.3 million in grants funded CCHD's "economic development" projects, which primarily support fledgling businesses and cooperatives run by low-income people.

### Funding the Left

This year, the Capital Research Center identified many projects funded by CCHD that exemplify the program's leftist bent. Some examples:

- The Land Rights Council, an activist environmental group based in San Luis, Colorado, received \$22,000 from CCHD in 1998-99 for "environmental justice" activities. The Council is engaged in legal efforts to give local Hispanic residents access to a privately owned ranch that was purchased legally. Residents hunted and grazed animals on the ranch before it was purchased in 1960 by a lumberman who closed off the property. Media reports

have tied the Land Rights Council to acts of civil disobedience, including road blockades. In the 1970s, the owner was shot in the ankle at his home.

- The Good Jobs! Partnership in Hartford, Connecticut last year petitioned Governor John Rowland to impose quotas for new construction jobs created by the \$1 billion Adriaen's Landing project. The petition called for union jobs, with 30 percent employing Hartford residents, 25 percent filled by minorities and eight percent for women. Not surprisingly, the Partnership coalition includes six labor unions and 35 community groups. CCHD gave the Partnership \$40,000 in 1998-99.

- The Association for Independent Living of Utah received a \$25,000 grant from CCHD last year to learn how to lobby government for public policies beneficial to people with physical disabilities. About 50 to 100 activists will lobby against unnecessary restrictions in public buildings and services.

- The Students Sharing Coalition received \$5,000 from CCHD to train high school and college students, working with low-income residents in Maryland, to study legislation and lobby state lawmakers.

- Worcester Interfaith in Massachusetts was given \$25,000 to organize Hispanic communities behind "living wage" legislation. The group also has backed a local jobs ordinance for publicly financed construction jobs that imposes hiring quotas: 50 percent local residents, 20 percent minorities and 10 percent women.

- The Environmental Health Coalition (EHC) in San Diego, California received \$25,000 from CCHD. Although its goal of cleaning up toxic pollution is admirable, it advocates increased government regulation of industries, relocating businesses to designated industrial zones, and "full cost pricing" of products (i.e., charging consumers for the alleged societal costs of pollution). EHC has organized San Diego residents to oppose nuclear-powered Navy ships in the San Diego harbor.

- The Bay Area Organizing Committee of San Francisco received \$25,000 from CCHD. The interreligious coalition of clergy and union leaders has backed a measure requiring all city contractors to

pay a “living wage” above the federal standard. Last February, a Committee leader publicly chastised Mayor Willie Brown for cracking down on homeless people in city parks and moving them into shelters, calling it a “draconian way of solving the problem.”

- Communities for a Better Environment (CBE) in San Francisco received \$25,000 from CCHD to combat dumping of industrial waste and air pollution that leads to global warming. CBE seeks government regulation of heavy industries, works with unions to force oil companies to reduce refinery emissions, and sues businesses to force agreements favorable to environmentalists.

- The Georgia Citizens’ Coalition on Hunger was given \$25,000 to defend welfare recipients’ interests in the wake of welfare reform, including efforts to limit cutoffs of welfare payments.

- Montana People’s Action (MPA) received \$30,000 from CCHD. The organization has advocated state and local laws requiring any company receiving tax benefits or grants to hire from a specified pool of workers — like welfare recipients or the unemployed — before advertising a position. MPA also seeks changes in Montana’s welfare laws, including new job training and child care programs, elimination of time limits, and new entitlements to match savings accounts established by welfare recipients.

### Time for a Change

Although not all CCHD-funded projects mimic the style of 1960s radical Saul Alinsky, his reliance on class struggle to change social structures and improve the plight of the poor runs throughout the CCHD program. (Alinsky once said, “The hell with charity; the only thing you’re going to get is what you’re strong enough to get.”) It is no wonder that CCHD is working closely with one of the most liberal Cabinet members of the Clinton administration, Housing and Urban Development (HUD) Secretary Andrew Cuomo. CCHD has joined a broad anti-poverty effort coordinated by HUD’s Center for Community and Interfaith Partnerships.

It is also no surprise that CCHD director Father Vitillo is working with the Catholic Health Association and Catho-

lic Charities on a \$2.5 million Job Creation Initiative as a model for “real” welfare reform. According to press reports, Father Vitillo hopes to convince lawmakers “that if you pay people a living wage, and also give them vacation and health benefits, they won’t be on public assistance.”

Neither Father Vitillo nor CCHD chairman Bishop Leibrecht offer any reason to expect dramatic changes in CCHD’s grantmaking, beyond efforts to adhere to Catholic moral principles. The president of the national bishops’ conference, Bishop Joseph Fiorenza, is not likely to force any changes; he chaired the CCHD committee in the early 1990s.

Perhaps the hope for CCHD is in the local dioceses, which retain a portion of the funds raised each November for CCHD. Generally, diocesan grants seem to be better than those awarded by

CCHD’s national office. For example, Archbishop Francis Schulte of New Orleans used diocesan CCHD funds to produce a report calling on local Catholics to assist families cut off from welfare funds. Instead of encouraging Catholics to lobby for government programs, the report recommended helping former welfare recipients find jobs and educational opportunities, starting after-school programs for children, shuttling parents to work and “adopting” entire families to help meet their needs.

The CCHD national office might disparage such efforts as direct charity that does not address the root causes of poverty. But even the supposed injustices of government and corporate institutions can’t prevent charity from working its magic on those who need assistance.

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or UPNET.” Our October 1998 report describes three 1997 grants that indirectly benefited NOW. CCHD gave \$30,000 to the Mississippi Coalition on Block Grants, which includes NOW as a member. NOW also participates in the Philadelphia Unemployment Project’s Coalition for JOBS, which received \$10,000 from CCHD. Although a co-chair of the Minnesota coalition Affirmative Options for Welfare Reform is an employee of the Catholic Archdiocese of St. Paul and Minneapolis, that coalition also includes NOW. Affirmative Options received a CCHD grant of \$35,000.

The Capital Research Center has never reported a CHHD grant made directly to UPNET. However, in September 1996 we reported JEDI Women’s membership in UPNET. UPNET’s web site (<http://www.upnet.org>) lists 24 organizational members including JEDI Women and abortion-rights advocates like the ACLU, NOW, Planned Parenthood, the Utah Pro-Choice Coalition and Utahns for Choice. Other members include liberal advocacy groups like the Sierra Club, the U.S.

Public Interest Research Group and the AFL-CIO.

I hope that the above information clarifies the Capital Research Center’s concerns and assures you of the accuracy of our research. The October 1998 issue of *Organization Trends* was mailed to you in late September. If you wish to request an additional copy, please contact the Capital Research Center at (202) 483-6900.

CCHD’s decision to revoke its grants to the Center for Third World Organizing represents a step in the right direction. I hope that you will take a closer look at CCHD’s grants and ensure that CCHD carefully evaluates its grantees according to Catholic Church teachings. I also hope that you will seek to correct the misguided focus of CCHD’s grant program on political advocacy and radical activism.

One of the most effective means of promoting change in the CCHD program is your refusal to participate in the national collection. I urge you to consider this option until CCHD is fully reformed.

Sincerely,  
Terrence Scanlon  
President, Capital Research Center

# BrieflyNoted

A coalition of nonprofits is fighting efforts by Sen. Christopher Bond (R-MO) to restrict the use of federal money. Last month, Bond attached two "riders" to a Senate appropriations bill, requiring nonprofits to maintain federal funds in separate bank accounts and banning federal funding to nonprofits that violate federal lobbying regulations. The rules are intended to ensure that federal money is not used for lobbying efforts. Opposition to the rules has been organized by **LET AMERICA SPEAK**, a nonprofit coalition led by Nan Aron of the **ALLIANCE FOR JUSTICE**, Matthew Hamill of **INDEPENDENT SECTOR** and Gary Bass of **OBM WATCH**.

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Before President Bill Clinton signed a \$50 billion transportation bill last month, environmentalists tried to derail the bill, calling its provisions "unconscionable." The bill includes provisions preventing the federal government from increasing mileage standards for new cars and placing new restrictions on light trucks and sport utility vehicles. "We cannot make strides in fighting global warming if you continue to let Congress tie your hands on this critical policy," complained several nonprofits in a letter to Clinton. The groups included the **SIERRA CLUB**, the **NATURAL RESOURCES DEFENSE COUNCIL**, the **NATIONAL WILDLIFE FUND** and the **U.S. PUBLIC INTEREST RESEARCH GROUP**.

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Vice President Al Gore, shaken by criticism from the environmentalist group **FRIENDS OF THE EARTH**, is actively seeking help from other environmentalists for his presidential campaign. Pro-environment business leaders were offered a special meeting with campaign chairman Tony Coelho if they raised \$5,000 for Gore's campaign by the end of September. According to the *Washington Post*, environmentalists say Gore was "personally wounded" by the endorsement of rival Bill Bradley by Friends of the Earth.

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Gore's campaign was shaken last month by a State Department report that campaign chairman Tony Coelho engaged in inappropriate activities while commissioner general for the U.S. pavilion at the "Expo98" fair in Lisbon, Portugal. Without State Department approval, Coelho took a \$300,000 personal loan from a Portuguese bank to help a nonprofit construct a memorial near the pavilion. But the **LUSO-AMERICAN WAVE FOUNDATION** is not tax-exempt, and its incorporation in Washington, D.C. has been revoked, according to the **CENTER FOR PUBLIC INTEGRITY**. The Center claims the Wave Foundation was nothing more than a phone number and mailing address of a Washington lobbying firm.

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It just got much easier to learn about the finances and leadership of nonprofit organizations. GuideStar, a web site sponsored by **PHILANTHROPIC RESEARCH, INC.**, has posted Form 990s of more than 600,000 nonprofits. These are the annual reports filed by tax-exempt organizations to the IRS. The forms were obtained by the **NATIONAL CENTER FOR CHARITABLE STATISTICS**, which has an agreement with the IRS to receive Form 990s in a digitally-scanned image format. Earlier this year, the IRS issued new rules that require nonprofits to make their Form 990s for the past three years available to anyone who requests them.

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The winner of the 1999 Nobel Peace Prize is **DOCTORS WITHOUT BORDERS**, an international organization that sends some 2,000 medical professionals to volunteer in more than 80 countries. The group's leaders claim their success is partly the result of relying primarily on private contributions, allowing it to avoid dependence on any government. The group has been critical of other international relief programs that are often hampered by legal and administrative problems caused by large bureaucracies and government control.