

Media notebook

The Economist says entrepreneurs should embrace charity

America's nonprofit sector needs a booster shot from the ultra-rich in the form of financial support reinforced by hands-on entrepreneurial engagement, *The Economist* said in a cover story and editorial on American philanthropy in its May 30 edition.

So far, the magazine reported, "American philanthropy has drawn too little on the money and ideas of the new generation of entrepreneurs that is currently reshaping American business."

Charity today "is often thrown away on things like renaming business schools," the editorial said. "Philanthropy needs the bright ideas of the new corporate leaders as much as it needs their cash."

Philanthropy, it said, "is part of the unspoken contract that underpins the American dream. If that contract is broken, a backlash is likely. Every American, rich and poor, would lose."

Wealthy discover how to retain control

Rich people have found a strategy to give their assets to charity and still retain control of them, *The Wall Street Journal* reported May 29. A so-called "supporting organization," or "SO," the Journal said, provides "all the big tax breaks designed to encourage public philanthropy, yet it operates much like a private foundation."

By parking their land, art or money in this form of charitable entity, donors can maintain an unusual degree of influence for years: The SO's board, typically appointed by the donor, oversees the assets' use or income into perpetuity."

Johnson works magic in inner-city

NBA superstar Magic Johnson is applying his innovative and collaborative basketball skills to reviving inner-city neighborhoods, *Newsweek* reported in its June 15 edition.

"He has emerged as the stand-bearer for Black Capitalism, an old and provocative strategy for black economic development," the magazine said.

"Black Capitalism advances the idea of group self-help, emphasizing the role that wealthy African-Americans can play in helping revitalize black communities - while personally profiting. Johnson has adapted the notion for today's business trends of strategic partnerships and branding."

Based in Los Angeles but branching out to Houston and other U.S. cities, Johnson's operations are run out of the Johnson Development Corp. and include the Magic Johnson Foundation.

Nonprofit exports sterilization

Through their nonprofit group, a Chapel Hill man and his partner are exporting potentially deadly

chemical sterilization to some of the world's poorest women, *The Wall Street Journal* reported June 18.

Pellets consisting of a compound known as quinacrine and made in Switzerland are inserted directly into the uterus, preventing pregnancy by scarring the fallopian tubes. No anesthesia is used and the procedure is painful and has short-term side-effects for many women, the Journal said. Longer-term consequences are less certain but more ominous.

"Because questions of safety and effectiveness haven't been resolved, quinacrine sterilizations aren't permitted in the U.S.," the Journal said.

"They are also opposed by nearly all major family-planning organizations and by many foreign governments. In 1993, the World Health Organization declared that, pending further lab research, quinacrine shouldn't be used to sterilize women in any country because of the potential cancer risk."

The pellets are distributed by the nonprofit Center for Research on Population and Security, run by Stephen D. Mumford of Chapel Hill and his partner, contraceptive researcher Elton Kessel.

Nonprofits post welfare success

Some modest nonprofit strategies for moving welfare recipients into the workforce have been more effective than large-scale public efforts, *The New York Times*

reported June 16.

"In many ways, these small-scale programs represent a sharp counterpoint to New York City's mammoth workfare program, in which more than 32,000 welfare recipients sweep streets and answer phones in city agencies in return for public assistance.

"Proponents say the private approaches offer more promise because they teach people specific skills and provide many routes out of welfare - instead of just handing recipients a broom or ordering them to file papers, as New York's program typically does."

Powell fights skepticism on volunteerism

A year after a national summit on volunteerism, retired Gen. Colin Powell is working to overcome doubts about the ambitious effort he's heading to enlist an army of volunteers to improve the lives of American youngsters, *The New York Times* reported June 14.

"An American hero accustomed to ticker tape, the retired general and former chairman of the Joint Chiefs of Staff has seen his profile fade somewhat from the national spotlight as he has undertaken a mission that in some ways is more complicated than battlefield logistics and whose success is harder to measure."

The *Times* also said Powell "concedes that his group [America's Promise] was also taken by surprise by the turf concerns among other philanthropic organizations, and he works to dis-

pel the notion that America's Promise is a new charitable competitor. Rather, he says, it is an umbrella organization that acts as a go-between for givers and social service groups."

Fundraising consumes college presidents

University presidents spend more time fundraising and put less emphasis on being spokespeople for their institutions than did their predecessors, said an essay in the June 1 edition of *The New Republic*.

"As universities have become more like other businesses, their presidencies have attracted administrators and fundraisers more than scholars and visionaries," wrote David Greenberg, a fellow in American history at Columbia University.

Bill protects charity gifts from debtors

It will be easier for churches and charities to keep donations from people who have filed for bankruptcy and for those debtors to continue making charitable donations, *The New York Times* reported June 4.

The current tax code treats a person's donation within a year of filing for bankruptcy as a fraudulent effort to hide assets. Under the new law, even if a donation is made shortly before a person files for

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