

Why Did It Take So Long?

The Catholic Campaign for Human Development, an ideological cousin to ACORN, was reluctant to notice the group's corruption, severing payments to it only after a backlash.

by Matthew Vadum

Over the last decade the Catholic Campaign for Human Development (CCHD) channeled \$7.3 million of parishioners' money to ACORN (Association of Community Organizations for Reform Now). Finally, last fall the CCHD reluctantly stopped payments to ACORN.

Founded in 1969, the CCHD has given more than \$280 million to fund what it calls over "7,800 low-income-led, community-based projects that strengthen families, create jobs, build affordable housing, fight crime, and improve schools and neighborhoods." The projects funded are supposed to develop local solutions to "help break the cycle of poverty." The CCHD also describes its mission as educating Catholics "about the causes of poverty and [seeking] to build solidarity between impoverished and affluent persons."

Auxiliary Bishop Roger Morin of New Orleans, chairman of the United States Conference of Catholic Bishops' (USCCB) subcommittee on the CCHD and ACORN, along with other members of the American hierarchy, had been spurred to action by reports during the recent election of gross legal and ethical improprieties involving ACORN.

On November 11, 2008, Bishop Morin (who was in March named bishop of Biloxi, Mississippi) announced that the five-month-old provisional suspension of funding for ACORN, which has more than 100 affiliates, had been made permanent "because of serious concerns about financial accountability, organizational performance, and political partisanship."

But he made it clear that "a major case of embezzlement eight years ago that was covered up by ACORN staff leadership" was the tipping point and noted that the CCHD and the USCCB had hired forensic accountants "to help determine if any CCHD money was taken or misused."

Although the CCHD had funded only local affiliates of ACORN, the group's conduct—including its involvement in alleged voter registration fraud—"raised serious concerns about national ACORN's financial accountability, transparency, governance, and organizational integrity," Morin said.

THE PROBLEM WITH ACORN

The embezzlement to which Bishop Morin referred took place around 2000. The essential facts of the caper are not in dispute.

ACORN founder Wade Rathke's brother Dale stole \$948,000 from the ACORN network, but the group refused to hand the matter over to government-run courts. Euphemistically calling the theft—which Wade Rathke covered up for eight years—a "misappropriation," ACORN permitted the Rathke family to pay restitution privately at the rate of a meager \$30,000 per year.

Apparently interest was not being charged, so it would have taken more than 30 years to pay off the debt, and by the time it was paid in full, the value of the money would have been eroded substantially by inflation. (Drummond Pike, founder of the Tides Foundation, recently stepped in and paid off the debt using his own funds.)

Wade Rathke concealed the missing funds by entering them as a loan to an officer on the ledgers of ACORN

affiliate Citizens Consulting Inc. Over the eight years he covered up the theft, Wade Rathke kept his brother on the payroll as his \$38,000-a-year "assistant" at ACORN headquarters.

At the national ACORN board meeting last June, Wade Rathke told his fellow community organizers that he had to cover up the embezzlement lest the group's right-wing adversaries use knowledge of it to destroy the organization.

One can only speculate about the other irregularities Bishop Morin's subcommittee considered, but some other examples of malfeasance and unusual activity from last year probably found their way into the panel's deliberations.

ACORN is relentlessly and exuberantly partisan. To protect the tax-exempt status of some of its affiliates, ACORN loudly claims to be community-oriented and officially nonpartisan. But last October ACORN's CEO, "chief organizer" Bertha Lewis, appeared in a YouTube video in front of a banner reading "Working Families Party: Fighting for Jobs and Justice," and endorsed Barack Obama for president. (The Working Families Party, a minor New York party, is an ACORN affiliate.) The endorsement eliminated any suspicions that the people behind ACORN's voter registration and get-out-the-vote (GOTV) drives were interested in getting conservatives and Republicans to the polls.

In another YouTube video, called "ACORN Grassroots Democracy Campaign," ACORN didn't show a single Republican lawmaker. The video showcases the group's Democratic allies on Capitol Hill. Democratic strategist Paul Begala says in the video, "I love ACORN

because they're a direct impact organization. They focus on meat and potatoes, the real lives of real people."

ACORN's national political action committee, ACORN Votes, endorsed Obama. ACORN national president Maude Hurd said Obama was "the candidate who best understands and can effect change on the issues ACORN cares about like stopping foreclosures."

During last year's primaries, the Obama campaign paid \$833,000 to Citizens Services Inc., another ACORN affiliate, for GOTV activities. Having ACORN do the political work evidently made sense to Obama, who previously led a voter drive for ACORN affiliate Project Vote, represented ACORN in court, and lectured at ACORN on organizing techniques.

Last year ACORN and Project Vote proudly announced they had registered 1.3 million new voters. It was a wild exaggeration. After hundreds of thousands of registrations were tossed by election officials, the groups had to admit the true total for both groups was closer to 450,000.

ACORN is also under investigation in at least 12 states for electoral fraud, and reportedly is being probed by the FBI. In Ohio, the Buckeye Institute is suing ACORN under state law for racketeering. An ACORN whistleblower group called the ACORN 8 has asked US attorneys across the nation to pursue civil and criminal litigation under the federal Racketeer Influenced Corrupt Organizations (RICO) Act, along with mail fraud and civil rights charges.

THE CATHOLIC CAMPAIGN TO HELP DEMOCRATS?

These reports about ACORN's misbehavior are nothing new. ACORN has helped Democrats for years. It's also been choreographing sit-ins to force banks to lend to high-risk borrowers, busing schoolchildren to the nation's capital to demonstrate against tax cuts, campaigning for big government policies, and raising the dead and leading them to the voting booth for years.

Only in 2008 did the CCHD get around to noticing that ACORN was crooked. Why? Because ACORN had become an embarrassing political issue during the presidential campaign, and parishioners took note. Upset Catholics began saying that the CCHD stood for "Catholic Campaign to Help Democrats."

Last November, Catholics throughout the nation launched local boycotts of the CCHD collection at Masses.

The late Father Richard John Neuhaus wrote that the collection for the CCHD was "misbegotten in concept and corrupt in practice, [and] should, at long last, be terminated." He added that a decade ago the CCHD was "exposed as using the Catholic Church as a milk cow to fund organizations that frequently were actively working against the Church's mission, especially in their support of pro-abortion activities and politicians."

Parishioners at Queen of Apostles Church in Alexandria, Virginia, were informed in the church bulletin that in the 1990s the CCHD had given money "to organizations diametrically opposed to the Catholic Church, i.e., the pro-abortion group National Organization for Women and the American Civil Liberties Union."

"There are so many tremendous Catholic apostolates that work with the poor that are in need," read the bulletin item written by Father Thomas Vander Woude. "One wonders if one's donations could be better spent elsewhere until the CCHD has proven its ability to fund truly Catholic apostolates that truly work with and help the poor."

During a Sunday homily at St. Mary's Church, also in Alexandria, Father John De Celles told his congregation, "I personally haven't given a dime to the Campaign for Human Development in years."

Anita MonCrief, a former ACORN employee who personally witnessed ACORN abuses from the inside, told CWR, "I've been a Catholic all my life and I've been a little disturbed it took [the CCHD] so long to realize what was happening with ACORN." She added, "ACORN and its shenanigans have been in the news since 2000 and they should have known."

PARTNERS IN CLASS STRUGGLE

The CCHD and ACORN were both inspired by the father of community organizing, Saul Alinsky.

Alinsky dedicated his organizing opus, *Rules for Radicals*, to Lucifer, whom he called "the first radical known to man who rebelled against the establishment and did it so effectively that he at least won his own kingdom." Both President Obama and his secretary of state, Hillary Clinton, were inspired by Alinsky's teachings. Clinton even wrote her senior college thesis on Alinsky.

An article that ran in the March 22, 2002 issue of *Social Policy*, which is

published by the American Institute for Social Justice, an ACORN affiliate, explains the connection between the CCHD and ACORN.

While organizing in Chicago, Alinsky gained many Catholic allies. He began working in 1938 for the Institute for Juvenile Research in Chicago, which worked with local leaders to combat juvenile delinquency. While there, Alinsky teamed up with Joseph Meegan, a devout Catholic who was director of a local recreation facility, to create the Back of the Yards Neighborhood Council.

Alinsky concentrated his efforts on unions, while Meegan focused on churches and community groups. Meegan helped Alinsky ingratiate himself with the Chicago archdiocese. His brother, Monsignor Peter Meegan, served as Bishop Bernard Sheil's secretary. Over time Alinsky's organizing efforts in the Back of the Yards, a section in the southwest side of Chicago, gained the support of Bishop Sheil, a liberal who founded the national Catholic Youth Organization.

Alinsky also worked with Jack Egan, a student at Chicago's Mundelein Seminary, who later became a crusading left-wing priest. Monsignor Egan became an important Alinsky ally and a member of the board of Alinsky's Industrial Areas Foundation. He also went on later to play a significant role in the creation of the CCHD and the Catholic Committee on Urban Ministry.

Helene Slessarev, now the Mildred M. Hutchinson Professor of Urban Ministries at Claremont School of Theology, acknowledged the CCHD's kinship with ACORN in a March 2000 *Sojourners* magazine article:

"Congregation-based community organizing is the fastest growing form of organizing in the country, according to Doug Lawson of the Catholic Campaign for Human Development (CCHD). 'No one else approximates faith-based organizing,' he says. The only non-faith-based organization that has built comparable power is ACORN."

As ideological cousins, the CCHD and ACORN share a common bond that made it difficult for one to disown the other. ■

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