

Habitat for Humanity

Corporate Donors Promote Faith-Based Mission

by Kathryn Jean Lopez

Summary: Habitat for Humanity is one of the most well-known and popular charities, building homes for the needy in communities across the nation. But many people don't realize that Habitat is a religious-based charity with evangelical Christian and Southern Baptist roots. While corporations frequently eschew funding of faith-based charities, corporate America is a strong and enthusiastic supporter of Habitat.

In July, the world's Catholic youth from 150 nations gathered in Toronto to celebrate World Youth Day with Pope John Paul II. Some of them brought hammers along.

Two hundred Catholic kids, headed for Toronto to be with Pope John Paul, also planned to build a wheelchair accessible house for a local man with multiple sclerosis. Their trip was sponsored by Habitat for Humanity and funded by the RBC Financial Group, the new brand name for the Royal Bank of Canada, and the Dow Chemical Company. It was a curious combination—Catholic World Youth Day, multinational corporations and Habitat for Humanity.

Or maybe not so curious. The idea of Christian service permeates the projects of Habitat for Humanity. Working through more than 2,000 local affiliates worldwide, Habitat staff and volunteers contribute their time and hard work to build thousands of homes for the needy. True to its



Since its founding in 1976, Habitat for Humanity has built more than 114,000 houses worldwide (*Photo Courtesy of Habitat for Humanity*).

religious mission, Habitat just doesn't give away houses to "clients" or aid "recipients." It makes moral and material demands on the needy by inviting them to share in a common endeavor. Needy persons contribute their "sweat equity" by building their own homes with help from Habitat staff and volunteers. They also pay back the low-interest loans that the charity gives them for its home-building projects.

Besides volunteer labor, Habitat affiliates tithe. They contribute millions of dollars each year to support the organization's international work, and they are motivated by religious conviction,

not slick advertising campaigns.

Habitat also raises funds from major corporations. The list of Habitat's corpo-

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rate donors includes Citigroup, AT&T, Allstate, ExxonMobil, ConAgra and General Mills. Corporations are often skittish about donating to faith-based charities, and no less a figure than President Bush has chastised them for their reluctance to support the good works of religious ministries. But that has not been the case with Habitat For Humanity. Many corporations have been eager to follow where Habitat leads.

Yet some concern remains that Habitat's partnership with corporate America may someday clash with its religious mission. This spring a cover story in *Christianity Today*, the nation's most read evangelical magazine, suggested that Habitat officials were beginning to worry that the charity could encounter increasing public pressure to adopt a more secular social outlook.

For now, however, that doesn't appear to be a problem. Habitat's willingness to serve as a model of Christian service has earned it respect—and financial support—from corporations and a broad spectrum of other donors.

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Constructed by Faith

Since everyone from Jimmy Carter to Newt Gingrich has endorsed Habitat for Humanity and taken up a hammer in its name, perhaps Americans may be forgiven for thinking that Habitat is just a charity that builds houses for poor people. Many may think it has no larger purpose than housing.

In fact, Habitat for Humanity is a religious-based charity nurtured by evangelical Christian and Southern Baptist roots. It sees its valuable work on behalf of the poor and needy as a manifestation of Christian faith, and it believes this faith explains its phenomenal success as a charity.

Habitat for Humanity was established in 1976 by Millard and Linda Fuller of Americus, Georgia. Today they remain at the helm of what is now a worldwide organization that successfully commingles elements of the secular with the religious, the national with the local, the global with the distinctly American. A quarter century ago the Fullers were trying to eliminate poverty in their own small part of the world. But their spiritual enterprise grew quickly. Between 1976 and 1991, Habitat built a total of 5,000 houses in the United States. In 2003, Habitat anticipates building 6,000 houses in the U.S. alone. Worldwide, Habitat has built over 114,000 houses and it has thousands more on the drawing-boards.

A Montgomery, Alabama lawyer, Millard Fuller was a millionaire before he turned 30. He was a churchgoer, but his first priority was making money. Then in November 1965, Fuller experienced a time of "great personal crisis," as he delicately tells it. Linda Fuller up and left for New York, and it took a week before Millard could reach her. Material success was not working for the couple; something had to change. Both Fullers felt called to do something more: in Millard's words, "to leave a life of affluence and success in business in Montgomery, Alabama, in order to find a new life in Christian service."

Millard and Linda moved to a communal Christian farm called Koinonia in Americus, home to a Southern Baptist

preacher named Clarence Jordan. Koinonia is a Greek word for "community" or "fellowship," and Jordan was famous for his "Cotton Patch" New Testament, which translated the meaning of the Scriptures into modern-day terms. It was at Koinonia farm that the Fullers developed the idea for Habitat.

As part of their search for something greater than material success, the Fullers decided to "divest" themselves of their wealth. The decision was instrumental in saving their marriage and laying the groundwork for Habitat for Humanity. Millard tells the story of sitting on an airplane shortly before he and Linda gave up their money. He listened to his seatmate pour out her heart out about an impending job loss. The company she worked for was about to go under. Her boss needed to come up with \$25,000. Millard gave the businessman a no-interest loan and directed him to pay it back to specific charities. That attitude of trust, giving-back and serving others started the Fullers on a road that would lead to Habitat for Humanity.

Fuller and Pastor Jordan first created a "Fund for Humanity," the forerunner to Habitat. It served as a "partnership housing" project helping needy people work with volunteers to build their own affordable homes. The Fund secured its financial support from loans and contributions that it combined with repayments from no-interest loans it already had made to homeowners it helped.

A letter to Koinonia supporters expressed what easily could become the Habitat for Humanity mission statement:

What the poor need is not charity but capital, not caseworkers but coworkers. And what the rich need is a wise, honorable and just way of divesting themselves of their overabundance. The Fund for Humanity will meet both of these needs. Money for the fund will come from shared gifts by those who feel they have more than they need and from non-interest bearing loans from those who cannot afford to make a gift but who do want to provide working capital for the disinherited... The fund

Select List of Grants to Habitat For Humanity

(Grants are for year 2000 unless otherwise noted)

Allstate Foundation – Habitat For Humanity, Las Vegas, NV – \$10,000	Cleveland Foundation – Habitat For Humanity of Greater Cleveland, OH – \$25,000	Hunter Trust Inc. – Habitat For Humanity of Metro Denver, CO – \$10,000
Allstate Foundation – Habitat For Humanity, Salt Lake Valley, UT – \$10,000	Collins Foundation – Habitat For Humanity International, Oregon – \$100,000	Hyde and Watson Foundation – Habitat For Humanity International, New York -- \$15,000
Armstrong Foundation – Habitat For Humanity International, Georgia – \$50,000	Community Foundation for the National Capital – Habitat For Humanity of Montgomery County, MD – \$20,048	F.M. Kirby Foundation – Habitat For Humanity, New Jersey – \$25,000 (2001)
Aron Charitable Foundation – Habitat For Humanity, Virginia – \$23,000	Foundation – Habitat For Humanity, Omaha, NE – \$50,000	May Department Stores – Habitat For Humanity International, Georgia – \$44,000
AT&T Foundation – Habitat For Humanity, Michigan – \$25,000	Dow Chemical Company Foundation – Habitat For Humanity International, Georgia – \$250,000	Meyer Memorial Trust – Habitat For Humanity International, Oregon – \$111,500
AXA Foundation – Habitat For Humanity International, New York – \$10,000	ExxonMobil Foundation – Habitat For Humanity International, Arkansas – \$25,000	New York Community Trust – Habitat For Humanity International, New York – \$40,000
BANK ONE Foundation – Habitat For Humanity of Greater Indianapolis, IN – \$25,000	ExxonMobil Foundation – Habitat For Humanity, Pennsylvania – \$20,000	Northwestern Mutual Foundation – Habitat For Humanity, Wisconsin – \$45,000
Arthur M. Blank Foundation – Habitat For Humanity, South Carolina – \$50,000	Fannie Mae Foundation – Habitat For Humanity International, Georgia – \$1,000,000	Rockwell International Corporation Trust – Habitat For Humanity, Wisconsin – \$45,000
Brown Foundation – Habitat For Humanity, Houston, TX – \$250,000	Fannie Mae Foundation – Habitat For Humanity, Americus-Sumter County, GA – \$25,000	SBC Foundation – Habitat For Humanity International, Georgia – \$200,000
Eva L. and Joseph M. Bruening Foundation – Habitat For Humanity of Greater Cleveland, OH – \$30,000	Fannie Mae Foundation – Habitat For Humanity, Washington, DC – \$25,000	SBC Foundation – Habitat For Humanity, San Antonio, TX – \$45,000
Campbell Foundation – Habitat For Humanity, Atlanta, GA – \$600,000 (2001)	Foundation for the Carolinas – Habitat For Humanity International, Georgia – \$126,500	Charles Schwab Corporation Foundation – Habitat For Humanity International, Georgia – \$37,018
Cargill Foundation – Habitat For Humanity, Twin Cities, MN – \$35,000	The Gap Foundation – Habitat For Humanity International, Georgia – \$104,530 (2001)	Starr Foundation – Habitat For Humanity International, New York – \$100,000 (2001)
Cargill Foundation – Habitat For Humanity International, Georgia – \$225,000	General Mills Foundation – Habitat For Humanity International, Illinois – \$10,000	Timken Foundation – Habitat For Humanity, Ohio – \$100,000
Citigroup Foundation – Habitat For Humanity International, Georgia – \$425,000	General Mills Foundation – Habitat For Humanity, Twin Cities, MN – \$25,000	USAA Charitable Trust Foundation – Habitat For Humanity International, Georgia – \$1,659,025
Citigroup Foundation – Habitat For Humanity, Michigan – \$10,000	Houston Endowment – Habitat For Humanity, Texas – \$600,000	
Clark Foundation – Habitat For Humanity International, New York – \$100,000 (2001)		

Foundation Watch

will give away no money. It is not a hand-out.

In 1973, the Fullers left Koinonia to apply their idea abroad. They moved to Mbandaka, Zaire (now Congo), where they spent three years raising funds and building homes. When they returned to the U.S., they gathered friends and supporters, and Habitat for Humanity International was born. It spread first to Texas and South Carolina, then to cities like New York and Baltimore.

In his 1994 book, *The Theology of the Hammer*, Fuller writes about the group's success:

I am often asked if I am surprised at how Habitat for Humanity has grown in such an incredible way. I respond by saying that I am not surprised at the growth in the rural South of the United States and in developing countries, because that is where I saw the greatest need and also the possibility of an organization like Habitat responding to it. My biggest surprise, and really amazement, is that this ministry continues to take and flourish in places as diverse as Los Angeles, California, and Santa Ana, El Salvador; Bombay, India, and Bonners Ferry, Idaho; Santa Cruz, Bolivia, and Pest Megye, Hungary; and Mezquital Valley, Mexico, and Port Moresby, Papua New Guinea. It just seems to work everywhere.

What Does Habitat Do?

Contrary to popular belief, Habitat for Humanity does not give away free houses. It is a homeownership program for needy families whose incomes are from 30 to 50 percent of a given area's median income. These are families that typically would be unable to get a home loan. Habitat builds and rehabilitates simple, modest homes with volunteer labor, and provides interest-free loans to families willing to agree to Habitat's concept of helping others.

According to Habitat's website: "In most cases, prospective Habitat homeowner families make a \$500 down payment and contribute 300-500 hours of 'sweat equity' on the construction of their home or someone else's home. Because Habitat

houses are built using donations of land, material and labor, mortgage payments are kept affordable."

The website notes: "Habitat for Humanity International is an ecumenical Christian ministry dedicated to eliminating poverty housing." Families who want to benefit from the house-building program apply to local Habitat affiliates. Their selection is based on their level of need, level of interest in Habitat's help, and ability to pay back a no-interest loan. Families are expected to do their part in contributing to Habitat's work by providing volunteer service to others or the "sweat equity" contribution to their own housing. Habitat is serious about its ministry, but religion is not a factor in determining who receives its help.

Habitat has built houses in 83 nations of the world, providing more than 2,000 communities with safe, decent, affordable shelter. Houses can cost from \$800-\$46,000, depending on where they are built. (The high end figure is the typical cost of a U.S. house built by Habitat.)

Habitat for Humanity is wildly successful. *Builder Magazine* ranks it the 15th largest house builder in the United States based on real estate sales closings in 1999. *Professional Builder's* "Giant 400" survey ranks Habitat as the 24th largest house builder in the United States and the lowest-cost builder.

Corporate America: Strong Friend of this Christian Charity

Where does Habitat get its money? According to its annual report, in fiscal year 2001 Habitat received \$105,176,882 in individual contributions, \$22,642,985 in government grants, \$12,923,041 in "other income," \$29,642,985 in donations-in-kind, and \$1,301,057 in house transfers to homeowners.

A broad array of corporations and philanthropies give Habitat substantial sums. In 2000, Citigroup Foundation donated \$425,000 to the Georgia branch of Habitat For Humanity International. Fannie Mae Foundation, one of the largest donors, also gave \$1 million to the Georgia

branch. In addition, Fannie Mae donated \$25,000 to the local Americus, Georgia chapter and \$25,000 to the Washington, D.C. chapter. Frequently, donors make grants in the same year to different state and local Habitat branches. For instance, Allstate Foundation gave \$10,000 each to the Salt Lake City and Las Vegas chapters in 2000. Likewise, the Cargill Foundation gave \$225,000 to the Georgia branch and \$35,000 to the Minneapolis-St. Paul Habitat affiliates.

Other private and corporate foundation donors to Habitat include: AT&T Foundation — \$25,000; Armstrong Foundation — \$50,000; Arthur M. Blank Foundation — \$50,000; Campbell Foundation — \$600,000; Clark Foundation — \$100,000; Collins Foundation — \$100,000; ConAgra Foundation — \$50,000; Dow Chemical Company Foundation -- \$250,000; ExxonMobil Foundation — \$45,000; The Gap Foundation — \$104,530; SBC Foundation — \$245,000; and USAA Charitable Trust Foundation — \$1,659,025 (See list of major donors to Habitat For Humanity on page 3).

Clearly, corporations are not put off by the Christian mission of Habitat for Humanity. Their impressive level of support shows no signs of abating; indeed, corporate contributions should increase. On August 10, 2002, the Financial Services Roundtable, an association of providers of integrated financial services, began a new partnership with Habitat. Approximately 800 employees from 42 leading banking, investment and insurance companies began building houses in eight cities. No doubt, the volunteer work of senior executives and employees will be supplemented by sizeable direct grants. After all, member companies of the Roundtable proudly note that they contributed more than \$1 billion to their communities through grants, fundraising, direct lending and investment, and volunteer work.

Besides making direct grants to Habitat, many corporations raise money for the charity through their own special programs. For instance, this year Delta Air Lines established its Sky Wish Charity,

which lets customers donate mileage to advance Habitat's work. For every 5,000-mile minimum donation, Delta will add another 1,000 miles. Delta pilots, flight attendants and executives also raise more than \$200,000 annually for local Habitat affiliates and participate in building Habitat homes.

The Gap Inc. has an innovative Community Corps program that recognizes outstanding employee volunteers by sending them cross-country and abroad to build houses. The Gap has sponsored Community Corps trips with Habitat to Arizona, Tennessee and Mississippi, Mexico and Honduras.

Habitat does accept some government support, welcoming partnerships with governments to "set the stage" for housing construction. This includes government grants of land, houses for rehabilitation, and the provision of infrastructure (streets, utilities and administrative expenses) as long as the support carries "no obligations that would limit Habitat's ability to proclaim its Christian witness."

Tithing as a Funding Source

Habitat is comprised of a loosely-organized bottom-up structure of independent, community-based affiliates worldwide. In the United States, each local Habitat affiliate is responsible for its own fundraising. It is also responsible for selecting project/building-sites, securing mortgage financing, constructing or rehabilitating houses, and picking the families to occupy them. According to its official literature, "Habitat affiliates are independent, nonprofit organizations that operate within specific service areas in a covenant relationship with Habitat for Humanity International." Fuller planned it this way because he wanted the work of the organization to be driven by the faithful. They have to be inspired in a concrete way to give their time in the community to help the less fortunate.

There are 1,646 Habitat affiliates in the United States. According to Habitat, about 62 percent of them have professional paid staff; the rest are all-volunteer organizations run by a board of directors. Hab-

itat does not keep national figures on the total number of volunteers, but it estimates that one million people nationwide annually volunteer, most part-time. Habitat headquarters in Americus is staffed with 310 paid employees and about 78 volunteers.

Habitat's greatest fundraising innovation is its reliance on the most traditional form of fundraising—the tithe. Each Habitat affiliate is expected to give ten percent of its contributions to support house-construction in other countries. According to Habitat, "Tithing provides much-needed funds for international building, and it also gives affiliates the opportunity to demonstrate the spirit of Christian partnership. In 2001, U.S. affiliates tithed \$9.04 million to support Habitat's work overseas. Some affiliates in developing countries also receive funding grants from Habitat for Humanity International."

Corporations and philanthropies provide much of the affiliates' funding. The Brown Foundation, for example, gave \$250,000 in 2000 to the Houston, Texas Habitat affiliate. The Cleveland Foundation donated \$25,000 to the Habitat For Humanity of Greater Cleveland, Ohio. ConAgra donated \$50,000 to the Omaha, Nebraska affiliate. The Pennsylvania and Arkansas state branches received a total of \$45,000 from ExxonMobil. And the F.M. Kirby Foundation donated \$12,500 to the chapter in Orange County, North Carolina.

Perhaps the most famous face of Habitat for Humanity is former President Jimmy Carter. Carter undoubtedly has been Habitat's greatest public relations gift, bringing the group international attention. With his wife Rosalyn, he became involved in its work in 1984. Every year for the last 18 years the Carters have given Habitat a week of their lives for a "work project." Each year they focus on a different part of the world. This year's project was to build 100 houses in Durban, South Africa. In 2001, it was 136 houses in South Korea.

During the August 2000 "Jimmy Carter Work Project," Habitat for Humanity In-

ternational dedicated its 100,000th house in New York City. Never satisfied, Millard Fuller pledged that Habitat would build another 100,000 houses by 2005.

Habitat for Humanity engages in what it calls "blitz building" and is proud of its accomplishments. Last year, for instance, the Carters and Jack Kemp, the former secretary of Housing and Urban Development, joined 10,000 volunteers to build 101 houses in Jacksonville, Florida in 17 days—a Habitat record. According to its estimates for the fiscal year 2003 (July 2002 to June 2003), Habitat anticipates building 118 houses in Europe and Central Asia, 5,700 houses in Latin America and the Caribbean, 5,300 in the Asia/Pacific region, and 3,200 in Africa and the Mideast. The newest international project—rebuilding housing in Afghanistan. Using Mazar-e-Sharif as a base, Habitat's Disaster Response Office is providing tools and building materials to returning refugees so they may rebuild their homes.

The Christian Mission

Reread *1 Corinthians 3:9-10* and you start getting into the Habitat for Humanity mindset. Paul the Apostle writes: "We are laborers together with God; you are God's field, God's building. According to the grace of God given to me, like a skilled master builder I laid a foundation, and someone else is building on it. Each builder must choose with care how to build on it."

Fuller talks about the "theology of the hammer" guiding Habitat work. In a book with that title, he writes:

Our Christian faith (indeed, our entire Judeo-Christian tradition) mandates that we do more than just talk about faith and sing about love. We must put faith and love into action to make them real, to make them come alive for people. Faith must be incarnated; that is to say, it must become more than a verbal proclamation or an intellectual assent. True faith must be acted out.

For Habitat for Humanity this means, "The nail must be hit on the head—literally and repeatedly—until the house is built and the needy family moves in. It means,

Interview with Habitat for Humanity's Ted Swisher *Christian Mission is Why Corporate America Should Continue to Support Charity*

Q: Most people think of home building when they think of Habitat for Humanity. How concerned are you about Habitat for Humanity losing its Christian mission?

A: For the immediate future I am not overly concerned because Millard Fuller and the Board of Directors and the senior leadership are firmly committed to the Christian Mission. However on the longer term, I think Habitat would be mistaken to assume that there is no danger of losing the Christian Mission. It will simply be something that the organization will have to be diligent about as new leadership assumes key roles in the organization.

Q: Is there corporate pressure to downplay the religious aspects?

A: Generally there is not, we have had very few instances when corporations object to our Christian mission. I think this is due to the fact that we do not ask that people agree with our Christianity in order to help us with our mission of building decent affordable houses. I think corporations see that we do good work in an effective manner. They like this and may believe that our Christian motivation has a role in the high quality and integrity of what we do. We can get pressure from corporations, but it is not normally in the religious area, but more along the lines of wanting Habitat to build a house that they sponsor for a company employee.

Q: Why is the religious element important?

A: It is important for a number of reasons. First—it is simply who we are as an organization. It is our roots and our heritage. Organizations—like individuals—can change their identity through an act of will, but it is not a particularly good thing when it occurs.

Being a faith-based organization and a Christian organization more specifically has a lot of advantages. We are seeing today what can happen when business is conducted without strong guiding principles and values. It is a real advantage to have Christian values integrated fully into the organization. I am a big fan of the business writer, Jim Collins, who wrote the book *Built to Last*. In this book, which describes some common characteristics of highly successful companies, he reaches the conclusion that the most successful companies have core values—and making a profit is not necessarily the number one priority. So, a mission-driven, values-oriented organization like Habitat for Humanity has some real strengths that can help it survive and thrive under challenging circumstances.

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too, that continuing love and concern must be shown to the family to ensure success as a new homeowner.”

The mission for Habitat for Humanity is ecumenical. Churches—of all denominations and creeds—are the lifeblood of the organization: “Churches are the primary partners that work with Habitat in an almost infinite variety of creative overlapping circles.” He says, “We cherish these partnerships with churches, because...I have always seen Habitat for Humanity as a servant of the church and as a vehicle through which the church and its people can express their love, faith, and servanthood to needy people in a very tangible and concrete (literally!) way.” Fuller told *Christianity Today*: “I’m a strong social activist, but in a lot of ways, I’m very fundamentalist. I believe Jesus is the way, the truth, and the life—that’s the way to the Father, through Christ. But I’m liberal in not standing in judgment on those who differ from me.”

Habitat doesn’t proselytize, but Fuller says it serves God and man and spreads the Word. “My dream, from the outset of the ministry of Habitat for Humanity, has been for our work to be a new frontier in Christian missions.”

Losing Its Religion?

As Habitat seeks support for its worldwide mission, it worries about what Fuller identifies as the “daily pressure to secularize.” Habitat’s Christian faith is out-front in its mission statement (“*Habitat for Humanity works in partnership with God and people everywhere, from all walks of life, to develop communities with God’s people in need by building and renovating houses so that there are decent houses in decent communities in which people can live and grow into all that God intended.*”). But that faith is not confined to a mission statement. When a family is presented with the keys to its new Habitat-built home, with the keys comes a Bible.

Big corporations are increasingly co-sponsors of Habitat projects. General Motors, Whirlpool, Home Depot, Gap, AOL/TimeWarner—these are some of the

brand-name corporations assisting Habitat affiliates. But at its Americus headquarters Habitat leaders worry that the “theology of the hammer” could be diluted by the search for funding support.

Habitat affiliates at colleges already have encountered this problem. Habitat student groups believe they have been denied funding because they made reference to Christ. For instance, a few years ago student government leaders at the University of Virginia noted of Habitat, “It is a religious organization and... in looking at their constitution, they have several references to Jesus Christ and to uplifting Christianity.” Students say that the university probably denied funds to the chapter in 1995 over these religious reasons.

Habitat vice president Ted Swisher has been with the organization since 1983 and for now he is not worried about the group’s religious mission: “For the immediate future I am not overly concerned,” he says, “because Millard Fuller and the Board of Directors and the senior leadership are firmly committed to the Christian Mission. However in the longer term, I think Habitat would be mistaken to assume that there is no danger of losing the Christian Mission. It will simply be something that the organization will have to be diligent about as new leadership assumes key roles in the organization.” Swisher notes that corporations and foundations that financially support Habitat have generally accepted its religious mission (See box on page 6 to read Swisher’s remarks to Capital Research Center).

Religious hospitals and groups like the Salvation Army, Bread for the World, and the Christian relief agency Samaritan’s Purse are under similar pressure to stifle their message and accept policies contrary to their moral teachings. And the pressure does not come only from groups outside the religious community. Fuller worries about evangelical Christians who have been slow to embrace Habitat for Humanity: “They’re nervous about getting into a situation where someone is going to challenge them on what they believe. And on a Habitat work site, we have an open door.

We don’t have a gatekeeper who says, ‘I’ve got to check out your doctrine before you can hammer nails.’”

Guided from Above

In Toronto some of the Catholics at the World Youth Day building site hadn’t heard of Habitat for Humanity. Canada’s *National Post* reported that a group of Italians was unfamiliar with Habitat. One U.S. volunteer said she learned about Habitat for Humanity by watching *The Simpsons!* That means there’s still work to do.

Fuller told *Christianity Today*’s Tim Stafford, “I didn’t go into Habitat because I love housing. My passion was to be a witness for Jesus in the world, and this is my way of doing it. I want to keep Habitat firmly Christian, but I also want it to be very open.”

—Kathryn Jean Lopez is executive editor of National Review Online (www.nationalreview.com) and an associate editor of National Review.

PhilanthropyNotes

The drop in stock prices is hurting the big foundations—and their grantees. The endowment of the **Robert Wood Johnson Foundation** fell by about \$2 billion to \$9.3 billion over the past year. The foundation, which gave \$804 million in 2001, will distribute only \$300 million in grants in 2002. (About 60 percent of its assets are invested in Johnson & Johnson, whose share price is down 24 percent from its 52-week high.) Assets of the **Lilly Endowment, which only holds shares—158 million of them—in Eli Lilly & Co.**, dropped from \$13.5 billion in December to below \$8 billion in July. Lilly still expects to award \$600 million in grants, but a spokesman says, “If the stock price stays at \$50, we may be looking at grant payments of \$400 million instead of \$600 million.” Assets of the **Pew Charitable Trusts**, the leading environmental grantmaker, have fallen from \$4.8 billion at the end of 2000 to just over \$4 billion. Pew officials are identifying low-priority projects to put on hold and plan to reduce giving from \$180 million to \$160 million next year. But one liberal foundation is weathering the stock plunge. **The John D. and Catherine T. MacArthur Foundation** plans to increase its grant budget from \$183 million to \$192 million in 2003. Officials say they set aside a reserve fund when the market was good to guard against downturns.

The **Lilly Endowment** has announced a three-year \$500,000 grant to the **National Council of Churches** (NCC) to support new programs. The Lilly grant comes at a good time for the NCC. Since its founding in 1950, NCC has been largely dependent on contributions from its member denominations, currently comprising 36 “mainline” Protestant, African-American and Orthodox faiths. But those denominations have steadily declining memberships and budgets which has led to a slow decline in their contributions to the NCC.

Made in the USA Foundation is leading an investment group to buy shirtmaker C.F. Hathaway. Foundation president Joel Joseph read about the imminent shutdown of the nation’s last major domestic producer of men’s dress shirts and decided to save 300 U.S. manufacturing jobs. “We’ve done everything we can for the past 13 years to promote American goods,” says Joseph. “But if you can’t find American goods, you can’t buy them.” Joseph says the shirts will be marketed to union members, consumers concerned about sweatshop labor, and government agencies that must give preference to U.S. manufacturers. But industry experts are skeptical. Says Howard Davidowitz, chairman of a retail consulting firm, “Ninety percent of the people who have tried this have collapsed. There are bodies littered everywhere.”

The **Arthur M. Blank Foundation** has announced it will give more than \$6.5 million in grants to 11 nonprofit organizations as part of a three-year \$30 million initiative to preserve green space and parks in Atlanta. This includes a \$2.5 million grant to the Arlington, Virginia-based **Conservation Fund** to preserve 430 acres.

Marsha Johnson Evans became the 13th president of the **American Red Cross** on August 5. Evans, a former Navy rear admiral, had been head of the Girl Scouts of the USA. She takes over an organization still reeling from public criticism over how it handled donations to the September 11 relief effort. Past president Bernadine Healy resigned in part over the Red Cross’s initial plan to use September 11 donations for activities not directly related to the attacks. Evans says her biggest challenge is to increase donations during economically-challenging times.

