

Ford Foundation to Give \$50 Million in Grants

By JUDITH MILLER

After a yearlong reorganization, the Ford Foundation, the nation's largest private grant-making institution, plans to announce \$50 million in new grants today, including \$20 million to fight poverty by supporting such community financial institutions as local credit unions.

A major component of the new \$20 million initiative is a five-year program with a budget of \$8.5 million, of which \$3.5 million will be provided by Ford, to create some 2,000 demonstration savings accounts in 30 low-income communities nationwide. The accounts, in which people's deposits at banks, churches, or credit unions are to be matched by foundation and other funds, are intended to help poor people buy housing, start or expand a business, and pay for college or trade school. The foundation plans to evaluate these accounts, as well as others created or expanded abroad, to see whether access to savings changes the spending habits of people with low incomes.

"This program is the first significant experiment on the impact of savings on a person's behavior," said Susan V. Berresford, president of the foundation.

At a press conference today, Ms. Berresford plans to outline how Ford, with total assets of \$8.2 billion, will spend the \$50 million on new projects, the largest amount the foundation has ever announced at one time, and explain its new structure. Ms. Berresford consolidated the foundation's eight grant areas into three divisions that address its traditional areas of activism — asset-building and community development; peace and social justice, and education, media, arts and culture. This year, Ford plans to give away more than \$407 million, a 17 percent increase over last year, thanks in large part to a strong stock market.

In an interview earlier this week, Ms. Berresford said the restructur-

ing would not affect the grant process for the 30,000 applicants who file for grants each year. But she said she hoped it would help clarify the foundation's mission. Since its creation in 1936, the foundation has given away more than \$8 billion to some 9,000 institutions and 100,000 individuals worldwide.

Ford, long dominant in philanthropy and public policy, has often been called bureaucratic. The Chronicle of Philanthropy said it was a "bureaucratic behemoth" in an assessment of its performance several years ago. Conservatives have accused the foundation of promoting bloated government, trendy causes and a wel-

New initiatives include a community financing program.

fare state. Liberals say it has abandoned the fight for liberal ideology and an activist government.

Beth Daley, vice president of the National Committee for Responsive Philanthropy in Washington, said that by concentrating on small, local projects, Ford and other big foundations were letting smaller, but increasingly well-funded conservative groups shape the national policy agenda.

"Helping 50 people at a social service center in Bedford-Stuyvesant may make you feel good," she said, "but it won't affect the larger scheme of things or stop the erosion of government programs to help the poor and disadvantaged."

According to a report the group plans to publish soon, 12 of the most active conservative foundations gave away a total of \$210 million to conservative groups and causes last

year, far less than Ford, but with far greater effect.

Ford's new policy emphasis and Ms. Berresford's stewardship of the foundation, however, has also won praise from traditional critics.

Waldemar A. Nielsen, a philanthropy expert who has previously criticized Ford, said the new local-assets development programs seemed "creative and entrepreneurial," especially for such a large and multifaceted foundation.

"It's unrealistic to expect a battleship to operate like a speedboat," Mr. Nielsen said.

Michael S. Joyce, the president of the Bradley Foundation, a conservative group, praised Ms. Berresford for taking Ford in new directions, which reflect that philanthropy "must think of new vehicles for helping the poor, apart from the state."

Ms. Berresford said she still believed that government, philanthropic groups, and the private sector must cooperate to achieve common goals, and that the latest programs were simply new approaches to Ford's traditional goals: to "strengthen democratic values, reduce poverty and injustice, and promote international cooperation and human achievement." She also said that Ford, which has 16 field offices abroad, would maintain that commitment.

About \$15 million of the \$50 million in new grants is earmarked for efforts to strengthen foundations internationally, which help finance civic groups. Another \$15 million has been set aside to help revitalize university and college research in places — or on languages and cultures — that have not been adequately studied, doubling the foundation's current effort in real dollars.

The \$20 million in community assets development grants is expected to be spent on studying methods that foster economic development for people with low incomes worldwide.