



# **The Roundtable**

**On Religion and Social Welfare Policy**

## **The Faith-Based Initiative Two Years Later: Examining its Potential, Progress and Problems Transcript**

**March 5, 2003**

**Sponsored by the Roundtable on Religion & Social Welfare Policy  
and the Pew Forum on Religion and Public Life**

Held Wednesday, March 5, 2003 - 10 a.m.-Noon  
The Brookings Institution, Falk Auditorium  
1775 Massachusetts Ave., NW, Washington, DC

As the faith-based initiative enters its third year, it continues to be surrounded by many questions -- How have the faith-based initiative, and the debate surrounding it, evolved? How will the debate be changed following the implementation of the Executive Orders recently signed by the President? How is the faith-based initiative moving forward in the federal agencies targeted by the Bush Administration? What legislation will Congress approve in support of the effort? And, what are the potential legal challenges by its opponents?

To help explore these questions, the Pew Forum on Religion and Public Life joined with the Roundtable on Religion and Social Welfare Policy to host a comprehensive panel discussion to consider the progress, problems and potential of the faith-based initiative. Two activists who have been involved in the debate over Charitable Choice since 1996 — and who have vastly different perspectives on it — reviewed the history of the initiative and shared their views on its future. A panel of journalists, scholars and researchers in the field followed with questions and observations. A full transcript of the event is presented here.

Featured Speakers:

Stanley Carlson-Thies, Fellow, Center for Public Justice; former White House Associate Director for Cabinet Affairs  
Barry Lynn, Executive Director, Americans United for Separation of Church and State

Respondents:

Anne Farris, Washington Correspondent, the Roundtable on Religion and Social Welfare Policy  
Fredrica D. Kramer, Senior Consultant to the Urban Institute  
R. Drew Smith, Director, the Public Influences of African-American Churches Project; scholar-in-residence at the Leadership Center at Morehouse College  
Kathryn Dunn Tenpas, Associate Director, the University of Pennsylvania Washington Semester Program, and Guest Scholar, the Brookings Institution

Moderator:

E.J. Dionne, Jr. , Senior Fellow, the Brookings Institution; Co-Chair, the Pew Forum; Columnist, the Washington Post

Welcome and Introduction:

Richard Nathan, Director, Rockefeller Institute of Government and Roundtable on Religion and Social Welfare Policy

RICHARD NATHAN: Good morning. My name is Dick Nathan, and I am happy to welcome you on behalf of the Pew Forum on Religion in Public Life, co-chaired by E.J. Dionne, and the Roundtable on Religion and Social Welfare Policy, a project of the Rockefeller Institute of Government, which I am proud to direct. I'll use shorthand from here on – the Forum, Mr. Dionne, the Roundtable, and our Rockefeller Institute Research Project.

This event – finally we're here – marks a milestone as we enter the third year of the faith-based initiative and take a hard look at what has been happening and what may happen from here. Today, the goal of expanding the role of religious organizations in the delivery of social service is a very high priority for this president and this administration. It shows you what the bully pulpit can do to energize groups and to create tremendous interest in how faith groups can help deal with social issues. Just look what has happened in these two years. The president's Office of Faith-Based and Community Initiatives, two years old; seven federal agencies have faith-based offices.

We can now begin to look at what they've done and what may happen as we go forward. As the title of our forum aptly states, our goal is to use this milepost to examine the “potential, problems and progress” of the faith-based initiative. As I mentioned, we jointly thank the Pew Charitable Trusts, and I want to thank Brookings for our sake, for working with us and having these fine facilities.

Without a doubt, the faith-based initiative has sparked an intense debate, producing both passionate supporters and passionate opponents. Those in favor of the idea say it makes sense because religious organizations have deep ties to their communities and an ability to reach people in ways that government agencies often can't reach people. On the other side, the concept of separation of church and state is cited, and people are concerned about using federal funds, using public moneys, to further religious ends.

So today we are looking at several questions: Does faith-based service work? What is happening? And what has changed? In the Roundtable research, we're interested in many questions that now come to the fore: What's the effectiveness of faith groups versus secular providers; understanding the scope and scale of faith involvement in human services; understanding regulatory and policy developments at the state level – this is very important because a lot of the public money that goes into human services actually is allocated from and paid out under policies and procedures that are state government policies and procedures. We are interested, too, in legal issues and court cases that are coming to the fore – and we have a special section of our Roundtable program on that.

So this is a very good time to take a look today, and, as it turns out, it's very convenient for the Roundtable group, because over the next two days, at the Hyatt-Regency Hotel in Bethesda, we are having a research conference with probably as many as 300 people and 40 papers from five countries – mostly ours – looking at the kinds of questions I just mentioned. There is information about that in your packet, and I'm glad to be able to tell you about it.

So we all are interested. In our work at the Rockefeller Institute, we are very interested. We've done a national study of the implementation of the 1996 Welfare Reform Act, *How Can Social Service Systems Be Strengthened*. In this effort, which is going on in many states and counties – never forget counties when you talk about social services – faith-based groups are now being brought into the conversation because, as I said, the bully pulpit works, and this new theme is percolating throughout our political system.

We're going to have two speakers today, and now I'm going to introduce the speakers. After they speak, we'll stay at our chairs here, and we'll have a chance for the audience, and particularly the press, to ask questions of the speakers, and then E.J. will introduce and preside for the second panel.

Both speakers have been very helpful and involved in the work of the Rockefeller Institute Roundtable. David Wright, who is standing in the back of the room talking to Melissa Rogers – very appropriate – is the director of our program.

Our first speaker is Stanley Carlson-Thies. I first met him when he was in the White House Office of Faith-Based and Community Initiatives. He worked in that office from February 2001, at the creation, until mid-May of last year. He assisted in writing the White House report, *The Unlevel Playing Field: Barriers to Participation by Faith-Based and Community Organizations in Federal Social Service Programs*. He worked on the initial blueprint for President George W. Bush, for his faith-based and community agenda. That was a paper called *Rallying the Armies of Compassion*, something we're hearing about more and more.

He holds a doctorate in political science from the University of Toronto. Before joining the White House staff, he was director of social policy studies for the Center for Public Justice in Washington, a non-partisan, Christian public policy and leadership development institution. While there he directed the Center's project on *Charitable Choice*, which of course is a section originally placed in the 1996 Welfare Reform Act.

I think I'll also describe our second speaker, and then each one will come to the microphone, and then there will be some time for some discussion.

The Reverend Barry Lynn has been executive director of Americans United for the Separation of Church and State since 1992, and he, too, has talked with us and advised us in very helpful ways. In addition to his work as an activist and lawyer in the

civil liberties field, he is an ordained minister in the United Church of Christ, which offers him a special perspective on today's issues. He began his professional career working at the national office of the United Church of Christ in Washington. From 1984 to 1991 he was legislative counsel for the Washington office of the American Civil Liberties Union. He co-authored *The Right to Religious Liberty*, the basic ACLU guide to religious rights. He writes frequently on the subject, and he is very often mentioned in central discussions of the issues we're here to discuss.

He's a member of the Washington and Supreme Court bar. Reverend Lynn earned his law degree from Georgetown University Law Center, and his theology degree from Boston University. So first we'll hear from Stanley Carlson-Thies and then from Barry Lynn, and then there will be some time for questions and answers before the second panel.

I welcome, first, Stanley.

(Applause.)

STANLEY CARLSON-THIES: Good morning. I'm not a reverend, but I am a missionary kid, so I guess that puts us somewhat on a level playing field here.

We are now two years into President Bush's initiative to “rally the armies of compassion.” So what's going on and what's next? I'll talk first about the larger context of the initiative, and then about the path or trajectory that it's following.

So, to start with, the setting. The Bush faith-based initiative is an instance – in my view, a very vigorous instance – of a much broader movement. That broader movement is a decades-old and international initiative to wrestle in social policy with two fundamental questions.

Question one: What's the best collaboration between government social initiatives and the social services of civil society – the programs initiated by non-governmental organizations?

Question two: In that collaboration between government and civil society, what's the best role for faith – for religious groups, for religious practices, and for the power of faith?

If we start at February 20th, 2001, when the White House Office of Faith-Based and Community Initiatives opened its door, or back in January 29th, 2001, when the president signed two executive orders to launch his initiative, then we are jumping too late into a long story of many different efforts to redesign how government and faith-based organizations collaborate. To understand the faith-based initiative, I think, we have to see it as part of this broader movement.

So let me sketch some parts of this bigger picture, and I will mention four points.

Point one: Government funding of expressly religious social service providers did not start with the Bush administration. We all know about Jewish Family Services, about Catholic Charities, and so on, but many people say government funded only the secular programs that were run by these groups that might be religiously affiliated. After all, the rule used to be and ought to be that anything government does or funds has to be secular – isn't that the constitutional requirement?

Well, the truth is that actual practice has not been nearly that spiritless. Stephen Monsma's 1996 study, *When Sacred and Secular Mix*, showed that long before Bush's faith-based initiative, the government was funding child and family-serving agencies that were expressly faith-based, in terms of what they displayed on their walls, prayers over meals, encouraging discussion of religious matters, and giving preference to staff of the same faith and so on.

So despite the theory, even before the Bush faith-based initiative, there was considerable, though inconsistent, history of government funding of expressly faith-based organizations.

Point two: Deliberate efforts to promote consistency – to make both government policy and government practice hospitable to faith-based based organizations – did not start with the Bush administration.

Take federally funded childcare for low-income families. More than a dozen years ago, Congress wrote the rules in such a way that churches and other expressly faith-based organizations can take part without sacrificing their faith commitments and characteristics.

And of courses, there is Charitable Choice. Since Bush became president, there has been bitter opposition to Charitable Choice in Congress from many, but during the previous administration, Congress and President Bill Clinton four times wrote this language into federal law. So in some key federal programs right now – welfare, community action agencies and drug treatment – when state and local governments get this federal money, they are required to spend it according to new rules to protect the religious character of faith-based organizations and the religious liberty of people seeking help.

So while Charitable Choice is an integral part of the Bush faith-based initiative, the concept was put into law before he ever got to Washington, and, as you might recall, the concept was endorsed not only by Bush, but also by his opponent, Al Gore, during the presidential campaign.

But my point here isn't so much that Charitable Choice has received wide support in the past; rather, because these rules have already been put into law, they are already reshaping practice at the state and local level. That is, Charitable Choice isn't just a debate topic, as it sometimes seems to be inside the Beltway – an idea that can be advanced or dismissed just as you choose. Rather, it is a public policy innovation that's

already reshaping how federally funded services are delivered at the state and local levels.

And according to a range of studies, faith-based organizations that in the past never were partners with government now in many places are receiving government support for their good works, and the sky has not fallen. There have been some problems, some contracts have not been written the way they should be, some organizations have not done everything the way they should do it, but the experience has been positive rather than negative, as far as I can see. The widely voiced fears about religious coercion, massive fraud, and worthless groups displacing expert services have proven to be just that – fears and not realities.

Point three: Initiatives to connect government and civil society in new ways and to give a more prominent place to faith are not unique to the United States, as if such things were simply the product of the Religious Right and the politicians they've managed to lead astray.

Let me cite just one example. I'll quote here from Sojourners magazine reporting in late 2001: “After years of disinterest – with just a touch of cynicism at the political influence of right-leaning Christian groups in the United States – British politicians are suddenly tripping each other up in the race to embrace faith-based communities. 'We welcome the contribution of churches and other faith-based organizations as partners of local and central government and community rule,' announced the Labour manifesto at the recent general election. Not to be outdone, William Hague's Conservatives promised to 'end discrimination against faith-based community groups.’” That sounds familiar, doesn't it? But these are British politicians, not Bushies.

Point four: Conceptions of the proper relationship between church and state, between religious organizations and government, have been in flux in the United States for many decades. That is, there was no long-settled consensus which the Bush administration arbitrarily started to overturn. The U.S. Constitution, of course, forbids the establishment of religion, but on into the 20th century, Protestantism was informally established, as the historians say. After World War II, as the nation became more religiously diverse and the federal courts increasingly acted to secure national constitutional values, that informal Protestant establishment was replaced by the concept of no aid to religion and a strict separation between church and state. The government was not to support anything religious.

However, as we've seen, practice was not as rigid as that theory, and the Supreme Court has been notoriously of multiple minds about church-state questions.

And there is a problem with the no-aid idea. After all, while many social service organizations are secular, many are inspired and shaped by religion. The no-aid concept tells government to support only secular programs no matter which ones are most effective, but such a secular bias violates equal treatment and can't be readily squared

with the constitutionally required respect for religious liberty – or with good social policy, in my view.

Thus, for several decades we've been in the midst of debate and experimentation about how to go beyond no-aid, strict separationism. E.J. Dionne, in a perceptive article in the Sunday Washington Post in late 1999, said this: “Today's commotion is rooted in a new fear – that the combination of legal decision and cultural trends has marginalized religion more than is either necessary for religious freedom or desirable for the country. In creating what Yale Law School professor, Stephen Carter, called 'the culture of disbelief' in his book of that title, the country seemed to replace old prejudices . . . with a new prejudice against belief itself.” Of course things have changed a lot since then. But, E.J. said, we are now in a “third stage” of church-state relations, involving a “renegotiation of boundaries.”

And I think that's exactly the setting of the Bush faith-based initiative – our current stage of church-state relations in which the boundaries are being renegotiated. That's a process that started before the Bush administration and, in my view, will continue after it. Renegotiating the church-state boundaries is one key part of renegotiating the relationship between government and civil society, and such renegotiations are taking place in many countries.

In other words, we can best understand the Bush faith-based initiative if we see it as part of this decades-long, multi-nation process of reconfiguring how government responsibilities are carried out, what's the appropriate place of religion is in the public square, what kind of policy is required in a nation comprised of multiple religions as well as secular convictions, and how government services can best be related to private efforts to help needy neighbors.

There are, and will be, many different views of how the various relationships should be renegotiated. The Bush faith-based initiative is not the only way to respond, of course, but looking at the big picture will keep us from thinking that the initiative is arbitrary action that arose without any good reason.

Now on to my second major theme about the trajectory or path of the faith-based initiative – a way to think about what's going on and what will happen next.

Many people, and not least many reporters, think the Bush faith-based initiative is a series of laws and programs designed to benefit religious organizations. So we get a picture of the faith-based initiative proceeding by fits and starts: Now there's a faith-based initiative because the House is battling over H.R. 7, and now the faith-based initiative has disappeared because the Senate decided not to take up the CARE Act last year; but wait, there's the faith-based initiative again because the CARE Act has been reintroduced in the Senate, and on and on. But in fact, the Bush faith-based initiative, I think, is more accurately regarded as a government reform effort that has a legislative agenda.

The Washington Post backed into the right idea in an editorial about the announcement in the State of the Union speech about federal funds for vouchers for drug treatment services. Here's what the editorial said: "Slowly we are seeing Mr. Bush's new strategy for his faith-based initiative. Once, he tackled it head-on, as a centerpiece of his compassionate conservatism. He did it by supporting, say, increased funding for faith-based groups or tax deductions for charitable contributions. Now he seems to have retreated to something more like a 'reinventing government' strategy, using executive orders and rule changes. For him, this has the advantage of tackling bureaucratic hostility to faith-based groups. But for the nation, it has a great disadvantage of ducking debate on the thicket of central constitutional principles involved." [Feb. 10, 2003]

I think the editorial has some flaws. For one thing, you know, no one is or can be ducking debate on the church-state issues. These debates have been going on for decades in Congress, between advocacy groups, in the pages of law reviews, in court rooms high and low, inside the administration and everywhere else. And the idea that the president has retreated to a reinventing government strategy, I think, is 180 degrees off. In my view, the initiative has always been a reinventing government strategy. There is no retreat, but the Post editorial was right to call attention to government reform in place of the conventional focus on legislative agenda.

For sure, government reform is not the whole story. One goal has always been to use the bully pulpit to encourage greater private giving to charities – partly through law and partly through his speeches. This part of the initiative has turned outward instead of inward to improving government's own operations. And the administration, of course, has promoted particular programs – the voucherized drug treatment idea, mentoring the children of prisoners, the compassion capital fund grants to expand the ability of technical assistance intermediaries to equip small groups to improve their fundraising, management and programs.

Yet from the start, the primary focus of the Bush faith-based initiative has been on improving government operations. That means it's not a movement to trash government or simply to dump federal responsibilities on the doorsteps of churches and charities. Instead, it aims at reform, at improving the government's operations and impact. Our federal, state and local governments spend hundreds of billions of dollars on programs to uplift communities, divert youth from crime and drugs, move individuals to self-sufficiency and so on. How well are we doing? Well, clearly there is much room for improvement.

The president has proposed that one reason these programs have not been more effective is because they have ignored or not adequately taken account of some of the most important forces in civil society – groups that already, on their own, using their own resources, with few resources – labor hard on behalf of their neighbors. These groups that he calls "neighborhood healers" – both faith-based and secular – are intimately involved in the lives of families and neighborhoods that need assistance, and they go beyond material needs to address values and hopes, and habit, morals and the spirit. So one aim

of the faith-based initiative is to make sure these kinds of groups can partner with federal efforts.

There is a related motivation: The administration's conviction that the exclusion or uncertain inclusion of faith-based groups from federally funded programs is due to a mistaken and obsolete reading of the constitutional requirements. Equal treatment and a level playing field – these concepts better implement the twin constitutional requirements of no establishment and religious liberty than does the old idea of no aid to religion. In this sense, something like the faith-based movement is not only permitted by the Constitution, but required by it.

So, how to build better connections between government programs and neighborhood groups, how to ensure equal treatment of faith-based organizations – these are not so much questions of grand legislative strategies as of government reform, of reinventing the way the federal government works across the sweep of its social service programs and reaching into how state and local governments use federal funds to provide services.

So a few new programs have been proposed, a bit of legislation has been highlight, but if you want to know the heart of the Bush faith-based initiative, you have to look elsewhere, I think. Read the executive orders establishing the White House Office of Faith-Based and Community Initiatives and the centers – now in seven federal agencies. Look at the recent equal treatment executive order and that foundational document Rallying the Armies of Compassion. Read *Unlevel Playing Field*, which we introduced here in 2001, pointing to the series of illegitimate barriers put in the way of faith-based and community groups by federal policies and practices. Look at the proposed regulations introduced by HUD and HHS to modify the rules of certain programs and to implement the Charitable Choice language that Congress enacted. And don't forget the President's Management Agenda issued in 2001 that included a specific focus on faith-based and community initiatives as part of what the president called “a bold strategy for improving the management and performance of the federal government.”

So what's been going on with the faith-based initiative and what will happen next? Well, since I left the White House Office of Faith-Based and Community Initiatives, I'm not privy to their specific plans – you'll have to ask them – but the trajectory of action, I think, is plain. When federally funded programs obstruct participation by faith-based and community groups; when federally funded programs don't share information, like technical assistance, effectively to such groups; when the design of federal programs disregards the good works done all across the nation by religious and secular neighborhood healers, then Bush's faith-based initiative will be working to identify the specific causes of these obstructions and to propose solutions. Reform may require legislation. There has been some; there will be more. It may require changed regulations, as we've seen. Perhaps just new guidelines instead or updated legal advice, or administrative program redesign, or the inclusion of fresh expertise on grant review committees, and so on.

The focus is improving governmental operations, making sure that federal social service spending actually makes a positive difference in the lives of people who need the help of others. Making the government faith friendly is a major part of that strategy – faith friendly, not biased towards faith and against secular providers. Being faith friendly is important because that's what the Constitution demands, and government ought to be faith friendly because so much social service work is performed by faith-based organizations. If government is going to do well, it needs to partner with others who are doing well out in the community.

So I say, don't wait for grand legislative gestures. You should think about regulatory change, retraining grant officials, redesigning government Web sites, rewording public announcements about grants and contracts, new legal advice, the revision of overly bureaucratic procedures.

I think the Bush faith-based initiative is a reinventing government initiative. It's just that this president believes that better services for the needy can only be achieved when faith-based groups have full opportunity to partner with the government.

Thank you.

(Applause.)

BARRY LYNN: Thank you very much for having me here.

Two years ago, when President Bush first announced his faith-based initiative, I told an interviewer that it was the worst idea since they took King Kong from Skull Island and brought him to New York. And I would now like to apologize to King Kong, because the president's program is infinitely worse. (Laughter.) Now having achieved a cheap laugh, I'd like to try to prove that what I've just said is correct.

Even though the president's program was never implemented legislatively, never passed Congress, it certainly is being implemented in a kind of stealth atmosphere. Virtually everything, though, that has happened in the program demonstrates what I'd consider unfortunate – either intended or unintended – effects of any government-funded religion program. All the particular problems find their genesis in a fundamental design flaw, which is the idea that you can protect constitutional interests by simply proclaiming that public funds may go to religious groups so long as they are not used for religious instruction, worship or proselytization. The kind of magic formula, as often phrased by administration officials, is that tax dollars, they say, will be used to buy bread, not Bibles. This conveniently ignores, though, that the government does fund religion when it funds some loaves of bread for the church-based hunger program, because it also, in the process, frees up more church funds to buy scriptures or to increase the salary of the pastor.

Moreover, it's not possible for most religious groups to turn off the religious element of what they are doing when a federal dollar floats by, but turn the spiritual

spigot back on when it is a voluntarily contributed dollar. So the matter, in practical effect, in most cases, is that grants or contracts with pervasively religious groups do aid, do promote, do foster religion with tax dollars, violating a core principle of the First Amendment. And in the process, those funds promote the theological assumptions, the spiritual message and the biases of the recipients.

So to Stanley's four points, I'll see him and raise him two – (laughter) – but because I am a minister, of course, I don't know what that analogy even means. (Laughter.)

The first major problem is this: The administration has made every effort to legitimize the funding of invidious job discrimination. In every set of proposed regulations, in the president's December executive order there is clear language that permits a recipient to hire persons to run taxpayer-funded programs solely on the basis of their religious affiliation or beliefs. This means that a Roman Catholic provider can refuse to hire or fire at will a pregnant, single mother. It effectively permits a fundamentalist Christian church from putting the words “No Muslim Need Apply” on top of its employment form.

The president asserts this is designed to protect the integrity of the religious identity of the organization, and, of course, private religious groups can make such employment decisions with privately solicited funds. However, the constitutional and, I'd argue, the moral calculus changes when tax dollars enter the equation. It was wrong to create a system where you can be taxed to help pay for a job you cannot get even if you are the most eminently qualified person for that position. I've never found that a Methodist ladles out the stew in a soup kitchen differently from a Hindu, nor do Baptists change the bed sheets in a homeless shelter using a different methodology than do, let's say, non-believers.

The administration has literally poisoned the employment pool, aiding and abetting state officials who want to dole out tax dollars to discriminating organizations. For example, the Lambda Legal Defense Fund now represents Alan Yorker, a psychotherapist who wanted to work at the Methodist Children's Home in Georgia. The home functions as a residential foster care facility and is 40 percent funded by state taxpayers. When Mr. Yorker arrived at his job interview, he was asked to fill out a form. He placed the name of his rabbi and synagogue in the spaces labeled “pastor” and “church.” When the Home's administrator reviewed it, “Oops,” she said, “we don't hire Jews.” Another employee had been informed that that home's practice was to, “throw in the trash” resumes with Jewish-sounding names. Folks, that is morally wrong. If you get government money, you have to be open to hiring the best-qualified person without regard to your religious opinion of him or her or the life he or she lives.

Second, there is a growing doubt about who will, in fact, be getting funds in this program. When George Bush was campaigning for the presidency, you may remember, he said that groups promoting hate would not be eligible, specifically mentioning the Nation of Islam. White House official Stephen Goldsmith has said that Wiccans could not

get funding because they were not, in his words, “humane” enough to provide childcare services.

In America, we can personally have all kinds of biases about other religions based on our own theological differences. We know that just by listening to Jerry Falwell. I mean, he, on a regular basis, has opinions about everybody – Mohammed is a terrorist, Mohammed is a virulent man of war. I once had to remind Jerry Falwell on Hardball that there are actually people in America who thought that he was a virulent and hateful person. We can do that as individuals, but as government, we don't have an opinion and we shouldn't.

I cringe at the very idea that the government will put together lists of acceptable and unacceptable religions on the basis of the passion of the rhetoric or their idiosyncratic nature of their beliefs. Government seals of approval for faith serve as just one exemplar of how little this administration understands about the First Amendment to begin with.

The flip side of this is that groups that are being courted by politicians can all of a sudden become the beneficiaries of government largesse. Now, sadly, we don't need to speculate about this anymore; it has already happened. Last September, the secretary of Health and Human Services, Tommy Thompson, announced 21 grants out of the Compassion Capital Fund, a program which was set up solely for the purpose of funding technical assistance programs so that small charities could learn how to apply for all kinds of grants. Over 500 grant applications were received. Imagine my surprise – I thought I was being fooled – when I discovered that one of the winners of these grants was the Reverend Pat Robertson's Operation Blessing, the beneficiary of over a half a million dollars. Could it be true that the most controversial TV preacher in America, who said that Americans had caused the World Trade Center attack, and who says that Hindus are really devil worshippers – he was being funded? That Pat Robertson, who has a billion-dollar endowment for his university alone was getting one of these 21 minor grants? Operation Blessing, of course, is a tad controversial itself because it was caught diverting its medical missionary planes in Africa in order to pick up equipment for Pat Robertson's gold mining operations in Zaire. Only a payback of the money into the right bank account stopped the potential criminal prosecution in the state of Virginia.

Anyway, so Mr. Robertson's group is going to get this money. Half of it he will use himself, the rest will be distributed to other groups. Now because there is no real oversight of the sub-grantees, we don't quite know where it's going to go or how it will be used, but here's my hunch: None of it will go to Hindus.

I don't want to beat up on Pat Robertson excessively – (laughter) – but his grant does prove another thing, a curious point about the insidious nature of this whole initiative. When it was first announced, it was not just Barry Lynn who had problems with this program, it was also the Reverend Pat Robertson. He warned that any group that took federal funds would end up finding it to be, in his word, “a narcotic.” He doesn't say that any more. It's difficult, you see, for a religious institution to be on Caesar's dole and

still be critical of Caesar. How loud is the prophetic witness of the religious community going to be when the microphones are purchased by the state?

The third trend is that the faith-based initiative is becoming a perfect example of how government's try to palm off on private groups the problems they can't or won't fix themselves. I used to predict, as Stanley reminded us, that this plan would amount to dumping the poor on the church steps one day, dumping a small bag of money there the next day, and then praying that the two find each other.

I didn't think that was a wise idea, but from the very outset the president's program contained little, if any, new money. He wants to pit the current providers against a raft of new faith-based providers for the crumbs from an increasingly small sliver of pie of federal funding for human needs. In the first year of his presidency, some of you know, he zeroed out an entire program for inner city development. Nothing has changed. In the new budget, about 400,000 people may be kicked off the low-income fuel subsidy program, which of course primarily helps people heat their homes in the winter. Now think about this. If it's too cold in your apartment because you have lost your home heating subsidy, why should we be impressed if a small percentage of the newly homeless will be taken in by a federally funded, faith-based homeless shelter? That is not compassion; that is just stupid.

Fourth, the blatantly political nature of this whole effort is now abundantly clear. It's even clearer now that we have the first faith-based director, John DiIulio, issuing that scathing critique of the White House "Mayberry Machiavellis" – his term, not mine – in Esquire magazine. The administration has been setting up how-to seminars to lure people, particularly African-American pastors, into hearing about this faith money, as one of their spokesmen calls it, and actually trying to convince them they might get some of it.

There was an overwhelmingly suspicious pattern about these meetings in advance of the recent elections. They were overwhelmingly being held in congressional districts deemed pivotal in the Republican effort to retain control of the House, or in states like Florida, with highly competitive gubernatorial races. In South Carolina, where this faith-based event was actually co-sponsored by the state Republican Party, the Democratic Party's invitation apparently got lost in the mail.

Now this is the worst of politicizing of the church. This administration knows, though, that the church, like everybody else, can be tempted, and sometimes it gives in. Every time I would talk about this pattern prior to the election, Mr. Jim Towey – an old friend – or somebody on his staff would deny that this was happening. But do you know where Mr. Towey was on election night 2002? Well, according to The Miami Herald, he was watching the returns with Governor Jeb Bush and his family. I think that makes the point.

Fifth, the administration is already paving the way for implicit and explicit restrictions on the content of religious programs that will be eligible for funding. For example, several grants have now gone to Christian groups for strengthening marriage.

Marriage is a sacrament in most religious faiths. When a government funds a program that teaches that divorce is never acceptable in the eyes of God, doesn't this, in fact, give some kind of government blessing to certain theological beliefs? It's absolutely inevitable that grants will eventually be awarded after a review process which includes consideration of the theologies which under-gird the potential recipients' programs. That's a bad idea.

It's already occurring in regard to other programs. Outside the religious arena, funding for community-based sex education programs, of course, only goes to those that preach abstinence only before marriage, not just that abstinence is preferable. One program in Louisiana has been successfully challenged in federal court because tax dollars are paying for a blatantly fundamentalist curriculum. But if we go one step further and restrict the content of a program run by a faith-based group, you are effectively giving preferential treatment and funding to some theological viewpoints over others.

It's not only liberals who worry about this. Joseph Farrah, a pretty conservative columnist, complained recently that some faith-based money might end up going through the Department of Energy to religious groups that have left-wing environmental views. After all, he said, many denominational structures actually believe in global warming. Can you believe that!? The National Council of Churches got behind that "What Would Jesus Drive?" campaign, which of course was a challenge to the auto industry's apparent belief in the God-given right of every man, woman and driving-age child to own and operate an SUV. They were behind that stuff.

Here is another example of the danger where we have people battling over whether we can have a system that makes funding decisions even in part based on parallels between an administration's secular policy goals and the theology and ethical understanding of potential religious recipients. I don't think so.

We now know that the president wants to help more people with vouchers who happen to be addicted. They can use the vouchers so they can go to any treatment program they want, including those that believe that addiction is sin, pure and simple, and reject even a medical component to their programs. The Louisiana-based group the president praised in the State of the Union address is in that category. Again, though, we cannot afford, and constitutionally are not permitted, to fund religious conversions, even if that has a temporary side benefit of stopping a person from abusing an illicit substance. The successful court challenge of one of Wisconsin's "faith works" programs makes that very clear.

Of course, we don't know whether these untested programs even have that secondary effect of helping people, but to this administration, the facts really don't seem to matter very much to begin with.

And how in the world is a homeless street addict supposed to know where to go with her voucher to get real help? Do they think that US News and World Report will do an issue on best addiction programs, like they now do one on best graduate schools? I

don't think so. Many of us have worked in our careers at one or more times with persons with addiction challenges. These are frequently people for whom the very idea of choosing services is absurd on its face. Of course, this is the same administration that believes if we just privatize Social Security, my 88-year-old mother could go back to picking stocks to pay for her stay in the nursing home.

Sixth, and finally, we have mounting evidence that significant damage is being done to current ecumenical efforts and other community initiatives. One example, in a public display of animosity, two African-American leaders in Louisville, Kentucky, had a difference of opinion about the value of the faith-based initiative. It started as letters and spilled over into the press. One labeled the other “a hustler and a Judas,” while the other responded that his critic was “discombobulated,” “had probably never read the Bible,” and was actually “Judas himself.” So much for the harmony among the peoples of God.

In a second incident, a homeless shelter for veterans west of Boston was told that its federal grant was being cut so substantially that almost 50 percent of the beds would be eliminated. Their lost funds were now going to be going to several faith-based shelters – not near Boston, although one was in Utah and one was in North Carolina. A veterans' activist told *The Boston Globe* bluntly that this meant more people in Massachusetts would be out in the cold and, “more people will die.”

This is what happens when you look at the wrong problem in the first place. The problem in America is the crying need of human beings for help from somebody. It is not the false claim that faith-based organizations have not had a level playing field so we should make up for it by punishing secular groups that are doing their job. The whole program is so tempting, though – even if you believe everything I've said. The State of the Union address made it clear when the president started talking about some of the unmet needs – AIDS projects in Africa, hydrogen-powered cars. We know that the American people are never going to support the level of taxation necessary to pay for all of those programs and all of the programs all of us want, and therefore we must keep private philanthropy alive and well.

I remain very concerned that one of the unintended consequences of the faith-based initiative will actually be a reduction in voluntary faith-community giving to others. If Uncle Sam is paying for the Wednesday night dinner for the homeless in your church, won't a few of your parishioners think about skimping on their pledge next year? And how do you get it back when Uncle Sam likes the Methodist program across the street more next year than he likes your program this year?

I always like to be candid; I just don't like the faith-based initiative. (Laughter.) I wish it would crawl back in a hole, and I think it would do less damage to the integrity of our civil rights law, to the First Amendment and to the faith communities of America. I just think it's about time people who are sensible and committed reject the idea that the president's armies of compassion can get their marching orders from the church, but their rations from the American taxpayer.

Thank you.

(Applause.)

MR. NATHAN: I think this microphone works, so we're going to now have some questions for our two speakers, and can I ask E.J. to ask the first question?

E.J. DIONNE, JR.: Yes, I want to thank our two speakers. Thank you, Barry, for being so restrained in expressing your views – (laughter) – here today. I was wondering as Barry was speaking the words “I don't want to beat up on Pat Robertson excessively” – how many of those words did you actually mean? (Laughter.)

And I also was struck when Stanley praised journalists by saying that we had backed into the right idea, which I suppose is better than saying we drove headlong into the wrong idea.

I want to pose a couple of questions. But we also want journalists in the audience to get the first crack, and I specifically want to ask is Cathy Lynn Grossman here from USA Today? The reason I say that is because Cathy was very patient at one our meetings and was not called upon. When we get to the questions from the audience, if our journalistic friends, who actually may need to write stories – if the rest of you could give them a chance to ask the first question, and then we'll move on.

I want to ask parallel questions to each of you, and I'll start with Barry. What I don't understand fully is that we now have Medicare and Medicaid going to religious hospitals; we have government student loans going to students who go to Notre Dame, Baylor, Yeshiva, all kinds of religious institutions; there has been, as Stanley pointed out, lots of cooperation over many years with Catholic Charities, Lutheran Services, the Jewish Federations; the Child Care Act provides an awful lot of money – government money – to church-based childcare; and that Methodist home you talked about being funded with state funds, I doubt that has anything to do with the president's faith-based initiative. The question is, Why is this initiative so different from what has gone on before?

And I'll flip that around to Stanley and ask, Is this really as big a program as it looks, or is the administration, for its own reason, making it look bigger than it is?

MR. LYNN: Yeah, I think the big difference is that under the rules, before we started to change them in whatever administration you want to blame most or first for doing so, people understood that if a specific program in their institution received tax dollars, that whole program could not engage in religious advocacy or instruction or worship, but you had to segregate in time and space those programs from others. That's why even the Salvation Army, which is a religious denomination and got hundreds of millions of dollars in its modern history from the government, did not take money for its counseling programs because it wanted those counseling programs to include its religious elements. So it did segregate.

Secondly, and just as importantly, nobody until recently thought that you could actually hire people, not on the basis of their competence, but on the basis of their religious affiliation and belief, if, in fact, you had a government grant or some government contract to do it.

This administration – and I think this is the fundamental answer – this administration is willing to take away the most important firewalls that prevented a complete co-mingling of the funds of the state and the church, and sees no real problem in it, expressed most vividly perhaps in a proposal they made – it's still in the comments stage – to actually build parts of churches and other faith-based organizations. And the idea is that you can buy roofing tiles to the percentage that the roof is covering secular and religious services; if it's 40 percent secular, you can buy 40 percent of the tiles with tax dollars. Now, the Supreme Court, back in the '70s, rejected that dual-use idea, even for buildings on college campuses.

Getting to the college campuses, none other than Justice Antonin Scalia – who, as I'm sure you know, is my favorite justice on the Court – made a recent trip to a Catholic university. He came back and, as he often does, he spouted off about what his impressions were. He said, You know, it seems to have lost its character of Roman Catholicism. Good point. I think part of the reason so many universities have lost their character is because they've been taking so many government funds – so many grants, so many contracts – that it does began to desacerelize those places that were sacred. Thus, I think this is a bad idea. Whether you're looking at it from the perspective of the church or the state, it's fundamentally flawed in major new ways. Not that all those old ways were perfect, but they were sure a far sight better than what we're seeing now.

MR. DIONNE: But just a quick follow up, then I want to go to Stanley. It seems to me the logic of your position would say that there is something wrong with giving a government student loan to a student at Notre Dame but not to a student at the University of Michigan – football fans take note. Then, if one followed your logic all the way down to the end, you would actually say, No, you can't take a government student loan to go to Baylor and Notre Dame anymore. Is that fair?

MR. LYNN: No, I think if I were to rewrite the rules about Pell Grants, for example, I wouldn't give them to pervasively religious colleges and universities. There aren't very many of them left that are out there, but I think I would exclude them, and I think the Constitution would support that.

MR. DIONNE: How would you pick out what's pervasive and what isn't?

MR. LYNN: Well, generally they tell you. I mean, people are very honest about what they're doing. In general, they tell you whether their institution is or isn't capable of running a secular program. Some of these groups in prisons – not the one we've recently sued, but other groups in prisons that do ministry – say, Look, folks, it's ministry; that's what it is, 24-7. We're not taking government money for it because we don't want to inhibit it.

So I think they are often very honest about what they do. I think you can draw distinctions between colleges and more vulnerable populations, whether those are elementary school children or people with addiction challenges or any other group, but I think the fact that you can take this line farther than even I might go doesn't mean we should move the line in that direction. I think we should be moving it back in the other one.

MR. DIONNE: Stanley.

MR. CARLSON-THIES: Well, I find that fairly troubling. This is a nation in which it's completely constitutional and legal to believe deeply religious things, to exercise that in your work life, to be educated that way and so on and so on. And the United States is comprised of many people of many different faiths as well as secular convictions. That's the way they carry out their lives, and the choices they make and the way they vote, and everything else. And it seems to me what we have to be finding is ways to better accommodate that rather than to say, Well, we're going to draw a line. Some of you, we just think you're too religious; you go in the corner someplace. I don't think that's necessary. I don't think we've actually done that in the past. We really are in the stage of trying to figure out, Is there a better way, a better place to cut the line? Is there a better way to balance these things out?

You mentioned the importance, with the Salvation Army, of separating their religious instruction in time and space from the government-funded programs. Well, that's exactly what the Charitable Choice says, and part of the dispute about that has been, Is that actually a good thing to do to programs that have an integral character and that's based on what will best help people? And that's why people are turning to things like vouchers, which the Supreme Court indicates you don't have to make that kind of a juggling act.

So I think this is not something entirely new. I think this is trying to decide, Is there a better way to put these things together than we've been doing in the past, given that there have been, in the past, a lot of things that didn't fit in the model? And there's no good reason, in my view, to say, If we just were more strict, then we would solve this problem in a better way.

MR. DIONNE: I want to give the audience a chance to ask questions, but I may come back in because there are lots of questions I'd like to ask these two smart folks. First, anybody from the press who wants to jump in right away?

Yes, sir.

Q: Hi, my name's J.D. Smith. I'm from Substance Abuse Funding News . Is there any data to support that FBO substance abuse treatment programs work well enough to warrant a three-year, \$600 million voucher program?

MR. DIONNE: Stanley?

MR. CARLSON-THIES: That research is going on at the moment, and here's an area in which, exactly, I think a lot of faith-based programs were kind of, by their own choice, by the choice of secular researchers and so on, put off in a corner and not examined. And so that's just started to be done in a really extensive way, partly under John DiIulio's work up at the Center for Research on Religion and Urban Civic Culture, or something like that.

There has been some preliminary work done on Teen Challenge. Of course, there are a lot of people walking around, including staffing some of these organizations, that seem to be entirely different afterwards than before, and I think that's partly why people say, when I see with my eyes, I see some evidence we need to have peer-reviewed research and so on.

You know, in these voucher programs it's never you just take it wherever, and let's hope it works. There is always a qualification that's going to happen, and that's going to be one of the things that has to be wrestled with here. There are many unconventional programs out there that do drug treatment and prevention, and help people stay off drugs. There are many well-certified programs that don't seem to do such a good job. I think one of the tasks for SAMHSA [Substance Abuse and Mental Health Services Administration] now is to sort out, Is there a better way of evaluating a program that's not so much by certification or educational levels but by what works and what result they have? And I think that's what they're wrestling with right at this moment.

MR. LYNN: My answer would be a little shorter, I guess. The answer is no, there is no data like that, and apparently this administration doesn't much care. How can you imagine changing a social service delivery system that the president admits is missing hundreds of thousands of people every night who want help and don't have it, but divert a big chunk of that funding to untested programs that you like because somebody who is "walking around" says they're good? That is an absurd way to use science, technology, common sense and logic in deciding how to distribute scarce funds. We all know that if the president got every nickel he wanted for some program, there would still be hundreds of thousands of addicts on America's streets.

MR. NATHAN: Before we go to the next question, let me just make a comment that's suggested by this really good exchange, and thank both the speakers for their remarks.

There are a lot of questions here: What's really different? What's really going on? And I listen to this, and as I talk to both the speakers and people who are focusing so on this subject now, even though it's been out there for a while, I want to particularly make a comment, appropriate at Brookings, that we have a lot of things we need to know more about to judge and take next steps.

It's my role here for just a few minutes – E.J. will tell me or Melissa will, when we should switch to the next panel – but to take the next question and also to continue. As E.J. said, for people who are from the press, we go first with you.

The question back there.

Q: I'm Bob Abernathy with Religion and Ethics News Weekly. Could you talk about the money? How much money is going to social service work? Is there any more that's gone overall as a result of the faith-based initiatives so far? Is money being taken from non-faith-based groups that have it, or had it, and given to faith-based groups? What's happening, overall and, specifically, about the money?

MR. NATHAN: Who should go first on that? Stanley?

MR. CARLSON-THIES: Oh, yeah, that's an excellent question. I worked at the White House Faith-Based Office and all the time we sat around deciding which group would get the funds. (Laughter.) Of course that's not how this works. We are talking about a federal and state and local contracting and grant-making process in which Congress, partly because of what the president says, partly because of their own interests, allocates a bunch of money to these agencies, and they spend it directly – a little bit of it, the federal government; most of it goes to state and local governments which then, in most cases, turn to non-governmental providers for services. And it's Congress and the president who wrestle with what that total is. They send it out through that system. The question is, Who at the other end is eligible for that money and who takes part?

And, yes, it is the case, I would judge from some of the preliminary work that's begun, that some providers who used to get funds don't get it anymore – apparently that happened in the Veterans Administration – and some other providers are getting it. I would hope that would happen annually, as officials look at programs, decide which ones are working and which ones aren't working. Do they always make great choices? My guess is not. One of the things that became clear when I worked on the Unlevel Playing Field report was that the federal government, as well as our state and local partners, don't spend a whole lot of time evaluating grantees and contractors for the effectiveness of their programs of any kind. And actually, now that the faith-based competitor is coming in, there has been more of an emphasis on evaluation. I think that's all to the good of those people that the money is supposed to help.

MR. LYNN: Bob, I think part of it is an unanswerable question because we don't know what the effect of spending appropriations for this year, for example, will be – a year when there's more potential for this diversion. But I'm shocked that Stanley says, Well, yeah, it's okay; it's good that some people that got money before don't get it now. Well, it's not good for 50 veterans in Boston to find that their beds are no longer available unless they go to Utah. That can't be a sensible way to deal with genuine human needs in this country; it can't be. And if we don't evaluate outcomes, if we don't look at whether

the program's doing any good, then certainly the solution is not to give more money to those organizations that are completely untested in the hope that they might do better.

MR. NATHAN: Let's take the next question.

MR. DIONNE: I want to ask you a question because I think Bob's onto a very important issue, which you guys are trying to study. I want to welcome you back to Brookings, by the way. I think it will be very difficult to answer that question for some years because so much of this money flows, first of all, to states, and some of it goes to smaller agencies. How are we going to answer that question?

MR. NATHAN: Well, one of the things we're doing is that we have what we call a state scan. We have a person in every state asking questions about what state policies are changing and how state contracting practices and interpretations and purposes are changing in relation to what we talked about today. And Stanley made that point. And Barry made a point which also is – I'm glad it's a comment on here – he used the word outcome. What difference does it make? I mean, that's a question that people like me like to, first of all, discuss. Can you ask it and can you answer it? But second of all, to try real hard to do that – and I think that's needed, and there are some things we're trying to do, and other people are trying to do, to ask the question, What difference does it make? In what kinds of situations? Are certain kinds of faith groups most able to communicate and achieve purposes?

Melissa, you put your hand up like maybe pretty soon we should shift over – David Wright's nodding. Should we take one more question or should we go – take one more question. Right back there, and then we'll go to the next panel. The woman back there with your hand up.

MR. DIONNE: Could we just double them up quickly so both of them can get in, and then we'll –

MR. NATHAN: So both ask your questions and then the two speakers will comment, and then we'll shift gears. Thank you.

Q: Hi. I'm with the Nations' Cities Weekly, which is a publication of the National League of Cities. The question to the panel is about the voucher issues. According to the proposals, an individual may take a voucher as long as it is the genuine and the private choice of the individual, and actually use it at a pervasively sectarian place of worship to either get their drug treatment program or something like that. Later on in the proposals, both in the SAMHSA, CSBG and the TANF grant, it also says, however, if an individual gets into a program and they object because of the religious nature of it, that they would be entitled to the local government then providing them an alternative service.

Notably absent in the proposals, and indeed in anything coming out of Congress, is funding for the alternative programs that local governments and others are supposed to provide. And so my question is, A, whether through the voucher program, which would

permit individuals to use it for a religious program, how does that affect local governments' standing in terms of concerns for liability for basically endorsing religion, if that's possible? And the second question is whether or not the administration is planning, subsequent to these rounds of proposed rules, to provide funding for a local government so that they can fund those alternative service providers in the event individuals object to the programs that they've been placed in?

MR. NATHAN: So we will hear the second question, and then we'll give both speakers a chance to comment – final comments. Wasn't there a second question?

MR. DIONNE: The gentleman right behind you.

Q: Billy Terry from the National Congress for Community Economic Development. I had the honor of serving with Father Joseph Hacala and Secretary Andrew Cuomo in the Clinton administration in our efforts to have a formal faith-based office. And one of the things that we also attempted to do was get a grip on faith-based organizations who were, in fact, winning contracts to provide various services. But one of the problems is in the process of applying for a grant, there is no distinction – there is no faith-based box, if you will, to check, so you can distinguish faith-based applicants or awardees from other secular entities, which leads me to my question, which is rather sophomoric, but, What is a faith-based organization?

At NCCED, we are advocates of a separate 501(c)(3) from a house of worship, which would then fall in line with other non-secular – non-profits have to fall in line with, then, what have you, but when we say faith-based organizations, we are in fact lumping houses of worship themselves with non-profits created by houses of worship. So what is a faith-based organization?

MR. DIONNE: That's not a sophomoric question; that's a profoundly philosophical question.

MR. NATHAN: Barry?

MR. LYNN: Well, let me get a start on these. On the voucher issue, the fact that the Supreme Court, by a five-to-four decision last June, authorized the use of vouchers in certain school contexts does not mean that vouchers for these social services are automatically constitutional, because in the context of public schools, you had a baseline, a guarantee for every young person in America that he or she can go to a public school – there's a base. And the question was, Did the Cleveland voucher plan add enough alternatives to the cafeteria so that it was a genuine, independent choice? And a majority of the Court thought, yes. Some of us didn't think so, but they won and we lost.

But when it comes to addiction, there's no guarantee in any state constitution with which I'm familiar that guarantees that if you have a substance abuse problem, you get to be helped. We have no baseline or guarantee of support. And that's why I think the analogy with public school choice and choice in this context is completely off the mark.

This is about whether we're going to have – once we establish secular programs for everyone, then we might be able to talk about whether you could give some kind of religious alternative in that context.

The question of what's going to happen – those local entities that do engage in activities giving money to local and pervasively religious organizations are going to, I suspect, get sued. Sadly, that's how many of these issues may get resolved. Of course, if the government felt that you must set up a secular alternative, and they don't give you the money to do it, they used to call that an unfunded mandate. Conservatives were against it; now, apparently, they're in favor of it because there's certainly no way that the money is going to come to do it. When will it come?

Erskine Caldwell has this book called *God's Little Acre*, about a tobacco farmer who's very lazy and never quite gets to doing the job. In the end of the book he sits – he's asked by his daughter, I think, When are you really going to get around to doing it? When are you going to start farming? And the old fella thinks for a minute, sits down on the porch and he says, “Tomorrow.” In other words, it's always going to be tomorrow because this government is not committed to doing what I think it ought to do, meet real human needs, even if it costs a little more money. George Bush always says, governments can't give us hope. Of course they can; he just chooses not to.

MR. NATHAN: Stanley?

MR. CARLSON-THIES: The sophomoric question – unfortunately it's way beyond that – is a really important one, and also one that, my guess is, no one will ever answer satisfactorily. That is to say, we're working on a continuum here, and there is a good argument to be made, of course, that there are many secular programs that have particular values imbedded in them that, in that sense, are very similar to many faith-based programs. There are some faith-based programs that run programs that are open to people of all kinds of faiths, and how do you slice that?

Having a 501(c)(3) makes no difference. Some 501(c)(3)s are pervasively sectarian; some of them aren't. So that doesn't solve our problem either. We'll have to see what the researchers do as they make some rough and ready distinctions. For most purposes, for the faith-based initiative it doesn't really matter because this is not a program that targets – despite what we've heard today – that targets money going directly to faith-based organizations such that you have to have them identify themselves so then you can say, Oh, you get the money, you're faith based; you don't, because you're secular. So there are some duties and rights that adhere to being faith based. Courts have ways of deciding what those are, but that's an evolution.

I think the voucher question is a very good one. As it happens, in the area of childcare, many pervasively sectarian organizations do provide childcare. And how does that happen? Well, upfront, people know that they have a range of places they can go, and they pick the one that's most compatible with their own convictions. And it seems to me that's the way drug treatment ought to be done as well, rather than saying we're going

to assign people to a secular or a faith-based group, then they discover it's just not going to work, and then they plead for an alternative, and how do you fund that? So I think to step back a bit in the childcare model would be a step forward, and we'll have to see what SAMHSA does as they work with their local and state partners to make that happen.

The reason why there is that little language in there, of course, is because the administration actually is very serious about making sure that nobody gets forced to go to a faith-based organization if they think that's wrong. So they say we've got to provide an alternative. Now the question is, administratively, how to make that happen when there isn't complete funding. I don't think complete funding for drug treatment would mean all the programs ought to be secular. There are just a whole lot of Americans who would object radically to that because they don't think those programs work.

MR. NATHAN: Thank you both. And we go back to E.J. and take the second panel because we're running a little bit –

MR. DIONNE: By the way, if you guys want to stay or can stay, it would be great to have you continue with us and jump in as we go along. So if your schedules permit, we'd love that. Why doesn't the second panel come up, please?

When Barry Lynn talked about all the lawsuits – John DiIulio came to one of our events about a year ago and somebody asked him a question, and DiIulio said, “Sue me on that.” And he then said, In this society – I'm paraphrasing – unless somebody sues you, you're not doing anything serious. (Laughter.) (Inaudible.)

## PANEL TWO

MR. DIONNE: Let me introduce this great panel here. I'll do it in the order I have it here. Anne Farris is a free-lance journalist based in Washington. She is the Washington correspondent for the Roundtable on Religion and Social Welfare Policy. I love that title; you've stuck with a journalistic title. She's worked for The New York Times and The Washington Post. She's been a general assignment reporter for The St. Louis Post Dispatch and The Arkansas Gazette. Here is a test for you. She is author of a book called Test Pilot . What is the subject of that book? It turns out it's not about people who fly airplanes; it's about the Stanley H. Kaplan testing advice company. It's a great title. She recently wrote two reports for the Carnegie Corporation on election reform and immigrant civic participation. She's been a documentary film journalist for BBC Current Affairs in London, and she graduated from Rhodes College in English and got a master's degree in government and urban affairs from St. Louis University. As you can see, Anne has done just about everything there is to do in journalism, and in a lot of other areas.

Fredrica Kramer has worked on social welfare and poverty issues for more than 30 years, focusing on remedial strategies for low-income individuals and families, including cross-program welfare and anti-poverty strategies. She has also worked on welfare and employment programs, especially involving hard-to-employ populations, screening assessment, and work accommodations for individuals with disabilities. She's

worked in federal, state and local government, national non-profit organizations and research think tanks. She's currently a senior consultant at the Urban Institute here in D.C., and continues to consult for other national organizations on poverty and welfare issues.

R. Drew Smith is scholar in residence at the Leadership Center at Morehouse College, where he has initiated and directed a number of projects pertaining to religion and public life, including the Public Influences of the African-American Churches Project, a national research project on the political involvement of black churches, and the Faith Communities and Urban Families Project, a multi-city study of interactions between churches and low-income housing residents. He's published many articles. He is a political scientist and a Baptist clergyman. We have so many people up in this panel that could pray for us. (Laughter.) At any point, please feel free. He got his B.S. in education at Indiana University, an M.Div. from Yale Divinity School, and an M.A and Ph.D. in political science, also from Yale.

And finally, Katie Dunn Tenpas – Kathryn Dunn Tenpas, I should say – is associate director of the University of Pennsylvania, Washington Semester Program. She's a guest scholar at the Governance Studies program here at Brookings, where she's conducting an analysis of the increasing use of political consultants as presidential advisors. And she's also worked on an assessment of the Office of Faith-Based and Community Initiatives for us at the Forum, and is continuing that work, a lot of it in collaboration with Anne. She currently serves on the board of the American Political Science Association's Presidency Research Group, a national organization of presidential scholars. She is the author of *Presidents as Candidates: Inside the White House for the Presidential Campaign*, and she is the author of many articles, including, “Can an Office Change a Country?” – a report on the Office of Faith-Based and Community Initiatives. She received her B.A. from Georgetown, and both her M.A. and Ph.D. from the University of Virginia.

Why don't we just work down – we'll start with you, Katie, and work down across the panel this way. It says five to seven minutes. Bear in mind that four times five is 20 and seven times four is 28 – I've got the math right. That means we can save ourselves about eight minutes if everybody sticks closer to the five than to the seven. Did I get the math right? I think so. Anyway. Katie.

KATHRYN DUNN TENPAS: All right. Thanks, E.J.

As E.J. just mentioned, last year I delivered a report titled, “Can an Office Change a Country?” and it was basically a one-year look at the Faith-Based Office performance. The title was a question, “Can an Office Change a Country?” because at the time, Bush had spoken to religious leaders, and in the talk, he made it very clear that he thought this office could change a country. After last year's report and the conclusions of that report, the answer to the question was an unequivocal, no, that office cannot change a country.

I think much has changed since then, since I wrote that report, and it leads me to make three principal observations. The first is, I hate to say I told you so, but I told you so. Last year's major conclusion was that while everybody was focused on the White House Office, all the action was occurring in the faith-based offices in the executive departments. The real action was, in fact, occurring in the departments. In fact, the most effective efforts regarding the faith-based initiative were conducted in the departmental offices: rewriting regulations, doling out millions of dollars, recruiting faith-based organizations, et cetera. These five, now seven, entities are vigorously promoting the initiative at the national level, promulgating controversial rules changes and doling out millions of dollars to faith-based organizations and intermediaries.

The difference between year one and year two is stunning. Year one involved initial staffing, compiling the audit required by the original executive order, and figuring out how to get started. The learning curve was indeed steep, but by year two, albeit with substantial staff turnover, these faith-based offices in the executive branch have learned the ropes. I think the accomplishments of the White House Office pale in comparison to what is happening in these seven – now seven – faith-based offices in the executive departments.

That leads to my next observation, and that is, How has the White House Office of Faith-Based and Community Initiatives changed between year one and year two? I would say now, as somebody who studies the White House Office very closely, this Faith-Based Office has finally returned to normal. Note that this Office was not designed to implement the faith-based initiative. In fact, the White House cannot execute the law, but recall at the time of the creation of this Faith-Based Office that many expected this Office to move mountains. People were calling Stanley, wondering when their check would arrive, when the president would visit their church. I think the fanfare that marked the creation of this office created dangerously high expectations, but in its second year of life, the Faith-Based Office in the White House returned to normal. What many of the offices in the West Wing and the Old Executive Office Building do best is outreach and promotion. In this respect, the White House Office of Faith-Based and Community Initiatives has retreated into the more normal role that the White House offices fill.

Director Towey is crisscrossing the country to promote the initiative; White House staffers are participating in national seminars in Atlanta, Philadelphia, Denver, San Diego, Chicago – it's the road show – and they are vigorously promoting the effort – and that's what the president's White House offices do best. The more policy-oriented staff members on the Faith-Based staff, they're lobbying Capitol Hill in support of the CARE Act, they're coordinating the regulatory efforts in the executive departments, and they're drafting the executive orders, which we saw in December, and providing general oversight of the initiative.

I think what's worthwhile to note is what you might see between year two and year three is that their workload will multiply, since the signing of the two executive orders in December, the State of the Union address, which unleashed a barrage of new programs available to faith-based organizations' participation – drug treatment, prison

mentors. Monitoring the activity at all these different levels is going to require persistent and devoted staff attention, not to mention the continuation of all the promotional activities, and the distractions that I think will be inherent in President Bush's forthcoming reelection campaign in 2004. As Barry Lynn mentioned, there were lots of questions about the politicization of this office before the mid-term elections. I think those are going to only intensify as we gear up for the 2004 presidential re-election campaign.

My third observation is that another big change between year one and year two within the Faith-Based Office is the lower profile that they have deliberately adopted. Despite the effectiveness of the outreach and the policy-based changes related to the Faith-Based Office, the White House Office was far less visible, and not surprisingly: This less visible stature turned out to be a virtue.

One example was the failure of the CARE Act in the 107th Congress. The failure of an act turned out to be far less visible than the president's victory of H.R. 7 in June of 2001 – or July of 2001. It's an interesting paradox. Why would a legislative failure wreak less havoc than a victory? I think, for one reason, the pressure was on during that first six months. The tax cuts had passed; the president was looking for quick and easy victories that vindicated his campaign agenda. The legislative problems were not supposed to occur in the Republican-controlled House, not to mention the fear that was caused by the Salvation Army flap. That incident alone can explain a good deal of the public perceptions at the time.

But aside from that, the failure of the CARE Act was less explosive because the White House was not visibly involved in the fight for passage. Of course they were lobbying members of Congress and mobilizing supportive interest groups, but they did it in a less visible way, and rarely did the president speak out in support. So, ironically, the less negative perception was the result of downgrading the office. Director Towey has a much less senior title than Director DiIulio had. The White House Office of Faith-Based and Community Initiatives is now under the auspices of John Bridgeland and the AmeriCorps volunteer program.

And, notably, all those who staff the White House Office of Faith-Based and Community Initiatives in January of 2001 are no longer in the White House Office of Faith-Based and Community Initiatives. There has been a total staff overhaul in that Office, and I think that has also facilitated the lower profile. I think they've learned their lessons from the first year: The lower the profile, the lighter the blow when failure knocks on the door.

And I think this last observation represents perhaps the most noteworthy difference between year one and year two. Not only that, the future, I think, looks comparatively brighter than between year one and year two. In year three, the Republican Congress is more likely to give the president the legislation he's been waiting for, and I think the departmental efforts are only going to flourish in this third year.

There will likely be some missteps in fulfilling the new faith-based programs, all those that were announced in the State of the Union address, and there are clearly going to be legal challenges ahead. I think today's debate illustrated the intensely controversial nature of the faith-based initiative. Nevertheless, for a president who believes that this office can change a country, the record and performance in year two is likely to please President Bush.

And I'll leave it at those three observations.

MR. DIONNE: Thank you. That was extremely helpful. Stanley, of course, will explain all the office turnover to us in immense detail. (Laughter.) And I can't resist noting that Katie hated to say "I told you so" almost as much as Barry just couldn't stand criticizing Pat Robertson.

Anne Farris. Thank you.

ANNE FARRIS: I am proud to retain my title as Washington correspondent for the Roundtable because my role for the Roundtable is to survey and keep tabs on the faith-based initiative. When I considered taking on this assignment, I was a bit worried that it might not be a wide enough topic. Journalists are like wide rivers where we cover a lot of variables – we don't go too deep, and I was somewhat hesitant that this might be too deep and not wide enough. But I also was enticed by the fact that the topic was not being covered by the media. The media coverage that has preceded the first initiation of this faith-based proposal has been piecemeal, and so that, as a journalist, was enticing to me.

And also, I saw it as a very important social trend. Stanley is correct that this is one piece of a longer version, not only with welfare reform since the 1996 legislation, but a general social service policy initiative. So I was interested in following that aspect of it. Some people have even made comparisons that this might have been like Johnson's Office of Economic Opportunity. There are differences, however, and this policy is, I think, cutting new edges, bringing forth new proposals that have obviously become very controversial.

So what has happened here in Washington as this issue has pretty much saturated the entire government aspect. It's in the executive branch in the White House, of course; it's in the legislature, of course; and it's in the federal agencies. So keeping up with that has kept me busy, and not only in the federal agencies do they have these seven faith-based offices, but there are many other agencies that have not been formally recognized by the president that are carrying out the faith-based initiative. EPA has taken on work; the Veterans Affairs has taken on work. In the case of EPA, they went to the White House and said, We want to step up our work with faith-based offices, so we want to come on board, to meet with the White House. And the White House welcomed them in doing that. So it's permeated not only seven federal agencies but a much broader area than that.

But what I think we will see in the future also is a classic social policy issue of devolution or decentralization, of the new federalism that began back with Ronald Reagan. The White House plans to take their initiative to the states. They want to open faith-based offices in the governors' offices; they want to open faith-based offices in city offices. They've already appropriated some money for, I believe, 12 cities to have offices. Washington, D.C. just opened one. This story will be moving outside of Washington, D.C. into the state and local and county governments.

The initiative will also take a forefront with corporations. The White House plans to go to more corporations and encourage them to donate and work with faith-based organizations. They're going to be going to philanthropic foundations, so it will permeate that area too.

It will also take on an international element. One of the seven offices that has just formed a faith-based office is the USAID, the AIDS program, that will incorporate some faith-based initiative in it that the president announced in his State of the Union address, will have international ramifications there. So I think that's another area where we will be seeing a ramped up effort of the faith-based initiative.

That's about it.

MR. DIONNE: When you used all those river metaphors I thought, My God, how many people have drowned studying the faith-based initiatives? (Laughter.)

Drew, it's very good to have you with us. Thank you very much.

R. DREW SMITH: Thank you, E.J. It's good to be here. Part of the rationale of the faith-based initiatives and similar initiatives from the government has been that faith-based organizations are a large physical presence in many of the neighborhoods where social services are most needed. They're sort of strategic bridges to these populations that are in need of services. And what I'd like to do is to try to speak to a little bit of that assumption, and to report on some data that speaks to how some of these targeted FBOs connect up with these and similar policy initiatives. I want to report on data from two separate clergy surveys that we've conducted at the leadership center at Morehouse in the last few years.

Now, one is a national random survey of almost 2,000 African-American clergy in 19 metropolitan areas across the country, and in 26 predominantly black rural counties in the Southeast. This survey was conducted in 1999 and in 2000.

The second data set is a clergy survey of 136 congregations in high-poverty neighborhoods in four cities: Denver, Indianapolis, Hartford and Camden. The neighborhoods in these instances were defined as the one-mile radius around the low-income housing complexes whose residents we also surveyed. Approximately three-quarters of the congregation surveyed in this data set were African-American congregations, and this survey was conducted in 2002.

By the way, the report on the national survey is currently available and the report on the four-city study will be available in the coming weeks.

There is a sense in which – at least from the standpoint of the clergy – they have voted on these policy initiatives through their actions, and in many cases their inaction, relative to these policies. Our data suggests that government funding of church-based programs is not something that has gained much support among black clergy, or much support among clergy in general within the high-poverty neighborhoods that we surveyed, neighborhoods that, as I indicated, are on the front lines of any of these anti-poverty initiatives.

We asked in the national survey – in fact, we asked in both surveys – the question, Is it helpful that government is now encouraging churches to apply for and use government funds to provide social services? In the national sample, 46 percent of these African-American clergy favored the policy; 53 percent opposed the policy. In the four-city study – again, these low-income, high-poverty neighborhoods – 30 percent of the clergy respondents favored the policy; 61 percent opposed the policy.

We also asked in both surveys, Does your congregation have any programs for which it receives governmental funding? In the national survey, 24 percent of the congregations reported that they did have such programs; 75 percent said that they did not have any government-supported programs. In the high-poverty neighborhoods, the data was even more stark. Only eight percent reported that they received government funding for programs that they sponsored, and 88 percent indicated that they did not receive any government funding.

Now, having said that, there has not been high support for these initiatives among either African-American clergy or among clergy in high-poverty neighborhoods.

I wanted to also speak a little bit about what the data suggests about the kinds of churches in these samples that were supportive of government-funded programs. What kinds of churches were they? The analysis of this data from – and I'll speak now only about the four-city study and not about the national study – the analysis of the data from the four-city study revealed at least two very interesting patterns about the kinds of churches that were supportive of government funding.

First, among churches that favored government support, the percentage of highly educated pastors was higher than within the general sample population. For example, in the general sample, 21 percent had five years of college or more; among the churches that supported the policy, 39 percent of those clergies had five years of college or more. Fifty percent in the general sample had at least one to four years of college; in the sample of those who favored that was roughly the same thing. Twenty-three percent of the clergy in the general sample reported having only a high school education; 12 percent of those who supported the policies reported having only a high school education. So clearly the kind of clergy who tended to support government funding of social services – of church-based

social services – had a higher education level than in the general population of the sample.

The second finding was that among churches that favored government support, the percentage of mainline Protestants and the Catholic congregation was higher than in the general sample population. In the general sample population, 22 percent of that sample was mainline Protestant, but of the churches that supported government funding, 43 percent of those churches were mainline Protestant. Within the general sample, six percent of those congregations were Catholic, but among the churches that supported the policy, 14 percent were Catholic.

Now, on the other hand, there's been an expectation that Pentecostal/Charismatic/nondenominational churches would be very, very supportive of this policy, and some have been. Straight across the board in these denominations, you've had strong support from sectors of these different denominational families and groupings. But 40 percent of the sample group were Pentecostal/Charismatic/nondenominational churches; only 26 percent of the churches that supported the policy fell within that family of churches.

There's been much talk about historically black churches as sort of a frontline for this policy. Thirty percent of the sample were historically black Baptist and Methodist churches; only 21 percent of the churches that supported the policy were historically black Baptist and Methodist churches.

And just in closing, I would suggest a few reasons why, among African-American churches, and perhaps even among churches in high poverty neighborhoods, which are largely African-American, there has been limited support for this initiative. I think, first, that there's been a political wariness, historically, among African-American churches of government and of government-initiated activities. That political wariness emanates largely from the very troubled – obviously, the very troubled – history of race in this country. Government has been viewed by many African-Americans, and particularly by African-American clergy, as either being too timid or, in fact, hostile to racial progress in this country.

There's a theological wariness that probably in more instances has to do with the view of religion as essentially private as opposed to public, rather than what is often suggested at the theological level, which is that this would undermine the prophetic voice of churches. I'm not sure that an undermining of prophetic voices is nearly as large an issue as just the tendency toward privatism among churches. I think prophetic churches, first of all, have been – by prophetic, I'm suggesting, speaking truth to power, those ministries that speak truth to power – I think there's always been a rather small remnant of churches that probably could fit that category. And I'm not sure that they would be less prophetic when tempted by large grants than by being tempted by anything else.

Thirdly, I think there's an administrative wariness on the part of some of these churches. I'm not sure that a lot of these churches are very interested in having the

government looking over their shoulders at the way that they conduct business. So for a number of reasons, these reasons and more, I think there's been a general lack of support, at least among African-American clergy and among clergy in some of these high poverty neighborhoods, for the idea of government funding of social services – church-based social services, which, I think, has some serious implications for the overall rationale of this policy.

MR. DIONNE: Thank you very much. Those are fascinating numbers. Could you give people a Web site where they might find some of this?

MR. SMITH: Well, the reports haven't been posted yet, but if people want copies of them, they can email me to request copies when they are available. My email is [rsmith@morehouse.edu](mailto:rsmith@morehouse.edu).

MR. DIONNE: And a quick question: I've heard from a number of people in African-American churches that there is also a partisan skepticism, that a lot of these clergy are, in fact, Democratic leaning. Does that show up in the survey at all?

MR. SMITH: It doesn't show up in this survey specifically, but I think it's clearly a huge issue.

MR. DIONNE: Fredrica? Thanks for your patience. Last but not least.

MS. KRAMER: Well, I was told we had more time, but I'll try to do this as fast as I can. I want to address the issues from the perspective of a researcher, and a researcher especially on implementation questions, because I think some of the research – mine and others at the Urban Institute, and others around the country – suggests that we're, in part, entering into quite uncharted waters. And in other parts, what we do know suggests that we probably need to tend to our expectations about what may come out of this. I'm not speaking to the legal issues; it's not my expertise, but I do think there are issues around capacity and especially around program effectiveness about which we need considerably more information to guide public policy judgments.

On what we know so far, there is, in fact, a growing body of research – and I know I'll get some more during the next two days in the Rockefeller and Independent Sector conference – but the research that I'm aware of is consistent in a few important dimensions.

First, there seems to be increasing interest among some FBOs who've not used public funds, but there's still relatively little awareness about funding both for public sources and from philanthropic sources. And the important thing is this still represents a very small portion of federal funds, and I think the question that was raised earlier about how much we're talking about is a very important question, and I'm very glad that we're tracking it a little bit more carefully.

Second, typically, faith-based organizations, especially small ones, have limited administrative and financial capabilities, and that comes up over and over again in the research: relatively inexperienced with government contracting, not well-prepared to use public funds under public audit requirements – these are, in part, factors common to other small organizations, and so they're often at a disadvantage in competing with the larger ones for public funds.

The third point: While the FBO contracting is probably expanding – that is, public funding contracting – many FBOs are in fact already well-connected to the faith community, and they use that community for, for instance, recruiting in targeted neighborhoods or providing in kind support, like emergency services or counseling, that sort of thing. But administrators that we talk to – and, for instance, in a recent study of employment and training issues, we're quite concerned the FBOs lack the infrastructure or the expertise to administer their contracts under public rules, and some of them we're trying to figure out ways to help them do better at that.

Lastly, from what we know – and this relates to a question that was also raised earlier this morning – FBOs are enormously varied. They're varied in size; they're varied in community base; they're varied in the degree of affiliation; they're independent from national affiliates or larger organizations; they're especially varied in the faith content or the requirement that participants adhere to that faith content. And each type of program raises different questions for public policy. I think it's extremely important to try to create a typology around the discussion, so that you can have a coherent discussion about the potential pitfalls for this new community. It was raised in the question session – you know, what do we mean by faith-based? It's a very nagging question when you do research; it's extremely important in this kind of discussion.

So what is it that we need to know if that's sort of where we've gotten so far? I think I would raise four questions.

The first – and some of them have been raised already in different places in the discussion so far – What's the level of interest of faith-based organizations in expanding services, or importantly, receiving funds under public rules? This is going to depend largely on the nature and size of the organization. Some FBOs clearly fear compromising their mission and their prophetic voice and maintaining their faith content and their independence from any public policy agenda if they take public funds.

Our conversations with congregations that are FBO non-profits suggest that some who are faith-based – and I think Barry Lynn brought this point up – but whose social services are not, still resist federal oversight around content that taking public funds would entail. Whatever the interest, there's clearly need for widespread technical assistance for these organizations. And administrators at every level of government are clearly going to need to look for ways to help interested organizations, both in building effective service delivery systems and in safeguarding expenditures of public funds. Stanley Carlson-Thies recognizes this, as suggested by some of the comments that he made this morning and at other places. The GAO recently made this point in connection

with the Charitable Choice new contractors, that there was clearly a lot of guidance needed from this end.

Second, What's the capacity of these sorts of organizations to expand? This is especially relevant for small organizations, whether they're religiously based or not. The mission of many local organizations is to provide highly flexible, low-cost responses to local needs. Many have little experience, obviously, in contracting, but also in financial tracking and caseload tracking, and some may not want to operate under the outcome-driven environment that we have come to push for in public programs. They are much more concerned with remaining highly accessible, and so they have very little incentive, in fact, to track clients, to ask the kind of questions that would track clients and put exactly that accessibility at risk. Large organizations, some part of national affiliates, which we know have long histories of operating in this arena, are maybe likely to expand; small ones can collaborate with larger ones. I think this is a very good area for research, to understand how these collaboratives work and what the potential is for replication.

The third question, which to me is in some ways the most interesting, is, What social services are the best suited to deliver? Is that expertise dependent upon that religious content or faith content, and how do they compare with other organizations trying to accomplish the same objectives? We talked about this a little bit – CBOs, FBOs are in better touch with this and franchise populations. They have widely perceived legitimacy in the community; they're relatively advantaged in the recruitment, particularly for populations that are less likely to come forward for services. Importantly, spiritual and faith content themselves may be powerful motivators, and that's especially true in services that are aimed at personal transformation. Partial to legal issues, there is very little systematic study of the program content of faith-based organizations as they operate themselves, as different models operate, and as they compare to other organizations delivering social services. There are virtually no program evaluations yet to assess the importance of such content explicitly on program effectiveness or to make the comparison to other kinds of organizations.

And I think this is a good place to look back at welfare policy, which is now really an exemplar of research guiding public policy decisions. Welfare policy was really transformed on the basis of systematic use of controlled experimentation that produce credible outcome measures. But even with that, it was only after that work was coupled with quite sophisticated, qualitative work, process evaluations, and very ethnographic work, which is now being used along with it, that we could begin to really understand what went on inside of those programs to produce what we had measured, in fact, as real outcome measures. We clearly are not there yet in this area at all.

Also, extremely important – and the Charitable Choice provision explicitly recognized this – it may be very important in serving disadvantaged populations, to ensure that alternative services be made available to those wishing not to participate in faith content services. There is virtually no research on how well vulnerable populations can exercise that option. It's particularly important when program services provide a vital income support and are tied to mandatory participation of service components or in other

work – court order, for instance, a court order for drug rehabilitation as an alternative to imprisonment.

Others have pointed out the line between service and worship can get fuzzy, the line between – (inaudible) – and coercion can get funny.

This is a very good place I think also to look back at what we learned in welfare reform evaluation. We started to look at Leesburg studies. He has a good Leesburg study of what happens when you make the choice, or what happens in a program when people can or do or do not exercise that choice to move to another program.

So I guess I end by asking something which was sort of implied before, but it's a nice way I think to pull it all together: What are we intending to accomplish with the new FBO initiatives? If the public interest in FBOs is to expand the pool of community-based organizations – small organizations that are close to constituent users – many of the same concerns that accompany involvement with any small organizations apply – accountability, capacity, effectiveness questions. If FBOs with little prior experience jump in too aggressively, they're likely to get swamped by the kinds of requirements that are imposed upon them. If they attempt to expand rapidly, that also may challenge their ability to maintain quality programs.

If the public interest, on the other hand – and I think it may be all of these are public interests, maybe; I'm not taking a side on this, but it's a good way to frame it, I think, for my mind – if the public interest in FBO involvement is to tap a specialist's expertise, either in a special capability with the staff to understand one of the content of services, considerably more research needs to be done to understand what the contents of those services are, and what their effectiveness is in achieving the program objective. And once we know something more about that, we, in fact, I think, could borrow some lessons back to secular programs. That would make the whole universe improve.

MR. DIONNE: Thank you so much. Dick wants a minute, but I just want to say this is an area in which the ratio of information to opinion is often very low, and I want to praise all of our panelists for offering information heavy – in the very best sense – presentations. What I'd like to do is go to Dick, and then we want to get a few more voices from the audience. Barry and Stanley have been kind enough to stay, so I'd love them to react to this, and give any other panelist who wants to jump in a chance. So Dick can come in, then we'll collect some questions from the audience, go to Barry and Stanley, and then anyone else who has closing comments. Dick Nathan?

MR. NATHAN: Thank you, E.J. Just one comment that is suggested by the last two speakers. I think it was really good the way this panel moved down to the ground and looked at needy neighborhoods. Drew, that was excellent; and Fredrica – to talk about organizations and how they can be brought in and helped to work in this government environment. And I just have to make a sort of downbeat comment, and that is the Welfare Reform Act, which Fredrica mentioned – the 1996 act and the Block Grant – surprised me, surprised a lot of people, in that the Block Grant funds and the good

economy produced opportunities for innovation and testing new ideas and reaching out to new service providers in important ways. Drew, I hope, and especially in the places you and Michael Owens are studying, that's much, much tougher.

The states and local governments are still swamped, and Barry really made this point: All dollars agree. Economists know about fundability, and that money that could be used to do the kinds of – the big money is getting tougher to get at. That's my bottom line point. Medicaid, that's the big money. The TANF Block Grant, the Workforce Investment Act – we and our colleagues, Fredrica included, are trying to get information for E.J. and others on what's out there. This environment is changing in a way that intersects – and Stanley asked me that question when we were talking earlier – intersects with all the things that we're talking about today, so a kind of downbeat comment. Thank you for the opportunity to make that point, E.J.

MR. DIONNE: Thank you. Who wants to jump in before we close? The gentleman over here. Anybody else? And then the lady over there. Why don't you – if we could get those – all right, four quick voices. Richard, welcome.

Q: Richard Foltin, American Jewish Committee. We often hear characterizations of the way things were before 1996. I think Barry made this comment about the rules under which service providers – religious service providers – formerly operated. That is to say, many people say – I've said it myself – that they operated without discrimination with respect to beneficiaries, with respect to who is hired. They provide secular services. The question I would like to ask the researchers is this: Is there hard information that you have seen which tells us that, in fact, there was this particular way in which the service providers operated before '96, and has there, in fact, been a change in the way they operate under the Charitable Choice rules? And what kind of a difference has that made in their ability to provide the services and the quality of the services that's provided to people receiving those services?

MR. DIONNE: Hold that thought, everyone. This gentleman – who was over on this side? This gentleman over here. I think, Christina, you can bring the mike to this gentleman over here, so we can do this quickly.

Q: And I'll be very brief. Mine is a question and suggestion. I'm Walter Earl Fluker, director of the Leadership Center at Morehouse College. For me, it's important that we also ask on panels such as this not simply the legal questions, logistical questions, and even to some extent, ethical questions. But there are critical theological issues at stake that I would really like to see a panel like this or at another place really entertain, especially as it relates, for instance, in R. Drew Smith's report. With African-American churches on the gurney, many of the assumptions that we often discuss in public are critical theological issues about church-state relations, and not just the history of government interference or government hostility, but there are issues about how people see God, and that should be on the table.

MR. DIONNE: Amen. In fact, I saw Melissa Rogers, executive director of the Pew Forum, was nodding vigorously, so we should all get together afterward and arrange such a discussion. But thank you very much for that comment, sir. And then there was one other person – that person over there. Christina, thank you.

Q: Well, I wanted to throw out a question. My name is Peter Sprigg with the Family Research Council. I wanted to ask Drew: Did your survey ask about what sort of existing social services are being provided by the churches in these communities, even without government funding, and whether there was any correlation between that and the attitudes toward the faith-based initiative? Because, for example, I can imagine that a church that's already active in providing social services might be inclined to favor the faith-based initiative because they have more capacity to take advantage of it, but they might also be inclined to oppose it, because they fear government interference. And I wondered if you had any findings on that.

MR. DIONNE: That's an excellent question. And then the lady right there.

Q: I'm Kay Guinane with OMB Watch. My question relates to the information you talked about that's unavailable, about what happens with a lot of this money, especially when it runs through intermediaries. I'm concerned the current version of the CARE Act that Lieberman and Santorum have proposed could greatly expand the use of intermediate grantors, and there is still no mechanism for tracking what happens to that money, who gets it, how much, what they do with it, what the standards are. I'd like to hear your comments on the appropriateness of using intermediaries and under what circumstances it could be appropriate.

MR. DIONNE: Did we get everybody in? That's great. What I'd like to do is give Barry and Stanley a chance. They kindly stayed, and then Drew and others on the panel who want to answer those good questions before we close down. And as they say, somebody on this panel will say a prayer. Barry?

MR. LYNN: Well, I can't address some of these issues that were asked directly to the researchers, except to say that in the old days, what we know about it is that we know that things did emerge as problems. They were noted by the civil rights/human rights community and led to massive lawsuits. If we had seen some of this stuff happening, I think some of us would have been in court earlier.

I do agree that there are enormous theological underpinnings that go to many of these questions. There's a point at which the phrase "in God we trust" means more to some people than it does to others, and that they expect to receive more from God than they expect from their local county or even national government.

The intermediate grantors question is an enormously important one, because here is a point where we don't have a lot of extra money. We have to be very careful in figuring out what we're doing. We're creating mechanisms, offices, staffing the offices. Meanwhile, think of the 50 people outside of Boston who are on the streets. I think,

ultimately, we've got to worry about them first, and we have to worry about the bureaucrats and the regulations, perhaps, second. That's where we got it wrong in the beginning.

Final comment. Anne Farris, I love talking to you, and I've just – if I were a cynic, I think I'd get really nervous hearing that the White House is now going to corporations, because I can't help but think maybe they're going to go to corporations kind of like they're going to Turkey. We will give you money or tax cuts if you will join either the army against Iraq or the army of compassion. I don't know. (Laughter.) I hope you'll examine that more thoroughly; we'll figure out if that's a good approach or a bad approach to doing business. Thank you.

MR. CARLSON-THIES: The panelists and the audience raised great questions, and that's exactly what we're in the middle of. That is to say, as far as my own involvement and what I've seen, there's no kind of grand, little scheme that needs just to be rolled out and put into effect. What we are talking about – How does the government better interface with all these phenomenon out there that you've heard about, these organizations that are located in communities with people who trust one kind of organization and not another one? When the federal government gives discretionary grants and the money's taken away from somebody in Massachusetts and given to somebody in Utah – Is that a good decision or a bad one? It makes the program look better. Is this a good way to run programs?

I think what's become clear over the last three or four or five or six years, I think, not just in this country but elsewhere, is that the world in which people live and have their needs and look to people for help is much more complex than the government boxes and the way we do things. And the question is – since the government has to do things in boxes, it has to have some rules applied – how to make those maximally flexible so they adapt to the real ways that people look for help and get help. And we're in the middle of that discussion, and all these questions are exactly the kind of things we've got to keep wrestling with.

MR. DIONNE: Thank you. Some of these were directed at Drew and Fredrica.

MS. KRAMER: The first question was whether we knew what the change in – I don't remember how the question was phrased – or what we knew about the changes, the uptakes, sort of, on these funds. And I think from what I know, I don't know that a lot of research was specifically asked about the changes in behavior of the organizations that have historically taken funds, whether there's an issue that has changed that in any way. I may be wrong on that one, but I think we've – in terms of that focus.

The second point – Hudson just recently did a survey of contractors in 15 states using Charitable Choice funds through the Charitable Choice provisions, and a small majority, just over a majority, were new to funding, but they – I think they have \$124 million in 15 states, which struck me as a very small amount of money overall, looking at the sum of these programs – that they were mostly small. They found out something we

found out in our study of employment and training, that these are not churches, not congregations, that are taking this money.

And the other question was what do we know from the research on intermediaries. I don't know – it's exactly the kind of question we tried to do in the employment and training study, was to track the money from federal to – we administrate and then see if they were sub-contracting, and that's exactly the flow that you want to see what's happening. So I don't know how you make a judgment on what the role is, good or bad, on intermediaries, until you know what's going on at all, and until you know what the money flow is in the first place, and then what the role of those intermediaries is, and building it out. It's the right question.

MR. DIONNE: Okay, Drew?

MR. SMITH: The question about the types of programs that churches in these high poverty neighborhoods have: As I indicated, there tended to be a rather low number of churches that had outreach programs at all. The number was fairly low. The churches that didn't have programs – the programs tended to be programs that were related to recreation, youth recreation, programs related to sort of emergency food services, soup kitchens and so forth, but some of the harder core programs that reach really harder core populations, you know, gang-related programs or drug and alcohol substance abuse counseling and interventions, prison ministries – some of those types of programs were represented in very, very low numbers, and I think that's one of the issues that really comes through. I didn't spend a lot of time talking about this aspect of it, but the flip side of this physical presence in communities is, well, Does physical presence translate into meaningful interactions and relations with people within those communities? And based upon the kinds of outreach programs and services that a lot of these congregations were offering, I think the answer is, probably not.

But even beyond that, the data from the residents of low-income housing complexes themselves certainly suggest that there have not been meaningful interactions. Roughly two-thirds of those residents, and there were 1,200 or so within that sample, reported that they had not had any interaction within the previous year with any faith organizations within the community. So physical presence doesn't always translate into meaningful interaction.

And there was a second question, which I've now forgotten – theological pieces is a very important piece. I wish we could do something more with that, but maybe in another setting.

MR. DIONNE: Thank you very much. I'm going to let Dick say the very final word. I just want to say, one of my favorite aphorisms is from Dr. King, who said that when it comes to the work of justice, God isn't going to do all of it by himself. And I think what we're talking about here is who among us will do the rest, and how and through which agencies.

And I want to thank everybody here. I want to thank Dick, a wonderful person and thinker and partner in these projects. Over here at Brookings, I want to thank Carol Graham, Strobe Talbott, Tom Mann, Paul Light, who have supported this work all these years. Melissa said we shouldn't thank the Forum and its staff, but I'm sorry, Melissa, we will thank you and Sandy Stencel and the Forum and its staff.

(Applause.)

And obviously, thanks to the Pew Charitable Trust and to Julie Sulc, who is here among us somewhere. And Dick, you have the last word.

MR. NATHAN: Three quick comments. We once issued a report in answer to somebody's question out there paraphrasing a Bob Dylan line, "Where have all the dollars gone?" It is very hard to know, and we care and work on that, and these presentations and these presenters, both of whom will be at our conference tomorrow, will help us a great deal.

Second, a sort of generic point about social service in America: We talk about privatization, but the real story of social service provision in the United States in the last 30 years is non-profitization. Most public services – services, not income transfers – are provided by non-profit groups, and they are of various different kinds. And I think someone at the beginning said that that's what we're learning about more and more, and that's involved in many of the good presentations today, which I enjoyed very much.

Third, a somewhat personal comment: Every year, I put out – since I started teaching at Princeton, when I left Brookings – a list of books that have made an impression on me. This year, I am reading books about religion, so, personally, I want to thank whoever's in charge of all this for having led me into a subject that I've always loved, and I've read some wonderful books so far, and I hope if you think I'm an interesting person, you'll send me an e-mail with your suggestions of other books that will make me even more enlightened about religion in America, a subject that is very important in our country. We are a very religious country.

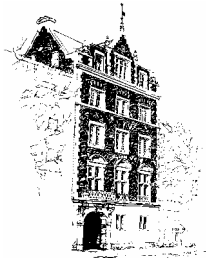
MR. DIONNE: And the reading list will be posted on the Round Table's Web site.

(Laughter, applause.)

(end transcript)



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