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## The New York Times Was Wrong to Abandon Philanthropy



*By Pablo Eisenberg*

The declining coverage of nonprofits by newspapers and other journalistic organizations has been a growing source of concern to people who care about the welfare of nonprofits and philanthropy and their accountability to the American public.

The situation grew worse last week when it became clear that *The New York Times*, one of the last remaining newspapers with a philanthropy beat, no longer plans to cover nonprofit organizations on a full-time basis. While a spokeswoman told *The Chronicle* that the newspaper will continue to write articles about nonprofits and foundations that happen to come to the attention of its news desks, that is not the same as dedicating a reporter entirely to a focus on nonprofits.

A few years ago, *The Washington Post* eliminated its full-time philanthropy beat. Since then, the newspaper's coverage of nonprofit organizations has been haphazard, sporadic at best, often focused on the activities of very wealthy individuals. The *Times* will probably repeat that pattern.

What is surprising about this turn of events is that it comes at a time when nonprofits have been heralded as an increasingly important force that can offset the negative impact of dwindling government funds, both federal and state. The number of nonprofit organizations has grown enormously in the past two decades, as has the number of foundations, which now tops 76,000. With its workers representing 11 percent of the work force and 5.4 percent of the economy, it seems like nonprofits warrant additional journalistic attention, not less.

Americans who give charitable contributions, as well as the rest of the public, need to have as much information and understanding about what nonprofit organizations and foundations are doing, how they are spending the tax-subsidized dollars they receive, and the extent to which they are solving society's pressing problems.

But that is not the only reason newspapers need to pay attention to nonprofits. The number of financial abuses and other illegal activities at nonprofits appears to be growing more prevalent and more brazen. Inappropriate expenditures, self-dealing, fraud, conflicts of interest, excessive compensation, and other practices that violate the law have become all too common

Several years ago the investigative work of such newspapers as *The Boston Globe*, the *Hartford Courant*, the *Philadelphia Inquirer*, and numerous others uncovered the previously hidden, seamy underbelly of nonprofits. Many of their exposés led directly to investigations by the Senate Finance Committee, growing public awareness of philanthropic problem areas, and a rededication to self-policing by many nonprofits. After the initial flurry of concern by policy makers, nonprofits and the public, however, the pressure for accountability lessened, abetted by the downsizing of many daily newspapers and the loss of investigative reporters.

The sad truth is that the news media remain the only serious accountability mechanism America has to ensure the health and integrity of nonprofits. Neither the Internal Revenue Service nor the state attorneys general have the resources and the will to oversee and regulate the vast nonprofit world. Without a vigilant news media, nonprofit abuses are likely to continue, and possibly get worse. Should this occur, public confidence in nonprofits will erode even more than it has, and with that, charitable contributions will diminish.

Newspaper reporting has yet to be replaced with strong online alternatives. Sites like the Huffington Post provide coverage, as do many blogs. But they are not consistent, nor do they offer readers much confidence in their accuracy. New centers of investigative reporting like Pro Publica and the Center for Public Integrity are not interested in covering nonprofit news and developments. So who will hold the nonprofits publicly accountable?

That question got even harder to answer when *The New York Times*, the leading newspaper in the country, decided nonprofits aren't worth the time of a full-time reporter.

*Pablo Eisenberg, a regular Chronicle contributor, is a senior fellow at the Georgetown Public Policy Institute. His e-mail address is pseisenberg@verizon.net.*