

PHOTOCOPY
PRESERVATION

As E-Giving Sites Spring Up, Some Say It's Donor Beware

By REED ABELSON

ARASH of new Internet sites is promising to make it easier to support worthy causes. Want to do a little good when you shop? Shop-for-a-cause sites like iGive.com and Greatergood.com say they will send part of the price of whatever you buy to your favorite organization. Interested in making a donation over the Internet? There are several sites like GiveForChange.com and Charitableway.com that say they will shepherd your gift to a charity, sometimes for a fee.

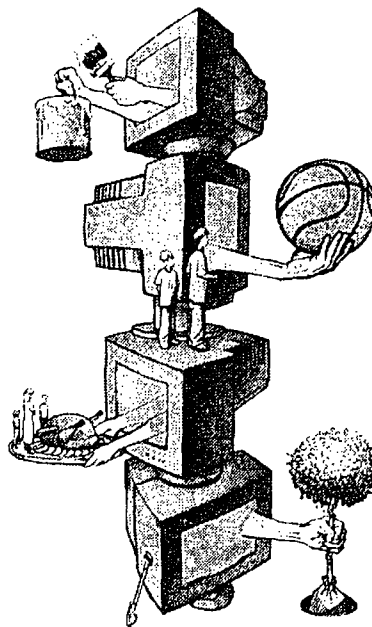
Other sites, like Helping.org, created by the Internet powerhouse America Online through the AOL Foundation, are positioning themselves as clearinghouses for potential donors who want to learn more about charities. Helping.org, a nonprofit Web site, offers information on more than 620,000 charities.

While the potential of the Internet to generate new money for charities and educational institutions is vast, few of these sites have been in operation for long, and some are just getting off the ground. The majority are profit-making businesses, hoping to earn money by taking fund-raising fees or keeping part of the commission paid by retailers whenever the site sends a shopper their way. They account for a tiny fraction of individual giving.

Because these sites have different business models and distinct philosophies, consumers need to make sure they understand how each one operates, said William P. Massey, the president of the National Charities Information Bureau, a charity watchdog in New York that has been following the online activity. Among the sites there are significant differences about which charities are included and how much money ends up going to a specific cause.

Many charities also allow donors to give through their Web sites, and some, notably the American Red Cross, have had considerable success fund-raising over the Internet, appealing to donors at times of specific need, like after a hurricane.

The challenge for the sites that serve as middlemen, many of which do not have the backing of well-established charities or companies, will be to win the confidence of consumers and charities alike, accord-



Matt Collins

ing to Carol Cone, the chief executive of Cone Inc., a marketing research company in Boston that recently completed a study of cause-related marketing on the Internet. "The sites just have to be built with credibility and authenticity, unlike almost anything else," Ms. Cone said. If consumers do not trust the sites, they will not use them.

"The sites really don't have credibility; they don't deserve it," said Michael Kieschnick, the president and co-founder of Working Assets, a San Francisco company that provides credit cards and long-distance service, donating a percentage of the revenues to help support progressive causes. In October, the company started ShopForChange.com and a second site, GiveForChange.com, to allow individuals to generate more revenue for those causes.

Because there has been such a proliferation of sites, consumers should be wary. While sites may promise to send money to a charity, it may never get there.

"This makes this new industry a potential source of fraud," warned Jay D. Hair, the former chief executive officer of the National Wildlife Federation and an executive vice president of Greatergood.com, at a recent conference on e-philanthropy in Washington.

Deciding which site to use is not easy, even if consumers are comfort-

able that the money will go where it was intended. Buying cosmetics from Avon over the Internet would generate twice as much money for a cause from 4charity.com, which says that it sends all commissions generated by its shoppers to charity, than from iGive.com, which takes part of the commission. Greatergood.com promises to send at least 5 percent of the purchase to your cause, which is still less than what 4charity.com sends.

Potential donors who have a cause in mind might think twice about using some of the sites, and might be better off simply sending a check. GiveForChange.com, for example, takes a 10 percent fee for every donation. Charitableway.com, a new business that is focusing on Internet fund-raising for charities through employee giving programs and other means, promises to take less than 10 percent of any donation, although it recently received matching funds that allow it to send 101 percent of donations to charity through January 2000. Helping.org says it will forward the money without charge, except for credit-card fees.

HOW all this fund-raising over the Internet should be regulated is the subject of considerable debate. The charities and sites serving as middlemen have different views about what they are obligated to do under state law.

Givers looking for advice about which charities merit their money may be disappointed. Helping.org says it does not want to be a screening mechanism, preferring potential donors to do their own homework, while iGive.com lets its shoppers nominate causes. Other sites tend to sign up charities that are willing to work with them and pay their fees.

In contrast, Working Assets says that, in essence, it is endorsing the charities on its sites. The company's directors choose progressive charities based on evaluations by the Tides Foundation, a San Francisco group devoted to social change. "Our filter is really important," Mr. Kieschnick said.

In the coming months, many sites will go dark as entrepreneurs find they cannot make money with some business models, and consumers gravitate to others. Some early sites have already been absorbed into other businesses. "There's going to be a huge shakeout," Ms. Cone said.

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Volunteers Log On, Help Out

By JANICE MALONEY

CHRIS CARTER is not a gungho volunteer. Until recently, Mr. Carter, a 27-year-old senior recruiter for Microsoft in Seattle, rarely did nonprofit work. But he wanted to give something to his community, besides money. Because sports had taught him about commitment and team work, his philanthropic instincts pointed him toward a volunteer coaching job. And like any good geek, Mr. Carter turned to the Internet for guidance.

He found volunteermatch.org, a two-year-old online matchmaking service that informs would-be volunteers of thousands of volunteer opportunities across the United States. Within five minutes, he found a direct match — the Y.M.C.A. in West Seattle needed a new coach for its youth basketball team.

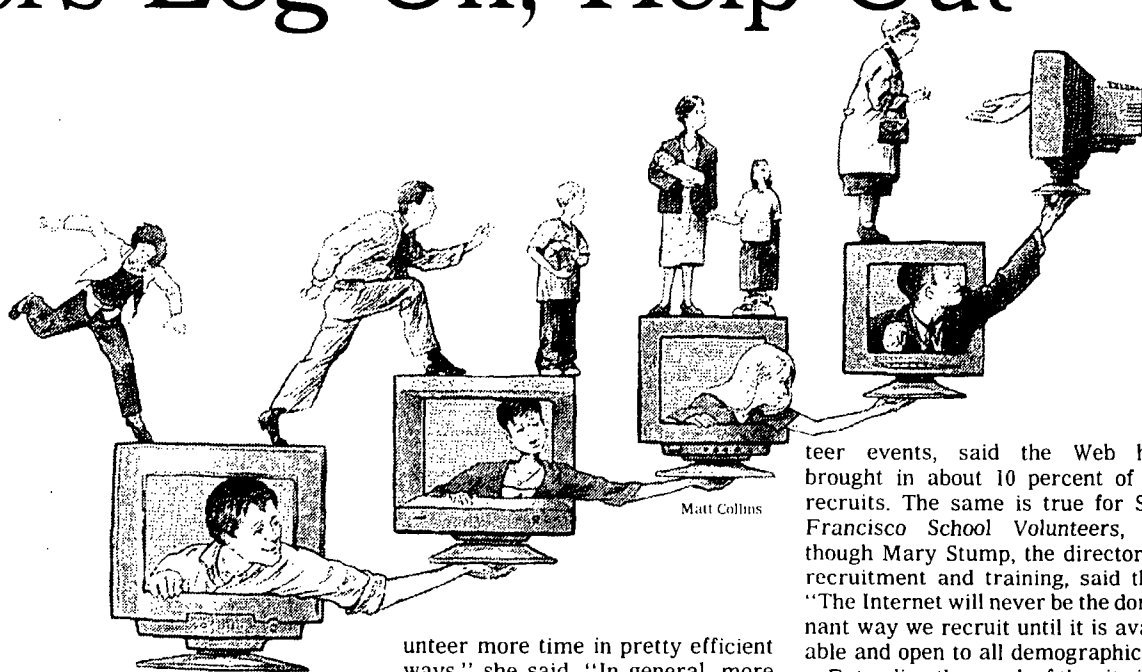
"When I went on the site, my expectations were pretty low," said Mr. Carter, who now makes time for practice one night a week and one game a weekend. "But I found exactly what I wanted. The stakes are high, but I'm a one-coach machine now."

Mr. Carter is also a trailblazer, part of a small but growing number of Net-savvy people who use the Web as a digital marketplace. E-volunteering, as it has been dubbed by philanthropic industry experts, accounted for about 1 million of the estimated 109 million Americans who volunteered in 1998, according to a new study by Independent Sector, the Washington-based research organization that studies the nonprofit market.

"Most of the information we have is anecdotal, but in our latest report, we found that 1 percent of the people who said they had volunteered had found the opportunity on the Internet," said Sara Melendez, the organization's president and chief executive officer. "That may seem insignificant, but last year it was probably close to zero."

Jay Backstrand deserves much of the credit for putting e-volunteering on the Web. Although organizations like the Corporation for National Service, Action Without Borders and Youth Service America have volunteer components on their Web sites, as do many nonprofit institutions, Mr. Backstrand's mission is to make e-volunteerism mainstream.

Janice Maloney is a contributing writer to Time magazine.



Two years ago, he left Sun Microsystems, where he was in marketing, and became president of Impact Online, a nonprofit service organization in Palo Alto, Calif. Using what he calls a "dot-com mentality," he has forged partnerships with some of the powerhouses of the Web, like America Online and Disney's Go Network, to put VolunteerMatch content on their sites.

The free service does for nonprofit institutions what Amazon.com does for books. Instead of a database of authors and titles, VolunteerMatch lists descriptions and contact information for volunteer opportunities. Would-be volunteers type in their ZIP codes and answer a few questions about their interests, availability and willingness to travel. A customized directory of local opportunities appears on the screen, complete with contact information.

"I wanted a service that would tell me what I could do tonight," Mr. Backstrand said. "Why shouldn't I be able to go volunteer someplace the same day if I have a couple of hours?"

Holly Cao, an associate at a private equity firm in Washington, has been volunteering since she was a teenager in Louisiana. She stumbled across VolunteerMatch more than a year ago when she was trying to recruit for Project Word, a nonprofit literacy organization of which she is a board member. She found VolunteerMatch so useful that she became an evangelist for it, introducing nonprofit organizations in Chicago and Washington to the site so that they could post opportunities online.

"VolunteerMatch allows me to vol-

unteer more time in pretty efficient ways," she said. "In general, more people are using the Internet as just another platform to exchange information, and with this service, it removes a lot of the extra work for both the volunteer and the nonprofit."

Because nonprofit organizations generally spend \$25 to \$50 each time they recruit a volunteer, free Internet sites like VolunteerMatch can be a boon. The service provides them with basic Web page designs in which they can simply fill in the blanks and update their information. VolunteerMatch also provides nonprofit institutions with software so that they can track data, like how many people investigated an opportunity and how many signed up. Eventually, Mr. Backstrand envisions these groups using the Net and e-mail for direct marketing. For instance, the Red Cross could send e-mail messages to volunteers who participated in blood drives to alert them to the next one.

THE service has matched about 75,000 volunteers with opportunities, including an AIDS walk-a-thon, planting trees, helping homeless families re-enter the work force, one-day park cleanups, feeding the hungry and teaching reading. Using the "virtual volunteering" component of the Web site, would-be volunteers who cannot travel or who live in remote areas can help write an organization's marketing material or assist in a telephone outreach program.

Diane Ford, the executive director of Community Impact, a 12-year-old nonprofit organization in Palo Alto, Calif., that organizes one-day volun-

teer events, said the Web has brought in about 10 percent of its recruits. The same is true for San Francisco School Volunteers, although Mary Stump, the director of recruitment and training, said that "The Internet will never be the dominant way we recruit until it is available and open to all demographics."

Extending the reach of the site is a primary concern for Mr. Backstrand, who from his cramped, windowless office in the heart of Silicon Valley is wheeling and dealing like the chief executive of a high-tech start-up. To survive in a dot-com world, he is trying to build his brand and increase the number of users. According to his contracts with Disney's Go Network, Alta Vista and LookSmart, VolunteerMatch supplies its content to these sites. In return, Mr. Backstrand said, VolunteerMatch gets a percentage, which he declined to specify, of the advertising revenue drawn from the Web pages. The money is then paid back into the organization.

VolunteerMatch has also contracted with the AOL Foundation, recently established by America Online, to be one of the premier services featured on its new philanthropic portal Helping.org.

And Mr. Backstrand is working with corporations like Wal-Mart, the Gap and Bank of America, which have hundreds of thousands of employees, to build customized companywide e-volunteering sites, so that employees can see where their coworkers are volunteering.

Like so many Silicon Valley entrepreneurs, Mr. Backstrand said his vision is limited only by his lack of staff. And he is competing for the valley's talent without the ultimate carrot: stock. "We can pay the salaries," he said. "But nobody really cares about salary anymore." It is surprisingly, VolunteerMatch is taking advantage of its own service by hiring volunteers, like Ms. Cao, to work for the love of it.

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JOHN ABBOTT, FOR THE CHRONICLE

Zoë Baird, president of the John and Mary R. Markle Foundation: "If we are creating a new digital society, then we need to make sure it is a strengthened society: a society made up of citizens as well as consumers."

Taming the New Frontier

*Markle to focus most of its resources
on information-technology issues*

By MEG SOMMERFELD

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NEW YORK
FROM ZOË BAIRD'S OFFICE 18 floors above the bustling international business and media capital that is Manhattan's Rockefeller Plaza, it is a little hard to understand why this foundation president feels like she's in the "wild West."

But after she explains how she has spent the past year overhauling the John and Mary R. Markle Foundation's grant-making programs to focus on the Internet revolution, her metaphor becomes clearer. This week Ms. Baird, who has presided over the fund for more than a year, is announcing that the foundation plans to spend about \$100-million of its \$180-million in assets over the next three to five years on projects related to the Internet and information technology.

The one-time Attorney General hopeful, who withdrew her nomination in the wake of the controversy that erupted because she failed to pay Social Security taxes for her child's nanny, says the infusion of money is essential at a time when the Internet operates like a free-for-all, relatively uncontrolled arena, with few rules or policies guiding its use.

As in the Gold Rush era of the late 1840s and early

1850s, when thousands of pioneers stampeded westward in search of fortune, Ms. Baird sees the current era as a modern-day Information Rush. From California's Silicon Valley to New York City's Silicon Alley and elsewhere around the globe, "people are rushing to make their fortunes," she observes. But in this new frontier, like in the old one, a certain amount of chaos still reigns, whether it's over how to protect individual privacy or halt fraud.

As the communications landscape—including the Internet, cable, television, and telephone industries—is about to enter a critical period of consolidation and stabilization, she says, foundations like Markle have a limited time to act to insure that public interests don't take a back seat to commercial ones.

"If we are creating a new digital society, then we need to make sure it is a strengthened society: a society made up of citizens as well as consumers," she says. "We need to try to insure that no one is excluded from its benefits and that everyone is protected from its possible harms."

Ms. Baird is also announcing four new grant-making programs designed to carry out those objectives. They will focus on communications and technology

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Markle Fund Seeks to Have an Influence on Internet Policy and Practice

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policy, the effects of interactive media on children, the use of information technology in health care, and ways that interactive communications tools can draw the public into civic affairs.

Ms. Baird says the foundation will become a "hybrid" organization. "We will look sometimes like a grant maker, sometimes like an operating foundation running our

Larry Kirkman, executive director of the Benton Foundation, a Washington organization that focuses on communications policy, calls the \$100-million commitment "enormous" and says it puts the Markle foundation on the map as one of the important leaders in the field.

While few foundations other than Markle focus solely on information-technology and communications issues, Mr. Kirkman notes that it is not alone in its commitment to helping society cope with the Internet and other new technological forces.

"There is now a critical mass of foundation resources, and a shared vision and passion for taking advantage of this window of opportunity to make the Internet more than tv by another name," Mr. Kirkman observes. "There is a lot of new blood out there, and it is very exciting."

Among the other foundations that are working on Internet-related topics, or expect to make grants soon:

- The Ford Foundation, in New York, is considering a new program to make grants for communications-policy projects. It has already made grants to groups such as the Media Access Project, the Center for Media Education, and the Benton Foundation. It has also awarded research grants to institutions studying communications policy, including the University of Wisconsin at Madison and Pennsylvania State University.

- The Pew Charitable Trusts, in Philadelphia, has been increasing its grants to organizations that use

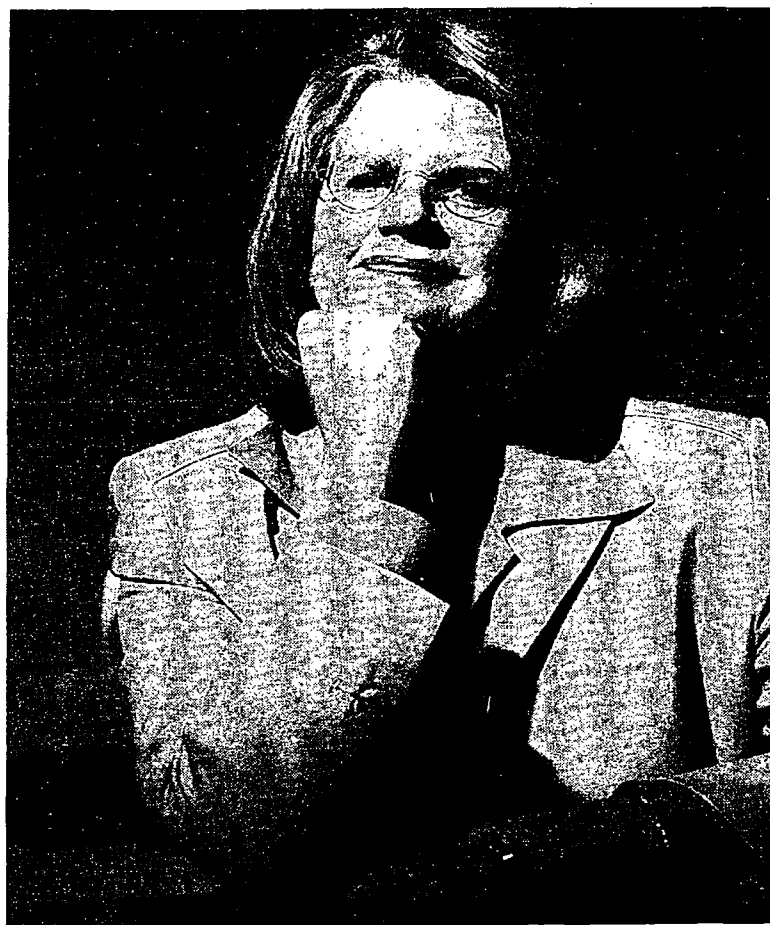
"This is the first time we had the opportunity to re-examine everything from an entirely fresh horizon."

own non-profit programs, sometimes like a think tank or laboratory, sometimes like a business, and sometimes like a public-information firm running an educational campaign," Ms. Baird writes in a public letter announcing the changes at the foundation.

Increasing Giving

While Markle's assets place it among the 250 largest of the nation's more than 44,000 foundations, its grant-making capacity is still limited relative to some of the major players in philanthropy.

For example, while Markle has



JOHN ABBOTT

Geraldine Laybourne's new Internet site will publish data on women's issues with \$3.5-million from the Markle Foundation, a partial owner in the venture: "It's a perfect partnership."

how technology could improve its grant making, which focuses largely on health. It is now using those results to make grants for projects that use technology to distribute information, educate the public about health-related issues, improve medical decision making,

for the president's job, Ms. Baird told the trustees that if she were offered the position, she would expect to take a thorough look at Markle's grant-making priorities to determine if they needed to be updated to deal with the needs of the next century.

versity and a long-time Markle board member, describes the process as "one of the best" ever undertaken by the 15 to 20 non-profit boards on which he serves.

"It has been genuinely exciting and exhilarating," says Mr. Fleishman, who has served on the Markle board for about 20 years. "This is the first time we had the opportunity to reexamine everything from an entirely fresh horizon."

In fact, he says, few of the other non-profit boards he serves on have ever undertaken such serious reflection on their long-term mission and goals.

"It is not anywhere near often enough that foundation boards have the opportunity to participate in an extensive process of this sort, where the board members are involved from Day One," he says.

New Programs

Over the course of the past year and a half, the board considered as many as 10 or 12 possible new grant-making programs before narrowing the number of new ones to four.

The foundation says it has not yet decided exactly how much each program will receive, but here is what each one expects to support:

- Public Engagement Through Interactive Technologies will support programs and research that use technology to improve the quality of and level of participation in elections and political debate; help citizens obtain information about important issues; and demonstrate different approaches to providing news through the Internet and other new media, as well

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For example, while Markle has typically awarded about \$10-million in grants each year, the Ford Foundation gives away nearly \$400-million.

To make a difference, Ms. Baird felt, the foundation needed not only to change the scope of its giving, but to significantly increase the amount as well.

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► The Pew Charitable Trusts, in Philadelphia, has been increasing its grants to organizations that use information technology to stimulate interest in politics and civic life, especially among young people, and to promote more-effective communication between candidates for public office and voters.

► The Robert Wood Johnson Foundation, in Princeton, N.J., conducted an extensive study of

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how technology could improve its grant making, which focuses largely on health. It is now using those results to make grants for projects that use technology to distribute information, educate the public about health-related issues, improve medical decision making, and improve the efficiency and management of health-care systems.

Extensive Review

The Markle Foundation's shift follows an extensive period of self-examination undertaken at Ms. Baird's behest. While interviewing

for the president's job, Ms. Baird told the trustees that if she were offered the position, she would expect to take a thorough look at Markle's grant-making priorities to determine if they needed to be updated to deal with the needs of the next century.

The board agreed, and over the past 18 months, foundation staff members and trustees have met with consultants, commissioned papers, and gathered small groups of experts to discuss communications issues.

Joel L. Fleishman, a professor of law and public policy at Duke Uni-

versity, will support programs and research that use technology to improve the quality of and level of participation in elections and political debate; help citizens obtain information about important issues; and demonstrate different approaches to providing news through the Internet and other new media, as well as new economic models of how to finance those approaches.

► Policy for a Networked Society will support efforts to help non-profit, business, and government leaders develop principles for regulating technology and communications that keep the public interest

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New Internet Focus Reaffirms Markle's Commitment to Mass Communications

In 1969, when Lloyd Morrisett took the helm of the John and Mary R. Markle Foundation, he decided it was time to steer it in a new direction: Television and other mass media would become the focus of its grant making.

Since the 1930s, the foundation had primarily focused on academic medicine, making grants to draw more talented teachers, researchers, and administrators to the nation's medical schools.

Shifting the foundation's resources to a still-emerging field was a way for it to make a major difference during a critical window of opportunity, he believed.

Mr. Morrisett last year retired as Markle's president, and his successor, Zoë Baird, is repositioning its grant making once again to focus on a newly emerging industry: the Internet and information technology.

While many in the non-profit world praise Ms. Baird's leadership, they say that credit for plac-

ing Markle in the center of the communications revolution goes to Mr. Morrisett.

When he became the foundation's president in the late 1960s, the nation had only three broadcast networks and the Public Broadcasting Service. Cable television was just coming on the scene, and wireless communications, personal computers, and the Internet weren't even a figment of the nation's imagination.

A 'Visionary'

"Lloyd was quite visionary to set the foundation on this path at a time when public awareness of media and communications as an issue was rare," observes Andrew Blau, who was hired by Ms. Baird to be a program director at Markle.

Mr. Blau said a fitting legacy for Mr. Morrisett's accomplishments is the fact that, after he retired, the foundation's board

reaffirmed its commitment to mass communications, rather than seeking to focus on an entirely different issue.

'Why Change?'

While Markle took on the challenge of dealing with new technologies, few other foundations have followed in its footsteps. Mr. Morrisett suggests that that is in part because foundations are often bound by their charters to support areas such as education or the arts, and they have trouble adding a technology program to their grant making.

Markle, he notes, has a very broad charter, which gives it tremendous flexibility in adapting to society's needs. All the foundation has to do, the charter says, is award funds "to promote the advancement and diffusion of knowledge among the people of the United States and to promote the general good of mankind."

Mr. Morrisett also notes that

tradition or inertia may also play a role. But he says that is not necessarily bad. "If a foundation is doing good work, why change it?" he asks.

Mr. Morrisett says those are not the only reasons the communications field is not a traditional hotbed of philanthropic activity. He says it is also because the field is highly specialized and dominated by commercial interests.

One way Mr. Morrisett tried to deal with the commercial issue was through the use of program-related investments, a mechanism that allows foundations to lend money to or invest in charitable ventures spearheaded by commercial entities that do not have tax-exempt status.

Under Mr. Morrisett's leadership, for example, the Markle Foundation awarded \$3.5-million to help Cable News Network improve the quality of its Presidential election coverage in 1992.

Mr. Morrisett originally in-

tended to award such a grant to PBS, but changed his mind when public-television executives responded in what he considered to be a tepid manner.

The resulting CNN grant was a way to deal with the marketplace's failure to provide high-quality election coverage—but in a non-commercial way, says Andrew Jay Schwartzman, president of the Media Access Project. In the end, Mr. Morrisett says he got what he wanted: The election coverage was more issues-driven that year on CNN, and also on the networks.

It is that kind of strategic decision making that made Mr. Morrisett an influential and effective leader, Mr. Schwartzman says. While Ms. Baird has big shoes to fill, he says he has "ample reason to believe she will maintain Markle's tradition of having a very positive and important influence" on the communications field. —MEG SOMMERFELD

Markle Fund's Leader Revamps Grant Making

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in mind. Specific priorities include protecting "democratic values, individual liberties, universal access, and consumer interests."

► **Interactive Media for Children** will support research to determine the influence of interactive media on the way that children learn and develop, and encourage technology companies to use those findings to come up with products that better serve children. It will also support projects that help parents understand how their children are using technology.

► **Information Technologies for Better Health** will support efforts to use technology to provide individuals with information about their health-care needs.

The foundation will also earmark some of the money for what it calls an opportunity fund—making grants for projects when a special need arises.

Helping Women

In addition to making grants, the foundation expects to continue its tradition of making loans and other so-called program-related investments. In one of the new projects it announced along with its new program areas, the foundation plans to provide \$3.5-million over three years to a new corporation being created by Oxygen Media, the high-profile Internet and cable company created by Geraldine Laybourne, a former executive at Nickelodeon; the talk show host Oprah Winfrey; and the television producer Marcv Carsey.

The Pulse, an Internet site that will be accessible through Oxygen's World-Wide Web site (<http://www.oxygen.com>) will provide polling data and other research about women's opinions on public-policy issues. It will also include general information about the state of women in America.

Oxygen Media will use that information to improve the overall quality of its Internet and cable programming, as well as to make it more responsive to what women say they want to read and watch, according to Julia Moffett, Markle's vice-president for public affairs.

"It's a perfect partnership," says Ms. Laybourne of Oxygen. She says that if it were not for the Markle Foundation's support, her company would have had to sell the information, rather than make it available to the public free, or not develop the site at all—even though Oxygen has already raised at least \$200-million in venture capital.

New Leader's Influence

In many ways, the new Markle programs are an evolution from its previous programs, and not a radical departure. In recent years, the foundation has supported numerous projects that focus on technology and its use in politics and learning—and many of those awards will continue, even under the new program areas.

Nonetheless, the newly announced program areas reflect Ms. Baird's influence—and her profes-

Grants Reflect Fund's New Focus on Technology

The John and Mary R. Markle Foundation this week unveiled four new grant-making program areas focusing on technology. It also announced that it had made the following awards, which it says demonstrate the direction of its grant making in the next three to five years:

► **\$3,538,000** program-related investment over three years, plus a \$1,000,000 grant to create a new corporation that will be jointly owned by Markle and Oxygen Media, a commercial Internet and cable company. The corporation will create a new World-Wide Web site known as "The Pulse" that will provide information about women's opinions on a broad range of civic and consumer issues, as well as general data about the state of women in America.

► **\$500,000** to Internews Network (Arcata, Cal.) to develop a round-the-clock, interactive channel devoted to international-affairs programs on two major Direct Broadcast Satellite systems. The channel is designed to serve as a model for ways that video and interactive media can be combined, and will be available to both television viewers and computer users.

► **\$400,000** for "New York: Learning Adventures in Citizenship," an Internet-based curriculum developed by the public-broadcasting station WNET (New

York). The program seeks to teach children about civic participation and responsibilities. It is intended to accompany *New York*, a five-part documentary by Ric Burns tracing the history of New York City that will be broadcast on Public Broadcasting Service stations this fall.

► **\$200,000** to expand "Web White & Blue," a public-service campaign on the Internet that was started during the 1998 elections. At that time, the central "Web White & Blue" site offered links to 45 non-profit and commercial sites that provided non-partisan information on issues and on candidates and their platforms. Markle now plans to revamp the site for the 2000 elections; the foundation will work with America Online to run this program.

► **\$157,000** over two years for a two-part project by the Chinese Academy of Social Sciences (Beijing) to develop mass-communications law in China. The first phase involves the identification, translation, and publication of important books on communications law and free-speech issues. The second phase provides for an international symposium on the news and entertainment media and the courts.

► **\$140,000** to enable the University of Texas at Austin to assemble a team of researchers who will conduct a literature review to determine what is

known about the effects of interactive technology on children's cognitive, emotional, physical, and social development. A conference will then be held to outline key issues for future research; findings are intended to aid the development of interactive technologies that can improve children's lives.

► **\$76,500** for continued support of the Programme on Comparative Media Law and Policy at Oxford University (Oxford, England), which studies the way governments have developed policies and regulations to respond to media globalization. The program also examines the implications of those strategies for democracy and human rights.

► **\$50,000** for the International Rescue Committee (New York) to develop and run the "Child Connect" program for refugees, with a focus on those in the Balkans and West Africa. "Child Connect" is a software system that helps humanitarian-aid workers find the families of children who have lost their parents.

► **\$25,000** to Making Opportunities for Upgrading Schools (New York) to develop an on-line resource for teachers and administrators so they can learn to use technology effectively in teaching and have an easy way to share their experiences with other educators.

is well-connected in political circles and served as a board member for more than 10 years. Ms. Baird in response. "I am fully

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In exchange for the money, the foundation will receive a 38-percent equity stake in the new entity, which is known as "The Pulse."

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Nonetheless, the newly announced program areas reflect Ms. Baird's influence—and her professional and personal expertise as a corporate lawyer in the health-insurance business, a children's advocate, and a savvy individual who

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The John and Mary R. Markle Foundation

History: Established in 1927 in New York by John Markle, the head of George B. Markle and Company, a coal-mining company, and his wife, Mary Robinson Markle.

Purpose and areas of support: The foundation has recently announced that it will make grants in four areas: communications and technology policy, the effects of interactive media on children, the use of technology in health care, and the use of interactive communications tools to increase citizen participation in elections and civic affairs. The foundation also operates an "opportunity fund," a discretionary fund for projects that fall outside the four program areas, but it does not accept unsolicited proposals for that fund.

Assets: \$187,648,000 as of June 30, 1999.

Grants and operating programs: The foundation distributed \$2,547,154 from March 1998 to June 1999. Over the next three to five years, it plans to spend \$100-million on grants, program-related investments, and its own charitable programs.

Key officials: Zoë Baird, president; Lewis W. Bernard, chairman of the board.

Application procedures: Applicants should send a two- to three-page inquiry stating the purpose of the project, an explanation of how the project meets the objectives of a specific foundation program, a project budget, and other details. The Markle Foundation staff reviews proposals throughout the year. The foundation's board of directors meets at least three times a year to review proposals.

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World-Wide Web site: <http://www.markle.org>

is well-connected in political circles.

While the presidency of Markle is the first time that Ms. Baird has held a full-time job at a non-profit organization, she does have experience in the field.

In 1994 Ms. Baird, Lesley Mara, and other members of her legal department at Aetna Life & Casualty insurance company helped establish the non-profit organization Lawyers for Children America. She currently chairs the group's board, while Ms. Mara is its executive director.

The group provides free legal assistance to abused and neglected children in three Connecticut cities, as well as in Miami and Washington. In addition, it operates programs in which lawyers teach schoolchildren to resolve conflicts peacefully.

As the group's co-founder, Ms. Baird was one of its primary fund raisers. She says the experience provided valuable insights—even when her requests were turned down.

"There were so many times where I thought our program fit squarely in someone's guidelines, and I couldn't understand why it didn't," she notes. But she found it helpful when foundation presidents still took the time to help her identify other grant makers who might support the program. Based on that experience, she hopes to be able to do the same for applicants to the Markle Foundation.

Ms. Baird also brings experience as a non-profit trustee. She has

served as a board member for more than two dozen non-profit organizations, including the Brookings Institution, Save the Children, and the Mexican American Legal and Educational Defense Fund.

While Ms. Baird is still in the process of getting to know the organizations that Markle supports, one grantee says his long-time association with her makes him sure that she will excel as a foundation leader.

Corporate Interests

President Jimmy Carter, whose international center received money from Markle to promote broadcasting enterprises in the former Soviet Union and other new democracies, says he has had much respect for Ms. Baird ever since she worked for him as a White House associate counsel. She "was very self-assured and not afraid to put forth her ideas, sometimes when they were innovative and even controversial," Mr. Carter recalls.

But some other non-profit officials are worried that Ms. Baird's background may hinder her abilities to promote the public's interest in telecommunications. They say that her years as a corporate lawyer—at Aetna and previously for General Electric—may bias her decision making in favor of corporate rather than public interests.

"Public-interest advocates who know how to affect what business does and who devote their energies to transforming the business climate to meet public needs are some of the most effective," says

Ms. Baird in response. "I am fully committed to doing exactly that."

While Ms. Baird does not have a long history of dealing with communications or technology issues, Lloyd Morrisett, whom Ms. Baird replaced after he retired, says his successor has been a quick study. And while Ms. Baird may not be a technology whiz herself, she knows how to hire such people, he says.

Her recent hires, for example, include Andrew Blau, a well-regarded communications-policy expert who previously worked for the Benton Foundation and the Electronic Frontier Foundation.

This fall, another respected expert will join the staff: Andrew L. Shapiro, a writer and lawyer who has served as the director of the Aspen Institute's Internet Policy Project. Mr. Shapiro, who has also held a number of fellowships—including a recent stint at Harvard Law School's Berkman Center for Internet and Society—is the author of a new book, *The Control Revolution: How the Internet is Putting Individuals in Charge and Changing the World We Know*.

Mr. Morrisett says he has been very impressed by the way Ms. Baird has taken over the foundation that he led for nearly 30 years. She has been well served by "her ability to learn quickly, her energy, her intelligence, her questioning mind," he says. "Zoë has been very careful about her examination of the field and setting her priorities in an orderly and sensible way. From what I see, everything is going well."

**PHOTOCOPY
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