

Soros Challenges Community to Extend Institute's Work in City

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Billionaire financier George Soros—who has spent \$50 million to combat urban ills such as drug addiction and juvenile delinquency in Baltimore over the past seven years—is challenging the community to come up with \$20 million to continue the work of his Open Society Institute in the city.

If the community raises the money, Soros said yesterday, he will ante up \$10 million for a total of \$30 million that would allow the institute to carry on its work in the city for at least another five years. Soros, 74, said he will visit Baltimore next month to officially announce the challenge. He said he is pleased with the work the city's OSI office has done so far and wants it to continue.

"I think it has been a terrific success," Soros said in a telephone interview yesterday. "It is exactly because there have been a number of successful programs that it seemed like such a shame to end it."

Soros, the institute's founder, has given away more than \$5 billion to foster Open Society Institutes in countries across the globe, including in Eastern Europe and the former Soviet Union. The Baltimore office is unique because it is the only one in the network that focuses on a single city.

When Soros opened the Baltimore office in 1998, he never intended for it to operate for more than five years. He initially committed \$25 million to the effort but ended up spending double that amount. Over the years, the institute has provided the behind-the-scenes impetus for dozens of initiatives, including a high school debate league as well as a community fellowships program, which has spawned dozens of arts and education projects.

"They have done great work in Baltimore," said Mayor Martin O'Malley, who credited the debate league with nurturing young leaders who helped to calm schools hit by arson last fall. "It is hard to quantify the value of that, but those students were extremely important."

O'Malley credited the institute for stepping forward with funds "at a time when federal and state government investments in our people have been in retreat. They have helped us move forward on a number of important fronts. ... If they look at the last five years of progress in Baltimore, I would think they would have to be very proud."

Through funding to local advocates, the institute has helped to increase the number of people receiving drug addiction treatment from 16,000 in 1999 to 24,000 in 2004. The state responded by increasing its funding for drug treatment from \$22 million in 1999 to \$49 million this year. The institute's work also helped to cut the rate of fatal drug overdoses.

Willing to Take Chance

"They have been particularly willing to fund innovative things," said the city's health commissioner, Dr. Peter L. Beilenson, who has worked closely with the Open Society Institute on a number of drug addiction and health care issues. "They are one of the first foundations you think of when you have an idea that may be out there. They are willing to take a chance."

The institute funded a two-year program to train 560 heroin addicts to use mouth-to-mouth resuscitation and to inject Narcan, an antidote that can revive someone who is near death from an overdose. Beilenson called the program a success-participants have reported 52 successful interventions so far-and said that many other foundations might have balked at the project.

"At first blush, training addicts to treat other addicts may seem a bit odd, but they were very willing to fund it," he said.

The institute's risk-taking attitude can be traced back to Soros, a currency speculator and financier who once made \$1 billion in a single day betting that the British pound was overvalued. He also made a fortune in risky investments called hedge funds. Forbes has estimated his personal wealth at \$7 billion.

After he launched the Baltimore office, Soros handed off operations to the board of directors and a small staff. The board, which is made up of community activists and leaders, meets once a month and has full authority to award grants.

Focused on Advocacy

"We have had a different approach to philanthropy," said Clinton Bamberger, a retired University of Maryland law professor who has served on the board since 1998. "We are focused on advocacy and enlisting the public. I think that has made a difference. I think there is a general improvement in a lot of things in Baltimore."

Bamberger credited Soros, whom he has met several times, with having the wisdom to create such an organization.

"He has put a lot of money into Baltimore because he cares about cities and societies in which everyone has the ability to participate," Bamberger said. "He always seems very interested in the people we are talking to and what they are doing. He just seems to be a decent man. We could use more of them."

Not everyone is a Soros fan. Political conservatives call him a hypocrite for spending millions of dollars lobbying for campaign finance reform and then using tax-exempt special interest groups to funnel more than \$12 million in soft money mostly to Democrats during the 2004 election. He also paid for newspaper ads that blasted President Bush for using fear to win support for his war policies. In his most recent book, *The Bubble of American Supremacy: The Cost of Bush's War in Iraq*, he urged people not to re-elect the president.

Soros, who retired recently as head of Soros Fund Management LLC, started his philanthropic work in 1979, when he began providing funds so black students could attend the University of Cape Town in South Africa. Today, the OSI network includes offices in more than 50 countries, all of them tasked with "building and maintaining the infrastructure and institutions of an open society."

Diana Morris, director of the Open Society Institute in Baltimore, said the office has been successful in part because the staff and board of directors knew they had limited time and resources. She said a focus on five key areas-addiction treatment, criminal justice, work force development, education and youth development, and access to justice-has also helped.

"We have had wonderful results," Morris said. "We have a track record now that is seven years long and we have learned a lot along the way. At this juncture we have an option, we could write up what we have learned and end, or continue with initiatives that are the most promising for the future of Baltimore."

If Baltimore can raise the \$20 million needed to meet Soros' challenge, Morris said, the city's office would work to expand drug addiction treatment in the city, create more education opportunities for youth to keep them out of juvenile detention centers, and aid adults who have been incarcerated.

"We've got to help those who have spent time in prison to find housing and drug addiction treatment," she said. "If they get this kind of help, the rate of recidivism will be cut."

Morris said the office is already working with the state to expedite the parole process. Some day soon, drug treatment could be offered in lieu of incarceration, she said.

Soros said he would hate to see the momentum of the past seven years broken. He said he believes that Baltimore will rebound.

"I think the city has made a lot of progress," he said. "It is encouraging how much can be accomplished. The idea is that if this can be kept alive, then perhaps other community foundations in other cities could look at Baltimore as a model."

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