

The Price of Doing Business: *Environmentalist Groups Toe Funders' Lines*

By Bonner Cohen

Summary: *What follows is an excerpt from Capital Research Center's forthcoming book, The Green Wave: Environmentalism and Its Consequences, by Bonner Cohen.*

In the late 20th century, several of America's oldest foundations began drifting leftward, redirecting their donations to social causes far removed from what their founders intended. Leadership changed at the top of major philanthropies including The Pew Charitable Trusts, the Ford Foundation, and the Rockefeller foundations, and new grantmaking officials began steering funds to favored causes, ranging from environmentalism to civil liberties to so-called social justice.

Even as America's first generation of foundations was in transformation, a new type of foundation was in formation, one designed from the outset to fund progressive causes. Young heirs like Joshua Mailman were developing the institutions of social venture philanthropy and corporate social investing to funnel private-sector funds to Leftist causes. Born in 1957, Mailman is heir to a fortune amassed by the Utica, New York-based Mailman Corporation, one of the nation's first conglomerates. In 1981, shortly after Ronald Reagan took office, he convened a secret meeting of mostly well-heeled activists in the Colorado Rockies to discuss how the Left could regain power in what they deemed was a hostile environment. Calling themselves "The Doughnuts," after a doughnut-shaped cloud that formed one day in the sky over their meeting place, the activists hit upon the idea of pooling their resources to support



Heinz Foundation Chairman Teresa Heinz Kerry (pictured above) with spouse Democratic Senator John Kerry of Massachusetts (in background). Mrs. Kerry has funneled millions of dollars to radical left-wing environmentalists.

social and political activist causes dear to their hearts.

In 1982 Mailman created a vehicle to translate his idea into reality. The mission of the Threshold Foundation is the promotion of peace, understanding, and environmental awareness through grantmaking and educational activities. Following the model laid out by the Doughnuts, Threshold provides "a mechanism for pooling the funds of smaller contributors in an effort to maximize their social impact." This model has been replicated by other organizations such as the Funding Exchange. Though their assets are minor compared to the major foundations, foundations like Threshold that pool donor resources created financial leverage to help

smaller radical activist groups. By 2000, Mailman's foundation was distributing \$1.3 million annually to organizations that included the Rainforest Action Network and the Ruckus Society, groups noted for "direct action" tactics that produce violent confrontations over environmental and trade policy.

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More important than the money changing hands is the political impact of Mailman's innovation. "What Joshua Mailman and a few others of the same era saw as an opportunity, and what they have accomplished over the past two decades, is the redefinition of what it means to be philanthropic," explains political scientist Jarol Manheim. "By pooling their funds, not only within foundations, as in the case of Threshold, but across foundations, and there are many such partnerships,...they began to create a resource base on which a Progressive-Left counter-revolution could be constructed."

The Tides Foundation and Tides Center: Mailman's was not the only innovative mind on the Left. In 1976, California activist Drummond Pike teamed up with Jane Bagley Lehman, a granddaughter of tobacco magnate R.J. Reynolds, to establish the Tides Foundation. Tides' innocuous mission statement suggests that it does little more than support traditional liberal causes. In fact, Tides is unique in the world of philanthropy. It acts like a giant umbrella sheltering donors from the unwanted scrutiny of the outside world. As the San Francisco Bay Guardian reported in 1997:

"Wealthy patrons give big chunks of money to Tides — and their names are kept

confidential. The Tides donation is completely tax deductible. But the donor can discreetly designate an organization that he or she wants to see receive the money—and Tides will pass the donation along, minus a small administrative fee. Often, the recipient group doesn't know where the money really came from. And there's no way the public can find out either. By the end of the 1980s, Tides had significantly expanded another of its tasks: providing a tax shelter to smaller non-profits unable or unwilling to win tax-exempt status from the federal government."



Joshua Mailman, founder of the Threshold Foundation

Tides' mode of operation became more intricate in 1996 when it created a separate Tides Center to handle the finances and administration of radical activist groups lacking independent tax-exempt status. It has helped protect the donor-dependent foundation from lawsuits that might be brought against the Center's radical affiliates. This wall of legal separation between the two organizations reassures wealthy donors eager to protect their money while using it to promote a radical anti-corporate political and social agenda. The Tides Center now manages Mailman's Threshold Foundation.

Both the Tides Foundation and Tides Center are classified as 501(c)(3) charitable organizations by the IRS, which makes contributions to them tax-deductible and not subject to public disclosure. As "public charities," Tides entities cannot engage in "substantial" lobbying and political activities, but its affiliates no doubt engage in a wide range of "research and education" activities. What makes the operation work so smoothly, analysts Gretchen and Tom Randall point out, is that "the original donor can't be linked to the ultimate recipient."

In its first quarter-century Tides has raised and distributed more than \$225 million. Much

of its money comes from corporations, including American Express, Arco, AT&T, Bank of America, Gap, Hewlett-Packard, IBM, Mattel, J.C. Penney, Sara Lee, Sony Music, and Ticketmaster. Foundations also use Tides to screen and channel their grants: Topping the list is the Pew Charitable Trusts, now also classified as a 501(c)(3) charity. Here is a list of other foundations that in 2002 and 2003 disclosed their contributions to the Tides Center and Tides Foundation:

- * Pew Charitable Trusts, \$8,208,000
- * Ford Foundation, \$4,355,000
- * Charles Stewart Mott Foundation, \$1,100,000
- * W.J. Kellogg Foundation, \$1,987,000
- * David & Lucile Packard Foundation, \$1,573,900
- * Rockefeller Foundation/Rockefeller Brothers Fund, \$450,000
- * New York Community Trust, \$175,000
- * William and Flora Hewlett Foundation, \$1,245,000
- * William Randolph Hearst Foundation, \$300,000
- * Richard King Mellon Foundation, \$2,900,000
- * Open Society Institute, \$254,700

Foundations that have disclosed their donations to the Tides Foundations in the years 2000 through 2003 include:

- * Ford Foundation, \$5,200,000
- * Open Society Institute, \$1,112,693
- * William and Flora Hewlett Foundation, \$1,000,000
- * New York Community Trust, \$235,000
- * Foundation for Deep Ecology, \$218,783
- * David & Lucile Packard Foundation, \$115,000
- * Rockefeller Brothers Fund, \$100,000

Not all the money, of course, has gone to environmental causes. In the 30 years since its founding, Tides has funded such groups as People for the American Way, the ACLU, Children's Defense Fund, Planned Parenthood, National Abortion Rights League, Association of Community Organizations for Reform Now (ACORN), National Lawyers Guild, the Institute for Policy Studies, and George Soros's Open Society Institute. Environmental groups receiving support from Tides include the Earth Island Institute, Earthjustice Legal Defense Fund, Environmental Defense, Environmental Media Services, Environmental Working Group, Friends of the Earth, Greenpeace, League of Conservation Voters, Living Earth Foundation, Natural Resources Defense Council, NGO Coalition for the Environment, Pesticide Action Network, Rainforest Action Network, Rocky Mountain Institute, Ruckus Society, Sierra Club, and the Wilderness Society.

For the Left and for environmental groups

Editor: Matthew Vadum

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Address:

1513 16th Street, N.W.
Washington, DC 20036-1480

Phone: (202) 483-6900

Long-Distance: (800) 459-3950

E-mail Address:

mvadum@capitalresearch.org

Web Site:

<http://www.capitalresearch.org>

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in particular, the ties between Pew and Tides represent an alliance of old and new: the venerable Pew has changed with the times, while Tides is thoroughly modern, a creation in the innovative spirit of Drummond Pike and Joshua Mailman. Pew and Tides are now joined by many other funding entities with deep pockets and a commitment to the agendas of modern environmentalism. The interlocking relationships of foundation grantmakers, NGO activists, and government officials are flourishing while their empires expand and their money flows.



Rebecca Rimel, president of the Pew Charitable Trusts

Pew Charitable Trusts: Pew president Rebecca Rimel has transformed a reliable backer of traditional U.S. charities into an enthusiastic supporter of a cacophony of leftist causes. The Philadelphia-based organization has about \$4 billion in assets, and Pew's environmental program, directed by Joshua S. Reichert, has donated an average of \$30 million annually over the past two decades to an array of environmental causes. Once described by the Boston Globe as the "man in charge of doling out the single largest block of money earmarked for environmental causes," Reichert told the Globe: "We are very product oriented. We need to demonstrate a return on these investments...that is measurable." Reichert likes to tell grant recipients what he wants done and "encourages" them to form coalitions to get maximum use out of Pew's money. He once told environmental writer Mark Dowie: "I don't want

someone who knows the facts, or can articulate them persuasively; I want someone who wants to win and knows how."

Here are a few of the environmental groups receiving Pew grants in recent years:

- * Ducks Unlimited, 2000-2004, \$25,300,000
- * National Environmental Trust, 2000-2004, \$20,500,000
- * Earthjustice Legal Defense Fund, 2000-2004, \$20,476,000
- * Wilderness Society, 1998-2004, \$2,596,400
- * Trout Unlimited, 2000-2004, \$2,312,000
- * National Parks & Conservation Association, 2000-2004, \$2,300,000
- * Save Our Wild Salmon, 2000-2004, \$2,250,000
- * Sierra Club, Sierra Club Foundation, 1998-2004, \$1,689,000
- * Union of Concerned Scientists, 2000-2004, \$1,100,000
- * Conservation Law Fund, 2000-2004, \$906,000
- * Friends of the Earth, 1998-2004, 852,335

Pew also contributed \$23,119,000 to the Tides Foundation and Tides Center between 2000 and 2004. Tides' method of operation makes it all but impossible to determine where this money goes, which is how Tides and its donors want it.

Nathan Cummings Foundation: Located in New York City, the foundation is named after Nathan Cummings (1896-1986), who turned a small tea and canned foods business in Baltimore into the giant Sara Lee Corporation. The foundation is dedicated to building "a socially and economically just society that values nature and protects the ecological balance for future generations." Lance Lindblom, the foundation's president and CEO, previously worked for George Soros's Open Society Institute. With assets of approximately \$400 million, the foundation makes annual grants totaling around \$15 million. Environmental groups receiving grants from the foundation from 2000 through 2003 include:

- * Environmental Defense, \$529,000
- * Earth Island Institute, \$474,500
- * Wilderness Society, \$275,000
- * Sierra Club Foundation, \$315,000
- * Earthjustice Legal Defense Fund, \$150,000

Charles Stewart Mott Foundation: The distinctly blue-collar town of Flint, Michigan would seem an odd place for one of America's best-endowed foundations to call home. Charles Stewart Mott was a founder of General Motors, which is the basis of the foundation's wealth. But like the Ford Foundation, it has taken a decidedly anti-market

left turn to the benefit of the environmental movement. Some of the recipients of Mott's largesse—NRDC, Sierra Club, Friends of the Earth—make little secret of their disdain for the automobile industry. Their attacks on cars, trucks, and the dreaded sport utility vehicle for allegedly contributing to global warming are smiled upon by the Mott Foundation. Among the green groups receiving Mott grants from 2000 through 2004:

- * Conservation Fund, \$8,336,000
- * Nature Conservancy, \$5,807,800
- * Friends of the Earth, \$1,660,000
- * World Resources Institute, \$1,650,000
- * National Wildlife Federation, \$1,803,141
- * Sierra Club Foundation, \$1,234,000
- * Alabama Rivers Alliance, \$1,125,000
- * American Rivers, \$1,065,000
- * Environmental Defense, \$707,000
- * Trout Unlimited, \$574,000
- * Earthjustice Legal Defense Fund, \$530,000
- * Conservation International/Conservation International Foundation, \$480,000
- * World Wildlife Fund, \$331,000
- * Natural Resources Defense Council, \$300,000

John D. & Catherine T. MacArthur Foundation: Founded in 1978, the MacArthur Foundation, with over \$4 billion in assets, ranks among America's ten largest philanthropies. From its Chicago headquarters MacArthur dispenses nearly \$200 million a year to leftist advocacy groups. Global in outlook, MacArthur has offices in Florida, India, Mexico, Brazil, Nigeria, and Russia. Founder John MacArthur (1897-1978) was a high school dropout who made a fortune in the insurance business. MacArthur established the foundation shortly before his death but left no instructions on how the money was to be spent.

It's doubtful that MacArthur would be pleased by his foundation. His son Rod urged the foundation to support leftist groups, including the ACLU, Institute for Policy Studies, Urban Institute, and the Tides Center. The foundation supports Friends of the Earth, Union of Concerned Scientists, and Environmental Defense. A favorite grantee is the Conservation International Foundation, which promotes climate change and biodiversity projects on four continents. Conservation International's board includes actor Harrison Ford, Queen Noor of Jordan and movie mogul Barry Diller.

In 1974, John D. MacArthur referred to environmentalists as "bearded jerks" and

“obstructionists” who “just throw rocks in your path.” For the past two decades, his foundation has funded plenty of rocks. Environmental group grant recipients from 2000 through 2003 include:

- * Conservation International/Conservation International Foundation, \$60,370,000
- * World Resources Institute, \$735,000
- * Environmental Law Institute, \$680,000
- * Nature Conservancy, \$485,000
- * National Wildlife Federation, \$350,000
- * Environmental Defense, \$325,000
- * Conservation Fund, \$100,000

Rockefeller Foundation, Rockefeller Brothers Fund, Rockefeller Family Fund:

The fortune amassed by John D. Rockefeller (1839-1937), founder of Standard Oil Company, is the stuff of legend. While the names of most of the 19th century Robber Barons are lost to public consciousness—railroad titans Edward Henry Harriman and Jay Gould come to mind—Rockefeller is still very much with us. The Rockefeller family over successive generations has been a powerful force in the world of philanthropy. Never opting for simplicity, the Rockefellers have devised many ways to support causes they favor. Together with his son, John D. Rockefeller, Jr., John D. Rockefeller Sr. established the Rockefeller Foundation in 1913. In 1940, John D. Rockefeller, Jr. and his six children set up the Rockefeller Brothers Fund. Yet another entity, the Rockefeller Family Fund, was incorporated in 1967 by the fourth generation of Rockefellers, the grandchildren of John D. Rockefeller, Jr.

Active for decades in medicine, education, and civil rights, the Rockefeller Foundation didn't get serious about funding environmental advocacy until the mid-1980s. One grantee, the Conservation Foundation, merged with the World Wildlife Fund (WWF) in 1990, enabling Rockefeller money to influence WWF's international agenda, including projects dealing with wildlife, wetlands, tropical forests, and climate change. By then, William Reilly, the former president of the EPA (under President George H.W. Bush) and WWF's chairman of the board was Russell Train, EPA chief during the Carter administration. Reilly and Train exemplify the well-oiled revolving door between government, foundations and activist groups. The

Rockefeller foundations are old hands at networking in the world of the rich and powerful. Like Pew, Mott, and MacArthur, they know how to leverage their resources to maximum effect. The Rockefeller Foundation also has been a generous supporter of the Tides Center, donating over \$3,300,000 to Drummond Pike's organization between 1998 and 2003.

For decades, the Rockefeller Brothers Fund was a vehicle for the business and political interests of Laurance S. Rockefeller, a grandson of John D. Rockefeller, Sr. and the brother of Nelson Rockefeller. “The Rockefeller Brothers Fund has been one of the two Mother Ships of the environmental movement for decades,” authors Ron Arnold and Alan Gottlieb note, “the other being Laurance Rockefeller's American Conservation Association.” The Rockefeller Brothers Fund has generously supported Greenpeace, Friends of the Earth, NRDC, the Sierra Club, Rainforest Action Network, and Environmental Media Service. The American Conservation Association, Laurance Rockefeller's other “Mother Ship,” contributes to environmental groups and accepts funding from the Rockefeller Brothers Fund and the Jackson Hole Pre-

serve, another Rockefeller philanthropy.

In one field of environmental advocacy, the Rockefellers were ahead of their time: They were pioneer proponents of depopulating and setting aside rural areas for the well-to-do. After World War II, Laurance Rockefeller spearheaded the family's investments in resort locations. As Ron Arnold explains it: “His clever deals—secretly buying up private land, donating it for national parks, and then getting the visitor concession—had built RockResorts, the family's for-profit hospitality industry empire, into a thriving venture.” In buying private land and flipping it to the government, Laurance Rockefeller presaged some of the lucrative land deals later pulled off by the Nature Conservancy, another Rockefeller grant recipient.

Interestingly, on the issue of genetically-modified (GM) crops the Rockefeller foundation empire parts company with substantial elements of the environmental movement. Greenpeace continues to rail against the use of GM crops, but the Rockefeller Foundation has teamed up with the U.S. Agency for International Development to promote agri-

For frequent updates on environmental groups, nonprofits, foundations, and labor unions, check out the CRC-Greenwatch Blog at

www.capitalresearch.org/blog



cultural biotechnology in famine-prone Sub-Saharan Africa. As part of the initiative, Monsanto, DuPont, Syngenta, and Dow Agribusiness will donate biotech seeds, patent rights, research tools and training in proper laboratory techniques to African scientists, relying on the new African Agriculture Technology Foundation in Kenya. It has received start-up funding from the Rockefeller Foundation.

The Rockefeller Family Fund has its own unique finger in the environmental advocacy pie. It is the Environmental Grantmakers Association (EGA), an informal, unincorporated group of some two hundred foundations and several corporations that meet annually to set the agenda for, and dole out money to, environmental groups willing to follow its orders. The EGA was created in 1987 as little more than an extended bull session for foundation leaders comparing notes on each other's environmental programs. But one participant was Donald K. Ross, who in 1985 had become director of the Rockefeller Family Foundation. Under his auspices, the EGA grew steadily and added new members. By the late 1990s, EGA members were collectively contributing half a billion dollars annually to environmental groups.

From the Fund's New York City offices, Ross coordinated EGA activities until he left the foundation in 1999. EGA annual meetings have become important strategy sessions for the environmental movement. Besides the Fund, other foundation kingpins are Pew, Cummings, and Blue Moon (formerly the W. Alton Jones Foundation) as well as the Bullitt Foundation (Seattle), Surdna Foundation (New York), Beldon Fund (Washington, D.C.), and the Joyce Foundation (Chicago). Companies belonging to the EGA include IBM and the leisure and sports clothiers L.L. Bean and Patagonia, Inc.

The Rockefeller philanthropies are varied and not always altruistic. Early supporters of land conservation, they were late in coming to support environmental advocacy. But while they may stray on support for GM crops (and, earlier, on DDT use), they are pillars of sup-

port for modern environmentalism.

Environmental groups receiving grants from the Rockefeller Foundation from 2000 through 2003 include:

- * Environmental Law Institute, \$778,933
- * Conservation Law Foundation, \$770,000
- * World Resources Institute, \$717,138
- * Resources for the Future, \$459,884

Environmental groups receiving support from the Rockefeller Brothers Fund:

- * National Environmental Trust, 1997-2002, \$1,950,000
- * Friends of the Earth, 1994-2001, \$1,427,500
- * Natural Resources Defense Council, 1991-2001, \$1,377,510
- * Environmental Defense, 1997-2001, \$994,363



A screen capture of LCV's Mark Longabaugh. The league directed substantial funding to John Kerry's 2004 presidential campaign.

- * Environmental Media Services, 1995-2001, \$672,000
- * Rainforest Action Network, 2000-2003, \$600,000
- * Greenpeace, 1997-2003, \$780,000
- * Sierra Club, 1995-2001, \$710,000
- * Earth Island Institute, 1995-2001, \$562,400
- * Environmental Working Group, 1990-2000, \$560,000
- * Wilderness Society, 1997-2000, \$520,000

The Heinz Foundations: The company founded by Henry John Heinz (1844-1919) made its name and money in pickles, not ketchup. Heinz was known as the "Pickle King" and he was a gifted marketer of processed foods, including pickles, vinegar, canned soups, and ketchup. The Pittsburgh-based H.J. Heinz Company became a global food giant, and the company stayed in the Heinz family for well over half a century before going public in 1969.

Like the Rockefellers, the Heinz family has not restricted its philanthropy to a single foundation. But the Howard Heinz Endowment, Vira I. Heinz Endowment and Heinz Family Foundation have two things in common: they support environmental advocacy groups and Teresa Heinz Kerry, wife of Massachusetts Senator John Kerry.

Born in Mozambique and educated in South Africa, Teresa Heinz, who changed her name to Teresa Heinz Kerry to help boost her husband's presidential ambitions, came to public attention during her husband's 2004 run for the White House. But for years the widow of the late Pennsylvania Republican Senator H. John Heinz III, has been a force to be reckoned with. She is chairman of the

board of the Heinz Family Foundation and the Howard Heinz Endowment and a member of the board of directors of the Vira I. Heinz Endowment. Together they have over a billion dollars in assets and disburse tens of millions of dollars annually.

Heinz Kerry donated \$20 million in 1993 to create the H. John Heinz Center for Science, Economics and the Environment, a Washington, DC-based think tank that continues to receive Heinz grants. The environmental projects of the Tides Foundation also have benefited from grants from the Howard Heinz Endowment and the Vira I. Heinz Endowment. In 2001, Tides joined forces with the Heinz endowments to create the Pittsburgh-based Tides Center of Western Pennsylvania, which supports the 50,000-member Stu-

“I don’t want someone who knows the facts, or can articulate them persuasively; I want someone who wants to win and knows how.”

-Joshua S. Reichert, Pew Charitable Trusts

dent Environmental Action Coalition (2,200 chapters nationwide) and the Pennsylvania Energy Project II, which promotes “green” businesses. The Heinz foundations gave \$3,009,500 to the Tides Center from 2000 through 2003. Interestingly, they also received money from the Tides Center for a “Pennsylvania Chemicals Partnership Project,” which instructs chemical suppliers and customers in how to reduce their use of chemicals.

Teresa Heinz Kerry’s attempt to move to the White House with her husband relied on support from environmental advocacy groups that received support from the Heinz foundations. The Heinz Family Fund made contributions to the League of Conservation Voters (LCV), which endorsed John Kerry for president in January 2004, a time before the Iowa caucuses and the New Hampshire primary when Kerry’s campaign appeared to be floundering. Kerry’s campaign also received a boost from the LCV Action Fund, a so-called 527 group, which [under Section 527(h) of the U.S. Tax Code] can make independent expenditures on behalf of candidates. Kerry received \$18,528 from the LCV Action Fund by late January. By mid-February, when the Kerry campaign had found its footing, LCV political director Mark Longabaugh acknowledged that his group had spent “six figures” on TV ads on Kerry’s behalf.

Between 2000 and 2004, the Heinz foundations gave nearly \$1 million to LCV, members of its board, and environmental groups those members represent, including Natural Resources Defense Council, Sierra Club, Environmental Defense, Earthjustice Legal Defense Fund, Wilderness Society, Trust for Public Land, National Wildlife Federation, Defenders of Wildlife, U.S. Public Research Group, and Environmental Working Group. All these groups are IRS tax exempt 501(c)(3) organizations often associated with 501(c)(4) lobbying groups, 527 political organizations,

and other affiliated groups. Because money is fungible, it is not difficult to pass funds from 501(c)(3)’s to 501(c)(4)’s and to 527’s with little regard for the legal niceties of campaign finance disclosure requirements. As a former Federal Election Commission official explained to the Washington Post:

“In the wake of the ban on party-raised soft money [the McCain-Feingold law], evidence is mounting that money is slithering through on other routes as organizations maintain various accounts, tripping over each other, shifting money between 501(c)(3)’s, (c)(4)’s, and 527’s...It’s big money, and the pendulum has swung too far in their direction.”

A recognized mover and shaker in the world of environmental advocacy, Heinz Kerry was vice chairman of Environmental Defense for 12 years. Environmental Defense is an advocacy group that has received nearly \$2 million in grants from the Heinz Family Fund and the Heinz Endowments since 1993. Green groups, including the Heinz Center, receiving donations from the Heinz Family Fund, Howard Heinz Endowment, and the Vira I. Heinz Endowment in the years 2000 through 2003 include:

- * H. John Heinz Center for Science, Economics and the Environment, \$12,793,606
- * Environmental Defense, \$776,000
- * Clean Water Action/Clean Water Fund, \$497,000
- * National Audubon Society (various offices), \$290,000
- * Chesapeake Bay Foundation, \$135,000
- * Wildlands Conservancy, \$125,000
- * Rocky Mountain Institute, \$105,000
- * Nature Conservancy, \$100,000

Turner Foundation: No discussion of environmental advocacy philanthropy would be complete without mentioning the Turner Foundation. The creation of Ted Turner, who founded CNN and Turner Broadcasting and who previously owned the Atlanta Braves, the foundation was established in 1990 to

distribute some of the flamboyant Georgian’s vast wealth to his favorite causes. None is more dear to the outspoken “Mouth of the South” than environmentalism.

The Turner Foundation describes its mission as being “committed to preventing damage to the natural systems—water, air, and land—on which all life depends.” Ted Turner hired Peter Bahouth from Greenpeace USA to be its executive director, and the foundation began to fund an array of green groups including Greenpeace, the Ruckus Society and the Rainforest Action Network. What started off as a mere trickle of \$582,700 in grants in 1991 became a flood: \$69.7 million in grants in 2001, and over 70% went to environmental groups. Small wonder that Ted Turner was called “Daddy Greenbucks” by environmentalists. Turner, his five children, and his then-wife actress Jane Fonda, served as foundation trustees.

In September 1997, Turner announced the establishment of the United Nations Foundation (UNF), saying he would use the organization to contribute \$1 billion to the UN over the next ten years. Former Colorado Senator Timothy Wirth, subsequently an international environmental official in the Clinton administration’s State Department, became UNF president. At the zenith of his personal wealth, Turner became the patron saint of the environmental movement and its indispensable global partner, the UN.

Turner thought he was now in a position to make things happen as his foundations began bankrolling dozens of environmental groups. The League of Conservation Voters topped the list, taking in over \$15 million in the Turner Foundation’s first decade. NRDC, the Trust for Public Land, Defenders of Wildlife, National Wildlife Federation, Greenpeace, and the Conservation Fund all pocketed over \$1 million in Turner Foundation donations during that period.

However, the good times didn’t last. When Turner sold his media empire to Time Warner in 1996, he was paid in stock, which he retained, even after Time Warner’s disastrous merger with AOL in 2001. The value of AOL/Time Warner stock plummeted, as did Turner’s fortune, which fell from \$10 billion

in 2000 to under \$2 billion two years later. Turner's many beneficiaries soon felt the pinch. In 2003, the Turner Foundation, which has no endowment and whose wealth is tied to Turner's fortune, announced it would not accept new grant proposals until further notice. The \$1 billion pledge to the UN also fell behind schedule, although Turner remains determined to fulfill it.

Turner is plotting his comeback. One vehicle, "Ted's Montana Grill," is a chain restaurant whose specialty is bison meat, much of it from the bevy of ranches Turner owns around the country. Turner is now in competition with California timber baron A.A. "Red" Emmerson to be America's biggest private landowner. He owns around 2 million acres of land on at least 14 ranches in seven states. His ranches produce bison,



**Entrepreneur Ted Turner,
founder of the Turner Foundation**

charge fees to hunters and fishermen to try their luck, and, ironically, to log trees. The same Ted Turner who, when the going was good, lavishly funded environmental groups with a long history of anti-ranching, anti-logging, anti-property rights activism, is himself a rancher, logger, and landowner.

Turner-funded environmental groups in the years 2000 through 2003, include:

- * League of Conservation Voters/LCV Voter Education Fund, \$16,657,126
- * Natural Resources Defense Council, \$2,645,000
- * National Wildlife Federation, \$1,275,000
- * Greenpeace/Greenpeace USA, \$1,050,000
- * Tides Foundation/Center, \$810,000
- * U.S. Public Interest Research Group, \$810,000
- * Defenders of Wildlife, \$807,000
- * Conservation Fund, \$800,000
- * Trust for Public Land, \$790,000
- * Sierra Club/Sierra Club Foundation, \$715,000
- * Izaak Walton League of America, \$635,000
- * Green Cross International/USA, \$620,000
- * Nature Conservancy, \$600,000
- * National Parks & Conservation Association, \$510,000
- * Earth Island Institute, \$505,000

- * Global Green USA, \$425,000
- * Bluewater Network, \$390,000
- * Ducks Unlimited, \$365,000
- * WorldWatch Institute, \$330,000
- * Earthjustice Legal Defense Fund, \$315,873
- * Alliance for the Wild Rockies, \$305,000
- * National Environmental Trust, \$300,000
- * Wilderness Society \$280,000
- * Rocky Mountain Institute, \$260,000
- * Environmental Defense, \$253,875
- * Environmental Working Group, \$225,000
- * American Lands/American Lands Alliance, \$220,000
- * Center for Biological Diversity, \$200,000
- * Heinz Center for Science, Economics and the Environment, \$200,000
- * Keystone Center, \$200,000
- * Friends of the Earth, \$198,000
- * National Audubon Society, including local chapters, \$190,000
- * American Rivers, \$120,000
- * American Farmland Trust, \$115,000
- * National Forests Protection Alliance, \$105,000
- * Western Organization of Resource Councils, \$105,000
- * World Wildlife Fund, \$100,000
- * Conservation International/Foundation, \$100,000

There are many other major grantmaking foundations that support environmental advocacy groups, including the Blue Moon Fund, Ford Foundation, Richard King Mellon Foundation, John Merck Fund, Brainerd Foundation, Energy Foundation, Surdna Foundation, Joyce Foundation, and the Winslow Foundation. They provide the lifeblood of environmental activism and give green groups the visibility to be taken seriously in politics. The key foundation heads—Drummond Pike, Teresa Heinz Kerry, Ted Turner, Paul Brainerd, Francis W. Hatch, John Peterson Myers—are themselves ardent environmental activists, albeit ones with big checkbooks. Tapping this source of abundant wealth may be the greatest achievement of the American environmental movement.

Some environmental activists complain that the strings attached to the foundation grants have reduced their independence.

They resent the carefully prescribed grants of the Environmental Grantmakers Association and the Pew Trusts. But they take the money, which shows that they regard these arrangements as the price of doing business.

FW

Bonner R. Cohen is a senior fellow at the National Center for Public Policy Research and senior policy analyst for the Committee for a Constructive Tomorrow.

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Terrence Scanlon, President

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PhilanthropyNotes

Henry Paulson, President Bush's Treasury Secretary nominee, is not the only environmentalist involved in controversial land deals in South America's Patagonia region. According to the Los Angeles Times, **Doug Tompkins**, who is president of both the **Foundation for Deep Ecology** and the **Conservation Land Trust**, has acquired a huge chunk of Chile. Using several foundations and investing more than \$150 million, Tompkins and his wife have methodically bought more than 2 million acres of varied terrain in South America. The American fundamentalist's signature conservation project in southern Chile is so large it has effectively sliced the narrow nation in two, a fact that has inflamed nationalistic locals. Tompkins has also picked a fight with Chile's farm-raised salmon industry. The head of an industry trade group there called Tompkins a "millionaire gringo." He added: "We are not going to accept a sub-nation in our own region with rules dictated by a fanatic."

A desire for bathroom hygiene is a symptom of a lack of mental hygiene, according to the Washington Post. In "Fighting Our Flush Fixation: Environmentalists Preach Another Kind of Toilet Training," avant-garde reporter Elizabeth Williamson lamented June 3 that "America remains a flush-oriented society...six years after the **U.S. Green Building Council** established standards governing construction with low environmental impact." Of course, only radical environmentalists and sympathetic journalists would make a connection between flushing away human waste and having a fixation, a kind of mental disorder. **Robert K. Watson** of the **Natural Resources Defense Council's** International Energy Project, **Bettina von Hagen** of **Ecotrust**, and **Rebecca L. Flora** of the **Green Building Alliance**, all sit on the board of the U.S. Green Building Council.

Robert Egger, president of **D.C. Central Kitchen**, publicized some of his strange ideas about the proper role of non-profit social service organizations in a letter to the editor published in the June 1 issue of the Chronicle of Philanthropy. In his mini-manifesto, Egger urged other nonprofits to go *on strike*. "Nonprofit organizations employ one-tenth of the work force and contribute an equal amount to the economy, yet they are expected to scramble, year after year, for meager resources," wrote the author of *Begging for Change: The Dollars and Sense of Making Nonprofits Responsive, Efficient, and Rewarding for All*. "The time has come for charities to stop being willing to 'soldier on' and slowly bleed ourselves emotionally and financially dry when no for-profit business in America would ever be expected to do the same," Egger pontificated. Perhaps Egger's sense of entitlement arises from his group's heavy reliance on government grants -- which has arguably turned his nonprofit into a de facto arm of government.

Guilt-ridden U.S. businesses shelled out \$10 billion in 2005 to charities, an increase of 14% over 2004, according to the **Committee to Encourage Corporate Philanthropy's** annual corporate philanthropy survey -- the Corporate Giving Standard. The sanctimonious do-gooder alliance co-founded by actor **Paul Newman** estimates the \$10 billion figure --based on data provided by 91 companies-- represents more than half of all U.S. corporate philanthropy. Of those 91 companies, 44 are in the Fortune or Global 100, while 87 meet the revenue level of the Fortune 1000 or Global 500, according to the group. "The results of this year's data conclusively demonstrate the growing importance of corporate philanthropy to companies and their senior executives," said **Charles Moore**, CECP's executive director. Meanwhile, the group announced that its members have chosen **Harold "Terry" McGraw III** as the group's new chairman of the board. McGraw, who succeeds **Sanford I. Weill**, chairman emeritus of **Citigroup**, is currently president and chief executive officer of **The McGraw-Hill Companies**.

The **Commonfund Institute's** annual study of 334 foundations and operating charities determined that foundation endowments experienced an 8.1% gain on investments in fiscal 2005, down from 11.4% in 2004 and 17.8% in 2003. With the reduced returns, foundations cut back, distributing only 5.5% of assets in 2005, after distributing 5.8% in 2004. "Foundation investment performance was better than expected given the challenging, low-growth environment last year," said the institute's executive director, **John S. Griswold Jr.**