

A Look at the MacArthur Foundation

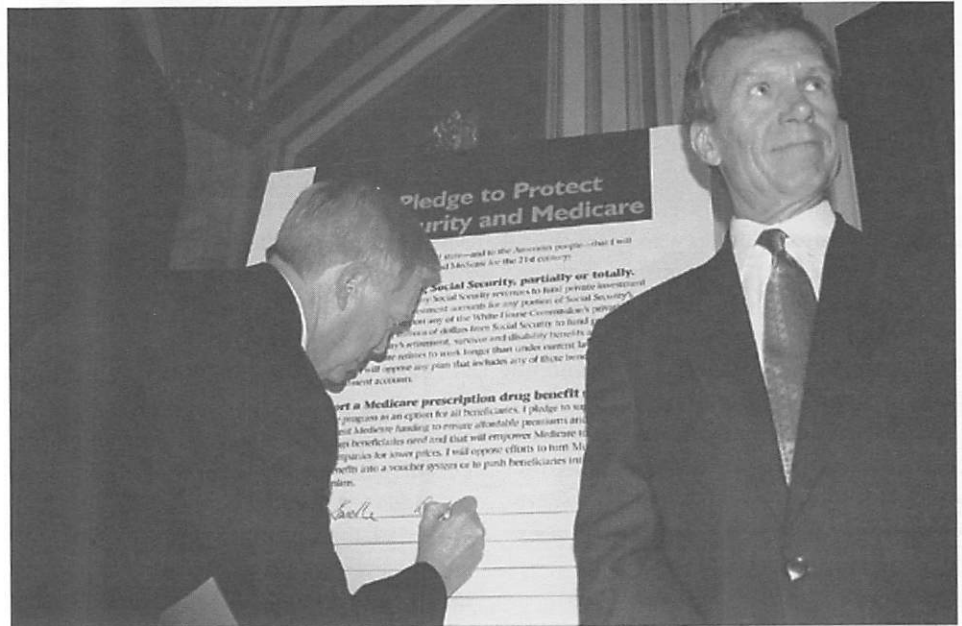
*“I figured out how to make the money.
You fellows will have to figure out how to spend it.”*

by Neil Hrab

Summary: As one of America's largest grantmakers, the John D. and Catherine T. MacArthur Foundation is a leading donor to liberal political and social causes, organizations and activists. This issue of Foundation Watch examines MacArthur's support for a liberal domestic policy agenda. The next issue will explore the Foundation's connections to foreign and defense policy groups.

With more than \$4 billion in assets, the John D. and Catherine T. MacArthur Foundation ranks among the ten largest American philanthropies. The Foundation, founded in 1978, dispenses close to \$200 million in grants each year from its Chicago headquarters and satellite offices in Florida, Nigeria, India, Mexico, Brazil and Russia. The Foundation claims to be “dedicated to helping groups and individuals foster lasting improvement in the human condition,” but it is hard to square this noble-sounding commitment to the Foundation’s controversial role as a major conduit of funds to liberal advocacy groups. Indeed, few philanthropies can claim to match MacArthur’s quantity and diversity of politically-motivated giving. The Foundation’s grantmaking extends to groups involved with environmentalism, economic policy, public interest law, gun control, feminist advocacy, and judicial nominations.

The organizations receiving MacArthur money are among the most influential in the liberal movement: the Economic Policy Institute, Center on Budget and Policy Priorities, Campaign for



The MacArthur Foundation funds the major groups advancing the liberal agenda, such as thwarting Social Security privatization.

America’s Future, Alliance for Justice, Environmental Defense, Friends of the Earth and the Union of Concerned Scientists are just a few.

When John D. MacArthur (1897-1978) authorized setting up the Foundation few people would imagine that he was creating one of liberalism’s most substantial funders. MacArthur’s life story – his rise from high school dropout to Chicago insurance magnate – suggests no sympathy for leftist political goals. Indeed, his public statements indicate the opposite. In 1974, for example, MacArthur described environmentalists as “bearded jerks” and “obstructionists” who “just throw rocks in your path.” The Foundation’s lurch to

the left is even more surprising since two well-known supporters of the free market were original members of its board of trustees – the late William Simon, former Secre-

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tary of the Treasury, and Paul Harvey, the famous radio-broadcaster who always tells his listeners "the rest of the story." (See Martin Wooster, *The Great Philanthropists*, Capital Research Center, 1998.)

As the years went by, however, the Foundation focused more and more on liberal causes. Part of the blame lies with MacArthur. He neither articulated a precise mission for his foundation nor did he ever communicate his thoughts regarding what causes or organizations his money should support. The nearest he came was a remark to William Kirby, the lawyer who helped set up the Foundation: "I figured out how to make the money. You fellows will have to figure out how to spend it."

Another influence was MacArthur's son Rod MacArthur (1920-1984). Unlike his father, he was a liberal and a self-proclaimed draft-dodger who spent World War II in the ambulance corps. Between 1979 and 1981, Rod MacArthur fought for control of the Foundation. Eventually a compromise was reached: MacArthur got to name two additional members to the board, including Dr. Jonas Salk, who was just as liberal. Not surprisingly, MacArthur frequently quarreled with the conserva-

tive Simon, who was also nominated to the board. It is said that Simon tried to oust MacArthur but was blocked by Kirby. When Simon resigned the liberal dominance of the Foundation was sealed.

By 1987, just nine years after MacArthur's death, the Foundation had become a well-known donor to liberal causes. John Corbally, its then-president, told *USA Today* that if MacArthur were still alive and saw where his money was flowing, "I think a lot of it would just make him furious."

MacArthur's giving during the 1980s included grants to major advocates of the environmental agenda: the World Resources Institute received overall funding that exceeded \$20 million and nearly \$500,000 went to the Sierra Club Legal Defense Fund. The "fellows" to whom MacArthur entrusted his money did indeed "figure out how to spend it."

The Genius Grants

The lengths to which the MacArthur Foundation will go to support liberal ideas and causes has generated considerable comment. In 1995 columnist John Leo pointed out that biased selections had damaged the credibility of MacArthur's annual Fellows Program—also known as the "genius grants." The foundation usually names between 20 and 30 fellows each year. It says "the fellowship is not a reward for past accomplishment, but rather an investment in a person's originality, insight, and potential." According to the Foundation's website, "Each fellowship comes with a stipend of \$500,000 to the recipient, paid out in equal quarterly installments over five years."

Leo said the Fellowships once honored "achievement and excellence among creative people of all political persuasions," but had fallen into the habit of rewarding "ideologues [and] low-luster laborers in the traditional vineyards of the left." He cited historian Patricia Nelson Limerick, whose grant recognized her revisionist history of the American West. Leo said her work argued "that the settling of the West was essentially one long spasm of greed, racism, sexism and violence that

isn't over yet." (See page 3 for other recent "genius grant" recipients.)

Unfortunately, things haven't improved. Last January, president Jonathan Fanton announced \$42 million in grants to honor the Foundation's 25th anniversary. The largest grant—\$14 million over ten years—went to National Public Radio. A review of other recent grants shows generous backing for an array of liberal organizations. For instance, the Tides Center, a veritable Noah's Ark sheltering small trendy left-wing causes under its tax-exempt umbrella, received pledges of more than \$800,000 over three years. They went for such projects as a study on "the public interest obligations of television broadcasters" and a public campaign "to build consumer awareness of and demand for sustainably harvested and traded aquarium products." MacArthur also made a \$68,000 three-year grant to the group Catholics For A Free Choice, a pro-abortion group that claims to be "Catholic" while opposing almost everything Pope John-Paul II teaches.

The Foundation gave \$364,000 to the New Press, a newly-formed publishing house intended to promote left-wing titles and authors who, it claims, receive little consideration from mainstream publishers. In fact, the New Press distributes titles by radicals who can be published anytime they want: Noam Chomsky, Gabriel Kolko, Studs Terkel and Howard Zinn. (One New Press book, *Slanting the Story: Forces that Shape the News* (2000) by Consumers Union official Trudy Lieberman, attacks Capital Research Center for reducing the influence of AARP in public policy debate.)

Funding the War on Bush Nominees

The MacArthur Foundation is especially important today. Liberal activists are waging bitter campaigns to defeat the Bush Administration's conservative policy agenda, and attacks on Bush executive branch and judicial nominees are especially harsh. The Foundation has donated thousands of dollars to three groups that play key roles in blocking the President's attempts to nominate qualified candidates

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Recent MacArthur “Genius Grants”

David Goldstein (2002)

Goldstein has worked for more than two decades at the Natural Resources Defense Council, where he is co-director of energy research and focuses on promoting energy-efficiency in building and consumer goods design. NRDC received pledges of about \$600,000 in MacArthur grants in 2001-02 (over three years). In a December 2002 interview with the *Cleveland Plain Dealer*, Goldstein branded the Bush Administration “arrogant and hypocritical” for phasing out Clinton-era regulations favored by environmentalists but burdensome to American manufacturers. The year before he characterized the Bush Administration’s energy-use policies as “stupid.”

Julie Su (2001)

Su is a lawyer with the “public interest” Asian Pacific American Legal Center in California. She discovered new ways to sue corporations while promoting federal immigrant entitlements. In 1995, she convinced a court to grant legal immigration status to a group of illegal immigrants working in California’s garment industry in exchange for their promise to inform on their employers for alleged labor exploitation. Su graduated from Stanford and Harvard Law. She works as an advisor to the National Voting Rights Institute, a pro-campaign-finance-reform outfit which claims “the issue of private money in public elections” is America’s “newest voting rights barrier.”

Patricia J. Williams (2000)

A Columbia University law professor, Williams writes a column “Diary of A Mad Law Professor” for *The Nation*, the left-wing opinion journal. In *The Nation*, Williams has called the deck of cards of Saddam Hussein loyalists distributed by American forces in Iraq “a gussied-up hit list.” Reviewing Kenneth Timmerman’s terrific book *Shakedown: Exposing the Real Jesse Jackson*, she said the author exhibited “irrational anger” towards Jackson and that his book was full of “myth, stereotype, unsubstantiated accusation, illogic and careless innuendo.” When the Bush Administration showed reluctance to participate in the UN’s anti-American World Conference Against Racism, she wrote, “How can the most powerful and diverse country on earth refuse to go to the first global discussion of race?” Williams has been a board member of the National Organization of Women Legal Defense and Education Fund and the Center for Constitutional Rights, another leftist litigation group.

Carl Safina (2000)

Safina is president of Blue Ocean Institute, an ocean conservation group. Featured in a 2001 PBS/ Bill Moyers documentary “Earth on Edge” (co-produced with the World Resources Institute), Safina asked ominously “Can we sustain a civilization that destroys the things it was built on?” In 2003, he received a fellowship from the World Wildlife Fund.

Matthew Rabin (2000)

A UC Berkeley economics professor specializing in “behavioral economics,” Rabin says economic models fail to explain irrationality in consumer decisionmaking (e.g. procrastination and addiction). Policy activists are eager to use Rabin’s work to argue that government must help consumers who are, says Rabin, “nicer, dumber and weaker than economists suppose.”

Peter Hayes (2000)

Executive Director of the Berkeley, California-based Nautilus Institute for Security and Sustainable Development, Hayes and his colleagues work with international organizations, including the U.N. Environment Program, the World Bank, and the U.N. Development Programme on issues of “globalization.” In the *South China Morning Post* (March 27, 2003), he opined “A fast victory in Iraq will lead to a rapid collision with other states and the early termination of the Bush doctrine of anticipatory invasion - or a general conflagration between great powers. A slow victory in Iraq that preoccupies the US for years will fuel the flames of Islamist and anti-American insurgency at a global level.”

Lucy Blake (2000)

An environmental activist, Blake founded the Sierra Business Council in 1994 to promote an environmentally “sustainable” economy and she was president of the California League of Conservation Voters, an environmental lobby and advocacy group supporting green political candidates. According to a Nov. 12, 1992 article in the *Christian Science Monitor*, Blake called the election of Bill Clinton and Al Gore “a turning point in the race to save the planet.”

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to the judiciary and Administration posts.

The Alliance for Justice — \$134,000 over two years. As reported in the June 2002 issue of *Organization Trends*, the Alliance savaged President Bush's effort to have the Senate confirm Judge Charles Pickering to the Fifth U.S. Circuit Court of Appeals. It also has done its best to frustrate confirmation of Miguel Estrada, who was nominated to the Court of Appeals, District of Columbia Circuit. Because Estrada believes in interpreting the written Constitution rather than deriving rights from it, the Alliance brands him a "conservative ideologue who is unable or unwilling to distinguish his personal views from what the law requires."

The Mexican American Legal Defense and Education Fund (MALDEF) — \$66,000. MALDEF also opposed Estrada, whom it accused of being "too ideological" and not sympathetic to MALDEF's view "on such legal issues as racial profiling, affirmative action, and the standing of minority organizations to represent minorities' interests." MALDEF says, "If the Senate confirms Mr. Estrada...the American dreams of the majority of Hispanics living in this country will come to an end."

National Council of La Raza — \$120,000. The Hispanic activist group has developed many MacArthur contacts. Cecilia Munoz, a La Raza vice president who received a MacArthur genius grant in 2000, later attacked Linda Chavez, the unsuccessful Bush nominee to be Secretary of Labor, as "completely out of the mainstream of...the Latino community."

Funding the Counterattack on the Bush Agenda

MacArthur also supports activist organizations that attack Bush Administration economic policies and seek to revitalize the Left. The Campaign for America's Future (CAF), a coalition pushing Democratic Party office-seekers to the Left, received a two-year \$44,000 grant to fund its think-tank arm. CAF includes representatives of the AFL-CIO, NAACP, the Rainbow Coalition and the National Organization for Women. It mobilizes activists

against Social Security privatization and tax cuts, and advocates national healthcare and welfare entitlements. CAF is also a strong ally of the anti-war movement and opposes much of the Administration's defense spending agenda.

Here are profiles of some other liberal domestic policy and advocacy groups receiving MacArthur grants. They are organized by area of activity. Except for 2002-2003 grants, recipient grants are listed on the 2001 MacArthur Foundation IRS form 990, the most recent available.

A. Activist Groups

1. Center for Economic and Social Rights

<http://www.cesr.org/>

Grant: \$450,000 over three years (2002)

This organization, founded in 1993 and based in Brooklyn, wants to greatly expand the scope and amount of government entitlements, including a guaranteed right to an "equitable distribution of world food supplies." Besides publishing domestic policy studies, the Center litigates in the "public interest" and promotes a left-wing foreign policy agenda for America. In March 2003, it published a study, "Tearing up the Rules: The Illegality of Invading Iraq." A month later, it released a second report accusing Washington of "responsibility for the unfolding humanitarian crisis in Iraq."

2. Center of Concern

<http://www.coc.org/>

Grant: \$33,000 over three years

This independent but Catholic group works with other nongovernmental organizations (NGOs) to promote its brand of "global justice and peace." It fights "global racism" and strongly supported the 2001 United Nations "World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance" in Durban, South Africa.

3. Center on Budget and Policy Priorities

<http://www.cbpp.org/>

Grant: \$250,000 (2002)

Labeled by the *Washington Monthly* as one of Washington's five most influential think-tanks, the Center focuses on

domestic policy and the economics of federal taxes and spending. It has been a strong critic of the Bush Administration's economic policies. The Center's board of directors includes Marian Wright Edelman, president of the Children's Defense Fund (CDF) and representatives of the World Bank, the Brookings Institution, and the Rockefeller Foundation. (MacArthur also gave CDF a \$230,000 grant over two years.) CBPP founder and executive director Robert Greenstein is a 1996 MacArthur "genius grant" recipient. MacArthur cited him for making "the Center a model for a non-partisan research and policy organization." Greenstein recently called the tax cuts approved by Congress in May "massive gimmicks" that will "have only modest economic effects" because most benefits will go to "high-income households." In 2001, the Center had revenue of more than \$8 million and assets of \$12 million.

4. Citizens' Commission on Civil Rights

<http://www.cccr.org/>

Grant: \$66,000 over two years

Former government officials offended by the Reagan Administration's view of the Constitution founded this group in 1982. The Washington, DC-based organization supports race and gender-based preference policies. In 2001, Commission chair William Taylor attacked President Bush's nominee for Attorney General, asserting that John Ashcroft's confirmation would provoke "racial divisiveness."

5. Economic Policy Institute

<http://www.epinet.org/>

Grant: \$254,000 over four years

This labor union-backed Washington think-tank was established in 1986 as a collaborative effort of liberal academics, including Robert Reich (later Clinton Labor Secretary) and economist Lester Thurow. EPI has a staff of fifty and its research encompasses labor and retirement policy, globalization and education. In 2000, its revenue was \$5.5 million. EPI opposes Social Security privatization, supports increases in the minimum wage, and is critical of free trade agreements such as NAFTA. Like CBPP's Greenstein, EPI president Larry Mishel dismissed the

Bush tax cuts, calling their anticipated economic benefits a “hypocritical fraud.” EPI’s board of directors includes EPI founder Jeff Faux, Richard Trumka, secretary-treasurer of the AFL-CIO, the presidents of eight major labor unions, and Bruce Rapaport, president of the American Income Life Insurance Company.

6. *Institute for America’s Future*

<http://www.ourfuture.org/>

Grant: \$44,000 over two years

The Institute is part of a larger umbrella group, the Campaign for America’s Future. (See “Campaign for America’s Future,” Joel Mowbray, *Organization Trends*, March 2002) Combining political advocacy and policy analysis, it is notable for its attacks on conservatives. IAF believes Americans will be better off when “the conservative agenda that has made things worse” is replaced by a “progressive agenda.” Its board of advisors is a Who’s Who of liberalism: Julian Bond (NAACP), Jesse Jackson (Rainbow Coalition), writer Barbara Ehrenreich, feminist Betty Friedan, former Ohio Senator Howard Metzenbaum and AFL-CIO president John Sweeney. The Campaign claims conservative policies have shredded the “social contract” and given corporations free rein over the economy. Campaign co-director Robert Borosage is a veteran activist who was an issues advisor to Senator Barbara Boxer (D-CA) and to Jesse Jackson’s 1988 presidential campaign. The Campaign sees itself as a counterweight to the more centrist Democratic Leadership Council. In June 2003, the Campaign’s “Take Back America” conference denounced the alleged right-wing takeover of the media and staged a march on Vice President Cheney’s house.

7. *Physicians for Human Rights*

<http://www.phrusa.org/>

Grant: \$550,000 over three years (2003)

Boston-based PHR shared the 1997 Nobel Peace Prize for its role in the campaign to ban landmines, a weapon protecting American soldiers in South Korea and other trouble spots. The landmines campaign is a pet cause of MacArthur Foundation board member Lloyd Axworthy. PHR also urges the Department of Homeland Security to drop its

“discriminatory” policy of detaining asylum applicants from 34 countries (e.g. Sudan, Afghanistan, Iraq), which officials deem vital to determining the legitimacy of refugee claimants. In 2001, PHR reported \$3.4 million in revenue.

B. Environmentalists

1. *Center for International*

Environmental Law

<http://www.ciel.org/>

Grant: \$121,000 over three years

The Center, which calls itself a “public interest, not-for-profit environmental law firm,” opened its doors in 1989. In May, it joined with Physicians for Social Responsibility, another MacArthur grant recipient, to lambaste President Bush for lacking enthusiasm for the UN’s proposed global tobacco control treaty. It calls the proposed U.S.-Chile and U.S.-Singapore Free Trade agreements “wrong models for the environment.”

2. *Center for Clean Air Policy*

<http://www.ccap.org/>

Grants: \$112,000 over three years

The Center urges U.S. adoption of stringent European Union-style controls on carbon emissions to fight so-called “global warming,” and wants President Bush to force American companies to undertake “climate change” initiatives. Its board of directors includes David G. Hawkins, a senior attorney at the Natural Resources Defense Council, and former Wisconsin Senator Gaylord Nelson, the founder of Earth Day. Another opponent of global-warming, the New York City-based Rainforest Alliance, received a 2001 pledge of \$70,000 from MacArthur.

3. *Conservation International* *Foundation*

<http://www.conservation.org/>

Grant: \$5,121,000 over three years

Started in 1987, this environmental group has grown dramatically and pursues its agenda on four continents. In 2001, it reported \$70 million in revenue, a \$52 million budget, and \$132 million in assets. It wins support by promoting “ecotourism” and its “Center for Environmental Leadership in Business” recruits business executives to endorse its views on climate change and biodiversity. Conservation Interna-

tional administers a fund that receives support from the MacArthur Foundation, the World Bank, the U.N. Global Environment Facility and government of Japan to invest in protecting so-called “hotspots.” These are 25 designated regions, such as the Brazilian rain forest and desert areas in the American Southwest, that are considered so rich in biological diversity that they merit special protection. Whatever the merit of this strategy, Conservation International has benefited from the publicity and has attracted a board that includes Harrison Ford, Queen Noor and movie mogul Barry Diller. In 2001, it received \$261 million from the Gordon and Betty Moore Foundation (Moore is co-founder of Intel), the largest single gift to an environmental organization.

4. *Earthjustice Legal Defense Fund*

<http://www.earthjustice.org/>

Grant: \$84,000 over three years

“Because the Earth needs a good lawyer” is this group’s motto. Known as the Sierra Club Legal Defense Fund when it was founded in 1971, the group changed its name to emphasize its institutional independence. With seven regional offices, the Fund recruits and trains legal talent at law clinics held at Stanford University and the University of Denver. Its 148 lawyers and staffers file lawsuits on behalf of a variety of clients, including the Wilderness Society, Natural Resources Defense Council and National Audubon Society. Earthjustice prides itself on courtroom victories that transfer private land to government ownership, and lists as an accomplishment placing more than 500,000 acres of Florida wetlands under government control. Earthjustice attorneys also helped the Clinton Administration prohibit commercial logging in Alaska’s Tongass National Forest, an action the Bush Administration is seeking to reverse. In 2001, Earthjustice reported revenue of \$21.5 million.

5. *Environmental Law & Policy*

Center of the Midwest

<http://www.elpc.org/>

Grant: \$256,000 over two years

Founded in 1993, the Center uses legal expertise to defeat transportation infrastructure projects in the Midwest (e.g., larger and longer highways). Last year it

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blocked development of a marina on Lake Michigan. This year it protested President Bush's decision to cut subsidies to wind "energy" projects and ethanol producers. If the Center had its way, government would fund Midwest infrastructure projects like wind mills.

6. *Environmental Defense*

<http://www.edf.org/>

Grant: \$517,000 over three years

Founded in 1967, ED claims a membership of 300,000 and works with groups like the Natural Resources Defense Council and the Union of Concerned Scientists (also recipients of MacArthur funding) to persuade Americans about the dangers of so-called "global warming." ED prides itself on ending use of the pesticide DDT in the 1970s, even though the ban has had serious public health effects in the developing world, which desperately needs low-cost, practical ways to combat malaria and other diseases. A major player in the environmental movement, Environmental Defense reported \$43 million in revenue in 2001.

7. *Friends of the Earth*

<http://www.foe.org/>

Grant: \$56,000 over three years

The U.S. chapter of Friends of the Earth is one of the more militant green groups. Part of a larger 70-country FOE network, the American branch is a loud critic of Bush Administration policies. It opposes U.S. efforts to persuade other countries to accept U.S.-grown exports of genetically-modified crops and resists giving production incentives to the "dirty energy industry." FOE president Brent Blackwelder has an "honorary" spot on the board of the League of Conservation Voters, the political action committee that funds pro-green candidates.

8. *The Nature Conservancy*

<http://nature.org/>

Grants: \$482,000 over three years

The Nature Conservancy doesn't exaggerate when it describes itself as "the world's largest private international conservation group." It raised \$1.239 billion towards a "Campaign for Conservation," which concludes this year. In 2001, the Conservancy reported revenue of \$732

million and nearly \$3 billion in assets. Besides MacArthur Foundation support, the Conservancy gets government grants—\$60 million in 2000. The Conservancy has acquired more than 12 million acres of private land in the U.S., organized into more than 1,400 preserves. And it makes money selling the land to government. According to the most recent figures available, the Conservancy received \$37.8 million in 1996—11 percent of its total income—from private land sales to government. In some cases, government has paid the Conservancy more than the land's appraised value. (See, "The Green Land-Grabbers," Bonner Cohen, *Foundation Watch*, November 2001) But the Conservancy's sharp financial practices are catching up with it. A *Washington Post* series (May 4-6, 2003) exposed how the Conservancy resells land purchases to its trustees and supporters at a loss. Buyers cover the loss by donating cash to the group and taking a tax deduction. Tax specialists say federal tax law does not allow charitable deductions for ordinary payments to purchase property.

9. *Union of Concerned Scientists*

<http://www.ucsusa.org/>

Grant: \$556,000 over three years (2001); \$1 million (2003)

Describing itself as an independent nonprofit alliance of 60,000 concerned scientists and citizens committed to "citizen advocacy to build a cleaner, healthier environment and a safer world," the group promotes the claims of environmentalists and arms control activists. UCS has helped coordinate efforts to discredit Danish academic Bjorn Lomborg, author of the *The Skeptical Environmentalist*, who has refuted many green claims and argues that life on Earth is getting better. UCS claimed credit for helping persuade a Danish scientific group to censure Lomborg. UCS also is eager to derail plans to build an anti-missile defense system to protect the U.S. and its allies from rogue nations. The MacArthur Foundation gave UCS \$1 million to "prevent the deployment of destabilizing missile defenses" that are "ineffective" and "threatening to China and Russia." In 2001, UCS reported \$8.8 million in revenue and \$13.7 million in assets.

10. *World Resources Institute*

<http://www.wri.org/>

Grant: \$1,000,000 (2003)

Like many of MacArthur's environmental grantees, WRI opposes President Bush's decision to reject the job-killing Kyoto environmental accord. WRI's board of directors includes Frances G. Beinecke, executive director of the Natural Resources Defense Council, another major MacArthur beneficiary.

11. *Worldwatch Institute*

<http://www.worldwatch.org/>

Grants: \$99,000 over three years

The Institute seeks "an environmentally sustainable and socially just society" but tries to win people to its vision by scaring them to death. Its annual "State of the World" yearbooks routinely predict disaster unless all governments adopt its environmental policies. Institute founder Lester Brown is a former MacArthur Fellow.

C. *Feminist Groups*

1. *Center for Reproductive Law and Policy*

<http://www.crlp.org/>

Grant: \$397,000 over three years

Thanks to annual six-figure MacArthur grants, this New York-based group is able to publish, legislate and litigate pro-abortion policies worldwide. CRLP threatened legal action after President Bush ended U.S. foreign aid funding for groups providing abortions and abortion referrals.

2. *Coalition for Women's Economic Development and Global Equality*

www.womensedge.org/

Grant: \$40,000 over three years

The Coalition agitates for a radical feminist-inspired political and economic agenda. Its major partners include pro-abortion groups like Population Action International, the Center for Reproductive Rights, Feminist Majority Foundation, Alan Guttmacher Institute, and Center for Reproductive Law and Policy.

3. *The Population Council*

<http://www.popcouncil.org/>

Grant: \$775,000 over three years (2003)

John D. Rockefeller III founded the

Council in 1952. Its worldwide operations employ some 600 people in 40 countries. The Council owns the patent for mifepristone, an abortion drug which won FDA approval in 2000.

4. *Global Fund for Women*

<http://www.globalfundforwomen.org/>
Grant: \$750,000 (2002); \$1,000,000 (2003)

In 1987, Frances Kissling, president of Catholics for a Free Choice, helped found the California-based Fund, which makes grants to feminist groups in Africa, Latin America, and Asia. (The GFW website claims Kissling's work is fully in keeping with "the Catholic social justice tradition.") The GFW feels particularly keen on funding access to abortion and birth control and funding Third World organizations lobbying for special set-asides to guarantee women seats in elected legislatures.

5. *Institute for Women's Policy Research*

<http://www.iwpr.org/>
Grant: \$268,000 over two years

Economist Heidi Hartmann, a 1994 MacArthur genius grant recipient, founded IWPR to advance feminist policy research. Her board of trustees includes Katrina vanden Heuvel, editor of the *Nation*, and Linda Chavez-Thompson, executive vice president of the AFL-CIO. (vanden Heuvel also sits on the board of the magazine's research and funding arm, the Nation Institute, which secured a two-year \$78,000 MacArthur grant in 2001.)

6. *International Women's Health Coalition*

<http://www.iwhc.org/>
Grant: \$300,000 over three years

Located in New York City, IWHC works to increase abortion access worldwide. It has attacked President Bush's decision to block \$34 million in funding to the United Nations Population Fund, accusing the President of fighting "a stealth war against women." A second NYC-based reproductive rights group, the Research Action and Information Network for the Bodily Integrity of Women (RAINBO), received a \$60,000 grant (over three years) from MacArthur.

7. *International Planned Parenthood Federation, Western Hemisphere Region*

<http://www.ippfwhr.org/>
Grant: \$44,000

The separately-incorporated IPPF Western Hemisphere group consists of 45 abortion-support groups. In 2000, it reported \$9.8 million in revenues, including \$1.1 million in government aid, mainly from USAID. (See CRC's *Guide to Feminist Organizations* by Kimberly Schuld.) Alex Sanger, Chair of the International Planned Parenthood Council, is an advisor to the Western Hemisphere office. He is the grandson of Margaret Sanger, Planned Parenthood's founder.

D. Gun Control

1. *Children's Memorial Foundation*

http://www.childrensmemorial.org
Grant: \$50,000 over two years

The Foundation is a pediatric care philanthropy in Chicago, but it used its MacArthur grant to fund the Handgun Epidemic Lowering Plan (HELP), "an international network of medical and allied organizations" promoting gun control public policies. HELP also receives backing from the Joyce Foundation and the Tides Foundation.

2. *Consumer Federation of America Foundation*

<http://www.consumerfed.org/>
Grant: \$200,000 over two years

Founded in 1972 as the research arm of the lobby group that claims to represent "more than 285 organizations" with "a combined membership exceeding 50 million people," the Foundation used its MacArthur grant to study ways that firearms can be "regulated" as "consumer products."

3. *Violence Policy Center*

<http://www.vpc.org/>
Grant: \$78,000 over three years

VPC is a close ally of trial lawyers. When lawyers decide to sue gun manufacturers, VPC helps out by "advocating that firearms be held to the same health and safety standards that virtually all other consumer products must meet."

4. *Physicians for Social Responsibility*

<http://www.psr.org/>
Grant: \$75,000 over three years

PSR's founder is anti-nuclear activist Helen Caldecott. Its grant went to support a "gun violence prevention program." Like the Consumer Federation and Violence Policy Center, PSR supports legislation to "apply consumer safety regulations to firearms," and it files lawsuits "to hold gun manufacturers responsible for the cost of gun violence." PSR opposes the war in Iraq; its executive director Robert K. Musil accuses President Bush of squandering "billions on war preparation."

5. *Legal Community Against Violence*

<http://www.lcav.org/>
Grant: \$56,000 over three years

This California-based group helps city governments sponsor anti-gun legislation. Its website - www.firearmscenter.org - publishes materials countering the view that the Second Amendment protects the right of gun ownership. In the early 1990s LCAV provided "financial and pro bono legal support" for one of the first lawsuits against gun manufacturers.

Conclusion

The MacArthur Foundation is clearly one of the key philanthropic supporters of the liberal agenda. This is especially disappointing because it could have been a major conservative donor. John MacArthur made the mistake of many conservative philanthropists by not taking the proper measures to ensure that his foundation would donate to causes that reflected his beliefs. Instead, he chose to rely on so-called philanthropy experts: "I figured out how to make the money. You fellows will have to figure out how to spend it." This mistaken belief is a lesson all donors should take to heart.

Neil Hrab, a free-lance writer, works at Canada's National Post.

PhilanthropyNotes

Members of the board of the **Ford Foundation** have decided that chairman Paul Allaire should stay, despite federal accusations that he engaged in accounting fraud when he was chairman and CEO of the Xerox Corporation. In June, the SEC determined that Allaire and five other executives let Xerox overstate its profits by \$1.4 billion over four years. It barred Allaire from serving as a director of a public corporation for five years. Allaire also agreed to pay a \$1 million penalty and forfeit more than \$7 million in bonus pay and proceeds from stock sales. But Kathryn Fuller, president of the World Wildlife Fund and a member of the Ford Foundation's executive committee, defended the board decision: "We were committed to doing what we considered the right thing...which is to stay with a man who has been an exemplary leader." The board decision comes at a delicate time. Foundations currently are trying to persuade the House of Representatives to eliminate proposed legislation that would force them to spend more of their assets on charity. Ford has \$10 billion in assets. Said law professor Evelyn Brody, "This is not a good time for the nonprofit sector to be attracting attention in this kind of way."

The legislation is a provision in the proposed **Charitable Giving Act of 2003** currently before the House Ways & Means Committee. (The Senate version of the bill does not contain the measure.) It would require foundations to exclude administrative expenses when calculating their required annual charitable distribution. Foundations are legally required to spend at least 5 percent of their endowment annually on charity, but current law allows administrative expenses to be included. Dorothy Ridings, president of the **Council on Foundations**, argues that administrative costs are an integral part of a foundation's check-writing mission. But the provision's authors, House Majority Whip Roy Blunt (R-MO) and Rep. Harold Ford (D-TN), defend the payout reform. They cite studies that suggest their proposal will compel foundations to donate an additional \$4.3 billion annually to charities, arts groups, educational organizations and other nonprofits desperate for more funds. In 2002, foundations contributed \$27 billion to charities.

A Deloitte & Touche audit finds that the board of trustees of the **Barnes Foundation** was not consulted by the foundation's former president on important decisions and did not approve the foundation's budgets for 1993, 1994 and 1996. Moreover, then-president Richard Glanton approved payments of \$111,250 to a business associate for computer and booking services without consulting the board. The audit prompted the board to hire the Foundation's first executive director and CEO, create new guidelines for travel expenses, and other measures to improve accountability. Said Foundation chairman Bernard Watson, "While some of the changes seem like common sense now, the very fact that they had to be put in place reveals the depth of the problems." The Barnes Foundation supports the Pennsylvania museum housing the art collection of Albert Barnes (1872-1951).

The **McKnight Foundation** has announced it will commit \$8.1 million over three years to a renewable energy program in Minnesota, Wisconsin, Illinois and other Midwestern states. Administered jointly by the McKnight Foundation and the San Francisco-based Energy Foundation, the project is mainly designed to expand the use of wind power. Officials justify the program, in part, to help reduce carbon dioxide emissions to combat the unproven global warming threat.

The **Bill & Melinda Gates Foundation** has announced a \$22 million grant to the NewSchools Venture Fund to create a system of charter schools through nonprofit charter management organizations. With offices in Washington, DC and San Francisco, the NewSchools Venture Fund seeks to develop at least five charter management organizations that will oversee 20 new schools serving about 8,000 students.