# FOUNDATIONS: THEIR POWER AND INFLUENCE

BY RENÉ A. WORMSER

FIRST PUBLISHED IN 1958 BY—
THE DEVIN-ADAIR COMPANY, NEW YORK

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Second printing by Angriff Press, 1977, with permission of Devin-Adair.

Third printing by Covenant House Books, 1993, with permission of Angriff Press.

Covenant House Books P. O. Box 4690 Sevierville, TN 37864

615-428-5176

ISBN 0-925591-28-9

# FOUNDATIONS: THEIR POWER AND INFLUENCE

by René A. Wormser

This is a searching analysis of some of America's most powerful tax-exempt foundations, their actions as opposed to their stated purposes, the interlocking groups of men who run them, their influence on the country at large.

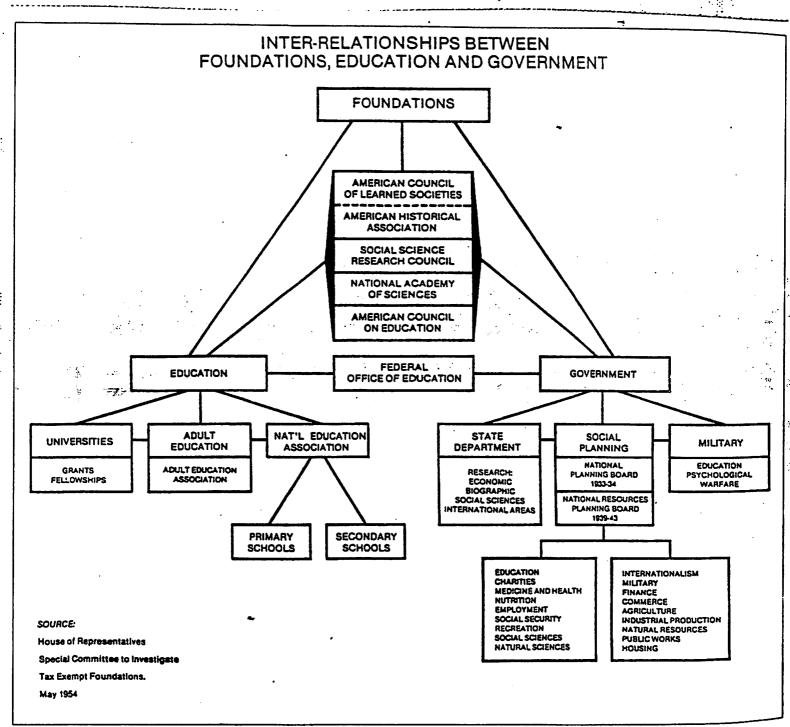
The author, as counsel to the Reece Committee which investigated foundations for the last Republican Congress, gained a unique insight into the inner workings of the various Rockefeller, Carnegie and Ford-created giants. He also witnessed the intense and powerful opposition to any investigation of these multibillion-dollar public trusts. The Reece investigation was virtually hamstrung from the start to its early demise—which was aided and abetted by leading newspapers of the country. "It is difficult for the public to understand," writes Mr. Wormser, "that some of the great foundations which have done so much for us in some fields have acted tragically against the public interest in others, but the facts are there for the unprejudiced to recognize.

"The power of the individual foundation giant is enormous. When there is likemindedness among a group of these giants, which apparently is due to the existence of a closely knit group of professional administrators in the social science field, the power is magnified hugely. When such foundations do good, they justify the tax-exempt status which the people grant them. When they do harm, it can be immense harm—there is virtually no counterforce to oppose them.

#### A NOTE ABOUT THE AUTHOR

René A. Wormser is a Californian by birth and a New Yorker by education and training. Estate planning is one of the fields in which he has specialized during his thirty-eight years of law practice. He is the senior member of the New York law firm of Myles, Wormser & Koch. He was for years the coordinator of a course in estate planning at New York University and a member of the Advisory Board of the New York University Institute on Federal Taxation. He is currently chairman of the Advanced Estate Planning courses of The Practicing Law Institute. He has lectured frequently to bar associations and other professional and lay groups on estate planning and is recognized as one of the foremost authorities on the subject. He is the author of three books on this subject: Your Will—and What Not to Do About It (Simon and Schuster), The Theory and Practice of Estate Planning (Callaghan & Co.) and Personal Estate Planning in a Changing World (Simon and Schuster). He is also the author of a book on international law, Collection of International War Damage Claims, published by Alexander Publishing Company, and of The Law-"The Story of Lawmakers, and the Law We Have Lived By, from the Earliest Times to the Present Day," published by Simon and Schuster, and a book on foreign policy, The Myth of the Good and Bad Nations, published by Henry Regnery.

ISBN 0-925591-28-9



This May, 1954, Congressional Committee chart tracks the flow of money, men, and ideas from the tax-exempt foundations into critical sectors of American life.

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#### **PREFACE**

THE MOST DIFFICULT assignment of my thirty years in the Congress of the United States was the chairmanship of the Special Committee to Investigate Tax Exempt Foundations, informally referred to as the "Reece Committee." This investigation required embarrassingly close scrutiny of the intellectual activities supported by the great and highly respected American names of Carnegie, Rockefeller, and Ford. As a minority member of the Concommittee, which in the previous Congress had attempted but virtually abandoned this project, I had sensed the power that would spring up in opposition to a complete investigation.

The obstacles were obvious from the first. We knew that the influential "liberal" press, characterized by The New York Times, the New York Herald Tribune, and the Washington Post-Times Herald, would throw its editorial power against the Committee. We knew that even the bulk of the conservative press could not be unmindful of the enormous power of these foundations. We knew that many prominent educators, regardless of what they felt, could not be unmindful of the dependency of their institutions upon continued largess from the foundations involved. We knew that the group of prominent men whose decisions would have to be judged extended even to intimates of the White House.

But I felt that the work of the Cox Committee left several important unanswered questions, of which the gravest was: to what extent, if any, are the funds of the large foundations aiding and

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abetting Marxist tendencies in the United States and weakening the love which every American should have for his way of life?

So we set out to find the answers. We wanted to explore the problems of foundations by examining their actions, not their statements for the public. We felt that there are involved in the concepts under which foundations operate and grow in the United States certain dangers for the public welfare. We were not blind to the undoubted merits of the contributions of numerous tax-exempt foundations to worth-while causes. It was our intention to find the factual basis for preserving their constructive functions and at the same time for supplying guidance for future legislation and administrative action against the use of foundation power for political ends. The story of that adventure, of what we found, and of the harassments to which we were subjected, is included in this book by René A. Wormser, who was general counsel to the committee of which I was chairman and is widely recognized in America and Europe as outstanding in the field of estate planning and taxation. The book contributes essentially, however, the philosophical and juridical reflections of this distinguished lawyer, based upon the material our committee disclosed and upon other data which have appeared since the closing of our inquiry. He discusses problems of foundation administration and control which are grave indeed and has rendered a great service in preparing this sober and thoughtful work.

BRAZILLA CARROLL REECE

# The Foundation World

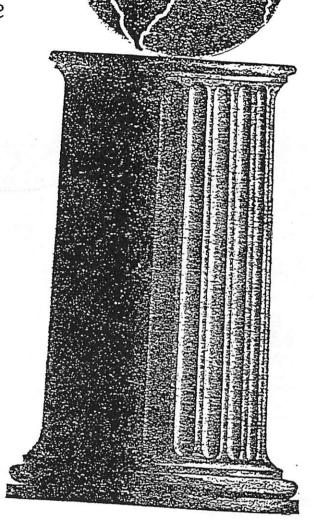
Its Impact and Influence on America

by Michael Loyd Chadwick Editor

Between 1933 and 1953 a change took place in the United States which was so drastic it could be accurately described as a "revolution." It was during these critical years that the nation's worst depression occurred and the American people became involved in a catastrophic world war. Shortly afterwards they found themselves in a no-win "undeclared war" in Korea. As crisis piled upon crisis significant changes took place in the structure of American life. One of the more obvious changes was the rapid shifting of ultimate responsibility for the economic welfare of the people from the private sector to the Executive Branch of the Federal Government.

Rather amazingly, this revolutionary transfer of power was achieved without violence and in a propaganda climate which led the majority of the American people to give it their full consent.

By the early 1950's, however, there were many people both in and out of government who felt that something was seriously wrong. It was charged that the resources of America's vast educational system had been misappropriated to teach concepts which were destructive to the entire fabric of the American constitutional system. It was also felt the schools were being utilized to promote the acceptance of economic ideas which are diametrically opposed to the open society of the American free enterprise system.



The question automatically arose, "Who is responsible for all of this?" A preliminary inquiry indicated that the main thrust was coming from several private foundations which had spent hundreds of millions of dollars in tax-exempt funds to promote textbooks and teachings which were "socialistic" in domestic affairs and "oneworld" in foreign affairs. The three principal offenders were said to be the Camegie Endowment for International Peace, the Rockefeller Foundation and the Ford Foundation.

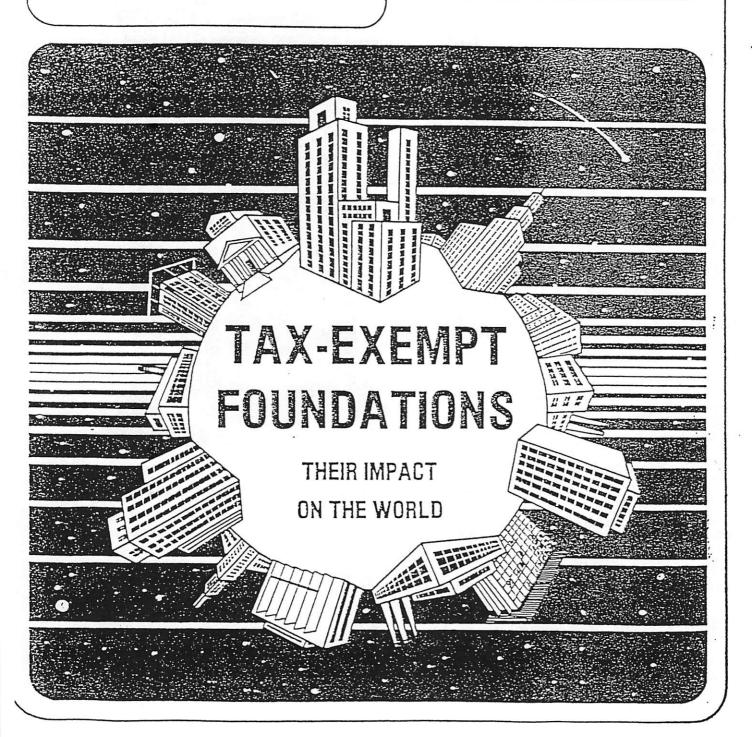


The Freemen Digest

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- · A Social Revolution in America
- The Amazing Carnegie Minutes
- A National Education System
- The Power Behind Foundations



was organized the members wanted to study the data collected by the Cox Committee, especially on the subversive aspects of the foundations. For some mysterious reason the entire file dealing with the subversive activities of the foundations had disappeared.

## A Preliminary Report by Norman Dodd

On April 29, 1954, Norman Dodd prepared a preliminary report for presentation to the members of the Reece Committee. This report was exploratory in character and outlined the pattern of inquiry which the research staff would be pursuing.

#### Third Attempt to Block Investigation

The effect of Dodd's preliminary report was electrifying. Within a matter of hours, steps were taken by powerful forces to block the rest of the Committee's investigation. The Establishment media deluged the nation with stories that the investigation was futile and should be terminated.

The smear job on the Committee was the third major tactic utilized by the foundation world to harass and terminate the committee. It soon became obvious why the Reece Committee was considered such a threat. Congressman Reece later described the situation in these words:

"The evidence that had been gathered by the staff pointed to one simple underlying situation, namely, that the major foundations by subsidizing collectivistic-minded educators, had financed a socialist trend in American Government.

"We informed the foundations in advance that our findings suggested that the foundations had for a long time been exercising powerful, although sometimes indirect political influence in both domestic and foreign policy, predominantly toward the left—to say nothing of the support by the foundations of the Institute of Pacific Relations which led the movement to turn China over to the Communists and which was admittedly Communist dominated.

"The doubts and reservations concerning the validity of the complaints against the large foundations were largely dispelled by the almost hysterical reaction of the foundations to the summary presented to the committee by the committee staff on the opening day of the hearings.

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"The excitement bordered on panic; as was observed by the demonstrations through the public relations channels of the large foundations and this convinced me, and others of the American public, judging from the letters received...that the general picture which had taken shape was not very far from the truth." (Speech before National Press Club Luncheon, February 23, 1955. p. 3)

After Norman Dodd's Preliminary Report appeared, powerful individuals in America made their move to insure that the Committee would be permanently terminated. It was obvious that the Reece Committee had already gone too far. This Committee was about to officially document for the first time in history that the United States was the victim of a deliberate conspiracy to dismantle the Constitutional rights of the people. This conspiracy is aiming at no less than the creation of centralized supranational institutional mechanisms from which it will rule the world under collective management.

# Committee Hearings Brought to A Standstill

After nineteen days of hearings, powerful political machinery behind the scenes was deployed at the Capitol to stop the Reece Committee completely. The last hearing was held on July 9, 1954.

The hearings were canceled partly because of the abrasive and uncontrollable actions of Congressman Wayne Hays, who later admitted to Normal Dodd that Major Persons from the White House had been up to see him. "He wanted me to cooperate in dusting up this investigation," Hays stated. (Interview with Norman Dodd, November 12-13, 1977)

Even though the hearings were discontinued, a sufficient quantity of evidence was accumulated by the Committee's staff to clearly demonstrate that the major foundations had been spending hundreds of millions to divest the United States of her traditional system of values and replace them with socialist goals designed to prepare America for provincial status in a global world government. The remainder of this issue will be devoted to examining the evidence gathered by the Reece Committee. It seems to be entirely apparent that these events of the past were a clearly defined prelude to the present.

So much public indignation had been generated by 1952, that the 82nd Congress passed House Resolution 561 to set up a special "Select Committee to Investigate Foundations and Comparable Organizations." Many considered this to be one of the most important investigations in the nation's history. The Committee was instructed to determine whether or not any of the foundations had been "using their resources for un-American and subversive activities or for purposes not in the interest of the tradition of the United States." (House Report No. 2514, January 1, 1953, p. 2)

#### The Cox Committee

This Committee was named after its chairman and became known as the "Cox Committee," but unfortunately it did not accomplish a great deal. The time factor was rather limited and the unexpected death of the chairman resulted in a very superficial inquiry being conducted. Nevertheless, it did establish that there were signs of strong subversive influence on the decision-making level of several leading foundations. However, the impact of this discovery was virtually nullified in the Committee's final report by giving considerable weight to the testimony of the foundation officers who had insisted that the subversive elements on their boards were not of any particular significance.

# The Minority Views of Congressman B. Carroll Reece



Congressman B. Carroll Reece was a member of the Cox Committee and was not at all satisfied with the final report. He added an appendage which urged that "if a more comprehensive study is desired, the inquiry might be continued by the 83rd Congress...." (Ibid., p. 14)

Congressman Reece felt that the hasty and superficial inquiry of the Cox Committee left the nation without the answers it needed. He therefore introduced House Resolution 217, which was

passed by a vote of 209 to 183 on July 27, 1953. The resolution provided that:

"The Committee is authorized and directed to conduct a full and complete investigation...to determine which of such foundations and organizations are using their resources for un-American and subversive activities; for political purposes; propaganda, or attempts to influence legislation." (House Report No. 2681, December 16, 1954, p. 1)

# First Attempt To Block the Investigation

The members of the new Committee were: B. Carroll Reece of Tennessee, Chairman; Jessie P. Wolcott of Michigan; Angier L. Goodwin of Massachusetts; Wayne L. Hays of Ohio; and Gracie Pfost of Idaho.

It is important to note that three of these five individuals had voted against the Reece resolution in order to prevent this Committee from coming into existence. This was the first attempt by the powerful influences working behind the foundations to control and block the investigation.

# Second Attempt to Block the Investigation

The resolution directed the new Committee to prepare a report by January 3, 1955. On August 1, 1953, the Committee was granted \$50,000 with the agreement that additional funds would be forthcoming after the first of next year. Committee counsel was obtained on September 1, 1953 and the compilation of a staff began on September 15th. However, it was soon apparent that the promised funds would not be forthcoming. The second attempt to block the investigation of the Reece Committee by the foundation world therefore came in the form of starving the Committee by lack of sufficient funds.

# Committee Research Directed by Norman Dodd

Between September 15, 1953 and April 29, 1954 the Reece Committee operated, in essence, under the direction of its Research Director Norman Dodd.

It is interesting to note that after the Committee



# FORD FOUNDATION MERGE UNITED STATES AND RUSSIA

Mr. Chairman, after listening to the very able description of how complex the question that is before the committee is, I have been thinking in terms of drawing on my own experiences that relate to the development of the proposal called regional government which might be helpful to the committee. I think the committee deserves to understand and have a first hand look at the origin of the idea of regional government and also to be made aware of the purpose for which the idea has been introduced. S: I would like to share with the committee, two experiences, one of them — and these experiences are traceable to a position I at one time held as the Executive Director of a Congressional committee that was called upon to investigate the relationship of the economy and wealth in this country to the purposes represented by the Constitution of the United States. As a result of that investigation, experiences began to accrue and one of them stemmed from the entity or the head of the entity responsible for the proposition which you all now face called

Mr. Norman Dodd, (deceased) former Director, Committee to Investigate Tax Exempt Foundations, U.S. House of Representatives, and Council Member, Vational Committee to Restore the Constitution, Inc., statement before Illinois Joint Legislative Committee on Regional Government hearing, Univerity of Southern Illinois, Edwardsville, 6 September 1978, State Representative George Ray Hudson, Chairman. Investigation instigated and talk by Mr. Dodd sponsored by Illinois Committee Restore the Constitution, Mr. John mith, President.

regional government. This individual was the head of the Ford Foundation and this experience took place back in 1953. It took the form of an invitation from the President of the Ford Foundation to me to visit the Foundations offices, which I did.

On arrival I was greeted by Mr. Roman Gaither, the President of the Ford Foundation with this statement: "Mr. Dodd, we have invited you to come to New York and stop in and see us in the hope that off the record you would tell us why the Congress of the United States should be interested in operations such as ours."

Before I could think of just exactly how I would reply, Mr. Gaither volunteered the following information and these are practically in his exact words.

"Mr. Dodd, we operate here under directives which eminate from the White House. Would you like to know what the substance of these directives is?"

I said, "Indeed I would Mr. Gaither."

Whereupon he then said the following, "We here operate and control our grant making policies in harmony with directives the substance of which is as follows: We shall use our grant making power so as to alter life in the United States that it can be comfortably merged with the Soviet Union."

My next experience ran this way and followed an invitation from the head of the Carnegie Endowment for International Peace. It entailed visiting their offices, which I did. The invitation itself came because of a letter which I had written to the Carnegie Endowment asking them certain questions which would clarify the reasons for many of

the grants which they had made over a period of time.

On arrival at the office of the President, I was greeted with this statement, "Mr. Dodd, we received your letter. We can answer all the questions but it will be a great deal of trouble. The reason it will he a great deal of trouble is because, with the ratification by the Senate of the United States of the United Nations Treaty, our job was sinished. So we bundled all our records up, spanning roughly speaking 50 years, and put them in the warehouse. We have a counter suggestion and that counter suggestion is that if you will send a member of your staff to New York, we will give him a room in our library and the minute books of this organization since its inception in 1908."

My first reaction to that suggestion was that these officers had lost their minds. I had a pretty good idea by that time of what those minute books might well show.

To make a long story short, as short as possible, a member of my staff was sent to New York and spent 2 weeks there and did what they call spot reading of the minutes of the Carnegie Endowment for International Peace Organization.

Now we are back in the period of 1908 and these minutes reported the following: The trustees of the Carnegie Endowment bring up a single question. namely if it is desirable to alter the life of an entire people, is there any means more efficient than war to getting that end and they discussed this question at a very high academic and scholarly level for a year and they came up with an answer. There are no known means more efficient than war, assuming the objective is altering the life of an entire people. That leads them to a question. How do we involve United States in a war. This is in 1909.

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The trustees then answered the question of how to involve us in a war by saying we must control the diplomatic machinery of the United States. That brings up the question of how to secure that control and the answer is: We must control the State Department.

Now at that point, research discloses a relationship between the effort to control the State Department and an entity which the Carnegie Endowment set up, namely the Council of Learned Societies and through that entity, are cleared all of the appointments, high appointments in the State Department. They have continued to be cleared that way since then.

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# Norman Dodd Makes an Amazing Discovery

Curry maddist

ENOW YOUR GOVERNMENT SERIES
by 122 WOODSIDE PLACE
Norman Dodd FT. THOMAS, KY. 41075

(The following article is reprinted from the June 1978 issue of the Freemen Digest.—Editor.)

When we got to Washington we wanted to find out how many foundations we were called upon to investigate, but nobody knew. The best guess at that time, as to the number of foundations, was 7,000. We knew perfectly well that it was impossible in any serious way to investigate 7,000 foundations in the time we were allotted and with the size of our appropriation.

My assistant and I, therefore, assumed that since the Congress was interested in knowing what effect the foundations had exerted on the country, we would work primarily with those foundations which had been in existence the longest. It turned out that we then had to investigate 12.

## Twelve Foundations Control 80 Percent of America's Endowment Capital

It also turned out that these 12 foundations represented 80 percent of the capital endowments possessed by the foundations as a whole. By concentrating our effort we were able to abandon the usual methods of Congressional surveys, which is to work out a questionnaire, mail it out to 7,000 foundations, and then tabulate the results. Instead, we asked these 12 foundations specific questions based on what we already knew about their activities.

## The Ford Foundation Receives Directives from the White House

This brings me to two experiences which I will describe to you. The first was my response to an invitation during November 1953, from President Roman Gaither of the Ford Foundation, to meet in his

Norman Dodd is a graduate of Yale University. Early in his life he meialized in banking, becoming an officer of the Bank Trust Company in her York City in the 1920s. Later he was a private investment counsellor and in 1954 accepted an appointment to direct research for the Reece Committee. Mr. Dodd now resides in Keene, Virginia.

office in New York. Upon arriving there, I was greeted with the following:

"Mr. Dodd, we invited you to come because we thought that perhaps, off the record, you would be kind enough to tell us why the Congress is interested in the operations of foundations such as ourselves."

Before I could think of how best to reply, he volunteered this: "Mr. Dodd, we operate here under directives...which emanate from the White House. Would you like to know what the substance of their directives is?"

My answer was, "Yes, Mr. Gaither, I would like very much to know."

## Alter U.S. to Merge With the Soviet Union

Whereupon he said: "The substance of the directives under which we operate is that we shall use our grant-making power to alter life in the United States so that we can be comfortably merged with the Soviet Union."

Needless to say, I nearly fell off the chair....

I said, "Mr. Gaither, legally you are entitled to use your grant-making power for this purpose but I do not think you are entitled to withhold this information from the American people to whom you are

beholden for your tax exemption. So why do you not tell the American people what you have just told me?"

His answer was:
"Mr. Dodd, we would not think of doing that."



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CALLES ME. MADDOX 4 LEFT A MESSAGE.

HOPEFLUY, SHE WILL CALL BACK WONDAY

H.



# THE NAKED CAPITALIST

A review and commentary on Dr. Carroll Guigley's book
TRAGEDY AND HOPE

Reviewed by

# W. CLEON SKOUSEN

" As a student at Georgretown, I heard that call clarified by a professor named Carrol Quigley..."

William Jefferson Clinton, 1992 Democratic National Convention

# TAX-EXEMPT FOUNDATIONS INVOLVED IN WEAKENING AND SUBVERTING THE CONSTITUTIONAL AND IDEOLOGICAL FABRIC OF THE AMERICAN CULTURE

Now we turn to the vast reservoirs of wealth—the tax-exempt foundations—which Dr. Quigley describes as the major base of operations for the Establishment bosses as they launch their catastrophic attack on the basic framework of the whole American society.

Dr. Quigley's disclosure that the Council on Foreign Relations and the Institute of Pacific Relations were responsible for what turned out to be a paroxysm of world-wide political subversion, is no more shocking than his bold declaration that the global collectivists of the London-Wall Street axis were equally successful in attacking the whole foundation of the American culture through the exploitation of the millions made available by certain tax-exempt foundations.

Generally speaking, the Rockefeller Foundation, the Carnegie Foundation, the Ford Foundation and a host of other Wall Street philanthropies have always been looked upon as generous, capitalistic santa clauses. Let us repeat a previous quotation in which Dr. Quigley admits the development of an explosive situation back in the early 1950's when the use of tax-exempt foundations for U. S. subversion ALMOST spilled out into public view. In fact, public hearings were heard, but the Establishment's choke-hold on the press was sufficient to keep the public from becoming aware of the scandalous proportions of the facts which were discovered. Here is the way Dr. Quigley describes what happened:

Tax-Exempt Foundations Caught Red-Handed:

. . . . . .

"It must be recognized that the power that these energetic Left-wingers exercised was NEVER their own power nor Communist power but was ultimately THE POWER OF THE INTERNATIONAL FINANCIAL COTERIES, and, once the anger and suspicions of the American people were aroused, as they were by 1950, it was a fairly simple matter to GET RID OF [HIDE ELSEWHERE] THE RED SYMPATHIZERS. Before this could be done, however, a congressional committee, following backward to their source the THREADS WHICH LED FROM ADMITTED COMMUNISTS like Whittaker Chambers, through Alger Hiss, and the Carnegie Endowment to Thomas Lamont and the Morgan Bank, FELL INTO THE WHOLE COMPLICATED NETWORK OF INTERLOCKING TAX-EXEMPT FOUNDATIONS." (pp. 954-955, emphasis added)

How the Scandal Was Kept From Reaching the Public:

"The Eighty-third Congress in July 1953 set up a Special Committee to Investigate Tax-Exempt Foundations with Representative B. Carroll Reece, of Tennessee, as chairman. IT SOON BECAME CLEAR THAT PEOPLE OF IMMENSE WEALTH WOULD BE UNHAPPY IF THE INVESTIGATION WENT TOO FAR and that the 'most respected' newspapers in the country, CLOSELY ALLIED WITH THESE MEROUS WEALTH, would not get excited enough about any revelations to make the publicity worth while, in terms of votes or campaign contributions." (p. 955, emphasis added)

Note how this last sentence reveals the Achilles Heel in the secret society's operations. The whole concern of the globalist conspiracy is to do their work in such a way that the public will not become sufficiently aroused to use their "votes and campaign contributions" to knock the agents of the Establishment out of political power in Washington. As long as the Constitution remains in effect the American people still have an opportunity to wake up and "throw the rascals out." As we shall see later, Dr. Quigley was horrified, along with his fellow "insiders" when this earth-shaking possibility almost became a reality in 1964. But we shall discuss that tremendously interesting incident a little later. Now, back to Dr. Quigley:

The Scandalous Congressional Findings Were Not Shocking To Dr. Quigley:

"An interesting report SHOWING THE LEFT-WING ASSO-CIATIONS of the interlocking nexus of tax-exempt foundations was issued in 1954 RATHER QUIETLY. Four years later, the Reece committee's general counsel, Rene A. Wormser, wrote a shocked, BUT NOT SHOCKING book on the subject called *Foundations: Their Power and Influence*." (p. 955, emphasis added)

Note that Dr. Quigley fully appreciates that the Reece Committee hearings turned up some shocking information and that the book written by its general counsel, Rene A. Wormser, was intended to shock the public. But Dr. Quigley had been on the inside for many years so it was not shocking to him.

This reviewer has studied the Wormser book (Devin-Adair, New York, 1958) and has concluded that while the findings of the Reece Committee might not be disturbing to an "insider" like Dr. Quigley, they are certainly sufficient to raise the blood temperature of any ordinary American who might be anxious to preserve his basic rights and preserve the American way of life in an open society. The Reece Committee found that tax-exempt foundations were deliberately attacking the whole basic structure of the Constitution and the Judaic-Christian American culture.

# A CONGRESSIONAL COMMITTEE VERIFIES WHAT DR. QUIGLEY SAYS CONCERNING THE POWER OF TAX-EXEMPT FOUNDATIONS

For the sake of brevity, the facts set forth in the Wormser book on the findings of the Reece Committee will be summarized. The various references to the specific pages where the details can be read are provided:

- 1. Political maneuvering to prevent the hearings from being effective. (pp. 341-377)
- 2. Completely disruptive tactics employed by Congressman Wayne Hays. (pp. 359-366)
- 3. How rich banking and industrial families give their money to foundations without losing control of their funds. (pp. 11-12)

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- 4. Who actually runs the tax-exempt foundations? (pp. 41-54)
- 5. How the major foundations are all interlocked into a monolithic monopoly of power to carry out globalist policies. (pp. 57-80)
- 6. Money of the foundations used to take over the Social Sciences:
  - a. Social Sciences looked upon as a potential political

- b. Suppressing social scientists who disagree or criticize. (pp. 86-89)
- c. Developing an elite corps of social engineers with a compulsive drive to "remake the world" along socialist lines. (pp. 90-100)
- d. Foundation-sponsored Kinsey report deliberately designed as an attack on Judaic-Christian morality. (pp. 100-105)
- e. Using social science to sabotage the structure of military services. (pp. 105-110)
- f. Employing a Marxist Socialist to produce and promote the social science classic, "A Proper Study of Mankind." (pp. 110-114)
- g. Importing a Swedish Socialist to produce a study on the American Negro which has created the current climate of revolution and violence. (pp.114-119)
- h. Financing The Encyclopedia of the Social Sciences as a vehicle for the spreading of socialist concepts. (pp. 119-125)
- i. Developing a Marxist elite in academic social science circles. (pp. 125-129)
- j. Policy of continually emphasizing pathological aspects of American society to discredit its culture. (pp. 129-131)
- k. Foundation-spc asored research often slanted to conform with pre-conceived objectives. (pp. 75, 131-138)
- 7. Foundations use their funds to subvert and control American education.
  - a. "Conform or no grant!" (p. 140)
  - b. The birth of Educational Radicalism. (pp. 143-145)
  - c. Carnegie finances a Socialist charter for education. (pp. 146-152)
  - d. The radical educators. (pp. 152-155)
  - e. The Progressive Education Association. (pp. 155-156)
  - f. Financing and promoting socialist textbooks. (pp. 156-167)
  - g. Financing Left-wing reference works. (pp. 167-171)
  - h. The National Education Association not designed to advance "American" education. (pp. 142, 145, 160, 164-165, 216-217)
- 8. Tax-Exempt Foundations as instruments of subversion:
  - a. Communist influences in foundations. (pp. 174-177)
  - b. Socialist influences in foundations. (pp. 177-184)

- c. Helplessness of the average citizen. (pp. 186-187)
- d. Ridiculing the American idea of free markets and free enterprise. (pp. 187-188)
- The Socialists receive voluminous foundation-support in launching their League for Industrial Democracy. (pp.
- Foundations push a long-range program to radicalize American labor. (pp. 193-196)
- Foundations provide Communists, Socialists and similar collectivist mentalities to serve in government. (pp. 196-
- 9. Foundations finance the betrayal of America's best interest to achieve collectivist internationalism:
  - Foundation policies fixed on global schemes.(pp. 200-201)
  - b. Rhodes scholars fed into Government service by foundations. (pp. 201-202)
  - The Carnegie Endowment for International Peace caught promulgating war. (p. 204)
  - d. International Relations Clubs sponsored by Carnegie to promote socialist internationalism and speakers such as Alger Hiss. (pp. 207-208)
  - e. The Foreign Policy Association as an instrument of opinionmolding to the Left. (pp. 208-209)
  - History books which keep Americans from learning the truth. (pp. 209-210)
  - Promoting the United Nations as the home base for the Socialist-Communist coalition. (pp. 214-216)
  - Alger Hiss describes how foundation agencies should be used to affect U.S. policy decisions. (pp. 218-219)

# THE FORD FOUNDATION RECEIVES SPECIAL ATTENTION

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The Wormser book devotes .79 pages exclusively to the Ford Foundation. Even in 1958 Wormser sensed that the newest and largest of the dynastic foundations was being harnessed to the team of global internationalism and that its guns were quick to blast away at any traditional Americans who were bold enough to suggest that the open society of the United States might be preferable to the great new society of controlled collectivism.

The irony of this tragic abuse of Ford Foundation funds was

### WILLIAM RUSHER

# The problem with foundations

t's an old story. The wealthy and highly conservative entrepreneur, approaching the sunset of his life, is told by his lawyers that the only way he can avoid confiscatory death taxes is by creating a nonprofit foundation, dedicated to vaguely outlined good works. So he creates one, names it after himself, and puts a few of his equally conservative cronies, his children

and a lawyer or two on the board. Within a few years he and his cronies, and maybe even the lawyers, are dead. The children, knowing nothing about how to manage a foundation, turn desperate-ly to the helpful "experts" who mysteriously appear, like dandelions in a wet spring. Ten years further on, the foundation created by Daddy is firmly in the gr of liberals whom Daday wouldn't have agreed to invite to dinner, and is financing projects that have the old gentleman spinning in his grave.

A few decades back, one such foundation actually financed a study of what it would take, militarily speaking, for outside forces to invade and conquer the white apartheid regime in South Africa: how many

landing ships and screening naval vessels, how many bombers and fighters, and how many infantry divisions. What made the whole episode piquant, however, was the name of the foundation. It was the Carnegie Endowment for International Peace. What Andrew Carnegie would have thought of the project is unknown, but we can guess.

What makes this sad story worth revisiting now is a fact pointed out by Neal B. Freeman in a recent address to the El Pomar Foundation in Colorado Springs. Mr. Freeman is an independent Washington-based television producer who doubles in brass as chairman of the Foundation Management Institute,

an organization that stands ready to help conservatively minded businessmen fend off the liberals who plan to take over their foundations as soon as they are out of the way.

Mr. Freeman points out that, thanks to what Ronald Reagan did for the U.S. economy, "Between now and 2030, there will be tens of thousands of estates created in the \$30 million range." Even between now

Illustration by D. B. Johnson Los Angeles Times Syndicate

and 2020, the New York Times estimates that the baby boomers —i.e., people now between 38 and 53 — will inherit \$12 trillion. "If there are three children to share [a \$30 million estate]," Mr. Freeman calculates, each of them will get approximately \$3 million. Bill Clinton and his friends will get \$20 million." That is what is known as a tax incentive, and it means that foundations will be springing up like weeds.

That in turn creates the problem that Mr. Freeman calls "the current infrastructure of foundation management. The people who run the foundations — advise the boards, manage the staffs, design the grants, pick the grantees and eval-

uate the results. . . . Its leadership class, fashionably educated and ferociously verbal, tends to hold political opinions running the gamut from A to B." In other words, it is relentlessly liberal. Mr. Freeman cites one estimate that, out of the 50,000 foundations of all kinds, just nine are explicitly conservative.

He concludes: "Ford. Pew.

MacArthur. Packard. The stories are as familiar as the names. The great fortunes of modern capitalism turned to the service of anti-market initiatives. The great names of the American Century now fronting for the centrifugal forces of multiculturalism. The fruits of technological genius now funding the corrosive campaigns of junk science. What's happening in the foundation world today is a kind of reverse alchemy, with free-market gold being turned into philanthropic dross.

"Is the process irreversible? Are the Reagan entrepreneurs destined to turn up a generation hence as the posthumous funders of a burgeoning

American left? Will the wealth produced by the market system be deployed in an attack on the system itself? Well, as Damon Runyon used to say, 'The race is not always to the swift, but that's the way to bet.' Unless the forces of philanthropic reform can gather in meselves and apply early, concerted effort, the creators of America's late-century boom will be picking up the tab for the Reagan counter-revolution well into the next century."

William A. Rusher is a distinguished fellow of the Claremont Institute for the Study of Statesmanship and Political Philosophy.

# Where the Money Is

A handful of foundations are providing the seed capital for changing the health-care system

By LAURA LANDRO

TTHE CAMBRIDGE Health Alliance in Massachusetts, staffers are studying online registries for asthma patients and an online asthma link for the emergency room. At Children's Hospital Medical Center in Cincinnati, a Web-based information system is being created to help families of kids with cystic fibrosis communicate with their doctors and receive reminders about care. At Stanford University Medical School in California, an Internet-based program for self-management of chronic diseases is being studied.

What these programs have in common is backing from the Robert Wood Johnson Foundation of Princeton, N.J., the largest of a handful of foundations providing badly needed seed capital for new ideas in health care. These foundations are supporting programs that are producing insights into the ways technology can improve care, reduce medical errors and modernize hospitals. And they are investigating ways the Internet can help consumers find information and participate in their own care, long after venture-capital funds have fled from online health ventures in the wake of the failure of commercial sites like Oncology. com and Drkoop.com.

"The entrepreneurial people tried everything and moved on," says physician Tom Ferguson, a medical-information expert who is conducting two studies on the impact of Internet health information for Robert Wood Johnson. Dr. Ferguson, who edits the online Ferguson Report, also works with the Pew Charitable Trusts, a nonprofit that is a major funder of studies about online health data. The foundations, he says, have the most potential for investigating how technology can help deal with "the most important issues in health care—access, quality and cost."

Though foundation money is no substitute for the risk capital needed to launch new technology into the healthcare market, foundations can provide early funds for crucial studies on how new technologies and systems work in a hospital, clinic or doctor's office. That, in turn, could draw investment from the private sector back to ideas that show promise. And because so many hospitals and health-care systems are in dire financial straits just as the pressure to improve quality is building, programs like Robert Wood Johnson's \$20.9 million Pursuing Perfection grants for hospitals are providing a way to investigate innovations that might not otherwise be feasible to undertake.

The New York-based Commonwealth Fund, for example, recently awarded a grant to the University of Colorado to see if giving patients with congestive heart failure access to their own electronic medical records improves their understand-

ing of their condition and their compliance with their care regimen. Another Commonwealth-funded study, at Brigham & Women's Hospital in Boston, will put referrals between doctors into an online system linked to the doctors' appointment calendars and e-mail, to determine if it improves the quality and accuracy of the information exchanged between referring doctors and specialists, and the rates at which such referrals are followed up on.

"We see our role as finding exciting innovations and generating evidence on

whether what is promising can be proven," says Karen Davis, director of Commonwealth. "The key in the end will be changing financial incentives, because in the end somebody's got to pay" to adopt such systems.

#### Setting the Standard

Many of the foundation-backed programs are aimed directly at using technology to help underserved populations. The California HealthCare Foundation, for example, in partnership with the state of California, has developed the first fully automated Web-based application in the U.S. to enroll low-income children and pregnant women in public health-insurance programs. The California foundation also has funded extensive studies on how accessible and comprehensible online health information is to minorities and less-educated consumers. It has awarded several million dollars in grants to a Webbased data-sharing network among Santa Barbara health-care providers, including

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#### Foundations By the Numbers

#### **Big Names in Giving**

Five leaders in funding programs that use technology to improve health care

#### Robert Wood Johnson

■ www.rwjf.org ASSETS: \$8.8 billion

GOALS: Improving access to basic health care at reasonable cost; improving care for chronic health conditions; "Pursuing Perfection" programs to reduce medical error and improve care

## W.K. Kellogg Foundation www.wkkf.org ASSETS: \$5.7 billion

GOALS: Improving health through increased access to integrated, comprehensive health-care systems that are organized around public health, prevention and primary health-care services; demonstrating how information technology can help provide those services and educate the public about health

#### The California Endowment www.calendow.org

ASSETS: \$3.4 billion GOALS: Promoting programs to improve health care and general health and well-being in

#### The California HealthCare Foundation

■ www.chcf.org ASSETS: \$750 million

GOALS: Advancing efficient business practices; improving the quality and efficiency of care delivery; promoting informed health-care and coverage decisions for residents of California

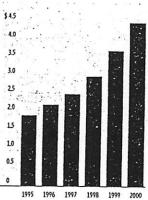
#### The Commonwealth Fund

■ www.cmwf.org ASSETS: \$587 million

GOALS: Improving health-care practice and policy; improving consumer access to health information; improving care for vulnerable populations

#### **Healthy Investments**

Foundation giving for health care more than doubled between 1995 and 2000. Figures in billions.



Source: The Foundation Center, individual foundations

public health facilities and clinics, and recently funded a study on how information technology can improve nursing.

As the largest foundation devoted to improving U.S. health care, Robert Wood Johnson often sets the standard for the rest of the philanthropic world. The Pursuing Perfection program emerged in the aftermath of the 1999 Institute of Medicine report "To Err Is Human," which cited high levels of errors throughout health care. Together with the Bostonbased Institute for Healthcare Improvement, Robert Wood Johnson designed Pursuing Perfection to encourage hospitals to redesign the way they do business, with the aim of eliminating errors altogether and creating new standards for quality control.

"There was nothing like that in health care," says Michael Rothman, the senior program officer who oversees Pursuing Perfection at Robert Wood Johnson. He says the foundation initially expected 50 to 70 applications at most for the program.

which requires hospitals to match whatever grants the foundation makes; it received 226 applications. Seven projects have won grants of \$1.9 million each for two years.

Andrea Kabeenell, a faculty member at the Institute for Health-care Improvement and deputy director for the Pursuing Perfection program, says the grants aren't for "ivory tower" visions, but for projects that have a realistic chance of working in the real world. "You can't build something like this and have it last unless there is a business case for it," she says. The most important aspect of Pursuing Perfection, she adds, is the requirement that the grant winners share their information with other hospitals online.

That echoes Robert Wood Johnson's approach to improving care and support for people with chronic conditions like asthma, diabetes and heart disease, which has

long been one of its primary missions. Several years ago, the foundation started an Improving Chronic Illness Care program with its own Web site to help spread its findings. Today, chronic conditions are the most rapidly growing problem in health care, but many of the programs to prevent chronic diseases and help patients better manage their own care are coming under cost pressures. The foundation's experts believe it can fill the gap by evaluating such programs as Web-based tools that help patients take care of themselves.

"When the health-care environment is really under pressure, that is when we can really have an impact, and our dollars can be leveraged to really make change," says Risa Lavizzo-Mourey, senior vice president and group director of health care for Robert Wood Johnson. "Health-care systems are really struggling with how to maintain quality under cost constraints, and the programs we're trying to put forward are answers to those very fundamental business concerns."

Dr. Lavizzo-Mourey, an internist and geriatric specialist by training, says "our investments are small compared to the entire health-care enterprise, but we look for ways that we can demonstrate effec-

tiveness for others and maybe develop some momentum in an area that has started to move but hasn't gotten a lot of momentum yet."

#### Measuring Tool

Programs such as Pursuing Perfection encourage hospitals to put information systems in place if only to be able to prove that what they are doing is working.

"A big part of the initiative is saying to health-care systems that they have to have the information-technology infrastructure so they can measure their results and get real-time knowledge about the patient as you pursue perfection across a lot of different departments and disease states," says Dr. Lavizzo-Mourey. "That's critical, because a lot of hospitals and health-care systems are not really focused on building the technology infrastructure that any other industry would take for granted."

Robert Wood Johnson and other foundations such as the California HealthCare Foundation and the Commonwealth Fund are also eager to fund more scientific scrutiny of the Internet's impact on health, and the quality of online information. To try to answer such questions, the foundation will shortly put out a call for proposals for a new Health e-Technologies program looking into how the Internet and other information technology work in areas such as patient behavior and chronic disease. Initially the program will give out about \$7.25 million in grants. Meanwhile, the Stanford program Robert Wood Johnson is funding looks at whether patients can use the Internet to help them manage their own chronic diseases.

Though the foundation usually doesn't work directly with companies, it would be willing to provide grants to for-profit companies and institutions to evaluate existing chronic-care systems that use technology to help manage patients, says Robin Mockenhaupt, the senior program officer who oversees consumer and patient-related projects at Robert Wood Johnson. But the foundation expects, as with all its grants, that all the results will be made public and that others will be given access to the work.

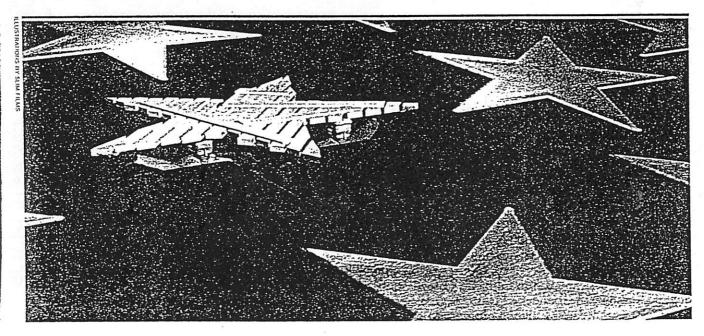
To get a better idea of how patients can benefit from online health information, the foundation asked Dr. Ferguson to evaluate how doctors and patients can work with each other to use Internet health information, and how patient-run online support groups can benefit patients without the doctors' involvement. The foundation is interested in particular in funding studies to see if online health sites and support groups change patient behavior, such as whether patients go to the doctor more or less often, or take the steps they need to to bring down their blood pressure. And the foundation wants to explore how the Internet can be used for larger-population health issues. such as screening tools to find out if a community is healthy or not and networks to share information on food safety or bioterrorism threats.

Journal Link: What do you see as the future of technology in the health-care industry? Join a discussion with other readers in the Online Journal at WSJ.com/JournalLinks.

Big foundations are imposing their private agendas on state governments. Hcw? By thinly disguised bribery.

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By Brigid McMenamin



IN THE SUMMER OF 1993 Betsy Grice of Owensboro, Ky. took her 11-year-old daughter to the local elementary school for the checkup she needed before starting sixth grade. Grice was shocked to learn that the doctor intended to give the child a genital examination. Turns out it's required by the Department of Education. Why? "The reason they said was to catch abuse at an early age," recalls Grice (not her real name.) Who authorized the intrusive program? Not the state legislature. The program, imposed by state bureaucrats, was bankrolled by a private foundation, the Annie E. Casey Foundation.

"They abuse them [the girls] to see if anybody else is abusing them?" asks Camille Wagner, leader of a grassroots movement of Kentucky parents and teachers opposed to school officials usurping parents' rights.

Last fall researchers at the University of Pittsburgh's Western Psychiatric Institute and Clinic convinced Monroeville, Pa. school superintendent Wayne Doyle to let

them use some 900 elementary schoolchildren as guinea pigs in a series of psychological tests and experiments. Who paid for this nonsense? A private foundation whose identity is known only to the psychiatric institute.

Among other things, teachers were required to report how frequently each 6-to-10-year-old child tended to use obscene language, "con" other people, forge signatures, break into houses or force sexual activity on others. Teachers also rated each child as to how "normal" he or she seemed. When parents found out what was going on, school officials pulled the plug. But parents haven't been able to retrieve their children's records, which are being held at the psychiatric institute until the school board can figure out what to do with them.

U. S. charitable foundations dole out about \$100 million each year to state and local governments. Today virtually every state accepts social agenda grants from private

foundations.

"They bribe governments to take on projects they would not otherwise do," says Kim Dennis, until recently executive director of the Philanthropy Roundtable, an Indianapolis-based trade association for grantmakers.

Bribe may not be too strong a word. "The government's for sale," says attorney Kent Masterson Brown, who is suing on behalf of Kentucky citizens to void the state's \$299,500 contract with the Robert Wood Johnson Foundation.

The 1994 contract provided that the foundation would fund the design of a comprehensive health care program for the state. The foundation, pursuing its own longstanding agenda, steered the state toward an ambitious health care reform plan that's a virtual copy of Hillary Clinton's failed program.

"Clearly the money provided by [the Johnson Foundation] is in exchange for 'influence,' in explicit violation of Kentucky bribery laws," says lawyer Brown. After accepting the money, he charges, the state permitted the foundation to influence the direction of its health care regulations. Kentucky has moved to dismiss the action, which is pending in state court.

In order to get the foundation money, former Kentucky governor Brereton Jones gave the foundation rights to use and even sell all of the data to be collected from patients, doctors and hospitals. Think about that for a moment: In a very real sense the state was selling confidential data about its citizens to a private foundation in return for a grant.

Former governor Jones says he doesn't recall seeing that provision in the contract when he signed it in 1994.

Carpetbagger Robert Van Hook, a longtime Johnson Foundation operative, headed up the state's new Health Policy Board—at a salary of \$80,000 a year, \$20,000 of which was paid by the Johnson Foundation. Presumably he would see to it that the board carried out the foundation's big-government agenda. Less than a year later Van Hook moved, back to Maryland, but the foundation's legacy lives on in Kentucky.

Also in Kentucky, the Baltimore-based Casey Foundation, endowed by the founder of United Parcel Service, James Casey, seeded a \$74 million program to put social workers in every public school. Among other things, the workers train new parents and make sure the children get all the health and social services they need, including referrals to get pregnancy tests and condoms. Some local officials initially balked at making referrals for contraceptives without parental consent. But Kentucky educrats cracked down, telling them they had no choice. Thus, without debate, an important new policy was imposed on the state's students.

The manager of the program at the time was Ronnie Dunn, author of The Factory Fable, a screed that compares children to the "raw materials used in the manufacturing process." Dunn made her bent for social engineering even blunter when she added: "When all citizens 'own' the children and work together to support and empower families, our society becomes a better place." Better for whom? By what standard? The state never asked. It just took the money.

Kentucky bureaucrats recently imposed emergency reg-



"They abuse them [the girls] to see if anybody else is abusing them?" asks concerned parent Camille Wagner.

ulations permitting schools to treat children for both mental and physical ailments and bill everything to Medicaid, all expected to cost taxpayers another \$80 million

Wait a minute. Isn't this lobbying by private foundations—a practice prohibited by federal law? Can't a foundation be fined or lose its Internal Revenue Code Section 501(c)(3) tax-free status if the IRS thinks it's getting too cozy with a government?

Yes, but six years ago—after listening to the pleas of the big foundations—the Treasury Department relaxed the lobbying rules to permit virtually everything short of actually buttonholing a legislator or voter to support a certain bill.

That change in the law opened the doors to every foundation with an agenda it wishes to impose. Swooping to take advantage was Lauren Cook, director of state technical assistance at Washington, D.C.-based, foundation-sponsored Council of Governors' Policy Advisors. In November 1991 Cook organized a weekend mixer at the Wingspread Center in Racine, Wis. for foundation leaders eager to meet and mingle with state officials.

James Joseph, then president of the left-leaning Council on Foundations, fired the starting gun. He proclaimed that "We now stand ready to 0.... usher in a new era of collaborative efforts to form a more perfect union and promote the general welfare." The general welfare? By

whose definition?

The states eagerly took the bait. After the meeting Robert Haigh, special assistant to the secretary of Pennsylvania's Department of Public Welfare, organized a fo

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ommittee of Pennsylvania officials and grantmakers that turn enlisted foundation-junkie Cook. Her job: Advise ennsylvania how to tap the foundations. Cook's matchaking paid off. Since 1990 Haigh has hauled in some 75 million in private foundation grants to Pennsylvania

nd state-sponsored social projects.

The money comes with ideological strings attached. Tennsylvania was one of 15 states selected by the Johnson Foundation in 1993 to receive money to craft themes to push primary medical care. In order to get the 100,000 seed money, Governor Robert P. Casey and tate health officials had to agree to buy certain computer equipment from a Johnson shill, collect and input aformation about hospitals, doctors and patients, and give Johnson the right to use and even sell those data. If he Johnson Foundation liked the plan, the state could get another \$2.4 million more, plus a \$4.2 million loan to implement the plan.

Six weeks after Pennsylvania applied, Governor Casey alled a special session of the legislature and passed a law providing for free or cut-rate medical care for children whose families are too affluent to get Medicaid but have no insurance—a typical Johnson ploy. The Pennsylvania nealth department then set up a new bureaucracy called the Bureau of Primary Care Resources & Systems Development to carry out Johnson's agenda, with seven new

positions, two paid out of foundation funds.

In April 1994 Governor Casey wrote to Johnson boasting that he'd spent some \$4.4 million in taxpayer dollars and would spend at least \$5.6 million more on the foundation's agenda, which included purting health clinics in public schools. For his efforts the foundation gave Penn-

sylvania another \$874,505.



Governor Casey boasted that he'd spent \$4.4 million on the Johnson Foundation's agenda and promised \$5.6 million more.

Today Pennsylvania boasts 38 full-service school clinics. Health department officials are pushing for more. And Pennsylvania requires schools to see that every child gets everything from dental exams to complete physicals. Worst of all, the folks at the Johnson Foundation showed them how to get virtually all schools designated Medicaid providers so they can bill everything to taxpayers.

Result? Pennsylvania officials can just keep imposing more and more intrusive medical and psychological procedures without getting authorization from parents or the

legislature.

Smelling a rat, the Pennsylvania legislature recently appointed a commission to investigate. Last spring it came to light that in March 11-year-old girls at East Stroudsburg's J.T. Lambert Intermediate School were pulled out of class and required to submit to genital exams as part of routine physicals. Outraged, parents have already filed a lawsuit charging assault, battery, invasion of privacy and intentional infliction of emotional distress. The school district insists the exams are required by Pennsylvania law.

State Representative Sam Rorer is introducing a bill to make it harder for state agencies to accept grants without

legislative approval.

In 1991 the folks at the Casey Foundation decided that states should do more to make sure children grow up mentally healthy. Whatever that means. They invited state health officials to compete to come up with clever new ideas for helping children who are abused, neglected or in trouble with the law. Each of the top seven would receive a \$150,000 "planning grant," with the promise of up to \$3 million if their plans pleased the foundation. In effect, the Casey Foundation was paying state officials to lobby for new government programs.

Virginia was one of the states that received a planning grant. In 1992 Virginia bureaucrats got the legislature to pass the Comprehensive Services Act for At-Risk Youth & Families. The act set up a new bureaucracy to monitor children and coordinate all kinds of money and services.

Foundation officials claim they don't meddle with policy. But consider the letter the Casey Foundation wrote to Virginia Governor Lawrence D. Wilder in 1993 telling him his modest demonstration plan for monitoring children was barely adequate. Come up with a more ambitious plan and commit some taxpayer money, the Casey Foundation's executive director, Douglas Nelson, threatened, or he would give Virginia no more foundation money.

The governor snapped to attention. The legislature earmarked \$60 million to do what the Casey Foundation wanted done. Placated, the foundation has given Virginia about \$3 million to set up community centers to monitor children and figure out how to shift the entire cost to taxpayers once the grant money runs out next year. Last year alone, the tab for all this was up to \$90 million. In other words, an ideologically driven foundation plan quickly becomes an embedded state bureaucracy that nobody voted for.

In 1995 the Kellogg Foundation hired as its new president William Richardson, a 56-year-old former Maryland bureaucrat. Since then, Kellogg, too, has started bribing more state agencies to adopt its agenda. This year Kellogg



Even after conservative Governor Pataki took office, state officials continued to do the bidding of liberal foundations.

teamed up with the Johnson Foundation to offer state policymakers \$24.25 million to come up with new ways to "transform and strengthen the public health infrastructure." Sounds innocent, but no one is fooled. The whole purpose is to lure states into expanding their bureaucracies and increasing spending, all in the name of improving public health.

Sometimes states bend the rules in order to get the grants. Pennsylvania welfare official Haigh says he was applying for a Casey Foundation grant in 1992 to reform foster care. But there was a hitch. The foundation required that the state's welfare department enter into a contract with a specific county—Philadelphia.

That would have been a violation of Pennsylvania laws that require competitive bidding. No problem. Then-Secretary of Public Welfare Karen Snider just decided to skip the competitive bidding process by pretending there was no other possible bidder.

Four years ago the Pew Charitable Trusts set out to induce states to overhaul all health and social services so as to track all children from birth to adulthood. The Children's Initiative, it was called.

The competition began with states applying for \$100,000 "planning grants," followed by another \$250,000 for the states whose plans best met Pew's biases in favor of expanding and enlarging government programs. Pew's charter doesn't permit grants to state governments. Again, no problem. Pew simply laundered the planning grant money though a Bala Cynwyd, Pa. not-for-profit outfit called the Center for Assessment and

Policy Development. No matter that this subterfuge was an obvious violation of the intent of Pew's founders. Five states won the planning grants.

Pew later canceled the Children's Initiative program when it became clear it would take decades and cost billions to implement, but Casey, Johnson and Kellogg were already beginning similar programs. These folks have never seen a government program they don't like, and you can count on them to try to keep this one alive.

As anyone knows who has ever paid the least attention to government, a program once launched has a tendency to go on forever; so it is with these foundation-financed projects, which tend to go on with taxpayer money long after the foundation tap has been turned off.

In New York, for instance, in the final years of Mario Cuomo's administration, money poured in from left-leaning foundations determined to promote socialized medicine in the fertile soil of this most liberal of states. Projects under way included Johnson Foundation plans to set private doctors' fees, pool information on patients and even cap private spending on health care

Now that Republican George Pataki is governor, are those liberal plans shelved? No way. Pataki's health commissioner, Barbara DeBuono, who had enjoyed a generous Johnson Foundation grant in Rhode Island, supplements her \$102,335 annual salary with an extra \$50,000 from a state agency, Health Research, Inc., supported almost entirely by private foundation and federal grants.

Since Pataki took office, DeBuono and other health officials have accepted millions more in grants from the foundations—always for projects aimed at getting the state government deeper into people's private lives.

New York deputy health commissioner, Judith Arnold, recently wrote to the Johnson Foundation's grant administrator. Arnold promised that even if the legislature stops funding health care reform, Johnson-seeded reforms will continue. She didn't specify where the money would come from, but the implication was: We bureaucrats will find a way.

To understand what is going on here, it is important to recognize that bureaucrats have an all-too-human tendency to enhance their importance by spending more money. More often than not, too, they are recruited from the ranks of people committed to using governments to redistribute the wealth by raising taxes. Consider, for example, Brian Roherty, former Minnesota budget officer, now president of the National Association of State Budget Officers. He has called on state budget officers all over the country to bend the law as far as possible to advance a liberal agenda. Roherty complains that the top 20% of households own 85% of the nation's wealth.

Roherty is at least refreshingly frank: "How things are distributed will become the next battleground in American politics," he says on the trade association's Web site.

Roherty proceeds to throw down the gauntlet to those who think it is time to roll back or at least stabilize the government's grab at the taxpayer. "State budgets will be the primary vehicle for this change, which will be directed by men and women of courage who are prepared to 'go where no one has ever gone." With a little help, of course, from tax-exempt private foundations.

#### By ETHAN BRONNER

Half a century after a mild-mannered Midwestern biology professor named Alfred C. Kinsey essentially created a new academic discipline with publication of his best-selling tome "Sexual Behavior in the Human Male," the study of sexuality on American campuses is again being revolutionized.

Over the past five years, courses examining the origin and meaning of sexual identity have appeared in nearly every catalogue of American liberal arts colleges, and the area is still growing. Unlike the short health classes taught at colleges in the past, what is now available permits students to specialize in sexuality, especially as a cultural phenomenon.

The University of Chicago initiated a lesbian and gay studies project this past fall; the University of Iowa will offer a certificate program short of a major but more than a minor — in sexuality starting next September; Brown University is in the fourth year of offering a full major called Sexuality and Society; the University of Minnesota is establishing, with a pledged half-milliondollar endowment, a Center for Gay, Lesbian, Bisexual and Transgender Studies; the University of California at Riverside, the University of Wisconsin at Milwaukee, New York University and the University of Pennsylvania are among a growing number of institutions with graduate or undergraduate programs focused on sexuality.

Some of the sessions are surpris-

Continued on Page 11

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SUNDAY, DECEMBER 28,

Printed in Chicago

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## A Half-Century After Kinsey, the Study of Sex Is Generating Keen Interest

Continued From Page I

Ingly explicit. At the University of Virginia, undergraduates in a course called Sexuality Today gather in coeducational pairs and sculpture genitals from Play-Doh. At Brown University, the owner of a female-oriented sex shop uses a latex replica of female sex organs to demonstrate new paraphernalia. And at the State University of New York at New Paitz, sadomasochists were invited to discuss their practices, drawing criticism from, among others, Gov. George E. Pataki.

What is noteworthy about nearly all these courses is that they spring from an area of the humanities, like history or English. The fascinating cross-cultural questions they raise have invigorated these fields, given birth to journals and established scholarly conferences. For example, they ask: When was the term homosexual invented? How does society define manhood? What is the difference between sex and gender?

By contrast, what they rarely involve is pure science. As sexuality has grown into a field of keen scholarly and societal interest, the fronties of scientific knowledge around it, while more advanced than half a century ago, have not expanded correspondingly.

"There is still a lack of good, basic research into the fundamentals of human sexualities," said Dr. John Bancroft, an English medical researcher who now heads the Kinsey Institute at Indiana University.

"We don't understand why some people are likely to engage in highrisk sexual behavior while other people sensibly keep out of trouble," Dr. 
Bancroft said. "It is probably sociocultural, but there may be individual 
differences in physiology and neurobiology. We still know very little 
about the orgasm physiologically, 
relatively little about the extent to 
which men and women differ in patterns of physiological sexual response. We know little about whysome people abuse children."

Dr. Bancroft added: "In other important aspects of behavior, you find a much more consistent body of scientific endeavor. It is regarded as something we need to know about. Sex is not like that. There has been a longstanding fear of knowledge in that area."

Susan Tate, who teaches the threeyear-old Sexuality Today course at the University of Virginia, said it was that fear that she sought to address when she had the students build genitals from Play-Doh. "If we can dis-

without embarrassment," she said, "we should be able to talk about the penis, clitoris and vagina without laughing."

"I'm trying to tell the students what's good about sex." she said of her weekly, 25-student course. "All they hear is what's bad about it, how it can kill you. I want them to understand how it can be fantastic. I also want them to choose their own boundarles."

## Issues Evolving From Women's Studies

Some of the material offered under sexuality today on college campuses flows from women's studies. Where at one time women's studies raised issues about equal pay, today the field is often recast as gender studies and examines societal construction of sexual identity. Whole sections of campus bookstores are taking the newly coined label lesbigay, which covers lesbian, bisexual and gay topics.

Much of the scholarship is grouped under the sardonic, defiant rubric of queer theory and challenges the view that sexuality and gender are the same thing. In other words, said David Savran, an English professor at Brown and director of its sexuality courses, sexual identity and desire are socially constructed, not innate. This school of thought is known as social constructionism.

Emphasis is placed on the changed view of sex over history, on the apparent fact, for example, that men in Athens in the 5th century B.C. were not judged by whether they had sex with other men, only whether they were seen as the penetrator or penetrated. And, Professor Savran said, "Three hundred years ago, a great many women and men were having same-sex relations but they were not necessarily labeled Sodomites." Homosexuality in the animal kingdom is also brought to bear on the issue.

There is another school of thought, essentialism, which argues that one's sexual orientation is innate, biologically determined. In the academy, at least among the gay theorists, many of whom are gay, this view is typically rejected as wrong and potentially harmful. It is seen to cast homosexuality as a kind of disability that may merit sympathy but fails to challenge the faulty bases of

society.
"What I really like about queer
theory is that rather than looking at
minority or dissident sexuality versus the mainstream, we question a

about sexuality," said Marshull Miller, a 23-year-old recent graduate of Brown's program who now works in a gay health center in Boston.

The curriculum for Mr. Miller and others who major in the area include a requirement to take three of four core courses: the biology of gender, an Introduction to gay and lesbian literary and cultural studies, the history of sexuality and a course that is called Queers and Culture but that appears on transcripts as Identities/Communities for fear that potential employers would be put off by the real name.

Those in this field say that learning about the fringes of sexual practice, like sadomasochism and prostitution, offers insight into issues like power and money. Tania Israel, who is studying toward a doctorate in psychology and teaching at Arizona State University, focused on strippers and found them both empowered and degraded by their work, depending on several external factors.

"It is very difficult to get at people's sexuality because the issue is so taboo," she said. "But if we want to understand sexual assault, for example, we need to understand how men and women experience their sexuality, how they internalize messages."

That is not how critics see it.

Roger Kimball, managing editor
of New Criterion, a conservative
monthly journal, drew angry attention to a sex conference at SUNY
New Paltz this fall when The Wall
Street Journal published a caustic
article by him under the headline,
"Syllabus for Sickos."

"There is something profoundly dehumanizing about this stuft," he said in an interview. "And what a way to waste your college years. Here you have four unrepeatable years where you can spend a great deal of money to become educated. You have to make choices, is it better to spend time learning to use dildos or reading Kant? If you look at the amazing ignorance of people in college today, it is appalling.

# The 'Dark Side' Of Enlightenment

"Then there is the moral question," he continued. "Is this a good thing, to look at the sex organs as essentially a complicated piece of plumbing? Should one's sex life be treated in an objective way, turning sex into an activity like jogging? I don't think so. What worries me is the way sex studies tend to get rid of the whole element of love and affecting."

A CLOSER LOOK

#### A Sample of Courses in Sexuality

From course catalogues at colleges and universities around the nation:

#### "QUEER HISTORIES." AT YALE:

Examination of a recent category of analysis for gender studies and the study of sexuality, situated within a historical framework. Readings examine different aspects of what is commonly regarded as "queer," including gender and sexual nonconformity, compare and contrast past and present notions of that nonconformity, and examine how a historical perspective can influence understanding of modern categories, as well as the reverse.

#### "QUEER LIVES" AT HAMPSHIRE COLLEGE IN MASSACHUSETTS:

This course is envisioned as an introduction to thinking about the lives and work of lesbians, gay men, transsexuals, and transgendered people (groups currently allied politically under the term "queer") mainly through their autobiographies and their work as artists and political activists. The course will trace the social and cultural history of queer people from the end of the 19th century, when sexologists coined the term "homosexual," to

the queer liberation movement of the present day, stressing issues of race and class as well as gender.

#### "SEXUALITY TODAY" AT THE UNIVERSITY OF VIRGINIA:

This course will provide an increased understanding and appreciation for human sexual behavior through learning concepts, principles and facts regarding sexual health. Topics will include: human sexual behavior and relationships. reproductive systems. contraception and unintended pregnancy, sex under the influence of alcohol, regretted sex, media influences on sexual behavior, sexually transmitted infections (including H.I.V.), sexual health and sexual assault.

#### LESBIAN, GAY AND BISEXUAL STUDIES MINOR AT THE UNIVER-SITY OF CALIFORNIA AT RIVERSIDE:

The curriculum will address such issues as: sexual identity and orientation; gay, lesbian and bisexual representation; gay, lesbian and bisexual perspectives on the arts; retheorizations of gender; sexuality and cultural diversity; intersections of sexualities and ethnic identities.

tion and intimacy in the name of emancipation. The idea is to increase pleasure by divorcing it from all those customs and rituals and social embedding in which sexuality has always been understood. This removes the decent drapery of life. Enlightenment has a dark side."

Richard A. Posner, a conservative but iconoclastic legal scholar, who is chief Judge of the Federal Court of Appeals for the Seventh Circuit in Chicago, is not, however, very impressed with these concerns. He says that ignorance of things sexual by members of the judiciary, and by society generally has produced woeful results.

This was brought home to him about eight years ago, Judge Posner said, when, seeking to plug a gap in his knowledge, he picked up Plato's "Symposium," He said he knew at the time only that it was about love.

"I was surprised to discover that it was a defense, and as one can imagine a highly interesting and articulate one, of homosexual love," he wrote in the book that emerged, "Sex and Reason" (Harvard University Press, 1992). "It had never occurred to me that the greatest figure in the history of philosophy, or for that matter any other respectable figure in the history of thought, had attempted such a thing."

He added that "Symposium" and a year's worth of subsequent reading made him re-evaluate much of what had been written about homosexuality into American law. His book urges decriminalization and accept-

ance

"A person who knows that James I. Francis Bacon, Oscar Wilde, Henry James, Marcel Proust, Gertrude Stein, Virginia Woolf, John Maynard Keynes, E. M. Forster, Pyotor Ilich Tchaikovsky, George Santayana, T. E. Lawrence, Alan Turing and Ludwig Wittgenstein were homosexuals," he wrote, "and that Sophocles, Socrates, Plato, Shakespeare, Christopher Marlowe, Alexander the Great, Julius Caesar and Richard the Lionhearted may have been, is not so likely to believe that homosexuality is merely a ghastly blight."

### Changing Views Toward Homosexuality

There appears to be good reason to attribute the growing tolerance toward homosexuality in America at least partly to changes in education. George Chauncey, a historian at the University of Chicago, is writing a book arguing that increased acceptance of homosexuals is one of the most fundamental changes of the second half of the 20th century.

Professor Chauncey says that the first American academic conference on gay and lesbian studies was held at Yale University in 1987 and drew 200 participants. Two years later, some 600 people attended. By 1991, when the conference was held at Harvard University, there were 1,600 participants and the following year, at Rutgers University, 2,000 scholars participated and 200 papers were presented, making it one of the largest academic conferences in the country, Mr. Chauncey said.

Judith R. Shapiro, an anthropologist who is president of Barnard College, has watched the growth of gender studies with some concern but also with enthusiasm.

On the one hand, she worries that because it is such a personal issue, it encourages students to turn further inside themselves. But Ms. Shapiro also sees a great value in it because by comparing what may seem like one's most natural and inherent tendencies and feelings with historical and cross-cultural practices, students are obliged to turn outward.

"Through such studies, students are forced to ask the most basic questions about how society organizes itself and that is the very essence of a liberal education," Ms. Shapiro said. "Remember what Erik Erikson told us about Martin Luther's private demons. They were fundamental to his thought. People's personal obsessions can lead to great truths."

# Kinsey's Legal Legacy

merica's post-World War II generation lived through the sexual revolution of the 1960s. Now, sadly, most of them are living with the consequences of its devastation: abortion, skyrocketing disease, divorce, and sexual dysfunction. Most Americans are unaware that their nation's moral foundation was supplanted, nor do they appreciate that a deliberate effort was engineered to derail American common law, which was constructed on biblical principles to protect and order society's most important building blocks — marriage and family.

Fifty years ago this month, Indiana University zoologist and Rockefeller grantee Alfred Kinsey, the widely acknowledged "father of the sexual revolution," published his unprecedented report on human sexuality, Sexual Behavior in the Human Male. Kinsey's theme of "free love" was reinforced by a well-timed media blitz, and the American public was receptive. For the next decade, Kinsey was one of the nation's most popular celebrities (until his premature death in 1956). Cole Porter's hit song popularized Kinsey's sexual liberating anthem of "Anything Goes." But over the second half of the 20th century, America and the Western world learned the hard lesson that, seductive though it be, free love is not free.

In 1954, Tennessee Congressman B. Carroll Reece could clearly see that revolutionary changes were forming on the horizon of our nation's social landscape, and that a principal source of the change was foundation grants encouraging collectivism and internationalism. When Reece began to investigate Kinsey's report and the background of its funding, he discovered a trail leading back to the Rockefeller Foundation. While the Reece Committee was stopped by a bipartisan effort from further investigation, it did offer the following warning regarding the enlarging mission of social scientists in changing our society:

... that there are no absolutes, that everything is indeterminate, that no standards of conduct, morals, ethics,

and government are to be deemed inviolate, that everything, including basic moral law, is subject to change, and that it is the part of the social scientists to take no principle for granted as a premise in social or juridical reasoning, however fundamental it may hereto have been deemed to be under our Judeo-Christian moral system.



Kinsey: Working for an amoral new order.

Kinsey was a vital agent in the transformation of America. The Russian, German, and French revolutions were all preceded by an embrace of sexual anarchy. In such revolutionary models, marriage is undermined first, then the family, followed by private property and governments. Kinsey facilitated, with the fraudulent data of his "studies," the abandonment of absolutes in the "social or juridical reasoning" of America's "Judeo-Christian moral system."

A recent Kinsey biography by James H. Jones, a Rockefeller grantee and former adviser to the Kinsey Institute, reveals that Kinsey himself was a sado-masochistic homosexual on a perverted mission. Trolling through homosexual bars and night-clubs, Kinsey gathered the subjects for his research, drawing disproportionately from those participating in sexual perversions and

other criminal acts. Those acts were then portrayed by Kinsey as both commonplace and natural. Kinsey's mission, Jones writes in Alfred Kinsey: A Public/Private Life, was to free America from Victorian "repression." But his wider goal was an amoral new order — possible only if human life is unhinged from the divine.

Kinsey, like Margaret Sanger and population planners of the early 20th century, was a eugenicist who eschewed biblical standards of morality. According to one Kinsey associate: "Kinsey knew a great deal about the Judeo-Christian tradition and he was indignant about what it had done to our culture."

How did the acceptance of criminal sexual behaviors and perversions begin in America? Kinsey's studies were accepted as "scientific authority" to alter the American common law view of marriage. Life's most intimate and personal act was equated with degenerative behaviors as long as it was done between "consenting adults."

Kinsey found help in his effort from liberal French lawyer Rene Guyon of "sex by age eight or else it's too late" infamy. Dr. Harry Benjamin, an international sexologist and an associate of both Kinsey and Guyon, wrote in the introduction to Guyon's 1948 book Sexual Ethics:

Many ... sex activities, illegal and immoral, but widely practiced, are recorded by both investigators ... Guyon speaking as a philosopher, and Kinsey, judging merely by empirical data ... [upset] our most cherished conventions. Unless we want to close our eyes to the truth or imprison 95% of our male population, we must completely revise our legal and moral codes.... It probably comes as a jolt to many, even open-minded people, when they realize that chastity cannot be a virtue because it is not a natural state.

With such philosophical inspiration, Guyon developed a deconstructed legal theory, fortifying it with Kinsey's "scientific" data. It was put into the hands of legal radicals like Morris Ernst, an advocate for the new sexual order, who handled revolutionary cases in his war against the American legal order.

Ernst was well credentialed as a legal radical for his service as the American Civil Liberties Union (ACLU) attorney for Alfred Kinsey, the Kinsey Institute, the Sex Information and Education Council of the United States (SIECUS), and Planned Parenthood of America. He had close ties to Supreme Court Justices Brandeis, Brennan, and Frankfurter, and Judge Learned Hand — all influential progressives in moving American law away from the absolute "Judeo-Christian moral sys-

tem" which protected the sanctity of life, marriage, and family.

In Ernst's 1948 book American Sexual Behavior and the Kinsey Report, Kinsey colleague Robert Dickinson noted that "an era of hush-and-pretend in the life of our nation may end" through Kinsey's Sexual Behavior in the Human Male and that "virtually every page

of the Kinsey Report touches on some section of the legal code ... a reminder that the law, like ... our social pattern, falls lamentably short of being based on a knowledge of facts."

Ernst explained in Scientific Monthly why the Kinsey reports were making major inroads in changing American law: "[R]ecently law has reached for scientific tools to aid in its search for truth.... I now say that the Kinsey Report is the single greatest contribution of science to the rule-making part of the law in my lifetime.... The Kinsey Report broke through a mass of taboo."

Ernst advised that every bar association in the country "should establish a Committee on the Laws of Sexual Behavior and consider its own State's legal system in this field...." Soon Committees were established with funding from the Rockefeller Foundation in an effort to overturn the American way of life.

In 1955, the Model Penal Code was completed under the auspices of the Carnegie- and Rockefeller-seeded American Law Institute (ALI), the education arm of the American Bar Association. This "model" was then submitted to state

legislatures for their consideration, with plenty of authoritative support for its implementation provided by Kinsey's flawed scientific analysis. Adoption of the Model Penal Code eliminated and/or trivialized prior sex offenses, eventually aiding the reduction of penalties for abortion, rape, wife and child battery, desertion, seduction, adultery, prostitution, contributing to the delinquency of a minor, soliciting for masturbation, sodomy, public sexual exhibitions, "unfit" parentage, alienation of affection, and obscenity, as well as infanticide, premeditated AIDS/STD transmission, etc.

At the very time the ALI's Model Penal Code was being developed, there was

Trolling through homosexual bars and nightclubs, Kinsey gathered the subjects for his research, drawing disproportionately from those participating in sexual perversions and other criminal acts.

a growing public outcry for tightening, not loosening, sexual psychopath laws. But respected magistrate Morris Plascowe, the model code's principal author, argued (based on Kinsey's findings of course) that "When a total clean-up of sex offenders is demanded, it is, in effect, a proposal to put 95 percent of the male population in jail.... Of the total male population 85 percent has had pre-marital intercourse...."

As America's common law was supplanted, legal penalties were "lightened" and new sentencing guidelines were developed. For example, prior to Kinsey rape was extremely serious, a death sentence being required in three states and life in prison in over 18 states. But Plascowe introduced to the legal profession what Kinsey and Guyon had certainly envisioned:

One of the conclusions of the Kinsey report is that the sex offender is not a monster ... but an individual who is not very different from others in his social group, and that his behavior is similar to theirs. The only difference is that others in the offender's social group have not

been apprehended. This recognition that there is nothing very shocking or abnormal in the sex offender's behavior should lead to other changes in sex legislation.... Penalties should be lightened. In the first place, it should lead to a downward revision of the penalties presently imposed on sex offenders.

Biographer James Jones reports that Kinsey died believing that his crusade to promote more enlightened sexual attitudes had not succeeded. Yet in 1957, a year after Kinsey's death, the Supreme Court in Roth v. U.S., a case handled by Ernst, relaxed the once protective American legal defi-

nition of obscenity. In 1961, Illinois became the first state to repeal its sodomy statute, and today less than half of the states retain sodomy statutes. In 1973, Dr. Mary Calderone, a leading Kinseyan, was cited in the Roe v. Wade decision which legalized abortion. Since Roe a staggering 34 million babies have been aborted. Also in 1973, the

American Psychiatric Association removed homosexuality from its list of psychopathologies, and in 1995, pedophilia was removed. Today, Kinsey's fingerprints are all over the current literature of law, medicine, and the social sciences. For example, in Westlaw, a database of the major national law journals, during the period 1982-96, 499 authors cite Kinsey versus 71 citations for the more recent Kinseyans, Masters and Johnson. In the Science Citation and Social Science Citation Indices, Kinsey rates thousands of listings, twice as many as Freud.

Continued belief in and use of Kinsey's data may be viewed as a contributing factor to the current exhaustion of our criminal justice system. Authorities who permit the killing of the unborn and release sadistic rapists/murderers back into society, to typically repeat their crimes, represent a system adrift in an amoral abyss and bent on anarchy and national destruction.

- Col. Ronald D. Ray, USMC (Ret.)

Col. Ray, a former Deputy Assistant Secretary of Defense, is the author of Military Necessity and Homosexuality. In writing this article, the author largely drew from Dr. Judith Reisman's definitive book on Kinsey, which is scheduled for release in early 1998.

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