



# Norman Dodd Makes an Amazing Discovery

*Carol Maddox*

KNOW YOUR GOVERNMENT SERIES  
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*(The following article is reprinted from the June 1978 issue of the Freeman 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

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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."

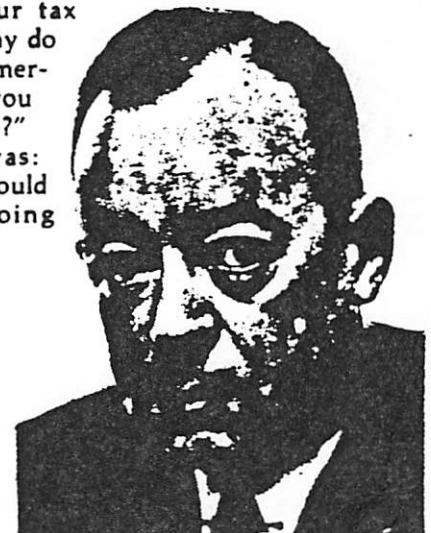
## Alter U.S. to Merge With the Soviet Union

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."



Ford Foundation  
president  
H. Rowan Gaither

### Mr. Dodd's Contact with the Carnegie Endowment for International Peace

The next experience involved the acceptance of an invitation from the Carnegie Endowment for International Peace. This invitation came in response to a letter which I had written the Endowment asking a few pertinent questions. I arrived at the office of Dr. Joseph Johnson, who was then president of the Endowment. He was the successor to Alger Hiss, who had been sentenced to five years for perjury because he had denied under oath that he was an agent of the Soviet Union. Present at this meeting with Johnson were two vice presidents, relatively new men, and legal counsel (a partner in the law firm of Sullivan and Cromwell).

After amenities, Dr. Johnson opened the conversation this way:

"Mr. Dodd, we have received your letter. We can answer the questions but it will be a great deal of trouble. The reason for its being a great deal of trouble is that, with the ratification by the Senate of the United Nations treaty, our task was done. And so we bundled up everything in the way of records and sent them to the warehouse and adopted a policy of constructing a building across the street from the United Nations which served as a facility for the benefit of those many organizations which, from this point on, would be bound to follow the activities of the United Nations. So we have a counter suggestion which is as follows: If you can spare a member of your staff and send him to New York for two weeks, we'll provide a room in our library and also make available to him the minute books of the corporation from its inception."

My first reaction was that he had lost his mind. I had some suspicion what these minute books might well contain, but there was no objection from their counsel and there seemed to be no disagreement on the part of the vice presidents.

All of them were relatively young. My guess was that none of them had ever read the minutes themselves. As a result, I accepted the invitation and sent a member of my staff to New York. She later brought back to me on Dictaphone belts what she had dictated from the minutes of the board. This information came as a shock to all of us.



### The Use of War as an Instrument of Social Change

In 1908 the trustees had raised this question, "Is there any way known to man more effective than war, assuming that you wish to alter the life of an entire people?" They discussed this question academically and in a scholarly fashion for almost a year and came up with the conclusion that war is the most effective means known to man, assuming that you want to begin concentrating power in government and abandon the dispersion of authority contemplated by the Constitution.

### "How Do We Involve the U.S. In War?"

They then raised Question No. 2: "How do we involve the United States in such a war?" This was in 1909. I doubt if there was any subject more removed from the minds of people in this country at that time than the possibility of involvement in war. There were intermittent wars, you will remember, in the Balkans; but my guess is that not many people in the country knew where the Balkans were. The trustees answered the question this way: "We must control the diplomatic machinery of the United States."

### How Do We Control the Diplomatic Machinery of the United States?

That brings up Question No. 3, which is: "How do we secure control of the diplomatic machinery of the United States?" And the answer comes up, "We must get control of the State Department."

That tied in with prior information our committee had uncovered indicating that the hand of the Carnegie Endowment for International Peace had already become a powerful policy-making force inside the State Department.

### Carnegie Trustees Congratulate Themselves on Getting U.S. into World War I

Finally, in 1917, we did get in a war—World War I. These trustees then had the brashness to congratulate themselves on the wisdom and validity of their original decision. The impact of our participation in World War I immediately indicated its capacity to alter our national life. The trustees even went so far as to dispatch a telegram to President Woodrow Wilson, pressuring him to see to it that the war did not end too quickly.

### Carnegie Foundation Seeks To Prevent U.S. from Returning To Pre-War Society

Finally the war was over. The trustees then took up the problem of preventing—as they put it—a reversion of life in the United States to what it was prior to 1914. They came to the conclusion that to gain that end they must somehow get control of education in the United States. They realized this was a prodigious piece of work, so they tried to obtain the assistance of the Rockefeller Foundation. They then divided the task in parts, giving to the Rockefeller Foundation the responsibility of altering education as it pertains to domestic subjects, but Carnegie retained the task of altering our education as it pertained to subjects bearing on our international relationships. They then decided together that the best way to achieve their purpose was by an alteration in the teaching of American history. So they approached three of the most prominent historians.

They had in mind the discrediting of the American Founders and the demeaning of the nation's Constitutional structure of government. So they approached several of the most prominent historians of that day with this proposition but they were turned down flatly.

The trustees then decided that it was necessary for them to build their own stable of historians. They

therefore approached the Guggenheim Foundation, which specializes in the awarding of fellowships, and said, "When we discover a likely young person who is studying and looking forward to becoming a teacher of history, we will take him to London to pursue his studies." So they took 20 or so to London and there they were briefed in what was expected of them. This group then returned and eventually became the most active influence in the American Historical Society.

This coincides with the appearance which perhaps you will remember) of book after book, the contents of which cast aspersion on the early leaders of the country and relegated their ideas to the realm of myth.

### The American Historical Society

Finally, toward the end of the 1920s, the minutes showed that the endowment granted the American Historical Society \$400,000 for the sole purpose of rendering a report as to what the future of this country should be. This appears in seven volumes. The seventh volume summarizes the contents of the other six and ends on this note: The future belongs to collectivism, administered with characteristic American humanitarianism and efficiency.

### The Committee Hearings

With this information as a background, our staff prepared to launch into a full-scale investigation of what these major foundations had been doing with their vast resources of tax-exempt money.

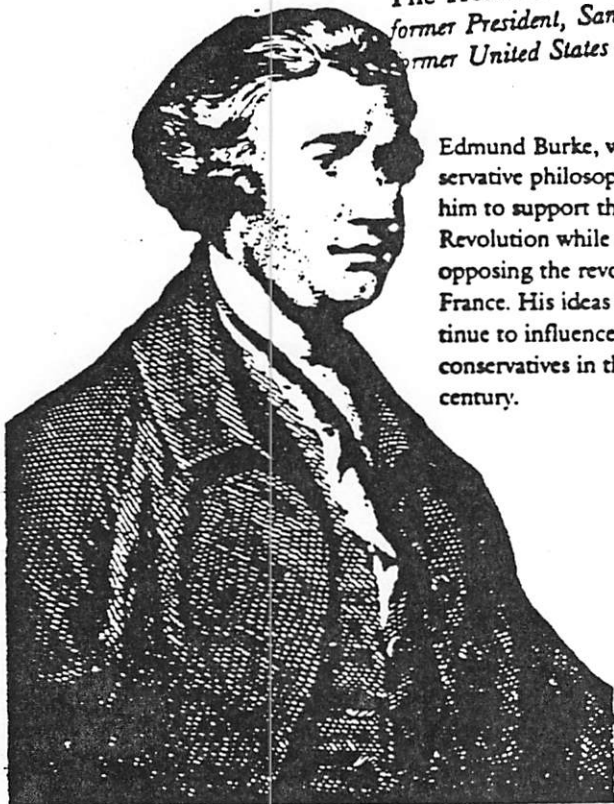
I was hopeful that all the committee itself would have to do would be to invite the officers of the Carnegie Endowment to appear before them and answer some pertinent questions. Because of our access to the minute books, we would know if their answers were true. However, it did not turn out to be that simple. Our staff reports were based more on research into the known activities and literature of the foundation than the hearings themselves. □

For more information, order "Tax-exempt Foundations," (reprint from *Freemen Digest*, June 1978.) Two dollars postpaid from the *Freemen Institute*.

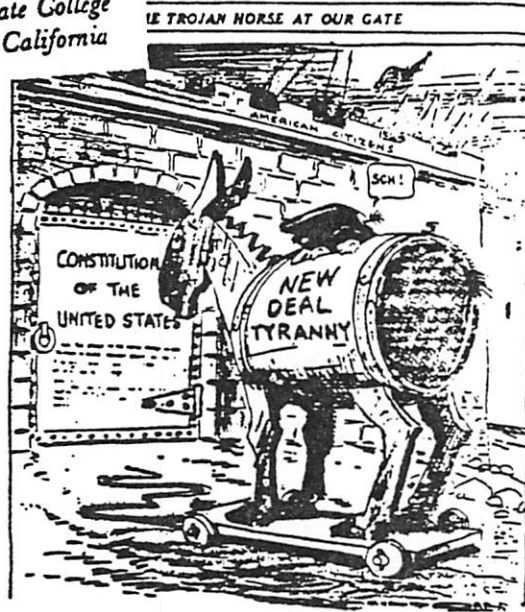
"An educational heresy has flourished, a heresy that rejects the idea of education as the acquisition of knowledge and skills . . . the heresy of which I speak regards the fundamental task in education as therapy."

The Honorable Samuel I. Hayakawa  
former President, San Francisco State College  
former United States Senator from California

Edmund Burke, whose conservative philosophy enabled him to support the American Revolution while vociferously opposing the revolt in France. His ideas would continue to influence American conservatives in the late 20th century.



PROPOSERS OF THE NEW DEAL  
LIKE KENTUCKY'S PRICHARD  
COMMITTEE FOR ACADEMIC EX-  
CELLENCE STILL PROMOTE  
STATISM (COLLECTIVISM) AS  
THE WAVE OF THE FUTURE!



VOICE OF THE PEOPLE

REECE COMMITTEE REVISITED\*

Dodd Report To The American People On Tax Exempt Foundations

Two years ago when, as Research Director of the Special Committee of the House of Representatives To Investigate Tax-Exempt Foundations, 83rd Congress, I wrote my report to its five Members, it was my hope to acquaint them thereby with the scope of the subject which the Congress had directed them to examine and consider. I also hoped to inform them of the nature of the findings of the Staff and alert them to the controversial aspects of these findings.

Specifically, this report revealed that, as long ago as the turn of the Century, some of the funds committed to the care of the Trustees of American Foundations had been used to meet the cost of designing, testing, adopting, perfecting, justifying, disseminating, and perpetuating curricula whose principal effect, in the face of our unparalleled development of productive wealth, has been to cast doubt upon--if not to destroy--the ethical climate which had been responsible for this remarkable achievement.

The report also called attention to the secondary effects of this violation of the fiduciary responsibilities of these Trustees. It was discovered that---

- those in control of American education had endorsed the transfer of responsibility for the economic aspect of our common good from the people, as sovereign citizens, to the Executive branch of our Federal Government---
- that the majority of our electorate approved the usurpation by the Executive of the powers required to discharge this new responsibility
- and that Foundation Trustees so effectively exercise their censorship over education in the United States that it makes any scholarly criticism of this invasion of our sovereign rights useless.

The report acknowledged the incredible character of these findings and left to the Members of the Committee the task of accepting or rejecting them through their cross-examination of witnesses who would appear before them.

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The conclusion which I shall be asking you to reach will contradict everything you have ever been taught or told. Specifically, it is this:

- Both Communism and Socialism derive their support from Capitalism--and both flourish with the sanction of the Capitalist.

Until you can make this conclusion your own, today's happenings will continue to confuse you.

\*Mr. Norman Dodd, former Director of Research, House Committee to Investigate Tax Exempt Foundations, U.S. Congress, tells why he regards cultural experiments of tax exempt foundations to be contributions to communism--how he reached this conclusion--and what he believes should be done by the people of the United States to offset the effects of these mistakes. THE ABOVE IS TAKEN FROM AN ADDRESS AT HUNTER COLLEGE ASSEMBLY HALL, NEW YORK CITY, 20 March, 1956. (1956!)

From Dec. 1977 Bulletin of Committee to Restore the Constitution

In January 1979, Mr. Dodd testified for a committee of the Indiana legislature concerning Regional Government.

I WAS PRESENT IN THE INDIANA LEGISLATURE WHEN MR. DODD GAVE THE TESTIMONY ABOVE. Carol Maddox 606-441-6630