

JUNE 78

This Issue Features

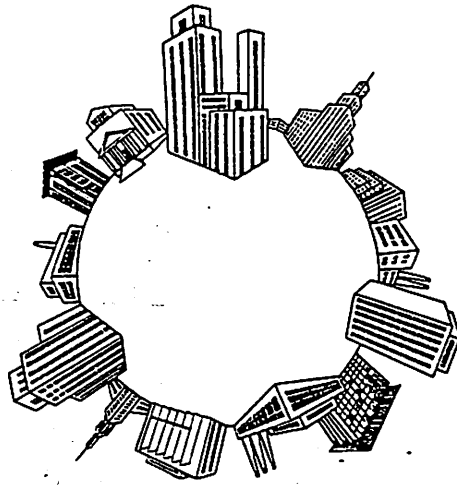
- A Social Revolution in America
- The Amazing Carnegie Minutes
- A National Education System
- The Power Behind Foundations



The Freemen Digest

TAX-EXEMPT FOUNDATIONS

THEIR IMPACT
ON THE WORLD



FOUNDATIONS

“The result . . . of the network in which [the tax-exempt] foundations have played such a significant role seems to have provided this country with what is tantamount to a national system of education under the tight control of organizations and persons little known to the American public. The principles upon which this country was founded are now in scorn as a result of the changes fostered by the foundations’ control of education The foundations are fostering under the guise of public spirited largesse a theory and philosophy totally diverse from that of the Founding Fathers. A joining of the power of law with that of wealth has been used to wean us from our loyalty to the principles of individual liberty Wealth controls culture. Since their inception the foundations have used their wealth to change American culture to one of collectivism.”

Norman Dodd

must chart a new course. It is a psychological frontier, an unmarked wilderness of competing desires and possessions, of property ownerships and power complexes. On such a frontier wisdom is the supreme need, rather than technological efficiency and physical strength in which our people are so competent.

"We are strong enough but are we wise enough? We shall soon see for the testing moment is now. Our measure will be taken in these 13 months. The test is whether enough of our people—perhaps a compact minority of 10 million will be enough—can grasp the established fact that, in company with other industrializing peoples, we are living in a worldwide social revolution."

Evidence Indicates Social Revolution Promoted By Foundations

We propose to offer evidence which seems to indicate that this "revolution" has been promoted. Included within this supporting evidence will be documented records that will show how the flow of money, men, and ideas combined to promote this so-called revolution just mentioned.

The money in large part came from the foundations. Men and ideas in a great measure came from the intellectual groups or societies supported by this money and found their way into the powerful agencies of education and Government. . . .

Foundations, education, and Government form a triangle of influences, natural under the circumstances and certainly without criticism in itself as long as the three entities exist and the liaison is not abused or misused in the furtherance of questionable activities.

As previously suggested, the chart is basically in the form of a triangle with appended rectangles to indicate the functional activities in their relationship to each other. At the apex we have placed the foundations. At the lateral or base angles, on the left and right, respectively, are the educational and governmental members of the triad. Suspended from the rectangle representing the foundations are those representing the intellectual groups which are dependent to a large extent upon the foundations for their support.

The relationships between and among these organized intellectual groups are far more complex than is indicated on the chart. Some of these organizations have many constituent member groups. The American Council of Learned Societies has 24 constituent societies, the Social Science Research Council 7, the American Council on Education 79 constituent members, 64 associate members, and 954 institutional members. In numbers and interlocking combinations they are too numerous and complex to picture on this chart. . . .

These types of intellectual societies may be considered as clearing houses or perhaps as wholesalers of money received from foundations inasmuch as they are frequently the recipients of relatively large grants which they often distribute in subdivided amounts to member groups and individuals.

For illustrative purposes, the following four societies are listed: American Council of Learned Societies, including the American Historical Association, Social Science Research Council, National Academy of Sciences, American Council on Education.

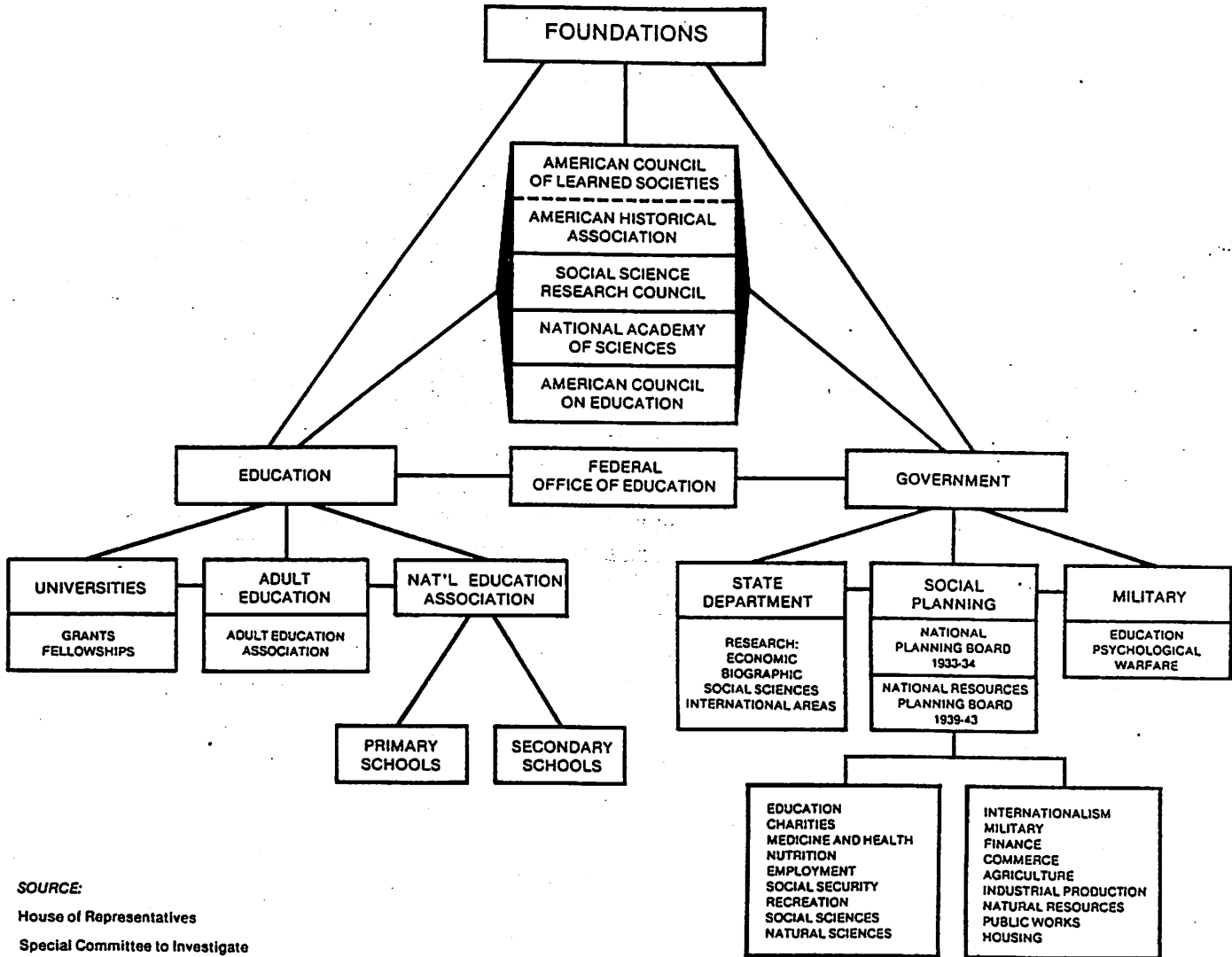
The four shown on the chart are enough to illustrate the relationship of such societies to the governmental and the other educational units shown on the chart. Furthermore, credit or appreciation has been expressed by both educational and governmental circles for aid received from each of these four organizations.

The Organization Chart

The nature of these threefold relationships can be most clearly and quickly illustrated by reference to the chart prepared for the purpose and entitled, "Relationships Between Foundations, Education, and Government." . . .

Below the rectangle representing education appear the various branches of the educational effort. To avoid undue complexity, no attempt has been made here or at any other points on the chart to portray any but the principal areas of operation. Under the governmental function a few divisions of activity are shown. These are confined to the executive branches of Government where the greatest changes have occurred.

INTER-RELATIONSHIPS BETWEEN FOUNDATIONS, EDUCATION AND GOVERNMENT



SOURCE:
House of Representatives
Special Committee to Investigate
Tax Exempt Foundations.
May 1954

Interpretation of the Chart

The lines connecting the various rectangles on the chart symbolize the paths followed in the flow or interchange of money, men, and ideas as previously mentioned. The focal point of contacts between these connecting lines and the rectangles are lettered somewhat in the manner used in textbooks of geometry and trigonometry in order to facilitate identification and reference in describing

the existing relationships. Finally, this chart as a whole will be useful in locating the areas in which we have found evidence of questionable procedure against what we deem to be public interest.

Leaving the chart for a few moments, we shall refer to certain information derived from the record of the Cox committee hearing.