

# Conservative Philanthropy

by Niki Jagpal

*What drives change at the federal policy level?*

Over a decade of research by the National Committee for Responsive Philanthropy (NCRP) demonstrates that conservative philanthropy has succeeded at building a right-wing policy agenda by providing sustained support to conservative think tanks and building the base of a conservative grassroots-powered movement.

Richard Fink, founder of the Koch-funded conservative think tank, the Mercatus Center, stated succinctly the conservative perspective on philanthropy's purpose: funders should use political action committees and think tanks to turn intellectual positions into policy "products." The Mercatus Center has demonstrated success in moving such products — 14 of the 23 regulations on George W. Bush's so-called "hit list" were suggested by this think tank.

The rise of the "Tea Party" movement, funded in large part by oil-industry billionaires Charles and David Koch, and the outcomes of the 2010 midterm elections demonstrate the efficacy of such funding. As Charles Koch states, he sees grassroots organizing as a key political strategy: "To bring about social change" requires "a strategy" that is "vertically and horizontally integrated," spanning "from idea creation to policy development to education to grassroots organizations to lobbying to litigation to political action."

By coupling top-down approaches with bottom-up mobilization supported by the use of effective funding strategies, the conservatives are succeeding at moving their policy agenda.

These strategies include:

- Providing long-term multi-year grants and significant amounts of unrestricted core support, which allow grantees to respond to the ever-changing political landscape.
- Giving more and bigger grants to a targeted group of grantees they knew would advance their agenda.

Moreover, conservative philanthropists are fostering collaboration among and between foundations, recognizing the collective power that supersedes individual



David Koch talking to Americans for Prosperity

institutional power and building coalitions among their grantees for the same reason. And importantly, they are making deft use of messaging and social media to ensure that they frame the terms of debate in the public square.

An exposé by the Center for American Progress notes: "In 2006, Koch industries owner Charles Koch revealed to the *Wall Street Journal* that he coordinates the funding of the conservative infrastructure of front groups, political campaigns, think tanks, media outlets and other anti-government efforts through a twice annual meeting of wealthy right-wing donors."

The Center also reported that participants at a Koch-sponsored "election-planning event" worked with consultants who specialize in building "fake" grassroots movements and individuals adept at how corporations can take advantage of the Supreme Court's anti-democratic Citizens United ruling.

Founded and funded by David Koch, the conservative group Americans for Prosperity comprises a team of some 80 campaign staffers across the nation and plans to expend some \$45 million to finance advertisements attacking Democrats. When such philanthropy is coupled with continued support for conservative think tanks such as the Heritage Foundation and the American Enterprise Institute, its chances for success at moving a policy agenda are significantly higher than any philanthropy that focuses on one strategy over the other.

While not recommending that progressive philanthropists simply mimic the behavior of their conservative counterparts, there are important lessons to be learned from the successes of these funders:

- Collaboration is essential to success.
- Providing long-term and unencumbered support to grantees is crucial.
- Combining grass-tops policy advocacy with bottom-up community organizing is fundamental to achieving sustainable, long-term policy solutions.

As the Occupy Wall Street movement demonstrates, the public is angry and mobilized against corporate and elite interests. Progressive funders must seize the energy of this moment and capitalize on this momentum. Now is the time for progressive funders to reclaim our democracy and counter the efforts of conservative philanthropists like the Kochs.

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## Powell Memo

by Jim Tarbell

On August 23, 1971, Lewis F. Powell, corporate tobacco lawyer, head of the American Bar Association and future Supreme Court Justice, became chieftain of the corporate coup to completely take over our government apparatus. On that date, he gave voice to the initiative in a letter to the US Chamber of Commerce. Powell's letter emphasized that, "the time has come for the wisdom, ingenuity and resources of American business to be marshaled against those who would destroy it." He urged the Chamber to create a broad-based campaign to counteract the popular social movements by subverting and regaining control of academics, scholarly journals, the media, the courts and politicians."

After reviewing his plea, corporate America took action. Joseph Coors provided \$250,000 to Ed Feulner and Paul Weyrich to start the Heritage Foundation. William E. Simon, Nixon and Ford's Treasury Secretary, became the head of the John M. Olin Foundation and formed a relationship with the Bradley, Scaife, and Smith Richardson Foundations to build a stable of conservative think tanks and legal firms successfully working to instill a pro-corporate control over our political system.