

Committee on Resources

Full Committee

Witness Statement

Testimony of Robert Huberty
Executive Vice President
Capital Research Center
Before the
U.S. House of Representatives
Committee on Resources
The Honorable Don Young, Chairman
May 23, 2000

Chairman Young:

Thank you for inviting Capital Research Center to testify on how environmental initiatives are funded. My name is Robert Huberty and I am executive vice president of Capital Research Center, which is based in Washington, D.C. Capital Research Center studies charity, philanthropy and the nonprofit sector. We take a particular interest in the role of public interest organizations and their impact on American politics and society. We do not solicit or accept any government grants or contracts.

Capital Research Center has published a number of recent studies about the groups that comprise today's environmental movement. We think there is inadequate public understanding about the underlying philosophy of these groups, the ties and linkages among their leaders, and, most particularly, their access to funders and to public policymakers. [\(1\)](#)

We have argued that the central public policy goal for environmental groups is at odds with the needs of individuals and communities. Environmental groups today seek the preservation of natural resources *from* human use over their protection *for* human use. Certainly this is the goal of one recent environmental initiative, The Heritage Forests Campaign, on which I would like to focus my comments today.

Specifically, I would like to address the role of grantmaking foundations that provided financial support for the Heritage Forests Campaign. These foundations have orchestrated a major public relations campaign to advocate for changes in government regulatory policies. They would have the federal government immediately and permanently halt road-building and logging in national forests, and, as others have testified at an earlier Resource subcommittee hearing, this comes at the expense of individuals and communities who depend on the national forests for their livelihoods.

In addition, theirs is a political campaign to spur regulatory actions by the Executive branch without the consent of the Congress.

Last October 13 President Clinton directed the Forest Service to prepare a study that would ban road building on parts of the National Forest System that are currently roadless but that Congress has not agreed

to designate as permanent wilderness areas. The President's speech was anticipated by the Pew Charitable Trusts, which acknowledges that it organized the campaign to promote the roadless initiative. On September 24, 1998 the Pew Trusts made a grant of \$1,415,000 to the National Audubon Society for this purpose.⁽²⁾ On September 23, 1999 it gave the Society an additional grant of \$2,150,000 for 15 months "To complete a public education effort for permanent administrative protection of the largest remaining tracts of pristine old growth remaining in U.S. national forests."⁽³⁾

These grants were made at the behest of Daniel Beard, public policy director of the National Audubon Society and a former head of the bureau of reclamation in the Clinton Administration. As Mr. Beard revealed in the September 18-19 minutes of the Audubon Society's board meeting (which have been subsequently deleted from the Society's website), the purpose of the Pew grant money was to assemble organizations working under Audubon "supervision" to orchestrate the roadless campaign.⁽⁴⁾ The Campaign lists twenty-four organizations as Campaign "partners." The Campaign's website www.ourforests.org also indicates that it receives financial support from the W. Alton Jones Foundation and the Turner Foundation.⁽⁵⁾ In the chart accompanying my testimony there is additional information compiled from websites and public sources on other foundations that have funded advocacy for the roadless initiative.

The Pew Charitable Trusts are the major funders for this campaign. In 1998 it gave a grant of \$800,000 to the Earthjustice Legal Defense Fund "For public education on national forest protection issues."⁽⁶⁾ On March 16, 2000 it gave the Alaska Conservation Foundation (ACF) \$500,000 "To support a campaign to seek permanent administrative protection of 14 million acres of roadless land in the Alaska Rainforest."⁽⁷⁾ (The year before ACF gave the Alaska Rainforest Campaign an \$11,000 "rapid response" grant for "Internet advertising to generate comments on National Forest Roadless Areas.") Pew also gave the National Environmental Trust \$3,000,000 in grants in 1999 and in 2000 for general operating support. The Trust, which was formed in 1994 with \$10 million in foundation grants, most notably from Pew, coordinates media outreach on selected environmental issues. Heritage Forests is one of its four target areas.⁽⁸⁾

I would point out that the source of wealth for the Pew Trusts comes from energy exploration and development. Joseph N. Pew, Sr. was the founder of the Sun Oil Company, a major oil producer and refiner. His son, J. Howard Pew (1882-1971) left nearly all his \$100 million estate to the J. Howard Pew Freedom Trust, one of the Pew Charitable Trusts, instructing that it be used to "acquaint the American people" with the "evils of bureaucracy," "the values of a free market," and "the paralyzing effects of government controls on the lives and activities of people." How do the Pew Trusts honor the intentions of their donor by supporting a campaign to permanently end logging in a large portion of the national forests?⁽⁹⁾

The Pew Trust is not the only foundation promoting the roadless initiative. As you know, The World Wildlife Fund and the Conservation Biology Institute asked the David and Lucile Packard Foundation for a grant of \$650,000 for "roadless area mapping and related policy support" for Alaska, Washington state, Oregon and California. The grant application, which the Resources Committee obtained from the Forest Service, says "We have a huge opportunity to influence the Forest Service and perhaps other agencies to move progressively on the roadless areas issue and perhaps others."⁽¹⁰⁾ If the Packard Foundation approves this grant it appears that they will be supporting the environmental groups' expectation that they are taking over Forest Service responsibilities for determining roadless policies. This is a practice that has provoked dissent even within the Forest Service itself.⁽¹¹⁾

The groups supervised by the National Audubon Society with grants from Pew and other foundations say they are dismayed by the Forest Service recommendations that were issued on May 9. In looking at their websites you can see a remarkable uniformity. They say the President is not to blame, but assert that his Administration has failed to implement his "vision." They are disappointed that the Forest Service recommends a ban on new roads, but does not permanently ban all logging and off-road vehicle use. They are appalled that it defers a decision on Alaska's Tongass National Forest until the year 2004. They are unhappy that the ban applies to inventoried areas of 5000 or more acres but does not include uninventoried areas of 1000 or more acres. Finally, they urge their followers to turn out for the information and public comment meetings organized by the Forest Service that began last week.

The Congress and the public have good reason to question the funding priorities of large foundations. Private foundations are peculiar creations of public law. Their assets are tax-exempt. Contributions to them are tax-deductible. They are often established in order to avoid estate taxes. The government gives a foundation these privileges with the expectation that its trustees will respect the intentions of the donor who established it, and that those intentions are benevolent and charitable.

Certainly a foundation may support research and education programs. But when a foundation organizes a lobbying campaign on a highly divisive political issue, when it uses its largess to task one nonprofit organization -- the National Audubon Society -- to coordinate the lobbying of other nonprofits, then Congress should ask whether the spirit of the law is being upheld. The Pew Charitable Trusts may respond that they are doing what they have a right to do, that others do it, and that no one has called on them to stop doing it. But by making themselves merely another Washington lobbying group, they undermine the traditions and institutions of philanthropy which are a vital part of our society.

Foundation Grants to Heritage Forests Campaign Participants for Roadless Advocacy

Foundation	Grantee	Amount	Year
Brainerd (Seattle) brainerd.org \$50.6 mill. assets (1999) \$2 mill. in grants	American Lands Alliance	20,000	1999
Brainerd	Oregon Natural Resources Council	18,000	1998
Brainerd	Technology Project (build online community to support Heritage Forest Campaign)	25,000	2000
Brainerd	Washington Wilderness Coalition	53,000	2000
Bullitt (Seattle) bullitt.org \$111 mill. assets (1997) \$5.5 mill. in grants	Alaska Rainforest Campaign through the Alaska Conservation Foundation (ACF)	90,000	1998-1999
Bullitt	American Lands Alliance	50,000	1999
Bullitt	American Lands Alliance	50,000	2000
Bullitt	National Audubon Society	10,000	1998
Bullitt	National Audubon Society	50,000	1999

Bullitt	Oregon Natural Resources Council	30,000 1998
Bullitt	Oregon Natural Resources Council	20,000 1999
Bullitt	Natural Resources Defense Council	30,000 1998
Bullitt	Natural Resources Defense Council	30,000 1999
Bullitt	Rockefeller Family Fund - Technology Project (internet organizing)	20,000 2000
Bullitt	Washington Wilderness Coalition	20,000 2000
Goldman Fund (S.F.) goldmanfund.org \$368 mill. assets (1998) \$8.3 mill grants- environ't	Alaska Rainforest Campaign	100,000 1997- 1998
Goldman Fund	American Lands Alliance	40,000 1998- 1999
Goldman Fund	Friends of the River (designated to Sierra Nevada Protection Campaign)	200,000 1997- 1998
Charles Stewart Mott Flint, MI; mott.org \$2.3 billion assets (1998) \$84.7 mill. in grants	Alaska Rainforest Campaign	200,000 1998- 1999
W. Alton Jones- Charlottesville, VA wajones.org \$414 mill. assets (1998) \$18.8 mill in grants ('sustainable world')	Oregon Natural Resources Council	80,000 1998
W. Alton Jones	Southern Appalachian Coalition	75,000 1998
W. Alton Jones	Kettle Range Conservation Group	36,000 1998
Pew Charitable Trusts- (Philadelphia) pewtrusts.org \$4.9 billion assets (1999) \$211 million grants \$35 mill. Environment (30 grants)	Earthjustice Legal Defense Fund	800,000 1998- 1999
Pew Charitable Trusts	Alaska Rainforest Campaign through ACF	400,000 1999
Pew Charitable Trusts	Southwest Forest Alliance (through National Audubon Society)	225,000 1998
Pew Charitable Trusts	Southern Appalachian Coalition (through Southern Environmental Law Center)	650,000 1998- 1999

Pew Charitable Trusts	Sierra Nevada Forest Protection Campaign (through Friends of the River Foundation)	300,000	1998
Pew Charitable Trusts	National Audubon Society "for campaign for permanent administrative protection of largest remaining tracts of pristine old growth remaining in U.S. national forests"	1,415,000	1998
Pew Charitable Trusts	National Audubon Society "to complete a public education effort for permanent administrative protection of the largest remaining tracts of pristine old growth remaining in U.S. national forests."	2,150,000	1999
Pew Charitable Trusts	Sierra Nevada Forest Protection Campaign (through Friends of the River Foundation)	500,000	1999
Pew Charitable Trusts	Southwest Forest Alliance (through National Audubon Society)	300,000	1999
Rockefeller Family Fund (NYC) rfffund.org \$54 million assets (1996) \$1.9 million in grants	American Lands Alliance "Organizing and outreach to train forest activists and achieve national forest protection goals."	25,000	1999
Surdna (NYC) surdna.org \$573 million assets (1998) \$20 million in grants	Alaska Rainforest Campaign	200,000	1998-1999
Surdna	Southern Appalachian Coalition	250,000	1998-1999
Surdna	Western Ancient Forests Campaign (now American Lands Alliance)	150,000	1998-1999
Turner Foundation (Atlanta) \$190 million assets (1997) 18.2 million in grants	Alaska Rain forest Campaign (through Alaska Conservation Foundation)	102,000 60,000	1997 1998
Turner	Oregon Natural Resources Council (Roadless Area Project)	15,000	1998
Turner	Southern Appalachian Forest Coalition	30,000	1997
Turner	Western Ancient Forests Campaign	30,000	1998
Wilburforce (Seattle) wilburforce.org \$15 million assets (1997) \$1.9 million in grants (83)	American Lands Alliance - Wild Utah Forest Campaign	40,000	1998
Wilburforce	Forest Water Alliance (through The Wilderness Society)	50,000	1998
Wilburforce	Oregon Natural Resources Council - Oregon Wild Campaign	40,000	1998
Wilburforce	Kettle Range Conservation Group	35,000	1999

Wilburforce	American Lands Alliance	33,000	1999
Educational Found'n of America (Westport, CT) efaw.org \$210 million assets (1997)	The Wilderness Society - Protecting Colorado's Roadless Areas	150,000	1998-1999
\$20.6 million in grants			
Compton Foundation Menlo Pk, CA \$104 mill. assets (1997) \$6.4 mill in grants	Sierra Nevada Forest Protection Campaign (through Friends of the River Foundation)	40,000	1998
Kongsgaard-Goldman (Seattle) kongsgaard-goldman.org \$84,000 assets (1997) \$988,000 in grants	Oregon Natural Resources Council	10,000	1998
Kongsgaard-Goldman	American Lands Alliance	10,000	1998
Northwest Fund for the Environment	American Lands Alliance	9,000	1999
Rockefeller Brothers Fund (NYC) rbf.org \$462 mill. assets (1998) \$12.3 mill in grants	Alaska Rainforest Campaign	50,000	1998
Rockefeller Brothers Fund	American Lands Alliance	100,000	1998
Rockefeller Brothers Fund	Natural Resources Defense Fund	150,000	1998-1999
Weeden (NYC) weedenfdn.org \$30.6 mill. assets (1998) \$1.6 mill. in grants	Forest Water Alliance	20,000	1998
Weeden	Save America's Forests	10,000	1998
Weeden	American Lands Alliance	20,000	1998
Weeden	California Wilderness Coalition	20,000	1999

1. 1.. James Sheehan, *Global Greens: Inside the International Environmental Establishment* (1998); Jonathan Adler, *Environmentalism at the Crossroads* (1995); April 2000 *Foundation Watch (FW)* on the Tides Foundation; February 2000 *FW* on the American Heritage Rivers Initiative; December 1999 *FW* on

the Pew Charitable Trusts; July 1999 *FW* on the Funders Network on Sprawl, March 1999 on Ted Turner's U.N. Foundation; May 1999 *FW* on the W. Alton Jones Foundation.; March 1999 *Organization Trends (OT)* on environmentalism in the schools; November 1998 *OT* on 'greening' world trade; April 1997 on the Environmental Grantmakers Association.

2. ². FC Search: 1998 grant of \$1,415,000 from Pew Charitable Trusts to National Audubon Society "for campaign for permanent administrative protection of largest remaining tracts of pristine old growth remaining in U.S. national forests"

3. ³. www.pewtrusts.com 1999 Pew Charitable Trusts grants.

4. ⁴. www.undueinfluence.com/hidden.htm. This information is contained in the website for author Ron Arnold's book *Undue Influence* (2000).

5. ⁵. [Alaska Rainforest Campaign](#), [American Lands Alliance](#), [California Wilderness Coalition](#), [Colorado Environmental Coalition](#), [Defenders of Wildlife](#), [Earthjustice Legal Defense Fund](#), [emediacy](#), [Free the Planet](#), [Greater Yellowstone Coalition](#), [Idaho Conservation League](#), [Kettle Range Conservation Group](#), [National Audubon Society](#), [National Environmental Trust](#), [Natural Resources Defense Council](#), [Northwest Ecosystem Alliance](#), [Oregon Natural Resources Council](#), [Save Our Wild Salmon](#), [Southern Appalachian Forest Coalition](#), [Southeast Alaska Conservation Council](#), [Southwest Forest Alliance](#), [The Wilderness Society](#), [U.S. Public Interest Research Group](#), [Washington Wilderness Coalition](#), [Wildlands CPR](#)

6. ⁶. FC Search

7. ⁷. www.pewtrusts.com 1999 Pew Charitable Trusts grants.

8. ⁸. www.environet.policy.net The others are global warming, children's environmental health and clean air.

9. ⁹. See Martin Morse Wooster, *The Great Foundations and the Problem of 'Donor Intent,'* (Capital Research Center, 1998) for more information on the Pew Trusts, pp. 44-50.

10. ¹⁰. John Hughes, "GOP says draft memo shows Clinton forest initiative is biased," Associated Press (March 13, 2000).

11. ¹¹. Scott Sonner, "Memos show internal criticism of Forest Service roadless plan," Associated Press (March 17, 2000)

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