

PHILANTHROPY AND SOCIAL MOVEMENTS: BEER, OIL AND FEAR

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Philanthropy and Social Movements: *beer, oil and fear.*

By Garrett Brennan

Musician, tele skier and executive director of Focus the Nation

A bit of context to get us started.

I am big fan Oregon beer, fresh snow and skiing fast, fiddle tunes and the American sound that was born out of Appalachia and brought here by the Irish and their whiskey. I will also say that I think chainsaws are awesome and knowing how to grow your own food is one best things anyone could ever do.

Now, to get rolling, think of where you live and the things you like to do. Are you aware of where your energy comes from to power the way you live? Are you aware of the natural, human and economic costs associated with the extraction and use of that power? If you don't know, you're not alone. Most people have no clue where their energy comes from, why it matters, how it works or what affects it has on the whole system.

The last few years of my career have been intensely focused in what you could call the "youth climate movement." An effort comprised of a few organizations mobilizing young people on the issue of climate and clean energy. We are a subset of a larger "climate movement" of organizations that have been working since the late 80's to set a price on carbon dioxide emissions in an effort to reduce how much CO₂ is emitted into the atmosphere. For nearly 20 years, this larger "climate movement" has ultimately been grounded in the moral premise of fighting climate change and making pollution expensive. The "youth climate movement" has only been around since about 2006 and has generally been grounded on the premise that we— young people—are inheriting this planetary crisis because of decisions that our elders—people in power—have made.

We want to do things differently and we're running out of time. We want to take responsibility for our country's emissions and be the world leader in clean energy solutions. When you take into consideration the rate we're emitting now, the rate our population is increasing and the rate at which developing countries are rapidly moving toward a more affluent Western American lifestyle that consumes far more resources than the planet can handle, we are on a

dangerous trajectory of maxing out our system. Scientists have identified that point of no return as the year 2050. The parts per million of CO₂ that the atmosphere can handle as 350. And the degrees Celsius that we cannot go over as 1.5. If we breach all that and if things don't change, we risk major fluctuations in weather, drought, you name it—all those things people talk about in the press. Every doom and gloom sound bite you can imagine.

When I was in Copenhagen for the UN Climate Treaty Negotiations this past December, I heard a fascinating talk by UK journalist George Monbiot. In his talk that explored the amount of coal and oil reserves and resources that we have in the ground right now, he cited a figure from the World Energy Council that stuck with me. In order to simply maintain the current infrastructure of our fossil fuel-based energy system from now until 2050, it will cost approximately \$25.5 trillion. That's a lot of money to maintain an infrastructure that is built on finite resources like oil and coal. Imagine if we put even a portion of that \$25.5 trillion toward rebuilding new energy systems?

On the political side of things, we still have no federal legislation that comprehensively tackles this issue. There are several pieces out there at various stages, but "Climate" is still in the wings waiting for health care reform. On the "movement" side of things, the climate debate has become the long awaited pinnacle of the environmental movement. It is the dream crisis that finally pulls together the interconnectedness of our world: the economic systems and keeping jobs on American soil to lift people out of poverty; the preservation of our natural resources and how we extract and use them; the public health affects of the air we breathe and streams we drink from and snow packs that feed our streams; the national security of fighting wars to preserve oil reserves in foreign countries; and so on. A glorious convergence of social change indicators. The problem though, is that the "climate movement" has been organizing people for the last 20 years on the moral premise of fighting climate change and making pollution expensive. That isn't necessarily the sexiest call to action if we want to make this a bread and butter issue for the everyday American.

And this is where I fit it in, working with that 18-28 year old constituency who is inheriting—arguably—the most complicated and challenging opportunity in recent human history. Empowering them with the skills and experiences needed to lead us through the political, technical and innovative hurdles in front of us.

When invited to participate in Conversation 2010, and asked to write something about the Future of Philanthropy as it relates to my work, I told Gary that I was particularly interested in the role that philanthropy had played in building successful social movements of the past. I wanted to look into this topic because I honestly feel that the social movement that I am working so hard at building is struggling.

I had anticipated an essay very different than the one you are reading. I originally thought I would be drawing from deep threads of our progressive iconic historical movements like Civil Rights, Women's Rights, Anti-Nuke, Anti-Smoking, Gay Rights, and others. Little did I know that my conversations over the last six months with thought leaders in the philanthropy world whom I respect—Jessica Bailey (Rockefeller Brothers Fund), Peter Teague (Nathan Cummings

Foundation) and Betsy Taylor (Breakthrough Strategies)—would lead me to look at the current state of our country and how a few early philanthropists so successfully funded the machine and values of our current Conservative Movement. I was even more shocked when I found out that one of the original philanthropists of the conservative movement was a brewer from Colorado. I've never really met a beer I didn't like. But beer money used this way?

What has baffled and fascinated me in writing this piece is the harsh realization that one of the most prominent examples of how philanthropy has built a successful social movement, is directly connected to how difficult my job is.

What I find sadly interesting is that it was all born from a place of fear. And what's equally curious about this in the context of my work, is that the entire "Climate Movement" has been trying to counter the conservative social movement also on a premise of fear—the sky is falling, ice is melting, Florida will be under water and whole island nations will have to relocate! Fear fighting fear. That sounds so 7th grade.

The last several months have been a clear wake-up call to the progressive climate movement that either our fear tactics aren't powerful enough, or that it's time for an entirely new, re-grounding, breakthrough approach to moving our country forward. I would strongly argue for the latter, but politics is not the focus of this essay. Back on our philanthropy horse.

Let's first take a brief look at the beginnings of philanthropy and its investment in the present conservative movement. I'll provide a brief synopsis of research from Rob Stein, former chief of staff at the US Department of Commerce during the Clinton Administration, senior strategic advisor to then-Democratic National Committee chairman Ron Brown from 1989-92 and founder of the Democracy Alliance.

The conservative rise began in the early 1970's when there was concern among conservatives that capitalism was under attack and something had to be done about it. Around that time, the director of the US Chamber of Commerce, Eugene Sydnor, Jr. asked his buddy Lewis Powell to map out a blueprint of what needed to be done. At that time, Powell was a board member of Philip Morris, a successful attorney and former head of the American Bar Association. (I also found in my research that Powell played a huge role in the mid 60s in the development of Colonial Williamsburg where we will all be convening in late April for our Conversation 2010.)

On August 23, 1971, just after accepting President Nixon's request to become Associate Justice of the Supreme Court, Powell sent the confidential "Powell Memorandum" to Eugene at the Chamber with the title "Attack on the American Free Enterprise System." Powell's main goal was "*Changing how individuals and society think about the corporation, the government, the law, the culture, and the individual*" (Hazen 2005). The memo laid out recommendations on the role that the Chamber of Commerce should play, the role of college campuses, the needed investment in scholars and speakers, the evaluation and monitoring of textbooks, the investment in business schools and television as well as the political arena and our justice system. In the closing statement of his memo, he says:

In addition to the ideological attack on the system itself (discussed in this memorandum), its essentials also are threatened by inequitable taxation, and -- more recently -- by an inflation which has seemed uncontrollable. But whatever the causes of diminishing economic freedom may be, the truth is that freedom as a concept is indivisible. As the experience of the socialist and totalitarian states demonstrates, the contraction and denial of economic freedom is followed inevitably by governmental restrictions on other cherished rights. It is this message, above all others, that must be carried home to the American people.

It hardly need be said that the views expressed above are tentative and suggestive. The first step should be a thorough study. But this would be an exercise in futility unless the Board of Directors of the Chamber accepts the fundamental premise of this paper, namely, that business and the enterprise system are in deep trouble, and the hour is late. (Powell 1971)

In order to confront the attack of liberalism and progressive ideals, Powell stressed the urgent need for a financing mechanism at a scale that could only be established through a joint effort focused on less government, lowering taxes, deregulation and challenging the left agenda everywhere. With seed money from Joseph Coors (Colorado beer that tastes like water), Richard Mellon Scaife's publishing enterprise in Pittsburgh, John M. Olin Foundation and the Lynde and Harry Bradley Foundation, the conservatives proceeded to build a new generation of organizations, think tanks, legal groups, media outlets and monitors, and networking organizations all around the core tenants and overarching values in Powell's memo: *free enterprise, limited government and individual freedoms*. One of the first examples of this collaborative philanthropic effort resulted in the Heritage Foundation.

Here is a quick look at some of these initial (and still current) players of the successful conservative movement:

Heritage Foundation:

The invention of Heritage was by two Capitol Hill political aides, Paul Weyrich and Edward Feulner. It officially came into being in 1973 with an initial investment from Joseph Coors of \$250,000. He had been stirred by Powell's memo and wanted to stem the tide of anti-business sentiment in the country. Weyrich and Feulner felt that the conservative movement and Republican party lacked "quick response capability." So after the original investment by Joseph Coors, the two men turned to the Schuchman Foundation, the Olin Foundation and Richard Mellon Scaife, along with several large businesses to significantly increase its assets. Scaife's initial investment was \$900k and he proceeded to contribute more than \$3.8 million over the next several years to the Heritage Foundation.

By 1977 they had secured approximately \$83 million and were running full steam ahead in advancing the Conservative Social Movement. In the first few years, they primarily built a log of "backgrounders" on current legislative battles and foreign policies—short, brief two-pagers—that they would fax or mail to politicians, public officials and journalists with arguments to bolster the Conservative agenda. When the Reagan administration took power in 1980, the Foundation synthesized all of its backgrounders into a 3000-page, 20-volume set of policy recommendations titled, *Mandate for Leadership*, and presented it to Attorney General Ed

Meese a week after Reagan's inauguration. By 1985, 60 to 65 percent of those recommendations were reflected in Reagan's policies. More recently, the Heritage Foundation has taken credit for much of George W. Bush's policies as being "straight out of the Heritage playbook."

Today they have an annual expense budget of \$61 million and their mission is stated as follows: *"To formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense."*

Richard Mellon Scaife:

Scaife is the great grand nephew of Andrew Mellon and heir to his oil (Gulf Oil), industry and banking fortune. Scaife became the chairman of the Scaife Foundations in 1973, they include: Sarah Mellon Scaife Foundation, the Carthage Foundation, the Allegheny Foundation and the Scaife Family Foundation. Between 1985 and 2001, Scaife's foundations have donated more than \$50.7 million to conservative think tanks and organizations.

Lynde and Harry Bradley Foundation:

Lynde and Harry, two brothers in Milwaukee, made their money in electronic and radio components with a company they started called the Allen-Bradley Company. In 1942 with a decent fortune from the company they started the Allen-Bradley Foundation and primarily funded local conservative initiatives. By 1985, they joined forces with Scaife and began funding the Free Congress Foundation—another right-wing think tank and training ground for conservative politicians and grassroots activists—founded by the Heritage boys, Paul Weyrich and beer guy Joseph Coors. In 1985 though, things changed rapidly for the foundation when the brothers sold the Allen-Bradley Company to Rockwell International, a leading defense and aerospace conglomerate and watched—almost overnight—the assets of their foundation jump from \$14 million to \$290 million. Bam. This catapulted the brother's foundation into one of the largest in the country. At this point, they decided to separate the foundation's name from the company's and hire someone who knew what they were doing to really run and manage all these new assets. They hired the Olin Foundation to run it. And at the helm of this NY-based foundation was a man named Michael S. Joyce. Joyce had exactly the kind of national conservative connections that the Bradley brothers were looking for—he had served on the Reagan transition team in 1980 and on several Reagan-Bush task forces. In 1986, the *Atlantic Monthly* named Joyce as one of the three most influential people responsible for the conservative political movement. (Bradley Foundation n.d.)

The Olin Foundation had its own legacy of assets and investments in the Heritage Foundation and particularly in funding conservative research at prestigious institutions of higher education throughout the country—a key action item in Powell's original memo. When the conservatives lost control of the White House with the election of Bill Clinton, the massive assets of the Bradley Foundation and its network institutes, conservative writers, and think tanks became vitally important in continuing to influence the direction of public policy and conservative values in the U.S. It is now arguably the premier right-wing foundation in the country. Its mission reads as follows:

“The Bradley brothers were committed to preserving and defending the tradition of free representative government and private enterprise that has enabled the American nation and, in a larger sense, the entire Western world to flourish intellectually and economically. The Bradleys believed that the good society is a free society. The Lynde and Harry Bradley Foundation is likewise devoted to strengthening American democratic capitalism and the institutions, principles, and values that sustain and nurture it.” (Bradley Foundation Mission n.d.)

The John M. Olin Foundation

This foundation was established in 1953 by Olin Industries and made its fortune in chemical and munitions manufacturing. Unlike many foundations, it was charged to spend all of its assets within a generation of Olin’s death in fear of mission drift. Its last grant was awarded in 2005 and the foundation officially disbanded that year. The foundation awarded \$370 million to conservative think tanks, media outlets and law programs at universities.

Over the last three decades, the Lynde and Harry Bradley Foundation, the Scaife Foundations, the John M. Olin Foundation and the Smith Richardson Foundation earned the nick name, the “Four Sisters” as they have been the four most prominent funders of right-wing, conservative think tanks and organizations since the 1970s. If one Foundation gave to an organization, the other three would typically follow suit.

Okay, so now that we have a little background on the key initial philanthropists who built the conservative social movement, I would like to briefly explore how the success of this movement has affected the role of philanthropy today and will continue to impose limitations on philanthropy’s role in the future?

I think it’s important to first provide some transparency and grounding about how I see the different roles that Philanthropy and Government play in our society. I think Government should ultimately be in the business of taking care of its people—and by this I mean providing health care, access to education, national security, etc. And Philanthropy should be the exciting realm where social innovation occurs. I would argue that the sheer fact that so many foundations and philanthropists are funding initiatives and organizations that provide health services, reading education, access to food and other basics that the Government should be handling—is a perfect example of how successful the conservative social movement has been in executing the Powell Memo. Less government. Deregulation.

The deregulation of the entire banking industry is another example of how our government—or more importantly, our tax dollars—bailed out the pensions and bonuses to a handful of men. And in watching the current health care and climate debates, our current government can’t get anything passed. Any alternative solutions to the current American Values is seen as—and spun in the conservative media as anti-American, socialist or hurting the economy. These are all brilliant success indicators of the conservative social movement. The movement has succeeded in shrinking government’s role, but not necessarily its size.

Why does this worry me about the future of philanthropy? If we can’t reposition the government to seriously start taking care of its people, putting America back to work for the

long term and investing in our future prosperity, then I fear that philanthropy's role will further be rescinded to do all the government's housekeeping. I want to see philanthropy be a place where breakthrough social innovation occurs.

I would like to close by posing a few questions to the group:

1. If our government doesn't get back into the business of providing goods and services, how will this limit and affect the future of philanthropy?
2. If America does not lead the clean energy revolution and boldly position itself to profit in the historical transition from a fossil-fuel based economy to a clean energy economy, how will that directly limit potential profits and endowments that could result in future philanthropic endeavors?

And I ask that last question as an attempt to look at the major players in philanthropy over the last 75 years. Some of them are listed above, yet others like the Rockefellers (who have primarily funded progressive causes over the years) made their fortunes in the boom of the industrial revolution when we began powering our economy, towns (and the railroads to build more) on oil and steam from coal.

We are at another historical moment right now. If we don't seize it, China will. And we'll be looking to them for philanthropy.

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ABOUT GHC CONVERSATIONS

Annually, Gary Hubbell Consulting convenes and hosts a small hand-picked group of social sector professionals from throughout North America for three days of intense dialogue and critical thinking. We strive to create a thought-provoking, mind-opening, and stimulating conversation about philanthropy, organizational leadership, and the sector as a whole. This deep exploration of the nature and challenges of the philanthropic environment is intended to engage, inform, and inspire senior leaders to be catalysts for change in their own organizations and communities of influence. With each GHC Conversation, we seek to establish the seeds of a continuing and enriching network that nourishes us as individuals and helps each of us change how we converse, inspire, and seek new dimensions of philanthropy. This essay is one contributed for *Conversation 2010*.



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Empowering a generation to power a nation.

Garett is the executive director of Focus the Nation, a national non-profit headquartered in Portland, Oregon that works with 18-28 year olds across the country on the issue of climate and clean energy. The organization runs educational civic engagement campaigns that get young people in the room with elders who have power—business and elected leaders—as well as an annual fellowship program that invests in the early stages of young people's clean energy careers.

Garett is also a musician and was a founding artist of Clif Bar's signature Green Notes program. The program marries the power of music with a passion for the environment in the interest of protecting the places we play for our future generations. His record label, Three Pin Records is a 1% for the Planet business member.

In his free time, he is an avid backcountry telemark skier. He and his wife have recently embarked on a long-term project to convert their cherry orchard in the Hood River Valley to an organic operation.

This is Garett's first GHC Conversation.