

## The Tides Foundation

*Liberal Crossroads of Money and Ideas*

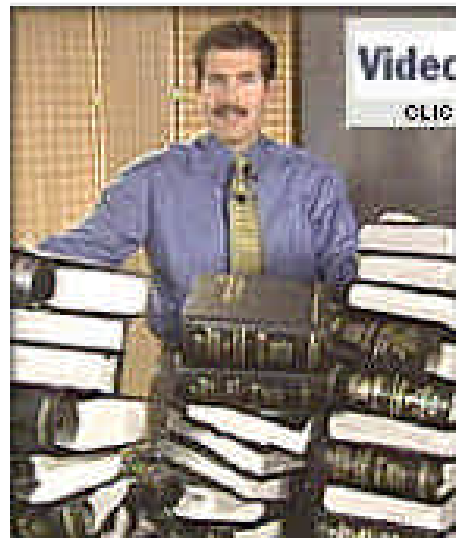
by Gretchen Randall and Tom Randall

*Summary: The Tides Foundation and Tides Center are uniquely influential in the liberal movement, especially among environmentalists. Working closely together, the Foundation and Center fund and manage many activist groups that often are spun off to become independent organizations.*

**M**oney. Money is to the Tides Foundation and Center what water is to the tide. You can't be sure from what source any part comes. You can't be sure where any part goes. But it can knock you off your feet and pull you down. And there is an ocean of it.

The Tides Foundation and its offspring, the Tides Center, effectively "launder" donor dollars when they give to other nonprofits. The San Francisco-based Foundation receives donations from individuals and foundations and then channels them to activist groups. The result is that the original donor can't be linked to the ultimate recipient. According to the most recent available IRS form 990, the Tides Foundation received \$86.1 million in grants, gifts and other contributions in 2001. It gave away over \$76 million. Since it was established in 1976, the Foundation has given away over \$300 million in grants. (Total 2001 income was \$93.2 million; the Foundation had assets of more than \$156 million.)

The Tides Center, established in 1979, has been legally separate from the Foundation since 1996. It helps manage the legal, accounting and other administrative



The Tides-funded Environmental Working Group forced ABC News to cancel a John Stossel interview on environmental extremism. Tides also funds anti-war activists.

aspects of start-up political advocacy "projects." In effect, it shelters activists and their fledgling organizations under the umbrella of its own nonprofit tax-exempt status.

In theory, the Foundation raises and grants money, while the Center manages projects and organizations. A legal firewall divides the two organizations and keeps their functions separate. In fact, each does both. The Foundation awards grants to groups, including groups not managed by the Center, that are promoting a kaleidoscope of liberal issues.

- environmental extremism
- exclusion of humans from public and private wildlands
- anti-war protest
- opposition to free trade

- banning firearms ownership
- abolition of the death penalty
- abortion rights
- gay, lesbian, bisexual and transgender advocacy

As the epicenter of a large financial operation that collects and disperses mil-

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lions of dollars to left-wing activist groups, the Tides Foundation and Tides Center are uniquely influential within the liberal movement. Many policy projects established by the Foundation and managed by the Center are eventually spun-off as independent nonprofit organizations. In addition, Tides founder Drummond Pike has set up several for-profit companies. They donate a percentage of their profits to Tides and collaborate with Tides-affiliated nonprofits.

Here are a few notable nonprofits started, managed or funded by Tides: the Natural Resources Defense Council, Greenpeace, Union of Concerned Scientists, Environmental Working Group and the Ruckus Society. The Tides Foundation continues to fund many of these groups, which are in the forefront of left-wing activism.

## History and Organization

The Tides Foundation was founded in 1976 by Drummond Pike, a student anti-war activist who subsequently became involved in advocacy politics. According to its website, Pike began Tides to help a New Mexico couple remain anonymous

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while they supported several grassroots environmental groups. Soon it became a “convenient vehicle with squeaky clean books,” and attracted other donors who wanted to contribute to various causes without attention. Pike told the *Chronicle of Philanthropy* (a bi-weekly newspaper for the nonprofit world): “Anonymity is very important to most of the people we work with.”

Pike came to the attention of leading grant-making foundations that must have appreciated the benefit of Tides way of operating. Since 1993 at least 91 foundations have made grants to Tides, which (since 1997) amount to over \$200 million. Donors include the Ford Foundation, W. Alton Jones Foundation, Joyce Foundation, John D. and Catherine T. MacArthur Foundation, Charles Stewart Mott Foundation and the Pew Charitable Trusts.

## Foundations Wash Cash through Tides

Unlike its foundation donors, the Tides Foundation is not a private foundation. It has 501(c)(3) status from the IRS, which means it is considered a public charity with a broad base of support. That means it can accept tax-deductible contributions without being required to identify its donors. However, private foundations, such as Ford and MacArthur, must publicly report their donations to the Tides Foundation. Yet the purpose of their grants is often described as “general support” and can’t be further traced. Other known donors include the Rockefeller Foundation, the John Merck Foundation, the DaimlerChrysler Corporation Foundation, the Lucent Technologies Foundation, the Bank of America Foundation, the Bill and Melinda Gates Foundation, and the Fannie Mae Foundation.

Some grant-makers may direct their donations through a “donor-advised fund.” A donor-advised fund, managed by the Tides Foundation, allows the grant-maker to designate a particular nonprofit group to receive its funding—while it remains anonymous. So if foundation “A” wants to donate money to radical group “B,” but wants no fingerprints on its contribution, it can set up a donor-advised

fund and transfer the money to Tides, which then transfers the donation to the designated recipient. The recipient *may* not know its benefactor—and the public *definitely will not* know.

A look at how major donors relate to Tides is quite eye-opening. For instance, in 2001 the Tides Foundation and the Heinz Endowments, which are based in Pittsburgh, opened the Tides Center of Western Pennsylvania, also based in Pittsburgh. The chairman of the Howard Heinz Endowment is Teresa Heinz Kerry, widow of the late John Heinz, the Pennsylvania Republican senator, and wife of Senator John Kerry (D-MA), a candidate for President in 2004. The Howard Heinz Endowment had 2001 assets of \$788,633,056. Between 1995 and 2001 it donated \$4,298,500 to the Tides Foundation and Center. Howard Heinz’s father (and John Heinz’ great-grandfather) founded the Heinz food company. The Howard Heinz Endowment, and a separate Vira Heinz Endowment make up the Heinz Endowments.

In 2002, the two Heinz endowments donated \$150,000 to the Tides Center and \$1,050,000 to the Tides Center for Western Pennsylvania. The Western Pennsylvania Center’s priorities focus on the local environment, land use and “sustainability;” however, its list of 33 projects also includes support for the 50,000 member Student Environmental Action Coalition, which has 2200 chapters nationwide; the Pennsylvania Energy Project II which promotes the development of “green” businesses; and Global Connections, which promotes a more active engagement in foreign policy with Latin American, Africa **and Asia**. Sometimes the money flow reverses. The Heinz Endowments reports that it *receives* money from the Tides Center to fund a “Pennsylvania Chemical Strategies Partnership Project,” which educates chemical suppliers and customers in how to reduce chemical use.

## For-profit Companies Support Tides

While Tides may deplore the free market, it certainly knows how to maneuver within it. Besides contributions, Pike has set up for-profit companies that donate a

## Tides-Supported Environmental Groups

### California Wildlands Project

Another Tides Foundation “success story” is the California Wildlands Grassroots Project, a group that advocates “permanent protection of intact wildlands on both public *and private* [emphasis added] lands” in California. One of many projects funded by Tides, it works to cordon off vast stretches of land by “legislation or deed restrictions”—making the land off-limits to humans. The fund particularly targets rural California communities that are hostile to the wildlands concept. It tries to set precedents to “influence other wildland protection efforts” so as to establish itself as a leader on the issue.

This is an ambitious goal in a crowded field of organizations—the main group is The Wildlands Project, founded by Earth First! founder Dave Foreman. It wants to put 50 percent of the continental United States off-limits to humans. Roadless “wildlife corridors” would connect off-limits areas to one another. Roads, towns and private property in wildland areas and corridors would cease to exist under this scheme.

Wildlands groups applaud government policies denying land access to Americans. They strongly support the Clinton-era “Roadless Rule,” which forbids road-building on over 50 million acres of public land. However, a House subcommittee investigation found the rule was developed in illegal closed meetings between White House, other administration officials, and a consortium of groups known as the Heritage Forests Campaign (HFC). The National Audubon Society was responsible for assembling environmental groups to participate in HFC, and it distributed money provided by the Pew Charitable Trusts. (A federal court subsequently threw out the Roadless Rule, finding that it violated laws governing federal rulemaking.)

### The Ruckus Society

The Ruckus Society, based in San Francisco, had 2001 income of over \$479,000. Begun in 1995 by radical organizers Mike Roselle and Howard Cannon, who helped start other groups—Cannon was with the Rainforest Action Network and Roselle with Earth First!—Ruckus trains volunteers for protest demonstrations against biotechnology, globalization and the World Bank. Ruckus director John Sellers makes no apologies for violence: “I make a distinction between violence and destruction of property. Violence to me is against living things. But inanimate objects? I think you can be destructive, you can use vandalism strategically. It may be violence under the law, but I just don’t think it’s violence.” (*Mother Jones*, September/October 2000)

Ruckus typically holds a training or “action” camp a few weeks before a major planned demonstration. Here, according to the website [Activistcash.org](http://Activistcash.org), young activists are trained in “police confrontation strategies,” “street blockades,” and “using the media to your advantage.” The WTO riots in Seattle were the most serious events involving the Ruckus Society. Shop windows were smashed and vehicles overturned. Vandals ransacked a Starbucks coffee shop and a McDonald’s restaurant. According to Ron Arnold of the Center for the Defense of Free Enterprise, Ruckus trained one Seattle protester, Anne Jordan Dashiell, who was charged with felony property destruction for breaking windows at McDonalds, Seattle Symphony Hall and a Warner Brothers Studio Store.

### Union of Concerned Scientists

Tides funds the elites as well as the masses. The Union of Concerned Scientists (UCS), based in Cambridge Massachusetts, had 2001 income of \$8 million and has received over \$80,000 from Tides during a ten-year period. However, its name belies its political agenda, which is to promote everything except sound science. In 1997 it claimed most scientists agreed with the theory of global warming and supported ratification of the Kyoto Protocol. Actually only 1600 scientists signed the UCS petition, while over 40,000 scientists signed one citing the absence of any proof that global climate change was caused by humans.

UCS has a scatter-shot record of doomsday predictions and scare tactics. In 1980, it predicted that mankind would soon deplete fossil fuels. But known recoverable reserves of natural gas and oil have steadily increased since then, and reserves of coal generally are thought to be nearly limitless. Recently, UCS advocated the use of lighter tires on SUVs that are supposed to achieve greater mileage even though they often lead to tread separation, which can cause rollovers.

Most UCS policy prescriptions are guided by the spurious “precautionary principle,” which rejects scientific and technological advances until it can be demonstrably proven that no harm will be done. This is the sort of principle that would deprive the world of cars, computers and airplanes.

# Foundation Watch

portion of their income to Tides. One company called Working Assets sells credit cards, long distance phone service and mutual funds. Founded by Pike in 1983, it promises to give two percent of its profits for “human rights, the environment, economic justice, peace and international issues.” *Foundation Watch* earlier reported that in 1995 Working Assets gave away “Stop Newt” phone cards containing ten free minutes of phone time to let recipients call members of Congress to protest Republican plans for welfare reform (See “The Tides Foundation and Center: Unusual Philanthropies Funnel Money to Activist Groups” by Patrick Reilly, *Foundation Watch*, January 1998). The \$130 million company also sends customers leftist commentaries along with their monthly phone bills. One advocated passage of a “Genetically Engineered Food Right to Know Act,” while another called for a ban on use of antibiotics in livestock feed (The National Academy of Sciences says there is no proof that antibiotics in feed are harmful to humans.).

Pike also created a for-profit subsidiary called Highwater Inc., which manages real estate leasing at a San Francisco office complex named the Thoreau Center for Sustainability located in the lush and historic Presidio. The Thoreau Center provides space for nonprofit groups “dedicated to addressing the world’s most critical environmental, cultural, and social challenges.” The 63 tenants include, interestingly enough, the headquarters offices for the Tides Foundation and Tides Center. Other tenants include Environmental Media Services (discussed later in the article) and the Wilderness Society. Here’s the kicker: In 1994 the Clinton Administration transferred control of the Presidio from the Defense Department to the Interior Department, which converted the military base into an historic urban park. Tides founder Pike then signed a 55-year lease with the National Park Service for the space and spent \$5 million to renovate the historic military barracks and other buildings into modern office space. According to an April 1997 Government Accounting Office report, the Tides Foundation and Tides Center occupy the office space rent-free for ten years while Highwater collects rent

Major Foundation Donors to Tides		
	<u>2001</u>	<u>2000</u>
Pew Charitable Trusts	\$15,300,000	\$220,000
Ford Foundation	\$6,300,000	\$1,300,000
David & Lucile Packard Foundation	\$1,500,000	\$1,363,000
Rockefeller Foundation	\$139,190	\$2,198,000
Charles Stewart Mott Foundation	\$800,000	\$1,230,000

from the other tenants. Pike promises that all rent proceeds will be donated to Tides.

Tides also earns revenue from three for-profit journalism “projects” set up by the Pew Charitable Trusts in 1995 and 1996. The Pew Trusts are one of the largest U.S. foundations, with assets of \$4.3 billion in 2001. Because a private foundation cannot give money directly to a for-profit media group, Pew has used Tides as a conduit to fund the Pew Center for Excellence in Journalism, the Pew Center for Civic Journalism, and the Pew Center for the People and the Press. Tides’ income is the eight percent management fee it charges the Pew trusts. Since 1990, Tides has received over \$114 million from Pew. (Recent news reports suggest that Pew is taking organizational tips from Tides. Pew has announced that it will convert itself from a private foundation to a public charity, which should allow it to raise money from other donors, run projects, make undisclosed pass-through grants and lobby.)

### The Tides Center

In 1976 the Tides Foundation founded the Projects Programs. This innovative operation assists start-up groups with fi-

nancial and management advice in return for eight percent of the groups’ gross income. Tides provides the nonprofit expertise, which shows activists starting new groups how to keep their financial records in order, develop programs, hire personnel, and work with the media. People for the American Way got its start as a Tides Foundation Project in 1980.

In 1996 the Projects Program was separated from the foundation and became the Tides Center, an independent 501(c)(3) nonprofit. However, the Center shares the same address with the Foundation. Why did the Foundation spin-off the center as a projects manager? According to Ron Arnold, author of an important study of environmental group funding, *Undue Influence* (1999), Tides officials feared the consequences of having so many activists running its projects. Activists’ radical positions and reckless tactics might provoke outside parties to file lawsuits against them—and their wealthy Foundation sponsor.

Still, there is little space between the Tides Foundation and the Tides Center. Tides Foundation president Drummond

Pike is also president of the Tides Center board of directors. The Chair of the Center's board of directors is Wade Rathke, who is also a member of the Tides Foundation board. Rathke, a veteran left-wing activist, is president of the New Orleans-based Local 100 of the Service Employees International Union (SEIU). He is perhaps best known as founder and chief organizer of ACORN—the Association of Community Organizations for Reform Now—one of the nation's largest and most active left-wing pressure groups. ACORN protest tactics against banks and other financial institutions have won it special notoriety and major media attention. Typically, it alleges that lenders discriminate against the poor and minorities by failing to provide credit or by charging unfair and predatory loan rates.

In 2001, the Tides Center reported income of \$62 million and assets of over \$34 million. Its staff of almost 100 employees provides financial and management assistance to more than 300 projects in 40 states and 12 countries.

A \$9 million Tides Foundation grant provided the seed funding for the Tides Center, which continues to receive Foundation support. In 2001, the Foundation gave over \$4 million in grants to various Center-managed projects, including \$2 million to Americans for Gun Safety, a gun control group, and \$80,400 to Environmental Media Services, which handles advertising for “green” organizations.

The Tides Center also receives direct support from other major foundations, including the Pew Trusts (whose money is from the Sun Oil fortune), the David & Lucile Packard Foundation (computers) and the Charles Stewart Mott Foundation (General Motors). See Box on page 4.

In addition to foundation grants, the Center also accepts grants from the federal government. From 1997 to 2001, the following government agencies gave the Tides Center the following:

- Department of Interior  
\$395,219

- Environmental Protection Agency  
\$3,350,431
- Department of Housing and Urban Development  
\$3,487,040
- U.S. Department of Agriculture  
\$208,878
- Department of Energy  
\$39,550
- Small Business Administration  
\$93,500
- Department of Health and Human Services-  
\$10,986
- Centers for Disease Control  
U.S. Agency for International Development (USAID)  
\$84,520

TOTAL: \$7,670,124

Besides funding and administrative assistance, the Tides Center's greatest gift to start-up groups is its 501(c)(3) tax-exempt status. But lending another organization your tax status is highly questionable. **A 1997 story in** *The San Francisco Bay Guardian* quotes Larry Wright, a public affairs officer with the Northern California District of the IRS, who said, “Tax-exempt status is not transferable. You can't just set up a clearinghouse.” However, to date the Tides Center has been doing just that.

The Tides Foundation is best known for its support for environmental extremism. Over the years, it has funded Greenpeace, Friends of the Earth, the Environmental Working Group and the Natural Resources Defense Council. It's even made grants to the Ruckus Society, which trained the rioters who tore up Seattle during the 1999 World Trade Organization conference. See Box on page 6.

## The Environmental Working Group

Environmental Working Group (EWG) is a good example of the type of radical nonprofit advocacy group that Tides is trying to create and sustain. It began as a Tides Foundation project, was transferred to the Tides Center in 1996, and then became an independent nonprofit incorporated in Washington D.C. in 1999. Its 2001

income was \$2 million. EWG president Ken Cook is married to Deb Callahan, president of the League of Conservation Voters, the political arm of the environmental movement. The League's vice president for public affairs is Michael Casey, former press secretary of the '92 Clinton-Gore campaign. Its California chapter director is Bill Walker, a media trainer for the Ruckus Society.

EWG attacks modern farming methods and advocates organic farming. During the 1990s, its reports decried pesticide use on fruits and vegetables and championed organic farming. It has lobbied Congress to “help farmers make the transition to organic farming” with “environmental stewardship payments” (even though it sponsors a web-based farm subsidy database which claims to show that crop subsidies benefit few small individual farmers). Columnist Michelle Malkin has observed that EWG's goal is “to cripple agribusiness altogether in favor of ‘organic’ alternatives.”

The categories on the EWG website reveal its scare tactics: “Phthalates in Cosmetics,” “Arsenic in Wood,” “Mercury in Seafood.” Typical is EWG's July 2003 report, which scares readers with news that farm-raised salmon contain more PCBs than either beef, wild salmon or other seafood. Less emphasized is the fact that the PCB level is considered safe by the U.S. Food and Drug Administration and that the EWG test consisted of only 10 samples of farm-raised salmon. Indeed, if most people eat more beef than salmon each month, they may actually be consuming more PCBs! But there is no mention of that in the EWG report.

EWG makes scientific claims, but its research is often associative rather than causal. Causal studies, which are used in clinical medical research, demonstrate the degree to which a particular pathogen or other agent affects people. Associative studies simply indicate a correlation. (If activists were to use associative research and the precautionary principle together, they might well prohibit the use of beds, since most people who die were lying in them.)

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EWG's aggressive political and media tactics were apparent in its attacks on ABC News reporter John Stossel. In a June 2001 ABC News report, "Tampering with Nature," Stossel showed how schoolchildren are scared into believing that the environment is irreparably damaged. After Stossel taped interviews with a number of California children, EWG contacted their parents and persuaded some to demand that ABC not show the interviews. ABC acceded to the demands, but did note that none complained during the interviews, only after their contacts with EWG.

## Tides: Center of the Green Web

Tides and the groups it supports are constantly interacting. For instance, Drummond Pike is on the board of the Environmental Working Group, a group it sponsored, along with David Fenton, founder of Fenton Communications. Fenton Communications, a private for-profit firm, is notorious for its extremist media campaigns. They include the Alar pesticide scare in 1989 that pushed the Natural Resources Defense Council (NRDC) into national prominence. NRDC subsequently received more than \$300,000 from Tides over the following decade.

NRDC, a Fenton public relations client, leaked a false report that Alar, a pesticide widely used by apple growers, caused cancer, particularly in children. The report, leaked to CBS News, was never reviewed by scientists and subsequently was proven to be wrong. But the damage was done. Alar was withdrawn from the market as apple sales plummeted. *The Wall Street Journal* later revealed an internal Fenton memo: "We designed [the Alar campaign] so that revenue would flow back to the Natural Resources Defense Council from the public...And to date there has been \$700,000 in net revenue from it [a book about pesticides]." The American Medical Association concluded, "The Alar scare of three years ago shows what can happen when science is taken out of context or the risks of a product are blown out of proportion."

In June 2003, NRDC began running TV ads that claimed "poisonous emissions" from electric utilities companies threat-

ened "mass destruction." The ads said the Bush Administration's "Clear Skies" plan to reduce air pollution would weaken clean air standards. NRDC promoted an alternative bill, co-sponsored by Sen. John McCain (R-AZ) and Sen. Joe Lieberman (D-CT), which put costly restrictions on carbon dioxide emissions, much like the rejected Kyoto Protocol. Fortunately, the Senate rejected the McCain-Lieberman measure on October 30. Senator Larry Craig (R-ID), who opposed the bill, said a "massive new regulatory process" was not needed to regulate carbon dioxide, which "is not a pollutant."

NRDC (2001 assets—\$71 million) has received over \$5 million in federal grants (1997-2003). Amazingly, funding comes from the Environmental Protection Agency and the Department of Energy—agencies that support the president's Clear Skies plan.

Fenton Communications' other clients include the Environmental Working Group, Greenpeace, and many donors to Tides, including the David & Lucile Packard Foundation, Pew Charitable Trusts and the John Merck Fund.

Have you seen ads warning about "Frankenfood"—the environmental movement's derisive label for genetically-modified food products? Then you're familiar with the work of another former Tides Center project—Washington, D.C.-based **Environmental Media Services (EMS)**. EMS became an independent nonprofit in 2001 and reported 2000 revenue of \$1.4 million. It gets funding from Tides donors who can't be traced. EMS is now a communications affiliate of Fenton Communications and is run by Fenton's staff. David Fenton is on the EMS board along with Kenneth Cook, president of the Environmental Working Group.

EMS has carried out scare campaigns against growth hormones for one of its for-profit clients, the ice cream-maker Ben and Jerry's, which prides itself on not using growth hormones. But former U.S. Surgeon General C. Everett Koop condemns EMS tactics: "Unfortunately, a few fringe groups are using misleading statements and blatant falsehoods as part of a long-running campaign to scare consumers about a perfectly safe food. Their long-range goal is to prevent the benefits of biotechnology from reaching the public."

## Key Environmental Groups Funded by the Tides Foundation

*(Total Grant Amounts in Years Indicated)*

- |  |           |
|--|-----------|
| • Ruckus Society<br>1999-2001                    | \$39,400  |
| • Friends of the Earth<br>2001                   | \$42,500  |
| • Greenpeace USA<br>1991-2001                    | \$248,868 |
| • Environmental Working Group<br>1996-2000       | \$337,826 |
| • Natural Resources Defense Council<br>1991-2001 | \$362,450 |
| • Union of Concerned Scientists<br>1992-2001     | \$81,829  |

Then there's **Greenpeace**, probably best known for stopping whaling ships and shutting down oil rigs. Greenpeace received over \$248,000 from the Tides Foundation and Tides Center between 1991-2001. Like NRDC and EWG, Greenpeace USA is a Fenton client that has joined several Fenton-led efforts to discredit biotechnology.

Greenpeace USA is especially unhappy with President Bush. In 2001, it hung a banner reading "The Toxic Texan" near his ranch. A June 2003 Greenpeace report, *Endangered Forests, Endangered Freedoms*, lists the ten "most endangered" National Forests and demands an end to logging in all the national forests. Tell that to the southern Californians who lost their homes to the recent wildfires. Douglas Leisz, a former U.S. Forest Service associate chief, has written: "Thinning helps create healthy forests. By not thinning, we are inviting catastrophic wildfire, insect infestation and disease, threatening public health and safety, devastating the ecosystem and its wildlife, and damaging our watersheds." (*Washington Times*, June 5, 2003)

Fenton and Tides also appear to be behind the campaign to scare the public about silicone breast implants, according to a *Wall Street Journal* report by Steven Milloy (October 20, 2003). Trial lawyers, who are trying to finalize a \$4.5 billion dollar settlement from former implant manufacturers, are doubtless unhappy with the Food and Drug Administration, which recently recommended that implants again be made available to women. But they are letting a Washington, D.C.-based group called the National Center for Policy Research for Women and Families make the case against implants. In 2001 the Center (total revenue—\$450,199) received \$312,000 from the Tides Foundation. For the trial lawyers, that's leveraging your dollars.

## Funding Anti-War Groups

During the past two years the Tides Foundation and the Tides Center have begun to devise new shelters for groups and activists opposed to the Bush Administration's policies in Iraq. For in-

stance, the short-term goal of the **Iraq Peace Fund**, created in 2002, is to award grants (\$489,000 to 27 groups to date) to promote anti-war marches and their coverage by the news media. Grant recipients include the **National Council of Churches**, **Taxpayers for Common Sense**, **MoveOn.org**, **Physicians for Social Responsibility** and **Democracy Now**.

**But a Tides Foundation/Iraq Peace Fund e-mail entitled "Significant effort to stop Iraq war" reports a second purpose: the Iraq Peace Fund is a pooled effort by individuals and foundations to build an anti-war resource bank for journalists and to sustain a coalition of religious and public interest groups that will lobby Congress to oppose the Administration's Iraq policies.**

The Tides Center lists several more anti-war projects under its auspices. The Tides-funded "A Better Way Project" will coordinate the activities of two other "groups"—**United for Peace** and the **Win Without War Coalition/Keep America Safe Campaign**. Also listed as Tides anti-war projects are the **Institute on Human Rights Policy and Practice**, and the **War Investigative Reporting Project**.

## Pushing the Social Agenda

Colin Higgins, a Hollywood producer, director and screenwriter, established the San Francisco-based Colin Higgins Foundation in 1986. Administered by the Tides Foundation, it provides grants "to bring about institutional change in the legal, political, economic, or cultural structures that impact lesbian, gay, bisexual and transgender people." Groups targeting rural areas, reservations, and low-income and minority neighborhoods, and working with youth are particularly favored. Its assets were \$1.06 million in 2002 with revenue of only \$92,853. Grants awarded in 2001 were \$500,865 but only \$115,500 in 2002.

A similar project, the Youth Gender Project, is managed by the Tides Center. It wants to "empower and support transgender, gender-variant, intersexed and gender-questioning youth and young adults." It focuses on "those who work

with or make decisions about the lives" of young people (i.e., teachers, youth leaders and parents). Not surprisingly, it is located in Berkeley, California.

Other Center-managed projects include the **Pro-choice Public Education Project**, a coalition of 37 pro-abortion groups; **Americans for Gun Safety Foundation**, which transfers Center donations to 22 other groups such as Women Against Gun Violence; **California Free to Marry Coalition**, an "aggressive statewide voter education campaign to convince a majority of the California electorate to support marriage for lesbian and gay couples;" **Green Media Toolshed**, a "clearinghouse of media-related tools and information" for participating members; and **Center for Environment and Population**, formed to "reduce the alleged negative environmental impacts of population and resource consumption."

## Conclusion

The old saying, "All that glitters is not gold," may well be true. But not even gold glitters unless a light shines on it. Drummond Pike and his financial backers have successfully kept the Tides financial empire from public scrutiny. It's hard to know the true nature and extent of Tides' resources.

Are all its activities and those of its mega-bucks funders within the law? Because both the Tides Foundation and the Tides Center are 501(c)(3) public charities it is impossible to know exactly how much money is moving from dozens of points "A" (foundations, corporate donors) through the Tides Foundation and the Tides Center to dozens of points "C." All we know is that money passes through Tides on the way to its final destination.

Some points "A" may not care to be linked publicly to some points "C." Through the genius of Drummond Pike and the intricacies of nonprofit disclosure law, they are not.

*Gretchen Randall and Tom Randall are Senior Partners in the environmental and energy policy communications firm, Winninggreen LLC, based in Chicago, Ill.*



# PhilanthropyNotes

**National Public Radio (NPR)** is set to receive \$200 million from the will of philanthropist **Joan Kroc** who died on October 12. NPR officials called the donation—double NPR’s \$103 million annual budget—the “largest monetary gift ever received by an American cultural institution.” Kroc, widow of McDonald’s founder Ray Kroc, was a long-time listener of NPR’s San Diego affiliate, KPBS. She had made large donations to other causes, including \$25 million to the University of San Diego for the Joan B. Kroc Institute for Peace and Justice and \$90 million to the Salvation Army for a local community center. About half of NPR revenue comes from annual dues paid by its member public radio stations (which receive about 15 percent of their budgets from the federal Corporation for Public Broadcasting); the balance comes mainly from private and corporate contributions. NPR officials have not yet decided what to do with the gift.

**Pew Charitable Trusts**, one of the nation’s largest and most liberal private foundations is changing its legal and tax status to become a 501(c)(3) “public charity” like most of the think tanks and nonprofits it currently funds. This will enable it to take a more aggressive role in public policy advocacy and lobbying on such issues as global warming and genetically-modified food. The Philadelphia-based foundation has \$4 billion in assets. But rather than fund legally separate grant recipients (e.g. The Pew Center on Global Climate Change), it can now raise money from other sources and run its own projects. The change frees Pew from the federal tax law restrictions that forbid foundation lobbying. As a public charity, Pew can spend as much as 20 percent of its \$200 million annual budget on lobbying. Duke University professor Joel Fleishman says the new tax status “makes it easier for Pew to do a lot of things without running afoul of restrictions on advocacy.”

Philanthropist **George Soros** is donating millions of dollars to various liberal groups as part of a personal crusade to defeat President Bush, who he regards as “a danger to the world.” Soros, 74, is best known for giving nearly \$5 billion to promote democracy in the former Soviet Union, Africa and Asia. But now, says Soros, defeating Bush “is the central focus of my life.” On November 10, he and a partner committed up to \$5 million to **MoveOn.org**, a liberal anti-war group. He is also committed to giving \$10 million to **Americans Coming Together (ACT)**, the Democratic party’s get-out-the-vote initiative, and up to \$3 million for the **Center for American Progress**, which aims to be the liberal answer to the Heritage Foundation. Soros charges that the Bush Administration is guided by a “supremacist ideology.” “When I hear Bush say, ‘You’re either with us or against us,’ it reminds me of the Germans,” says Soros, a Hungarian emigrant. He is especially alarmed by the influence of the neoconservatives who he calls “a bunch of extremists guided by a crude form of social Darwinism.” According to Soros, “Bush feels that on September 11 he was anointed by God [and is] leading the U.S. and the world toward a vicious circle of escalating violence.”

**Barbara Kenney** has joined the board of **Capital Research Center**. A Washington state resident, Kenney also serves on the board of its two free-market think tanks, the Washington Policy Center and the Evergreen Freedom Foundation, and she is trustee of the Lillian S. Wells Foundation in Ft. Lauderdale, Florida. Capital Research Center president Terrence Scanlon welcomed Kenney to the board: “We are delighted to have Barbara’s expertise in investment and we look forward to working with her as a Trustee as we expand Capital Research Center’s agenda in the coming years.”



