

## The Bill, Hillary, and Chelsea Clinton Foundation

*Pay no attention to the First Family behind the curtain*

By Jonathan M. Hanen

This special report on the Clinton Foundation supplements our previous report on the philanthropy, published in the February 2008 *Foundation Watch*.

**Summary:** *The Clinton Foundation portrays itself as a noble enterprise whose lead actors, a former U.S. president and secretary of state, use their combined political capital and star power to unite philanthropists, CEOs, and governments of afflicted countries to solve the most pressing problems of global economic development, health care, and education. Yet close inspection of the foundation's inner workings suggests a pattern of chronic mismanagement and graft that the mainstream media downplays for the benefit of Hillary Clinton's all-but-announced 2016 presidential campaign. Worse still, Clinton is using the foundation as a launching pad for her expected White House bid.*

The Bill, Hillary, and Chelsea Clinton Foundation is a largely legitimate enterprise, a philanthropic organization that apparently helps people somewhere. But helping humanity has become its secondary objective in recent years. Its charitable purpose has been subordinated to the political ambitions of Hillary Rodham Clinton, who now appears to be using the foundation as a *de facto* campaign organization in a bid to recapture the White House. Mrs. Clinton is arguably the most famous living woman in the world, but she still benefits whenever the foundation that bears her family's name is in the news. Such publicity reinforces the



Clinton “brand,” providing free campaign advertising for Mrs. Clinton in her all-but-announced presidential campaign.

Money has been streaming in to multiple entities in the Clinton camp, as left-wingers begin to show their support for Clinton, despite the waves of laughter that erupted earlier this year when she claimed her family was “dead broke” after leaving the White House in 2001. She compounded the *faux pas* by talking about how it was a struggle to have to pay mortgages on the various houses—*plural*—her family owns.

Political action committees known to support Clinton are doing a brisk business while the person who may become the first female

president gears up for what amounts to a third Obama term. Large sums some observers suspect are payoffs designed to curry favor with a future president have also been flowing to other Clinton-related entities. For

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example, Clinton reportedly receives six-figure payments for speeches. She claims she donates payments from universities to the family's foundation, but has not provided evidence to support that claim. Her ridiculously large book advance—reportedly \$14 million—from Simon & Schuster for her memoir, *Hard Choices*, published in June, resembles an in-kind contribution from the publisher. No one thinks the publisher will earn a profit. Making money off a nonfiction book after such a hefty advance would be a long shot even if the book were a megabestseller. She may be high-profile, but she's still Hillary Clinton, not J.K. Rowling of "Harry Potter" fame.

Bill Clinton was worried enough about potential conflicts of interest and legal troubles at the foundation that he ordered an internal review of the organization's practices. After a fortnight of interviews with Clinton Foundation executives and ex-employees, lawyers arrived at disturbing conclusions. "The review echoed criticism of Mr. Clinton's early years in the White House: for all its successes, the Clinton Foundation had become a sprawling concern, supervised

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by a rotating board of old Clinton hands, vulnerable to distraction and threatened by conflicts of interest. It ran multimillion-dollar deficits for several years, despite vast amounts of money flowing in." (*New York Times*, Aug. 13, 2013)

The foundation, which is classified as a "public charity," as opposed to a primarily grantmaking institution (that is, what the law calls a "private non-operating foundation" like the Ford Foundation), had 275 employees according to its 2012 IRS filing. Today Clinton critics worry that Mrs. Clinton is using the foundation as a "holding ground" for those who would staff her presidential campaign. A parade of Clinton cronies have been added to the foundation's roster. The foundation lists the names and biographies of 19 individuals identified as members of its leadership team; half openly declare their background in politics. Clinton houses seven personal aides at the foundation's office, but they do not work for the foundation and are not paid by it, a source said. One of those aides is Huma Abedin, wife of disgraced former Rep. Anthony Weiner (D-N.Y.). Abedin, who has ties to the Muslim Brotherhood, was a key aide to Clinton when she was U.S. secretary of state.

A source close to the Clintons said the foundation may now be assisting with the soon-to-surface campaign. The Republican National Committee and the America Rising PAC have demanded the foundation make various disclosures on its website to ensure its philanthropy is on the level. Among their demands is a complete list of speaking fees that Bill and Hillary Clinton have donated to their own foundation, along with details of travel-related expenses.

"In the past, the Clinton Foundation has spent millions on opulent travel and lodging for her family, financed glitzy, celebrity-fueled donor events and paid key Democratic aides who would likely play key roles in her presidential campaign," said Tim Miller,

the America Rising PAC's executive director. "For Americans to credibly believe these speaking fees are being donated to charitable endeavors, the foundation must be transparent about how and where it has spent its millions since Hillary Clinton joined last year" (*Daily Mail*, July 11, 2014; *Daily Caller*, July 11, 2014)

Whatever Clinton says, a big chunk of the U.S. population is not going to believe her. She's been caught not speaking the truth so many times. Lying is, of course, tradecraft for community organizers. Like Barack Obama, Clinton is an adherent of community organizing guru Saul Alinsky, a legendary liar and braggart who wrote the seminal book for community organizers, *Rules for Radicals*. Unlike Obama, Clinton in fact knew the man and had him share his organizing philosophy with her. She wrote her senior college thesis on Alinsky; he was so impressed by her that he offered her a job working at the Industrial Areas Foundation he founded. She declined his offer but still supports the same brutal, in-your-face tactics that Alinskyite groups like ACORN—which she has praised—use to extort money from businesses. (When Clinton ran for the Senate from New York, she did so on the Democratic Party ballot line as well as on the ACORN-affiliated Working Families Party line.)

There are precedents on the left for a nonprofit group that is also a quasi-campaign organization. Although the Clinton Foundation isn't an official arm of the Democratic Party, it is engaging in questionable activities to advance partisan political goals. It is also beginning to resemble President Obama's nonprofit pressure group, Organizing for Action (OfA), which was originally an unincorporated project of the Democratic National Committee (DNC). (For more on OfA, see *Organization Trends*, May 2010.)

What OfA is doing appears to be legal. What the Clinton Foundation is doing may be illegal and is certainly unethical.

## Clinton Global Initiative

The crown jewel of the Clinton Foundation's philanthropic offerings is the Clinton Global Initiative (CGI). This annual summit claims to have a "unique model": "Rather than directly implementing projects, CGI facilitates action by helping members connect, collaborate, and make effective and measurable Commitments to Action." For a \$20,000 registration fee, you can join this parade of CEOs, heads of state, and Hollywood celebrities. CGI's next annual meeting begins Sept. 21 in New York City. CGI claims that since 2005, "members of the CGI community have made more than 2,800 Commitments to Action, which have improved the lives of over 430 million people in more than 180 countries. When fully funded and implemented, these commitments will be valued at more than \$103 billion." The CGI business model, in short, is to hold a splashy meeting, let people from other organizations and governments give speeches full of generous promises, then have CGI claim credit for all the billions of dollars' worth of ideas that the attendees floated—ideas which may or may not ever become reality, and may or may not actually help anyone.

CGI's U.S.-focused summit, CGI America, was held this year in June in Denver, Colo. Notable participants included Stephanie Banachero, senior program officer (education) at the Joyce Foundation, a Chicago-based charity where Barack Obama served on the board of directors from 1994 through 2002.

Other participants were Rich Barton, founder of the Zillow real estate website; Carly Fiorina, former CEO of Hewlett-Packard and former GOP candidate for U.S. Senate; Penny Pritzker, U.S. secretary of Commerce; Rip Rapson, president of the Kresge Foundation; and Darren Walker, president, Ford Foundation.

## Major Initiatives

Judging from its website and annual reports, the Clinton Foundation is an Oz-like emerald city of philanthropy made up of "partnerships between businesses, NGOs [Non-Governmental Organizations], governments, and individuals." The foundation boasts that it focuses on "improving global health, increasing opportunity for women and girls, reducing childhood obesity and preventable diseases, creating economic opportunity and growth, or helping communities address the effects of climate change."

Since its 2003 launch, the foundation has begun at least 10 major initiatives, including CGI, the Clinton Health Access Initiative, the Clinton Development Initiative, the Clinton Giustra Enterprise Partnership, the Clinton Climate Initiative, the Clinton Foundation in Haiti, and the No Ceilings Project.

The foundation asserts that "because of our work, 20,000 American schools are providing kids with healthy food choices in an effort to eradicate childhood obesity; 21,000 African farmers have improved their crops to feed 30,000 people; 248 million tons of greenhouse gas emissions are being reduced in cities worldwide; \$20 million is being invested in small- and medium-sized businesses in Colombia; 8.2 million people have benefited from lifesaving HIV/AIDS medications; and members of the Clinton Global Initiative have made more than 2,800 Commitments to Action to improve more than 430 million lives around the world."

The informed voter, if not the general public, may be skeptical of these self-reported statistics. In light of Bill Clinton's signed confession of lying under oath, one is entitled to take anything the former president says

with a grain of salt. Nevertheless, the Clinton Foundation may have contributed to some sort of progress on the African continent, perhaps for limiting HIV/AIDS, expanding access to healthcare, and increasing capital formation among farmers and small businesses.

The Clinton Development Initiative (CDI) "operates with the permission of" three extremely poor African governments—Malawi, Rwanda, and Tanzania—to distribute seed and fertilizer, to provide access to capital in the form of small business loans and to "facilitate pre-season sales of their harvests to reputable buyers." In addition to small farmers, "CDI also operates several large-scale farming and agribusiness projects that bring increased incomes and security to rural families." The CDI claims that the profit will be reinvested in "local community social impact projects like schools, clinics, and clean water sources" and that the small farmers will one day become self-sustaining.

The foundation spends millions of dollars each year on its initiatives, but only lists aggregate amounts spent in its annual reports. Return-on-investment statistics for the individual foreign businesses and farms cultivated by programs like the CDI will probably never see the light of day. These programs appear successful, and in any case, nonprofits are typically expected to live off their endowments while undergoing some sunken costs as they invest for the future.

The foundation's philanthropic activities smack to a degree of President Clinton's so-called Third Way politics that aims to broker a compromise between liberal positions on socio-economic issues and the conservative vision of limited government and free market solutions to economic problems. Unfortunately, the reality underlying Third Way rhetoric is that Clinton expanded the size and scope of government, raised taxes on top of President George H.W. Bush's tax

hike, and saddled taxpayers with \$5 trillion in total debt during a time when the federal budget ran surpluses.

## Finances and Giving

In 2012, the most recent year with data available, the Clinton Foundation disclosed assets of \$226 million, with \$51.5 million in contributions and grants received. To see where the foundation's priorities lie, consider that Foundation Search currently ranks the foundation the 542nd largest in the nation by assets, but 1,706th by grants given to charity. In 2007 and 2008, the foundation racked up \$40 million in debt, according to the *New York Times*.

The foundation spends a shocking amount on salaries and travel. The foundation's IRS filings reveal the primary drivers of its under-performance are employee compensation and travel. The *Weekly Standard's* Daniel Halper explains in his new book, *Clinton Inc.: The Audacious Rebuilding of a Political Machine* (HarperCollins) that "the salaries and benefits of all the staff at the foundation are an eye-popping \$220,218,840—well above the total grants for the lifetime of the foundation. Travel expenses paid by the Clinton Foundation far exceed the total of grants outside the top three [grants made], and for the years 2003-2011 totaled \$55,628,306."

A donor list of some 200,000 names did not supply occupations and country of origin, giving only ballpark estimates and not actual dollar amounts. It was finally released in December 2008, after Hillary Clinton's presidential bid that year ended in failure, and potentially covers donations dating back to her time in the White House.

The *New York Times* observed that the timing of the release posed problems of conflict of interest as Mrs. Clinton was by this time in line to become secretary of state. The newspaper published a database of the donors and commented: "Saudi Arabia alone gave to the foundation \$10 million to \$25

million, as did government aid agencies in Australia and the Dominican Republic. Brunei, Kuwait, Norway, Oman, Qatar and Taiwan each gave more than \$1 million. So did the ruling family of Abu Dhabi and the Dubai Foundation, both based in the United Arab Emirates, and the Friends of Saudi Arabia, founded by a Saudi prince." Revelations about the donations from these countries may likewise have cast Clinton's 2008 presidential bid into doubt.

Nonprofits with far-left agendas donated large sums. Radical financier George Soros's billion-dollar Open Society Institute (since renamed Open Society Foundations) donated in the \$1 million to \$5 million range, and the Soros Foundation donated in the \$500,000 to \$1 million range. Soros himself has jumped onto the Clinton 2016 bandwagon with a \$25,000 donation to the Ready for Hillary PAC and secured a position as co-chair of the PAC's national finance committee.

Speculation surrounds individuals who donated and later benefited in some way from their connections to Bill Clinton. Canadian private equity investor Frank Giustra is currently partnered with the Clinton Global Enterprise Partnership (CGEP), an unusual instance of a nonprofit partnering with for-profit companies in order to improve distribution, supply chain, and training in emerging-market countries, especially in agriculture and tourism.

As the *New Republic's* Alec MacGillis reports, "In 2005, Giustra and [Bill] Clinton overlapped on a visit to Kazakhstan, and at a dinner, Clinton praised the country's autocratic ruler, Nursultan A. Nazarbayev. Days later ... Giustra secured a huge uranium-mining deal in the country. In early 2006, Giustra donated \$31.3 million to the foundation, followed by another \$100 million pledge." It will likely never be known

whether Giustra's mining contract was a coincidence or a *quid pro quo* for arranging to have a former president provide political legitimacy for a despot.

As for Bill Clinton himself, his personal net worth hovers around \$100 million; his fee for one speech is rumored to be around \$250,000. Clinton famously entered into a business partnership in 2002 with his long-time friend and fellow jet-setter Ron Burkle, taking a position as paid advisor to Burkle's investment funds, according to Halper. After reportedly making \$15 million working for Burkle since 2002, Clinton exited the partnership a few years later.

(Hillary Clinton, incidentally, could be out-earning her husband on the speaking circuit, and she apparently has a diva's taste for luxury. The *Las Vegas Review-Journal* obtained Mrs. Clinton's contract for an October speech at a University of Nevada, Las Vegas Foundation fundraiser. She received a \$225,000 speaking fee, far short of her initial \$300,000 asking price. "She also reportedly insists on staying in the 'presidential suite' of a luxury hotel of her staff's choice, with up to five other rooms reserved for her travel aides and advance staff," according to a news report. "Clinton also reportedly requires that the Foundation provide a private plane. However, the jet can not be any private plane; only a \$39 million, 16-passenger Gulfstream G450 'or larger' will do the job.")

In 2010, the *Daily Beast's* Kim Masters broke the Burkle story: "On a purely business level, the split between Burkle and Clinton began in 2007, with Hillary Clinton's run for the White House looming. The relationship wasn't finally dissolved until she faced confirmation as secretary of state. Clinton's partnership with Burkle linked him awkwardly with foreign governments—including the ruler of

Dubai—and raised other questions about the dealings of Burkle’s Yucaipa Companies.”

Bill Clinton reportedly requested and was denied \$20 million in the breakup with Burkle. The former president has not yet filed a lawsuit and likely never will. Masters observes, “Suing him—and dragging their dealings and relationship into open court—is an untenable option.” One can only speculate whether Clinton believes this \$20 million figure is legitimately owed him or if he is using it as a sword of Damocles to keep Burkle from speaking out about their business and personal dealings.

## Poor Business Practices

Cheryl Mills, an African-American lawyer, is part of the dubious state of the business practices of the Clinton Foundation. Mills was on its board from 2004-2009, rejoining in 2013. She was deputy White House counsel in the Clinton administration and testified in his impeachment trial. Halper argues that her testimony focused on Clinton’s supposedly outstanding record on civil rights issues.

When in doubt, Democrats play the race card. Mills’s apparent ulterior motive was to inject the issue of race into the trial to distract from whether Clinton lied under oath and obstructed justice in the Monica Lewinsky and Paula Jones sagas. Mills later worked at the State Department and vetted Hillary Clinton’s credentials to serve as secretary. She was subsequently named Mrs. Clinton’s counselor and chief of staff at State.

Judicial Watch reports that “Under established protocols of the State Department, and ... [a] Memorandum of Understanding between the Clinton Foundation and Obama Presidential Transition Team, a designated

ethics official from the State Department’s legal office was assigned to review any ‘potential or actual conflict of interest’ for Mrs. Clinton while she served as secretary of state.”

It is not clear whether Mills had any formal authority over the “ethics official” in charge of reviewing the former president’s speaking engagements for conflicts of interest. What is clear is that Mrs. Clinton’s State Department approved all 215 of Bill Clinton’s orations in foreign countries.

Judicial Watch president Tom Fitton observes, “How the Obama State Department waived hundreds of ethical conflicts that allowed the Clintons and their businesses to accept money from foreign entities and corporations seeking influence boggles the mind. That former President Clinton trotted the globe collecting huge speaking fees while his wife presided over U.S. foreign policy is an outrage. No wonder it took a court order to get these documents. One can’t imagine what foreign policy issues were mishandled as top State Department officials spent so much time facilitating the Clinton money machine.”

How much did the former president earn for the Clinton Foundation with his international free pass from State? Judicial Watch’s Micah Morrison and the *Washington Examiner’s* Luke Rosiak claim that Bill Clinton “earned \$48 million while his wife presided over U.S. foreign policy, raising questions about whether the Clintons fulfilled ethics agreements related to the Clinton Foundation during Mrs. Clinton’s tenure as Secretary of State.”

However much Clinton earned in his foreign engagements, either for himself or his nonprofit, one may say that it was legal

but unbecoming of a former president to engage in either nonprofit fundraising or profit-making speeches that could in any way undermine the State Department. Yet going back to their wheeling and dealing days in the Arkansas governor’s mansion, cash has always seemed more important to the Clintons than integrity.

In addition to Mills, the foundation’s board includes Chelsea Clinton, Frank Giustra, and former EPA administrator Lisa Jackson (for Jackson’s controversial career, see “Richard Windsor, aka Lisa Jackson,” *Green Watch*, May 2013). The foundation’s chairman is Bruce Lindsey, who was deputy counsel in the Clinton White House, where he served as the top “fixer” for the administration’s scandals. In 1996, a federal judge ruled that Lindsey “probably took part in a conspiracy to illegally conceal large cash withdrawals by Bill Clinton’s 1990 campaign for governor” (*New York Times*, July 31, 1996). Former DNC chairman Terry McAuliffe, a big-money wheeler and dealer, also served on the board before he became the governor of Virginia.

Doug Band managed the Clinton Global Initiative for its first six years starting in 2005. Band was a Clinton White House intern, eschewing a job in the White House Counsel’s office. He joined the advance team and eventually became Bill Clinton’s political handler in 2000. He continued working with Clinton in his post-presidency and, Halper writes, more or less secured control of scheduling and access to Clinton. Some writers say he was Clinton’s right-hand man or the son Clinton never had.

At some point in 2011, while Band was managing the Clinton Global Initiative, he joined with Declan Kelly (whom Mrs. Clinton had named economic envoy to Northern Ireland) and Paul Keary to start a consulting firm called Teneo. They charged big companies a monthly retainer in the million-dollar range for providing consulting services,

troubleshooting business problems in foreign countries, and investment strategy. The idea was to provide clients with access to Bill Clinton and his network of heads of state, CEOs, and high net worth individuals. The former president signed a \$3.5 million dollar contract with Teneo as a paid advisor, with no equity stake in the company. It was legal for Band to be in the employ of the Clinton Foundation while Clinton was in the employ of Band at Teneo, but it introduced moral hazard and falls far short of best practices in the consulting industry.

Teneo and Band proved to be a public relations nightmare for Bill Clinton. Judicial Watch reports that “June 2011 documents show that the State Department approved a consulting arrangement with a company, Teneo Strategy, led by controversial Clinton Foundation adviser Doug Band. The Clintons ended the deal after only eight month[s], as criticism mounted over Teneo’s ties to the failed investment firm, MF Global.”

MF Global was the investment firm that lost \$1.5 billion under Jon Corzine, the disgraced ex-senator and ex-New Jersey governor who told Congress he could not account for where the money had gone.

This headache might not have led to Bill Clinton’s exodus from Teneo if Band had not already embarrassed the former president during his time as a paid adviser to Burkle’s Yucaipa Company. MacGillis reports that Band was responsible for bringing in Raffaello Follieri, a con man, on a real estate scam. Follieri later settled out of court with Yucaipa, pled guilty to federal charges, forfeited \$2.44 million, and served four years in federal prison. Band was initially paid \$400,000 by Follieri for consulting on the real estate deal but claims to have returned the money to Michael Cooper, a defrauded Canadian investor.

MacGillis also claims that “a longtime Clinton associate” said Band was “a gatekeeper

who charged tolls.” During Clinton’s time at Yucaipa, Band reportedly demanded that companies seeking access to Clinton both pay a fee to his speaker’s agency and donate to the Clinton Foundation as a precondition of doing business with Clinton, in addition to paying a finder’s fee to Band.

In the wake of the unseemly publicity, Clinton quit his Teneo gig, and the Clinton Foundation was forced to fire his protégé and friend Doug Band. Former British Prime Minister Tony Blair was also a paid advisor at Teneo, and he too resigned.

But despite these high-profile departures Teneo continues to enjoy success. The firm has 200 employees working in 13 cities in the U.S. and overseas. And Teneo still has plenty of prominent paid advisors: former Senate Majority Leader George Mitchell (D-Maine); James Hoge, former editor of *Foreign Affairs*; former FCC chairman Harvey Pitt; and former Reagan campaign manager Ed Rollins.

To the average American, Bill Clinton’s dealings with Burkle’s Yucaipa and Band’s Teneo would appear to be a classic kickback scheme—if the mainstream media would only focus on the backend of the Clinton Foundation, instead of the glitz and glamour of the Clinton Global Initiative.

## **Hillary Clinton’s Role at the Clinton Foundation**

The former secretary of state’s role at the Clinton Foundation is strategically limited to research initiatives that do not directly link her to foreign leaders and businesses as would the other initiatives. For example, the Too Small to Fail program aims to boost the health and well-being of children under five years of age, but focuses primarily on brain development and early learning research. Likewise, the No Ceilings project aims to “work with leading technology partners to create a comprehensive and accessible global review that will bring together and

widely distribute the best data on the status of women and girls and their contributions to prosperity and security.”

One of the foundation’s primary talking points suggests the kind of “war on women” rhetoric we can expect to see from the Left in 2016. According to the foundation’s website, women and girls around the globe “make up 70% of the world’s poor and earn only 10% of its income, despite producing over half its food. Studies suggest that if women’s paid employment rates were raised to the same levels as men’s, per capita income in some of our fastest-growing economies would rise 20 percent by 2030.”

This is a statistical misinterpretation that never goes away because it keeps left-wingers haughty, indignant, and sending donations to Democratic candidates. In this instance, the problem is that the foundation supplies no breakdown of pay rates in the U.S. or in the Western world but simply implies that the American workplace is a hotbed of injustice. The reader is invited to believe the left-wing media myth that women make 77 cents on the dollar compared to men—when an apples-to-apples comparison shows that women in the U.S. make about the same as men when compensation data is broken down by specific professions and the length of time spent working in them.

The Clinton Foundation leaves unmentioned the fact that Hillary Clinton, by her own account, has had other dealings with far-left nonprofits since leaving the White House. Speaking in 2007 to left-wing bloggers, she talked about “left-ing that balance” and “really putting together a network in the blogosphere, in a lot of the new progressive infrastructure—institutions that I helped to start and support like Media Matters and Center for American Progress.”

Clinton probably played a behind-the-scenes role in founding these two leftist groups, but it wasn’t enough for the groups to advertise

it. The founding narratives on their websites do not say she was involved in their establishment. The Center for American Progress (CAP) was launched with Soros money in 2003, with former Clinton White House Chief of Staff John Podesta at the helm. (Podesta became a senior advisor in the Obama White House earlier this year.) CAP has been staffed by a large number of Clintonistas and is often referred to as the Clinton White House in exile. The works at CAP support more economic stimulus spending, tax increases, comprehensive immigration reform, gun control, and the war on the coal industry. These are unpopular policy positions with which Hillary Clinton may not want to be identified as 2016 nears. (CAP was profiled in the February 2011 and May 2007 issues of *Organization Trends*.)

Likewise, since its founding by former journalist David Brock in 2004, Media Matters for America (MMfA) has been pushing Hillary Clinton's laughable "vast right-wing conspiracy" claim. Since its creation MMfA has worked to defame and defund Fox News, Rush Limbaugh, Sean Hannity, Glenn Beck, and Lou Dobbs, to name only a few. MMfA thus enables Clinton to play the media victim card, which might be difficult if it were widely known that Hillary "helped to start and support" the vast left-wing conspiracy at CAP and MMfA.

William F. Buckley Jr. once observed that Mrs. Clinton would have achieved a minor reputation as a theoretician if she had not entered politics. Evidently, her theories would have been aligned with the far-left agenda at CAP and MMfA. Clinton's ground-floor involvement with these groups is under-publicized and may not sit well with some high-information voters. But the political calculus favors the Clintons, who are betting that low-information voters will look back fondly at the economic prosperity of the go-go '90s and are not likely to take a peek behind the curtain at the former first lady's far-left agenda.

## Conclusion

The Clinton Foundation appears to be a successful philanthropy that both big government liberals and free market conservatives could support but it has ulterior political motives. Its initiatives distract from the soiled image of a president who was impeached, and who on his last full day in office admitted in writing to lying under oath and accepted a \$25,000 fine and five-year suspension of his Arkansas law license. The foundation provides cover for his ethically dubious business partnerships and distracts from Clinton's pardon of corrupt fugitive financier Marc Rich, who absconded facing a possible 325 years in prison and \$48 million in back taxes. Rich's saving grace, Halper writes, was his wife had "donated \$100,000 to Hillary Clinton's 2000 New York Senate campaign, \$450,000 to the Clinton Library, and \$1 million to the Democratic Party."

The largesse and good works of the Clinton Foundation also serve to refurbish the political image of Hillary Clinton. Her thin record in the U.S. Senate consists of voting to raise taxes more than 232 times and opposing the nominations of Justices Samuel Alito and John Roberts, according to Halper. Her legacy as secretary of state consists of a failed "reset" with Vladimir Putin's Russia, a failure to designate Nigeria's Boko Haram as a terrorist organization in spite of its status as a Muslim Brotherhood offshoot, and approval of President Obama's decision to allow women to adopt expanded roles in combat. Particularly galling is her evasive answer to Congress ("What difference, at this point, does it make?") when she was asked why four Americans died at the U.S. consulate in Benghazi, Libya, on Sept. 11, 2012, without so much as an attempt at rescue when the Obama administration knew about the life-threatening hostilities two hours after they began. There is still no satisfactory answer to the question why the Clinton State Department continued to identify the violence as a spontaneous protest about a film and did not label it a terrorist

attack until 10 days later. Clinton blamed this confusion on "the fog of war."

If the Clinton Foundation's decision to delay the release of the names of the many foreign countries and individuals who donated around 2008 is any indication, it is all but certain we will not know until long after 2016 which foreign countries and individuals are now trying to get into Hillary Clinton's good graces.

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Many thanks.

Terrence Scanlon  
President

# PhilanthropyNotes

Republican staff on the **Senate Committee on Environment and Public Works** has issued, "The Chain of Environmental Command: How a Club of Billionaires and Their Foundations Control the Environmental Movement and Obama's EPA." The 92-page report focuses on three funding groups: the **Environmental Grantmakers Association**, the **Democracy Alliance**, and the "Invest/Divest movement." These donors, the report states, are "adept at converting charitable donations into political outcomes ... Numerous examples raise questions as to whether the charitable donations are indirectly supporting political activity."

Despite the best efforts of the tax-exempt **Bill, Hillary, and Chelsea Clinton Foundation** to promote it, sales of Hillary's inappropriately named memoir, *Tough Choices*, have been eclipsed by a memoir written by **Ben Carson**. The pediatric brain surgeon may be a hero to some conservatives, but he's a relative nobody compared to the world-famous Mrs. Clinton. And yet as of Aug. 10, Carson's book, *One Nation*, had sold 225,000 copies, compared to just 223,000 copies of Clinton's book (which has been available longer), according to Nielsen BookScan.

Hillary's publisher **Simon and Schuster** won't publish a tell-all by six of the platoon mates of Army deserter-turned-Taliban collaborator **Bowe Bergdahl** because it might hurt the **Obama** administration, reports Yahoo News. "I'm not sure we can publish this book without the Right using it to their ends," senior editor **Sarah Durand** of Simon and Schuster imprint **Atria Books** emailed one of the literary agents of the soldiers. "The Conservatives are all over Bergdahl and using it against Obama and my concern is that this book will ... become a kind of 'Swift Boat Veterans for Truth,'" she said in a reference to a group whose book helped torpedo **John Kerry's** 2004 presidential campaign.

A new book has appeared, chronicling the bitter lawsuit between the **Robertson** family and **Princeton University**: *Abusing Donor Intent* by Doug White (Paragon House). The Robertsons accused Princeton of violating the donor intent behind their family's 1961 gift of \$35 million (now worth \$600+ million), and eventually the university agreed to return tens of millions to the family.

The **William Penn Foundation** in Philadelphia (\$2.2 billion in assets) announced its head, **Peter J. Degnan**, would step down after six months on the job. **Laura Sparks**, currently chief philanthropy officer, will replace him, reports the *Chronicle of Philanthropy*.

## Goldman Sachs WATCH

Goldman Sachs is trying to negotiate its way out of a Federal Housing Finance Agency (FHFA) lawsuit that alleges the bank sold low-quality mortgage backed securities to Fannie Mae and Freddie Mac. A source close to the talks told Bloomberg News that the matter should be settled in the \$800 million to \$1.25 billion range. The \$800 million sum would be greater than the \$550 million the bank paid the Securities and Exchange Commission in 2010 over the dubious mortgage debt instruments identified as "Abacus 2007-AC1."

James Schiro, former lead director and corporate governance committee chairman at Goldman Sachs Group Inc., died last month of multiple myeloma, a cancer of the plasma cells, according to reports. Schiro, who was 68, had retired from the investment bank to seek treatment of his condition. He had tried to help the bank improve its public image in the wake of the financial crisis.