

## The Funding Exchange

*Building “Alternative” Community Foundations*

By James Dellinger

*Summary: At a time when liberal ideas are unpopular among voters the Funding Exchange offers a different leftwing strategy for achieving political and social change. It links radical activists to wealthy donors to create a unique network of community foundations.*

This month leftwing donors will meet at the Berkeley Marina conference center on San Francisco Bay to discuss where their money will do the most good. “Momentum 2006” is co-sponsored by seven groups that are trying to show rich people how to work effectively with radical social activists. The groups are an interesting mix. They include one hundred members of the Women Donors Network, the Third Wave Foundation, which supports feminist girls and women aged 15 to 30, the Resource Generation, which works with 750 “young people with financial wealth,” and the Tides Foundation, which has famously revolutionized how money can be bundled and channeled from big grantmaking foundations to tiny groups of rabble-rousers (see December 2003 *Foundation Watch*). Yet another attendee is the New York City-based Funding Exchange. It has carved out its own unique niche in the universe of leftwing donor groups by coordinating the work of “alternative” community foundations.

Community foundations have had an honored place in the history of American philanthropy. In a community foundation donors agree to pool their gifts for the betterment of their local communities. Instead of creating a private foundation, the donor lets the com-



Radical entertainer Harry Belafonte and Ellen Gurzinsky, executive director of the Funding Exchange.

munity foundation’s trustees allocate funds according to their best judgment of community needs. However, donors also may advise the trustees on how to use their contributions. The first community foundation was established in Cleveland in 1916 and there are over five hundred in the U.S. today.

The Funding Exchange takes the idea in a new direction. It works closely with a group of community foundations unlike most others. These organizations do not limit their work to a specific city or region and they do not focus on traditional forms of charity. Instead the foundations promote radical political and social activism. “The community foundations who join the Funding Exchange network are part of a growing movement to expand progressive philanthropy,” says Funding Exchange executive director Ellen

Gurzinsky. “Our network shares technical assistance information and best practices, political education programs on cutting-edge issues, skill development in every arena, and solidarity in the support of social justice and human dignity.”

**April 2006**

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In many respects, the Funding Exchange is but another example of the Left's current preoccupation with networking and infrastructure-building. It tries to locate the most radical community programs and projects across America and link them to wealthy donors, thereby leveraging private wealth to achieve egalitarian and collectivist political and social goals.

Although it has left-wing aims, the Funding Exchange owes much to the concept of venture philanthropy. Venture philanthropy is a somewhat opaque notion that seeks to apply the concept of venture capitalism to charitable giving. Venture philanthropists try to help charities meet their goals by actively monitoring their gifts and demanding that charities produce measurable results. The strategy is that donors should use the act of giving to improve the efficiency and effectiveness of charities.

The Funding Exchange re-directs this outcomes-oriented strategy: It wants to fund the growth of effective organizations whose mission is leftwing social activism. It also wants to build a network of activist philanthropists.

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George Pillsbury, co-founder of the Boston-based Haymarket People's Fund, an original founder of the Funding Exchange.

Garzinsky has observed that community foundations joining the Funding Exchange “are at the forefront of virtually every contemporary movement for social change. They provide essential resources for both urban and rural organizing. They fund the arts and culture as organizing tools. They directly support efforts to stave off the erosion of hard-won gains in affirmative action and immigration policies. And they respond to emergency issues as well as contribute to the long-term infrastructure needs of their grassroots grantees.”

Large private foundations and wealthy individual donors—think Ford, think Soros—have few misgivings about supporting radical activists. However, most traditional community foundations hesitate to support activist groups whose goal is creating community turmoil. That's what makes the Funding Exchange so unusual and significant.

According to Andy Robinson, author of *Grassroots Grants: An Activist's Guide to Proposal Writing*, the Funding Exchange has profoundly influenced so-called “progressive philanthropy”: “What seemed at the time a radical idea—activists giving out grants—has since become almost commonplace as more and more mainstream founda-

tions hire organizers and hell-raisers as program officers. The face of philanthropy is changing—slowly, but irrevocably...” This amazing transformation is happening without public notice but with increasing support from the foundation world.

### **FEX's Gilded and Guilt-Ridden Heirs**

The Funding Exchange (FEX) was set up in 1979 by six foundations in Philadelphia, Boston, New York, San Francisco, Los Angeles and Portland/Eugene, Oregon. They hoped to coordinate their activities in order to, as they say, “create change.” FEX expanded over the next two decades to include sixteen foundations, all of which aggressively promote community-based advocacy. To maximize their impact the member foundations focus their donor dollars and manpower on hot-button causes. However, the FEX nationwide network of donors and activists allows the foundations to move their resources from city to city in rapid response to immediate demands (e.g., when priorities change from, say, a fight over living-wage laws in Santa Fe, New Mexico to anti-war protest in the Washington D.C.). Says June Makela, FEX executive director from 1980-1991, “The Funding Exchange's role was to ‘organize’ progressive philanthropy through this model.

*The Funding Exchange links radical projects with wealthy donors, leveraging private wealth to achieve egalitarian and collectivist political and social goals.*

The goal was to connect wealthy individuals with progressive values to the important, but often invisible, work going on in their own communities and also around the country.”

The FEX self-described mission is “change not charity”; its agenda is “structural economic change.” Leftwing politics, not philanthropy, inspires its leadership.

FEX members are located in liberal cities such as San Francisco and Boston and college towns like Madison, Wisconsin. However, there are also FEX member groups in places not known for radical activism: Knoxville, Tennessee, has the Appalachian Community Fund and the Fund for Santa Barbara is in a wealthy California coastal resort town. In size the foundations range from the Liberty Hill Foundation in Los Angeles, which had 2004 assets of \$7 million and revenues of almost \$5.7 million, and the Headwaters Foundation for Justice in Minneapolis with 2005 revenues of \$2.1 million, to the \$254,000 received in 2003 by the Three Rivers Community Foundation of Pittsburgh.

While their funding priorities differ, the foundations endorse similar political goals, including coercive environmental regulation, single-payer health care, anti-war protest, opposition to the Administration’s “war on terror,” opposition to free trade and restrictions on immigration, support for abolition of the death penalty, abortion rights, and “GLBT” (gay, lesbian, bisexual, and transgender) advocacy.

The foundations also share a common rhetoric emphasizing the claim that, to quote one activist, “Wealth disparity in the U.S., the history of exploiting human and natural resources, and the undue influence of wealth on our political system, perpetuate and strengthen a destructive dynamic within our country and abroad.” That “destructive dynamic” is what mainstream America celebrates as economic liberty and individual rights.

Because FEX members insist that America’s wealth is the product of exploitation and the abuse of privilege, one would expect them to have a low opinion of philanthropy. After all, the old Marxist Left despised philanthropy; it considered charity a way for the rich to salve their consciences about human misery and avoid facing its role in creating economic inequality. But the old Left has collapsed. These days radicals need help wherever they can find it, and they are willing to rehabilitate the idle rich if they will use their wealth for activist ends. That’s the point of *Robin Hood was Right: A Guide to Giving Your Money for Social Change*, a book published by the Vanguard Public Founda-

tion, the FEX foundation in San Francisco.

*Robin Hood was Right* raises the issue this way:

During the last decade, blacks have become beautiful, gays have come out, women have become liberated—but who could imagine publicly celebrating inherited wealth? Its very existence was proof of injustice...

In other words, heirs as a group are typically depicted as young, idle and irresponsible. They live off their wealth, contributing nothing to society. How can anyone celebrate inherited wealth?

The Funding Exchange answers that even heirs can be liberated, and the book *Robin Hood was Right* is their manifesto. It is “a collection of anonymous anecdotes documenting the alienation that resulted when a childhood of wealth collided with the idealistic, egalitarian world view circa 1970s activism”—i.e. when poor little rich boys and girls hated their parents and wanted to do good.

**For frequent updates on environmental groups, nonprofits, foundations, and labor unions, check out the CRC-Greenwatch Blog at**

**[www.capitalresearch.org/blog](http://www.capitalresearch.org/blog)**



## Funding Exchange Financial Information

### **The Funding Exchange (FEX)**

Total private foundation grants received,  
1999-2004: \$17,605,857  
2003 revenue/contributions: \$5,144,462  
2003 expenses/grants distributed:  
\$7,113,737  
2003 assets: \$30,826,348  
2000-2003 lobbying expenses: \$646,600  
2003 government grants received: \$39,600

### **Appalachian Community Fund**

#### **Knoxville, TN**

Total private foundation grants received,  
1999-2004: \$497,500  
2003 revenue/contributions: \$361,972  
2003 expenses/grants distributed: \$451,622  
2003 assets: \$163,653

### **Bread and Roses Community Fund**

#### **Philadelphia, PA**

Total private foundation grants received,  
1999-2004: \$825,255  
2003 revenue/contributions: \$676,935  
2003 expenses/grants distributed: \$841,212  
2003 assets: 1,533,786

### **Chinook Fund**

#### **Denver, CO**

Total private foundation grants received,  
1999-2004: \$545,060  
2003 revenue/contributions: \$332,120  
2003 expenses/grants distributed: \$389,794  
2003 assets: \$1,146,635

### **Crossroads Fund**

#### **Chicago, IL**

Total private foundation grants received,  
1999-2004: \$573,391  
2003 revenue/contributions: \$439,482  
2003 expenses/grants distributed: \$447,889  
2003 assets: \$214,260

### **Fund for Santa Barbara**

#### **Santa Barbara, CA**

Total private foundation grants received,  
1999-2004: \$876,600  
2003 revenue/contributions: \$593,266  
2003 expenses: \$375,777  
2003 assets: \$1,524,797  
2000- 2003 legislative and grassroots  
expenses: \$345,845

### **Fund for Southern Communities**

#### **Atlanta, GA**

Total private foundation grants received,  
1999-2004: \$899,250  
2003 revenue/contributions: \$564,219  
2003 expenses/grants distributed: \$709,170  
2003 assets: \$1,171,205  
2003 government grants received: \$56,911

### **Hawai'i People's Fund**

#### **Honolulu, HI**

2003 revenue/contributions: \$91,560  
2003 expenses/grants distributed: \$104,956  
2003 assets: \$31,560

### **Haymarket Peoples Fund**

#### **Boston, MA**

Total private foundation grants received,  
1999-2004: unknown  
2003 revenue/contributions: \$3,518,380  
2003 expenses/grants distributed:  
\$2,128,453  
2003 Assets: \$6,699,403  
Legislative and grassroots lobbying 2000-  
2003: \$611,670

### **Headwaters Foundation for Justice**

#### **Minneapolis, MN**

Total private foundation grants received,  
1999-2004: \$595,900  
2003 revenue/contributions: \$1,560,204  
2003 expenses/grants distributed:  
\$1,147,453  
2003 assets: \$4,085,405  
Legislative and grassroots lobbying:  
\$59,650

### **Liberty Hill Foundation**

#### **Los Angeles, CA**

Total private foundation grants received,  
1999-2004: \$8,443,757  
2003 revenue/contributions: \$5,672,268  
2003 expenses/grants distributed:  
\$5,033,777  
2003 assets: \$6,027,593  
Legislative and grassroots lobbying:  
\$42,368

### **McKenzie River Gathering Foundation**

#### **Portland, OR**

Total private foundation grants received,  
1999-2004: \$107,600  
2003 revenue/contributions: \$1,166,883  
2003 expenses/grants distributed: \$756,486  
2003 assets: \$4,707,555

### **North Star Fund**

#### **New York, NY**

Total private foundation grants received,  
1999-2004: \$238,000  
2003 revenue/contributions: \$713,714  
2003 expenses/grants distributed: \$800,555  
2003 assets: \$2,682,002

### **San Diego Foundation for Change**

#### **San Diego, CA**

Total private foundation grants received,  
1999-2004: \$200,600  
2003 revenues/contributions: \$199,292  
2003 expenses/grants distributed: \$202,648  
2003 assets: \$89,451

### **Three Rivers Community Foundation**

#### **Pittsburgh, PA**

Total private foundation grants received,  
1999-2004: \$50,000  
2003 revenue/contributions: \$254,679  
2003 expenses/grants distributed: \$87,576  
2003 assets: \$861,103

### **Vanguard Public Foundation**

#### **San Francisco, CA**

Total private foundation grants received,  
1999-2004: \$3,039,900  
2003 revenue/contributions: \$2,178,186  
2003 expenses/grants distributed:  
\$3,508,621  
2003 assets: \$1,099,015  
Legislative and grassroots lobbying,  
2003-2004: \$103,402

### **Wisconsin Community Fund**

#### **Madison, WI**

Total private foundation grants received,  
1999-2004: \$49,469  
2003: revenue/contributions: \$382,261  
2003 expenses/grants distributed: \$471,287  
2003 assets: \$231,717

*Robin Hood Was Right* describes what these heirs can do to overcome their alienation and promote the Left's agenda.

The problem heirs face is mainstream foundation philanthropy, explains Robert Bothwell of the leftist National Committee for Responsive Philanthropy: "The available models of philanthropy reinforced existing power dynamics. Private foundations kept control of the money squarely in the hands of the wealthy endowers, and community foundation boards were hardly representative of their counterculture constituencies, or values."

Apparently, the Funding Exchange fills both a political and an emotional void for donors who are uncomfortable with their wealth. But it's ironic that the task of overturning "existing power dynamics"—a task for politics and revolution according to the old Left—should now fall to rich heirs in search of counterculture constituencies and values. Karl Marx must be turning over in his grave.

Consider some of the backgrounds of FEX founders and you can see the linkage between their great wealth and their political and social radicalism. The Haymarket People's Fund, founded in 1974 in Boston, is an FEX founding member. It is named after the famous 1886 riots in Chicago that are a cause celebre in labor union history. However, its co-founder is George Pillsbury, the flour scion. His sister, Hollywood filmmaker Sarah Pillsbury (she produced the film *Desperately Seeking Susan*), founded the Liberty Hill Foundation in 1976 in Los Angeles. It is another FEX founding member. Obie Benz, another baking heir, co-founded the

**Sample recipients of FEX network grants in 2003:**

- ACORN - \$74,820
- Worker's Independent News Service - \$77,464
- Shefa Fund - \$272,000
- Families To Amend California's Three Strikes - \$48,000
- United for Peace and Justice - \$152,000
- Strategic Actions for a Just Economy - \$40,300
- Nicaraguan Solidarity - \$5,750
- ACLU - \$30,700
- United for a Fair Economy - \$56,800
- Strategic Concepts in Organizing and Policy Education - \$60,000
- Landless Workers Movement - \$7,500
- Convergence of Movements of the Peoples of the Americas - \$15,500
- Freedom to Marry Coalition of Massachusetts - \$20,000
- Global Exchange - \$11,500
- Los Angeles Alliance for a New Economy - \$47,000
- Open Borders Project - \$3,820

eration and *Heavy Petting*, a cultural history of the 1950s.

Terry Odendahl, former director of the National Network of Grantmakers, another organization for so-called "progressive philanthropy," writes: "If philanthropy had a bible, *Robin Hood Was Right* would be the prophetic book. It presents the case for the most creative philanthropy being pursued today. While affirming the need for direct services, this book defines and illustrates the kind of community-based work that can change the conditions that cause social problems." *Robin Hood* is hardly a philanthropist's bible. But it is a life raft tossed to guilt-ridden heirs by the member foundations of the Funding Exchange.

to not only fund the community-based grassroots organizing for which we are so well known but to mobilize our network in support of local, national and international peace and justice efforts."

FEX sees its grant-making through the lens of politics, and it tends to treat every local and individual success as a step toward a greater political goal. It knows that a strategy of investing "political venture capital" carries risk: some projects may fail badly; others may prove irrelevant to radical politics. Nonetheless, the FEX approach of urging alternative community-based foundations to network with one another helps ensure that all the member groups are aware of each other's successes and failings. It also ensures that all the groups are familiar with each other's local activists—and their wealthy patrons. That helps spread the financial risk and the political reward. Call FEX the hedge fund of left wing philanthropy.

Many traditional community foundations are legally bound to fund groups in their own city, state or region. Moreover, individuals frequently earmark their donations for specific charities or for an issue area such as local education or healthcare. That's not a problem for FEX, which bends its rules on pur-

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*FEX sees its grant-making through the lens of politics, and it tends to treat every local and individual success as a step toward a greater political goal.*

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Vanguard Public Foundation in 1977 before going on to a movie career in screenwriting and directing. His documentary movies include *The History of Rock 'n Roll: My Gen-*

**How The Funding Exchange Works — According to the Funding Exchange**  
 "Last year, our combined grantmaking was nearly \$15 million. As a group, we are able

pose. For example, a donation earmarked for “general support” may be contributed to the North Star Fund (the FEX member foundation in New York City) but it may be diverted to the Liberty Hill Foundation (the FEX member group in Los Angeles). Each foundation maintains an autonomous budget; however, in 2003 over \$800,000 was transferred among the sixteen foundations. This elastic strategy appeals to political ideologues: They see inherent “structural injustice” everywhere and want their financial resources to be as liquid as possible.

According to the most recently available IRS Form 990, the Funding Exchange had 2003 revenue of \$5.1 million and some \$31 million in assets. It contributed \$4.8 million in grants and in-kind services to activist groups directly or through “pass-through” grants to its member community foundations. Add

separate grant-making by each of the 16 individual member foundations and the total grant amount sum is about \$15 million annually.

The Funding Exchange and its member funds are not private foundations. All have 501(c)(3) status, which means that the IRS considers them to be “public charities” with a broad base of support. Like any public charity, FEX can accept tax-deductible contributions without publicly identifying its donors. Private foundations, on the other hand, are legally mandated to publicly report their contributions. Hence it is possible to discover which private foundations are known donors to FEX members and to FEX itself. They include the Tides Foundation: \$318,287 total during years 1999-2004; Ford Foundation: \$1,750,000 for years 1999-2004; The California Endowment: \$2,984,439 for years 1999-2004; Turner Foundation: \$225,000 for years 1999-2004; Bush Foundation: \$325,000 for years 1999-2004; New York Community Trust \$825,000 for years 1999-2004; The California Wellness Foundation \$745,000 for years 1999-2004; Annie E Casey Foundation \$325,000 for years 1999-2004; Seed Fund USA \$754,138 for years 1999-2004; and the William Penn Foundation \$432,919 for years 1999-2004.

The commitment of some foundations to the Funding Exchange is extraordinary and even shocking. For instance, the Ruth Mott Foundation (2004 assets: \$168 million; 2005 grants: \$6.5 million) was created by the wife of General Motors pioneer Charles Stewart Mott. The foundation says it is dedicated to the arts, beautification, health promotion, and the preservation of Mott’s historic estate, Applewood. Ruth Mott died in 1999 at age 98. Her foundation contributed \$4.6 million in general support to the Funding Exchange in 1998-2002, according to Foundation Search.

Other foundation contribu-

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*At a time when liberal ideas are unpopular among voters, the FEX model of “progressive philanthropy” offers a promising strategy for achieving social change.*

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tions to FEX are more explicit about their purpose. The Ford Foundation made a 2003 grant of \$450,000 to the Funding Exchange for “projects that are designed to broaden public engagement on issues of U.S. foreign policy.” The largest subsequent FEX grants concerning foreign policy went to anti-war protest groups like American Friends Service Committee and United for Peace and Justice. Also in 2003 the Ford Foundation gave half a million dollars to Liberty Hill’s program in “environmental justice,” an effort to link environmentalist issues to claims of minority rights.

In 1999-2004 FEX announced grants totaling about \$34.3 million dollars to its 16 community foundations. This amount does not include the many individual contributions made to each of the foundations separately.

Even corporations and their foundations give support to the anti-corporate agenda of FEX foundations. For instance, in 2004 the Fannie Mae Foundation sponsored the Liberty Hill Foundation’s annual Upton Sinclair Dinner where “Hollywood meets the Streets.” The Coca-Cola Company and the Georgia Pacific Company have given undisclosed amounts to the Fund for Southern Communities, Atlanta’s FEX-affiliated foundation.

#### **FEX Donor-Advised Funds**

Some foundation grant-makers and individual donors channel their contributions to a specific activist group using a donor-advised fund managed by the Funding Exchange or a member foundation. This can

## The Politics of Peace

What’s Behind the Anti-War Movement?

By John J. Tierney

The leaders of the “anti-war” movement today are leftists who oppose capitalism and believe in socialism. Many are communists. At root, they are anti-American rather than anti-war. Anti-war groups have their own outlets for propaganda, employ sophisticated tactics and exploit modern information technology to give their messages instant and global reach. In this important new book from Capital Research Center, international affairs expert Dr. John J. Tierney traces the leftist ideological roots of this influential movement, and exposes its strategies and objectives.

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allow donors to remain anonymous to the group receiving their contributions. FEX has three major in-house “activist advised funds” that can “launder” donor dollars in this way and direct them to little-known organizations that foundation activists recommend. Their names are the Saguaro Fund, the OUT Fund for Lesbian and Gay Liberation, and the Paul Robeson Fund for Independent Media.

The mission of the Saguaro Fund is to “support organizations that serve communities of color.” It has funded the radical housing and labor activists at ACORN (Association of Community Organizations for Reform Now), the anti-free trade protesters who march under the banners of the group Global Exchange, and United for Peace and Justice, the coalition group opposed to the Iraq war, which is led by Fidel Castro apologist Leslie Cagan. In 2004 Saguaro made twenty-two grants totaling \$211,000, including \$8000 to the Arab American Justice Project in New York City (for legal defense and advocacy), \$12,000 to Sunflower Community Action in Wichita, Kansas (to secure drivers licenses and insurance for immigrants), and \$10,000 to the Atlanta-based Project South: Institute for the Elimination of Poverty and Genocide.

The OUT Fund for Lesbian and Gay Liberation supports organizations and projects “that address the politics of race, class, gender and sexuality as integral to systems of oppression.” In 2004, it contributed \$184,000 to fifteen organizations. Grant amounts ranged from \$5000 to African Ancestral Lesbians United for Social Change for organizing and workshops in New York City to \$20,000 to the Sylvia Rivera Law Project for a “trans-gender youth organizing initiative.” The late Sylvia Rivera was a trans person and an activist for transgender advocacy. The grants also include \$10,000 to Al-Fatiha, an advocacy group for “Muslims who are lesbian, gay, bisexual, transgender, intersex, questioning, those exploring their sexual orientation or gender identity, and their allies, families and friends.” Writing in David Horowitz’s *Front Page* web magazine, Richard Rosendall describes this group as another “advocate of social-justice utopianism so reluctant to acknowledge the West’s mere progress...that they end up embracing non-Western enemies of social justice.”

The Paul Robeson Fund for Independent Media supports film, video, radio, and Internet projects, and it is named to honor the noted African American singer and actor who was a vocal supporter of the Soviet Union and a recipient of the 1953 Stalin Peace Prize. The fund has made grants to support a series of six radio programs entitled “Dreaming Revolution” produced by the League of Revolutionaries for a New America and available at [www.radio4all.net](http://www.radio4all.net). Other grantees include Third World Newsreel, a network of radical documentary filmmakers ([www.twn.org](http://www.twn.org)) and the Independent Media Center ([www.indymedia.org](http://www.indymedia.org)), a network of alternative news groups. Also receiving Robeson Fund support is Free Speech Radio, a news service created by disgruntled former reporters who were fired from or quit the radical Pacifica radio network. The reporters launched a strike against Pacifica in 1999-2000 after its chairman, the notorious Mary Frances Berry, then chairman of the U.S. Commission on Civil Rights, tried to cut costs and increase the network’s listenership. Berry hired a more race- and gender-diverse staff and fired what she called the “white male hippies over 50.”

FEX administers several other in-house donor-advised funds, including the Ford Social Justice Philanthropy Fund, which is supported by grants from the Ford Foundation. Ford also founded the FEX Media Justice fund, “supporting grassroots advocacy for socially responsible communication policy.” That means activists claiming to speak for low-income minorities get Ford money to require that media companies such as Comcast comply with their demands if they want to keep their local cable franchise. Most donor-advised grants are first passed through community foundation members. FEX administers other small donor-advised funds, as do the community foundations.

At a time when liberal ideas are unpopular among voters the FEX model of “progressive philanthropy” offers a promising strategy for achieving social change. Instead of mobilizing the masses, radical activists appeal to the wealthiest among us. For over two decades the Funding Exchange has linked a flexible and enterprising “venture capitalist” approach to philanthropy to radical social goals, and it has tied local activism to national

politics. The total amount of grant money passing through the FEX network is comparatively small, but its potential impact on politics is great.

**FW**

*James Dellinger is Research Associate at Capital Research Center*

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# PhilanthropyNotes

We note with sorrow the recent death of **Michael Joyce**, a leader in the movement to restore a mission of faith, service and accountability to American philanthropy. As the former executive director of the **John M. Olin Foundation** (1979-1985) and president of the **Lynde and Harry Bradley Foundation** (1985-2000), Mike Joyce supported a range of policy ideas, including school choice, tax and welfare reform, neighborhood empowerment and faith-based social policy. Just as importantly, he understood the importance of building nonprofit institutions to affect public policy over the long term. Think-tanks, public interest law firms, groups supporting writers and scholars, outreach programs to the media, attorneys, women, and college students, all owe a debt of gratitude to Michael Joyce, who helped create and sustain the conservative movement.

Last month **President Bush** again urged corporations to support faith-based organizations. A recent White House survey of **20 major corporations** found they gave only **6 percent of their grants to religious groups**. Some ban religious giving altogether. By comparison the Bush Administration reports that it gave 2,760 social service grants worth \$2.1 billion to religious groups in 2005, a seven percent increase in dollars over 2004. Said Bush, "It used to be that groups were prohibited from receiving any federal funding whatsoever because they had a cross or a star or a crescent on the wall," he said. "And that's changed for the better. It's changed for those who hurt in our society."

The **National Legal and Policy Center** (NLPC) has filed shareholder resolutions with four companies—**Boeing, Citigroup, Coca Cola, and PepsiCo**—to require them to identify and explain their charitable contributions. The companies have funded nonprofit groups such as Jesse Jackson's **Rainbow/PUSH** and the **Mexican American Legal Defense and Educational Fund**, says **NLPC** president Peter Flaherty, and shareholders have a right to know management's reasons for making these grants. Three of the four companies agreed to put the issue to a vote at annual shareholder meetings this spring. **PepsiCo** asked the **Securities and Exchange Commission** for permission to omit the resolution from the proxy statement sent to shareholders. The SEC denied the request.

**General Electric** was also on the end of an adverse SEC ruling. In January of this year the SEC denied GE's attempt to exclude a resolution from its shareholders meeting requesting the company "to report to shareholders on the scientific and economic analyses relevant to GE's climate change policy." The resolution was filed by **Thomas Borelli** of the **Free Enterprise Action Fund** (<http://www.freeenterpriseactionfund.com/>). Said Borelli on the SEC ruling, "Now GE shareholders will have the opportunity to request that GE justify its global warming policy in scientific and economic terms."

A new study by the **Foundation Center** found that foundation giving rose 8.1 percent in 2004, following two years of decline. Of the 1,172 foundations surveyed, total giving rose to \$15.5 billion and the average grant increased from \$118,649 to \$122,355. The two areas that saw the biggest increases were **science and technology** (31.2 percent), and **health** (23 percent). The two areas with the biggest decline were **environment and animals**, and **human services**. They saw declines in giving of 8.1 percent and 3.8 percent, respectively.

**Dr. Larry Brilliant** has been appointed executive director of Google's philanthropic arm, **Google.org**. A self-described "dead head", Brilliant will oversee the \$1 billion in giving that **Google.org** has pledged over the next 20 years for fighting global poverty, and energy and environmental problems. In the 1970s he worked with the World Health Organization's campaign to eradicate smallpox. Since then he has held numerous posts in the academic, nonprofit, and commercial worlds.

