

The MacArthur Foundation on Foreign Policy and Defense

Funding the Left's Counterattack on Bush Administration Policies

by Neil Hrab

Summary: In last month's Foundation Watch we looked at grants made by the John D. and Catherine T. MacArthur Foundation to nonprofit domestic policy and advocacy groups. This issue analyzes MacArthur support for nonprofits that focus on foreign and defense policy.

President George W. Bush gives liberals nightmares. The think-tanks and policy centers in Washington, New York and San Francisco that see their mission as offering wise counsel to policymakers are frightened by his Administration's foreign and defense policies. They are alarmed by his emphasis on security against terrorism and the Administration's new doctrine on the preemptive use of military power. They are dismayed that Administration officials show little respect for United Nations policymaking and reject international treaties like the Kyoto Accord on global warming and supranational bodies such as the International Criminal Court. And they see the President's decision to withdraw the U.S. from the ABM treaty and deploy a missile defense system as further signs that the Administration pays no heed to liberal policy advice. But the foreign policy establishment is mounting a counterattack. Although stung by recent Administration advances, it aims to re-direct U.S. policies back to an agenda of arms control, multilateral negotiations and global regulation.

The Chicago-based John D. and Catherine T. MacArthur Foundation is providing much of the money that is spur-



The MacArthur Foundation subsidizes liberal activists who vow to defeat President Bush's allegedly "corporate" and "militaristic" foreign policy.

ring this effort. In 2001, the MacArthur Foundation, which has \$4 billion in assets, disbursed nearly \$170 million to tax-exempt nonprofit groups and educational institutions. (For background information on the MacArthur Foundation, see "A Look at the MacArthur Foundation," *Foundation Watch*, August 2003.) A major portion of that amount goes to foreign and defense policy groups.

MacArthur grantees have a variety of policy interests. Some practice variations on an arms control theme—peacekeeping, disarmament, and opposition to missile defense. Others are international environmental groups promoting global "sustainable development." Still other grant recipients want "fair trade." Prominent

MacArthur grantees include the Federation of American Scientists, Center for Defense Information, Council on Foreign Relations, Global Exchange, Lawyers Alli-

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ance for World Security, and the Institute for Policy Studies.

The Foundation's willingness to fund these organizations comes at a critical time. Despite the President's popularity, the organizations and their supporters are gathering strength. They are acting on global events and renewing their efforts to influence U.S. foreign and defense policy.

The MacArthur Board

A review of the MacArthur Foundation board of directors shows why it is such an influential and generous donor to liberal groups. The Foundation's president is Jonathan Fanton, who also is chairman of the board of Human Rights Watch, a harsh critic of the Administration's anti-terrorism policies and its war against Iraq. Fanton was formerly president of the New School University in New York City (His successor is former Nebraska Senator Bob Kerrey). Other MacArthur board members include Drew S. Days, solicitor general and assistant attorney general for civil rights in the Clinton Administration, and Jamie Gorelick, the vice chair of Fannie Mae who also served the Clinton Admin-

istration as deputy attorney general and Defense Department general counsel.

However, one member of the thirteen-member MacArthur board stands out. He is Lloyd Axworthy, a former Canadian foreign minister whose passionate and eloquent call for a new international order makes clear why the MacArthur Foundation is so at odds with the Bush Administration. (For background on Axworthy, see Box on page 3) Axworthy has written a book (advance copies of which are in circulation) to be published in October entitled, *Navigating a New World: Canada's Global Future* (Alfred A. Knopf, New York). Its sharp criticisms illustrate the gap between liberal opinion leaders and the Bush Administration. The deep anger and frustration apparent in its pages no doubt reflect the feelings of many others who expected the Bush team to defer to their views on a post-Cold War new world order.

In the book, Axworthy paints President George W. Bush as out-of-control. He claims that the "instinct" of the Bush Administration is to constantly "dismiss treaties, disdain common efforts to cope with global issues and argue for full-spectrum dominance and pre-emptive unilateral action."

The book echoes a number of themes raised by Axworthy with increasing shrillness in recent months. In September 2002, he fired off a major attack on President Bush's war on terror. He said that it has "given license to a variety of interventions, a massive increase of expenditure on arms, a justification for severe limits on human rights and a cover for all kinds of nasty suppressions of various groups and interests around the world. As practised by its chief proponent, counter-terrorism is the new crusade. It is the litmus test of loyalty to the faith: you're either for us or against us."

Axworthy feels powerless. But as a member of the MacArthur Foundation board of directors he has one way to translate his anger into policy, and that's through the power of its grants. MacArthur Foundation money supports academic

studies and speakers' honoraria, policy conferences and networking programs. They in turn are used to affect national and international politics and policy decisions. It's hard to trace precisely how this happens. But certainly without MacArthur Foundation support the international opponents of Bush Administration policies would be less equipped to pursue their goals.

The International Criminal Court

(All figures cited, unless otherwise noted, come from the MacArthur Foundation's 2001 IRS disclosure form, the most recent available.)

In 2001, MacArthur gave \$246,000 over three years to the University of Chicago "for research and training related to human security." The phrase "human security" is interesting because when he was Canada's foreign minister Lloyd Axworthy never spoke for very long without using it. It is now a key term in the Canadian government's lexicon of official phrases.

Canada defines "human security" as "freedom from pervasive threats to people's rights, safety and lives." This is a departure from the concept of "national security," which is usually considered a foundation of U.S. foreign policy. Human security apparently is something different. The Chicago grant is part of a larger effort by MacArthur to fund what president Jonathan Fanton calls an effort to build "research capacity and policy analysis" about human security "at 15 or 20 universities and other research centers around the world."

Axworthy describes his September 2000 "awakening" at the United Nations: "The most dramatic part of that awakening," he claimed, "is the realization that increasingly it is the security of individuals which is at the centre of the international agenda. Not the security of states." In other words, human security means protecting individuals as people of the planet and not citizens of sovereign nations.

Just how does one conduct a foreign policy based on human security? It seems clear that Axworthy intends treaties and

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Lloyd Axworthy MacArthur Board Member

Born in Saskatchewan in 1939, Lloyd Axworthy earned a Princeton Ph.D. in political science in 1972 and entered Canadian politics as a Liberal member of Parliament in 1979. In 1996, he became Canada's Minister of Foreign Affairs, serving until 2000 under Prime Minister Jean Chrétien. Now retired from politics, Axworthy heads a research unit on "global issues" at the University of British Columbia. He joined the MacArthur board in 2001.

As Foreign Minister, Axworthy pushed two policies that gave American officials headaches. First, he opposed construction of a space-based North American missile defense system even though it would help protect Canada. He recalled in 2002 that as foreign minister he regularly objected to Canadian government spending on weapons systems research and development that "reflected US military objectives such as space-based technology."

Second, he worked for a ban on landmines. In December 1997, representatives of 122 countries gathered in Canada's capital, Ottawa, to sign a treaty to make it illegal to produce, store or deploy anti-personnel mines. The United States refused to sign the treaty, specifically citing the U.S. Army's need to use mines in South Korea to deter a North Korean attack. The Center for Security Policy argues that land mines are important "when American personnel are outnumbered—a fact of life in many combat situations." A 1997 Center paper explains that "studies by the Army indicate that American casualties will increase by some thirty percent if U.S. land forces are obliged to fight without the use of landmines."

Canadians likely could have won U.S. support for the treaty by granting an exemption to U.S. forces in South Korea. Instead, they joined an international chorus of critics who chided Washington for its reluctance to endanger its 37,000 soldiers stationed in South Korea. Axworthy's statements frustrated American policy analysts such as John Bolton, now Undersecretary of State for Arms Control. "A lot of Axworthy's initiatives are poorly disguised anti-Americanism," observed Bolton back in 2000. "His moral sense overcomes what's real in the world...A country like Canada can afford to take [Axworthy's stance] because nobody is ever really going to hold it to account."

Axworthy has no restraints now that he is out of office. In a Nov. 20, 2002 speech on the Bush Administration decision to go after Saddam Hussein, he complained that the U.S. wanted "the right to be judge, jury and prosecutor against any country, or anyone it considers a threat, running contrary to half a century of international law and the Charter of the United Nations." The November speech gets worse. "If the United States can get away with a unilateral attack, supported by a few deputy sheriffs, have we not set a precedent for many others to exercise the same prerogative? The result is anarchy, the law of the jungle."

Axworthy may be out of politics, but the ideas he espouses are finding new life whenever the MacArthur Foundation makes grants to like-minded foreign and defense policy groups.

international organizations to protect human security. Similarly, supranational bodies like the International Criminal Court will secure justice and human rights.

In June 1998, an international conference in Rome laid the groundwork for the International Criminal Court (ICC). The ICC's jurisdiction would be global—it would serve as a forum to hear accusations of crimes against humanity, war crimes and genocide. By December 2000, a treaty creating the ICC was signed by 130 nations, and on December 31 President Clinton

decided the U.S. would sign the treaty as well.

Still, the United States introduced certain reservations. The President noted that the ICC was at no time to "supersede or interfere with functioning national judicial systems." Clinton said, "I will not, and do not recommend that my successor submit the treaty to the Senate for advice and consent until our fundamental concerns are satisfied."

But the MacArthur Foundation had

no such concerns. In a Dec. 27 op-ed in the *Chicago Tribune*, MacArthur president Fanton called the ICC "potentially the most powerful institution for defending human rights that the world has yet devised." He dismissed Clinton's worries as unfounded: "This court is designed for failed states...not for the United States."

However, President Bush announced on January 10, 2002 that the U.S. would not be a party to the ICC. Bush said he was invoking his "constitutional authority in the area of foreign affairs ... to take actions

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to protect U.S. nationals from the purported jurisdiction of the treaty.” The President noted that “United States armed forces operating overseas could be conceivably prosecuted by the [ICC] even if the United States has not agreed to be bound by the treaty.”

Critics of the ICC cheered the President’s decision. Many congressmen signed a 2002 declaration warning that since the ICC claims jurisdiction over all military personnel, the day may come when “United States armed forces operating overseas could be conceivably prosecuted by the [ICC] even if the United States has not agreed to be bound by the treaty.” The declaration also warned that unless the ICC was reined in, there was “a risk that the President and other senior elected and appointed officials of the United States Government may be prosecuted by the International Criminal Court” for what ICC prosecutors could decide were “crimes of aggression.”

On May 6, the Bush Administration formally “unsigned” the ICC treaty. As Secretary of Defense Rumsfeld proclaimed: “There’s the risk the ICC could attempt to assert jurisdiction over U.S. servicemembers, as well as civilians, involved in counterterrorist and other military operations – something we cannot allow.”

Axworthy and others were apoplectic. “When the current Bush administration threatened to frustrate UN peacekeeping activities as part of its campaign against the International Criminal Court,” he wrote in 2002, “we and the Europeans should have been in a position to say very bluntly that they should take their ball and go home.”

Lawyers Committee on Human Rights

In 2001, MacArthur gave nearly \$1.5 million to groups working to build support in the U.S. for the ICC. The Lawyers Committee for Human Rights (www.lchr.org), a key ICC supporter, received a grant of \$485,000 over three-years. In November 2002, MacArthur gave the Committee an additional \$1 million over two years.

In April 2002, the Lawyers Committee sent a letter to President Bush, warning of severe consequences should the U.S. abandon the ICC. The Committee cautioned that “disaffected interest groups” would use the precedent of junking the ICC to “roll back the [U.S.’s] signature” on “any number of [other] treaties.” This August the Committee further complained that the U.S. was demanding immunity from ICC prosecution for any American peacekeepers dispatched to Liberia. Gaelle Laroque, a senior attorney at the Committee, said “it is very troubling the lengths to which U.S. negotiators are willing to go to pursue their efforts to undermine the [ICC].” Said Laroque, “No one should be granted immunity from prosecution from ... the International Criminal Court.”

The Committee has attacked many Bush Administration homeland security initiatives. In March 2003, on the eve of the Iraq war, it denounced an Administration plan to detain Iraqi asylum seekers as possible security threats. It also has opposed the detention of two U.S. citizens as enemy combatants without charge or access to counsel, and it has criticized judicial deference to the executive branch policy of withholding the names of non-citizens detained in the U.S. after September 11 and authorizing their deportation.

Notable members of the Committee’s 27-member board include Kenneth Feinberg, overseer of the September 11 Victims Compensation Fund, Kerry Kennedy Cuomo, and actress Sigourney Weaver. Its national council includes Judge Abner Mikva and Father Robert Drinan, S.J. The Committee reported \$17.8 million in revenue for 2002.

Internationalist Agenda: Anti-Bush, Anti-Market

The MacArthur Foundation gives grants to United Nations-affiliated international agencies and to nongovernmental organizations (NGOs) that serve U.N. interests. These funds help shape an international agenda from the inside—by giving support directly to international agencies—and from the outside—by giving grants to NGOs that will pressure those same agencies.

MacArthur’s 2001 tax disclosures show pledges to two U.N. agencies. The **United National Educational, Scientific and Cultural Organization (UNESCO)** received \$33,000 (three-year grant) for environmental projects in northern India. UNESCO’s mandate is support for cultural and scientific programs and the promotion of international educational exchanges. In 1984, the U.S. withdrew from UNESCO (www.unesco.org) in response to evidence of rampant corruption at the agency. However, last year President Bush announced the Administration’s intention to rejoin the Paris-based organization. MacArthur grants have funded various UNESCO-affiliated projects promoting international environmentalism and “sustainable development.”

Members of Congress and former U.S. ambassador to the U.N. Jeane Kirkpatrick have warned that UNESCO activities frequently violate U.S. national sovereignty. For instance, a UNESCO memorandum of agreement with the Department of State authorized without congressional approval the designation of 47 U.N. “biosphere reserves” in the United States covering more than 70 million acres. These land-use designations—there are 400 biospheres worldwide—are meant to be “laboratories” (in UNESCO-speak) testing sustainable development policies. UNESCO is also the sponsor of a committee that designates U.N. “World Heritage Sites” (they include Yellowstone and Yosemite national parks, the Statue of Liberty, and Monticello in the U.S.). Environmental activist groups invoke this designation when they want to entangle governments and private companies in global red tape.

UNESCO also supports the idea of a “global tax” on Internet use by U.S. citizens. Philippe Quéau, director of UNESCO’s Information and Informatics Division, laments that there currently are “no global mechanisms to ensure continuous adequate taxation at the global level.” Of course, this tax would give the United Nations a revenue source independent of national contributions by U.N. member states.

The **United Nations Research Insti-**

tute for Social Development (UNRISD) received \$58,976 (two-year grant). Like UNESCO, Geneva-based UNRISD (www.unrisd.org) is an autonomous U.N. agency. Its mandate is to carry out “research on the social dimensions of contemporary problems.” Accordingly, its MacArthur grant paid for a project entitled: “Promoting Corporate Environmental and Social Responsibility in Developing Countries.” A 2000 UNRISD paper argues that without “governmental and international regulation and more concerted, co-ordinated [NGO] pressure,” private corporations will never be fully reconciled to an agenda for sustainable development. The paper says that if governments and NGOs don’t exert pressure, corporations will be able to pursue without restraint their goal of “economic growth and stable capitalism.”

UNRISD advocates equality above prosperity. A 2002 summary of UNRISD research, *People, Power and the Environment*, proposes the need for monitoring to “balance the property rights of large corporations with [their] social and environmental obligations.” Strong international “institutions” should “prevent gross inequalities in ownership of and access to land and other natural resources.”

Global Exchange is a San Francisco-based nongovernmental organization – or NGO – that claims to represent “civil society.” Founded in 1988, the group reported \$4.7 million in revenues in 2001. Global Exchange, unlike more conventional think-tanks, is less an organization than a gathering of highly motivated activists. They helped coordinate the protests against the World Trade Organization in November 1999 that shut down Seattle and the April 2001 Quebec city protests against free trade. They also were involved in the September 2001 protests against the G-8 Summit in Genoa, Italy that turned violent. Global Exchange says “corporations must be subject to the people’s will; they should have to prove their worth to society or be dismantled.” (See “Anti-Global Trade Protestors Become Global Force,” *Organization Trends*, July 2001.) The MacArthur Foundation gave Global

Exchange a \$78,000 grant (over two years) in 2001.

The **Institute for Policy Studies** (www.ips-dc.org), the veteran left-wing activist think tank, received \$233,000 (over three years) in 2001. IPS president John Cavanagh is an international economist who previously worked with several U.N. agencies. IPS foreign policy initiatives include a “Global Economy” project, which targets multinational corporations and claims free trade is responsible for world poverty; a “Sustainable Energy and Economy Network” (a project co-sponsored with the Transnational Institute of Amsterdam), which worries about the high-level Republicans who have ties to America’s top oil companies; and a “New Internationalism” project, which explains why America’s interests would be better served by following “a new kind of UN-centered, democratic and people-based internationalism.”

In 2003, MacArthur gave the **International Peace Academy** \$250,000 (two year grant). It followed a \$117,000 grant (over four years) in 2001 in “support of research on peacebuilding.” The Academy, founded in 1970, is located in New York and lists Kofi Annan, the UN Secretary-General, as its honorary chair. According to its website (<http://www.ipacademy.org>), it is “an independent, international institution dedicated to promoting the prevention and settlement of armed conflicts.” The concept of “peacebuilding” is another intellectual make-work project for UN agencies and foundation funders. “Peacebuilding” assumes international agencies will provide the rules and institutions to bring tranquility to world hot spots.

In West Africa, for instance, the Academy promotes regional cooperation and UN-style “peacekeeping” to bring political stability. But Liberians know that ending the chaos there depends more on President Bush. Charles Taylor gave up power and Nigerian troops patrol the capital only because Bush determined it was in America’s interest to introduce a U.S. military presence.

The **Aspen Institute** received pledges

of \$841,000 (over three years) from MacArthur, in part to study “global interdependence” (one of 16 program areas). According to the Institute’s Global Interdependence Initiative webpage (www.aspeninstitute.org/Program2.asp?i=70), “Public opinion data suggest that the American public...in principle supports the United Nations and other cooperative multilateral responses to global challenges. On the other hand, US actions and Congressional pronouncements often express resistance or opposition.” The Initiative represents a “ten year effort to better inform, and more effectively motivate, American public support for forms of US international engagement that are appropriate to an interdependent world.”

Members of the Initiative Working Group include Carnegie Endowment president Jessica Mathews, Sierra Club executive director Carl Pope, and Human Rights Watch director Kenneth Roth. They propose to network with “sympathetic elected officials, think-tank pundits, journalists, businesspeople and NGO leaders” to discuss how to generate public support for forcing the Bush Administration to listen to people like them. (Of course, they don’t exactly put it that way.) The Initiative says it has awarded \$350,000 to six other (unnamed) organizations engaged in the outreach project.

The Aspen Institute had revenues of more than \$31 million in 2001. It has offices in Washington, New York, Aspen (Colorado), Berlin, Rome, Lyon (France) and Tokyo. Its president is former *Time* magazine managing editor Walter Isaacson and its 56-member board of trustees include Madeleine Albright and David Gergen.

Lawyers Alliance for World Security (\$100,000 over two years). Alliance president Thomas Graham, Jr., is a former Clinton Administration arms control adviser. A March 2002 *Los Angeles Times* opinion piece by Graham, co-authored with former defense secretary Robert S. McNamara, branded the Bush Administration’s assessment of U.S. nuclear policies destructive and predicted that “We will live in a far more dangerous world, and the United States will be much less secure.”

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Institute for Defense & Disarmament Studies (\$50,000 over two years). IDDS (www.idds.org) believes American interests are better served if the U.S. rejects President Bush's approach to fighting terrorism and adopt "sustainable, equitable development in all parts of the world" and takes "the lead in supporting nuclear arms control and disarmament." Its founder and executive director is Randall Forsberg, who in 1980 launched the Nuclear Weapons Freeze campaign. Its 2001 revenue was \$259,000.

Pacific Institute for Studies in Development, Environment and Security (<http://www.pacinst.org/>) (\$200,000 over three years) The Institute has 2001 revenue of \$1.6 million. President Peter Gleick writes extensively on water policy.

International Union for Conservation of Nature and Natural Resources (<http://www.iucn.org/>) (\$199,000). Based in Gland, Switzerland, IUCN is a unique member organization of 70 nations, 100 government agencies and over 750 NGOs who focus on issues of ecosystem policy and management. It has over 1,000 staff members in eight regional offices and dozens of national offices around the world. Its 2002 revenue of about \$58 million came primarily from a mix of Western European governments (Netherlands, Denmark, Sweden), foundations (Ford, MacArthur), NGOs (World Wildlife Fund) and multilateral international agencies (UNESCO, UN Development Programme, World Bank).

Funding Missile Defense Opponents

The MacArthur Foundation also makes major donations to defense policy groups that are strong opponents of a missile defense shield.

Center for Defense Information (\$307,000 staggered over three years). Describing itself as an "independent monitor of the Pentagon, and a watchdog on wasteful defense spending," CDI has offices in Washington D.C., Moscow, Beijing, Brussels and Los Angeles and reported 2001 revenue of \$4.1 million. \$122,000 of its MacArthur grant was earmarked for "support of the National Mis-

sile Defense Media Project, a public education campaign."

The campaign has one theme: Missile defense can't work. This year Defense Secretary Donald Rumsfeld asked Congress to lift the "overly burdensome administrative requirements" that Congress imposed on the Pentagon's Missile Defense Agency (MDA). But CDI characterized the request as a duplicitous effort to keep "the Congress and the public in the dark about whether the ambitious and costly missile defense effort is going to work." Similarly, CDI associate Philip Coyle last year chided the Pentagon for keeping the results of its testing secret – even though it acknowledged that "if the Pentagon reveals which kinds of targets it can hit and which it misses, an enemy will have an advantage." (For additional information on anti-missile defense groups, see "The Arms Control Lobby Confronts Ballistic Missile Defense," *Organization Trends*, March 2003.)

Arms Control Association (\$150,000 in 2001, \$250,000 in 2002). The Association claimed \$610,000 revenue in 2001 and used the Foundation's grant "for activities to maintain and strengthen international arms control treaties and to raise public awareness about national arms control policies."

Like CDI, the Washington, D.C.-based ACA is no friend of missile defense. In June 2003, ACA research director Wade Boese dismissed missile defense prototypes as "rudimentary" and described tests as not "challenging or representative of a real-world scenario." A December 2002 ACA article on the MDA called the agency "less than forthright about its successes and failures" and suggested that in June 2002 congressional testimony MDA chief Lieutenant General Ronald Kadish uttered half-truths about missile defense test successes.

The Federation of American Scientists (\$220,000). The Federation reported \$2.1 million in revenue in 2002. In 2000, it wrote President Clinton to demand that his Administration abandon plans to build a missile defense. In 2001, it assembled a letter signed by 50 Nobel laureates urging

Congress to deny funding to any program inconsistent with the ABM treaty.

Educational Foundation for Nuclear Science (\$750,000 over three years to publish the *Bulletin of the Atomic Scientists*). Its Jan./Feb. issue predicts that President Bush's policies will have "negative results for U.S. national and international security."

American Physical Society (\$78,000 "in support of an analysis of key technical issues involved in a national missile defense system.") The Society, a professional association claiming to represent 40,000 physicists, reported 2001 revenue of \$35 million. APS always couches its missile defense criticisms "solely" in terms of "technical viability," and claims to take no position "with respect to the wisdom of national missile defense deployment."

But at a press conference last year APS official Francis Slakey said ballistic missiles would never be our enemies' first choice of attack: "They are going to come after us in trucks and airplanes and suitcase bombs and what that means is National Missile Defense offers no protection. NMD will be the most elaborate defense against the least likely attack." Slakey ignores North Korea's effort to acquire the capacity to launch missile attacks.

Henry L. Stimson Center (\$56,000 over two years, including support for a conference on the "consequences and implications" of a U.S. missile defense for Europe). Center associates Alan Romberg and Adam Hantman have written (March 15, 2003 *South China Morning Post*) that U.S. deployment of an anti-missile-system could hurt US-China ties. The Bush Administration should "appris[e] the Chinese of US missile defense plans." The Washington, D.C.-based Center had \$3.1 million in revenue in 2001.

Dwight D. Eisenhower World Affairs Institute (\$195,000 for a "Future of Space" project). The Washington, D.C.-based Institute believes building a space-based missile defense system would represent "a dramatic departure from the international security framework currently in

place, and could have grave and perhaps not fully foreseen implications for the strategic balance.”

Supporting Castro’s Cuba

Ending the U.S. isolation of Cuba is also on the MacArthur agenda.

Council on Foreign Relations (\$347,000 over three years). Founded in 1921, the Council reported revenue of \$39 million in 2001. A portion of the MacArthur grant supports the Foundation’s Cuba Program, which “seeks to broaden the national debate on normalizing relations between the United States and Cuba.” When former President Jimmy Carter traveled to Cuba in 2002, Julia Sweig, CFR deputy director of Latin America studies, extolled it as “a very important step marking the continued erosion” of official U.S. policy. A Council book, *Economic Sanctions and American Diplomacy*, questions the effectiveness of trade sanctions as a tool of American policy.

In a briefing note circulated as part of CFR’s public education effort during the 2000 election, Sweig warned Americans against attempts to “fully enforce the Helms-Burton Act,” which allows Cuban-Americans to seek redress against those who traffic in property stolen from them during Castro’s revolution. Sweig said this “would risk a protracted trade dispute with its allies in the European Union.”

Cuban Committee for Democracy (\$30,000). The Washington, D.C. headquartered group (www.us.net/cuban/index.htm) reported 2001 revenue of \$144,000. It supports Florida “media outlets that promote independent, objective discussions about US-Cuban relations and the Cuban-American community.” The Committee wants to reduce the power of “conservative Cuban-Americans [supporting] an agenda that favors the isolation and punishment of the Cuban people because of their government.” It also tries to “raise the profile of the moderate Cuban-American community.”

MacArthur also supports academic programs working in Cuba. **Medical Education Cooperation with Cuba** (\$70,000 over

two years) is located at Emory University but is not affiliated with it. MEDCC (www.medicc.org) helps medical students in the U.S. and Canada study for brief periods in Cuba. A grant to the **University of Chicago** (\$31,490 over four years) is in “support of a scholarly exchange program with the Cuban Ministry of Higher Education.” **Tulane University** law school dean Oliver Houck received three years of MacArthur funding to sponsor a colloquium on environmental law in Cuba. In 2001, he became the first U.S. law professor to teach in Cuba since the Castro revolution.

Conclusion

What are the consequences of MacArthur’s funding of liberal foreign policy and defense policy groups? Thor Ronay, executive vice president at the Center for Security Policy, observes that MacArthur grants “credentialize” the activists and policies of leftist groups: “It’s much like the model of founding a new religious sect.” Think tanks and policy groups use MacArthur funding to hold conferences and produce publications to spread the word. Professors opposed to American foreign policy use MacArthur assistance for their research. Activist organizations spend their MacArthur dollars on internships and outreach programs to train leftist students for the policy struggles ahead.

“You fellows will have to figure out to spend it,” said banker John D. MacArthur about his estate. The MacArthur Foundation is building a new generation of left-liberal NGOs that will be staffed by foundation-funded executives, academics, activists and journalists. That’s quite an accomplishment.

Neil Hrab, a free-lance writer, works at the National Post in Toronto, Canada.

PhilanthropyNotes

Syndicated columnist **Matthew Miller** says **liberal philanthropies** have been too timid in helping Democrats overcome the Bush campaign's big-money advantage. In a July op-ed he urges them to fund "public education" media campaigns from April to August 2004 before the Democratic nominee receives public funding for the general election. Miller imagines how a TV ad by Warren Buffet promoting national healthcare could shape public opinion if only foundations were more aggressive. Drew Altman, president of the Henry J. Kaiser Family Foundation, agrees: "They're not prepared for the kind of criticism and warfare that can occur when you try and play any kind of role in these super-charged issues." But CRC Vice President **Robert Huberty** disagrees. In a letter-to-the-editor in the *Albany, NY Times-Union*, he argues that "grantmakers like Ford, Soros and Rockefeller already give away millions of dollars to groups advocating liberal views on the environment, consumer protection and government spending on health and education."

Leslie Lenkowsky is stepping down as CEO of the federal agency that runs **AmeriCorps**, frustrated by what he told the *Wall Street Journal* is just "another cumbersome, unpredictable government bureaucracy." Lenkowsky was a fervent advocate of the agency but now wonders, "Even if [AmeriCorps] is well-run, do we really need it?" An AmeriCorps "volunteer" costs taxpayers an average of \$16,000 annually. Lenkowsky tried to reform the Clinton-era agency, which hired participants in advance of funding in order to force more federal appropriations. But he found too many rubber-stamped program applications and too few performance measures in place. Said Lenkowsky, "When you can't keep track, on a timely basis, of how many people are enrolling in your program, you have a big problem." He will return to Indiana University.

Sharon Percy Rockefeller, wife of Senator Jay Rockefeller (D-WV), has denounced plans by Arlington County, Virginia to build a day labor center for **illegal aliens** adjacent to the WETA public television studio. Mrs. Rockefeller is chief executive officer of WETA, a leading PBS station that produces "The NewsHour with Jim Lehrer." She worries that day labor sites are often plagued by loitering and street brawls and will create what she calls a "pretty hostile environment" for WETA guests and staff, especially women. Rockefeller's criticisms are well-considered but ironic because the **Rockefeller Foundation** is a major supporter of day labor sites for undocumented workers. Last year, a Rockefeller Foundation-funded writer, David Bacon, wrote sympathetically about illegal aliens and criticized federal sanctions against employers who use them. If other Americans were to voice Mrs. Rockefeller's objections, observes columnist Michelle Malkin, they would be "labeled uncouth, hateful, racist, xenophobic, and intolerant."

The **Council of Institutional Investors**, an influential pension-fund group, told the **New York Stock Exchange (NYSE)** in an August 5 letter that it should identify all individuals and organizations that it funds through its philanthropy, the **NYSE Foundation**. Gary Findley, who heads the Council's board, says the council has learned of "a troubling pattern of contributions" by the NYSE Foundation to organizations that have ties to NYSE Chairman Dick Grasso. According to the council, as much as 40 percent of the NYSE Foundation's contributions go to organizations that have NYSE members on their boards. Findlay says this must change because of "the risk of swaying regulators who are otherwise supposed to provide unbiased oversight." Robert Fritz, who serves on the NYSE Foundation board, said the issue "doesn't merit a response."

In July, **NASCAR** cut off its funding of **Jesse Jackson's Rainbow/PUSH Coalition**. NASCAR paid a total of \$250,000 to Rainbow's sports division over the last few years. Last April, Capital Research Center reported that NASCAR was trying to fend off unfounded charges of racism by making the "donations." The resulting fan backlash apparently forced NASCAR to reconsider its support for Jackson.

