



The Hazards of Charity

How to give money and stay out of trouble.

Very often, rich people give money to causes that are already being funded by governments. I suppose the idea is that no one will come along later and accuse you of being irresponsible. Roderick MacArthur, son of the insurance man whose wealth created the MacArthur Foundation and its “genius grants,” once asked an assistant to “come up with a list of the world’s problems,” so that he could lavish money upon them. But that was too broad, surely. More often, I think, your newly minted multi-millionaire, contemplating the objects of his benefaction, will narrow the search by requesting a copy of the Federal Budget, or perhaps the United Nations Annual Report. There he will find a worthy cause, and one that has already been validated by politics. Such donors seem to be as risk-averse in giving the money as they were tolerant of risk in earning it.

Microsoft’s Bill Gates recently gave a seven-figure sum to the United Nations Population Fund. No surprise there, certainly. Just as “reproductive services” is a euphemism for abortion, so “population” in this context usually means depopulation. Going back to John D. Rockefeller, this has been perhaps the most enthusiastically embraced cause of the rich. Why? Unconsciously, I suspect, they have in mind the plot of *The Camp of the Saints*, the unmentionable 1973 novel by Jean Raspail (I believe it’s sold under the counter today, the way pornography used to be). Raspail fantasized a Western Europe overrun by uncontrollable hordes

of brown people who arrive in flotillas from the Ganges and points east. Inheritors of large wealth seem to be particularly susceptible to this dread. It’s as though they are confident they will be allowed to enjoy their wealth more or less undisturbed, *as long as* there aren’t too many people born in other parts of the world. The taxman they can handle. The foreign born are another matter. Above a certain number, they are thought to constitute a destabilizing mass. A general despoliation of the rich might then be precipitated.

Another population worrier, Ted Turner of CNN, promised \$100 million a year for ten years to the United Nations itself. Wisely, he decided on further reflection *not* to give the money to existing U.N. programs. Expense accounts would blossom. An aide surely warned Turner that within existing programs, the money would literally be eaten up—in New York City restaurants. Instead, he will be selecting from a “menu” of new programs, intended (I gather) to help “the poorest of the poor.” Right on. The man with most say in pursuing this noble goal will be the former Colorado senator and undersecretary of state for global affairs, Tim Wirth. Harvard Law Professor Mary Ann Glendon observed that Wirth’s paper trail “epitomizes the world view of those who see the poor as a threat to their own consumption, a menace to the ecosystem, and a portent of social unrest.”

The evangelical work of condom distribution continues apace, despite such recent headlines as “The Population Implosion,” and “Birthrates Declining in Much of Africa.” (In the former article, Nicholas Eberstadt points out that the latest U.N. numbers foresee actual world population

decline by the 2040’s. In the latter, published by the *Washington Post*, fertility rate in some African countries are said to have declined by one-third in recent years.) The David & Lucille Packard Foundation, taking no chances, however, and is “pouring money into population control,” the *Wall Street Journal* noted the other day. “It bankrolled 109 projects last year, becoming a crucial backer of groups such as Planned Parenthood, Population Action International and the Alan Guttmacher Institute. The Foundation also spends a ton of money funding abortion training in Ethiopia and Uganda, sending oral contraceptives to Vietnam, and promoting the use of emergency contraceptives in the U.S. “There’s an enormous need for family planning and a very short time window,” says heiress Julie Packard.

David Packard died in 1996, but his long-time partner William Hewlett, 85, is of like mind in this as in business matters. His William and Flora Hewlett Foundation, which ambitiously seeks “the well-being of mankind,” and is administered by Hewlett’s son Walter, has poured tens of millions of dollars into population control. Believing that “rapid population growth continues to be a significant worldwide problem,” it supports family planning in Egypt, Morocco, and Tunisia, and gives grants to such well-established groups as the Population Council and the U.N. Population Fund. One year it gave \$450,000 to the radical Catholics for a Free Choice.

Even the maverick donor Richard Scaife, inheritor of Mellon millions, who stirred up such an angry buzzing of the Hive recently—he has boldly departed from the pattern of fashionable giving expected of inheritors—seems not entirely immune to the rich man’s temptation. He has for years been a supporter of abortion rights, and, according to a recent arti-

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cle by Bill Sammon in *The Washington Times*, has "pointedly declined to align himself with the religious right." He even gave \$1 million over five years "to the aggressively liberal Corporation for Public Broadcasting." And still he didn't get any credit in the wider press.

The currency speculator George Soros is another, although very different maverick. Far from doing more of what governments do, he goes directly against their wishes. (He did, after all, make his money that way: betting against central banks.) Recently he has been spending a lot of money opposing the "war on drugs," and he may even have a point. The cost of criminalizing drug-users outweighs the benefits of interdiction, he believes. (Not that it's possible to measure those costs and benefits.) Soros is on shaky ground in subsidizing needle exchange for drug addicts, however, which is his latest venture in contrarian philanthropy. No study has yet demonstrated the long-term health effects of recreational-drug consumption (maybe Soros should fund such a study), and the claim that giving needles to junkies doesn't encourage them to use more drugs is suspect. For all he knows, Soros may be helping to kill them off by encouraging them to think there's nothing wrong with the *drugs*, as long as they avoid the *bugs*.

His nephew, Jeffrey Soros, is hewing to the straight and narrow, however. He dutifully enrolled in the Rockefeller Foundation Course in Practical Philanthropy, according to a splendid *New York Times* article. The rich, of course, have been told so many times that their disproportionate holdings are unjust that they are grateful to accept professional advice in disposing of it. If they follow instructions obediently, it is understood, they will be restored to society's good graces; indeed they will be elevated high within it. (But if they obdurately persist in giving the money to right-wing disreputables—well, look at what happened to Scaife.)

So, the Rockefeller people run a course for rich people looking for their badge of merit. The \$10,000 it costs to enroll in the Rockefeller course ("the Rolls Royce of this new educational discipline") is a bargain, surely. Millionaires get crucial advice on "what groups are most deserving of their money," and then, in a "variation of

the Junior Year Abroad, the third week of the course takes students to impoverished areas of a foreign country," according to the *Times*. This costs another \$10,000. "This year they spent a week in Brazil, first checking into the Copacabana Palace and then setting to work studying the problems that besiege the poverty-stricken slums of Rio de Janeiro." Tom Wolfe, where are you now that we really need you?

Young Soros went on the trip. "Maybe there are similar root causes in both New York and Rio," he concluded. *Gooo-ood* lad. Already he has learned to talk about root causes. (The Rockefeller people don't actually say it, of course, but we know what the root cause of poverty is, don't we? Greed. Of course.)

Whatever its unintended effects, philanthropy really does benefit the people who work for the foundations. And that's okay. Liberals need jobs, and they are not cut out for the dirty world of commerce, where money is so new and green that it leaves a bitter taste. In the genteel foundation cellars, however, it is allowed to age gracefully and acquire an aroma of respectability. Foundation people are famous for being able to ignore the worldview and intentions of the man who made the money, in cases where that may be necessary (as it was in the case of the old curmudgeon John D. MacArthur). If the foundation is set up with the right of perpetual existence, R. Randolph Richardson has pointed out (he was president of the Smith-Richardson Foundation for twenty years), "the record heavily favors eventual staff control, with trustees being mere legal decorations. In sum, perpetuity is the enemy of donor intent."

The subversion of the donor's will has received a lot of attention from conservatives because it is always twisted in the same direction: to the left. How many times do you hear of a rich liberal who sets up a foundation and dies, whereupon the trustees dole out the money to *Human Events* and Young Americans for Freedom? The cultural air we breathe prevents any such thing from happening and will continue to do so for the foreseeable future. Here, nonetheless, is an amazing case, as it was reported in the *Washington Post* in December 1996. It concerns the late Armand Hammer of

Occidental Petroleum. (Those interested in him should get Edward Jay Epstein's brilliant book, *Dossier: The Secret History of Armand Hammer*.)

Hammer's heir and grandson Michael married a Christian evangelical, Dru Ann Mobley. "Instead of the New York City Opera, the Elie Wiesel Foundation, Ford's Theatre and the Corcoran Gallery of Art," the *Post* reported, "Hammer's money is now going to Jews for Jesus, Italy for Christ, Don Dennis Ministries [and] Marty Goetz Ministries." Michael Hammer says that he is "helping people," just as grandpa did. The renamed Douglas L. Mobley Foundation summarizes its activities for the IRS in this way: "Held public meetings in which the Gospel of Jesus Christ was shared with thousands of individuals. Hundreds of these individuals accepted Jesus Christ as their Lord and Savior."

An interesting case in the other (but more normal) direction involved the founders of the *Reader's Digest*, DeWitt and Lila Wallace, and the foundations set up in their name. *Foundation Watch* reported last year that the DeWitt Wallace-Readers Digest Fund had granted \$10 million to Equity 2000, a progressive-education outfit that seeks to eliminate tracking in all subjects and at all grade levels, and to "make equal the proportion of minority and nonminority students entering higher education." George V. Grune, the chairman of the Reader's Digest Fund making the grant, was soon thereafter feted as Philanthropist of the Year, with an appropriate 2,000 guests in attendance at the Marriott Marquis in New York. An unhappy former *Digest* employee commented: "I could be philanthropist of the year, too, with the help of a couple of billion from the Wallaces." Yes, but don't forget, diversity in education is the fashionable cause of the day, and however much they might have disapproved, DeWitt and Lila are dead anyway. So there's no good reason to worry what they might think about the uses to which their money is put. Like all foundation people, George Grune had good intentions and wasn't just thinking about being invited to the right parties. What he wanted to do, you could say, was give the Strange New Respect award to the Wallaces, posthumously. ❀

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THE COLLAPSE OF CLINTON FOREIGN POLICY

Call it Clinton's New World Disorder. From China and Russia to Iraq and India and Pakistan, nukes and a new arms race are the order of the day, much of it abetted by the American president's own policies and reflexive sympathy for likely enemies.

Michael Ledeen

The post-Cold War era came to an end in the middle of May, as India announced that she considered China her gravest potential enemy and then exploded five nuclear devices. This dramatic event ended the brief moment when most of the world wanted the United States to set the rules of a new American Century, and ushered in a new phase of hostility, disappointment and, worst of all, contempt for Bill Clinton's failed leadership.

It's hard to find a foreign leader who worries about America's response to his decisions. We had warned the Indians that tough sanctions would follow any nuclear explosions, but they were not impressed, any more than Saddam Hussein was impressed with warnings about harsh reprisals if he invaded northern Iraq two

summers ago or threw American inspectors out of the country last winter, or Pakistan, which exploded as many as six bombs in its own despite Clinton's personal begging that they not do it, or North Korea, which has walked out of the nuclear deal with us, or Israel, which is balking at our insistence for further land for Yasir Arafat's regime, or the Europeans and the Russians who are bullying us into retreat from our insistence on sanctions against Iraq, Libya, Iran, and Cuba. In each case, we talked tough and warned other nations not to call our bluff. In each case they called it, and we folded.

No other modern American president has been so rudely dismissed by so many countries in so short a time, and the tempo is mounting. No sooner does he call for sanctions against India than the Russians announce they will sell nuclear submarines to the Delhi Government. Clinton brags about keeping sanctions on Iraq, but those sanctions are doomed. As the *Washington Times* reported on May 8:

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