

Nearsighted Ethics

by Rick Cohen. Tom Paine. com
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With a huff of indignation, 71 leaders from the nation's top conservative organizations issued, on April 27th, a broadside addressed to Senate Majority Leader Bill Frist. It condemned legislative ideas tightening standards for nonprofit accountability and ethics currently being discussed in the Senate Finance Committee. Then, a bunch of these leaders signed up for and tromped to the Capital Hilton in Washington, D.C., to demonstrate their support for the ethically beleaguered House Majority Leader Tom DeLay.

The letter to Frist, issued by an organization called the [Alliance for Charitable Reform](#), contained signers including Paul Weyrich (Free Congress Foundation, though signed to the letter as "Coalitions for America"), James Dobson (Focus on the Family), Tony Perkins (Family Research Council), Donald Wildmon (American Family Association), Gary Bauer (American Values), Gary Aldrich (Patrick Henry Center), and Richard Viguerie (the conservative direct mail fundraising titan).

The overlap could not be more obvious-the conservatives who don't want stricter regulations and the conservatives who are abusing the system. Conservative nonprofit leaders carped that the Finance Committee's proposals-generated by staff working primarily for the Committee chair, Republican Chuck Grassley of Iowa-would result in ["stringent new regulations on charities of all types"](#) with particularly onerous impacts on small charities. They also complained that the potential legislation, contained in a working paper issued by the committee a year ago, would "make board members of charitable organizations, many of whom generously donate their time and talent, subject to new and unjustified liability standards and legal exposure."

They might have said board and staff members face legal or public exposure, citing the reports on the dubious charitable activities of DeLay and his friends, disgraced lobbyist Jack Abramoff and political powerbroker Grover Norquist. DeLay's own foundation-as well as his plan for a Republican convention fundraiser last year-has been the target of well-aimed criticism from nonprofit good governance groups. Abramoff's misuse of the Capital Athletic Foundation is daily and disturbing newspaper fodder, and most recently, Grover Norquist's nonprofit has been linked, like Abramoff's, in the channeling of donations from Indian tribes for purposes with questionable charitable content and little connection to the tribe's priorities, charitable or otherwise.

But that didn't stop Weyrich, Perkins, Keene, Bauer, and Blackwell from signing up as host committee members to the Tom DeLay salute without a blush of concern about the relationship of DeLay's and his friends' questionable ethics and their self-righteous pique against government oversight of their charities and foundations. Other signatories to the charity oversight protest were reported to be counted among the DeLay admirers, including Rev. Louis Sheldon of the Traditional Values Coalition.

Had the DeLay gala sponsors not blindly dismissed criticisms of the Majority Leader's ethics as simply "attack(s) by Democrats and their liberal allies", some of his-and Abramoff's and even Norquist's-philanthropic activities might have been seen as not only worth some intense scrutiny, but in need of new and higher ethics standards that would call into question the emerging abuses associated with the grantmaking of political foundations, to wit:

- DeLay's foundation runs fundraisers at luxury golf resorts, with members of Congress as the star attractions, at which donors can contribute big sums anonymously, purchase valuable lobbying face-time with the lawmakers, and neither the Congress members nor the donors need reveal their contributions, receipts, or interactions. The DeLay Foundation has rebuffed all requests for disclosure of its donors and the Congressional beneficiaries attending the events. Like his National Convention fundraiser, Celebrations for Children, scuttled in the face of withering criticism, the foundation tends to employ DeLay's campaign and PAC operatives rather than people skilled in philanthropy or non-profit management.

- Close associate Abramoff's Capital Athletic Foundation is charting new dimensions of scandalous philanthropy. Foundation grants went to activities with absolutely no connection to the Foundation's purported mission of providing sports assistance to underprivileged children. Huge grants went to a religious school in Maryland with Abramoff as board chair and Abramoff's children as pupils until the school went bust and stiffed the teachers for salary and benefits. Grants went to an Israeli charity which has been associated with buying weapons for West Bank settlers. Among the most egregious Foundation expenses was the golf trip to St. Andrews in Scotland for Ohio Congressman Bob Ney plus a senior official of the General Services Administration. Ney and the GSA fellow both fail to qualify as underprivileged children or sports assistance, but both had authority over the government's award of a wireless internet license for

the Capitol, which an Israeli firm called Foxcom wanted, hired Abramoff as its lobbyist, gave Abramoff's foundation a \$50,000 grant, and the Foundation gave Ney the trip to Scotland

- Abramoff's use of Indian tribe money to pay for trips for members of Congress as well as for the charitable activities of his foundation and the nonprofits associated with other conservative activists, notably Abramoff public relations associate Michael Scanlon (former DeLay press secretary), and Ralph Reed of the Christian Coalition. The newest twist on the use or misuse of money from the Indian tribes, given Abramoff's heavy-handed lobbying, hardly to be considered charitable donations from the tribes, involves DeLay gala host Grover Norquist of Americans for Tax Reform. Norquist's nonprofit logged a \$1.5 million donation from one of the Indian tribes (Abramoff's foundation logged donations at similar amounts) and then made grants from that donation to groups opposed to the tribe's political interests. The broker for many tribes giving to Norquist's and Scanlon's nonprofits has been, no surprise, Jack Abramoff.

The conservatives of the Alliance for Charitable Reform can act all high and mighty in protesting the Senate's move to impose new and tougher standards for accountability and government oversight. But their actions betray their real values. If they had looked around the dance floor at the Capital Hilton on May 12th among the legions of DeLay supporters, they might have noticed a few potential philanthropic felons whose very existence makes the case for the need for new laws on philanthropic accountability-especially when the philanthropy is controlled by politicians and lobbyists.