
Strategic Investment in Ideas

*How Two Foundations
Reshaped America*

By John J. Miller

The Philanthropy Roundtable
Washington, D.C.
2003

Table of Contents

Introduction	5
I The John M. Olin Foundation	9
History.....	9
Higher Education.....	15
Law and Economics.....	22
The Federalist Society.....	28
II The Lynde & Harry Bradley Foundation	34
History.....	34
School Choice	40
Welfare Reform.....	49
III The Road Ahead	59
Advice for Future Philanthropists.....	60
A Note on Sources	64
About the Author	67
The Philanthropy Roundtable.....	70

Introduction

“There are no conservative or reactionary ideas in general circulation,” wrote Lionel Trilling in 1950, only “irritable mental gestures which seek to resemble ideas.” A few years later, Cornell professor Clinton Rossiter wrote an important book with the title, *Conservatism in America: The Thankless Persuasion*. While perhaps overstating their case, these writers pointed to an important phenomenon: the weakness of conservatism in a country that seemed to have embraced the liberal ideals of equality, democracy, and an expanding welfare state. In the mid-1950s, often thought to be a conservative period in American life, only William F. Buckley Jr., along with his colleagues at his fledgling magazine, *National Review*, carried the banner for high-minded conservative principles.

A small handful of foundations have essentially provided the conservative movement with its venture capital, allowing conservative thinkers to take their case directly to the marketplace of ideas.

Yet today, at the dawn of the twenty-first century, this appraisal would have to be very nearly reversed. Conservative ideas are in broad circulation, and many believe that they are now ascendant. Certainly the ideas and ideals embraced by conservatives—individual liberty and responsibility, limited government, support for a market economy, respect for our heritage of constitutional government and the rule of law—have more than held their own in recent decades. And conservative philanthropy has played a significant role in this historic reversal of fortunes.

The greatest tributes to this fact don’t come from conservatives eager to congratulate themselves, but from liberals wondering at the success of their rivals. Consider this summation by Gregg Easterbrook, a liberal-leaning writer who penned an article on the subject for the *Atlantic Monthly* in 1986: “Conservative commentators have their liberal counterparts outgunned by a wide margin. Conservative thinking has liberal thinking outgunned as well. In vigor, freshness, and appeal, market-oriented

theories have surpassed government-oriented theories at nearly every turn. This feat has been accomplished in the main by circumventing the expected source of intellectual development—the universities. Conservative thinkers have taken their case directly to Congress, the media, and the public—to the marketplace of ideas.”

This remarkable achievement has many causes—from the sheer power of conservative ideas themselves to the ingenuity of the men and women who have authored and promoted them. But the ideas also have been *underwritten*. A small handful of foundations have essentially provided the conservative movement with its venture capital.

These investments have proven so effective, in fact, that liberals have turned the analysis of conservative philanthropy into a minor industry. In doing so, they cannot help but profess envy and admiration. The title of one book says it all: *No Mercy: How Conservative Think Tanks and Foundations Changed America's Social Agenda* (by Jean Stefancic and Richard Delgado). Much of the writing in this left-wing genre contains a conspiratorial bent, and it often overlooks the relevant fact that the combined assets of liberal foundations dwarf those of conservative ones. Yet it also contains some of the most respectful testimonials on behalf of conservative philanthropy. Take three examples:

- People for the American Way, in a 1996 report: “The result of this comprehensive and yet largely invisible funding strategy is an extraordinary amplification of the far right’s views on a range of issues.... Conservative foundations invest efficiently and effectively. They offer a clearly articulated vision of their plan for America, and they invest wisely to effect that vision. They are comprehensive in their funding strategies and extraordinarily generous in the size of their donations.
- Karen M. Paget, writing in the *American Prospect*, in 1998: “Like good capitalists, conservative philanthropists conceive of grant making as an investment in people and institutions. Like good bondholders, they are in this for the long haul.”
- Eric Alterman, writing in the *Nation*, in 1999: “Take a tour of our nation’s cultural landscape as the century turns, and you will find that ideas once considered ide-

ologically revanchist are in full bloom, funded by right-wing donors.... Authors like the late Allan Bloom, Jude Wanniski, Charles Murray, Marvin Olasky, Bill Bennett, Dinesh D’Souza, Francis Fukuyama, and Samuel Huntington, to pick just a few, have all written books in the past two decades that have transformed our political and cultural discourse on issues that are central to the way we organize ourselves as a society.... These people wrote books directed at a mass audience and received funding and support from conservative sources that understood the fundamental importance of the battle of ideas.”

The Olin and Bradley Foundations are excellent models for philanthropists who want to advance the cause of limited government and individual freedom. Their stories show how others can achieve similar excellence.

A handful of foundations deserve credit for making this state of affairs possible through their longtime support of conservative ideas. They include the Lynde & Harry Bradley Foundation, the W.H. Brady Foundation, the Carthage Foundation, the Earhart Foundation, the Charles G. Koch, David H. Koch, and Claude R. Lambe charitable foundations, the Philip M. McKenna Foundation, the J.M. Foundation, the Samuel Roberts Noble Foundation, the Randolph Foundation, the John M. Olin Foundation, the Henry Salvatori Foundation, the Sarah Scaife Foundation, and the Smith Richardson Foundation. Together, these philanthropic organizations have made an enormous positive impact upon American life through smart grantmaking.

The Olin and Bradley Foundations in particular have enjoyed extraordinary and conspicuous success in a wide range of areas. For current and future philanthropists who want to help advance the cause of limited government and individual freedom, the Olin and Bradley Foundations are excellent models to study. Their stories show that others can hope to achieve similar levels of excellence, and also provide practical examples of how to do it.

Chapter 1

The John M. Olin Foundation

History

John Merrill Olin was born on November 10, 1892, in Alton, Illinois, as the second son of a successful ammunition manufacturer. He attended boarding school, earned a chemistry degree from Cornell University in 1913, and joined his father's Western Cartridge Company as a chemical engineer, where he designed shotgun shells and was credited with two dozen patents. In 1944, Olin replaced his father as president of what had become Olin Industries. In 1954, after a merger, he became chairman of the Olin Mathieson Chemical Corporation. He married twice and was an enthusiastic hunter and outdoorsman—the cover of the November 17, 1958 edition of *Sports Illustrated* features Olin and his second wife, Evelyn, carrying shotguns as they tramp through a field. King Buck, one of the champion field dogs he trained, appeared on a U.S. postage stamp, and Cannonade, a horse he owned, won the Kentucky Derby in 1974. As Leslie Lenkowsky, philanthropy scholar and one-time head of the Institute for Educational Affairs, has written, “nothing about John M. Olin’s early life, or even most of his career, suggested that he would play such a historically significant role” in producing “a lasting change in the nation’s public philosophy.”

In 1953, Olin set up the John M. Olin Foundation, but for two decades it functioned mainly as a vehicle through which he funded a variety of charitable interests, including the PBS station in St. Louis (where he kept a home), Cornell University, and the Episcopal Church. While he paid a good deal of attention to his charitable activities, and tried to direct his money to worthwhile institutions, he did not in these years give his foundation a well-defined focus. Nor did he attach particular importance or urgency to his charitable efforts.

That changed in 1973, when the John M. Olin Foundation emerged as a major force in the philanthropic world. Ten years earlier, John M. Olin had stepped down as the company chairman, but he was still its honorary chairman and regularly traveled to

New York City for board meetings. A few days before one of these gatherings, Olin called his associate Frank O'Connell and made an appointment to get together. They met at Olin's Manhattan office on Park Avenue, in a building that headquartered the Olin Corporation before most of the company decamped to Connecticut. When they sat down, Olin told O'Connell, "I would like to use this fortune to help to preserve the system which made its accumulation possible in only two lifetimes, my father's and mine."

As a labor lawyer with no special training in economics or education, O'Connell was surprised to be recruited for this project.

John M. Olin was drawn to research and analysis in his giving—perhaps because of his background in science—and encouraged people and organizations engaged in it.

He was the Olin Corporation's vice president for employee relations. Another person was already coordinating the company's philanthropy. In a letter to *National Review* editor William F. Buckley Jr., however, Olin once described O'Connell as a "scrappy Irishman." O'Connell was in charge of the company's hard-fought labor negotiations, and Olin apparently

thought this was an ideal background for what lay ahead. "He believed the preservation of free enterprise would involve a battle, and he was right," says O'Connell. "He thought I was tough and fair."

Yet the new executive director of the foundation knew little about philanthropy. He met with the heads of several foundations that had experience in supporting scholarship that expounded and defended the idea of a free society and the principles of market economies. These included the directors of the Earhart Foundation, the Koch Foundation, and the Smith Richardson Foundation. They all dispensed helpful advice. O'Connell also started reading different works on economics and politics, such as those by the pro-market thinkers Friedrich Hayek, Henry Hazlitt, and Ludwig von Mises.

He eventually wrote a long memo for John Olin setting forth several ideas for the foundation's mission. Its spirit animated almost everything the Olin Foundation went on to do. "It basically outlined the need for supporting scholars and think tanks that favor limited government, individual responsibility, and a free society," says O'Connell.

In these early years, the foundation's endowment was less than \$8 million. O'Connell would investigate scholars and programs and visit with Olin personally to discuss where the grants should go. It was an informal process, but also a disciplined one. Olin was drawn to research and analysis—perhaps because of his background in science—and encouraged supporting people and organizations engaged in it. "He was very active in all of this," says O'Connell. "He read everything I sent him, and we always had good discussions."

By 1977, the foundation was giving away more than \$1 million annually. "My greatest ambition now," Olin told the *New York Times*, "is to see free enterprise re-established in this country. Business and the public must be awakened to the creeping stranglehold that socialism has gained here since World War II."

Two events in January 1977 would influence the future direction of the Olin Foundation. The first was Henry Ford II's dramatic, newsmaking decision to quit the board of the Ford Foundation, the country's biggest foundation with an endowment then worth \$2.3 billion. Ford had been a trustee since 1943, when his father and grandfather created the foundation, and his departure meant that the Ford Foundation would not have a member of the Ford family on its board of trustees for the first time. Yet Ford saw no other course. As he explained in a remarkable letter of resignation:

The foundation exists and thrives on the fruits of our economic system. The dividends of competitive enterprise make it all possible. A significant portion of the abundance created by U.S. business enables the foundation and like institutions to carry on their work. In effect, the foundation is a creature of capitalism—a statement that I'm sure would be shocking to many professional staff people in the field of philanthropy. It is hard to discern recognition of this fact in anything the foundation does. It is even more difficult to find an understanding of this in many of the institutions, particularly the universities, that are the beneficiaries of the foundation's grant programs.

I am not playing the role of the hard-headed tycoon who thinks all philanthropoids are socialists and all university professors are Communists. I'm just sug-

gesting to the trustees and the staff that the system that makes the foundation possible very probably is worth preserving. Perhaps it is time for the trustees and staff to examine the question of our obligations to our economic system and to consider how the foundation, as one of the system's most prominent offspring, might act most wisely to strengthen and improve its progenitor.

Ford's resignation had a profound effect on Olin. The old chemist had channeled most of his charity in the direction of pre-

Olin dreaded the possibility that after he was gone, the foundation would betray its first principles. He let it be known he didn't intend his foundation to exist in perpetuity.

serving free enterprise; he dreaded the notion that sometime after he was gone, the people running his foundation would betray its first principles. "It really distressed him," says O'Connell. To guarantee that this wouldn't happen, Olin let it be known that he didn't intend his foundation to exist in perpetuity. He wanted it to spend its endowment, not necessarily within his own lifetime, but cer-

tainly within the lifetimes of the younger people he was selecting to manage the foundation. This meant that the Olin Foundation one day would spend itself out of existence. (The decision to do this has many critics, most of whom would like to see the foundation and its activities carry on indefinitely. Yet there has never been any question about abiding by Olin's intent.)

A few days after Henry Ford II quit, the presidency of Gerald Ford came to an end and Secretary of the Treasury William Simon left the government. Olin and Simon had become acquainted with each other as part-time residents in East Hampton, Long Island, and Olin knew almost from the beginning of their relationship that Simon was exactly the sort of man he wanted to direct the affairs of his foundation and to make certain it remained on a proper path after he was no longer around. Simon understood economics and had a reputation as a hard charger. Yet the treasury secretary refused to discuss his post-government employment while he was serving in Washington. Olin decided he could wait, and he persuaded Simon to join the

foundation within a few weeks of re-entering the private sector. "His fundamental thinking and philosophy are almost identical with mine," Olin once said.

Simon quickly added staff and transformed the foundation's internal operations. Now it became a much more structured organization because until then it has been based so heavily on O'Connell's personal relationship with Olin. Simon instituted a grant-application process that involved extensive staff screening of proposals, which were then carefully reviewed by a steering committee of the board. Only the best ideas would be presented to the full board, which would in turn discriminate among them. All the while, Simon was an effective advocate of Olin's core beliefs. In his 1978 book *A Time for Truth*, which stayed on the bestseller lists for months, Simon announced that the foundation would "contribute to the battle of ideas—by seeking and supporting scholars and programs which would competently and persuasively expound those ideas."

Simon received assistance in writing *A Time for Truth* from Edith Efron, a writer recommended to Simon by Irving Kristol, a New York intellectual who never had a formal tie to the Olin Foundation except as a grant recipient. Yet Kristol had considerable input into the foundation's development. One of his most significant decisions was to hire Michael Joyce to run the Institute for Educational Affairs, a small operation funded by the Olin Foundation to identify and support worthy causes. When O'Connell retired as executive director of the foundation in 1979, he and Simon agreed that Joyce should be hired as the new director.

Joyce would go on to become a seminal figure in conservative philanthropy, leaving his mark on the Olin Foundation and, later, at the Bradley Foundation in Milwaukee. He grew up in Cleveland, as a Democrat, but he became disenchanted with liberalism in the 1970s and drifted to the right. Like many neoconservatives, Joyce shared the old right's aversion to the welfare state, but not its distaste for public life or its antipathy toward political activism. At Kristol's urging—and with Joyce's full support—the

"Because of the spend-down strategy, we were able to dispense money like a \$400 million foundation, not a \$100 foundation," says Olin head James Piereson.

Olin Foundation began to underwrite various neoconservative writers and programs. “Irving understood that you beat a horse with a horse,” says Joyce. “If the other side has serious journals, we must have serious journals.” And so the foundation, under Simon, increased its support of books, journals, and scholars.

When John Olin died in 1982, Simon assumed the leadership of the foundation and remained at the helm until his own death in 2000. The day-to-day operations of the foundation were left to the executive director, the job held first by O’Connell and then Joyce. In 1985, Joyce left to help jumpstart the Bradley Foundation in Milwaukee, and Simon promoted James Piereson to replace him. Piereson had joined the foundation in 1981, again at the recommendation of Kristol, whose son Bill, currently the editor of the *Weekly Standard*, had been a colleague of Piereson’s in the political science department at the University of Pennsylvania. Ever since, Piereson has managed the foundation’s day-to-day activities.

One of the Olin Foundation’s great legacies includes helping build conservative think tanks like the American Enterprise Institute and the Heritage Foundation in Washington, D.C., the Manhattan Institute in New York, and Stanford University’s Hoover Institution in the 1970s and 1980s. Olin was hardly the only supporter of these organizations, but it was a generous and steady donor to institutions that have become major forces in American political life. “Right away, we recognized the need for conservatives to have their own think tanks,” says O’Connell. “As fast as they came into being, we contributed to them.” They often received six-figure donations, which was a very large gift for the foundation during O’Connell’s tenure. “The Olin Foundation has been indispensable,” says Heritage Foundation president Ed Feulner. “One of the most important things it did was help us establish our credibility in the New York financial world—it gave us an imprimatur that showed the Heritage Foundation was not outside the mainstream.”

Feulner points to a number of Heritage Foundation projects that he says would not exist but for the Olin Foundation. These include the annual Index of Economic Freedom, which examines the health of free markets on a country-by-country basis, and the Center for Data Analysis, whose powerful computer database allows Heritage to conduct some of the most robust economic analyses to be found anywhere in the United States.

It seems as though just about every important conservative project over the last quarter-century has received at least some support from the Olin Foundation, and in many cases a significant level of support. Charles Murray’s landmark book on welfare, *Losing Ground*, was written with Olin’s support. Kristol founded the *National Interest* with substantial assistance from the Olin Foundation, and in doing so he helped conservatives and Republicans combat the liberal internationalism of the foreign-policy establishment. Steven Emerson, a true Cassandra in our midst, spent the 1990s warning the United States about the threat of radical Islam within our borders; he, too, received support from Olin.

When John M. Olin died in 1982, at the age of 89, the foundation he left behind received a \$50 million infusion of cash that allowed it to boost its level of activity substantially. Because of the stock-market boom, these assets more than doubled, to about \$105 million, in just a few years. Yet the board of directors hewed to Mr. Olin’s wish that his foundation would not exist in perpetuity. By 1993, their aggressive spending had depleted the foundation’s total assets to about \$40 million. That same year, Olin’s widow passed away, which generated a second and final big infusion of money: \$95 million. This, too, was rapidly spent. During the 1990s, the foundation awarded about \$20 million in grants annually. “Because of the spend-down strategy, we were able to dispense money like a \$400 million foundation, not a \$100 million foundation,” says Piereson. “We’ve tried to have a big impact over a short period of time, and I think we’ve succeeded.” By roughly 2005, the foundation will announce its final round of grants, and go out of business shortly thereafter.

“You beat a horse with a horse. If the other side has serious journals, we must have serious journals.” And so the Olin Foundation increased its support of books, journals, and scholars.

Higher Education

John M. Olin had an abiding interest in higher education, and he sat on the boards of Cornell University, Johns Hopkins University, and Washington University (in St. Louis). As his alma mater, Cornell was

closest to his heart. Three major buildings on campus bear his family's name—the result of much personal philanthropy.

In the spring of 1969, militant black radicals at Cornell took up guns, seized Willard Straight Hall, and presented a list of demands. It was a harrowing moment for higher education—and

One secret to the Olin Foundation's success has been its strategy of funding people rather than projects. D'Souza is a perfect example.

also a shameful one, with the Cornell administration seeming to capitulate to a bunch of thugs. Olin was a member of Cornell's board as this episode played out, and though he was traveling overseas when the main events occurred, they affected his view of universities everywhere. "This incident led to some soul-searching on

his part about the future of higher education and the free enterprise system in the United States," notes a recent Olin Foundation memo. "He saw very clearly that the students at Cornell, like those at most major universities, were hostile to businessmen and to business enterprise, and indeed had begun to question the ideals of the nation itself."

William Simon shared this concern. "America's universities today are churning out young collectivists by legions, and it is irrational for businessmen to support them," he said in *A Time for Truth*, which was published almost a decade later. "The alliance between the theorists and the men of action in the capitalist world is long overdue. It must become a veritable crusade if we are to survive in freedom."

About half of the Olin Foundation's philanthropy has been earmarked for higher education. These efforts have been instrumental in challenging the campus left—or more specifically, the problem of radical activists' gaining control of America's colleges and universities not by toting guns (though many of them undoubtedly would sympathize with the approach of Cornell's militants), but by winning faculty appointments and gaining control over departments and programs. To this end, the Olin Foundation has helped to support a counter-movement of professors and students.

In the foundation's early days, a good portion of its money went to out-of-the-way schools, such as Berry College in Georgia and Harding College in Arkansas, because of their rigorous cur-

ricula and support for individualism. That began to change under Simon and Joyce, who provided an insight that would animate the foundation's giving for a quarter-century—the notion that establishing beachheads at the nation's elite colleges and universities was exponentially more valuable than backing lesser-known schools. The Olin Foundation remained a steady supporter of Hillsdale College in Michigan—a favorite cause for conservatives—but it also tilted its philanthropy heavily in the direction of the Ivy League and its peers. "The only way you're going to change the debate in this country is by looking to those schools," says Hillel Fradkin, an Olin program officer in the early 1980s and now president of the Ethics and Public Policy Center in Washington, D.C. "Giving money to conservative outposts won't get much done."

One of the Olin Foundation's most significant activities was its support of Allan Bloom, a professor who left his position at Cornell in disgust following the 1969 controversy. Before his death in 1992, Bloom received some \$3.5 million to run (as co-director with Nathan Tarcov) the John M. Olin Center for Inquiry into the Theory and Practice of Democracy at the University of Chicago. Most of the money went toward fellowships for students and visiting professors, but it also gave Bloom the freedom to write. In 1982, he penned an article for

*No one is more responsible for making "political correctness" an everyday expression than Dinesh D'Souza, who wrote *Illiberal Education* while an Olin Fellow at AEI.*

National Review outlining his views on university life. Then he set about expanding those ideas into a book, receiving a \$10,000 advance for his labors—a paltry sum showing that serious scholars often require the financial assistance of philanthropists if they are to accomplish great things. In 1987, Bloom's publisher issued *The Closing of the American Mind: How Higher Education Has Failed Democracy and Impoverished the Souls of Today's Students*—and it became one of the most surprising best-sellers of all time, with more than a million copies in print.

It is not everyday that a book with a chapter called "From Socrates' *Apology* to Heidegger's *Rektoratsrede*" climbs the sales charts. Yet *The Closing of the American Mind* was a popular sensation. It did not hurt that the celebrated novelist Saul Bellow

wrote the introduction, but in the end it was Bloom himself who struck a nerve with the public when he blamed cultural relativism for much of what had gone wrong at American colleges and universities. He called modern students “spiritually detumescent,” and blamed this sorry state of affairs on a culture and educational system that avoided having to make hard judgments about what is good and what is true. In his review for the

New York Times, Roger Kimball sensed the book’s importance immediately, calling it “essential reading for anyone concerned with the state of liberal education in this society.... Indeed, it is difficult not to conclude that *The Closing of the American Mind* is that rarest of documents, a genuinely profound book, born of a long and patient meditation on questions that may

be said to determine who we are, both as individuals and as a society.”

Kimball also predicted, “this book will find many enemies—mostly, I suspect, because of its avowedly traditional vision of what it means to be an educated person.” He was right about that. Not only did *The Closing of the American Mind* set the publishing world ablaze with its astonishing commercial success, it also became the centerpiece of a raging debate over the transformation of the American campus. A generation of tenured radicals had taken power, and its members were more likely to smile upon activists like those at Cornell than anyone attempting to maintain order and standards.

Right on the heels of Bloom’s pathbreaking book came another one that trod similar ground: *Illiberal Education: The Politics of Race and Sex on Campus*, by Dinesh D’Souza, then a John M. Olin Fellow at the American Enterprise Institute. No author is more responsible than D’Souza for making “political correctness”—or simply “P.C.”—an everyday expression describing rigid left-wing orthodoxy. “The current academic revolution is being conducted at the highest levels of the university establishment,” warned D’Souza in his 1991 book. “It is crucial that the arguments for the revolution be made [and] objections to them offered.”

About half of Olin’s philanthropy has gone to higher education. These efforts have been instrumental in challenging the problem of radical activists gaining control of America’s colleges.

D’Souza offered plenty of objections—against speech codes, low academic standards, and rotting curricula—and his book forced consideration of issues that previously had been ignored, on campus and off. *Illiberal Education* lit a fire in the media. It was excerpted in the *Atlantic Monthly*, sparked dozens of respectful reviews from liberals frustrated by campus leftists (in publications that don’t often review conservative books favorably, such as the *New Republic* and the *New York Review of Books*), plus many more newspaper and magazine articles on a phenomenon that the public had not yet appreciated in full. D’Souza also spoke to standing-room-only audiences on the college lecture circuit and became a fixture in debates on television. He was the public face of a burgeoning anti-P.C. movement, and a hero to embattled conservative students.

One of the secrets to the Olin Foundation’s success in this area involved its fundamental strategy of funding people rather than projects. D’Souza is a perfect example. “He had several book projects in mind, including one on higher education,” recalls the foundation’s James Piereson. “We felt Dinesh was an important young talent and decided to invest in him, rather than in a particular cause.” The relationship between D’Souza and Olin continued for many years and produced several other books, including *The End of Racism: Principles for a Multiracial Society* and *Ronald Reagan: How an Ordinary Man Became an Extraordinary Leader*. “The wonderful thing about Olin is that they don’t try to choreograph the work they fund,” says D’Souza, who is now affiliated with the Hoover Institution. “They pick good people and support what they do.”

Another worthy scholar the Olin Foundation has supported for many years is Samuel P. Huntington, a foreign policy and national security expert at Harvard University. The foundation’s most important contributions in these fields, in fact, is probably the creation of the John M. Olin Institute for Strategic Studies at Harvard University, which Huntington headed for many years.

In the early 1980s, after working at the National Security Council during the Carter administration, Huntington acquired seed money from the Smith Richardson Foundation plus addi-

Olin recognized that establishing beachheads at elite colleges was far more valuable than backing lesser-known schools.

tional support from the Bradley Foundation to establish what eventually became the Olin Institute, which currently receives about \$600,000 per year from the Olin Foundation. Huntington served as director for many years and taught graduate students to approach security issues from a standpoint of history and realism. "We're not model builders," he says. Prominent graduates of the program include Eliot Cohen, now director of the Strategic Studies Program at the School of Advanced International Studies; Francis Fukuyama, famous for his book *The End of History and the Last Man*; and Fareed Zakaria, formerly managing editor of *Foreign Affairs*, now editor of *Newsweek International*.

Huntington also used the Olin Institute as a base for his scholarship. In 1993, he wrote an article for *Foreign Policy* advancing the hypothesis that would animate his important 1996 book, *The Clash of Civilizations and the Remaking of World Order*. With the Cold War struggle between freedom and communism finally over, he said, the world would shift away from ideological showdowns: "The great divisions among humankind and the dominating source of conflict will be cultural. Nation states will remain the most powerful actors in world affairs, but the principal conflicts of global politics will occur between nations and groups of different civilizations." He called this "the latest phase of the evolution of conflict in the modern world."

With help from the Olin Foundation and the Smith Richardson Foundation, Huntington expanded these ideas into a book-length manuscript that is required reading for anybody who hopes to understand international relations in the twenty-first century. Among Huntington's many important observations was a prophetic warning not to believe a modernizing world is necessarily a Westernizing world: "Somewhere in the Middle East a half-dozen young men could well be dressed in jeans, drinking Coke, listening to rap, and, between their bows to Mecca, putting together a bomb to blow up an American airliner." He worried modernization could actually weaken the relative power and influence of the West and urged the United States to maintain technological superiority, prevent China and the Islamic world from developing military might, and pick its allies with care: "In the clash of civilizations, Europe and America will hang together or hang separately."

In the confusion over how to understand the post-Cold War period, *The Clash of Civilizations* offered a compelling framework for making sense of a complex and dangerous world. As Robert D. Kaplan wrote in the *Atlantic Monthly* shortly after the September 11 attacks, "If American political science leaves any lasting intellectual monument, the work of Samuel Huntington will be one of its pillars."

The Bloom and Huntington programs are just two of several supported by the Olin Foundation. Others include Harvey Mansfield's Program on Constitutional Government at Harvard and an array of Law and Economics programs at the nation's leading law schools. Each one of these initiatives has produced students who have gone on to influential posts in government and academic institutions. Finally, there's the John M. Olin Faculty Fellowship program, founded in 1985 to help young scholars find the time they need to do the research and writing necessary for survival in the "publish or perish" world of higher education. "The typical recipient is an assistant professor with two or three years to go before tenure is conferred," says Piereson. Fellowship recipients have included Peter Berkowitz of the George Mason University Law School, John DiIulio of the University of Pennsylvania, Frederick Kagan of West Point, Jeremy Rabkin of Cornell University, Paul Rahe of the University of Tulsa, Bradley Thompson of Ashland University, Eugene Volokh of UCLA Law School, and John Yoo of the Boalt Hall School of Law at the University of California, Berkeley. The Olin Foundation has devoted more than \$8 million for 112 fellowships since 1985.

The Olin Foundation also has supported a network of institutions that work to strengthen higher education. The National Association of Scholars, which has received close to \$2 million from Olin since 1987, is a safe haven for traditionalist scholars, and its quarterly journal *Academic Questions* is unrivalled in its coverage of campus perfidy. (Since 1999, NAS has also managed the Olin faculty fellowship program.) The American Academy for Liberal Education, a recipient of more than \$1 million from

The American Council of Trustees and Alumni, headed by Lynne Cheney until she became Second Lady, has received Olin support. It helps donors and trustees ensure their dollars don't worsen unwelcome trends on campus.

Olin since 1991, presents colleges and universities with an alternative accrediting option—an important development ever since the major accrediting groups started thinking about making campus “diversity” a feature of their accrediting determinations.

It is impossible to imagine what higher education would look like today without the Olin Foundation’s substantial investments in scholars, programs, and institutions.

The American Council of Trustees and Alumni mobilizes donors and trustees to ensure that their dollars and ideas don’t exacerbate unwelcome trends on campus; Lynne Cheney was the national chairman of this group until her husband became Vice President in 2001. It has received nearly \$1 million from the Olin Foundation. The Center for Equal Opportunity,

headed by Linda Chavez, has produced a string of notable studies on racial preferences in college admissions; the Olin Foundation has given it \$1.6 million since 1994.

The Intercollegiate Studies Institute (ISI) organizes right-leaning students and professors through a variety of books, journals, and conferences; the foundation has given it \$2.7 million since 1975. One of ISI’s most important programs is the Collegiate Network, an umbrella group serving conservative and libertarian student newspapers around the country. These publications expose thousands of students to viewpoints that they don’t hear in the classroom or read in the regular campus daily, and also serve as a talent pool for the entire conservative movement.

It is impossible to imagine what higher education would look like today without the Olin Foundation’s substantial investments in scholars, programs, and institutions. Certainly America’s colleges and universities would be much the poorer—and so would America’s conservative movement.

Law and Economics

“The first thing we do, let’s kill all the lawyers!” remarks one of Shakespeare’s characters. The Olin Foundation has taken a somewhat different approach: It has decided to fund them. This decision flows from the observation that lawyers occupy influential positions throughout our society, in government, business, and the academy. Thus the Olin Foundation has focused

much of its giving on affecting the intellectual climate in the legal world and supporting institutions that allow certain ideas to thrive. John Olin, in fact, was prouder of Law and Economics than any other program he supported.

Since 1977, the Olin Foundation has invested some \$50 million on the Law and Economics movement, a discipline that applies the insights of modern economics to legal rules and procedures. It believes that laws must be evaluated as much for their consequences as for their fairness. Before Law and Economics arrived on the scene, most legal scholars analyzed cases and laws from the perspective of winning and losing, and how rules shift wealth from one party to another. Law and Economics, by contrast, evaluates rules on the basis of the underlying incentives they create, and evaluates results in terms of their costs.

“Few developments in legal analysis are broad enough or important enough to change the face of legal education. But the law and economics movement...has profoundly affected the way we think and talk about law,” wrote the distinguished law professor Michael McConnell in 1987. Its influence has only grown. “Law and economics has become a part of the legal establishment,” wrote Larissa MacFarquhar in a December 2001 issue of the *New Yorker*.

The intellectual roots of Law and Economics are older than the Olin Foundation’s involvement in the field; they stretch all the way back to David Hume and Adam Smith in the eighteenth century. The movement began to take its modern shape at the University of Chicago in the 1950s, where Aaron Director was an economist on the law school faculty. Friends had tried to find a place for him in the economics department, but the guild-like snobbery of the professoriate prevented the hiring of a man who did not have a Ph.D., no matter how brilliant he was. The law school maintained a slot for an economist, however, and it became available just as Director was leaving government service following the Second World War. He came aboard, and immediately started making sure that law-school students understood economics.

Today, it is universally accepted that law students ought to have a broad understanding of that critical subject. Back then, however, legal economics was confined to a few narrow fields, most notably antitrust regulation. Director believed that the rules of monopoly often made little economic sense. Antitrust

laws needlessly hurt corporations without protecting consumers from price fixing. His students included Robert Bork, a onetime federal appeals court judge who was nominated for the Supreme Court by Ronald Reagan but blocked by Senate Democrats, and Richard Posner, another appeals court judge whose prolific writing has helped propel Law and Economics into the forefront of modern legal scholarship.

Connecting antitrust law to economics was an obvious link. The importance of the Law and Economics movement, however, is that it did not stop there. In 1961, University of Chicago economist Ronald Coase published a law review article, “The Problem of Social Cost,” which won him a Nobel Prize and contained an idea that has since become known as the “Coase Theorem.” It maintains, roughly speaking, that if people bargain among themselves without interference, they will generally arrive at an efficient distribution of resources, even in hard cases that have usually been seen as “market failures.”

Coase offered an illustration. Suppose a railroad track runs by a farmer’s field and that sparks from the train destroy a portion of the farmer’s crops. Suppose also that the train company could install a \$100 device to keep the sparks from flying, but that the sparks themselves did only \$50 worth of damage to the crops. In traditional legal thinking, one party to the conflict must suffer its entire cost—either the train company must purchase the device or the farmer must soak up the losses. Whatever the outcome, there’s a clear winner and a clear loser. Coase, however, pointed out that there’s a more efficient possible outcome. The railroad company could pay the farmer \$60 for the right to emit sparks, thereby saving itself the full cost of a \$100 device. The farmer approves of the result as well, because he makes \$60 from a piece of land that is capable of producing only \$50 worth of crops. The dispute is resolved, and everybody comes away with a fairly good deal.

Coase offered a powerful methodology for applying economics to the law outside the narrow confines of antitrust regulation. Scholars engaged in similar pursuits soon joined Coase, including Gary Becker, another Nobel laureate. In 1968, Becker wrote an influential article on the economics of criminal behavior and also analyzed family law from an economic perspective. Another Law and Economics pioneer, Henry Manne, applied the insights of economics to corporate law so successfully that today

the field of corporate law scholarship is a branch of the Law and Economics movement. Finally, in 1973, Posner released the first edition of his groundbreaking book *Economic Analysis of Law*. Together, these founders of the Law and Economics movement showed how to apply economic analysis to every area of the law, and to other fields as well.

At first, the only place in the academy where Law and Economics flourished was at the University of Chicago’s law school. But this began to change in the 1970s, as scholars associated with other colleges and universities saw the tremendous potential of Law and Economics. In addition, a growing legion of Chicago alumni joined faculties on other campuses. One of these was Manne, who founded the Law and Economics Center (LEC) at the University of Miami in 1974. (The LEC followed Manne to Emory University in 1980 and, six years later, settled for good at George Mason University’s law school, in Virginia.) The LEC became a kind of clearinghouse for the whole intellectual movement, publishing newsletters and sponsoring conferences that allowed those at work in this emerging field to keep track of what others were doing and to network with each other. Manne also offered intensive economics seminars for lawyers and academics, many of whom realized that their own education in economics had been lacking—and that in the world Coase, Becker, and Posner were creating, this was a serious handicap. In 1976, Manne expanded the LEC’s program to include economics training for judges.

Over the years, some 660 judges have taken advantage of LEC courses, including about one-third of all federal judges now sitting on a district court, an appeals court, or the U.S. Supreme Court. A typical LEC seminar includes 21 hours of lectures over a six-day period, plus about 500 pages of required reading. The faculty shifts from program to program, but it always includes top-notch scholars and has included six Nobel laureates. “A lot of judges graduated from law school 30 years ago,” says Frank Buckley, director of the center. “They had no training in eco-

The Law and Economics movement has bolstered the drive toward deregulation as well as the view that new regulations should not be imposed without a cost-benefit analysis.

nomics, and no training in numbers—if they liked numbers, they would have become doctors.”

The LEC seeks to make better judges by encouraging its program participants to apply the insights of economics to their jurisprudence. The results have been impressive. Witness liberal Supreme Court Justice Ruth Bader Ginsburg’s letter of appreciation to the LEC after attending two of its seminars: “For lifting the veil on such mysteries as regression analysis, and for advancing both learning and collegial relationships among federal judges, my enduring appreciation.” Douglas W. Kmiec, the dean of Catholic University’s School of Law, is another of the many important legal figures who have endorsed the LEC’s mission: “Private universities and centers like the LEC have always played a vital role in bringing judges into contact with the best scholarship.”

As a measure of the LEC’s effectiveness, left-wing activists have tried to neuter it through legislation. In 2000, Democratic senators Russ Feingold of Wisconsin and John Kerry of Massachusetts proposed a bill that would have stripped the LEC of its ability to educate judges. Their stated concern was that corporations with interests before the courts should not finance educational programs for judges, but their real interest lay in unplugging one of the most important tools the Law and Economics movement has for disseminating its ideas. In fact, the LEC receives less than 15 percent of its funds from corporate sponsors (whose names are not released); its work relies upon the support of philanthropists, with the Olin Foundation contributing more than \$2 million since its founding.

As further evidence of the LEC’s influence and reputation, every organization of federal judges criticized the proposed legislation. So did the Supreme Court’s chief justice, William Rehnquist, who spoke strongly against efforts to muzzle the LEC. The Feingold-Kerry bill was defeated.

The Law and Economics movement matured through the 1980s, with many of its adherents taking positions in the Reagan administration and winning nominations to the federal bench. The notion that laws should be analyzed not just for their fairness, but also for their economic consequences began to spread, and judges became increasingly sensitive to the behavioral incentives they create through their rulings. Supporters of the movement can point to dozens of important accomplishments,

from an antitrust field that is now full of economic analysis to the rational computation of damages in personal injury and commercial lawsuits. Law and Economics also has been crucial in the drive toward deregulation as well as the relatively recent belief that new regulations should not be imposed without first conducting a cost-benefit analysis.

Scholarship in the field has thrived, with the Olin Foundation again at the center of the movement. The foundation has focused on nurturing Law and Economics at a dozen elite law schools, giving more than \$10 million to programs at Harvard, more than \$7 million to both Yale and Chicago, and more than \$2 million to Columbia, Cornell, Georgetown, and the University of Virginia. There are too many important articles and books to mention here, but two works provide compelling illustrations of what Law and Economics has achieved.

Richard Epstein’s 1985 book *Takings*, for instance, argued that the government should compensate private-property holders when new regulations affect the value of their property. This was the logic behind a Supreme Court decision ordering South Carolina to pay a beachfront landowner for a law that stopped him from building homes in an area that was suddenly deemed environmentally sensitive. South Carolina didn’t take the property through an eminent domain proceeding—in which case it clearly would have had to compensate the owner—but its aggressive restrictions had a similar effect on the landowner. The court recognized this, thanks to the judiciary’s newfound appreciation of economics.

There’s nothing inherently conservative about Law and Economics. At its core, Law and Economics is utilitarian, striving to obtain the greatest good for the greatest number of people. This is often a worthy goal, but no true conservative would argue that efficiency is the soul of the law. A much-discussed paper by Steven Levitt of the University of Chicago and John Donahue of Stanford University recently linked the declining crime rate of the 1990s with legalized abortion—in other words, crime fell because a disproportionate number of

Olin has focused on nurturing Law and Economics at a dozen elite law schools, including Harvard, Yale, Chicago, Columbia, and Cornell.

future criminals never made it out of the womb. The study has been controversial and its methodology criticized. Yet it clearly comes out of the Law and Economics field. It also serves no conservative purpose, at least insofar as conservatism is associated with pro-life politics.

Without initial Olin support, the Federalist Society “possibly wouldn’t exist.” The society now has more than 25,000 members in the legal profession, with chapters at about 150 law schools.

Law and Economics, however, has advanced the interests of conservatism. It is a powerful analytic tool for people who worry about the growth of government and an unchecked judiciary. Social conservatives have found it helpful in policy debates surrounding divorce and school choice. And there is simply nothing like it from the other side. As

John Brigham of the University of Massachusetts observes in his book *The Constitution of Interests*, “While law and economics is transforming the way American law is taught, practiced, and decided, the left has failed to respond.... Where the right has supplanted, the left has critiqued.”

The Federalist Society

The supplanting remains far from complete—like most precincts of higher education, liberals continue to control law schools. Yet no story of conservatism and the law is complete without a close look at the Federalist Society. In the early 1980s, a small group of law school students (among them Spencer Abraham, who would go on to be a U.S. Senator and Secretary of Energy, and David McIntosh, who would later represent Indiana in the U.S. House of Representatives) organized a society that would bring right-leaning speakers to their campuses. Although the Law and Economics movement was taking hold, its adherents made up a distinct minority of the country’s law school faculty, and other strands of legal conservatism had even less representation. The students took their name and inspiration from *The Federalist Papers* written by Alexander Hamilton, James Madison, and John Jay. Their first big event was a 1982 conference, sponsored by the Olin Foundation and the Institute for Educational Affairs (a separate organization, recall, that

received support from the Olin Foundation for the purpose of identifying and funding worthy conservative projects). “That was the best money we ever spent at IEA,” says Irving Kristol, who chaired the group.

Over the next two decades, the Federalist Society received more than \$2 million from the Olin Foundation to support programs encouraging limited constitutional government, individual freedom, and the rule of law. Other foundations also became involved in helping the group, but Olin money was present at the creation—and arguably made the creation possible. “I don’t know if the Federalist Society would have come about in some other way, absent the Olin Foundation’s support,” says Eugene B. Meyer, the society’s longtime executive director. “It possibly wouldn’t exist at all.”

Today, the Federalist Society counts more than 25,000 members and boasts an annual budget of more than \$3 million. Its core program of assisting conservative law students remains in place, with student chapters at about 150 law schools—about four out of every five accredited law schools have chapters. They continue to import conservative and libertarian speakers from an impressive roster whose names include U.S. Court of Appeals judges Edith Jones and Alex Kozinski, plus professors like Harvey Mansfield of Harvard and government officials such as Bradley Smith of the Federal Election Commission. “This is our cornerstone program,” says Meyer. “Our ultimate goal is to develop lawyers who believe in the rule of law, properly understood.”

The Federalist Society also has about 60 chapters for practicing attorneys around the country, based mainly in large cities. They provide professional lawyers with the opportunity to discuss interests that lie outside the obligations of their day jobs (e.g., corporate attorneys with an interest in constitutional law), attend lectures by prominent judges and intellectuals, and network with one another. Many of these lawyers also belong to one or more practice groups, which work to infuse Federalist Society principles into every area of law. The Federalist Society also administers the John M. Olin Fellowships in Law, a program that allows young legal scholars to spend a year writing books and law-review articles, which are essential requirements for securing tenure-track

jobs at top-ranking law schools. And finally there are a series of debates and conferences that feature an all-star list of right-of-center legal minds—plus a healthy dose of thoughtful liberals. The Federalist Society, in fact, is famous for insisting on balanced panels at its conferences, and participants at these events over the years have included many top liberals, such as Supreme Court Justice Stephen Breyer, former White House counsel Abner Mikva, and the ACLU's Nadine Strossen.

Over the course of two decades, the Federalist Society's influence and reach has grown far beyond anything its founders must have thought possible. It has become an essential counterweight to the American Bar Association (ABA)—an originally mainstream and non-ideological legal organization that has moved leftward and now lobbies against the death penalty and for abortion rights. Until recently, the ABA has enjoyed quasi-official status in the screening of federal judicial nominations. Controversy erupted in 1987 when several ABA evaluators deemed Robert Bork “not qualified” for an appointment to the Supreme Court, a judgment so plainly erroneous that it seriously damaged the ABA's credibility. The political shenanigans continued unabated for years. In 2001, representatives of the ABA attended “Stop Ashcroft!” meetings sponsored by left-wing groups trying to defeat the nomination of John Ashcroft as attorney general. The ABA denied that it either supported or opposed Ashcroft, but these protests could not erase a dubious history of activism. The Federalist Society's careful monitoring, through publications such as “ABA Watch,” helped make it possible for the Bush administration, in 2001, to quit asking the ABA to rate its candidates for judicial nominations.

Vice President Dick Cheney spoke at the Federalist Society's national lawyers convention in 2001: “You have changed the debate, while gaining the respect of people across the ideological spectrum. The Federalist Society has been a model of thoughtful, reasoned dialogue. You've helped bring a spirit of civility to Washington, D.C. Even more remarkably, you've managed to bring it to some of the law schools. Your spirit of honest, fair-minded debate hasn't always prevailed.... But against great odds, this organization

has become one of the most influential in the world of law and public policy. I commend you for it.”

The Federalist Society's remarkable success has attracted the nervous and often hysterical attention of the left. In a cover story, the *Washington Monthly* referred to the society as a “cabal.” A report by the Institute for Democracy Studies accused the society of fomenting “reactionary ideas” meant to undermine the “fundamental institutions in the American body politic.” In confirmation hearings, Democrats now routinely interrogate Republican nominees to the federal government and judiciary about their ties to the group. (As Cheney cracked in his address, “There are many members of the Federalist Society in our administration. We know that because they were quizzed about it under oath.”)

Dick Cheney told the Federalist Society, “You have changed the debate, while gaining the respect of people across the ideological spectrum.”

As the Bush administration was filling its ranks in the spring of 2001, the *Washington Post* examined the Federalist Society's role: “The numerous appointments of Federalist members and their success in influencing policy are testament to two decades of organizing and aggressive efforts to promote a conservative vision of the law and public policy.” A *New York Times* reporter wrote that many members of the group are “influential officials in the Bush administration” and “many federal judges are ardent supporters.”

Imitation remains the sincerest form of flattery, and in 1999 a professor at Georgetown decided to found a left-wing version of the Federalist Society. Peter J. Rubin dubbed his group the Madison Society for Law and Policy, and he paid a kind of tribute to what the Federalists had achieved: “One of the things about the Federalists that is admirable is that it's one of the few focuses of intellectual ferment on law school campuses in America.” (The Madison Society has since changed its name to the American Constitution Society, apparently because the group's organizers didn't want to associate themselves with a slaveholder.)

The Federalist Society may count thousands of lawyers among its members, but it does not litigate. That job is left to

a series of public-interest legal foundations, and the Olin Foundation has provided them with significant levels of support over the years as well. These groups have been modeled upon left-wing organizations like the ACLU that have used the courts to advance their agenda, often with astonishing success. The Washington Legal Foundation, for example, which has received more than \$2 million from the Olin Foundation, has fought attempts by the Food and Drug Administration to abuse its authority, and more recently has been involved in national security litigation. In the first part of 2002, it filed a brief against the ACLU and other activist groups that were seeking to force the Department of Justice to release all alien detainees held by the federal government in the aftermath of the terrorist strikes on September 11. It also fought legal actions brought by left-wing groups on behalf of Taliban detainees held at the U.S. military facility in Guantanamo Bay, Cuba.

Other public-interest law firms to receive Olin Foundation grants include the Center for Individual Rights, which has received \$1.3 million since 1989. CIR has won several landmark cases, including a few before the Supreme Court, on the rights of professors accused of sexual harassment, the ability of religious groups to participate in publicly funded activity, and on attempts to make "gender violence" a federal issue. The center's most notable accomplishments have come in its challenges to racial preferences, where it has litigated successfully against an admissions policy at the University of Texas and sex preferences at the Federal Communications Commission. What may be its biggest case of all is still underway: a lawsuit against racial preferences at the University of Michigan, which will soon give the Supreme Court an opportunity to revisit racial preferences in higher education for the first time in a generation. Olin also helped to launch the Pacific Legal Foundation, which has won important legal victories in defense of property rights against government invasion in California and elsewhere.

In keeping with the wishes of its donor, the John M. Olin Foundation will soon wrap up its activities by dispensing its remaining assets to worthy conservative causes. The trustees expect that process to be completed before the end of 2005. By that time, the Olin Foundation will have finished some thirty

years of active work in support of conservative ideas, and it will have dispensed some \$370 million in contributions to a variety of conservative programs, publications, and institutions. While the foundation itself will no longer exist, its legacy will live on in the form of the ideas it has encouraged, and the programs and individuals it has supported. The work, however, is far from over. The battle on behalf of individual liberty, limited government, and open markets will continue long after the Olin Foundation is gone. It will then be left to future philanthropists, perhaps inspired by John Olin's vision, to supply the means by which those ideas sustain their vitality and strength.

The battle on behalf of individual liberty, limited government, and open markets will continue after Olin is gone. Future philanthropists must supply the means.



Chapter 11

The Lynde & Harry Bradley Foundation

History

Lynde Bradley was born in Milwaukee on August 19, 1878, receiving his mother's maiden name (pronounced "lined") for his first name. His younger brother Harry Lynde Bradley arrived on January 5, 1885, when the family was living in Kansas City for a few years. By 1891, however, they were all back in Milwaukee, where the Bradley brothers went on to establish a legacy in capitalism and philanthropy.

Their family had been successful, but around the turn of the twentieth century it fell on hard times, with both boys dropping out of high school, their father succumbing to disability, and their mother forced to take in boarders to make ends meet. In 1901, Lynde was working for Milwaukee Electric when he came up with an idea for improving the controllers that regulate motor speed. He quit his job, secured a \$1,000 investment from Dr. Stanton Allen, and founded the Allen-Bradley Company. Harry joined his brother three years later, and together they turned a two-man shop into a major center of industry.

In 1941, as Lynde made estate plans, his advisors encouraged him to establish a foundation. This would reduce inheritance taxes and also allow him to perform a bit of philanthropy. He died the next year, before the foundation could be formally organized, but his heirs oversaw the formation of the Lynde Bradley Foundation within a few days of his passing. A press release said the foundation would support "such things as gifts to the Red Cross, USO, loans to individuals for scholarships, assistance, hospitalization, etc."

The new foundation often worked in concert with the Allen-Bradley Company on charitable projects, though the company's giving occasionally would contain more of a political edge. Every year on August 10, for example, the company would send a check to the Hoover Institution, in commemoration of Herbert Hoover's birthday. Harry also expressed a clear opinion on the role that philanthropy should play in society, in a response to a congressional survey:

The need of the charitable, educational, and religious institutions is very great and their services are so essential that—if they can not exist on support they receive from private sources—public opinion will force the government to support these institutions or take over some of their functions. The government, local and national, is already greatly expanded and most thoughtful people do not believe it is wise to add burden to an already overburdened government. Surely it would be wiser to let private individuals and corporations do this; it would be less costly and would keep these charitable enterprises more responsive to the people.

Not much is known of Lynde's political views, except that he was a Republican. His death in 1942 came before the modern conservative movement began to coalesce. Harry, however, became deeply involved in conservative causes. He supported

Robert A. Taft for President in 1952. Twelve years later, Barry Goldwater was his favorite. A strong sense of anti-communism animated his political beliefs. In 1959, when Harry learned that Allen-Bradley's bank in New York was hosting a lunch for a diplomat from the USSR, he declared that

nobody should break bread with a "Soviet murderer" and promptly closed the company's account there. At one point, when the foundation was evaluating grants to colleges, Harry worried that "there had been numerous charges of subversive infiltration in schools through the United States." He even vetoed one grant to a local university because it had "substituted left-wing indoctrination for academic education."

Harry died in 1965. Meanwhile, the company he and his brother had founded flourished. In 1985, Rockwell International bought it for \$1.65 billion—an event that saw the foundation's assets jump from less than \$14 million to over \$290 million, almost in an instant. Any organization that experiences such rapid growth faces difficult challenges, but those set before the Bradley Foundation were especially steep. "The Foundation had operated for years without a paid staff, without an office of

"We want to do what you did at Olin," Bradley's Rader said. "We want to become Olin West."

its own, and with administrative expenses in the range of \$1,500 a year," writes John Gurda in *The Bradley Legacy*. "Now it found itself among the 20 largest foundations in the country."

That meant the Bradley Foundation would have to reinvent itself. Much of its giving had focused on activities in Milwaukee and Wisconsin. After the Rockwell sale, the board of directors promised that this tradition would continue. Yet they also intended for Bradley to involve itself in public policy and the world of ideas. "The principles Harry believed in gave us the strongest economy, the highest living standard, and the greatest individual freedom in the world. We felt it was our task to do everything we could to preserve those principles," said Italo Andrew "Tiny" Rader, an Allen-Bradley executive who was the foundation's board chairman. W.H. "Bill" Brady, the board's vice chairman and other leading figure, agreed with this sentiment. Before his death in 1988, Brady told Gurda, "It is not government, it is not dictators or presidents or generals or popes who rule the world. It's ideas."

Rader and Brady knew they would have to hire a creative and energetic leader to head the foundation, and so they went to the one place where they knew they could find one: the John M. Olin Foundation. They called Mike Joyce at Olin in the summer of 1985. "I had never heard of Allen-Bradley before," recalls Joyce. "At first I thought they meant Milton Bradley, the toy company." That confusion was soon cleared up, as Rader and Brady made clear the direction in which they hoped to take their reborn foundation. "We've got money, and we want to do what you did at Olin," Rader told Joyce. "We want to become Olin West."

They hired Joyce shortly after making contact; the board elected him president in September 1985. Joyce brought along another Olin Foundation alumnus, Hillel Fradkin, and also hired Dan Schmidt, a Marquette University professor who knew the local scene, and who eventually became executive vice president and COO of the foundation.

Despite the intention to build on the Olin model, there were a few important differences between the Olin and Bradley Foundations. The first and most obvious was that John M. Olin was still alive when the Olin Foundation began its transformation, and he was an active participant in deciding how the foundation would spend its money. The Bradley brothers, however, were long gone by the time Joyce came aboard—Lynde had been

dead for more than 40 years, and Harry for 20. One of Joyce's early activities included the writing of a mission statement to encapsulate the brothers' philosophy and serve as a guidepost for the foundation's future giving. Here's an excerpt:

The Bradley brothers were committed to preserving and defending the tradition of free representative government and private enterprise which has enabled the American nation and, in a larger sense, the entire Western world to flourish intellectually and economically. The Bradleys believed that the good society is a free society. The Lynde and Harry Bradley Foundation is likewise devoted to strengthening American democratic capitalism and the institutions, principles, and values which sustain and nurture it. Its programs support limited, competent government; a dynamic marketplace for economic, intellectual, and cultural activity; and a vigorous defense at home and abroad of American ideas and institutions.

Bradley built Milwaukee into a showcase for public policy reforms it sought nationwide.

Joyce also commissioned Milwaukee author John Gurda to write *The Bradley Legacy*, a short book that describes the lives and beliefs of Lynde and Harry Bradley. It relies extensively on the Allen-Bradley archives, a collection of other primary sources, and interviews. "Anyone who wants to challenge Bradley and the donors' intent has to deal with this book, which gives a real close glimpse into the lives of these men," says Joyce.

That's an important consideration, because there was strong pressure from the start for the enriched Bradley Foundation to focus exclusively on local community projects. In the first full year of operation following the sale to Rockwell, the foundation handed out grants totaling \$23 million—almost as much as it had given away over the previous 40 years—and most went to local institutions and projects, such as the Milwaukee Art Museum, the Milwaukee Repertory Theater, and Marquette University.

Joyce, Fradkin, and Schmidt began to solicit proposals from other potential recipients, and soon the Bradley Foundation was flooded with dozens of grant proposals from across the conser-

vative spectrum. They were presented to the board at its April 1986 meeting, and that gathering marked the first time the Bradley Foundation made significant contributions to public policy and the idea industry. It also established a pattern of giving. In 1980, only 2.5 percent of the foundation's grants could be classified as having to do with public policy; by 1990, under Joyce, that figure approached 60 percent.

Ever since, the Bradley Foundation has given generously to a range of conservative institutions and projects. Its biggest recipients have been mainline organizations, such as the Heritage Foundation, the American Enterprise Institute, the Manhattan Institute, the School of Advanced International Studies, the Ethics and Public Policy Center, and the Claremont Institute. It has also sponsored faculty and student fellowships. In the late 1990s, the foundation played a key role in founding Encounter Books, a non-profit publishing house headed by Peter Collier that gives conservative authors who haven't achieved brand-name status an outlet for book writing. "The state of the book market and industry is such that so many good ideas wouldn't see the light of day without the availability of private philanthropic funds," says Schmidt.

In some ways, the Bradley Foundation's philanthropy has looked much like the Olin Foundation's. But there is an important difference, too. As a foundation with strong ties to the local community, something the Olin Foundation lacks, the Bradley Foundation spends much of its money in Wisconsin, with an emphasis on Milwaukee. It played a key role in financing the construction of Miller Park, for example, where the Milwaukee Brewers baseball team now plays, and has involved itself in many other initiatives that have little to do with conservatism.

Lots of Bradley's local philanthropy, however, has managed to attract national interest—and to shape debates taking place all around the country. The Bush administration's faith-based initiative arguably wouldn't have been possible without the Bradley Foundation's efforts to promote "civil society." Joyce described this mission broadly in a 1992 Heritage Foundation lecture: "Americans are eager to seize control of their daily lives again—to make critical life choices for themselves, based on their own common sense and folk wisdom—to assume once again the status of proud, independent, self-governing citizens intended for them by the Founders." A year and a half later, in an article for Heritage's *Policy Review*, senior program officer William

Schambra described some important but unappreciated roadblocks to realizing Joyce's vision: "Too often in the past, conservatives have made this essential point about the limits of public policy, concluded that 'it's up to civil society' to address our social problems—and then walked away. The implicit assumption seemed to be that traditional institutions were basically healthy, needing only to be relieved of federal ministrations to resume their natural roles. This simply trivializes the devastating consequences of excessive government that conservatives themselves so ably document." By contrast, Bradley built Milwaukee into a showcase for public policy reforms it sought nationwide.

Schambra encouraged conservative organizations to support "activists already working at the grassroots level to restore civic vitality—through encouragement of tenant management of public housing, neighborhood economic development, private schools for inner-city children, and church-based moral reconstruction." The Bradley Foundation has been deeply involved in this work, supporting Robert Woodson's National Center for Neighborhood Enterprise and chartering the National Commission on Philanthropy and Civic Renewal. It has also thrown itself into the movements for school choice and welfare reform, neither of which would look at all as they do today without the Bradley Foundation's acting locally and thinking globally.

In recent years, the foundation has ramped up its spending, from \$24 million in 1996 to nearly \$45 million in 2000. Even its critics must acknowledge its incredible effectiveness. As David Callahan has written in the *Nation*, "Compared with philanthropic behemoths like the Ford, Rockefeller, and MacArthur foundations, the Lynde and Harry Bradley Foundation in Milwaukee is a small-time player. It has only five program officers and annually gives out less money than Ford spends in a month. Yet in the past decade, the Bradley Foundation has emerged as a major force in the world of conservative policy research and ideas."

Michael Joyce retired from the Bradley Foundation in 2001 and was succeeded by Michael Grebe, a prominent Milwaukee

Neither school choice nor welfare reform would look as they do without Bradley's acting locally and thinking globally.

attorney who had served on the board for several years and now promises continuity. The election to board chairman of Thomas L. “Dusty” Rhodes, the publisher of *National Review*, also suggests that Bradley will maintain a commitment to national public policy. On July 2, 2002, President Bush visited Milwaukee and paid tribute: “The Bradley Foundation is represented here today.... Foundation America must be a part of the revitalization of our communities as well, and the Bradley Foundation has always been willing to seek different solutions. They’ve been willing to challenge the status quo. They’d say, ‘Where we find failure, something else must occur.’ And the Foundation not only has been kind and generous with its donations, the Foundation also has been willing to help people think anew.... Thanks for your good work.”

School Choice

On June 27, 2002, the U.S. Supreme Court ruled that school-choice programs are constitutional, even if parents use education vouchers at religious schools. *Zelman v. Simmons-Harris* may come to be known as the high court’s most important decision on education since the *Brown v. Board* desegregation case, if lawmakers only seize the opportunity they’ve been given to expand educational opportunities, especially for the urban poor. “This decision will make it easier for [parents] to seek out the best school for their children,” said Secretary of Education Rod Paige.

The *Zelman* decision certainly doesn’t end the fight for school choice, but it does resolve a major point of legal contention, and it marks a necessary victory for the advocates of vouchers. Many people and institutions deserve credit for this accomplishment. One of the most indispensable actors has been the Bradley Foundation, which has spent \$21 million on school choice and has already committed another \$20 million to the effort. Perhaps most important, the foundation’s staff has understood that progress is not automatic just because an idea is good. In Milwaukee, success required a multiracial, bipartisan coalition of lawmakers, educators, business leaders, parents, and philanthropists—and Michael Joyce played a key role in bringing them together. Writing in the fall 2001 issue of *Rethinking Schools*, a left-leaning journal on urban education, Barbara Miner said of Joyce: “Perhaps more than any other person, he was responsible for the

voucher legislation under which Wisconsin became the first state providing public dollars for private schools.” (That’s not a terrific description of school choice—which gives public dollars to *parents*, who may use them at private schools—but it is grudging high praise for Joyce.)

Many supporters of school choice trace its development to Milton and Rose Friedman, who in 1955 proposed giving the parents of school-age children vouchers worth “a sum equal to the estimated cost of educating a child in a government school, provided that at least this sum was spent on education in an approved school.” There is an equally important tradition of support for school choice in the black community. In the 1960s and 1970s, many black activists (who weren’t reading the Friedmans) saw vouchers as a tool for exercising greater control over local schools. These separate efforts had little impact on education policy, though they did plant the seeds of reform for what would become the country’s most important experiment with school choice—an experiment made possible by the Bradley Foundation. It took the strategic creativity of Joyce to marry free-market theory with black neighborhood leaders.

The Bradley Foundation’s direct involvement in school choice began in 1986, with a grant of \$75,000 in support of *Politics, Markets, and America’s Schools*, an important book by John Chubb and Terry Moe. Four years later, the foundation chipped in another \$300,000. In the words of the *Chicago Tribune*, Chubb and Moe’s 1990 book “rocked the education world.” They did nothing less than produce what is probably the most influential book on K-12 education of the last generation.

Chubb and Moe’s achievement was to turn an intellectually appealing theory into an argument backed by extensive empirical data showing that public schools, shackled by bureaucratic and political meddling, were incapable of performing as well as private ones (religious or not). Using exhaustive data provided by the Department of Education, the authors concluded that public education’s problems were so fundamental that solving them required a totally new set of institutions dependent on free markets and

A critic notes that Bradley gives less annually than the Ford Foundation spends in a month, yet “has emerged as a major force in the world of conservative policy research and ideas.”

parental choice. “Reformers believe the source of [education-] problems is to be found in and around the schools, and that schools can be ‘made’ better by relying on existing institutions to impose the proper reforms,” wrote Chubb and Moe. “We believe existing institutions cannot solve the problem, because they *are* the problem—and that the key to better schools is institutional reform.”

By “institutional reform,” Chubb and Moe meant school choice. Their arguments were persuasive on their own terms, but *Politics, Markets, and America’s Schools* attained a particular distinction because it was published by the Brookings Institution, a liberal think tank with an establishmentarian reputation—exactly the sort of place that isn’t supposed to favor system-shocking ideas like school choice. The involvement of Brookings caught the attention of people in the world of education policy, plus the media. “There were some questions around the board table about whether we should support Brookings,” recalls Schmidt. “It was definitely the right thing to do.”

Around the same time, the Bradley Foundation helped found the Wisconsin Policy Research Institute, a conservative think tank devoted to state-level issues. Nothing like it had existed previously in Wisconsin, which meant that many public-policy debates in the state capitol of Madison proceeded without much specialized input from the right. Among its many activities, WPRI (the acronym is widely pronounced as “whip-ree”) produced a series of reports documenting educational problems in Milwaukee and throughout the state. One of WPRI’s authors, in fact, was John Chubb; in 1989, he wrote a paper previewing the argument that would appear in his book with Terry Moe. This document and others like it attracted a great deal of local attention. “A lot of people had concerns about the quality of education in Milwaukee. The WPRI papers helped validate those concerns,” says Susan Mitchell of the American Education Reform Council, who also has written for WPRI on school performance in Milwaukee.

In 1988, first-term governor Tommy Thompson proposed an ambitious school-choice program in his budget. Yet it failed to generate much enthusiasm in Milwaukee’s black community, in part because Thompson was a Republican and African Americans met anything coming from the GOP with extreme skepticism. Thompson recognized this and began to search for Democrats who would join him in supporting school choice.

Part of this effort included Thompson’s sponsorship of a 1989 conference at the Milwaukee Area Technical College. “The highlight of the conference,” according to Mikel Holt, editor of the *Milwaukee Community Journal*, Wisconsin’s largest African-American newspaper, was a debate over school choice featuring John Chubb and Terry Moe. “Many believe it was this forum that served to establish school choice in the minds of black activists as a major educational reform strategy,” wrote Holt in his 2000 book *Not Yet ‘Free At Last.’* “Chubb pricked up the ears of many black parents when he asserted that current efforts to reform public education would leave most Americans terribly disappointed.” Dan McKinley of Partners Advancing Values in Education (PAVE) also credits Chubb with reaching another vital constituency for school choice: Catholic educators. “He enabled Catholic schools to understand that they operate in the public sphere, that they are part of a market no matter how much they try to keep out of politics,” says McKinley, whose group was founded to support parochial schools and evolved into one of the community’s strongest advocates of school choice.

Another key supporter of school choice in Wisconsin—indeed, an essential supporter—was Polly Williams, a former welfare mother who represented a poor section of Milwaukee in the state legislature as a Democrat. Williams was a longtime community activist and had become familiar with school choice many years earlier when it was seen as an attractive alternative to the forced busing that shipped many black children out of their neighborhoods for enrollment in majority-white schools far away. Working with Thompson, she helped pass a small school-choice pilot program in Milwaukee for about 1,000 children from low-income families (or 1 percent of the school district’s overall student population). There were plenty of restrictions on the program: Religious schools weren’t allowed to participate and students already enrolled in private schools couldn’t take advantage of the vouchers. Yet it was a start—a foot in the door—and school-choice advocates in Milwaukee and around

Milwaukee’s school choice success required a multiracial, bipartisan coalition of lawmakers, educators, business leaders, parents, and philanthropists.

the country recognized that they had achieved an important goal.

School choice came under immediate attack. Herbert Grover, head of Wisconsin's Department of Public Instruction, was in charge of administering the pilot program—and also an implacable foe. He joined a lawsuit with the teachers' unions asserting that school choice in Milwaukee was unconstitutional. The Landmark Legal Foundation, a public-interest law firm, rushed to the defense of school choice. Between 1988 and 1992, Landmark had received more than \$500,000 in grants from the Bradley Foundation, an investment that suddenly paid off. Polly Williams and her allies at first doubted Landmark attorney Clint Bolick because they had never heard of him before. This quickly changed. "It was Clint Bolick's air of confidence that set our minds at ease and gave us hope: perhaps this David could emerge victorious even against the union and educracy Goliaths," wrote Mikel Holt. "Clint Bolick was a godsend." He was certainly effective: In November 1991, the Wisconsin Supreme Court issued a 4-3 decision that deemed Milwaukee's small-scale school-choice program constitutional. (Bolick went on to co-found the Institute for Justice, another public-interest law firm at the forefront of school choice litigation that has received substantial Bradley support.)

The challenges facing the early Milwaukee voucher program remained steep. The voucher students weren't allowed to attend Milwaukee's Catholic schools and other religiously affiliated institutions, which seriously curbed their education choices and also limited the program's overall appeal. In its first year of operation, only 341 students and seven schools participated. The problem was basic: There simply weren't enough non-religious private schools available, and the ones that were available held relatively little interest for parents.

In 1992, the Bradley Foundation stepped forward to address the problem with a \$1.5 million grant to Dan McKinley's PAVE for the purpose of running a privately funded voucher program offering low-income families half-tuition scholarships to attend any school they wanted, including religious ones. Local business leaders also put up \$2.5 million. The purpose of the Bradley grant, said the foundation at the time, was to "spark public debate"—and specifically to encourage reforms that would open the Milwaukee program to more schools and more

students. The foundation said its commitment to PAVE would last three years and no more.

PAVE announced that it could help 1,900 students attend private school—and it quickly racked up twice as many applications. "The Bradley Foundation was important to us on an intellectual level, convincing us that we were running a demonstration project rather than a charity," says McKinley. "When all those applications came in, and we had to turn away so many people, it became clear to us that we had to fight for public policy."

That, in fact, was the purpose of the Bradley grant—to change public policy. The point of aiding PAVE was not merely to rescue a few kids from Milwaukee's disappointing public school system, but to create the conditions for expanding the pilot program into something that would begin to make an important difference. It wasn't enough for parents to say they wanted school choice—it took a positive demonstration of school choice to show an untested idea could deliver actual benefits as public policy.

The foundation's gambit worked: Almost exactly three years after announcing the PAVE gift, the Wisconsin legislature passed legislation that would give vouchers worth about \$3,200 to as many as 7,000 students. The restriction on religious schools also was lifted, meaning that Milwaukee suddenly was home to the first true school-choice program in the nation.

Only a month passed, however, before the program was in jeopardy once again. Just days before the start of the school year, the Wisconsin Supreme Court issued an injunction to halt the program at the request of the ACLU, which had filed a lawsuit against it. The injunction meant that thousands of children who had been promised places in private schools suddenly were locked out by judicial decree. The editorial page of the *Milwaukee Journal Sentinel*, which had always been hostile to school choice, even blamed the fiasco on school-choice supporters: If they hadn't pushed forward with the program, they could have avoided disappointing thousands of parents and children.

As it happened, PAVE wasn't going to let them be disappointed. In just nine days, Dan McKinley raised \$1.9 million

It took the strategic creativity of Michael Joyce to marry free-market theory with black neighborhood leaders.

from private sources, including the Bradley Foundation. These funds made it possible for 4,650 kids, who had been promised vouchers, to attend the schools of their choice in spite of the injunction. It was only a stopgap measure, but it did demonstrate the Milwaukee private sector's commitment to providing students and parents with genuine school choice—a revolution in thinking that has not been duplicated elsewhere.

By November, Governor Thompson had determined that he could not rely upon the state attorney general to argue in front of the state's high court on behalf of school choice—as a candidate, the attorney general had actually come out against choice. So Thompson sought outside counsel and turned to the firm of Kirkland & Ellis, which previously had done legal research on school choice for the Bradley Foundation. Thompson was eager to acquire the expertise of Kenneth Starr, a former U.S. solicitor general who had not yet become a household name through his role in the impeachment of President Bill Clinton. The state's Department of Administration requested financial help from the Bradley Foundation to make the hiring of Starr possible, and the foundation came up with \$350,000.

For more than two years, the school-choice case bounced around the courts—the state Supreme Court deadlocked 3-3 on its constitutionality, lower courts became re-involved, and students were prevented from attending religious schools. Finally, in March 1998, the case returned the Wisconsin Supreme Court, where the arguments remained essentially unchanged. This time, however, the court ruled in favor of school choice, with its decision coming down in June. The Bradley Foundation hailed the decision in a statement: “Low-income parents in Milwaukee today have been given a freedom previously reserved for the affluent. They will use it to add immeasurably to their children's lives through education, and, in doing so, they will fully satisfy the aspirations that have caused the Bradley Foundation to place parental choice in education first and highest among its policy objectives.”

By the end of the year, the U.S. Supreme Court refused to hear the case on appeal—meaning the opponents of school choice in Milwaukee had exhausted their legal options. Yet there were still plenty of challenges. The Wisconsin Department of Public Instruction tried to implement a set of onerous rules upon schools accepting vouchers—a blatant attempt on the part of

anti-choice bureaucrats to accomplish in the darkness of regulation what they couldn't win in the political or legal arenas. To fend off this attack, Michael Hartmann of the Bradley Foundation organized a team of lawyers he knew from a local Federalist Society chapter. They helped the private schools beat back the regulations. Without their assistance, several schools probably would have refused to participate in the school-choice program.

“There is now such a thing as a voucher,” says a memo prepared by the Bradley Foundation's staff for its board of directors. By the start of the 2001-02 school year, 10,882 Milwaukee children were taking advantage of the program. Yet the program had grown to permit 15,000 slots. They were not all being used because the private schools in Milwaukee essentially had run out of seats. “All the good schools are full,” says McKinley. For years, school-choice supporters had dealt with a demand problem created by laws that blocked parents from choosing where they would like to educate their children. Now they confront a supply problem—the simple fact that private schools can't instantly accommodate all the people who would like to utilize them. Milwaukee's private schools had been hemorrhaging students since the late 1960s, with many of them shutting their doors because enrollments had declined precipitously. All at once, there were more students than they could handle.

In fall 2001, the Bradley Foundation announced its largest gift ever—\$20 million to PAVE for the purpose of helping Milwaukee's top private schools expand their capacity. Like every one of the foundation's previous actions, this one is aimed at expanding the reach of school choice. The constituency for this innovative reform continues to grow, which will make it that much harder for hostile politicians to harm the program—a constant threat that requires school-choice advocates in Wisconsin to stay involved in political races at every level.

Even as the Bradley Foundation continues to pour resources into school choice for the people of Milwaukee, it remains engaged in the national debate as well. It funds scholarly assessments of student achievement in Milwaukee, always with an eye

It wasn't enough for parents to say they wanted school choice. It took a demonstration of school choice to show an untested idea could deliver actual benefits.

Even as Bradley pours resources into school choice for Milwaukee, it remains engaged in the national debate as well, through groups like the Black Alliance for Educational Options.

toward showing the rest of the country what the parents of Milwaukee's voucher kids already know: Students in private school outperform their peers in public schools. The foundation also supports the Black Alliance for Educational Options (BAEO), an advocacy group that has targeted opinion leaders with ads in the *New York Times* and the *New Republic* modeled on a popular format pioneered by the late Albert Shanker of the American Federation of Teachers. Former Milwaukee schools superintendent Howard Fuller, an early and steady supporter of school choice, is chairman of the board of BAEO.

One of his group's top goals is to convince black professionals that school choice is an essential tool for empowerment.

Supreme Court Justice Clarence Thomas picked up on this theme in his concurring opinion in the *Zelman* decision. "While the romanticized ideal of universal public education resonates with the cognoscenti who oppose vouchers, poor urban families just want the best education for their children, who will certainly need it to function in our high-tech and advanced society," he wrote. "The failure to provide education to poor urban children perpetuates a vicious cycle of poverty, dependence, criminality, and alienation that continues for the remainder of their lives. If society cannot end racial discrimination, at least it can arm minorities with the education to defend themselves from some of discrimination's effects."

It is reasonable to believe that this critical legal victory would not have been possible without the Bradley Foundation's early and vigorous commitment to school choice in Milwaukee. "The Bradley Foundation really understands the power of the idea, and how to convert a powerful idea into an actual policy," says Susan Mitchell. "But more important, it knows that every movement goes through several phases. With school choice, there's been a political war, then a legal war, and finally a regulatory war. Some of these are ongoing. The people at the foundation understand that this is a long-term effort that requires involvement at every stage."

Although school choice remains more of a potential than a

reality in America, it has already had a palpable and positive effect on education reform around the country. Its apparent radicalism has made the education establishment more amenable to other reforms that expand the choices available to students and parents by increasing market forces. Charter schools flourished during the 1990s, and it is hard to believe they would have expanded as much as they did if the idea of school choice had not arrived on the scene.

Welfare Reform

During the height of the school-choice debate, Mike Joyce and his staff at the Bradley Foundation began to develop a theory of what they called "new citizenship." In the 1990s, it came to animate much of the foundation's grantmaking. "The core idea may not have been apparent at the start, but it is the yardstick by which we judge things," says William Schambra, a longtime senior program officer at the foundation.

At a presentation before the Council on Foundations, the Bradley Foundation described its emerging philosophy this way: "We support the revival of civic institutions and a 'new citizenship': individuals coming together in communities as proud, self-governing, personally responsible citizens, capable once again of running their own lives and affairs, freed from the paternalistic oversight and interference of bureaucratic elites." In a document called "The Bradley Foundation and the Art of (Intellectual) War," prepared for the board's fall 1999 meeting, the foundation's staff commented, "new citizenship is not an intellectual abstraction. It is, rather, very self-consciously a political argument, a war cry to rally new and unorthodox coalitions against liberal statism."

School choice fit perfectly within this paradigm. It sought to liberate parents from an unresponsive education bureaucracy that no longer addressed their most pressing needs. Welfare reform also was a good match, and it became another major Bradley Foundation interest that ultimately reverberated on the national level.

Bradley's "new citizenship" philosophy is a war cry to rally new and unorthodox coalitions against liberal statism. School choice and welfare reform fit perfectly into this.

By the middle of the 1980s, Wisconsin was unusually ripe for welfare reform—state benefits were generous, there were enormous abuses of the system, and the public was beginning to protest. Perhaps more than anything else, the phenomenon of welfare migration highlighted these problems. Thousands of people were actually relocating to Wisconsin not because of its hot job market or attractive real estate prices, but because of its profligate public-assistance payouts. There were even stories of people hopping on the bus in Chicago in the morning, collecting welfare checks in Milwaukee at noon, and returning home in the evening. In the first part of the 1980s, the state's increase in its low-income population of the poor was double what it should have been, considering the standard economic factors. The state was simply becoming a magnet for people on welfare.

This issue helped elect Tommy Thompson as governor in 1986, and Thompson went on to achieve national fame over the next decade and a half for his innovative welfare-reform efforts. Nobody was surprised when President-elect George W. Bush tapped Thompson to become Secretary of the Department of Health and Human Services. Indeed, Thompson's creative and successful policies could point to a remarkable track record. According to census figures released in June 2002, only 1.7 percent of Wisconsin families received welfare in 1999—no other state had a lower rate. A decade earlier, the figure was 7.3 percent. Even Milwaukee, home to most of the state's hard cases, saw welfare use plummet from 15.3 percent in 1989 to 4.6 percent in 1999. Wisconsin experienced an overall caseload reduction of 73.1 percent, compared to 47.7 percent nationwide. What's more, Wisconsin did not just kick people off welfare, it has moved them into employment, thanks to strong work requirements pioneered by Thompson.

These improvements did not come out of nowhere. They were the result of much hard work and thinking—a good deal of it made possible through the philanthropy of the Bradley Foundation. Soon after Mike Joyce arrived in Milwaukee, the foundation began supporting projects that laid the groundwork for reform.

Just a few years earlier, in 1984, Charles Murray had brought forth *Losing Ground*, a landmark book that turned the world of welfare upside down. It had started out as an article for the *Public Interest*, Irving Kristol's influential quarterly magazine

whose existence relied upon philanthropic giving. Murray became a fellow at the Manhattan Institute. Grants from the Olin and Smith Richardson Foundations helped him expand the article into *Losing Ground*. Its emphasis on the problem of dependency would forever change the debate over welfare.

Murray came to his project with a firm grasp of social science and a solid understanding of how welfare programs really operated. And the tone of *Losing Ground* was perfect; rather than taking a perverse delight in the failure of government to relieve the suffering of

the poor, it approached the subject with heartfelt regret and unyielding resolve. "When [welfare] reforms finally do occur, they will happen not because stingy people have won, but because generous people have stopped kidding themselves," wrote Murray. The book sparked a fierce debate, as conservatives embraced Murray's message and liberals condemned it. The *New York Times* took the unusual step of attacking *Losing Ground* from its editorial page, calling the book "deeply flawed," "unlikely to survive scrutiny," and "troubled by some big holes." A dozen years later, however, the *Times* would confess that Murray had written the "book that many people believe begat welfare reform."

The Bradley Foundation worked to build upon what Murray had started. One of its earliest grants, for \$300,000 in 1986, supported Marquette University's effort to assemble a working group of distinguished conservative and liberal scholars who could settle on areas of consensus in the welfare debate. The 20-member seminar was quite diverse philosophically; it spanned from Murray, Michael Novak, and Lawrence Mead on the right to Democratic administration office-holders like Franklin Raines, Robert Reischauer, and Alice Rivlin on the left. The members made plenty of recommendations, but perhaps most noteworthy was the group's willingness to discuss "self-damaging personal behaviors." The conservatives acknowledged that "the nation must do something" about human suffering, and the liberals agreed that "welfare programs should have an ethical component, a signaling function, and that behavioral dependency

Wisconsin didn't just kick people off welfare, it moved them into jobs, thanks to strong work requirements that resulted from much hard thinking made possible by philanthropy.

must be addressed." In 1987, the group produced a monograph called *The New Consensus on Family and Welfare*, in association with the American Enterprise Institute. "Getting a few liberals to sign onto a document that made reference to 'behavioral dependency' was critical," says Dan Schmidt, executive vice president of the Bradley Foundation. "It made them acknowledge that there's a dysfunctional culture of the inner city that's resistant to outside intervention."

Another key step for Bradley was the creation of the Wisconsin Policy Research Institute (WPRI), which had played such an important role in the school-choice debate. Welfare reform was one of the first topics WPRI focused on. "WPRI was suddenly a new player in the debate, an effective conservative voice presenting a point of view that hadn't been heard before in Wisconsin," says Michael Grebe, the new president of Bradley. In addition to publishing research papers, WPRI commissioned a series of opinion polls that demonstrated a strong public desire for politicians in Madison to tackle welfare. "All of a sudden, everybody was reading WPRI's polls. The newspapers were printing stories on them. Tommy Thompson certainly knew what was going on," says Allen Taylor, a recent chairman of the Bradley board. But Thompson and the Republicans weren't the only ones paying attention. "Our polls showed the Democrats that welfare reform was really important. They couldn't ignore what we were learning about the popular sentiment, at least if they wanted to continue winning elections," says Jim Miller.

One of the Bradley Foundation's most important contributions to the intellectual effort on behalf of welfare reform was its support of Marvin Olasky as a Bradley Scholar at the Heritage Foundation in 1989. This program allowed him to take a year off from his job as a professor at the University of Texas and focus on researching and writing the manuscript that would become *The Tragedy of American Compassion*. The fellowship allowed Olasky to leave Texas and work in Washington, D.C., a crucial move. Many authors talk about how they hit turning points in their research, moments of epiphany when their thoughts crystallize and everything seems to fall in place. Olasky's turning point came at the Library of Congress. "I had been researching the book for about a month before I received permission to go into the stacks," he says. "I found some dusty old records from the nineteenth century. They weren't in the card catalogue, and it

was obvious that nobody had looked at them in a long time. I wouldn't have seen them myself if I hadn't been living in Washington."

In *The Tragedy of American Compassion*, Olasky argued that nineteenth-century models of religious-based charity were preferable to the welfare state—a view that clearly has left its imprint on the Bush administration and its faith-based initiative. "Only two kinds of books on the overall history of poverty-fighting in America are now available. A few of the books argue that the free market itself solves all the problems of poverty. The more conventional approach stresses government intervention to restructure economic relations," wrote Olasky in the book's introduction. "But neither kind emphasizes the crucial role of truly compassionate individuals and groups in the long fight against poverty. Neither goes beyond smug rejection or neglect of pre-twentieth-century moral understandings."

By looking to history, Olasky rediscovered an old way of confronting poverty—through private charity rooted in religious compassion—and made it new again. Right after the GOP election sweeps of 1994, Republican leader Newt Gingrich was encouraging everybody who would listen to read *The Tragedy of American Compassion*. "Our models are Alexis de Tocqueville and Marvin Olasky. We are going to redefine compassion and take it back," said Gingrich in his first address to the country as Speaker of the House. Interest in Olasky didn't end with Gingrich, either. As governor of Texas, George W. Bush labeled Olasky "compassionate conservatism's leading thinker."

Back in 1989, when Olasky was still at the Heritage Foundation working on his manuscript, he gave a presentation on his research and views to a handful of Washington's welfare experts. One of the people who attended was Jason Turner, then director of the federal government's Aid to Families with Dependent Children (AFDC) program in the first Bush administration. "I remember thinking this guy has real insight into the way things worked, particularly with respect to the role religion plays in

One key Bradley contribution to welfare reform was its support of Marvin Olasky, whose book on the subject had considerable influence on House Republicans and Texas Governor George W. Bush.

human life," recalls Turner. "It helped me understand that private charity could replace the modern welfare state."

Within a few years, Turner was heading welfare reform for Tommy Thompson in Wisconsin, where the governor had been introducing reforms that required welfare recipients either to work or actively search for jobs. These changes were often implemented at the county level, and they were starting to show striking results. Lawrence Mead, one of the scholars involved in the Marquette project, continued to advise the state on welfare policy and became deeply involved in reforms introduced by Kenosha County, which became Thompson's flagship program. With support from the Bradley and Olin Foundations, Mead remained involved in the Wisconsin effort. He consulted with welfare administrators, wrote reports on reform for WPRI, and is currently writing the definitive scholarly treatment of welfare reform in the state.

Wisconsin began to earn a positive reputation for its creative welfare programs—and people started paying attention. Around the United States, in the thralls of a minor recession, welfare caseloads were going up. In Wisconsin, however, the caseloads were heading in the opposite direction. Thompson's reforms were leading to an unexpected but welcome decline in public assistance. One of his early initiatives was Learnfare, an effort started in 1987 to make sure that the school-age children of welfare recipients actually attended class; the program reduced payments to families with truant children. As Robert Rector of the Heritage Foundation wrote in *Policy Review*, "Although Learnfare did not reduce the AFDC rolls directly, it did have a symbolic importance, sending a clear message to both the bureaucracy and the welfare clientele that, for the first time, the government seriously intended to demand constructive behavior of welfare recipients and to sanction those who were derelict."

The AFDC reductions came from pressure at the county level. At Thompson's urging, Wisconsin counties began to associate welfare with work. In Sheboygan County, for instance, AFDC recipients were forced to look for jobs as soon as they applied for benefits. If they failed to find work in the private sector, they were given public-sector jobs. There was a flurry of other reforms, too. In 1994, a program called Work First required recipients to begin work immediately and counseled against AFDC dependence. The next year, a pair of counties began to

experiment with limiting AFDC payments to 24 months and the governor also allowed competitive bidding for the management of county welfare systems. Each of these innovations corresponded with a drop in public dependency.

Democrats in the state cooperated with much of Thompson's agenda, though by 1993 many of them felt the reforms had gone far enough, or even too far. Yet a difficult challenge confronted them: The new welfare rules were popular with voters, and these lawmakers certainly didn't want to get on the wrong side of an issue. So they decided to gamble. In December 1993, the state legislature passed a bill to scrap Wisconsin's system of welfare. Many Democrats secretly hoped Thompson would veto the measure, because it would preserve a program they basically supported and also appear to align the reform-minded governor with the status quo. Heading into an election year, and with Thompson seeking a third term, it was a clever political tactic.

But it was too clever by half. The Democrats had dared Thompson to wipe away Wisconsin's welfare system, and he accepted the challenge. In January 1994, the governor called their bluff and signed the bill. It did not abolish welfare immediately, but it did put the program on a firm course for elimination.

Thompson knew he would have to design a whole new welfare program, and he took up the task immediately. His staff was talented and committed, but they were also responsible for running a large bureaucracy. Everybody recognized that outside help was essential. Traditionally, the state government had turned to academics at the University of Wisconsin for this sort of advice—they even have a name for it, the "Wisconsin Idea." In the case of welfare reform, however, the professors were not sympathetic to the Thompson agenda. If they were invited into the process, they might try to reconstruct the old welfare model—or even replace the outgoing system with something worse.

So the governor turned to the Hudson Institute, a think tank based in Indianapolis, and its then-president, Leslie Lenkowsky. Hudson in turn was supported by the Bradley Foundation. In June 1994, the foundation sent its first grant, worth \$175,000, to

After visiting community projects Bradley was funding, the governor's staff had "the idea that we should get government out of the business of running welfare."

the Hudson Institute for a Wisconsin welfare project. Over the next seven years, Bradley would give nearly \$2 million to Hudson for welfare policy, with much but not all of these funds earmarked for activity involving Wisconsin.

In his memoir *Power to the People*, Thompson describes what he asked of the Hudson Institute:

I met with Hudson Institute president Les Lenkowsky to discuss my goals for the alternative to welfare. I said I wanted a program built around work. I wanted to end the cash benefit premise of welfare and replace it with a real-world concept: pay for performance. Everyone would have to work, and only work would pay. I described it as a new contract in which government and low-income families have concomitant responsibilities. Government would agree to provide child care, health care, and other assistance for a limited time to help people find and keep a job. In return, people must be willing to take personal responsibility for themselves and their families. They have to get up in the morning, get the kids fed and off to school or day care, and get themselves to a job, just like ordinary hard-working Americans.

"Thompson used the Hudson Institute as a quasi-official state think tank," says William Schambra. Mead puts it this way: "Thompson's rejection of the University of Wisconsin was totally unprecedented in Wisconsin politics. The governor believed that intellectuals could provide guidance to policymakers, but he was concerned about the source. The Hudson Institute became an ersatz university for his administration."

The Bradley Foundation's support of welfare reform was not limited to writing checks; it also provided key advice. Early in 1994, Jason Turner of the Thompson administration and several colleagues traveled to Milwaukee, where Schambra introduced them to some of the community projects the foundation was funding—a church that ran a job-training program, a public-housing activist who encouraged marriage among inner-city girls, and innovative school and child-care programs. "The experience gave us the idea that we should get government out

of the business of running welfare," says Turner. "This was an important insight for us."

By spring 1995, Thompson had a new welfare plan in hand, developed by the Hudson Institute and Thompson's staff. They had been meeting as a task force and called themselves the 99 Group because the legislation required a new program to be in place by January 1999. In addition to the people from Hudson, the group included Turner, state welfare chief J. Jean Rogers, Massachusetts' Secretary of Health and Human Services Gerald Whitburn, John Wagner (a former employee of the Wisconsin Policy Research Institute), and a few others. "It was a terrific opportunity for us to look at welfare and say, 'Knowing what we now know about dependency, how can we build a new and improved welfare system from scratch?' And that's basically what we did," says Andrew Bush, who was hired by Hudson to head its Madison, Wisconsin office.

Thompson signed the law in August 1995, and the "Wisconsin Works" program, also known as W-2, became a reality. The effects were immediate, upon W-2's full implementation in 1997, and the numbers tell a compelling story: Within a year, the welfare rolls dropped from 34,000 to 11,000—a 68 percent decrease in 12 months, and down 89 percent from the 98,000 recipients Thompson inherited upon taking office a decade earlier. Most counties reported having only a few welfare recipients, and there were even a handful with none at all.

It was an amazing success, made even more impressive by the fact that the state was not simply moving people off welfare, but helping them find regular jobs. The effects of this were felt beyond Wisconsin's borders, too. Policymakers around the country had been keeping an eye on the Badger State, and they were deeply interested in what Thompson would be able to accomplish. Wisconsin pushed the political boundaries beyond what most reformers thought was possible, and its changes reverberated at the national level. They became the basis for the 1996 federal welfare-reform law, which ended the entitlement to

Bradley not only showed other localities how to help people on welfare, it also advanced public policies nationally, where breakthroughs might not have come without the examples from Wisconsin.

welfare funding, limited families to five years on the welfare rolls, and imposed strong work requirements. “Wisconsin was the model and inspiration of the federal work requirements,” says Robert Rector of the Heritage Foundation, who played an influential role in that legislation.

During the congressional debate, the enemies of welfare reform warned of disaster. Perhaps no voice was more hysterical than that of the *Nation*: “The welfare bill will destroy [America’s] state of grace. In its place will come massive and deadly poverty, sickness and all manner of violence. People will die, businesses will close, infant mortality will soar, everyone who can will move. Working- and middle-class communities all over America will become scary, violent wastelands created by a government that decided it has no obligations to its neediest citizens. In such a landscape, each of us becomes either predator or prey.”

Yet no such thing had occurred in Wisconsin despite similar, if less bombastic, expressions of concern. One reason legislators in Washington, D.C., were able to endure such criticism was specifically because of the Wisconsin experience. The federal reformers did not feel as though they were embarking upon a bold new social experiment; they could point to a positive track record established in one of the nation’s laboratories of democracy.

In short, the Bradley Foundation guided its local giving according to a national strategy. The foundation not only showed other localities what they could do to improve the lives of people on welfare, but also advanced wise public policies on the national stage, where breakthroughs might never have come without the examples provided in Wisconsin.



Chapter 111

The Road Ahead

The success of the Olin and Bradley Foundations show that effective philanthropy can have a strong, positive influence on American life. It is not enough for conservatives simply to complain about the status quo; they must work actively to change it. When the Olin Foundation correctly perceived legal education as a problem, it responded by nurturing the Law and Economics movement. Similarly, the Bradley Foundation understood from the start that it wasn’t enough to critique a rotten system of urban education or a welfare regime that sapped the human spirit and created dependency—critique was only a first step. It was essential to create alternative visions, through school choice and work requirements, and then invest substantial sums of money in demonstration projects that would inspire large-scale public-policy reforms. What conservative philanthropy must do, at bottom, is unleash the private sector to address the problems that liberals claim only the government can handle.

Success in this endeavor will require many more philanthropists. The Bradley Foundation remains a healthy organization, but the Olin Foundation, per the intent of John M. Olin, will soon cut its last check and shut its doors forever. When that happens, the world of conservative philanthropy will be, quite literally, a good deal poorer. Consider this: In the three-year period between 1997 and 1999, the Olin and Bradley Foundations jointly supported 109 grant recipients in common; Olin gave nearly \$44 million to them and Bradley gave almost \$49 million. The loss of the Olin Foundation will affect these recipients in dramatic ways, and also will influence the behavior of the Bradley Foundation, which may be expected to make up a portion of the difference. This is to say nothing of the worthy projects that the Olin Foundation has supported and the Bradley Foundation has not.

Other changes in conservative philanthropy compound

Conservative philanthropy must unleash the private sector to address the problems liberals claim only government can handle. Success will require many more philanthropists.

the problem of Olin's disappearance and make it essential for new sources of financial support to come on line as soon as possible. This is a tremendous problem for the whole conserva-

The most important step future philanthropists will take involves the board of directors.

tive movement, and one that may not be fully appreciated by people who don't work on the frontlines of fundraising and grantmaking. Yet it also represents an opportunity for future philanthropists to fill a vital need. Anyone who creates a

major new conservative foundation will be able to have an important impact almost immediately, and a growing one over time if the founder and his directors possess the same sense of entrepreneurial philanthropy that has served the Olin and Bradley Foundations so well for so long. Someone will have to carry on the work of the Olin foundation in law and higher education. Victory in fields ranging from health care reform and Social Security reform to more equitable tax policy and the war on terrorism will require philanthropists with long-term strategies as carefully thought out as those of the Olin and Bradley Foundations.

Advice for Future Philanthropists

The experience of the Bradley and Olin Foundations suggests that the most important step future philanthropists will take involves the board of directors. This is critical—perhaps the most important decision a philanthropist will make in setting up a foundation. Mistakes at this stage are not easily corrected; so a careful review of all candidates is essential.

- **Make sure board members share your vision of philanthropy.** This may seem an obvious point, but don't forget the painful lesson of the Ford Foundation, which has moved sharply away from what its founder once envisioned. John M. Olin was shaken by what happened there, and wisely took steps to guarantee that his own fortune wouldn't be hijacked by people opposed to the means by which it was accumulated. A founding philanthropist should aggressively make sure a similar disaster does not befall his own foundation by recruiting like-minded individuals to serve as directors. As for-

mer *National Review* editor John O'Sullivan has commented, in what some call "O'Sullivan's Law," any organization that isn't explicitly conservative drifts to the left over time.

- **Locate experts.** Every board should have a functional capability, which is to say that if it has a strong focus on education, there should be directors with educational expertise on the board. At the very least, the board should include intelligent people who are not only interested in the world of ideas but also have a sense of how the world of ideas actually works. It's also important for every board to have knowledge of finances and markets, so that the foundation's endowment can be protected and enlarged.
- **Don't make the board too big.** A board with an overabundance of members tends to develop factions, which is unhealthy for an organization that must devote itself to a particular vision and the preservation of a donor's intent. Dusty Rhodes, the current chairman of the Bradley Board, believes nine to 11 members are ideal. At the Olin Foundation, there are only six board members.
- **Have an odd number of members.** A good board will agree on most things, but perhaps not all things. To ensure that there is a speedy resolution to every dispute, a board should have an odd number of members so that there's always a tiebreaker at the table.
- **Hold family members to the same standards as other candidates for the board.** One of the great lessons of conservative philanthropy is that the children and relatives of a founding philanthropist may not share similar ideas on matters of substance. Membership on a board dedicated to conservative philanthropy should be earned, not inherited. Reserving space for family members who have not reached their maturity invites a betrayal of donor intent. This has been a special challenge for several important conservative foundations—

Make sure board members share your vision of philanthropy. Hold family members to the same standards as other board candidates.

but it is a problem the Olin and Bradley Foundations have avoided. There is a single family member on the Olin board (John M. Olin's son-in-law), and one on the Bradley board (Harry Bradley's grandson).

Not long after a board is assembled, the question of full-time staff arises. This involves another critical set of decisions, because staff members will wield enormous power: They will receive grant

Much conservative success comes from philanthropists who have built flexible organizations, such as think tanks and magazines, that can respond to unexpected challenges.

proposals, perhaps soliciting some themselves, make presentations and recommendations to the board, and evaluate the performance of grant recipients.

Liberals dominate the world of philanthropy, which can pose severe challenges for a foundation trying to hire personnel. Conservatives may not have the same on-

the-job foundation experience as liberals, but they're also more likely to share a donor's philanthropic vision, which ought to be a prerequisite to hiring. One of the reasons the Olin and Bradley Foundations have succeeded is because they have had excellent staff, particularly in the position of president or executive director. Michael Joyce and James Piereson have been steady presences, and their leadership deserves much of the credit for the success of their foundations.

The Bradley Foundation has suggested what qualities are most important to look for in staff:

Liberally educated enough to understand the full sweep of cultural, philosophical, political, and legal issues that we come up against in our operations; politically savvy enough to understand which ideas may have resonance with the man in the street, and which are merely academic pipe-dreams; intellectually non-doctrinaire and flexible enough to forge and sustain coalitions with unorthodox allies; articulate enough to convey the purposes of our grantmaking to board members and the public alike, with due regard for the legal limits of nonprofit activity.

This formula has worked for the Olin Foundation as well,

and it remains a sturdy model for future philanthropists.

Once a board and a staff are in place, it is possible to think about grantmaking. Here are a few lessons drawn from the experience of the Olin and Bradley Foundations:

- **Strategy First.** Before philanthropists think about funding, they should think about strategy. "In two decades of raising money from liberal foundations, I can't remember ever having a discussion of strategic ideology, of how to shift the debate to the left, at a major foundation," says liberal activist Jeff Faux. "They're focused on solving problems, not moving the debate." The Olin and Bradley Foundations, in contrast, have focused on solving problems *by* moving the debate.
- **The Importance of Infrastructure.** Much of the conservative movement's success may be attributed to philanthropists who have built flexible organizations, such as think tanks and magazines, that can respond to a variety of unexpected challenges. Narrowly focused and time-limited projects aren't able to do the same thing. Furthermore, the best projects are often found, rather than created—it may be wiser to support the self-generated interests of a young and promising scholar than to try to command his energies to flow in a particular direction.
- **Focus on Elites.** The best way to advance ideas is to influence opinion leaders. "You might call this the trickle-down effect of how ideas work—start with the elites and move out into the broader culture from there," says Piereson.
- **Patience.** When the Olin and Bradley Foundations make a commitment to an organization, they're in it for the long haul. "Progress will not be a straight line," says a Bradley Foundation document. "The fact that we are patient funders contributes mightily to our success, as opposed to liberal foundations, which flit erratically from fad to fad."

Excellent staff, particularly at the top, are one reason Olin and Bradley succeeded.

A Note on Sources

My most important sources for this report were people, especially those who currently work for the John M. Olin Foundation and the Lynde and Harry Bradley Foundation. Without their generous assistance, which includes supreme patience for a pesky writer with lots of questions, this report would have been impossible to write. James Piereson at the Olin Foundation and Michael Grebe, Michael Hartmann, William Schambra, and Daniel Schmidt at the Bradley Foundation were invaluable. I also interviewed Clint Bolick, Frank Buckley, Andrew Bush, Bob Chitester, John E. Chubb, Bill Dennis, Kim Dennis, Dinesh D'Souza, Ed Feulner, Hillel Fradkin, Milton Friedman, Steve Hayward, Michael Horowitz, Samuel P. Huntington, Michael Joyce, David Kennedy, Irving Kristol, Leslie Lenkowsky, John Lott, Myron Magnet, Daniel M. McKinley, Lawrence M. Mead, Eugene B. Meyer, Jim Miller, Susan Mitchell, Terry M. Moe, Larry Mone, Charles Murray, Richard John Neuhaus, Frank O'Connell, Marvin Olasky, Paul Peterson, Robert Rector, Thomas L. Rhodes, Allen M. Taylor, and Jason Turner.

Wherever possible, I have cited my sources within the text. Some readers, however, may wish to learn more about a particular subject.

The best short introduction to John M. Olin and his philanthropic legacy is probably Leslie Lenkowsky's entry on the man in *Notable American Philanthropists: A Biographical Encyclopedia*. The Bradley Foundation has published a short book on its benefactors: John Gurda, *The Bradley Legacy: Lynde and Harry Bradley, Their Company, and Their Foundation*. The best primer on Bradley's interest in "civil society" is William A. Schambra's article "By the People" in the summer 1994 *Policy Review*.

For a good (but increasingly dated) overview of the conservative-idea industry, see Gregg Easterbrook, "Ideas Move Nations," in the January 1986 issue of the *Atlantic Monthly*. The National Committee for Responsive Philanthropy's July 1997 report, "Moving a Public Policy Agenda: The Strategic Philanthropy of Conservative Foundations," by Sally Covington, is not sympathetic to the institutions it studies but it does contain a wealth of useful information. Another interesting liberal perspective is "Philanthropy and Movements," by Robert Kuttner,

appearing in the July 15, 2002 issue of the *American Prospect*.

The books by Allan Bloom and Dinesh D'Souza on higher education remain relevant and readable. Other valuable books in this genre are *The New Thought Police*, by Tammy Bruce; *Literature Lost*, by John Ellis; *Bonfire of the Humanities*, by Victor Davis Hanson, John Heath, and Bruce S. Thornton; *Tenured Radicals*, by Roger Kimball; and *The Killing of History*, by Keith Windschuttle.

A good book-length introduction to Law and Economics is *Law's Order* by David D. Friedman. A much shorter primer may be found in Michael McConnell's 1987 article for *Policy Review*, "The Counter-revolution in Legal Thought." A short history of the Law and Economics movement is embedded in Larissa MacFarquhar's engaging profile of Richard Posner, "The Bench Burner," *New Yorker*, December 10, 2001.

A concise summary of how school choice came to Milwaukee (and elsewhere) may be found in Frederick M. Hess, *Revolution at the Margins: The Impact of Competition on Urban School Systems*. Other worthwhile accounts of the Milwaukee story include Mikel Holt, *Not Yet 'Free At Last': The Unfinished Business of the Civil Rights Movement: Our Battle for School Choice*, and Daniel McGroarty, *Break These Chains: The Battle for School Choice*.

A helpful overview of welfare reform in Wisconsin is Robert Rector's March/April 1997 *Policy Review* article, "Wisconsin's Welfare Miracle." The best book on welfare reform in Wisconsin has not yet been published—but it has been written. Lawrence Mead kindly allowed me to examine draft chapters from his forthcoming book, *Statecraft: Welfare Reform in Wisconsin*. When it is published, probably in 2003, it will be the standard account of what happened in Wisconsin and why it was so important.

For more information on starting and managing a foundation, contact The Philanthropy Roundtable, 1150 Seventeenth Street N.W., Suite 503, Washington, D.C. 20036, or visit their website at www.philanthropyroundtable.org.

About the Author

John J. Miller is national political reporter for *National Review*. He is the author of *The Unmaking of Americans*, which he wrote as a Bradley Fellow at the Heritage Foundation. He has also worked for the Manhattan Institute and the Center for Equal Opportunity.

*Notes**Notes*

The Philanthropy Roundtable

The Philanthropy Roundtable is a national association of individual donors, foundation trustees and staff, and corporate giving officers. Its mission is to foster excellence in philanthropy and to assist donors in advancing freedom, opportunity, and personal responsibility.

The Roundtable is guided by the principle that voluntary private action offers the best means of addressing many of society's challenges, and that a vibrant private sector is critical to generating the independent wealth that makes philanthropy possible. The Roundtable is strongly committed to donor intent and to helping philanthropists ensure that their intentions will be adhered to in the long-term administration of their trusts.

The Roundtable attracts independent-minded grantmakers who understand that philanthropy is difficult to do well, and who realize they can benefit from being part of an organization that is dedicated to helping them achieve their charitable objectives. To these ends, the Roundtable offers its Associates three principal services:

- ★ **Meetingplace:** The Roundtable offers a solicitation-free environment where donors share ideas, strategies, and best practices.
- ★ **Resource Center:** The Roundtable publishes state-of-the-art information on excellence in philanthropy and connects donors with the best minds in their field.
- ★ **Leverage:** The Roundtable helps donors leverage their resources by enlisting new philanthropists committed to freedom, opportunity, and personal responsibility.

Programs & Services

The Roundtable's programs and services for grantmakers include

- ★ An annual national meeting, held each fall, that focuses on a theme of central importance to philanthropy. Donors gather from around the country for this three-day conference.
- ★ Regional meetings, held in different cities throughout the year, that bring grantmakers together to discuss issues of common concern and to develop effective strategies to address them.
- ★ *Philanthropy*, a bimonthly magazine that explores the issues of greatest concern to grantmakers and welcomes articles by donors and others about new ideas and developments in philanthropy.
- ★ Monographs addressing both practical and philosophical matters pertaining to charitable giving.
- ★ A website (www.philanthropyroundtable.org) with current information of interest to donors.
- ★ Consulting and referral services on starting, restructuring, and administering giving programs, designed especially for individual donors and small foundations that have limited staff and resources.
- ★ Affinity groups for donors with a specialized interest in K-12 education, environmental giving, defense and national security, and other subjects.

The Roundtable's programs and services are available to donors only. The solicitation-free environment we seek to maintain precludes paid fundraisers from participating.

The Roundtable welcomes individual donors, corporations, foundations, and trust and estate officers as Associates. All Roundtable Associates are eligible to receive:

- ★ A subscription to *Philanthropy*
- ★ Invitations to annual and regional meetings and affinity groups
- ★ Discounted conference fees
- ★ Complimentary copy of each monograph
- ★ Program and management consultation

Suggested Annual Contribution Levels

	Individual Donors	Foundation and Corporate Donors
BASIC	\$250	\$500
SUSTAINING	\$500	\$1,000
LEADERSHIP	\$1,000	\$2,500
SPONSOR	\$2,500 and up	\$5,000 and up

The Roundtable also accepts grants for projects and operating support

Enclosed is my tax-deductible contribution of \$ _____ to become a Roundtable Associate

INDIVIDUAL INSTITUTIONAL

at the following level:

BASIC SUSTAINING LEADERSHIP SPONSOR

MR.

MRS.

MS.

TITLE

AFFILIATION

ADDRESS

CITY

STATE

ZIP

BUSINESS PHONE

FAX

HOME

The Philanthropy Roundtable is a nonprofit tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. Contributions are fully tax-deductible.