

The philanthropic strategies and networks attacking our democracy

By Katherine Ponce

More than 250 right-wing 501(c)(3) nonprofits spent over \$1 billion per year in the 7 years between 2015 and 2021. That 7-year period begins when Donald Trump's anti-Black, anti-immigrant social media sideshow began its transformative takeover of the Republican Party into a national neo-fascist movement and ends when hundreds of far-right rioters stormed Congress in an attempt to overturn the results of the presidential election.

Between Trump's infamous "rapists and drug dealers" speech in 2015 and January 6, 2021, a subset of more than 2 dozen nonprofits focused specifically on undermining electoral, liberal and economic democracy increased their fundraising 3-fold to over \$500 million per year.

Simply put, nearly 30 years after the National Committee for Responsive Philanthropy (NCRP) first documented the "strategic philanthropy of conservative foundations" in Sally Covington's landmark study "Moving a Public Policy Agenda," and 15 years since the Supreme Court demolished election spending rules in favor of corporate personhood with *Citizens United v. FEC*, the space for right-wing donors to finance anti-democratic civil society has exploded.

AN ATTACK ON DEMOCRACY

Organizing in the workplace, voting and protesting are fundamental pillars of a democratic society. With all 3, citizens are not only participants in the electoral process, but also active agents in shaping the policies and practices that affect their daily lives. The rights to free expression



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and bodily autonomy guaranteed by liberal democracy are meaningless without the electoral and economic power to back them up.

Over the past decade, we have seen the fruition of a well-financed 60-year campaign to roll back major movement-won advances made on racial, gender and economic justice that culminated in The Civil Rights Act of 1964 and the Voting Rights Act of 1965. These attacks are not random explosions of frustrated or economically excluded populists, but the deliberate work of various networks of philanthropic actors who seek to roll back or undermine efforts for a more democratic and just society.

Building power like the far right has done requires trust from philanthropy. Past NCRP research has documented the ways "regressive philanthropy" has been highly effective in supporting the goals of funders and organizations that want to take us backwards as a society, primarily through multi-year unrestricted funding focused on messy, nonlinear change led by movement-

nurtured leaders. In building awareness about who is behind these well-resourced attacks on democracy, it is essential to recognize how right-wing donors have used philanthropy to maintain their own disproportionate wealth and power. Perhaps most importantly, it is essential to connect the consequences these attacks have on grassroots organizations and the communities they represent.

WHAT GRASSROOT ORGANIZATIONS ARE WORKING AGAINST

Last December, the entire staff at NCRP traveled down to Miami, Florida for our biannual work planning trip together. In addition to connecting with each other inside and outside of our office space, we also connected with organizations in our nonprofit membership program. During a particular presentation by a nonprofit member working to broaden and deepen democracy in Florida, our staff heard things that were cause for alarm.

Doing deep engagement work in democracy has always been difficult in the United States, but the growing opposition to progress in our federal and state legislatures continues to threaten grassroots organizations engaged in this work. Legislative trackers suggest that thousands of pro-democracy legislation from both parties get introduced every year, and about 10% of bills pass. Much of this largely goes unnoticed by the public, but the slow and subtle shifts of power in American democracy add up with large implications. Conversations with NCRP's national membership of grassroots organizations has surfaced 3 recent threats to our democracy:

1. Undermining the Power of Worker Organizing.

Despite a 2023 worker's strike receiving historical presidential support and an overwhelming majority of public support, labor union membership reached an all-time low in 2023 with only 10% of U.S. workers being part of a union. This movement away from union membership has had increasing impacts on stagnating wages, rising income inequality and dangerous working conditions. But in addition to the economic disadvantages, lower union membership has weakened the middle-class voice in democracy.

Unions have always held space for information sharing and collective bargaining for the common interest of a group of people. It is in the fabric of their existence to support voting as a fundamental right because it allows workers to have a say in decisions affecting their lives and workplaces. Unsurprisingly, these values led to labor playing a central part in the passage of 2 landmark pieces of legislation, the Civil Rights Act of 1964 and the Voting Rights Act of 1965. Dr. Martin Luther King, Jr. was assassinated while in Memphis supporting a public employee strike. The American labor movement has followed up that initial support by increasingly recognizing that workers are more powerful when they are not divided by racial, ethnic, gender or religious backgrounds. Research shows that over time, union membership can reduce wage inequality across race and gender. Today, Black workers have the highest union membership rate at 11.8%, and Latinx and Asian American workers are the fastest-growing sets of union members.

The labor movement, already undermined by the expansion of so-called right to work laws in many conservative states, took a huge hit in 2018 when federal courts ruled in *Janus v. AFSCME* that public employees no longer have to pay fees to unions to cover the costs of collective bargaining. Since this ruling, unions have

been forced to represent nonmembers for free, threatening their ability to survive if too many members opt out of receiving the benefit of the union for free. Since 2019, states have filed 200 lawsuits in state and federal courts and introduced legislation that prohibits paycheck deductions for dues, mandated high membership thresholds and introduced automatic decertification. These anti-union bills continue to contribute to the fall in union membership and public perception, which ultimately has a direct effect at all the polls. An Economic Policy Institute study of the 2022 midterm elections found that local labor union power is associated with greater access to ballot drop boxes. This study found that a "1 percentage point increase in union density was associated with a 9.8% increase in the number of ballot drop boxes per capita."

2. Restrictions on 3rd Party Voter Registration Drives. Voter Registration Drives, also referred to as 3PVRD, are often thought of as community efforts

to encourage and assist people in registering to vote. Yet to date, 57 % of the population live in states that restrict registration drives.

All citizens having the agency and access to vote is painful and recent history. Since the Voting Rights Act of 1965, the law extending the right for Black Americans to vote, Congress has had to extend the law's provisions in 1970, 1975, 1982 and most recently in 2007. Before and certainly after 2013, when a key provision of the law was invalidated by a Federalist Society-influenced Supreme Court, local attacks at the state level have increased barriers at the ballot box. With few exceptions, new restrictive bills have been introduced in each election cycle. With every bill passed, frontlines workers' landscape shifts, uprooting how they can legally and safely do their work. In 2021–2022, 400 legislative proposals were introduced to undermine our election system. Since 2020, only 18 states have become more expansive in providing equal access to the ballot and combating





violence and divisiveness, while 24 states became more restrictive.

In total, 23 states have laws restricting 3rd party voter registration drives, while 2 states do not allow them at all. In addition to introducing complicated time-bound laws for voter registration drives, Florida has successfully passed laws to increase fines on groups who do not keep up with these restrictions.

In 2021, the maximum fine a voter registration group could receive was \$1,000. In 2023, that grew to \$250,000. After this law took effect in 2023, registrations through drives fell by 95%, compared with the same months 4 years earlier. This shortfall has and will disproportionately affect communities of color. Since 2012, 12.8% of Black voters in Florida had used voter registration drives to register or update their registration as compared to 10.3% of Latinx voters and just 2% of white voters.

3. Criminalizing Dissent. Since 2017, hundreds of anti-protest bills have been introduced, including an uptick in bills following the 2020 uprising in defense of Black lives. Multiple successful wins among conservative candidates now show explicit model practices that have been implemented across states. These new bills have criminalized protestors, silenced organizers and ultimately created an environment where funders believe it's appropriate to cut ties with nonprofit partners

based on their beliefs, even when those beliefs are aligned with the same mission funders originally agreed to support.

The federal right to protest has historic roots in Washington DC. In 1938, the New Negro Alliance (NNA) took on the Sanitary Grocery (now Safeway) after the store sued protestors for picketing as part of a “Don’t Buy Where You Can’t Work” campaign. The NNA went on to win the case in the Supreme Court, marking an important victory in the right to protest that was instrumental later during the Civil Rights Movement.

While the federal government has largely remained unsuccessful at revising the precedent of this law, states have continued to slash individual First Amendment freedoms. Following the 2020 uprisings, the anti-Black response of new laws was not a new move but an old trick. After an unarmed Black 19-year-old was fatally shot, Florida passed an “anti-riot” law in 1967 designed to stop Tampa’s Black community from protesting.

Public attention has been heightened as we watch these most recent laws silence and criminalize Atlanta activists participating in the #StopCOPCity movement and grassroots organizations for solidarity with Gaza. Movement leaders, organizations and grantmakers have been sounding the alarm: It is only a matter of time before this kind of repression reaches other social justice fights like

abortion funds, migrant support funds or mutual aid.

WHO IS BEHIND THESE REGRESSIVE POLICIES?

All 3 of these anti-democratic efforts follow the same fundamental approach: Attack court precedents won in the mid-1900s through mass movements of oppressed people, introduce model legislation at the state level that chips away at legal rights, and radically polarize the public around divisive issues with a flood of messaging spending. Political leaders of the conservative movement have been out in front of these strategies that are used against grassroots organizations and communities. However, this type of coordination takes a lot of behind-the-scenes work.

Between 1997 and 2004, NCRP published a series of reports detailing the strategies and influence of conservative philanthropy. In 1997’s “Moving a Public Policy Agenda,” NCRP observed \$210 million total in grants for conservative causes from 12 well-known conservative foundations, or \$154 million per year in 2024 dollars between 1992 and 1994. NCRP’s analysis expanded in 1999’s “\$1 Billion for Ideas” which included the spending data for 20 of the largest conservative think tanks from 1996 and 1997 – totaling \$321 million per year in 2024 dollars grantmaking. In 2004’s “Axis of Ideology,” NCRP included the grantmaking of more conservative

foundations (77) from 1999–2001 – \$157 million per year in 2024 dollars. When these statistics were published, they were among the first attempts at quantifying the power and reach of conservative nonprofits, and by their nature, NCRP underestimated both.

In light of the current successes of anti-democratic forces, NCRP decided it was time to examine the giving by donors and foundations who seek to move our nation backwards with fresh eyes. From 2015–2021, NCRP estimates that regressive public policy organizations spent on average over \$1 billion per year. Their fundraising and spending increased by more than 50%, and their assets and re-granting doubled in those 7 critical years.

In addition to their sheer size and power, these foundations have also remained consistent in how they fund. In our 1990s reporting, NCRP concluded that conservative foundations were more likely to provide their grantees with general operating funds. Today one of the largest regressive philanthropic funders, the Lynde and Harry Bradley Foundation, and the largest platform for conservative Donor-Advisor Funds, Donors Trust – a giving trend that exploded in NCRP’s most recent research – continue that pattern. Combined, the Lynde and Harry Bradley Foundation and Donors Trust have granted out over \$1 billion since 2015. A majority – 58% – of these grants were general operating support grants. From a best practice standpoint, grantmaking like this outperforms most philanthropic organizations. While NCRP encourages funders to provide at least 50% of their grant dollars for general operating support, the Center for Effective Philanthropy reports that of the 58% of foundations who do provide multi-year general operating support, only 11% of foundations reach that benchmark.

Through website, annual reports and tax return (Form 990) keyword searches, NCRP’s research has so far identified a

group of over 2 dozen well-networked 501(c)3s that have missions to develop model legislation, messaging, and/or leaders that will limit rights and regress democracy. These organizations have adapted themselves to the Trumpist turn within the conservative movement away from free market neoliberal politics and toward post-liberal, explicitly nationalist politics, including a new and renewed focus on policies that criminalize dissent, constrain workplace democracy and corrupt our electoral processes in order to preserve minority rule. Between 2015 and 2021, the expenses of the 20 conservative think tanks whose rise to power is documented in 1999’s “\$1 Billion for Idea’s held steady at just over \$400 million per year, while the expenses of the newly anti-democratic vanguard of the right doubled from \$200 to \$400 million.

Testing our legal system takes power. Shifting the narrative arc to catalyze successful wins takes consistent long-term funding. When you are an organization that is trusted to try new things and resourced well over multiple cycles, you start to see the wins.

WHERE DO WE GO FROM HERE?

NCRP is continuing to update our research about right-wing donors and foundations with new tracking and analyses about regressive philanthropy. We expect to have a report out in 2025 that will detail our findings and shine a light on the donors, foundations and nonprofits that seek to undermine democracy and turn back the clock on our freedoms.

And while the anti-democratic movement has grown in size and sophistication, much of the through lines we reported on 30 years ago have remained the same. Regressive philanthropy is modeling how effective trusting aligned, grassroots issue-focused leaders can be for conservative funders in achieving right-wing goals.

How does this compare to mainstream or traditional funders? Consider this observation from a grantmaker in a report from the Center for Effective Philanthropy that documented funders’ perspectives on the \$14 billion in unrestricted grants that MacKenzie Scott has given (with at least \$567 million of that racial equity organizations):

“This funder said that grassroots organizations often have an emphasis on lived experience, which has encouraged them to make some sort of nonprofit to support people similar to them.” While the funder noted that starting grassroots nonprofits is ‘wonderful,’ they also suggested that, for these organizations, ‘Sometimes managing the dollars is a little more difficult, because it’s not necessarily their background...’”

For too many, a deep mistrust exists between those with the money and will to resource progressive movements and communities impacted most by regressive policy. This mistrust is so deep that even well-intended philanthropic actors go so far as to criticize a donor who devolves their leadership to those closest to the issue. Beyond this quote, the lack of trust is evident in grantmaking practices that lean on a one-time or yearly programmatic-based funds, instead of flexible, multi-year investments.

In order to work toward a shared vision with clear goals supported by consistent narratives, we need progressive intellectuals and funders to work with and be led by movement demands. We want deep investment in progressive infrastructure directed toward a shared vision.

Certainly, one way to not just reverse the erosion of our rights but to build toward an inclusive world is to model the trust and deep pockets that regressive philanthropists show toward their grantees. Or at the very least, we should begin to ask why it’s so easy for them to do so.

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