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Abstract

We map the distribution of environmental grants provided by select California foundations in 2000 and the degree of dependency of their grantees on foundation support to test theoretical claims about foundations' role in contemporary environmentalism. Contrary to assertions by critics of elitism, there is no consistent favoritism of the so-called mainstream flagship national environmental organizations as recipients of foundations' grants. Instead, donors support a variety of causes with varying levels of funding based on grantees' perceived expertise and needs, a finding consistent with pluralist and resource dependency arguments. On the receiving end, we find that NGOs that have greater reliance on foundation money are those that are younger, have fewer paying members, and are not involved in local-level and toxics issues. Overall, we find that no single theory can adequately explain the trends in both giving and dependency. Future research building on these findings can proceed along two directions: a theoretical path in search of more universal theory of foundation giving or an empirical path focusing on clarifying different types of NGO grantees, the longitudinal patterns of environmental giving, and the impact of foundation funding on NGO grantees.

Introduction

A common critique of American philanthropy is that foundations serve as instruments of the elite for socio-political hegemony (Arnove, 1980; Domhoff, 2002; Roelofs, 2003). According to this theory, grants and other foundation support are used to capture the agenda and leadership of non-governmental organizations (NGOs), thus ensuring social change that is "gradual, moderate, and unambiguously controlled by society's dominant classes" (Berman 1983, p. 18). Morrison and Dunlap (1986), for instance, contend that elitism in the environmental movement have three dimensions: *compositional*, *ideological*, and *impact*. *Compositional* elitism accuses environmentalists of being largely drawn from the upper socioeconomic strata, *ideological* elitism of environmentalists' favoring the self-interest of the elite, and *impact* elitism of the movement's regressive social impact (Morrison and Dunlap, 1986).

Informed by elite theory, critiques of environmental philanthropy take on largely ideological and compositional expressions. Charges that environmental giving by foundations are meant to distribute benefits to the elite community often use as evidence the high priority afforded by donors to nature preservation. In this thinking, environmental amenities such as open-space, wildlife, and wilderness are salient "primarily to those who can afford leisure time and travel away from urban/industrial workplaces" (Morrison and Dunlap 1986, p. 584).

Charges of compositional elitism find their most scathing expressions in Arnold's (1999) work. Though empirically haphazard, Arnold contends that many of the big environmental grants provided by private foundations go to the large national environmental lobby groups whose leadership is often peopled by the very same crowd in

the top hierarchy of the philanthropic world. This picture of a tight elitist circle of funders and environmentalists is common in other accounts as well. For example, Allen (1997a) contends that foundations "faced with the deluge of applications… often target the big bucks to environmentalists they know, creating an inner circle of 'haves' along with a bunch of outsiders looking in" (p. A1).

Ideological and compositional elitisms merge in the common complaint that foundations' favored grant recipients "tend to fit a narrow profile: political centrists who push for scientific research or solutions that industry can support" (Allen 1997a, p. A1). Brulle (2000) echoes a similar sentiment noting that foundations prefer funding mainstream NGOs for environmental research and policy reforms congenial to industrial capital rather than activities that examine deep-rooted social and political causes of ecological degradation.

This charge of elitism, which became widespread in the 1990s and continues today, is best encapsulated in Dowie's (2001) remarks:

> Yet it is, "the nationals" – the Sierra Club, the Wilderness Society, the Environmental Defense Fund, the National Wildlife Federation, and the Audubon Society – that the media identify as the major players and agenda setters of American environmentalism. These "well branded" nationals spend about 70 percent of the total funds devoted to nonprofit environmental advocacy and protection. Most of them carefully avoid challenging the power structures and relationships that have the most profound environmental impacts. It is therefore not surprising that the few mainstream American foundations willing to make large grants to environmental causes favor these organizations (p. 89).

If true, these statements would reinforce the notion that philanthropic support for environmentalists is just another means by which elites protect the status quo (e.g. Gonzales, 2001). In other words, foundation funding becomes a means by which the

mainstream environmental movement's agenda and leadership become incorporated in state imperatives while more radical environmentalists are left in the realm of civil society (Dryzek, 1996). Implicit in Dowie's claims is the idea that where the level of foundation funding is highest, so is patron influence because foundation grants are believed to come with strings attached (Bosso, 1995). Elite influence in the environmental movement may thus be reflected in the agenda, activities, and issues taken up by these flagship environmental groups, which are said to receive disproportionately high levels of foundation support. Yet, there is actually a dearth of systematic empirical substantiation that foundation grants are preferentially channeled to so-called mainstream national environmental organizations.

Also seldom explored in most studies is how dependent environmental NGOs are on these foundation grants**.** Because many critics assume that financial reliance on foundation grants inevitably leads to loss of organizational autonomy and identity (Allen, 1997b; Brulle, 2000; Donahue, 1990), it is important, as Bosso (1995) advised, to map the degree and patterns of dependency among different environmental NGOs before attributing significant effect on them. Ingram et al. (1997) even questioned the importance of external grants on the vitality of contemporary American environmentalism noting that "while external funding unquestionably facilitated the creation of environmental organizations in the 1970s, the availability of outside funds can explain neither the persistence of mainstream environmental organizations into the mid-1990s, nor the development and maintenance of extremists national and international environmental groups, nor the dramatic rise in grassroots activism" (p. 121).

In this article, we address these deficiencies in existing studies. By presenting the patterns of foundations' environmental grantmaking and the dependency of environmental NGOs on these grants, we aim to provide a snapshot of contemporary environmental philanthropy from the perspectives of both givers and recipients. We seek answers to such fundamental questions as: 1) Are foundations donors consistently favoring mainstream national groups and their causes with more grants and greater dollar support compared to non-mainstream NGOs? 2) How dependent are grantees on foundation money? and 3) What organizational traits best predict grantees' dependence on foundation money? We explore these questions using the California philanthropic community as the setting for several important reasons. First, 40 California foundations constitute the biggest block among the 215 foundation members of the Environmental Grantmakers Association (EGA, 2004). Second, of the top 50 US foundations in 2000 that awarded grants for the "Environment and Animals", the biggest group (10) comes from California (Foundation Center, 2002a). Their aggregate funding accounted for 12% of the $822 million and 31% of the 3,248 grants provided by the top 50 US foundations in 2000. Third, California foundations have traditionally been stronger supporters of the environment compared with their counterparts in other states. For instance, the 1999 environmental grants provided by California foundations amounted to $155 million representing 10.6% of all California foundation giving, compared to just 6.3% nationally (Lawrence et al., 2001). In terms of number, California foundations gave 9.2% of their grants in 1999 to the environment compared to 5.9% for all US foundations. Thus, whether measured in terms of their EGA membership, the dollar amounts, or the number of grants given for environmental causes,

California foundations dominate the environmental philanthropy landscape in the US at the turn of the century.

Our results provide us with a more balanced perspective on environmental philanthropy than that provided by elite theory. We find that private foundations do not consistently favor mainstream national groups. But the latter are favored with higher mean grant amount in some domains where they are widely acknowledged to have better competence over non-mainstream groups. We also find that donors have no specific favorites as far as awards of different grant types**;** but certain organizational traits of grantees – like age, membership base, and whether they are engaged in local-level issues and direct action – affect their degree of dependency on foundations.

These findings appear more consistent with pluralist and resource dependency doctrines than arguments advanced by critics of elitism**.** The classic group pluralist theory (Dahl, 1961; Truman, 1993) holds that like-minded individuals will band together to pursue their common interests resulting in a proliferation of groups in a democracy that are constantly competing and cooperating with one another in pursuing their particular vision of the good society. Believing that foundation donors have diverse interests and motivation, pluralists therefore expect giving to be diffused to a wide variety of causes. They decry as simplistic and inaccurate many of the claims by critics of elitism on foundations and their grantmaking (e.g., Karl and Katz, 1987). In the pluralist model, foundations are crucial in the creation, professionalization, and mobilization of interest groups that ensure diverse representation (Jenkins, 1987; Simon, 1973; Walker, 1991). When the diversity of environmental concerns pursued by political entrepreneurs is combined with the equally varied "idiosyncratic interests of donors" (Ylvisaker, 1987), a

more diffused pattern of giving across environmental subjects is more likely than the predominant focus on nature protection leveled by critics of elitism. Issues as diverse as air pollution, urban sprawl, energy regulation, mass transit, and hazardous chemicals, among others, will find their corresponding financial patrons.

Resource dependency theory developed by Pfeffer and Salancik (1978) explores how an organization's external social and political environments shape its internal structure and behavior. Although originally applied in organizational and management studies, resource dependency has caught on in a wide variety of disciplines given that all organizations require some resources – people, materials, information, and recognition – from the outside world to remain functional. NGOs, for example, depend on foundations for a variety of resource needs but the latter also depend on their grantees to accomplish their philanthropic missions.

When combined with pluralist theory, the idea of resource interdependence between donor and grantee (Saidel, 1991) provides some clues about the broad pattern of environmental giving to NGOs. For instance, foundations are more likely to fund mainstream nationals for national issues, foreign NGOs for international issues, and local groups for local or state-level issues. Similarly, donors are more likely to rely on the established national professional NGOs for technically complex environmental subjects such as ozone depletion or for activities requiring political skills like legislative lobbying in Washington. Conversely, if donors are interested in grassroots mobilization, community projects, or local scenic area protection, they are more likely to draw on the local or regional-based NGOs. In short, environmental philanthropy from a pluralist and resource dependency perspective recognizes the unique strengths and experiences of different

classes of NGOs. Thus grant patterns may exhibit signs of more deliberate channeling of donor resources along these lines.

The rest of this paper is divided into five major sections. First, because the concept of mainstream environmental organizations is central to the debate about environmental philanthropy, we begin with a discussion of the identity and characteristics of this NGO class. We then discuss the methods and hypotheses for our empirical study. The main empirical results are presented in the third section. In the discussion and conclusion sections, we explain how our empirical results shed light on the relative relevance of the elite, pluralist, and resource dependency theories for understanding environmental philanthropy.

The Mainstream National Environmental Organizations

The Internal Revenue Service (IRS) recorded nearly 8,700 tax-exempt nonprofit charitable organizations in year 2000 under the "environment and animals" category (Arnsberger, 2003). Given that IRS exempts nonprofit organizations with annual revenues of $25,000 or less from filing tax returns, the total number of private environmental organizations in the US in 2000 most likely exceeded 8,700. Despite the enormity in number and diversity of environmental interest-groups, observers and environmentalists themselves recognize a distinct and small set of grantees, who "have played a critical role in the development of the environmental movement" and "are clearly the most visible and often the most influential actors in environmental policy debates" (Mitchell et al., 1992, 11-12). Several equivalent labels have been applied to this group including "the national environmental lobby" (Mitchell et al., 1992), "pragmatic reformers" (McCloskey, 1992),

"flagship organizations" (Snow, 1992), "mainstream organizations" (Dowie, 1995; Ingram et al., 1997; Shabecoff, 2000), and "mainstream environmentalism" (Tokar, 1997). While their exact number may be debated, there is widespread agreement about the core membership of this group. Mitchell (1991) and Mitchell et al (1992) identified twelve prominent national organizations as core members – Sierra Club, National Audubon Society, National Parks & Conservation Association, Izaak Walton League, The Wilderness Society, National Wildlife Federation, Defenders of Wildlife, Environmental Defense (Fund), Friends of the Earth, Natural Resources Council, Environmental Action, and Environmental Policy Institute.

Apart from these twelve organizations and despite Ingram et al.'s (1997) observation about the difficulty of categorizing groups as either grassroots or mainstream, other national organizations (Table 1) deserve inclusion based on their identification by keen observers and participants of the environmental movement. Conservation-oriented

-Table 1 about here-

organizations established in the late 1950s and early 1960s such as the Conservation Foundation, The Nature Conservancy, Resources for the Future, and World Wildlife Fund are widely acknowledged as being part of the "environmental establishment" (Dowie, 1995; McCloskey, 1992; Mitchell et al., 1992; Shabecoff, 2000). Five groups formed during environmentalism's second wave starting in the late 1960s are also cited by these authors as key members of the mainstream environmental movement – the Union of Concerned Scientists, Zero Population Growth, League of Conservation Voters, Greenpeace, and the Sierra Club Legal Defense Fund. Though Greenpeace is pictured by many as non-establishment due to its direct action tactics, its substantive agenda is actually

less radical and more broadly similar to other national mainstream groups (e.g., Bosso, 1995; Brulle, 2000). Finally, four younger groups are also cited as prominent members of the mainstream nationals: Earth Island Institute, formed by David Brower after his split with Friends of the Earth (Mitchell et al., 1992; Shabecoff, 2003), World Resources Institute a think-tank created with McArthur Foundation money (Dowie, 1995), and the Pew Foundation-initiated Environmental Media Services and National Environmental Trust (Greene, 1994; Shabecoff, 2000; Dowie, 2001). Unavoidably, there is an element of subjectivity in the identification of these mainstream environmental groups but it is also unlikely that any objective criteria or alternative views will find significant fault with the inclusion of any one of the 25 organizations listed in Table 1.

What distinguishes these organizations from other nonprofit environmental interest groups that may be reflected in the distribution of foundation grants? Relative to other domestic environmental nonprofits, the first distinguishing trait of the mainstream nationals as a group is their strong focus on national, and increasingly international, issues. While for many this orientation may be part of the organizations' founding missions, one observer notes that the mainstream's continuing collective focus on the national stage can be traced more recently to the Republican Party's takeover of Congress in 1994 when hard-earned environmental legislation suddenly became vulnerable to repeal (Allen, 1997a).

Related to the geographic domain of the mainstream nationals are the location and tactics used to advance the environmental cause. As Dowie (1995) put it "mainstream leaders have developed a self-confident conviction that their strategy – a legislative/litigative initiative focused largely on the federal government – is central to the environmental effort" (p. 5). Thus, most of the mainstream nationals are headquartered or

maintain liaison offices in Washington, DC where access to government institutions is desired, changes in law or policy considered as the most important work, and negotiating ad-hoc alliances or compromises with adversaries regarded as pragmatic – practices that other groups concerned with local and even regional issues would not endorse or would find irrelevant (Freudenberg and Steinsapir, 1992; Ingram et al., 1997; McCloskey, 1992; Shabecoff, 2000). In addition to legislative lobbying and litigation, mainstream nationals are said to favor research and education, activities that large philanthropic donors have traditionally supported in other fields and deemed especially non-threatening when it comes to environmental conflicts (Dowie, 1995; Allen, 1997a).

The preference for certain activities does not mean, however, that the mainstream nationals are ideologically homogenous. Admittedly, there are ideological gradations within this group, however fine and fuzzy, ranging from the leftist Friends of the Earth to the traditional World Wildlife Fund (Bosso, 1995). What sets their activities, whether lobbying or education, apart from other groups especially grassroots NGOs, is their strong reliance on technical expertise and their willingness to engage in dialogue and compromise with perceived adversaries (Ingram et al., 1997).

Although a few mainstream nationals have become leading advocates for second and third wave issues like air pollution, energy, and global warming, most mainstream nationals remain deeply wedded to the first wave concerns of natural resource protection and conservation. Such orientation strikes many grassroots activists as anachronistic who criticized established mainline groups for seeming to be "more interested in protecting threatened animal species from extinction than in protecting children from toxic pollutants in their own backyards" (Freudenberg and Steinsapir, 1992, p. 32). However, the

commitment to nature conservation among mainstream nonprofits maybe more strategic than normative because, according to a mainstream insider Michael McCloskey, pollution issues are boring and too complex to capture the attention of the environmental faithful; the result, he said, is that "the best rallying-cry issues of the mainstream movement continued to be public lands and nature-protection issues" (1992, p. 80).

Methods and Hypotheses

We combine analysis of secondary grants data and primary data from a questionnaire survey to map the pattern of contemporary environmental philanthropy. We identified twenty (20) private independent California foundations whose year 2000 grants are described in sufficient detail such that several grant dimensions can be measured with confidence. The choice of year 2000 for grants awarded, the latest year for which data were largely available at the beginning of this study, is also significant because this was the year prior to the economic recession that caused significant downturn in foundation assets and philanthropic giving (Foundation Center, 2002b). Table 2 lists 20 California foundations whose year 2000 environmental grants are analyzed.

-Table 2 about here-

Two main sources of grants data were used: The Foundation Center's (FC) On-Line Directory and the World Wide Web (Web). Year 2000 grants data for twelve independent California foundations were available from the FC's On-Line Directory while the grant information for the remaining foundations was culled from foundation websites on the Internet. From these two major sources, a total of 1,118 individual grants were sampled with a total amount of $265,853,940 (Table 2). The number of grants and the

total grant amount from this sample population are equivalent to 34% and 32% of the number and amount of grants, respectively, awarded by the top 50 US environmental funders in 2000 (Foundation Center, 2002a), representing a considerable proportion of total environmental giving in the US in 2000.

As a set of grantees, only 22 of the mainstream national organizations listed in Table 1 can be considered valid recipients as three of the 25 have ceased existence as distinct entities by 2000. The Conservation Foundation was merged into the World Wildlife Fund in 1990 (Bosso, 1995); Environmental Action ceased operation in 1996 (Brulle, 2000); and the Environmental Policy Institute was re-absorbed into the Friends of the Earth in 1990 from which it originally splintered in 1972 (Shabecoff, 2003). Of these 23, 15 are headquartered in or near Washington, DC (Table 1). Grants to the local member chapters of these mainstream organizations were not counted as grants for the *mainstream nationals*. However, those grants given to the branch offices (and main offices) are counted as *mainstream national* grants. For instance, grants awarded to the Washington, DC office of the San Francisco-based Sierra Club and grants awarded to the San Francisco and Los Angeles offices of the New York-headquartered National Resources Defense Council were treated as grants to mainstream nationals. But grants awarded to local member chapters of The Nature Conservancy or National Wildlife Federation were not counted as *mainstream national* grants.

Grants provided to all other organizational recipients were classified in the *others* category of NGO type. This includes 560 distinct domestic organizations and 64 international NGOs. The former covers a diverse set of organizations ranging from national organizations that conduct grassroots organizing and protests such as Earth First!

and Sea Shepherd Society, regional and state organizations like Arizona's Grand Canyon Trust and Colorado's Land Water Fund, and many small local environmental entities with more specific concerns such as Silicon Valley Toxics Coalition, Missouri Botanical Garden, and Scenic Hudson.

Giving Patterns

The two principal dependent variables for mapping the pattern of environmental grants are the number (or proportion) of grants and the mean grant amount. Using t-tests of proportions and means, variations in these dependent variables between *mainstream nationals* and *others* are assessed in terms of three independent categorical variables – geographic domain, programmatic activity, and environmental subject.

Geographic Domain – Grants are coded *local* if they were explicitly to be applied at the community, city, or county level, regardless of NGO location. *State* grants are those devoted for any one state issue or those destined for one particular state. Grants earmarked for more than one state, a region of the country, or national issues are classified as *national*. Grants embracing activities and issues beyond those of the US, regardless of actual geographic scope, are coded as *international*. Grants whose geographic domain could not be established belong to *nd* (not determined) category.

Programmatic Activity – This variable indicates the type of activities funded by *programmatic* grants only. The variable uses five categories collapsed from seven categories employed in the Environmental Grantmaking Foundations (EGF) 2001 directory (Resources for Global Sustainability, 2001). *Research & education* grants are for scientific, academic, and vocational undertaking including meetings and conferences. *Media* grants embrace expenditures for newspaper, books, film, radio, TV, Internet,

magazine advertisements, posters, and mailings. Activities related to public laws, regulations, bills, ballot measures, litigation and administrative hearings are coded *policy*. Grants classified as *direct action & services* are for community and grassroots organization, mobilization, and protests including services to and empowerment of third parties. Grants for other activities as well as those for which the nature of programmatic activity can not be clearly defined were coded *others*.

Environmental Subject – This variable refers to the substantive environmental topic addressed by the grant. Using the coding principles and combining some of the eleven issue categories employed in the EGF 2001 Directory, eight categories of environmental subjects are used in this analysis. *Land* grants are those for conservation and all nature protection-related concerns while *marine* are grants exclusively for oceans, marine life, and coastal areas. *Water/Agriculture* grants are those that address farming and freshwater issues including water pollution, irrigation, and fertilizers. *Atmosphere* grants cover air pollution, global warming, and climate change. *Development* embraces grants given to issues such as the broad environmental consequences of industrialization, trade, and growth including the now ubiquitous issue of sustainable development. *Energy/Transport* combines energy-related topics such as fossil fuels, alternative energy sources, and power plants with transportation issues such as auto emission regulations, mass transit, and zero-emission vehicles. *Toxics/Waste* includes some of the most controversial environmental issues such as landfills, solid waste, environmental health and environmental justice. Topics not covered by the seven key categories or those whose topic is too general to be assigned to a particular category are coded as *others*.

How would elite theory differ from pluralist/resource dependency theories in the prediction on patterns of grant distribution? A major tenet of elite theory is that foundation grants disproportionately favor *mainstream nationals*. One may thus hypothesize that mainstream nationals receive higher proportions and higher mean values of grants (H1).

Pluralist/resource dependency theories, on the other hand, predict more nuances in grant distribution patterns. Resource dependency, for example, argues about selective channeling of resources, that is, donors will match their grants' destination to the perceived geographic expertise of their grant applicants. Thus, one may hypothesize that *national* and *international* grants go disproportionately to *mainstream nationals*, while *local* grants go disproportionately to *others* (H2).

Consistent with pluralist theory, philanthropic principals will seek-out like-minded NGO agents to implement specific activities. Of the five programmatic categories, *policy* and *direct action & services* have the most distinctive association with NGO types. Thus one may hypothesize that policy grants go disproportionately to *mainstream nationals*, while *direct actions* and *service* grants go disproportionately to *others* (H3).

Both pluralist and resource dependency arguments view mainstream flagship environmental groups as the most capable agents for traditional conservation issues. Similarly, smaller and local NGOs are widely seen to have greater motivation and credibility than the mainstream nationals in fighting for such politically controversial subjects as toxics and waste issues. Thus one may hypothesize that *mainstream nationals* capture most of the *land* grants, while *toxics/waste* organizations are preferentially supported by patrons to *others* (H4).

Dependency Patterns

Of the 1,118 grants gathered, 417 unique US grantees were identified by excluding double counts of the same organizational recipients by different donors, internationally-based NGOs, and those whose US addresses can not be tracked down through the Internet. Survey questionnaires, with items covering grantees' organizational characteristics, types and frequency of grants received, and perceived impact of grants, were sent to these 417 US grantees in the second quarter of 2004. Of this number, 117 returned usable forms yielding a 28% response rate. The distribution of these respondents along organizational characteristics is summarized in Table 3.

Descriptive statistics and multiple linear regression were employed to map the corresponding pattern of foundation dependency by environmental grantees based on the questionnaire survey. Dependency was measured in two ways: as the percentage of the grantee's annual budget (*%bdgt*) sourced from foundation donors and as the relative rank of foundation grants (*grnt*) as revenue source compared to other sources, such as membership dues, government contracts, individual gifts, etc.

These dependent variables were assessed against six (6) predictor variables representing two classes of organizational traits. Three of the predictors – organizational age (*age*), number of dues-paying members (*mem#*), and number of full-time equivalent staff (*staff#*) – describe the internal structural features of the recipient organizations. Although annual budget (*bdgt$*) is another good structural indicator, this variable was not used because it introduces endogeneity problem for the regression of *%bdgt*. Three dummy variables describe the respondents' external or tactical focus: 1) their geographic domain (*LocalNGO* = 1 if they work primarily at the local or community level, 0 otherwise), 2)

their principal mode of activity (*DirActNGO* = 1 if they engage in direct action and other forms of grassroots mobilization and services, 0 otherwise), and 3) their primary substantive concern (*ToxicsNGO* = 1 if toxics and solid waste are their major environmental concerns, 0 otherwise).

Elite theory suggests that foundations support disproportionately mainstream nationals that are involved mostly in politically non-controversial topics. Based on this argument, one may hypothesize that foundation support for NGOs that are local in orientation, employ direct action, and concerned with toxics will be relatively small compared to their counterparts because these issue dimensions are hotbeds of anti-establishment thinking; thus dependency is likely to be lower for *LocalNGO*, *DirActNGO*, and *ToxicsNGO* (H5).

Pluralist/resource dependency theories, on the other hand, argue that foundations may not necessarily shy away from supporting non-mainstream NGOs. In addition, given that local NGOs that are engaged in direct actions and politically controversial subjects are likely to have greater need for financial support from foundations, thus dependency is likely to be higher for *LocalNGO*, *DirActNGO*, and *ToxicsNGO* (H6), contrary to the prediction from elite theory.

Resource dependency theory posits that older organizations survive because they have diversified their sources of key resource inputs; thus one may hypothesize that dependency is likely to decrease with *age* (H7). Similarly, because membership dues represent financial sustenance distinct from foundation support, one may hypothesize that dependency is likely to be lower for NGOs with higher *mem#* (H8). All else held equal,

the higher *staff#* the greater is the need for funds, and therefore dependency is likely to be higher for NGOs with more staff (H9).

Results

The environmental giving pattern of California's private foundations is summarized by means of statistical tests of the difference in number of grants and mean grant amount between *mainstream nationals* and *others* (Tables 4 and 5).

-Tables 4 and 5 about here-

NGO Type – When the total number of grants is disaggregated by NGO type, *mainstream nationals* obtained only 11% of total grants disbursed while *others* captured 89%, a difference that is statistically significant (Table 4). In contrast, the mean grant amount received by *mainstream nationals* is higher ($367,000) relative to that of *others* ($221,813) but the difference is not statistically significant (Table 5). These invalidate H1 and suggests that, contrary to elite theory, environmental philanthropy is not strongly biased towards support of the flagship environmental groups. See Appendix I for a summary of the major empirical results.

Geographic Domain – Grants for *international* issues obtained the highest relative share of grant awards for both NGO types, attesting to the strong international outlook of California donors. But *local* grants merited the highest mean grant amount for both classes of recipients. Three key statistically significant findings are revealed. First, the relative share of *local* grants awarded to *others* is higher compared to those awarded to *mainstream nationals*. Second, the percentage of *national* grants awarded to *mainstream nationals* is higher relative to their share among *others*. Lastly, grants for *international* issues awarded

to *mainstream nationals* have higher mean grant amount compared to similar grants to *others*. These results validate H2 and support the idea that donors might preferentially award grants on the basis of the NGOs' presumed geographic expertise**.**

Programmatic Activity – Not borne out by the statistical comparison is the contention that *others* will be preferentially supported when it comes to *direct action & services* (H3). The results show no statistically significant difference in this variable between the two NGO types in both grant percentage and mean grant amount. Instead, *others* obtained greater proportion of *research & education* grants (29%) compared to similar grants going to *mainstream nationals* (20%), most likely because all major research and educational organizations are by default classified as *others*. *Mainstream nationals*, on the other hand, got higher mean levels of funding in *policy* as anticipated, and in *media* which was not hypothesized.

Environmental Subject – Expectations about the preferential support by environmental subject between the two NGO types show mixed results (H4). *Land* grants are not preferentially going to *mainstream nationals* measured either in grant number or mean grant amount. But *toxics/waste* grants show slightly greater number going to *others*, as hypothesized, although the mean grant amount for *toxics/waste* received by *others* is not statistically significantly different compared with those obtained by *mainstream nationals*. A more consistent result in environmental subject funding is the preferential support to *mainstream nationals* for *atmosphere* issues, the established mainline groups obtaining significantly higher number of grants (8.3% vs 2.6%) and mean amount (($143,000 vs, $68,000) compared to *others*. In contrast, donors favored *others* with more *development* and *water/agriculture* grants compared to their *mainstream national* counterparts.

Results of the questionnaire survey pertaining to grantees' funding are presented in Table 6. In terms of revenue generation, nearly 40% of the respondents reported no

-Table 6 about here-

revenues from membership fees and sale of organizational products. By far, foundation grants (48.6%), individual gifts (23.1%) and government contracts (18.4%) were cited as the 'most' frequent sources of NGO funds. The importance of private philanthropy, through both foundations and individual giving, for this set of environmental nonprofits is consistent with the results reported by Snow (1992) where foundation grants and individual gifts collectively made up at least 40% of the respondents' income source. However, because the respondents for this study were selected on the basis of having obtained foundation grants in the first place, foundation dependency will be stronger for these survey respondents than might be expected for environmental groups in general. In fact, the mean percentage of the respondents' budget supported by foundation grants is 40% (Table 6), which is higher than the 21% reported by Snow's sample, or the 19% average foundation-derived income of seven classes of NGOs (106 organizations) in Brulle's (2000) analysis.

Of foundation patron by types, independent foundations are the predominant source of funding among the respondents, with 49.6% and 9.7% claiming "most" and "all" of their grants, respectively, coming from this source. It appears, however, that community foundations make a much more even distribution of support as 79% of the respondents reported obtaining "some" grants from community foundations.

Results of the OLS multiple-linear regression, with the three structural variables specified in log form because of their skewed distribution, are summarized in Table 7.

The independent variables representing the respondents' environmental strategy show mixed results (H5 & H6). The coefficients for *LocalNGO* and *ToxicsNGO* are negative, consistent with hypotheses based on elite theory, although only the *LocalNGO* coefficient is significant. An average reduction of 24% in *%bdgt* occurs for *LocalNGO* relative to other groups. On the other hand, *DirActNGO* coefficients for both dependency measures are significant and positive, supporting predictions from pluralist/ resource dependency theories. Dependency on foundations increases by about 22% for *DirActNGO* relative to groups employing other activities.

The results provide some, but not unequivocal, support for several hypotheses on NGO dependency derived from resource dependency theory. For instance, an increase in *age* is associated with a decrease in both *%bdgt* and *grnt* as hypothesized but neither coefficient is statistically significant (H7). The hypothesis about the inverse relationship between *mem#* and dependency is validated (H8); a 1% increase in *mem#* yields a 37% reduction in *%bdgt* and a 20% decrease in *grnt*, although only the former coefficient is significant. Contrary to expectation, however, an increase in *staff#*, all else held equal, is associated with reduction of 11% in *%bdgt* and 18% in *grnt*, respectively (H9).

Discussion

The pattern of California foundations' environmental giving established from this analysis is more complicated than what elite theory predicts. While a few insights from elite theory are valid, many of the trends are more consistent with pluralist and resource dependency arguments. First, unlike other observers (Allen, 1997a; Dowie, 2001; Knudson, 2001) we do not see a wholesale and consistent preference of *mainstream*

nationals as foundation beneficiaries. Second, the significant differences in number of grants awarded between the two NGO groups suggest that donors recognize the varying saliency of issues and concerns between the two NGO groups. For instance, the greater number of *national* grants to *mainstream nationals* is consistent with the idea that the established flagship NGOs are more interested in national issues and projects compared to *others* who get more *local* grants. Third, the higher mean grant amount received by *mainstream nationals* for some grants (*international*, *media*, *policy*, *atmosphere*, and *energy/transport*) indicates that donors deliberately channel their resources towards recipients with more expertise and competence in the area of giving interest. For example, *international* grants require foreign connection; and *atmosphere* grants, embracing such topics as climate change and greenhouse gases, require a high degree of technical expertise that *mainstream nationals* have that *others* generally do not possess. This conclusion, which supports pluralist and resource dependency arguments, however, is not entirely satisfactory considering that in no grant categories did *others* obtain significantly higher mean grant amount compared to *mainstream national* counterparts, not even in the fields where the former get greater number of grants. Thus, the emergent giving patterns cannot totally dismiss arguments for some philanthropic favoritism towards *mainstream nationals* particularly in technically complicated activities and environmental subjects but in general, the giving pattern is much more spread out to a variety of environmental groups and causes.

The dispersed giving pattern with pockets of preferential support based on grantees' competency established here from analysis of grants data is also consistent with our case study of one foundation's specific environmental initiative - the Packard Foundation's *Conserving California Landscape Initiative* (Delfin and Tang, forthcoming).

The destination of grants for this particular conservation project did not show any preferential bias for the established mainstream environmental NGOs. Rather, the grant - giving pattern reflected the donors' practical strategy of engaging a wide array of NGO partners, in some cases stipulating cooperation between large national conservation groups such as The Nature Conservancy and Trust for Public Land and the smaller and community-based conservation NGOs.

Dependency patterns related to grantees' internal traits support differing theoretical predictions. The inverse relationship between dependency and organizational age and number of dues-paying membership supports resource dependency theory. Older NGOs survive because they were able to wean themselves from crippling reliance on foundation support by diversifying their revenue sources. No better example of this exists than the case of two archetypal national mainstream organizations – Environmental Defense and NRDC. Starting as environmental law firms heavily dependent on foundation money in the late 60s and early 70s, both evolved by necessity into membership organizations in the 1980s when the Ford Foundation shifted its attention to other social issues (Bosso, 1995). The negative coefficient for *staff#* is unexpected and worthy of future investigation because staff size is not correlated with other indicators of reduced foundation funding like age, membership size, and revenue share from other income sources.

Although the negative coefficients of *LocalNGO* and *ToxicsNGO* for dependency support elite theory arguments, the causal link between these tactical traits and the degree of reliance on foundation support is not the same for both NGO types. Table 5 shows that grants for local issues have the highest mean grant amount among geographic domains but toxic issues are among the least financially supported. In other words, foundation funding

obtained by NGOs working on toxics issues is low in both absolute terms and relative to other revenue sources. This trend also reinforces arguments first raised by Revesz (1999) that the center of gravity in environmental giving has shifted from the national stage to more regional and local concerns. Hence, the arguments from elite theory that foundations starve some NGOs of funding are more accurate for *ToxicsNGO* than for *LocalNGO*.

The positive coefficients for *DirActNGO* on dependency measures are consistent with pluralist and resource dependency dictums. Although the mean amount provided for direct action is relatively small compared to other NGO activities (Table 5), such funding apparently constitutes a large fraction of *DirActNGO* budgets. A possible explanation is that many *DirActNGO* have relatively small budgets that even small foundation donations translate to a large share of their budgets. In some respects, this finding is encouraging to the extent that elite patrons are not wary of supporting more confrontational tactics. But it could be unhealthy if these activists are unable to develop other sources of funding that changes in foundation priorities may impair their ability to effectively pursue their tasks.

Conclusions

No single theory can adequately account for the giving and dependency patterns documented here. But the broad trend of environmental giving towards a variety of causes and recipients, rather than wholesale favoritism of mainstream NGOs, favors pluralist over elite theory arguments. Moreover, the differences in support given depending on grantees' perceived needs and expertise are also generally consistent with the resource dependency framework. Support for critics of elitism comes from the relatively low dependency of NGOs engaged in local concerns and toxics issues. Thus, the pattern of environmental

giving and dependency is much more complicated than the sweeping assertions generally found in the literature. These results clearly suggest, on one hand, the continuing need to search for a more universal theory of foundation grantmaking. On the other hand, it is possible that no single general theory of philanthropic giving will ever emerge given the many idiosyncratic factors that govern donor motivation, foundations' grantmaking practices, and NGOs' interests.

The giving and dependency patterns documented by our study, while important in contributing to a better appreciation of environmental philanthropy, are admittedly incomplete. Three areas for further investigations are identified. First, the *others* category embraces a wide array of NGO grantees that lumped together such disparate entities as research universities, state-based "mainstream" environmental groups, community-based activists, etc. Disaggregating this category can potentially yield a still more nuanced analysis of environmental philanthropy. Second, the cross-sectional picture of environmental philanthropy presented here can be complemented by looking at giving and dependency patterns over time. Such longitudinal study will be especially important in correlating actual giving and dependency patterns with the changing foci of environmentalism over time (Buttel, 2003; Gottlieb, 1993). Finally, and perhaps most important, understanding the effects of foundation grants on different environmental NGOs will build on the knowledge of where foundation grants are going. Using questionnaire survey of selected environmental NGO grantees, a companion study that we undertook,

and in the process of writing, provide some answers to the puzzle of the organizational impact of foundation grants[1].

[1] Most NGOs in our survey reported that foundation funding has had the most beneficial impact on their organizational finance and program strategy, but it also produced some negative effect on NGO leadership. This finding is true regardless of the NGOs' degree of dependency on foundation funding and their internal and external organizational traits. Moreover, most of the respondents regarded donors as valuable as links to other organizations. In short, there is more support for the pluralist argument that foundation funding leads to capacity-building rather than cooptation feared by critics of elitism.

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Table 1. List of Mainstream National Environmental Organizations

Organization	Year Est.	Head Office	Other Key Location	Reference
1. Sierra Club	1892	San Francisco, CA	DC (legislative office)	1, 2, 3, 9
2. National Audubon Society	1905	New York, NY	local chapters	1, 2, 3, 10
3. National Parks and. Conservation Association	1919	Washington, DC	x	1, 2, 11
4. Izaak Walton League	1922	Gaithersburg, MD	St. Paul, MN (Midwest office)	1, 2, 3, 12
5. The Wilderness Society	1935	Washington, DC	AK, CA, CO, GA, ID, MA, MT, WA (branch offices)	1, 2; 3, 13
6. National Wildlife Federation	1936	Reston, VA	local chapters	1, 2, 3, 14
7. Conservation Foundation*	1948	Washington, DC	x	2, 4, 15
8. The Nature Conservancy	1951	Arlington, VA	local chapters	4, 16
9. Resources for the Future	1952	Washington, DC	x	3, 4, 17
10. Defenders of Wildlife	1959	Washington, DC	x	1, 2, 18
11. World Wildlife Fund	1961	Washington, DC	national chapters	2, 4, 5, 19
12. Environmental Defense	1967	New York, NY	CA, CO, MA, NC, TX, DC (branch offices)	1, 2, 3, 20
13. Friends of the Earth	1969	Washington, DC	Burlington, VT (NE office)	1, 2, 3, 21
14. Union of Concerned Scientists	1969	Cambridge, MA	DC, CA (West Coast office)	3, 6, 22

Table 1. List of Mainstream National Organizations (cont'd).

Organization	Year Est.	Head Office	Other Key Location	Reference
15. Population Connection**	1969	Washington, DC	x	3, 6, 23
16. Environmental Action***	1970	Washington, DC	x	1, 2, 6
17. League of Conservation Voters	1970	Washington, DC	x	2, 24
18. National Resources Defense Council	1970	New York, NY	DC, CA (SFO, LA)	1, 2, 3, 25
19. Greenpeace	1971	Washington, DC	national chapters	4, 6, 26
20. Earthjustice****	1971	Oakland, CA	AK, CA, CO, FL, HI, MT, WA, DC (branch offices)	2, 6, 27
21. Environmental Policy Inst*****	1972	Washington, DC	x	1, 2, 3
22. Earth Island Institute	1982	San Francisco, CA	x	2, 6, 28
23. World Resources Institute	1982	Washington, DC	x	3, 4, 29
24. Environmental Media Services	1994	Washington, DC	x	5, 30
25. National Environmental Trust	1994	Washington, DC	x	5, 7, 8, 31

*The Conservation Society was merged into the World Wildlife Fund in 1990; **Zero Population Growth changed its name to Population Connection on May 1, 2002; ***The Environmental Action ceased operation in 1996; ****The Sierra Club Legal Defense Fund changed its name to Earthjustice Legal Defense Fund in 1997; *****The Environmental Policy Institute was absorbed by Friends of the Earth in 1990.

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Table 2. Selected Independent California Foundations and their Year 2000 Environmental Grants

Foundation	Year Formed	Environmental Focus	2000 Grants Source	Grant Amount (US$)	Number of Grants
1. James Irvine (30)*	1937	Land Use	FC, Web	7,090,000	15
2. Columbia	1940	Sustainability	FC	1,405,000	18
3. Greenville	1949	Ecosystems-Economics Link	Web	186,000	12
4. Richard & Rhoda Goldman (19)	1951	General	Web	14,359,135	109
5. Evelyn & Walter Haas, Jr. (43)	1952	Bay Area (California)	FC, Web	4,675,000	6
6. Dean Witter	1952	Environmental Education	Web	259,300	15
7. Giles W. & Elise G. Mead	1961	Natural Resources	Web	745,000	19
8. Ralph Parsons	1961	Los Angeles County	FC	25,000	4
9. McConnell	1964	Northern California	FC	185,000	2
10. David & Lucille Packard (1)	1964	Lands and Oceans	FC	182,996,517	285
11. William & Flora Hewlett (11)	1966	Western Public Lands	Web	13,337,750	86
12. Compton	1973	Environment-Population Link	FC	3,516,624	82
13. Acorn	1978	Environmental Justice	Web	104,000	14
14. Roberts	1985	Parks and Animals	FC	125,000	5
15. Barbara Delano	1986	Wildlife and Habitats	FC	6,539,564	7
16. Homeland	1986	General	FC	3,936,220	93
17.Foundation for Deep Ecology (24)	1989	Technology & Globalization	FC	7,931,274	128
18. Energy (14)	1991	Energy and Transportation	FC	14,274,556	147
19. Mitchell Kapor	1997	Toxics and Health	Web	1,270,000	55
20.Steve & Michelle Kirsch	1999	Atmosphere and Climate	Web	2,393,000	16
Total				**265,853,940**	**1118**

*Number in parenthesis denotes rank in top 50 US foundations awarding environmental grants in 2000 (Foundation Center, 2002b)

Table 3. Distribution of NGO Respondents by Categories

Category	Number	Percentage	Range	Mean	Median
1. *Age* (years)			2 – 115	23	17
<5	4	3.4			
6-10	25	21.4			
11-20	34	29.1			
21-50	47	40.2			
>50	7	6.0			
2. *Members*			0 - 850,000	21,555	375
0	47	41.9			
1-100	5	4.5			
101-1000	17	15.2			
1,001-10,000	29	25.9			
>10,000	14	12.5			
3. *Full-Time Staff*			0 - 1,000	30	9
0	6	5.6			
1-10	55	50.9			
11-20	20	18.5			
21-50	19	17.6			
>50	8	7.4			
4. *Budget* (in $1,000)			15 – 75,000	4,012	1,200
<100	8	7.5			
101-1,000	45	42.1			
1,001-5,000	40	37.4			
5,001-10,000	7	6.5			
>10,000	7	6.5			
5. *Location*					
CA	56	47.9			
Non-CA	61	52.1			
6. *Geographic Domain*					
Local	28	23.9			
State	27	23.1			
National	29	24.8			
International	12	10.3			
Others	21	17.9			
7. *Organizational Activity*					
Research & Edu.	36	30.7			
Policy	9	7.7			
Direct Action	10	8.5			
Others	62	53.0			
8. *Subject*					
Land	30	25.6			
Marine	7	6.0			
Water/Agriculture	11	9.4			
Atmosphere	2	1.7			
Development	3	2.6			
Energy/Trans.	5	4.3			
Toxics/Waste	7	6.0			
Others	52	44.4			

Table 4. t-test of Grants Distribution Proportion to *Mainstream Nationals* vs. *Others*

Category	Mainstream Nationals Number	(Percentage)	Others Number	(Percentage)	t-score
NGO Type	**123**	**(11.0)**	**995**	**(89.0)**	**680*****[1]
Geographic Domain					
1. Local	12	(9.9)	194	(19.4)	**3.19****
2. State	10	(8.3)	125	(12.5)	1.57
3. National	41	(33.9)	211	(21.2)	**2.83****
4. International	44	(36.4)	288	(28.9)	1.62
5. ND	14	(11.6)	179	(18.0)	**2.03****
Total	121	(100.0)[2]	997	(100.0)	
Programmatic Activity					
1. Research & Education	17	(20.5)	173	(29.4)	**1.99****
2. Media	8	(9.6)	62	(10.5)	0.27
3. Policy	15	(18.1)	96	(16.3)	0.42
4. Direct Action & Services	22	(26.5)	118	(20.0)	1.36
5. Others[2]	21	(25.3)	140	(23.8)	0.32
Total	83	(100.0)	589	(100.0)	
Environmental Subject					
1. Land	48	(39.7)	320	(32.1)	1.62
2. Marine	18	(14.9)	111	(11.1)	1.11
3. Water/Agriculture	1	(0.8)	69	(6.9)	**5.30****
4. Atmosphere	10	(8.3)	26	(2.6)	**2.22****
5. Development	4	(3.3)	79	(7.9)	**2.51****
6. Energy/Transportation	12	(9.9)	132	(13.2)	1.14
7. Toxics/Waste	4	(3.3)	83	(8.3)	**2.72****
8. Others	24	(19.8)	117	(17.8)	0.54
Total	121	(100.0)	997	(100.0)	

[1]Chi-square statistic
[2]Percent total may not sum to 100 due to rounding
***p<0.01; **p<0.05; *p<0.10

Table 5. t-test of Mean Grant Amount of *Mainstream Nationals* vs. *Others*

Category	Mainstream Nationals		Others		t-score
	Total ($)	*Mean ($)*	*Total ($)*	*Mean ($)*	
NGO Type	45,150,118	367,074	220,703,822	221,813	0.814[1]
Geographic Domain					
1. Local	10,319,035	859,920	103,843,240	535,274	0.30
2. State	424,419	42,442	15,060,089	120,481	-1.09
3. National	8,305,000	202,561	27,410,409	129,907	1.61
4. International	25,154,787	571,700	54,842,021	190,423	**2.35****
5. ND	881,877	62,991	19,613,063	109,570	-0..38
Programmatic Activity					
1. Research & Education	11,910,617	700,624	25,219,722	145,779	1.51
2. Media	5,510,000	688,750	9,467,500	152,702	**1.93***
3. Policy	2,545,339	169,689	7,265,259	75,680	**1.97***
4. Direct Action & Services	2,824,000	128,364	16,363,130	138,671	-0.14
5. Others	13,293,199	633,009	31,453,875	224,671	0.18
Environmental Subject					
1. Land	27,056,312	563,673	116,347,516	363,586	0.48
2. Marine	6,356,199	353,122	19,611,590	176,681	1.41
3. Water/Agriculture	49,700	49,700	16,786,410	243,281	nd
4. Atmosphere	1,430,957	143,096	1,775,000	68,269	**2.53****
5. Development	440,000	110,000	8,823,109	111,685	-0.01
6. Energy/Transport	1,940,340	161,695	10,949,459	82,950	**1.77***
7. Toxics/Waste	340,000	85,000	3,294,500	39,693	1.17
8. Others	7,471,610	31,317	43,181,238	243,962	0.40

[1]F-ratio means statistic

***p<0.01; **p<0.05; *p<0.10

Table 6. Descriptive Statistical Summary of Grantees' Funding

	Questionnaire Responses (%)				Mean	Std. Dev.	N[1]
	None 1	Some 2	Most 3	All 4			
A. Relative Share of Funding Sources							
1. Membership Dues	38.5	45.9	15.6	0	1.771	0.702	109
2. Individual Gifts	5.6	71.3	23.1	0	2.171	0.503	108
3. Government Grants/Contracts	28.2	52.4	18.4	1.0	1.922	0.710	103
4. Other Contracts	34.7	60.0	5.3	0	1.705	0.563	95
5. Foundation Grants	0	49.5	48.6	1.8	2.518	0.535	111
6. Sale of Organizational Goods	39.8	58.2	1.0	1.0	1.633	0.563	98
7. Others	30.0	53.3	10.0	6.7	1.933	0.828	30
B. Number of Grants Received by Foundation Type							
1. Independent	3.5	37.2	49.6	9.7	2.655	0.704	113
2. Community	18.0	79.0	2.0	1.0	1.860	0.472	100
3. Corporate	29.3	62.6	7.1	1.0	1.798	0.606	99
4. Operating	53.8	37.5	8.8	0	1.550	0.654	80
C. Budget							
1. Annual Budget (in US$Million)					4.012	1.038	107
2. Percentage of Budget from Foundations					39.966	29.046	116

[1]Number of Respondents Answering Questionnaire Item

Table 7. Standardized Coefficients for Regression of NGOs' Receipt of Foundation Grants

	Dependent Variable	
Predictor Variable	%BDGT[1]	GRNT[2]
ln [age]	-0.164	-0.023
ln [mem#]	**-0.370****	-0.202
ln [staff]	-0.106	-0.185
LocalNGO (1 = Yes)	**-0.243***	-0.177
DirActNGO (1 = Yes)	**0.218***	**0.237***
ToxicsNGO (1 = Yes)	-0.130	-0.86
R^2	0.324	0.171
F-ratio	**3.521****	1.754
Mean	39.97	2.518
Standard Deviation	29.05	0.54

[1]%BDGT is percentage of NGO's annual budget supported by foundation grants.

[2]GRNT is relative share of foundation as funding source, measured in Likert ordinal scale, 1 (None), 2(Some), 3(Most), 4(All).

**p<0.05; p<0.10

Appendix I
Key Empirical Results
(Empirically supported hypotheses are underlined)

Theoretical Frameworks	Giving Pattern	Dependency Pattern
Elite	**H1: *Mainstream nationals* receive higher proportions and higher mean values of grants.**	**H5: Dependency is likely to be lower for Local NGO, DirActNGO, and ToxicsNGO.**
Pluralist/Resource Dependency	**H2*: National* and *international* grants go disproportionately to *mainstream nationals*, while *local* grants go disproportionately *to others*.** **H3: *Policy* grants go disproportionately to *mainstream nationals*, while *direct actions* and *service grants* go disproportionately to others.** **H4: *Mainstream nationals* capture most of the *land* grants, while *toxics/waste* organizations are preferentially supported by patrons to *others*.**	**H6: Dependency is likely to be higher among Local NGO, DirActNGO, and ToxicsNGO.** **H7: Dependency is likely to decrease with age.** **H8: Dependency is likely to be lower for NGOs with higher mem#** **H9: Dependency is likely to be higher for NGOs with more staff.**