

The Center on Philanthropy & Public Policy

LOOKING FOR HIGH LEVERAGE

The Changing Context of Foundation Engagement in Wetlands and Habitat Protection

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**Research Paper - 16
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In addition to his academic activities, he has also served as a Special Assistant to the Assistant Administrator, U.S. Environmental Protection Agency. Among his recent publications are *Environmental Politics and Policy* (5th ed., CQ Press, 2001); and “The Good Lessons of Bad Experience,” in *Private-Public Policy Partnerships* (MIT Press, 2000). Presently, he is also a Consulting Editor at Resources for the Future Press. In fall 2003 he will be Visiting Professor, Program in the Environment, University of Michigan.

Executive Summary

In the year 2000, nonprofit philanthropies invested more than \$700 million in grants promoting environmental protection and conservation. This is a 350 percent increase in environmental grantmaking since 1990. This suggests that foundations are assuming an increasingly significant role in national environmental affairs and, in particular, that they may increasingly seek to leverage their influence in environmental policymaking. The largest portion of this environmental grantmaking, and the greatest increase since 1990, has been for conservation of land, water and wildlife. Using resource conservation as the policy focus, this research investigates the rationale for foundation engagement in public policymaking, describes and explains the major strategic and tactical choices selected for this engagement, and discusses how foundations evaluate the effectiveness of such engagement.

The research concentrates upon foundation involvement in two of the world's largest contemporary conservation efforts, both within the United States: central California's CalFed Project embracing more than a third of California's land area and the South Florida (Everglades) Restoration Project, which includes more than 25,000 square miles of wetlands and species habitat within the unique Everglades ecosystem, stretching from Orlando to Key West. These projects were selected for several reasons: the salience of conservation in overall foundation grantmaking; the enormous scope and political importance of the specific projects; and their significance in representing the emerging trend toward 'ecosystem management' as a fundamental framework for federal, state and local conservation policymaking.

The narrative, based on research conducted during 2002 and 2003, includes five specific topics: (1) why foundations choose to be engaged in these policy domains; (2) what jurisdictions (national, state, local) were preferred; (3) which venues (executive, judicial, legislative, administrative) were selected for engagement; (4) what strategic and tactical choices were made concerning instruments for exerting influence; and (5) how foundations evaluated the effectiveness of their policy engagement. In addition to customary library and media sources, additional information was provided by interviews with thirty-two program officers and institutional officials representing foundations and advocacy groups involved in the California and Florida ecosystem projects, and statistical data provided by the Foundation Center and The Center on Philanthropy and Public Policy.

The research reveals that numerous foundations, many among the largest environmental grantmakers, were actively committed to influencing public policies related to both projects. Incentives for this engagement include the foundations' regional location, a specific mission to influence public conservation policy, the employment of a new program manager with a new policy agenda, and an increasing sensitivity among program officers and consultants to the importance of an 'ecosystem' approach to conservation. Two non-foundation institutions, "affinity groups" and independent consultative organizations, also appear to have significantly influenced foundation decisions for engagement in ecosystem projects. However, engagement in the California and Florida projects, like foundation involvement in conservation policymaking nationally, is very ideologically asymmetrical. Politically 'free market,' 'libertarian,' and conservative foundations almost entirely confine environmental policy engagement to grants

supporting public interest litigation organizations and think tanks committed to propagating ideologically conservative environmental policies.

In terms of venues, greater foundation interest in ecosystem management policy has meant more engagement with policymaking and policymakers at state and local government levels. Jurisdictionally, the foundations involved in the California and Florida projects appear to follow an emerging national trend within environmental grantmaking to give more attention to influencing the policies of administrative agencies responsible for implementing ecosystem planning. Strategically and tactically, the foundations studied heavily employed traditional grantmaking to environmental advocacy groups for 'capacity building,' for increased legislative and public advocacy of environmental policy, and for the development of an improved network among environmental advocates. Among the more innovative uses of grantmaking evident in California and Florida were funding of (1) public opinion studies, public workshops and information bases for public officials at the state and local level to affect public policy; (2) more scientific and technical research to support environmental policy advocacy (a manifestation of greater foundation concern to create 'sound science' for environmental policymaking); and (3) the creation of consultative groups to promote 'cutting edge' environmental policy concerns on the agendas of other foundations.

Several issues merit further attention. The most important is how continued environmental policy advocacy, and advocacy groups, will be affected by the economic recession and the sharp decrease in foundation assets beginning in late 2001. A second significant issue is how currently active environmental grantmakers will choose priorities and funding levels in the future. Finally, the highly contingent level of future environmental grantmaking raises concern about the viability of advocacy organizations and continuing programs heavily dependent on foundation support. This, in turn, poses the question of how dependent upon foundation funding are advocacy group policy agendas.

Looking for High Leverage: The Changing Context of Foundation Engagement in Wetlands and Habitat Protection

Hewlett is looking for high leverage activities that have policy impact....I want to back a winner, not just follow good strategies. Unfortunately, only a few foundations know how to win...they need to practice ruthless triage to find what really works.

Hal Harvey
Environmental Program Director,
Hewlett Foundation

On May 29, 2002, The David and Lucile Packard Foundation publicly announced a contribution of \$6.33 million as the first installment on the purchase of salt ponds in South San Francisco embracing a parcel roughly equal to the size of Manhattan Island. Packard's announcement was part of a media event dramatizing one of the largest wetlands restoration projects ever undertaken in the West—"an unprecedented public/private partnership" noted Packard.¹ The purchase involved a collaboration between the state of California, the federal government and four private charitable foundations to acquire and restore 16,500 acres of wetlands and endangered species habitat for public domain at a cost of \$100 million. The acquisition, in turn, added a crucial parcel to the evolving CalFed Bay-Delta Program, the nation's largest ecosystem restoration project embracing more than two-thirds of California's interior and coastal area.

A month later and a continent away, the Nature Conservancy announced its intention to restore 337,000 acres of wetlands and to buy conservation easements to prevent the development of another 300,000 acres along Florida's Kissimmee River at a total cost of \$700 million. Charitable foundations were also expected to underwrite a substantial portion of the expense involved in the land purchases.² By protecting this vast riverine ecosystem stretching from the headwaters of the Kissimmee River in Central Florida to Lake Okeechobee in South Florida, the Conservancy hoped to improve indigenous water quality to a level essential for the success of another huge national ecological reconstruction effort: the Everglades ecosystem restoration project.

As important for the foundations, but far less publicized, was the political aftermath. A month after Packard's announcement, news services reported that the California Legislature might not approve the state's participation in the salt flats purchase unless "substantial changes" were made in the arrangements and, at the same time, other critics were threatening to challenge the property appraisal in court. In Florida, the Nature Conservancy conceded that it would have to persuade Congress to allocate almost \$500 million over six years from a newly enacted multi-billion dollar farm bill if its project were to succeed. In short, both ecosystem projects were embedded in a matrix of vested political institutions and contingent public policies. The foundations would have to collaborate with other project proponents in further public policy work to assure the success of their investments.

The California and Florida ecosystem projects illustrate notable growth and change in the manner through which U.S. charitable foundations have sought to leverage their influence in environmental policymaking over the past decade and a half. Focusing upon foundation activity in land and habitat conservation illuminates an especially vital and significant domain of this environmental engagement in terms of the foundation resources committed. The CalFed and Everglades restorations are the largest examples of an evolving national trend toward ecosystem planning as a primary conservation strategy and, thus, are particularly useful as centerpiece studies.

The narrative is based upon a diversity of sources. Interviews were conducted between June and December 2002 with professional staff and management of many foundations, consulting organizations, and stakeholder groups engaged currently, or very recently, in activities affecting policymaking for both the California and Florida projects (see Appendix). Other data was provided by the Foundation Center, The Center on Philanthropy and Public Policy, and the Environmental Grantmakers Association. A bibliography identifies numerous additional references.

A Decade of Growth and Change For Environmental Grantmaking

The concurrent participation of charitable foundations in the California and Florida ecosystem projects would be significant if only for the magnitude of institutional investments. However, the two state projects were selected as the setting in which to examine foundation engagement in environmental policymaking because they exemplify a growing foundation commitment to protecting ecologically valuable lands by promoting public or private policy initiatives and an altered array of strategic considerations driving this foundation engagement. Both trends, in turn, illuminate significant transformations in the broader context of environmental grantmaking that have influenced how foundations have sought to influence conservation policies over the last decade.

Growth and Change in Environmental Philanthropy

Over the last decade, charitable involvement in environmental grantmaking has significantly changed. Total investments have enlarged, and support for land conservation and land use planning—especially for the preservation or restoration of wetlands and endangered species habitat—has steadily enlarged.³ In contrast to earlier decades, this engagement has increasingly supported the development of institutions and policies for land use planning on a very comprehensive spatial and temporal scale—policies of regional or ecosystem magnitude rather than fragmented, smaller land acquisition and management. These broad policy goals have meant a considerably greater foundation presence in public policy development at the state, regional and local level. In fact, as the California and Florida projects illustrate, foundations often discover they *must* become politically engaged *before* and *after* the successful acquisition in land and habitat to assure the successful implementation of their land management objectives. In short, the last decade exemplifies a continuing departure among many foundations from a traditional concentration upon purchasing and protecting resources, such as wetlands, habitat and

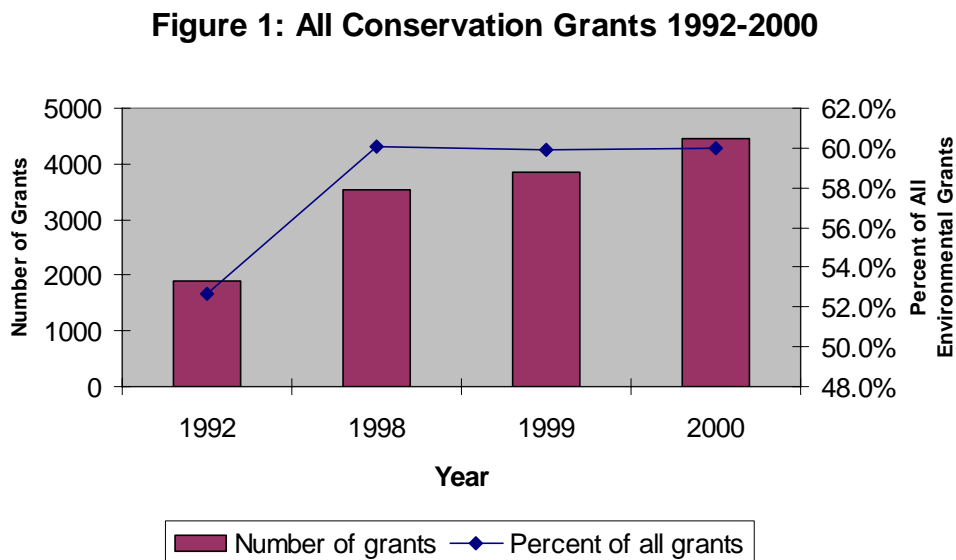
forestland, to greater involvement in affecting public policies affecting these resources.

An Enlarged Environmental Philanthropy

Between 1990 and 2000, foundation spending for environmental projects increased 350 percent, from \$200 to \$700 million.⁴ Foundations still invest very modestly in environmental programs when compared to the money allocated, for instance, to education, health, or arts and culture, and a striking ideological and tactical asymmetry exists between politically liberal and conservative foundations when it comes to environmental policy engagement. Among foundations generally, however, the growth of environmental spending has been proportionally greater than virtually any other program field except health in recent years.

The Enrichment of Conservation Grantmaking

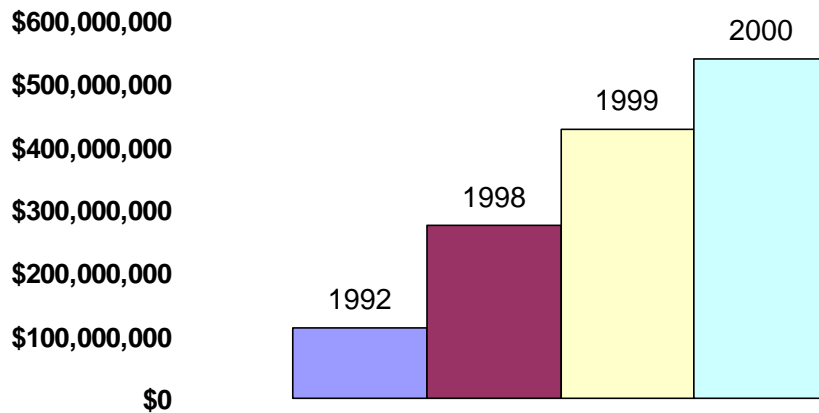
Throughout the 1990s, no domain of environmental grantmaking has been more generously supported nor expanded more vigorously than land conservation in all its aspects. As Figure 1 illustrates, conservation-related grants have represented the largest category of foundation environmental funding throughout the last decade.



Source: The Foundation Center. Based upon a sample of 1,000 foundations representing more than fifty percent of all foundation grantmaking.

Moreover, the amount of these conservation investments very significantly increased in the latter 1990s, as Figure 2 demonstrates. The changing character of philanthropies engaged in land use

**Figure 2: Total Conservation Grants, 1992-2000
(1992 Dollars)**



Source: The Foundation Center. Based upon a sample of 1,000 foundations representing more than fifty percent of all foundation grantmaking.

policymaking is also illuminated by the composite involved in the Florida and California activities. Until the early 1990s, the relatively few foundations actively involved in land use issues were likely to have a predictable mix of characteristics: a long-term commitment to environmental engagement (Surdna, Ford, and Doris Duke) as part of a much broader social agenda, a rank among the larger philanthropies, and a specific commitment to regional or local environmental philanthropy (Beldon, Joyce, Geraldine R. Dodge Foundation). The array of philanthropies currently involved in the same policy domain now is much larger; the number of very active wealthy foundations has significantly increased (as evident, for instance, in the enlarging presence of the Turner and Hewlett Foundations) along with increased involvement by much smaller, locally or regionally based philanthropies like Florida's Margaret Ordway Dunn Foundation or California's Save San Francisco Bay Association.

Why Wetlands and Habitat Conservation?

The Foundation Center identifies more than sixty-three categories of environmental grantmaking embracing every important domain of state, local and national environmental policymaking: air and water pollution regulation, toxic waste management, recycling, global warming, energy conservation and much more. The six categories aggregated in this study under "conservation," however, account for more than half of all annual environmental grantmaking since 1992.

There are several reasons why land and habitat conservation in its many dimensions has such a strong attraction for grantmakers. One attraction is that wetlands, forests, wildlife habitat and related terrestrial resources are 'ecological supermarkets' creating a multitude of expansive ecological benefits achieved by few other environmental investments. The protection of these 'supermarkets' is grounded in the ability to manage the lands which contain them. Wetlands are especially valuable, providing water quality protection, wildlife habitat, soil conservation,

aquifer recharge, recreation and floodwater storage (an acre of wetlands can store 1.5 million gallons of floodwater)—all increasingly critical environmental priorities. Wetland dependent species generated more than \$79 billion annually, or about 71 percent of U.S. commercial and recreational fishing revenues in 2000.⁵ “Species habitat,” in turn, is always something more: forest, grasslands, wetlands, aquifer recharge zones, groundwater retention, recreational area or something else.

Another reason for a conservation priority is that these richly diverse resources are rapidly disappearing. The U.S. has already lost half of its original wetlands: Florida, for instance, has lost 46 percent and California 91 percent of these resources and an additional 60,000 acres annually disappear across the nation⁶. Thus, securing wetlands or habitat protection materially amplifies the environmental benefits and, thus, the ‘return’ on economic investment. Moreover, acquiring wetlands, forest and other habitat conservation creates or preserves a tangible environmental amenity, one that may pay immediate dividends in public goodwill and produce tangible, often engaging “results” for foundation officials always keen to demonstrate prudent stewardship of institutional resources. (Some leaders among the cadre of environmentally active foundations complain that land conservation is entirely too attractive, diverting too many resources away from other environmental objectives such as environmental justice and grassroots organizational development).⁷

And there are strategic advantages to land conservation. Hooper Brooks, Director of Environmental Grants for the Surdna Foundation, has observed that land conservation encourages stakeholders and the public to become involved in larger systemic issues and thereby promotes a civic environmental education valued by many foundations. The creation of land trusts, moreover, can elicit the support of conservatives and others who mistrust governmental intervention in social problems. Saving private land, noted Brooks, “is a way that doesn’t have to involve the government, puts [the trusts] in a place where they have huge potential.”⁸

The collateral benefits of conservation investment have become especially important to foundation funders when wetlands and habitat protection are integral to ecosystem restoration projects, such as the California and Florida endeavors. This growing interest arises, in large measure, as a response to a major evolution in federal government conservation strategies. In addition to the California and Florida projects, other major federal projects involve the Chesapeake Bay, Platte River, Greater Yellowstone and Mojave Desert ecosystems.

The Growing Importance of Systemic Ecological Planning

The signal was the Clinton Administration’s 1993 *Reinventing Environmental Management* recommending cross-agency ecosystem planning and management under all federal programs affecting ecosystems. By 2002, more than eighteen federal agencies were engaged in more than 50 ecosystem programs.⁹

What distinguishes ecosystem approaches to land management, among other things, is that “the ultimate purpose is sustainability, both ecological and socioeconomic. The overall goal is sustaining ecological attributes and functions into perpetuity. Proponents of ecosystem

management consider social and ecological sustainability interdependent.”¹⁰ In practical terms, this means managing land and water resources on a very vast geographic and temporal scale, explicitly identifying ecological and socioeconomic interdependencies and assessing the impact of change upon all system components and continually adjusting management plans in response to experience with their implementation. Both CalFed and the Everglades Restoration illustrate the vast and intricate scale of ecosystem planning: the Florida project embraces 25,000 square miles reaching from Orlando to Key West, including 14 counties, more than 300 municipalities, the whole Everglades ecosystem itself and its sustaining ecosystems; CalFed includes 61,000 square miles-about 37 percent of the state.¹¹ Thus, the management and use of any ecosystem component-river valleys, for example, or forest habitat-has to be determined on the basis of its relationship to other important elements in the ecosystem and must contribute to sustainability of both the natural and built environment.

Some Significant Policy Implications

These trends have had significant implications for the forms of policy engagement by grantmakers over the last decade and, equally important, for the socialization and education of foundation officers and staff concerned with environmental matters.

Thinking More Holistically

Environmental policy discourse among program officers and governing officials exemplifies a growing sensitivity to the systemic relationships implicit in environmental management and the strategic importance of land in this perspective—in brief, to thinking about land and habitat in the context of an ecosystem. This awareness has been further cultivated in recent years by scientific consultants and “consultative groups” who, as we shall shortly elaborate, now assume an important role in ‘educating’ foundations ecologically. An environmental program manager for the Hewlett Foundation described this trend as “learning to think big,” rather than focusing on the protection or acquisition of relatively small, and often fragmented, land parcels. Framing environmental investments in terms of their systemic consequences was evident, for instance, in the MacArthur Foundation’s decision to purchase large tracts of agricultural lands bordering the Florida Everglades as a contribution to the restoration program evolving there. Ralph Hamilton, former Director of Florida Philanthropy for the MacArthur Foundation, observed:

It soon became evident to me that the built community and the environment were related, and that we needed to think of environmental issues as regional...if we wanted to improve the quality of life in poor communities, we had to be aware of how land was used...we wanted to encourage local officials and environmental NGOs to think regionally.¹²

In broader perspective, this growth of systemic thinking also illustrates the spreading concern among foundations committed to environmental engagement that program decisions be defensible as “sound science.” And when environmental science itself seems deficient, foundations, especially the larger ones, are beginning to aggressively invest resources in improving that science. The Moore Foundation, predicted soon to be among the nation’s ten largest grantmakers, has identified as a funding priority an investment in environmental research not funded by the federal government.

Increasing Sub-National Governmental Engagement

Today, ecosystem policymaking and management inevitably involves more public and private stakeholders at all federal levels because much of the land and other resources essential to such planning are not federally owned. Non-federal lands, most privately owned, account for three-fourths of the nation's remaining wetlands and sixty percent of the total habitat of currently listed endangered species. Thus, private property owners, individual or corporate, as well as their local government regulators, become important stakeholders and actors in decisions about the use of such land. One implication, especially, powerfully shapes foundation experience. Land use control historically has been largely a state or, in reality, a local governmental concern. More than 36,000 units of local government currently exercise some land use authority.¹³ Consequently, when non-federal land or other resources are an interest, foundations must expect to engage state and local governmental institutions and actors in dealing with the public policy implications.

Policy Implementation as a Policy Objective

An important consequence of increasing foundation engagement in conservation policy appears to be a growing awareness among foundation staff of the importance of policy *implementation*, particularly at the state and local level, as an arena for policy influence. Foundation consultants have assumed an important role in emphasizing to foundation personnel that policy implementation is a mode of policymaking. "Lots of foundations don't understand the importance of implementation," noted an attorney for California's Resources Law Group, consultants highly influential in promoting foundation involvement in the CALFED project. "It's a new arena for many foundations and they need to make sure that [governmental conservation] policies are implemented; I try to educate staff to the implementation aspect of policymaking." A strategic problem for foundations promoting the public purchase of land essential to ecosystem planning such as the Everglades or the CalFed projects, for instance, is that funders must often assure that governmental funding commitments are implemented over the decades that may be required, and to assure continuing oversight over the implementation of land use designs.

Many foundations have probably focused belated attention on implementation as a potential target of policy influence because environmental policy implementation typically involves highly complex, attenuated and technical activities seldom achieving the visibility of agenda-building and policy formulation in governmental institutions. In the Everglades restoration project, for example, the implementation of the restoration plan requires the creation of several hundred separate, distinct physical and biological structures. The development of each structure ought properly to be considered a policymaking microcosm involving numerous public and private stakeholders engaged in an ongoing process of *ad hoc* negotiation and bargaining about design and resources. The growing salience of implementation issues was suggested in a response by Surdna's Environmental Program Director, Hooper Brooks, to a question about the kind of environmental policy impacts that were important to the organization: "Yes, we're interested in policy impacts through public education and supporting implementation of programs."¹⁴

Such, in broad outline, appear to be some important transformations in the context of foundation environmental grantmaking over the last decade. Their collective impact can be more sharply defined by examining foundation activities related specifically to the California and Florida projects.

The Anatomy of Conservation Policy Engagement: The CalFed and Everglades Projects

The conceptualization created by James Ferris and Michael Mintrom to characterize foundation policy engagement provides a useful organizing framework readily adapted to a necessarily concise discussion of foundation involvement in the CALFED and Everglades projects.¹⁵

Why Are Foundations Engaged?

The foundations engaged in various land use issues related to the CalFed and Everglades projects generally share at least two characteristics: their primary institutional facilities, or significant investments, are located in the state where the projects are sited; and, the foundations have a long-standing commitment to environmental concerns (sometimes to the geographic region of the project), if not to policy engagement explicitly. However, external consultants and environmental nonprofits, as well as foundation staff, may exercise considerable influence on decisions about projects and institutional recipients for grants within the arena of geographic commitment.

Geographic and Environmental Commitments

The Packard Foundation's 1999-2003 Policy Agenda, for instance, declared that a primary objective was "to bring about a fundamental shift in land use planning in the Western United States to limit sprawl and protect important open space and biological diversity" and that one benchmark for program success would be to "acquire land and development and water rights in California."¹⁶ The Turner and MacArthur Foundations, whose grantmaking in support of institutional capacity among environmental advocacy organizations promoting the Everglades restoration supplemented their direct contributions for land acquisition, were both committed to land conservation in the Southeast. Not surprisingly, most of the foundations involved with the two projects also targeted specific regions, such as the Western and Southeastern United States, as priorities. The synergy created by an institutional commitment to both land conservation and *regional* grantmaking undoubtedly magnified the appeal of engagement with the CalFed and Everglades programs and increased the potency of grantee proposals associated with these projects. The relationship between geographic location and project involvement is even greater among the smaller foundations, such as Florida's Elizabeth Ordway Dunn and Munson Foundations (Everglades) and California's Water Education and San Francisco Bay Foundation (CalFed). Environmental engagement may not necessarily be a primary or priority grantmaking interest. However, many of these foundations discovered that other institutional concerns, such as social justice or better urban planning, could be promoted through environmental engagement also.

Consultants

External consultants and consulting organizations often exercise considerable influence over when and where foundations target environmental grantmaking. One reason for this consulting presence is that foundations, even large ones, often have a ‘lean’ staff with few environmental specialists; smaller funders may have no institutional environmental expertise at all. It is not uncommon for funders to seek the assistance of consultants or for consultants to initiate discourse with funders, about environmental projects.

Examples from the California and Florida restoration work include:

- The California’s Resources Law Group initiated a series of ‘briefings’ for the staff of several very large state charitable foundations to inform them about the importance of the CalFed project for the state’s economic future and to suggest how they could ‘access’ the project planning to exert influence. These briefings subsequently promoted the foundations’ funding of seminars for state legislators and public education campaigns to support state funding for land purchases associated with CalFed.
- The Everglades Foundation, a small Florida funder, hired a consultant specifically to clarify when and where it could productively support Everglades restoration.

This discourse between consultants and foundation staff, as later discussion will amplify, often is sustained by an infrastructure of recurrent conferences, symposia and seminars sponsored jointly by consulting organizations and collaborative foundations, such as the Environmental Grantmakers, to keep foundations informed on current environmental policy issues.

Affinity Groups: Life Under the “Big Tent”

With few exceptions (mostly involving smaller foundations), grantmakers associated with the California and Florida projects belong to a variety of affinity groups, of which the most important is the Environmental Grantmakers Association (EGA). With over 250 members, the EGA includes almost all of the largest, wealthiest and most active foundation grantmakers associated with environmental policymaking in the United States.¹⁷ In the environmental policy domain, affinity groups are constituted from members sharing a common set of environmental interests. The Florida-based Funder’s Network for Smart Growth and Sustainable Communities, for instance, was created in 2000 to be a learning network for national foundations interested in issues related to sustainable development in Florida and elsewhere; it presently includes 68 foundations. A few affinity groups represent conservative foundations concerned with land conservation policy at state and local levels. The most significant of these appears to be the Free Market Environmental Roundtable, supported primarily by free market and libertarian think tanks, including the Cato Institute, Center for the Study of American Business, Pacific Research Institute, and the Competitive Enterprise Institute. The Roundtable, however, has no obvious role in the public discourse over the CalFed Project and commonly assumes a low public profile (it does not, for instance, maintain a website but co-sponsors several others); it primarily

facilitates the exchange of ideas and propagation of free market and libertarian principles among ideologically affiliated organizations.

The Environmental Grantmakers Association, like most affinity groups, conducts a variety of activities intended to provide resources for informing, mobilizing, and facilitating cooperation among member foundations.¹⁸ In addition to an annual conference, the EGA sponsors numerous forums and other meetings among small subsets of foundations with particular policy priorities, such as energy conservation, or climate warming. It is widely assumed that the EGA is a major force in determining which nonprofits and what environmental policy priorities will receive grant support to the point where some critics believe the EGA, together with a few very wealthy and aggressive foundations such as the Pew Charitable Trusts, largely determine the environmental agenda and strategies for the domestic environmental movement.

The impact of the EGA upon charitable trusts engaged in the California and Florida ecosystem plans is not well documented and therefore difficult to evaluate, although anecdotal information suggests that the EGA may be most influential with foundation trustees and directors while the smaller and more specialized affinity groups, focused upon more circumscribed environmental issues, may be more important to program officers.

Not Always “What” But “Who” Is Involved

Foundation environmental agendas sometimes reflect the personal vision and aggressive leadership of particular individuals, often staff environmental specialists, who see an ‘opening’ in the foundation’s larger mission for specific regional environmental funding. One example is the major role assumed by Ralph Hamilton, then Director of Florida Philanthropy for the MacArthur Foundation, in the early planning of the Everglades restoration. Hamilton initiated a collaboration with the Florida Governor’s Commission for a Sustainable South Florida, the state’s Department of Community Affairs, and local officials in Palm Beach County, where the foundation had significant investments, to encourage local development of land use policies compatible with the restoration objectives. Probably more often, the project recruits the man (or woman) in the sense that a foundation’s environmental mission attracts individuals who actively craft specific funding agendas within the context of a congenial mission statement.

The Influence of Environmental Nonprofits

People in the work know each other, observed a program director for Defenders of Wildlife, a nonprofit active in the South Florida ecosystem project, “and there is a sort of subculture; groups develop reputations for reliability that makes them more or less attractive to grantmaking foundations.”¹⁹ Subcultures of relationships between funders and grantees clearly exist and influence foundation decisions about grantmaking opportunities in both the South Florida and California projects.

Formal protocols may imply that proposals submitted to grantmakers by environmental nonprofits are solicited through foundation initiative and respond to program objectives crafted by program officers. The reality is more complex. Discussions with both foundation and nonprofit informants suggest that (1) foundation environmental programs often are created, or the substantive policy goals strongly influenced, at the initiative of nonprofits themselves; (2)

foundation program officers sometimes encourage specific advocacy groups to write specific grant proposals subsequently funded by the foundation; and (3) *which* nonprofit is associated with a grant proposal is as important as *what* the proposal entails, for some NGOs develop reputations for exceptional competence (or pronounced incompetence). These informal understandings are aspects of the subculture whose subtle influence has clearly affected the character of organizational infrastructures promoting specific land use policy initiatives in both Florida and California, even if foundation program officers acknowledge the fact uneasily (“we don’t talk about this,” observed one such manager of a foundation deeply involved in the CalFed project).

The important role of nonprofits in initiating and crafting foundation land conservation proposals was evident, for example, in the working relationship that developed between the MacArthur Foundation and the Conservation Foundation (a nonprofit) prior to MacArthur’s decision to provide financial resources and strategic influence for the purchase of agriculture land bordering the Everglades. According to a Conservation Foundation program manager:

We worked with the MacArthur Foundation in developing their approach to the South Florida project. We worked with them to think through the whole South Florida system and its ecological relationships and how the Foundation could become involved.²⁰

Another example of nonprofit influence in foundation grantmaking decisions is the ongoing collaboration between the Sacramento-based Resources Law Group and the Packard Foundation. The Resources Law Group (RLG) acts as an auxiliary staff for the foundation’s ambitious, recently initiated Conserving California Landscape Initiative (CCLI) intended to conserve extremely large regional ecosystems and their human infrastructures on the basis of long term sustainability. The RLG, acting as an intermediary between the foundation and grant applicants for the CCLI program, analyzes and evaluates grant requests for foundation program officers. From the foundation’s perspective, this provides the foundation’s very small and scientifically limited staff with the legal and scientific resources essential for reviewing grant proposals competently. In broader perspective, the viewpoint of both nonprofit and foundation program managers seems to be that the ongoing, informal discourse often arising before and during the creation of foundation grantmaking programs is an appropriate, even essential, dialogue that provides grantmakers with the technical and scientific guidance needed to make judicious environmental program decisions.

No Right Turns

Foundations in California and Florida presently funding conservation related policy activity at the state and local governmental level are politically liberal or non-partisan rather than conservative ideologically. Thus it is, and has been, almost without exception in other policy venues as well. The absence of economically or politically conservative charitable foundations from grantmaking which promotes preservation or acquisition of wetlands and animal habitat, or that advances public policies facilitating such action – indeed, the lack of a conservative foundation presence during most public debate over such policies – is commonplace to foundation observers of all ideological dispositions.

Several explanations have been suggested for this ideological cleavage. First, conservative foundations believe that very few competent nonprofits are available to promote conservative interests at state or local policy levels. Second, conservative foundations find it more appealing to trustees, directors and corporate funders to underwrite litigation by public interest law firms, such as the Pacific States Legal Foundation, that challenge state and federal regulatory actions affecting property rights. For example, rather than invest money in grants to organizations opposing purchase of land for species habitat, conservative foundations would rather underwrite legal challenges to the use of the Endangered Species Act to limit private use of animal habitat. Moreover, notes Christopher Yabolski of the Heritage Foundation, “conservative groups are most likely to be involved with philosophical conservative advocacy, such as the Cato Institute or the Heritage Foundation, and with think tanks promoting such philosophy.”²¹ Additionally, many conservative foundations are largely funded by individuals strongly committed to ‘libertarian’ or ‘property rights’ ideologies whose policy agendas move in very different directions of conservation policy.

Foundation Approaches: How Much Collaboration?

Charitable foundations, as Lucy Bernholz notes, have historically been “infamous individualists” whose institutional cultures tolerated only fitful collaboration. However, within the last decade collaboration among grantmakers generally has apparently increased and evidence from the California and Florida endeavors appears to support this conclusion. Some examples:

- Several large California foundations, including Hewlett and Packard, and Surdna joined with some smaller state funders to underwrite a study of ecosystem governance structures that has strongly influenced the evolving design of the CalFed governance process.
- In South Florida, the Surdna and MacArthur Foundations collaborated with local funders to ‘build receptivity’ for the Everglades restoration by sponsoring public education activities and meetings with local public officials to publicize the need for local land use planning to inhibit urban sprawl on the Everglades perimeter.

In many ways, affinity groups such as the recently formed Funders Network for Smart Growth (FNSG) and the older Environmental Grantmakers Association (EGA) and consulting organizations like the Consulting Group on Biological Diversity have become important catalysts for foundation collaboration by providing for the discussion of common interests which, not coincidentally, also socialize foundation staff into collaborative thinking and create informal communications networks.

One strong incentive for collaboration is the opportunity to create pooled funding initiatives that considerably magnify influence in common policy goals. A frequently cited example is the foundation partnership, noted earlier, whose collective financial contribution was a major inducement for the state of California to contribute to purchasing the San Francisco Bay salt flats. Another incentive to collaboration is the increased political capital, particularly an amplified access and status among public policymakers, which foundation partners may be able to create collectively. Collaborations in both the California and Florida projects, however, tend to be *ad hoc* and contingent upon an ability to bring foundation staff together in a shared conviction about both the environmental benefit of collaboration and the synergy that partnership contributes to each foundation's larger mission.

Consulting Organizations and Catalysts to Collaboration

In the last decade a number of organizations have formed for the purpose of educating environmental grantmaking foundations about emerging issues of ecological importance, providing them with technical/scientific expertise about ecological issues, and providing a forum where nonprofits, foundations, and scientific experts can meet to explore opportunities to influence national and international environmental policies. A consultative organization is a hybrid of affinity groups, traditional environmental advocacy groups, charitable foundations and scientific associations. Although characteristically small in staff and budget, consultative groups have become potent as mediators and catalysts for the development of new environmental policy initiatives and strategies among a frequently large and wealthy array of environmental grantmakers. As consultative organizations have multiplied, the impact magnifies because they create new influence and information networks between various institutional actors involved in environmental policymaking, they link grantmakers and grantees with current scientific discourse, and they identify strategic investment opportunities for environmental grantmakers.

Two consultative groups have been notably important in raising the salience of domestic ecosystem projects, like the Everglades and CalFed endeavors, for environmental grantmakers. The Consultative Group on Biological Diversity (CGBD), created in 1987 by a partnership of US AID with the Pew, Rockefeller, MacArthur and Ford Foundations, has a present membership of 46 foundations and US AID. CGBD's most important institutional aspect is the working group constituted of foundations interested in specific environmental issues such as forest conservation or climate and energy. Lynn Lohr, the current CGBD Executive Director, believes that:

CGBD is essentially a facilitator between foundations and nonprofits. It can, and sometimes does, initiate ideas to foundations. More often, foundations come to CGBD with ideas, need networking, resources, ideas and such. We also hold conferences on emerging issues to educate foundations on important groups.²²

Another consultative group important in the development of foundation interest in the CalFed project is the Resources Law Group (RLG) located in Sacramento, California. Although the RLG originated primarily as a public interest litigant in environmental law cases, in recent years it has become far more diversified. Currently, it provides consulting as well as legal services related to land conservation, land use planning and natural resource restoration, as well as strategic advice to foundations in environmental grantmaking and resources for this purpose. In

the last few years, RLG has organized conferences for Packard and other foundations to educate them about “governance issues related to ecosystems, coordinated planning between the Hewlett, Moore and Irvine Foundations to protect valuable California lands involved in the CalFed Project, and by encouraging cutting edge science and linking it to charitable grantmaking. “RLG gave strategic advice to Packard about protecting important California land resources,” explained RLG staff lawyer, “but we don’t ordinarily deal with the legislature.”

The rise of consultative groups, with their access to environmental science communities and their ability to fashion new modes of discourse between technical experts and foundation program officers, seems especially responsive to the lack of in-house environmental expertise widely observed among environmental grantmakers. In this respect, the consultative group doubtless alleviates much of the unease grantmakers might otherwise experience when confronting scientifically complex and contested environmental issues as, for example, when foundations want to know which best practices to underwrite for wetlands management or species protection.

Strategic Choices: Jurisdictions, Venues, Tactics

Public policymaking related to ecosystem protection will inevitably implicate federal, state, regional and local governmental jurisdictions in some significant manner. However, as foundation interest increasingly turns to land and habitat owned privately or corporately, a very substantial engagement with policymaking at the state and local government occurs, as the ecosystem projects in California and the Everglades exemplify.

Jurisdictions

In both California and Florida, many grantmakers initially were engaged, in varying degree, in promoting Congressional authorization and appropriations to initiate the projects. With the projects authorized and underway, grantmakers increasingly appear to be investing considerably more resources and effort to sustain state, regional and local governmental support for the projects and for “on the ground” implementation of planning objectives.

Why the intensified state and local engagement? Foundations are recognizing (often with considerable prompting by consultants) that these ambitious plans are contingent upon the inclusion and conversion of very large parcels of wetlands and species habitat under the regulatory jurisdiction of state and local governments. Moreover, state and local governments are themselves often attractive as potential underwriters of conservation land purchases. Smaller foundations often limit their engagement to underwriting the purchase of relatively small land parcels by program related investments (PRIs) to nonprofits like the Nature Conservancy. The larger philanthropies more often support simultaneous engagement in multiple state and local jurisdictions. Another compelling reason for multi-jurisdictional (and multi-fora) engagement is that securing governmental or private commitments to conserve land or to change its designated use often requires continued foundation oversight of the policy implementation: funding must be authorized for state commitments to land preservation, infrastructure to support land conservation must also be created, legal challenges to conservation measures may subsequently arise, and much more. Thus, follow through becomes almost an essential component of foundation program thinking.

One illustration of a multi-jurisdictional imperative implicit to the Everglades work occurs because the Florida plan assumes that more than 47,000 acres of agricultural land north of Lake Okachobee (the Everglades Agriculture Area) can be restored from current private and corporate agriculture development to native wetlands.²³ Much of this land is owned by large sugar growing corporations or other corporate farm interests. In some instances, foundations themselves have underwritten the purchase of land parcels. More often, foundations have decided to use their grant resources to encourage municipal, county and state governments to authorize the purchase of these lands with public money and to make necessary changes in land use regulations to facilitate the new land uses. In California, the Hewlett Foundation supported multiple strategies by nonprofits and others organizations to promote the adoption of Proposition Fifty, an initiative on the 2002 ballot authorizing a new state fund for land purchases involving, among other sites, the CalFed ecosystem.

Venues

The California and Florida experiences suggest that foundations committed to ecosystem restoration as a conservation strategy should expect sustained policy engagement not simply at state and local jurisdictions, but especially with state, regional and local administrative agencies responsible for resource and environmental management—fish and game, pollution control, forestry, water management, urban planning and recreation bureaucracies among them. For example:

- In several Florida communities bordering the Everglades, the Surdna Foundation supported conferences between biodiversity experts and urban planners to promote greater attention on the impact of local city development on efforts to protect endangered Everglades animal species.
- In California, the Packard Foundation provided the support enabling the Nature Conservancy to assist state and local officials in monitoring the decommissioning of dams on the Battle Creek River required for the regional implementation of several CalFed objectives.

Such examples amplify both the importance of policy implementation in ecosystem management and the imperative for foundations to create forms of engagement with administrative agencies in order to affect that process.

Such generalizations, however, seldom apply to foundations that consider themselves ideologically conservative or ‘libertarian.’ Charitable foundations on the right of the American political spectrum mostly adjure other venues of influence on conservation policymaking in favor of litigation. This preference is grounded on a widely shared conviction that resource conservation generally, and restrictions by public authority on land use in particular, are most significant to conservatives when they raise constitutional and philosophical issues about property rights and the appropriate limits of public authority over private property. Thus, conservative charities, such as the Scaife and the Coors Foundations, typically underwrite conservative public interest laws firms that initiate litigation, and conservative “think tanks”

which encourage public dialogue, about property rights and related issues that may be implicated in conservation policymaking.

A discussion of venues would, in any case, be incomplete without recognition that one of the most important policy arenas for foundations engaged with resource conservation, and particularly those involved in the Florida and California ecosystem work, is the venue of public opinion. In the following discussion of tactical alternatives for policy engagement, the use of public opinion polls, the cultivation of media attention, the dissemination of public information and efforts to influence the ‘grassroots’ constituents of state and local public officials – all the apparatus of what Benjamin Starrett of the Funders’ Network for Smart Growth calls “a deliberate and sophisticated effort to inform media and decision makers” – has been a recurrent theme in tactical discussions by so many informants that this ‘venue’ almost seems preordained.²⁴

Tactical Choices: The Strategic Premises

Several fundamentals appear to guide foundation tactical choices for policy influence. First, engaged foundations act primarily through established environmental advocacy groups or other institutions legally distinguishable from the foundation itself. One major reason, of course, is that this permits foundations to support advocacy and many related activities by proxy, thereby avoiding the legal complications which might arise should this appear to be legally proscribed ‘lobbying.’²⁵ Florida Audubon, as one example, was actively involved in advocacy in the Florida Legislature to propose a constitutional amendment in 1996 (Ballot Proposition Five) to increase state funding for public land purchases facilitating the Everglades ecosystem plan. The MacArthur and Surdna Foundation, among other grantmakers, provided general program support for Florida Audubon, anticipating that the money would, among other things, underwrite such advocacy. Implicit understandings between grantmakers and advocacy groups that grants will sometimes be targeted in fact, if not formally, for legislative advocacy is not uncommon. One Florida Audubon staff member observed that foundations often become deliberately ignorant about the political purposes to which their grants may be (intentionally) directed:

Foundations often want to direct NGO activities but don’t want to be perceived as manipulative. Foundations expect NGOs to create a foundation for political action...and they don’t want to know that they money goes for political action. But foundations like groups such as Audubon because the foundation will get the collateral benefit of political influence.

Whether this customary strategy of political leverage through proxies is the most appropriate or efficacious means of exerting foundation influence upon public policy is now a matter of debate of significant proportions within the environmental grantmaking community. A *provocateur* in this debate has been the Pew Charitable Trusts. Pew’s very assertive intervention in environmental policymaking at national and international levels, creation of affiliated institutions to promote and to propagate scientific research and others to aggressively advance a substantive policy agenda, and its commitment to getting measurable [policy] results poses an alternative model of policy intervention which, if successful, may be very attractive to other environmental grantmakers.

Second, advocacy and other modes of political influence are often underwritten through grants ostensibly targeted for non-political or non-partisan purposes. The distinction between foundation funding of public information, roundtables, opinion studies or related nonprofit activities and funding of legally proscribed advocacy is fragile and elusive in practice. Many foundation managers and their nonprofit grantees readily acknowledge that powerful political leverage can be exerted on local, state and federal policymakers through ostensibly nonpartisan activities funded by grantmakers. Public opinion polls, for instance, may be commissioned by a foundation, or a foundation grantee, to provide non-partisan information about public perceptions on an important issue such as the Everglades ecosystem restoration. If that poll suggests strong public approval for the project among the constituencies of state representatives anticipating a legislative vote on funding for the project, the judicious release of the polling data among legislators will become advocacy in fact if not in name. Grant-funded nonprofit activities are often described so vaguely as to permit generous latitude of interpretation. One informant, from Defenders of Wildlife, offered an example of this strategy: While foundations are very careful to state that they don't want their money used for lobbying, it can be used for educational outreach [which is often similar].

Tactical Choices: A Primer

While foundations involved in the California and Florida ecosystem projects have used a broad array of instruments for policy leverage, modalities are apparent:

- A. **Funding Policy Analysis:** In both California and Florida, foundations frequently funded symposia, conferences and other gatherings that brought together local officials, technical specialists and stakeholders to identify and clarify significant policy issues *created as a result of a project's initiation*. Several large California foundations, for example, convened a meeting with CalFed Officials to discuss how foundation investments could facilitate the programs' implementation. As ecosystem restoration gains increasing scientific as well as political importance, some foundations are beginning to give much greater attention to funding scientific research intended to inform and support conservation efforts—Florida Audubon and Defenders of Wildlife, for instance, have both received modest grants in recent years to underwrite research on habitat conservation associated with Everglades restoration. The Moore Foundation is still among a few large foundations to identify scientific research as a major environmental priority.
- B. **Funding Technical Support:** Scientific research associated with ecosystem planning, like other large conservation projects, is often underfunded. Foundation support for technical research is highly valued by a great many stakeholders because it enables them to create more competent advocacy in restoration planning. In Florida, the Dunn Foundation grantmaking to the Florida Sierra Club and the Surdna Foundation's support to the Florida Audubon Society underwrote influential technical studies related, respectively, to restoration of the Kissimmee River floodplain and Florida Bay pollution—in both instances, with significant policy impact.

C. **Supporting Advocacy:** Advocacy support assumes both familiar and innovative styles. Customary and frequent advocacy support is provided through creation and dissemination of information to the public and stakeholders on salient, current issues; operating support to nonprofits known to support specific policy positions; and cultivation of media interest in specific policy discourse. Opinion polling has been focused on specific publics (such as local policymakers, scientific or technical experts, opinion leaders), important demographic subgroups, or the general public.

- A number of larger California foundations routinely commission public opinion polls related to currently important restoration issues. Especially when the results may yield advantage in policy leverage, the polls are often widely disseminated to the media and, particularly, to state legislators expected to vote on important restoration issues. For example, one California funder, anticipating the California Legislature's forthcoming vote on authorizing land purchases to implement the CalFed project, initiated opinion polling which revealed strong public support for the purchase; the polling results from each legislative district were then sent to appropriate representatives.
- "Building capacity" – using foundation grants to underwrite the operating budget of nonprofits – often becomes advocacy by another name. Foundations supported Florida's Nature Conservancy in this manner to assist the Conservancy in persuading Congress and the Florida Legislature to purchase wetlands essential to the Kissimmee River Restoration phase of the Everglades project.
- Support for litigation illuminates how 'capacity building' can readily transmute into policy advocacy. A great many of the environmental advocacy groups supported by foundation grants in both California and Florida have been, and continue to be, aggressive litigators; foundation grants also support organizations, like the Resources Law Group, committed to litigation as a primary policy instrument. Litigation lies in a twilight zone between proscribed and permitted forms of foundation policy advocacy. Foundation and nonprofit staff recognize, however, that foundation grants are often intended, explicitly or not, to underwrite litigation meant to create or change legislative or executive policymaking.
- A more innovative approach to foundation advocacy is what Marcia Sharp has called "a diffusion strategy." This entails the creation or exploitation of communication networks (workshops, symposia, conferences or existing associations) through which policy goals can be lodged on the funding agenda of other foundations – in effect, something akin to lobbying the lobbyists. This strategy is epitomized by the Funders' Network for Smart Growth. The Network "creates a more circuitous route to leverage of members' investments which involves a long term and highly ambitious strategy to embed issues and knowledge into the program agendas of many different granting streams of many different foundations."²⁶

- D. **Deploying Assets:** Foundations have historically promoted resource conservation across the United States by purchasing valuable land or conservation easements to protect property from development. In recent years, several foundations have effectively leveraged public funding of land purchases by collateral commitment of their own resources to the undertaking. “I’m amazed how much private dollars can move other projects” noted one consultant who acted as broker between several foundations and the state of California in a cooperative CalFed wetlands purchase. “Commitments of foundation money helps to push projects to the top of the policy agenda...private foundations have this kind of influence that they seldom recognize.” Such foundation capital may appear to be a traditional Program Related Investment (PRI), but when it is offered as leverage for public conservation spending, it appears to pack a political clout that resonates among policymakers.
- E. **Oversight of Policy Implementation:** Among some consultants, foundation staff and nonprofit informants, there is an emerging perception that foundation decision makers are climbing a ‘learning curve’ through experience with the California and Florida restoration programs. One increment on that curve is said to be an evolving awareness that funding the monitoring and oversight of program implementation creates an important pressure point in ecosystem policymaking. One reason is that ecosystem restoration projects are heavily dependent on ‘adaptive management’ which means, in effect, that initial planning strategies may be altered over time when experience with previously untested policy designs demonstrates an imperative for change. Where and when these ‘adaptive’ decisions occur may initially be problematic. However, awareness of the substance and occasion for these decisions through monitoring is likely to be a tripwire signaling important policy decisions of which stakeholders should be aware. This ‘follow-through’ by foundation proponents of ecosystem developments also requires a new, more sophisticated conception of policymaking by many foundation staff. A few foundations, such as Hewlett, Packard and Surdna, already appear cognizant about these implementation issues. Florida Audubon, for instance, is currently seeking foundation support to oversee implementation of 67 separate Everglades projects managed by the Army Corps of Engineers.

Looking Ahead: The Implications

The evolution of foundation engagement in wetlands, habitat and related conservation policymaking inevitably raises questions about the future – surely for the foundation staff, stakeholders, consultants and others who are already pondering the implications. Some implications seem evident, some portentous, others unsettling in their contingency.

Are the Florida and California Experiences Typical?

Until the latter 1980s, it appears that foundations committed to resource conservation relied primarily on three strategies: Program Related Investments (mostly through the purchase of conservation lands or conservation easements on land); operating support to environmental advocacy organizations; and some indirect funding of policy advocacy and litigation. During the 1990s, it appears that growing engagement in large-scale ecosystem policy issues prompted many foundations to considerably diversify their grantmaking tactics and objectives. This diversification was especially evident in (1) the increasing frequency with which foundations underwrote public opinion polling and targeted conferences, workshops and specialized information flows specifically for legislative and administrative decision-makers; (2) greater attention to using program investments individually, and collaboratively, to leverage governmental conservation investments; (3) greater receptivity and more initiative in discourse with environmental consultants over technical resources and new opportunities for environmental policy engagement; and (4) more focus on promoting and embedding policy-relevant conservation issues in agendas of other funders and affinity groups.

In these respects, the Florida and California narratives exemplify what seems to be innovative (or at least atypical) strategic and tactical decisions by the foundations engaged in efforts to influence conservation policy. This innovation may be a distinctive response to the emerging problems of policy engagement posed by the jurisdictional, economic and ecological scale of ecosystem restoration. In particular, the intensive foundation engagement with state and local governmental entities, the growing attention to directly influencing the climate of community public opinion, and heightened sensitivity to improving the science base for policy advocacy may all be distilled from the quality of science and management issues implicit to extremely large-scale ecosystem policymaking. In any case, foundation attention to the politics of policy implementation has certainly become more acute and instrumental in foundation policy planning as a result of the generous time-scale upon which ecosystem policymaking must necessarily transpire.

Additionally, the rising salience of large ecosystem issues in foundation policy discourse, both within and between foundations, bespeaks the growing influence of science consultative organizations, such as the Consultative Group on Biological Diversity, and a greater receptivity to their influence, among the larger, and wealthier environmental grantmakers. These consultative groups and their variants (for example, organizations offering both science and legal expertise to foundations) seem well on the way to claiming a secure position in the constellation of institutions collectively shaping the direction of ongoing foundation conservation policies, particularly among the foundations that are considered to be leaders in environmental grantmaking.

None of this amounts to a collective epiphany. Characteristically, a diffusion of innovation occurs when one or a few foundations appear to exploit an unfamiliar tactic successfully and spread the news, often through affinity groups. In many cases, the appearance of these tactics

may also have much to do with the remarkable growth of foundation assets during the 1990s, enabling many funders to think more imaginatively (and expensively) about policy leverage. The profusion of newer policy engagement styles may also be an artifact of growing governmental involvement in very large ecosystem restorations and closely related projects which, in turn, increasingly compels foundations committed to conservation to come to terms with governmental policymaking in ways that might have been unnecessary a relatively few years ago.

What Is Success? What Is Successful?

Foundation officials themselves sometimes struggle at defining how to measure ‘success.’ (Responding to the question, one foundation environmental director explained bemusedly: “We are right now having a Berkeley professor do a study for us.”) Generally, a measure of success is easiest when grants are dedicated to time- or event-bound projects. These objectives might include: (1) a specific policy action or decision such as a legislative vote on a project authorization or a resource purchase, or the passage of legislation integral to a conservation program, or the initiation of litigation on conservation issues; (2) creating a defined knowledge resource, or underwriting conferences, symposia or other conferences meant to disseminate or create information and ideas; (3) creating and disseminates information, such as public opinion polls, to media and the public; and (4) funding new organizational structures, or providing operating expenses for other organizations. Such projects are intended to produce results in a relatively short time; to have measurable consequences within a state, region or community related to the foundation; and to create some tangible institutional product. Not surprisingly, these are the strategies which foundation officials and consultants most often cite as ‘successful.’

Far more elusive of evaluation are foundation activities intended to have diffuse consequences temporally, geographically, or institutionally—support of activity to “educate” urban planners about the ecological implications of their work, for example, or funding to “build capacity” for greater activism among community-based environmental organizations. Indeed, foundation officials strongly committed to such activity express frustration that such programs often are prematurely neglected because satisfactory results are difficult to demonstrate. In any case, demonstrations of “success”—however measured—are the propellant for many long-term foundation programs. This may create a perverse situation when it comes to foundation engagement in the implementation of ecosystem restoration or other long-term conservation programs. Ecosystem restoration is typically implemented over many decades (the Everglades project is expected to require a minimum of thirty years). A rising sensitivity to the implementation aspect of environmental conservation may be evident among many foundations, as the California and Florida experience suggests, but foundation involvement in such implementation may require engagement over many years, or decades, during which evidence of ‘success’ may be tenuous long before it becomes evident (if it does). Whether foundations, however well-intentioned, have the robust institutional endurance that engagement with implementation policy may require is problematic.

What Is Risky?

The foundations involved with the California and Florida projects seem, with a few important exceptions, most averse to funding that betrays more than a dash of what can be called “The Pew Style.”²⁷ The reference is to the Pew Charities’ aggressive national and international promotion of many different environmental protection policies through virtually every traditional pathway for mediating influence on government. The Pew Charities typically create separate institutions to promote this advocacy, legally distant enough to avoid proscribed political ‘lobbying’ yet subsidized largely through the Pew organization. Perhaps most importantly, the Pew organization intends to create and sustain high-visibility policy controversies and to plunge into existing ones without apology.

Still, some foundations concerned with the California and Florida endeavors have created subsidiary institutions committed to policy advocacy, if not quite so boldly as Pew. These organizations are kept at arms-length because they are either technically underwritten by NGOs who receive much of the necessary money through grants from the parent foundation or they are independently incorporated consulting firms whose policy advocacy is largely supported by the foundation, or they are environmental advocacy groups. Thus, it appears to be the high intensity and visibility of controversy arising from engagement in policy advocacy that these foundations seek most to avoid.

Other kinds of risk to which foundations may quickly become averse, if they are not already, are engagement in policy implementation, in the sustained promotion of issues through ‘embedding’ on other institutional policy agendas, and in other long-term funding commitments. The problem of distilling “success” from such continuing engagement has already been apparent. Additionally, the meltdown in foundation assets beginning in 2001 may amplify foundation concerns about the wisdom of long-term investments at a time of increasingly constrained resources. No other issue more pervasively weighs upon the discussion of future foundation grantmaking, environmentally or otherwise, than the implications of severely shrinking program assets.

How Firm the Foundations?

“People don’t realize how much the cutback in foundation assets is going to influence future environmental grantmaking,” observed a veteran consultant to California’s largest environmental grantmakers.” Virtually all the foundation informants offered variations on this theme. The most significant implication appears to concern how future environmental program resources will be reallocated. Long-term program commitments may be badly frayed by constricting assets and problematic results. Some informants have suggested that long-term investments, or large program investments to leverage public conservation spending, may be the most endangered budget items. The budgetary bloodletting, additionally, will compel difficult decisions not only about priorities within environmental categories but between environmental spending and other grantmaking domains. Through a budgetary ripple effect, a number of environmental advocacy

groups active in the two state ecosystem projects have already anticipated a significant decline in foundation support and are rethinking their own environmental priorities.

It isn't apparent how these amplifying budget constraints will affect foundation engagement in ecosystem policymaking for California or Florida. Nor can one predict how well the more creative strategic and tactical modalities, especially, will weather the oncoming winter of programmatic downsizing. However, nothing about the future of environmental grantmaking in either state is more problematic, or more consequential, than the answer.

Notes

¹ The David and Lucile Packard Foundation, "SF Bay Salt Pond Acquisition," www.packard.org/index.cgi?page=cargill (September 9, 2002); see also: Paul Rogers, Lawmakers Seek review of S.F. Bay Salt Pond Pact, *Contra Costa Times*, June 23, 2002.

² Joe Newman, Project Aims To Protect Acres of Florida Wetlands, *South Florida Sun-Sentinel*, June 29, 2002.

³ In the following discussion, 'conservation' is the aggregate of six grant categories in the Foundation Center's statistics: natural resources conservation/protection, water resource conservation, land conservation, forestry services, wildlife protection, animal protection and welfare.

⁴ Douglas Jehl, Charity is New Force in Environmental Fight, *New York Times*, June 28, 2001; Thomas J. Billitteri, Endowments Mark Fiscal Maturity for Environmental Groups, *Chronicle of Philanthropy*, December 3, 1998.

⁵ U.S. Congress, General Accounting Office (GAO), *Endangered Species Act: Information on Nonfederal Lands*, Letter Report 12/20/94. Publication No. GAO/RCED 95-16; Sierra Club, *The State of Disappearing Species and Habitat: A Sierra Club Report*, www.sierraclub.org/wildlands/species/report/intro.html.

⁶ U.S. Environmental Protection Agency, Office of Water, Office of Wetlands, Oceans and Watersheds, *Threats to Wetlands*, Publication No.: EPA 843-F-01-002d (March 2002). Available at: www.epa.gov/OWOW/wetlands/vital/status.html.

⁷ Stephen Viederman, Don't Just Tweak the Corners, *Foundation News & Commentary*, January-February 2000.

⁸ Quoted in Stephen G. Greene, Preserving Open Space for the Ages, *The Chronicle of Philanthropy*, July 29, 1999.

⁹ GAO, *Ecosystem Management: Additional Actions Needed to Adequately Test a Promising Approach*. Publication No. RCED-94-111; Charles R. Malone, *The Federal Ecosystem Management Initiative in the United States*, www.state.nv.us/nucwaste/yucca/malone01.html.

¹⁰ Hanna J. Cortner and Margaret A. Moote, *The Politics of Ecosystem Management* (Washington, DC: Island Press, 1999), 40.

¹¹ Working Group of the South Florida Ecosystem Restoration Task Force, *Success in the Making: An Integrated Plan for South Florida Ecosystem Restoration and Sustainability* (November 1998); CALFED Bay-Delta Program, *Facts About the Bay-Delta*, http://calfed.ca.gov/pub_info_materials/about_bay_delta.html.

¹² Interview, July 30, 2002. The term “NGO” in quoted material is synonymous with “nonprofits” used elsewhere in the narrative.

¹³ Includes states, counties, municipalities and townships.

¹⁴ Interview, December 9, 2002.

¹⁵ James M. Ferris and Michael Mintrom, “Foundations and Public Policymaking: A Conceptual Framework,” Paper prepared for *Forum: Leveraging Philanthropic Assets for Public Problem Solving*, The Center on Philanthropy and Public Policy, University of Southern California, May 13-14, 2002.

¹⁶ The David and Lucile Packard Foundation, *Conservation Program Five-Year Framework/1999-2003*, 18.

¹⁷ A roster of the Environmental Grantmakers Association can be found at the association’s website: www.ega.org.

¹⁸ See, for example, the EGA’s 2002 Fall Retreat Program: “Crafting Alliances, Reweaving Democracy,” 2002 Fall Retreat, September 7-11, The Grove Park Inn, Asheville, NC.

¹⁹ Nicole Rivet, Defenders of Wildlife, Interview, July 31, 2002.

²⁰ Elizabeth Dowdle, Conservation Foundation, Interview, July 25, 2002.

²¹ Interview, September 3, 2002.

²² Interview, August 20, 2002.

²³ Working Group of the South Florida Ecosystem Restoration Project, op. cit., 14.

²⁴ Interview, August 20, 2002.

²⁵ The distinction between ‘lobbying’ and other forms of advocacy is enormously important to philanthropies. Charities are subject to revocation of their tax-exempt status if a ‘substantial part’ of their activities is ‘lobbying.’ Private foundations are even more strictly regulated by a

prohibition for spending any funds on lobbying. However, “the federal rules define ‘lobbying’ very narrowly to exclude many activities that can affect legislative decisions [and]...the law contains robust safe harbors that permit foundations to make grants to public charities that lobby without having the grantee’s lobbying attributed back to the foundation.” Thomas A. Troyer and Douglas Varley, “Private Foundations and Public Policymaking: Latitude Under Federal Tax Law,” Paper prepared for the Forum: *Leveraging Philanthropic Assets for Public Problem Solving*, The Center on Philanthropy and Public Policy, University of Southern California, May 13-14, 2002.

²⁶ Marcia Sharp, “Foundation Collaborations: Incubators For Change,” Paper prepared for the Forum: *Leveraging Philanthropic Assets for Public Problem Solving*, The Center on Philanthropy and Public Policy, University of Southern California, May 13-14, 2002.

²⁷ On the Pew philosophy, see Douglas Johl, “Charity Is New Force in Environmental Fight,” *New York Times*, June 28, 2001.

APPENDIX

Interviews

Bast, Joseph: CEO, The Heartland Institute
Brady, Richard: Staff Attorney, Pacific Legal Foundation
Brooks, Hooper: Director of Environmental Programs, Surdna Foundation
David, Britt: Director of Foundation Relations, Resources for the Future.
Dietrich, Richard: Associate Director, Foundation and Corporate Relations, Sierra Club
Dowdle, Elizabeth: Staff Member, The Conservation Fund
Doyle, Mary: Director, Center for Environmental Study, University of Miami.
Draper, Eric: Director, Florida Audubon.
Farquahr, Ned: Foundation Relations, The David and Lucile Packard Foundation.
Griffith, Stephen: Sierra Club, Washington, DC.
Hamilton, Ralph: Director of Florida Philanthropy, John D. and Catherine T. MacArthur Foundation.
Harvey, Hal: Environmental Program Director, The William and Flora Hewlett Foundation
Jackalone, Frank: South Florida Office, Sierra Club
Jenson, Robert: Director, Margaret Ordway Dunn Foundation
Kallick, Stephen: Assistant Director for Environmental Programs, The Pew Charitable Trusts
Kranzer, Bonnie: Former Director, Governor's Commission for a Sustainable South Florida
Katz, David: Vice-President for Development, Earthjustice
Langston, Stuart: Consultant, South Florida Ecosystem Restoration Task Force
Lohr, Lynn: Executive Director, Consultative Group for Biological Diversity
Mantell, Michael: Staff Attorney, Resources Law Group
Martin, Daniel: Foundations Relations, Moore Foundation
Rivet, Nicole: Foundation Relations, Defenders of Wildlife
Rogers, Jane: The San Francisco Foundation
Starrett, Benjamin: Director, Funders' Network for Smart Growth and Sustainable Communities
Schoonmaker: Staff Attorney, Resources Law Group
Taylor, Jeremy: Natural Resources Specialist, the Heritage Foundation
Tejada, Claudia: Staff Member, Defenders of Wildlife
Ward, Katherine: Environmental Grantmakers Association
Williams, Diane: The James Irvine Foundation
Yabolnski, Christopher: Research Staff, the Heritage Foundation