



Corporate **S**hill **E**nterprise

A Public Citizen Report on Citizens for a Sound Economy: A Corporate Lobbying Front Group October 6, 2000

What do Philip Morris, US West, General Electric and Johnson & Johnson have in common? They each gave at least \$250,000 in 1998 to Citizens for a Sound Economy (CSE), a conservative “think tank” that fights for business interests – particularly those interests that benefit its largest donors.

Internal budget documents obtained by Public Citizen detail \$13.9 million in donations to CSE in 1998 (see Table 3). Those donations account for 85 percent of CSE’s 1998 revenues of \$16.2 million, as reported on the organization’s IRS Form 990 filings for both its 501(c)(3) and 501(c)(4) entities.

While CSE purports to be a grassroots voice of consumers, it is, more accurately, a front group for corporate lobbying interests that refuses to reveal its funding sources. As documented in a *Washington Post* article earlier this year, groups such as CSE “provide analyses, TV advertising, polling and academic studies that add an air of authority to corporate arguments – in many cases while maintaining the corporate donors’ anonymity.” (“Think Tanks: Corporations’ Secret Weapon,” *The Washington Post*, January 29, 2000, p. 1)

The CSE budget documents obtained by Public Citizen from a source requesting anonymity reveal those industries and corporations that are really bankrolling CSE. As Table 1 shows, the oil and gas industry contributed nearly \$2.3 million, big phone companies gave nearly \$1.5 million and the tobacco industry contributed more than \$1.1 million, in 1998 alone.

Table 1
Top Contributors to CSE by Industry Sector, 1998

Category	Amount
Oil/Gas	\$2,290,001
Telephone Companies	\$1,474,500
Tobacco Products	\$1,124,050
Electric Companies	\$741,107
Sugar Manufacturers	\$699,900
Food Retailers	\$633,250
Auto Manufacturers	\$629,500
Pharmaceutical	\$373,750
Insurance	\$328,884
Finance	\$217,500
Chemical Manufacturers	\$184,200
Agriculture	\$155,000
Timber	\$103,500
Defense/Aerospace	\$100,000

Source: CSE budget documents

Often CSE does the bidding of its donors, as *The Washington Post* discovered. For instance, more than \$1 million in contributions from the tobacco giant Philip Morris came when CSE was opposing new cigarette taxes. Donations totaling \$1.25 million from US West coincided with CSE's lobbying for phone deregulation that would let US West offer long-distance service. Florida's three biggest sugar companies contributed nearly \$700,000 when CSE fought a federal plan to protect the Everglades by restricting sugar cane growing on several thousand acres of land.

Table 2 provides a breakdown of all corporations that made total contributions of \$100,000 or more in 1998.

Table 2
Top Corporate Contributors to CSE, 1998

Donor	1998 Gift
US West Communications	\$1,250,000
Philip Morris Companies, Inc.	\$1,070,550
Koch Industries Inc.	\$626,500
DaimlerChrysler Corporation	\$535,000
General Electric Company	\$500,000
Publix Super Markets, Inc.	\$500,000
Florida Crystals Corporation	\$279,960
United States Sugar Corporation	\$279,960
Johnson & Johnson	\$250,000
Emerson Electric Company	\$200,000
Exxon Corporation	\$200,000
Fidelity Investments	\$200,000
Associated Industries of Florida	\$184,000
Eastman Chemical Company	\$153,000
Archer Daniels Midland Company	\$150,000
Sugar Cane Growers Cooperative of FL	\$139,980
National Assn of Independent Insurers	\$108,962
Georgia-Pacific Corporation	\$101,000
AlliedSignal Inc.	\$100,000
Dayton Hudson Corp	\$100,000
Fortune Brands, Inc.	\$100,000
Warnaco Inc.	\$100,000
Warner-Lambert Co.	\$100,000
Total	\$7,228,912

Source: CSE budget documents

Table 3 on the following pages provides a comprehensive list of the companies, trade associations, foundations and major donors that contributed to CSE in 1998. It's a veritable who's who of special interests seeking special favors – less regulation, shields from consumer lawsuits, lower taxes, and increased corporate subsidies – in Washington and state capitals around the country.

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Table 3
Contributors to CSE, 1998

Donor	1998 Gift
3M Company	\$10,000
AIAM	\$10,000
Air Quality Standards Coalition	\$5,100
Albertson's, Inc.	\$25,000
AlliedSignal Inc.	\$100,000
Allstate Insurance Company	\$32,961
American Airlines	\$18,058
American Council of Life Insurance	\$25,000
American Express Company	\$5,000
American Fidelity Assurance Company	\$1,000
American Insurance Association	\$25,000
American Iron & Steel Institute	\$15,000
American Woodmark	\$2,500
Amerisure Companies	\$1,000
Ameritech Corporation	\$50,000
Amoco Corporation	\$25,000
Archer Daniels Midland Company	\$150,000
ARCO	\$1,000
Armstrong Foundation	\$15,000
Associated Industries of Florida	\$184,000
Association of American Railroads	\$31,500
Bankers Trust	\$10,000
Barr Laboratories, Inc.	\$30,000
Baum Building	\$500
Bax & Associates	\$1,000
BEHR Process Corporation	\$5,000
Bell Atlantic Corporation	\$70,000
BellSouth Corporation	\$88,500
Berry Brothers General Contractors	\$1,500
Bethlehem Steel Corp.	\$2,500
Bisantz Charitable Foundation	\$1,000
Blue Cross Blue Shield of Texas	\$5,000
Brown & Williamson Tobacco Corporation	\$1,000
Broyhill Family Foundation	\$2,500
Cancer Treatment Centers of America	\$15,000
Cenex, Inc.	\$2,500
Center for the Study of Taxation	\$25,000
Chase Foundation of Virginia	\$1,500
Chemical Manufacturers Association	\$700
Chevron Corporation	\$6,000
CIGNA Corporation	\$10,000
CILCORP	\$25,000

Citgo Petroleum Corporation	\$1,000
CJ Segerstrom & Sons	\$20,000
Claude R. Lambe Charitable Foundation	\$665,000
CNG Producing Company	\$1,000
Coastal Corporation	\$1,000
Communities Foundation of Texas	\$1,000
Community Foundation Silicon Valley	\$50,000
Conoco Inc.	\$1,000
Consumers for Deregulation of Gas & Elec	\$2,000
Crestar Foundation	\$2,500
CSX Corporation	\$15,000
D & DF Foundation	\$75,000
DaimlerChrysler Corporation	\$535,000
Dayton Hudson Corp	\$100,000
Deere and Company	\$5,000
Delta International Machinery Corp.	\$2,500
DESA International, Inc.	\$5,000
Dollar General Corporation	\$50,000
Dollar Thrifty Automotive Group	\$10,000
Donald P. Jones Foundation	\$1,100
Dow Chemical Company	\$5,500
Dr. and Mrs. Walter L. Moore	\$500
E & M Charities	\$1,000
Earhart Foundation	\$15,000
Eastman Chemical Company	\$153,000
Eaton Corporation	\$5,000
Eberly Foundation	\$5,000
Edward C. Johnson Fund	\$150,000
Electricity Customer Choice Group	\$5,000
Eli Lilly and Company	\$5,000
Emerson Electric Company	\$200,000
Energen Corporation	\$2,500
Enron Corp.	\$20,000
Ethyl Corporation	\$3,200
Exxon Corporation	\$200,000
F. M. Kirby Foundation	\$22,500
Fagenson & Co., Inc.	\$5,000
Family Dollar Stores, Inc.	\$10,000
Fidelity Investments	\$200,000
Fleming Companies	\$5,000
Florida Crystals Corporation	\$279,960
Ford Motor Company	\$5,000
Fortune Brands, Inc.	\$100,000
Foster-Davis Foundation	\$1,000
Frito-Lay Inc.	\$250
Gailliot Family Foundation	\$1,000
Garvey Kansas Foundation	\$100
Gelman Educational Foundation	\$5,000

General Electric Company	\$500,000
General Motors Corporation	\$2,500
Georgia-Pacific Corporation	\$101,000
Giant Industries	\$1,000
Greater Houston Partnership	\$1,160
Grede Foundation	\$500
GTE Corporation	\$10,000
Halcyon Associates	\$2,000
Haverty Furniture Companies	\$100
Health Insurance Association of America	\$10,000
Helmerich & Payne Inc.	\$3,000
Honda North America	\$15,000
Huizenga Family Foundation, Inc.	\$25,000
Huizenga Holdings, Inc.	\$75,000
Humphreys Foundations	\$50,000
Hunt Oil Company	\$1,000
Hunter Douglas Incorporated	\$10,000
Hyundai Motor America	\$1,500
ICI Paints	\$25,000
International Mass Retail Association	\$2,500
IPALCO Enterprises, Inc.	\$15,000
J. C. Penney Company	\$10,000
J. G. Fogg & Company, Inc.	\$50,000
Japan Automobile Manufacturers Ass'n	\$15,000
Jewish Community Federation	\$2,500
John M. Olin Foundation	\$90,000
John William Pope Foundation	\$75,000
Johns Manville	\$10,000
Johnson & Johnson	\$250,000
Joseph E. Seagram & Sons, Inc.	\$5,000
Keystone Insurance Companies	\$2,500
Koch Industries Inc.	\$626,500
Life Enrichment Foundation	\$1,000
Lion Oil Company	\$2,500
Louisiana Alliance for Lower Elec Rates	\$1,607
May & Stanley Smith Charitable Trust	\$15,000
May Department Stores Company	\$2,500
Mazda Motor of America	\$500
Mazzio's Corporation	\$5,000
Media General Inc.	\$1,000
Mitchell Energy & Development Corp.	\$500
Mitsubishi Motors America	\$1,000
Mobil Corporation	\$16,000
Mohawk Industries Inc.	\$5,000
Montgomery Street Foundation	\$15,000
Morton Buildings	\$2,000
Morton M. Mower	\$1,000
Mr. & Mrs. Charles F. de Ganahl	\$200

Mr. and Mrs. Don Bangs	\$1,000
Mr. and Mrs. James H. Campbell	\$250
Mr. and Mrs. John Krey Stephens	\$2,000
Mr. and Mrs. Laurence Saslaw	\$1,000
Mr. Charles D. Miller	\$10,000
Mr. Charles M. Sublett	\$250
Mr. David A. Hartman	\$10,000
Mr. David H. Koch	\$750,000
Mr. David H. Padden	\$10,000
Mr. Edgar J. Uihlein	\$500
Mr. F. Kenneth Iverson	\$10,000
Mr. George Rauch	\$1,000
Mr. Gordon Cain	\$500,000
Mr. Henry C. Schneider	\$50
Mr. John A. Brock	\$5,000
Mr. Keith W. Colburn	\$30,000
Mr. Leslie Rose	\$3,000
Mr. Lewis E. Lehrman	\$5,000
Mr. Lewis M. Fetterman	\$500
Mr. Patrick K. Neal	\$1,000
Mr. Raymond Shamie	\$1,000
Mr. Sheldon Rose	\$30,000
Mr. Wayne Valis	\$1,000
Mr. William E. Cooper	\$100
Mr. William E. Oberndorf	\$50,000
Mr. William J. Hume	\$50,000
Mrs. Annabelle L. Fetterman	\$500
Mrs. Lillian E. Kaspar	\$1,000
Ms. Helen C. Sanders	\$738
Ms. Katherine E. Boyd	\$10,021
Murphy Oil Corporation	\$5,000
National Assn of Independent Insurers	\$108,962
National Association of Manufacturers	\$4,500
National Beer Wholesalers Association	\$5,000
National Service Industries, Inc.	\$10,000
Nationwide Mutual Insurance Company	\$2,000
New York Life Insurance Company	\$19,000
Nissan North America, Inc.	\$5,000
Northwest Airlines	\$12,220
Novartis Corporation	\$5,000
Oklahoma Industrial Energy Consumers	\$1,800
Oklahomans for Judicial Excellence, Inc.	\$30,000
Outback Steakhouse, Inc.	\$50,000
Owens Corning	\$25,000
Peninsula Community Foundation	\$25,000
Pennzoil Company	\$500
Pew Charitable Trusts	\$75,000
Pfizer Inc.	\$3,000

Pharmacia & Upjohn	\$750
Philip M. McKenna Foundation	\$18,000
Philip Morris Companies	\$2,000
Philip Morris Companies, Inc.	\$1,070,550
Philips Lighting Company	\$5,000
Phillips Petroleum Company	\$22,501
Protective Life Corporation	\$5,000
Prudential Foundation	\$10,000
Publix Super Markets, Inc.	\$500,000
R. J. Reynolds Tobacco Company	\$50,500
Reeves Family Foundation	\$1,000
Reynolds Metals Company	\$1,000
SAFECO Corporation	\$15,000
Sarah Scaife Foundation	\$200,000
SBC Communications Corporation	\$6,000
Scaife Family Foundation	\$50,000
Sears, Roebuck and Company	\$10,000
Shell Oil Company	\$5,000
Shell Oil Company Foundation	\$5,000
Simkar Corporation	\$2,500
Skerryvore Foundation, Inc.	\$25,000
Smithfield Foods, Inc.	\$5,000
Springs Window Fashions	\$5,000
State Farm Insurance Companies	\$58,000
Stephenson Family Foundation	\$10,000
Strake Foundation	\$3,000
Sugar Cain Growers Cooperative of FL	\$139,980
Sun Company	\$5,000
Superfund Reform Group	\$12,500
Taylor Packing Co.	\$2,000
Texaco Inc.	\$7,000
Texas Coalition for Competitive Elec.	\$10,000
The Baum Community Charitable Trust	\$1,000
The Coca-Cola Company	\$50,000
The Community Fnd of Greater Birmingham	\$150
The Galichia Medical Group	\$1,000
The Gordon and Mary Cain Foundation	\$100,000
The Hertz Corporation	\$25,000
The Honorable C. Boyden Gray	\$242,453
The Honorable John W. Snow	\$250
The JM Foundation	\$20,000
The Noble Foundation	\$10,000
The Quikrete Companies	\$2,500
The Rodney Fund	\$62,000
The Rouse Company	\$17,000
The Stanley Works	\$75,000
The Williams Companies	\$25,000
The Woman's Club of Evanston	\$150

Thomas Publishing Company	\$10,700
Toyota Motor Sales USA	\$39,000
Transok	\$5,000
Triangle Pacific Corp.	\$10,000
TRUE	\$75,000
Tulsair Beechcraft, Inc.	\$3,000
Unilever United States	\$15,000
United Airlines	\$20,572
United Parcel Service	\$50,000
United Services Automobile Association	\$7,961
United States Sugar Corporation	\$279,960
Universal Forest Products, Inc.	\$2,500
US WEST Communications	\$1,250,000
UST Inc.	\$12,500
USX Corporation	\$25,000
W. S. Badcock Corporation	\$2,000
Warnaco Inc.	\$100,000
Warner-Lambert Co.	\$100,000
Weyerhaeuser Company	\$1,000
White House Writers Group	\$5,000
Whitehead Foundation	\$2,500
Workers Educ. Council Revocable Trust	\$1,046,412
Total	\$13,871,276