

# The Rockefeller File

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## The Power of Foundations

*"If you wish to control commerce, banking, transportation, and natural resources on a national level, you must control the federal government. If you and your clique wish to establish worldwide monopolies, you must control a **World Government**. The Rockefellers are not humanitarians; they are power-seeking Machiavellians. They are using their phony philanthropy as a guise for seizing power on a magnitude that would make old John D. Sr. proud."* -Gary Allen

By Gary Allen  
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### Chapter 4 Profit x Philanthropy = Power

*"Philanthropy is the essential element in the making of Rockefeller power. It gives the Rockefellers a priceless reputation as public benefactors which the public values so highly that power over public affairs is placed in the Rockefellers' hands. Philanthropy generates more power than wealth alone can provide."* -Myer Kutz, Rockefeller Power

The foundation ploy was one of the cleverest moves shrewd old John D. ever made-and he was responsible for some lulus. By the turn of the century the tactics he had used to create the Standard Oil monopoly made his name synonymous with ruthless exploitation. He was known as John D. *Reckafellow*, with a worse reputation than Scrooge. He may have been the most hated man in America.

In order to scrub up his image (and possibly assuage his alleged conscience), John D. hired **Ivy Lee**, the nation's most prestigious ad man of the day. Lee suggested that the aging gentleman offset his skinflint image by starting to give away money. Scrooge was to be turned into an instant Santa Claus. To begin with, Lee (the original Madison Avenue truth-twister) had Mr. Standard Oily carry around a pocketful of dimes which he would strew before deliriously happy and grateful kiddies whenever he made one of his infrequent public appearances. Cynics observed that St. John ripped off money by the millions and doled it back-- a dime at a time.

Well, not quite. He had an even more Machiavellian scheme in mind. He would "give-money away to foundations under his control and then have those foundations spend the money in ways which brought even more Power and profits to the Rockefeller Empire. The money "given away " would be bread cast upon the waters. But bread that almost always had a hook in it. John D. Jr. was to refer to this as the - **principle of scientific giving**.

The original Rockefeller foundation was established in **1901** and was called **The Rockefeller Institute for Medical Research**. It was set up as part of Lee's PR program to clean up the Rockefeller image. Doubtless the Rockefeller money has done much good in the field of

public health and scientific research-although there are some who will give you a heated argument even here.\*

\*Those who believe that Rockefeller even in the health field is phony, point out the fact that Rockefeller monies have been used to degrade natural prevention of sickness and disease through vitamins and health foods and promote the use of drugs. Drugs are manufactured mainly from coal tar derivatives and, besides being in the oil business, the family has for decades been heavily invested in the giant drug manufacturing concerns.

For more information on Rockefeller control of medicine, see G. Edward Griffin's *World Without Cancer*

By 1910, state after state was approving the 16th Amendment, which provided for a graduated income tax, John D. read the handwriting on the Congressional wall and, using his "deeply conspiratorial nature," began making plans to avoid the consequences of the tax by hiding his wealth in the **Rockefeller Foundation**.

One quite naturally assumes that the **graduated income tax**, the second plank of the Communist Manifesto, would be opposed by the wealthy. The fact is that many of the wealthiest Americans supported it. At first the taxes were to be very small, and some of the superrich may have promoted them out of altruism. But others backed the scheme because they already had a plan for permanently avoiding both the income-tax and the subsequent inheritance tax. John D. had figured out how to turn the lemon of the graduated income tax into lemonade for the House of Rockefeller. It is the most classic case of what accountants call "pretax planning" on record.

Chapter XVI, Part II of a two-volume set.

The best way for the Rockefeller-Morgan Insiders to eliminate growing competition was to **impose a progressive income tax** on their competitors while **making sure the law contained built-in escape hatches for themselves**. Actually, very few of the proponents of the graduated income tax realized they were playing into the hands of those they were seeking to control. As Ferdinand Lundberg notes in *The Rich And The Super Rich*:

*"What it [the income tax] became, finally, was a siphon gradually inserted into the pocketbooks of the general public. Imposed to popular huzzahs as a class tax, the income tax was gradually turned into a mass tax in a jujitsu turnaround .... "*

The Insiders' principal mouthpiece in the Senate during this period was **Nelson Aldrich** of Rhode Island, the maternal grandfather of Nelson Aldrich Rockefeller. Lundberg says that

*"when Aldrich spoke, newsmen understood that although the words were his, the dramatic line was surely approved by 'Big John' [D. Rockefeller] . . . ."*

In earlier years Aldrich had denounced the income tax as -communist and socialistic,- but in 1909 **he pulled a dramatic and stunning reversal**. The American Biographical- Dictionary comments:

*"just when the opposition had become formidable he (Aldrich) took the wind out of its sails by bringing forward, with the **support** of the President (Taft) a proposed amendment to the Constitution empowering Congress to lay income taxes. "*

The escape hatch was ready. By the time the Amendment had been approved by the states, the Rockefeller Foundation was in full operation. The careful orchestration of both parts of the campaign represents one of the most successful financial coups in history. The money the Rockefellers have made by it is incalculable.

By exempting themselves from the burden they forced on their competitors, the Rockefellers were able to operate in a world of near laissez-faire capitalism while foisting the weight of more and more socialism on their competitors. It is the equivalent of a sprinter forcing every other runner in a race to carry a sixteen-pound shot.

Backing the graduated income tax had another timely advantage for old John. It was about the same time that Judge Kenesaw Landis was ordering the breakup of the Standard Oil monopoly. Wily John D. was able to kill several flying feathered creatures with a single hard object. He not only avoided taxes by creating four great tax exempt foundations; he used them as repositories for his "divested" interests in the various Standard Oil entities. In the switch, Rockefeller had made his assets non-taxable so that they might be passed down through generations without being ravaged by the estate and gift taxes which everyone else had to pay. As Lundberg observed, old John D. planned ahead.

Each year the Rockefellers can dump up to half their incomes into their pet foundations and deduct the "donations" from their income tax. Nelson admitted at the confirmation hearings: ". the foundation pays no capital gains tax and no income tax so those funds can continue to multiply. They not only can, they do.

Having the foundations as a tax-free piggy bank is only one of the advantages they provide the family. As *Business Week* has observed: -"The real motive behind most private foundations is keeping control of wealth." In the foundation world, where "**not for profit**" really means **not-for- taxation**, - one exchanges ownership for control.

The Rockefellers have **further advantages with their foundations**. They can buy, sell or hold real estate, stocks and other securities. Congressman **Wright Patman**, chairman of the House Banking Committee, has charged that the Rockefellers and other foundations act in concert, using their enormous portfolios to perform maneuvers which used to be known indelicately as -rigging the market.-

So powerful have the major foundations become that the Patman Committee concluded:

*"Unquestionably, the economic life of our Nation has become so intertwined with foundations that unless something is done about it they will hold a dominant position in every phase of American life."*

Since this report was issued by the Patman Committee in the early 1950s, absolutely nothing has been done about the power of the Rockefeller-controlled foundations - except to assist them to become even more powerful. And as this knowledgeable study warned over twenty years ago, these foundations now do hold " a dominant position in every phase of American life", as we shall see.

It is the Rockefeller family which sits comfortably astride this foundation colossus. Collectively, the Rockefeller foundations have in excess of \$1.5 billion in assets but they also have interlocking control over the other most powerful foundations, the **Carnegie Group** and the giant **Ford Foundation**.

When you hear of "Carnegie Foundation" think Rockefeller. For many years the five Carnegie foundations have been mere appendages of the Rockefeller octopus. The chief operators of the Carnegie foundations have for decades been members of the Rockefeller coordinating committee, **The Council on Foreign Relations**, the glue which holds the Rockefeller Establishment together. (The Council on Foreign Relations, or CFR, is the subject of the next chapter.) In addition, two of the six men on the Carnegie Corporation's finance committee are also directors of Rockefeller financial institutions.

The baby giant of the foundation world is the \$3 billion-in-assets Ford Foundation. From 1953 to 1965, **John J. Mc Cloy** was chairman of the Ford Foundation, during most of which time he was also chairman of the Chase Manhattan Bank. Mc Cloy was succeeded by another Rockefeller minion, **Eugene Black**, a director of Chase Manhattan and former head of the World Bank. Currently running the show at the Ford Foundation is **Mc George Bundy**, formerly on the payroll of the Rockefellers' Council on Foreign Relations. As with the Carnegie foundations, most of the trustees of the Ford Foundation are members of the Rockefellers' Council on Foreign Relations.

It is not too hard to see how, as the Patman Committee has charged, these foundations can collude to act as a single entity.

The terrible part of this business is that the economic fraud permitted the Rockefellers through their foundations- though maddening to the middle-class taxpayers who are aware of it-is the least malignant part of the foundation picture. It is the political and social impact of these foundations which is devastating. So serious is the matter, in fact, that even the irascible Congressman. Patman has not dared venture into such affairs, knowing that the trail is littered with the bleached bones of, imprudent Congressional investigators who sought to reveal how the Rockefellers are using the foundations in their grab for complete domination of the United States.

The first of the Congressional Committees to attempt such an investigation was the **Cox Committee**, created in **1952** under the leadership of Congressman **Eugene E. Cox**, a Democrat from Georgia. Warren Weaver notes in U. S, Philanthropic Foundations that the official purpose of this Committee was to determine which

*"foundations and organizations are using their resources for purposes other than the purposes for which they were established, and especially to determine which such foundations and organizations are using their resources for un-American and subversive activities or for purposes not in the interest or tradition of the United States."*

"Liberal" Democrats in control of Congress first delayed the appropriation of funds for the Cox Committee, then gave it only six months to conclude an investigation that would properly require several years.

Cox hoped to expose foundation fraud and the subversives, behind it; but, as Dwight Mac Donald has pointed out, " the strategy misfired, because the Democratic leaders, who were

still in control of the House, boxed the impeccably Americanistic chairman with less dedicated colleagues." It was all-out war-with billions involved.

The first battle ended with a serious casualty **Congressman Cox fell gravely ill during the investigation and died** [surely a "fortunate coincidence" for the Rockefeller, Ford, and Carnegie Foundations..Ken].

Without his leadership, the Committee Report became a whitewash.

One member of that Committee refused to be a party to the Cover up. He was Congressman **Carroll Reece** of Tennessee, a former Chairman of the Republican National Committee and one of Robert Taft's campaign managers. Reece promptly demanded a new investigation.

The Rockefeller Establishment was frantic that its sacred cows might be butchered. *The Washington Post*, closely tied to the Rockefellers, never before known for its sense of public frugality, screamed that the Reece probe was "wholly unnecessary and was stupidly wasteful of public funds."

The heat was on. So much so that when in a speech on the floor of Congress Mr. Reece referred to a "**conspiracy**," his use of the term brought down on his head an **avalanche** of anger and ridicule from virtually the entire Establishment Press. At the same time, the foundations unleashed an enormous barrage of vilification against the probe.

While the Press was shouting "Mc Carthyism," Rockefeller elements in the Republican Party were working behind the scenes to kill the investigation. As **Rene Wormser**, counsel for the Reece Committee, noted in *Human Events* for **July 5, 1969**:

*A Republican President [Eisenhower, who had the full support of the Rockefellers in his fight against Robert Taft] sat in the White House. The House of Representatives and all its committees were Republican controlled. Mr. Reece was a distinguished and important Republican ....*

Yet, when a committee of five members was appointed to conduct the foundation investigation, Mr. Reece found that, of the four others appointed with him, three had been selected from among members of the House who had voted *against* the investigation.

The key agent in Rockefeller efforts to break up the investigation was Congressman **Wayne Hays** of Ohio, a member of the Committee. During the inquiry, two tennis-shoe types decided to play Agatha Christie and began trailing Hays. They discovered that he went to the same Washington hotel for a closed luncheon on a specific day each week. Dressing as cleaning women, the ladies investigated and established that Hays was reporting to representatives of several major foundations. Rene Wormser comments in *Human Events* on the Hays' tactics,

*Mr. Hays showed himself exceptionally adept at disruption. For example, in one session of 185 minutes, he resorted to constant interruption 246 times. He refused to obey rules of the committee. He insulted and vilified witnesses, counsel to the committee and committee members themselves. His intransigence finally caused a termination of the hearings.*

The brazen Congressman Hays even explained the purpose of his conduct to Counsel Wormser. Mr. Wormser noted in his book, *Foundations: Their Power and Influence*:

*" . . . Mr. Hays told us one day that 'the White House' [Eisenhower] had been in touch with him and asked him if he would cooperate to kill the committee."*

Because of limited time, staff, and money, the Reece Committee was forced to concentrate its investigation on various Rockefeller and Carnegie foundations, and on the huge Ford Foundation. The Committee found that one of the first areas into which John D. invested his money was education. Daddy Oilbucks put his assistant, **Fred Gates**, in charge of his General Education Board. Gates tipped the Rockefeller philosophy on education in the Board's Occasional Paper No.1;

*" In our dreams we have limitless resources and the people yield themselves with perfect docility to our molding hands. The present educational conventions fade from our minds, and unhampered by tradition, we work our own good will upon a grateful and responsive rural folk. "*

Later, the General Education Board expanded horizons to take into its "molding hands" the city folk as well. To this end the Rockefeller and Carnegie foundations, which often had interlocking directorates and many times acted in unison, began in the early Thirties to back **John Dewey** and his Marxist educationalists with enormous amounts of money.

As Rene Wormser observes:

*"Research and experimental stations were established at selected universities, notably Columbia, Stanford, and Chicago. Here some of the worst mischief in recent education was born. In these Rockefeller-and-Carnegie established vineyards worked many of the principal characters in the story of the suborning of American education. Here foundations nurtured some of the most ardent academic advocates of upsetting the American system and supplanting it with a Socialist state.... "*

The Carnegie and Rockefeller foundations had jumped into the financing of education and the social sciences with both Left feet. For example, the foundations (principally Carnegie and Rockefeller) stimulated two-thirds of the total endowment funding of all institutions of higher learning in America during the first third of this century. During this period the Carnegie-Rockefeller complex supplied 20 % of the total income of colleges and universities and became in fact, if not in name, a sort of U.S. Ministry of Education. The result was a sharp Socialist-Fascist turn. As Rene Wormser, Counsel for the Reece Committee, reports:

*"A very powerful complex of foundations and allied organizations has developed over the years to exercise a high degree of control over education. Part of this complex, and ultimately responsible for it, are the Rockefeller and Carnegie groups of foundations. "*

These foundations were, by way of grants amounting to hundreds of millions of dollars, responsible for the nationwide acceptance of avowed socialist John Dewey's theories of 'progressive' education **and permissiveness** -the products of which have been marching on our college campuses for the past two decades.

Traditionalist teachers, who had been strongly resisting Deweyism, were swamped by education propagandists backed with a flood of Rockefeller-Carnegie dollars. At the same time the **National Education Association**, the country's chief education lobby, was also financed largely by the Rockfellers and Carnegie foundations.

It, too, threw its considerable weight behind the Dewey philosophies. As an NEA report maintained in **1934**:

*"A dying laissez-faire must be completely destroyed and all of us, including the "owners," must be subjected to a large degree of social control."*

Since America's public school system was decentralized, the foundations had concentrated on influencing schools of education (particularly Columbia, the spawning ground for Deweyism), and on financing the writing of textbooks which were subsequently adopted nationwide. These foundation-roduced textbooks were so heavily slanted in favor of socialism that Wormser concluded:

*"It is difficult to believe that the Rockefeller Foundation and the National Education Association could have supported these textbooks. But the fact is that Rockefeller financed them and the N.E.A. promoted them very widely."*

Little wonder that Reece Committee Counsel Wormser says evidence compiled during and after the Reece investigation of foundations:

*"...leads one to the conclusion that there was, indeed something in the nature of an **actual conspiracy** among certain leading educators in the United States to bring about socialism through the use of our school systems... "*

Congressman Cox had denounced these foundations for precisely these reasons. He named in particular the Rockefeller Foundation, -whose funds have been used to finance individuals and organizations whose business it has been to get communism into the private and public schools of the country, to talk down America and play up Russia....

It goes without saying that, by controlling the textbooks, the progressivists gained an open sesame to the minds of millions of students in the government schools. As **John T. Flynn** observed, it wasn't necessary to poison every glass of water coming out of every tap in a given community. It was necessary only to drop one cup of poison into the reservoir.

So successful was this conspiracy that by June of 1955, the **Progressive Education Association** which had been founded by John Dewey officially disbanded. Dr. H. Gordon Hullfish, the Association's president, explained:

*" Founded in 1919 the PEA was a protest movement against traditional education, based in large part up on the philosophy of John Dewey. One reason for PEA's end is that many of the practices. It has advocated have been adopted by the nation's schools."*

This 'progressive' education is *Rockefeller education*. After all, they planned for it, they promoted it, and they paid for it!

**Those who control education will over a period of several generations control a nation.**

The Rockefellers have for five or six decades been a controlling influence in the direction of American education. While education is a powerful tool for controlling the thinking and outlook of people, it is not the only means.

**Religion** is also an important molder of public opinion. For many years the Rockefeller Dynasty has bankrolled the **Union Theological Seminary of New York**, which has done so much to turn the clergy towards state socialism fascism, and to destroy the tenets of traditional Christianity. The highly influential seminary is known for turning out "Christian" Communists.

The family's chief religious philanthropy for a number of years was the notorious **Federal Council of Churches**, which was pronounced by US Naval Intelligence in **1936** as one of the most dangerous, subversive organizations in the country. According to Naval Intelligence:

*"It is a large radical -pacifist- organization, and probably represents 20,000,000 Protestants in the United States. However, its leadership consists of a small group which dictates its policies. It is always extremely active in any matters against national defense."*

In its many official pronouncements, the Federal Council attacked free enterprise, capitalism and the American way of life, and boldly advocated Socialism. In an official report in 1932, the Federal Council stated:

*"The Christian ideal calls for hearty support of a planned economic system.... It demands that cooperation shall replace competition as a fundamental method."*

At a full meeting in Indianapolis in December, 1932, the Federal Council adopted unanimously this Socialist creed:

*"The churches should stand for social planning and control of the credit and monetary system and the economic processes. "*

The following year, 1933, the Council officially declared:

*"The Christian conscience can be satisfied with nothing less than the complete substitution of motives of mutual helpfulness and good will for the motive of private gain."*

The Federal Council was so flagrantly a mouthpiece for the gospel according to St. Stalin that it was forced to change its name. It became the **National Council of Churches** which today claims to represent some forty million Protestants. While less prone to praising the Soviets as openly as its predecessor, the NCC has repeatedly been denounced by fundamentalist Christian organizations for its slavish adherence to promoting radical socialism and its lovey-dovey attitude toward Moscow. Today, after forty years of assiduous anti-Americanism and the promotion of totalitarian government at home and abroad, the NCC still enjoys the largesse of the Family Rockefeller. Its past president **J. Irwin Miller** is a perennial Rockefeller front man and a trustee of the Ford Foundation.\*

\*The NCC has donated hundreds of thousands of dollars to buy arms for revolutionary Communist groups in Africa. These arms are used by the Communists to slay Christians,



while thousands of American clergymen look the other way. If this is not murder by proxy, what is it?

Through its multiple foundations the Rockefeller family invested its money where it would have the most influence and do the family the most good. And by far the chief beneficiaries of its "charities" have been the Rockefellers.

The question that is racing through the mind of most readers at this point undoubtedly is why the Rockefellers, considered the world's foremost capitalists, have spent hundreds of millions of dollars financing their alleged enemies, the socialists?

One would assume that, since the Rockefellers are thought of as capitalists, they would have used their fortune to foster the philosophy of individual liberty. But, just the opposite is true. We have been unable to find a single project in the history of the Rockefeller foundations which promotes free enterprise. Indeed, except in the fields of health and science (and some of these grants are highly questionable) almost all of the Rockefeller grants have been used directly or indirectly to promote economic and social collectivism, i.e., Socialism-Fascism.

Reasonable men ask what could motivate the Rockefellers to finance collectivist efforts which seem so totally at odds with their own interests? They forget that John D. Rockefeller was a Machiavellian who boasted that he hated competition. Whenever he could, Rockefeller used the government to promote his own interests and to hinder his competitors. Monopoly capitalism is impossible unless you have a government with the power to strangle would-be competitors.

The easiest way to control or eliminate competitors is not to best them in the marketplace, but to use the power of government to exclude them from the marketplace. If you wish to control commerce, banking, transportation, and natural resources on a national level, you must control the federal government. If you and your clique wish to establish *worldwide monopolies*, you must control a **World Government**. The Rockefellers are not humanitarians; they are power-seeking Machiavellians. They are using their phony philanthropy as a guise for seizing power on a magnitude that would make old John D. Sr. proud.

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