

How the Family Fortune Behind a Major American Pharma Company Has Quietly Funded Conservative Causes

Casey Tolan March 3, 2024

From the Ambien and Dramamine in millions of bathroom medicine cabinets, to the sugar substitute that makes diet sodas sweet, to the first-ever birth control pill, some of America's most common medicines and supplements can be traced back to the G.D. Searle pharmaceutical company.

Now, more than a century after the company's founding, the massive family fortune built from those scientific advances has emerged as a major benefactor of the right, mostly out of the public eye.

The Searle Freedom Trust, a foundation funded by the company's former chairman, has doled out more than \$200 million in grants over the last decade, sending more money to conservative nonprofits than nearly any other private foundation in recent years, according to a CNN analysis.

This year, the Searle trust is poised to play an even bigger role as it empties out its coffers. Following the wishes of its founder, the late Daniel C. Searle, the trust is closing down in 2025 and planning to award most of its last major grants in 2024. That means a potential windfall during a key election year for groups that push conservative policies: as of the beginning of 2023, according to its most recent tax return, the trust had more than \$59 million left to spend.

While several of its top beneficiaries are think tanks that have focused on economic policy and loosening government regulations, others have worked to weaken child labor laws, advocate for stricter voting rules, gut affirmative action policies, and push climate change denial. Its recent beneficiaries include a nonprofit run by former Trump administration officials that is laying the groundwork for a second Donald Trump term by preparing policy plans and drafting potential executive orders.

Researchers who study political nonprofits say that the Searle trust has had a major impact, even as the Searle family has stayed under the radar compared to more well-known conservative benefactors. And the trust's influence is a key snapshot of how industrialists who amassed generational wealth can use it to shape political debates even long after their deaths.

"The fact that our political system works in a way where wealthy people who died years ago can continue to have such profound influence over our politics and our beliefs about science and the

world is just incredibly damaging," said Galen Hall, a University of Michigan researcher who's studied the flow of money from foundations like the Searle trust to climate change denial groups. "It's one of the key aspects of American politics that makes positive change on issues like climate change so difficult."

A spokesperson for the trust declined a request for an interview with its CEO, Kimberly Dennis, and did not respond for a request for comment.

One thing that sets the Searle trust apart from many other foundations started by conservative donors, experts said, is how the bulk of its money goes to groups working to shape public policy, instead of a mix of policy, cultural, and charitable causes.

And that, according to Searle, was the point.

"For a while, I had done the standard philanthropy stuff – the alma mater, the community fund, the art institute. All of those are nice things, but I wanted to do something different," Searle told a National Review reporter in a 2006 interview. "I began to wonder: What if we could change the slope of the curve that leads to more loss of freedom?"

Millions for conservative causes

Over the last 25 years, the Searle trust has supported a roster of groups that have built the intellectual backbone of the conservative policy movement – and helped put right-leaning policies into action.

The Searle trust is one of the most prolific funders of conservative groups among all private foundations, according to a CNN analysis of nonprofit tax data. From 2020 through 2022, it has given a total of more than \$29 million to a selection of conservative nonprofits identified by CNN. Only one other private foundation, the Sarah Scaife Foundation, reported giving more to the groups over the same time period, based on data from hundreds of thousands of public tax filings. The analysis only included publicly reported donations, so it may be missing some foundations that donated through donor-advised funds, which help conceal the path of their money.

Many of the largest Searle grantees, who have received millions of dollars over the last decade, are conservative and libertarian-leaning think tanks such as the American Enterprise Institute, the Reason Foundation, the Tax Foundation, the Manhattan Institute and the Cato Institute.

But the Searle fortune doesn't just go to producing policy white papers: Some of the biggest recipients are more actively pushing to change policy, instead of just researching it.

The Searle trust has given nearly \$4 million over the last decade to the Foundation for Government Accountability, which has worked behind the scenes to push conservative policies in state capitals. The group has advocated for stricter voting laws, including assisting Missouri lawmakers in writing a bill that enacted photo identification requirements and banned ballot drop boxes. It has also pushed to loosen child labor protections around the US, drafting laws that critics argue could make it easier for kids to be hired to work dangerous jobs.

Another of the Searle trust's top beneficiaries is the State Policy Network, which has received nearly \$9 million – in addition to other funds that went to individual organizations that partner with the network in various states. Around the country, SPN has worked to coordinate efforts to push for smaller government, including fighting Covid-19 restrictions during the pandemic, as well as redirecting funds for public schools to private education. Searle was the network's second-largest individual donor in 2020 and third-largest in 2019, tax forms show.

The trust has also given more than \$2.75 million to the American Legislative Exchange Council, which over the years has written cookie-cutter model legislation that has inspired conservative bills around the US – including laws that expanded the use of private prisons, restricted the ability of state pension funds to consider environmental risks when making investments, and limited local governments' ability to restrict firearms.

The Searle trust has "been a key financial driver of the development of right-wing political infrastructure," said Brendan Fischer, the deputy executive director of the progressive watchdog group Documented. "They've had a pretty successful track record in areas including attacks on workers' rights, the freedom to vote, state efforts to thwart action on climate change."

Tracing back to Searle

Several significant Supreme Court decisions that pushed the US to the right in recent years can be traced back to Searle beneficiaries. Last year's decision banning affirmative action in higher education admissions, for example, came from a lawsuit filed by Students for Fair Admissions, a nonprofit that brought a series of lawsuits against colleges over the last decade. The Searle trust has given the group and an associated group, Project on Fair Representation, a total of more than \$2.5 million, and was one of SFFA's top funders in the mid-2010s.

The trust has also given millions to the Pacific Legal Foundation, which won Supreme Court cases that overturned federal safeguards protecting wetlands and a California law that made it easier to organize farmworker unions, and the Federalist Society, which has helped place conservative lawyers in judgeships and other positions of power.

Another big focus appears to be groups that have advocated against policies to address climate change. The Searle trust gave more than \$8 million in total over the last decade to groups such as the Competitive Enterprise Institute, the Property and Environment Research Center, the CO2 Coalition and the Heartland Institute, putting it among the top funders of those groups.

"These organizations conduct 'research' that is designed to sow doubt about either the reality or the danger of the climate crisis, or about the viability of any of the most feasible solutions," Hall said. "It provides the building blocks for a narrative that can be picked up by other conservative groups and ultimately by media organizations or politicians."

Officials with the CO2 Coalition, for example, have briefed lawmakers and testified in recent years before Congress and state legislatures that, as executive director Caleb Rossiter put it in

2019, global warming this century will be "more beneficial than harmful for humanity" – an opinion in direct conflict with virtually all serious climate scientists. Members of Congress have used some of the group's talking points in opposing climate policies.

And the Heartland Institute has mailed 350,000 copies of a book falsely arguing that climate change science is "deeply flawed" to public school science teachers around the country, in an apparent attempt to influence how the subject is taught to students. A Heartland spokesperson said in an email that the group and scientists it has worked with "do not share the alarmist conclusion that human activity is causing a climate crisis."

In recent years, as Trump has worked to remake the Republican Party in his image, the Searle trust appears to have built connections with the conservative movement's MAGA wing. It's made large contributions to the America First Policy Institute, a group stacked with former Trump administration officials that is seen as laying the groundwork for a potential second Trump term.

But at the same time, it has also continued giving to bastions of more traditional conservatism, such as a \$100,000 donation to the Advancing American Freedom Foundation, a group associated with former Vice President Mike Pence.

Not all of the trust's beneficiaries are clear: Over the last decade, it gave more than \$5 million to DonorsTrust, a donor-advised fund that's been described by critics as the "dark-money ATM of the conservative movement" and acts as a pass-through for contributions from various foundations. Dennis, the CEO of the Searle trust, is also the chair of DonorsTrust.

Board meetings that are 'more like séances'

Unlike many nonprofit founders, Searle never intended for his trust to stick around forever. Instead, he wrote into its founding documents a requirement that it shut down on Dec. 31, 2025. In the mission statement that Searle wrote when founding the group in 1998, he said the trust would "spend itself out of existence" in order to ensure it didn't drift to the left after his death.

There are precedents for that happening: While 20th century industrialists Henry Ford and John D. Rockefeller were hardly liberals, the massive foundations that they first endowed decades ago are now reliable supporters of progressive causes.

"With a decent financial advisor, a large foundation could exist almost into perpetuity," Fischer said. "The sunsetting of a foundation is one way for the source of those funds to ensure that their wealth does not ultimately go to support causes they may disagree with."

Searle's mission statement, which rails against big government programs supporting the "lazy and indolent," offers a window into his worldview. He wrote that the trust would follow the guiding values of "private enterprise, individual responsibility and limited government." Donations should support public policy research and programs that promote personal responsibility, lower taxes, and fewer regulations, he said, as well as those that "aim to restore the intellectual and cultural legacy of Western experience and the Judeo-Christian tradition."

"While the Foundation's work will respect all cultures and religions, I believe the values embodied in the Judeo-Christian culture are those that are best capable of sustaining a just and prosperous society," Searle declared.

Since Searle's death in 2007, the foundation has been run by Dennis and donations are decided on by a handful of grant advisors who knew Searle and now work with his sons, D. Gideon and Michael Searle.

"I often say our Searle board meetings are more like séances," Dennis said in a 2021 interview with Philanthropy Roundtable. "We're always asking what Dan would have done."

A historic drug

The Searle trust's endowment stems from the G.D. Searle pharmaceutical company, which was founded in Omaha in 1888 by Gideon Daniel Searle, the great-grandfather of Daniel Searle. Over the years, Gideon and his descendants built the company from a small chain of midwestern drug stores to a research giant that developed or sold a long list of household-name drugs and supplements, from Metamucil to Dramamine to Ambien.

The company's most historic product was Enovid, the world's first commercially produced birth control pill. In the 1950's, a researcher at Searle developed a progestin compound that prevented ovulation. Searle executives initially feared boycotts from Catholic customers and were reluctant to pursue a birth control drug at a time when many states still outlawed contraception, according to a book on the history of the pill by the author Jonathan Eig.

But then-CEO Jack Searle, Daniel Searle's father, saw an opportunity, and the company quietly partnered with a group of researchers studying birth control, including biologist Gregory Pincus and doctor John Rock. Pincus used Searle's compound to develop a reliable birth control pill – including through controversial human testing on women in impoverished Puerto Rican neighborhoods.

The Searle family weren't just the pill's corporate backers – they included some of its earliest beneficiaries. Jack's daughter, Sue, was one of the first women in the US to take the still-under-development Enovid as birth control, helping her wait longer between children as her friends were having a baby every year, Eig wrote.

Searle released Enovid in 1957 as a treatment for gynecological disorders, and won approval from the FDA to market it as the first oral contraceptive in 1960. Within years, millions of women were taking it every day, and cultural observers saw it as a catalyst for increased sexual freedom and gender equality in the workplace.

"It really was a game-changer for women and for women's opportunities," said Margaret Marsh, a Rutgers University gender historian who's studied the history of the pill's development.

Enovid became Searle's best-selling product and a huge contributor to the company's success. Between 1960 and 1964, its profits more than tripled, largely because of the pill, according to a CNN review of the company's annual reports.

A decade later, Searle released misoprostol, a pill designed to treat ulcers and other gastronomical problems. The pill had the side effect of provoking contractions of the uterus, and women in Brazil discovered that it could be used as an abortion pill in a country with severe restrictions on the procedure.

In the 1990s, researchers recommended misoprostol's use alongside another drug, mifepristone, in medicated abortions. Now, the two-drug regimen is the most commonly used medicated abortion procedure, and misoprostol is also used alone to induce abortion in some cases. Later this year, the Supreme Court is set to hear arguments in a case that could increase restrictions on mifepristone, potentially making misoprostol even more crucial to abortion rights advocates.

The Searle company never promoted the use of misoprostol for abortions or registered its drug for that purpose before its patent ran out. In 2000, shortly before the FDA approved the two-drug abortion regimen, Searle – which was by then a subsidiary of Pfizer – wrote a letter to doctors warning them against administering the drug to pregnant women, which some doctors argued was improper "fearmongering."

Daniel Searle took over as the Searle CEO in 1970 and moved on to the role of chairman after recruiting former Defense Secretary Donald Rumsfeld to lead the company. It reached even larger profits after developing the artificial sweetener aspartame, which is used in Diet Coke and many other products. Monsanto bought the company in 1985 for \$2.7 billion, which helped push the Searles onto the list of the richest families in America, and it was later sold to Pfizer.

While most of the Searle Freedom Trust's grantees are more focused on fiscal policy and fighting government regulation than social issues, some of the groups it has bankrolled have advocated for legal cases or policies that would reduce access to contraception.

The Heritage Foundation, a Searle grantee, has argued against the Biden administration's attempts to make it easier to access contraception, while the Pacific Legal Foundation and the Reason Foundation filed a brief supporting plaintiffs who successfully sued to win religious exemptions to the Affordable Care Act's contraceptive mandate at the Supreme Court in 2015. More recently, the New Civil Liberties Alliance filed a brief supporting the Trump administration's move to expand exemptions to the mandate.

Several of the groups have also advocated for abortion bans, with the Ethics and Public Policy Center and the Claremont Institute filing briefs urging the Supreme Court to gut Roe v. Wade in advance of the court's 2022 Dobbs decision that overturned it.

"The Searle family made a lot of money off of the birth control pill," said Kristen Batstone, the policy manager for the National Women's Health Network, an advocacy group. "It's ironic that the money they profited off of women is now being used to fund conservative initiatives and organizations that are very much against women's reproductive health."

HOW WE REPORTED THIS STORY

To assess foundation donations to conservative nonprofits, CNN assembled a list of nearly 200 of the most prominent nonprofits that have advocated for conservative policies or causes, based on news reports and the groups' websites. Then, CNN analyzed data from hundreds of thousands

of nonprofit tax filings to identify the private foundations that reported giving those groups the most money in recent years. The Searle Freedom Trust was the second largest donor, reporting donations of more than \$29 million to groups on the list between 2020 and 2022.

The analysis only included foundations that listed their donations in electronic tax filing data published by the IRS, so the analysis is likely missing donations from some foundations. In addition, the analysis does not include donations that foundations make through donor-advised funds, which help conceal the path of their money.