

# Passing the Bucks

*Forget Ted Turner. Meet Hans Wyss and his War on the West.*

*By Dave Skinner*



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*Swiss billionaire Hansjörg Wyss speaks in Obendorf at a Feb. 18, 2009, news conference for Swiss-based medical device company Synthes, which he chairs. Since the 1980s, the reclusive Wyss has poured tens of millions into western “environmental nonprofits,” quietly replacing and far surpassing “Mouth of the South” Ted Turner in damage done. And he’s just getting started.*

In late fall 2011, my home ski hill (Big Mountain, Mont.) became nationally famous—but not for skiing. Long story short, atheists don’t like the statue of Jesus we’ve had on the mountain on leased public ground since 1954, erected as a war memorial. They threatened to sue, the Forest Service waffled, then grew a backbone. Now the atheists are suing and Congress will probably intervene with a land swap. We’re keeping our Jesus, thanks.

But about 70 miles southeast on the shores of beautiful Holland Lake, another monument popped up on public land, regally parked on the front lawn of the Holland Lake Lodge, operated under a special-use permit from the Forest Service. As you’ll read here, it’s a war memorial to the continuing War on the West. And as I write this, no “real” media outlet has reported its existence or the fact that, according to Flathead National Forest recreation manager Andrew Johnson, “[The] Nature Conservancy did not apply for a special-use permit, nor request authorization to place the monument at Holland Lake Lodge.”

What’s the monument for? To impress Hans Wyss, a Swiss billionaire. At a 2006 Holland Lake “retreat,” he offered to bankroll the Trust for Public Land and The Nature Conservancy in their Montana Legacy Project scheme. (See “Plum Crazy,” Fall 2009 *RANGE*, at [www.rangemagazine.com](http://www.rangemagazine.com).) Wyss donated \$35 million (along with \$15 million from the Packard Foundation) of a total \$100 million in private money, while taxpayers got hooked for \$400 million—buying 310,000 acres of slicked-off timberland worth far, far less. Also not reported is that Wyss’ illegal monument succeeds another unpermitted memorial erected nearby in 1991 which commemorated two late Montana scuba enthusiasts, Hap Johnson and Tom Clary. It lay quietly on the lakeshore until it was relocated without notice in 2007.

But its absence was noticed. Diver Don Erickson attended the 1991 dedication and later retired to Holland Lake, where he walks the lakeshore often. He found the moved diver monument and after some tense discussions with the lodge owner and Forest Service, turned over the monument to the Electric City Dive Club in Great Falls. And there matters lay, until Erickson had another walk this past fall: “I don’t know who Hansjörg Wyss is,” Erickson says, “but he obviously has more money and influence than the scuba divers from Great Falls have.”

Ranger Johnson explains that while neither monument is legal, if either is of “true historical interest to the general public,” both could be permitted. “Just like we are willing to work with The Nature Conservancy, we would be happy to work with the dive club to determine if a way to establish a memorial consistent with policy and regulation could be accomplished.”

Would keeping either monument be a good idea? Log-home builder Ken Donovan of nearby Condon is familiar with both monuments and the Montana Legacy Project. “It bothers me that something memorializing Montana people had to be removed, only to be replaced with a monument to a

billionaire none of us ever heard of,” he says. “If we have to have a monument, it should be for someone who actually does something for our community.” Trust for Public Lands’ Deb Love was present with Wyss at the 2006 Holland Lake retreat that

became the genesis of MLP. Our inquiries regarding her role brought no response.

So, what makes Hansjörg Wyss (Hahnzyorg VEES) so special? Some *RANGE* readers might already know, but the rest of you need to know:

### The Quiet Philanthropist

The Swan Ecosystem Center describes Hansjörg Wyss on its website as “a quiet philanthropist, engineer, and entrepreneur,” affirmed by other news reports that term Wyss “publicity-shy.” A Swiss citizen (now Switzerland’s second richest), the 77-year-old lives in Paoli, Penn., a prestigious Main Line suburb of Philadelphia. According to a May 2011 *Forbes* profile, Wyss also owns a 900-acre ranch and vineyard in California—Vineyard View, LLC, near Paso Robles.

A 1959 civil engineering graduate of the Swiss Federal Institute of Technology, Wyss then went to Harvard Business School, graduating with a 1965 Masters of Business Administration. As part of what the Wyss-founded-and-funded PeaceNexus Foundation calls “enormous experience as a jet pilot,” in 1975 Wyss sought to sell an airplane to two Swiss orthopedic doctors. They in turn presented him with the business opportunity of a lifetime: establishing an exclusive

franchise to market Swiss orthopedic hardware in the United States.

Over the years, the business prospered wonderfully. Through mergers and spin-offs, the firm eventually consolidated into Synthes. In September 2004, Synthes became a public company on the Swiss stock exchange. Wyss is the largest shareholder and CEO, with a 40-percent stake.

How big is Synthes? Well, if you’ve been wrecked badly enough to be pinned, glued and screwed together, or had a joint replaced, odds are good you were fixed with Synthes’ biomechanical-implant products—and paid plenty for it.

Synthes pays plenty to Wyss as well. In 2008, Wyss gifted Harvard with \$125 million (the university’s largest single gift ever) to establish the “Hansjörg Wyss Institute for Biologically Inspired Engineering,” where “engineers and biologists would be using nature’s templates to create solutions to our medical and environmental challenges.”

Finally, in April 2011, a deal to merge Synthes into medical powerhouse Johnson & Johnson was reached—if the European Union antitrust division allows it. After a minor (\$280 million) spin-off to address an antitrust matter, approval is expected in late spring, 2012.

### Doing What You Love: Strategic Philanthropy

Now that Hansjörg Wyss seems to have won the capitalist Super Bowl, he’s not heading for Disneyland. After folks retire, many get serious about the things they love. Wyss supports medical innovation, plus “peace,” but PeaceNexus hints at another Wyss passion: “Inspired by the magnificence of the backcountry of the Colorado Plateau where he hiked in the late ’50s, Hansjörg became devoted to protect open spaces and wildlands by becoming an active board member and major contributor to several nongovernmental organizations (NGOs) [including] the Southern Utah Wilderness Alliance, Grand Canyon Trust, The Wilderness Soci-



Condon resident Ken Donovan shows off the Wyss monument at spectacular Holland Lake, with Wolverine Mountain in the background. While cleaning off the snow, Donovan pointedly remarked, “If we have a monument, it should be for someone who actually does something for our community.” INSET: The message for Hans.

ety,” and the Center for American Progress (a liberal think tank). In 2008, *The New York Times* reported (for once, the truth) CAP “has effectively been a government in exile for Democrats” during the Bush administration. “In 1989, to amplify his effectiveness, he established and presently is chairman of the Wyss Foundation, a charitable foundation engaged in strategic philanthropy. The first major activity was to organize and fund informal partnerships between NGOs and the administration of President Bill Clinton to protect large tracts of land owned by the national government. This effort resulted in nearly two dozen national monument proclamations that preserved nearly two million hectares of national lands.” That’s five million acres.

But there’s more posted to the AO Foundation (another Wyss creation, which promotes advances in orthopedic medicine) website: Wyss “helped establish...the National Landscape Conservation System [NLCS] [including] 28 million acres of public land that embody the best of what remains of the western United States.” Furthermore, Wyss funded “56 future land conservation leaders” with scholarships and, in 2010, the foundation distributed \$8 million in grants and more than \$14 million for land acquisitions—including the Montana Legacy Project (MLP). In addition, Wyss money facilitated another 66,000 acres of unspecified private lands being “permanently protected,” including conversion to state and federal ownership.

In June 2011, Wyss scored the Robert





This 10th Mountain Division war memorial, erected by the Knights of Columbus, has been horrifying atheist skiers at Montana's Big Mountain since 1954. The Freedom from Religion Foundation is suing to have Jesus removed from public land. But 70 miles away, another monument on public land has gone up without any public notice. (See page 29)

## Where's the Beef? Not in the West!

John Leshy and Molly McUsic apparently work just as well together outside of government as they did inside it. In 2008, they collaborated on a research paper: "Where's the Beef? Facilitating Voluntary Livestock Retirements of Federal Lands from Livestock Grazing." Apparently channeling Idaho cow-hater Jon Marvel, the authors sadly note that there is "almost no surer tenure of ownership in the entire system of federal law than a grazing permit." Dash darn and dang it, anyway—but they have an, um, aggressive and imaginative solution: New federal law directing a "responsible federal agency to retire federal land from grazing permanently if the holder of the federal permit requests it.... In one simple stroke" such a law would be "essentially permanent," and best of all "could not be stopped by local opposition."

Leshy and McUsic's solution "would bring more private philanthropic capital to bear, because conservation buyers would have assurance they would get what they are paying for: no more livestock grazing."

Care to guess what "private philanthropic capital" they have in mind for implementing this, um, final solution? As for thuggishly blowing past "local opposition"—remember, under current tax laws, it will all be "charitable." If it happens.—DS

Marshall Award from The Wilderness Society, given to private citizens who play a "major role in conserving America's lands." The corresponding Ansel Adams Award (for public employees) went to former Interior Secretary Bruce Babbitt. Specifically, Wyss won for "protecting over four million acres through sponsorship of partnerships between nongovernmental organizations and the federal government."

So, Wyss funded the environmental groups that provided President Bill Clinton and Secretary Babbitt with political cover for Clinton's national monument orgy in the '90s, was a big player in supporting Babbitt's "conservation lands" scheme, and bankrolled the MLP "partnership" on Forest Service lands. What's next? Lots!

### The S(Wyss) Empire

Wyss' first Wyss Foundation finished out in 1999 with \$789,000 in mostly green grants. Its biggest year was 1995 (imagine that!) with \$1.34 million. Given the kudos Wyss gathered for his "investment," as well as a screaming return (millions of acres of public lands run *his* way, on *your* nickel), it should surprise nobody that Wyss then began dumping even more money into strategic philanthropy in hope of even better payoffs. Thus, his original Wyss Foundation has not only been replaced by a new Wyss Foundation, but supplemented by several others that apparently occupy other niches in the IRS tax code. In 2001, our new Wyss Foundation made "qualifying distributions" (grants plus administra-

tive expenses) of \$4.27 million. By 2006, distributions tripled to \$12.5 million with individual grants passing the \$1 million mark. An even million went to the American Prairie Foundation in Montana and \$2.281 million to The Nature Conservancy.

In 2010, Wyss was at \$22 million, with TNC scoring \$14.4 million in one hunk. But the Conservation Lands Foundation scored a million, too. Guess what? Its first tax return (filed in 2007 as the National Conservation System Foundation, name changed in 2010) puts CLF at the same Durango street address (679 East Second, #3) as the western office of Wyss Foundation, in #4.

Coincidence? Nope. Both the "new Wyss" and CLF tax returns show the group was seeded with \$700,000 from Wyss, the organization's entire gross income for the year, less 200 bucks. CLF's mission? Mere coincidence: "To protect, restore and expand [NLCS] through education, advocacy and partnerships"; for example, spending \$92,000 in 2008 on a "friends rendezvous" where 98 people from 14 "Friends of [insert monument name here]" groups were brought to Durango for training. By 2010, at least 14 such groups were on the payroll to the tune of approximately \$417,000.

The bigger part of CLF payroll goes to staff, who orchestrate and train the dependent "grassroots" groups—\$787,000 (\$533,000 for "other salaries" besides top staff) in payroll and \$192,000 for travel. Best not to give too much money to the peons on the ground...better not leave stuff up to coincidence, ya know, like having Bruce Babbitt on CLF's board of directors. Surprise, surprise! And *zero* for "professional fund-raising fees." After all, other funders are already chipping in. From 2007 to 2009, the Hewlett Foundation paid in \$800,000, plus another \$460,000 in early 2011. So now you know where all those monument friends' groups (and much of their money) came from.

In 2010, CLF changed its name and added more donors. Even so, that 2010 million-dollar grant from Wyss Foundation made up almost half of all its income.

### The Hired Help

Another interesting aspect of Wyss' strategic philanthropy is who he has hired to help him spend his money. The new Wyss Foundation's first "outside" executive director was Geoff Webb. A former political director (lobbyist) for "Archdruid" Dave Brower's Friends of the Earth, Webb became deputy director

of Congressional and Intergovernmental Affairs for Bruce Babbitt's Interior, after he had been Jim Baca's external affairs man during Baca's disastrous "Rangeland Reform" directorship at the Bureau of Land Management. Baca, by the way, is currently an advisor to the Wyss Foundation.

Webb left in 2004, after two others from Clinton/Babbitt's Interior Department were brought aboard in 2003: John D. Leshy as foundation president and Molly McUsic as chief operating officer, both still with Wyss.

John Leshy graduated from Harvard Law in 1969. After three years with the Department of Justice, he worked for the Natural Resources Defense Council for five years,

then joined President Jimmy Carter's Interior Department as associate solicitor for Energy and Resources. In fall 1980, after Carter lost to Reagan, Leshy wrote an article for the UC-Davis law journal entitled "Unraveling the Sagebrush Rebellion," where he concluded that the rebellion was likely "a last gasp of a passing era," and rebels were "surely fighting the wrong battle."

After 12 years professing law at Arizona State, Leshy went back through the revolving door to a short stint as special counsel to George Miller (D-CA). Leshy then led the Clinton-Gore Interior transition team and became Interior solicitor for the administration. Now a professor at Hastings College of

the Law in San Francisco, Leshy moonlights for Wyss, pulling down \$94,992 a year as vice chairman (with no hours a week listed, down from a crushing 20 hours in 2008).

Molly McUsic is a Notre Dame and 1984 magna cum laude Harvard Law graduate. She clerked for Supreme Court Justice Harry Blackmun, a Richard Nixon appointee who zoomed to the left during his 24 years on the court. McUsic then became a tenured professor at the University of North Carolina. Critically, as explained by McUsic's official biography at PeaceNexus (where she is an advisor), she "served in the Clinton administration as counselor to Interior Secretary Bruce Babbitt.... During her tenure at Interi-

## Foundations of Empire

These are the charitable entities known to have been established by Hansjörg Wyss since 1999, listed by organization name, employer identification number (makes searching easier), founding date, and end-of-2010 asset base. For all practical purposes, Wyss is the sole funder.

**Wyss Foundation**, 25-1823874, 1999, \$129.7 million. This entity "primarily makes donations to grassroots organizations that work to protect open spaces on public and private lands from the Rocky Mountains to the West Coast of the United States and Alaska." Want some of that? Sorry, but "Check here (X) if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds."

**Hansjörg Wyss Foundation**, 23-3012622, 1999, \$107 million. About two-thirds of HWJ's \$19.5 million in 2010 grants could be termed apolitical charitable (hospitals, poverty programs, museums), while the remainder went to fund "progressive" causes (ACLU, MALDEF, Center for American Progress) and green groups (Defenders of Wildlife, Southern Utah Wilderness Alliance, Grand Canyon Trust, Greenpeace).

**Wyss Peace Foundation**, 26-3962795, 2009, \$61.5 million. Founded in 2009 with a \$58 million, line-item grant/transfer from the Hansjörg Wyss Foundation. WPF's largest single grantee is the Swiss-based PeaceNexus foundation—books in care of Molly McUsic in Washington, D.C. (See "War Is Peace!" sidebar, page 32.)

**Wyss Supporting Organization Inc.**, 61-1409542, 2005, \$0.



*Hansjörg Wyss and his daughter Amy attend the Synthes general shareholders meeting in Solothurn, Switzerland, on April 28, 2011. Johnson & Johnson is to buy Synthes Inc. in a deal worth \$21.3 billion, its largest ever buy, boosting its orthopedics franchise and reshaping the medical technology industry.*

Never filed a return; status revoked by IRS.

**Wyss Supporting Organization Charitable Trust**, 54-6662530, 2005, \$0. Filed, but dissolved in 2007 with no assets listed.

Finally, there's a **Wyss Action Fund Inc.**, a 501(c)(4) for "primarily pro-conservation policies at the federal level through meetings with policy makers and other conservation-minded groups." This entity serves to enable Wyss, and possibly other "partner" foundations, to plow already exempted funds straight into lobbying.—DS

## Recommended Reading

*Full text of former Secretary of Interior Bruce Babbitt's NLCS anniversary speech in 2010:*

<http://centerwest.org/the-national-landscape-conservation-system%E2%80%94the-next-ten-years/>

*The 1999 press briefing by Babbitt and George Frampton on later round of monuments:*

<http://www.presidency.ucsb.edu/ws/index.php?pid=47873>

*Joint 2008 Leshy/McUsic "Where's the Beef" paper, which is mandatory reading:*

[http://www.law.georgetown.edu/gelpi/current\\_research/documents/RT\\_Pubs\\_April11\\_LeshyMcUsic-LivestockGrazing.pdf](http://www.law.georgetown.edu/gelpi/current_research/documents/RT_Pubs_April11_LeshyMcUsic-LivestockGrazing.pdf)



## Ramping Up

Hans Wyss followed his success with the first Wyss Foundation by continually increasing spending through the second—and it is beginning to add up: From 2000's \$2.39 million to 2010's \$22.01 million in “qualifying distributions,” the total is around \$111.6 million for 10 years—a level Ted Turner never approached.

Here's a sample of Wyss “public charity” recipients, limited to those in the six-figure-plus range for 2010:

*Colorado Environmental Coalition: \$100,000*  
*Conservation Lands Foundation: \$1,000,000*  
*Defenders of Wildlife: \$100,000*  
*Earthjustice Denver: \$225,000*  
*Environment News Trust: \$100,000*  
*Idaho Conservation League: \$202,800*  
*National Wildlife Federation, Northern Rockies: \$105,000*  
*Natural Resources Defense Council: \$153,000*  
*Nevada Wilderness Project: \$150,000*  
*New Mexico Wilderness Alliance: \$160,000*  
*New Venture Fund: \$225,000*  
*Open Space Institute: \$200,000*  
*Oregon Natural Desert Association: \$231,000*  
*(the El Paso Pipeline blackmail people)*  
*Resources Legacy Fund: \$210,000*  
*San Juan Citizens' Alliance: \$160,000*  
*Sonoran Institute: \$248,000*  
*The Nature Conservancy of Montana: \$14,442,400 (Montana Legacy Project)*  
*The Wilderness Society: \$291,000 (see “War is Peace” sidebar below)*  
*Western Mining Action Project: \$140,000*  
*Wyoming Outdoor Council: \$157,800*

or, McUsic oversaw the designation of national monuments under the Antiquities Act, the principal vehicle used by President Clinton to protect more land in the lower 48 than any president since Teddy Roosevelt.”

Bruce Babbitt himself has singled out McUsic for praise many times. At a 1999 press conference announcing more national monument proposals, he called her “the motivating force behind all this.” In a 2010 speech commemorating the 10th anniversary of the “executive order creating the system,” Babbitt praised McUsic's role in both creating NLCS and facilitating the Clinton administration's monuments' frenzy: “Molly McUsic was present from the beginning, aggressively and imaginatively leading the campaign to create monuments as counsel to the secretary.”

McUsic is now president of the Wyss Foundation, drawing \$269,875 plus \$42,500 in employee benefits.

### THE PERMANENT LEGACY

Why might all this matter? In April 2011, Wyss' company sold to Johnson & Johnson for \$21.6 billion, which analysts regard as an 11 percent premium. Wyss' share? Around \$8.4 billion—a whacking pile of cold, hard green. Only a tax attorney could pinpoint how much of the Wyss jackpot is subject to capital gains' taxes either in Switzerland or the United States. But there will be billions left over—free and clear as a western sky.

Then there's the matter of inheritance taxes. Wyss is still frisky at 77 (even billionaires with access to the best medical care have to go at some point) and his daughter Amy is apparently an American citizen—otherwise her 2008 contributions to the Obama campaign would be illegal. Wyss will obviously take care of her “legacy” and the government ransom on same.

Will either the Swiss or American governments get the rest? Of course not. Wyss will almost certainly move the remainder into his existing tax-exempt infrastructure—a permanent tax-exempt endowment to continue his strategic philanthropy beyond the grave, perhaps forever.

Most exciting of all, after Wyss dies, his money will be managed and allocated by people he knows well, pays well, and trusts unreservedly—grizzled War on the West veterans such as Leshy and McUsic. Under their stewardship, Wyss billions would go a long, long way toward creating the West that so inspired Hans—a West without those pesky westerners...or at least few enough that “local opposition” will no longer matter.

### WAR WITHOUT END?

It is often said that politics is war without bullets, fought instead with words and cash. Wyss' strategic philanthropy has nothing to do with charity. It is rather a fabulous example of strategic politics, of skillful tactical

moves and superb strategic follow-through. In a bizarre way, Wyss' strategic philanthropy has unfolded almost like a textbook military campaign. Even more bizarre and a little ironic is that this war comes from a citizen of a nation that hasn't had shots fired since 1871. Yet it makes sense. Hans Wyss was 12 years old when World War II ended. It's a safe bet the Swiss paid close attention to victories and mistakes of both sides as the war raged around them, including a young (and obviously very smart) Hans Wyss.

First came the secret political blitzkrieg, the “oh, nothing” spin about the 1.6-million-acre Grand Staircase/Escalante National Monument, then the follow-on orgy of new monument designations. Wyss of course funded a support cadre of enviro groups to act as shock troops, providing money to file lawsuits and bus bodies to pack meetings.

After the conquest, of course, the task is to consolidate gains, i.e., occupy the ground and defend it against counterattack and insurgencies. There's where Babbitt's unilateral 2000 creation of the National Conservation Lands System comes in, supplemented by entities such as the Conservation Lands Foundation and the “friends” groups it supports fiscally and intellectually. The veneer of created legitimacy helped defend the turf until Bush was gone, greens had a working majority in Congress, and NLCS was made federal law in 2009.

Then there is the “hearts and minds” aspect of successful occupation. Wyss also has that covered. Through his foundation, he's funding the young pioneers of tomorrow's environmental movement—and likely will fund their careers, too.

Finally, what happens once conquered territories are secured? Then comes planning for the next campaign (“Where's the Beef” comes to mind)—and the next. ■

*Dave Skinner writes from his heavily-fortified bunker near Kalispell, Mont. He's willing to talk about Wyss and other warriors against the West just about anywhere.*

## War Is Peace!

*Wyss Peace Foundation funds the Partnership Project—\$250,000 in 2010. Never heard of the Partnership Project? That's because it does business as SaveOurEnvironment.org, a \$12 million advocacy “nonprofit” headquartered “c/o The Wilderness Society.” Its mission, thanks to the West Virginia secretary of state: “To help bring the full strength of the national—and eventually the full—environmental community to bear on its most important shared policy concerns and thereby encourage policy makers to place a higher priority on environmental issues.”*

*George Orwell would be so proud!—DS*