

## **Corporations, free-market nonprofits foot bills for judicial seminars**

By Chris Young, Reity O'Brien and Andrea Fuller  
The Center for Public Integrity

Conservative foundations, multinational oil companies and a prescription drug maker were the most frequent sponsors of more than 100 expense-paid educational seminars attended by federal judges over a 4 1/2-year period, according to a Center for Public Integrity investigation.

Among the seminar titles were "The Moral Foundations of Capitalism," "Corporations and the Limits of Criminal Law" and "Terrorism, Climate & Central Planning: Challenges to Liberty & the Rule of Law."

Leading the list of sponsors of the 109 seminars identified by the center were the Charles G. Koch Charitable Foundation, The Searle Freedom Trust, ExxonMobil Corp., Shell Oil Co., pharmaceutical giant Pfizer Inc. and State Farm Insurance Cos. Each sponsored 54 seminars.

Sponsors pick up the cost of judges' expenses, which often include air fare, hotel stays and meals. The seminars in the Center's investigation took place from July 2008 through 2012.

While the sponsorships are generally not considered a direct corrupting influence, they are of concern to some legal ethicists who say they create, at the very least, an appearance of a conflict of interest.

About 11 percent of the more than 1,700 federal judges in the United States reported attending one or more of the seminars over the period, according to disclosure forms reviewed by the Center.

Roughly three-fourths of the more than 800 sponsors listed in documents were individuals, including a number of judges who took trips, raising the possibility that they may have fully or partially offset the cost of the seminars with their donations. Most of the remaining underwriters were companies and foundations.

Determining exactly how much was paid by which sponsor is difficult — amounts are not required to be reported under the disclosure rules.

Two schools — George Mason University, located in Virginia just outside Washington, D.C., and Northwestern University based in Evanston, Ill., — hosted more than two-thirds of the seminars.

In 2011, for example, ExxonMobil reported giving \$20,000 to George Mason specifically for its judicial training program. The oil company gave an additional \$30,000 to the university's Law & Economics Center, which hosts the conferences. Between 2003 and 2007, the ExxonMobil Foundation gave the think tank \$150,000.

Judicial conferences are billed as educational retreats intended to improve judges' understanding of the law and economics.

Many of the seminars are sponsored by organizations that back conservative and libertarian causes, especially those hosted by George Mason. But there are a few exceptions. A June 2010 conference titled "Int'l Human Rights and Humanitarian Law: Applications in Nat'l Jurisprudence," for example, was co-sponsored by the Open Society Institute, a foundation founded by liberal investor George Soros, focused mainly on human rights law.

(The Center for Public Integrity has received funding from Soros' Open Society Foundations.)

Charles Geyh, an Indiana University law professor who specializes in judicial ethics, is skeptical that rulings are directly influenced by corporate sponsorship of seminars, but noted, "In a cynic's view that would smack of corruption."

"Even if it has no effect in terms of the decisions judges make, the perception of influence matters a great deal," he says. "It looks as if (corporations) are buying influence, even if it's not true."

The judges who participated in the most seminars, according to reports filed online by the judges, were U.S. District Judge Charles R. Wolle of the Southern District of Iowa and Chief Judge Thomas B. Bennett of the Northern District of Alabama Bankruptcy Court. Each reported attending nine seminars.

Wolle is a "senior status" judge, meaning he is semi-retired. He did not respond to requests for comment.

Bennett's response is included below.

The next-most-frequent participants were:

- U.S. District Judge Manuel L. Real of the Central District of California and Judge Diarmuid F. O'Scannlain of the U.S. Court of Appeals 9th Circuit, covering the Western states, who each took eight trips;
- E. Grady Jolly, a federal appeals court judge for the 5th Circuit, which includes Texas, Louisiana and Mississippi, and U.S. Bankruptcy Judge Michael B. Kaplan of the District of New Jersey, who each took six trips.

In an email, Kaplan wrote that the “seminars offer a valuable opportunity for new judicial appointees to enhance their knowledge and skills in complex areas of the law,” including economics. O’Scannlain and Real declined to comment for this story.

Wolle, Real and O’Scannlain are all listed as seminar sponsors, though records do not indicate how much they contributed.

In April 2009, Jolly traveled to Northwestern University to attend the “Criminalization of Corporate Conduct” seminar sponsored by the American Petroleum Institute, the U.S. Chamber of Commerce and 13 other funders.

Last August, Jolly wrote the majority 2-1 opinion declaring that the Environmental Protection Agency broke the law when it rejected a Texas emissions cap generally supported by the fossil fuels industry.

Jolly, who did not respond to requests for comment, sided with two of the petitioners in the suit — the American Petroleum Institute and the U.S. Chamber.

George Mason University’s Law & Economics Center hosted 45 seminars while Northwestern University’s Judicial Education Program hosted 29. The remaining top five conference hosts, including The Sedona Conference and the Foundation for Research on Economics and the Environment (FREE), collectively organized 28 conferences.

Billionaire brothers Charles and David Koch, major supporters of conservative causes, and their foundations have given millions to George Mason University. As the Center [recently reported](#), the George Mason University Foundation received \$4.4 million in 2011 from the Charles G. Koch Foundation, making up 15 percent of its revenue that year.

Officials from the Charles G. Koch Charitable Foundation did not return phone calls seeking comment for this report.

[The Searle Freedom Trust](#), a foundation advocating “economic liberty” which regularly donates to conservative groups like the Cato Institute and the American Enterprise Institute, contributed a combined \$400,000 to George Mason’s judicial education programs in 2010 and 2011.

Seminars at Northwestern are hosted by the school’s Searle Center on Law, Regulation, and Economic Growth. The think tank, [according to its website](#), was founded in 2006 thanks to a “generous grant” from Daniel C. Searle, the late pharmaceutical industry executive.

In 2009, the Searle foundation [gave \\$200,000](#) to Northwestern’s Searle Center for its judicial education program.

Records show corporate sponsorship at Northwestern was highest from 2008 through 2010, when Henry Butler — now in charge of George Mason University's Law & Economics Center — ran the Searle Center.

Daniel Rodriguez, dean of Northwestern University's School of Law, says corporate sponsorships at the school "ended the moment Butler left." Rodriguez says the school recently decided to terminate the programs. The dean says he's against corporate sponsorship of judicial seminars.

"These programs should be free from any real or perceived conflict of interest," he says.

Butler, a prominent conservative, spoke at more judicial conferences than any other instructor, records show.

He has taught judicial seminar courses with titles like "Economic Thinking" and "Economics of Insurance." A former Republican candidate for Congress — he lost a 1992 bid — Butler was a "Koch Distinguished Professor of Law and Economics" at the University of Kansas.

Butler declined to be interviewed for this story. Daniel Polsby, dean of the George Mason University School of Law, also declined to answer questions, but did say: "We're very proud of the activities and programs of the Law & Economics Center" via email.

One frequent attendee of George Mason's judicial seminars, Judge Bennett of Alabama bankruptcy court, told the Center "I'm not going to be snowed by anybody's presentation." He said he finds the seminars "infinitely invaluable."

"You can accumulate information much more quickly than if you sit in your office and read stuff," he says.

John Dunbar contributed to this report.

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