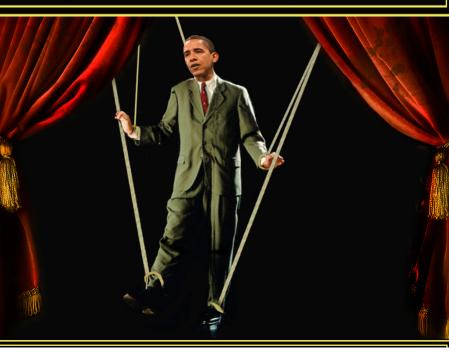


## THE SHADOW PARTY AND THE SHADOW GOVERNMENT

### George Soros and the Effort to Radically Change America



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\$3.00 Each \$1.00 each for orders of 25 or more "We are five days away from fundamentally transforming the United States of America." —Barack Obama (October 30, 2008)<sup>1</sup>

A watershed moment in George Soros' long and stealthy effort to capture control of the Democratic Party and change the course of American politics came in August 2008 at the Party's presidential nominating convention in Denver, Colorado. One of a series of panel discussions staged for the media VIPs and moneymen, all of them euphoric at the growing prospect of Barack Obama's victory in the upcoming elections, featured a man named Rob Stein.<sup>2</sup> An aide to Secretary of Commerce Ron Brown during the Clinton administration, Stein was not well known to the public but was locally famous among "progressive" Democrats as a key operative in the network of institutions designed by Soros in an effort to create what they only half jokingly referred to as a "vast leftwing

 $<sup>^1\</sup> http://www.columbiamissourian.com/stories/2008/10/30/obama-speaks-crowd-40000/$ 

<sup>&</sup>lt;sup>2</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2388

conspiracy."

The subject of the panel discussion Stein staged for Party movers and shakers in 2008 was "The Colorado Miracle."<sup>3</sup> Everyone in the room knew that the phrase referred to a stunning political development generated virtually overnight by a chain of Soros-funded state organizations. The lineup of state office holders told the tale. In October 2004, Republicans held two U.S. Senate seats, five of seven congressional seats, the governorship, the secretary of state's office and both houses of the legislature. When the 2008 election scarcely two months away ended, the exact opposite would be true, and Colorado would have been changed from a red state to a blue one in one brief election cycle.<sup>4</sup>

Some political commentators would see this transformation as an expression of Western independence and contrarianism or of changing demographics, which had given the state a growing Hispanic population. These and other factors had

<sup>&</sup>lt;sup>3</sup> http://nrd.nationalreview.com/article/?q=ODJmYWRIMDkxMzYxMzM1 NTY3YmMwZDc1MzZmMmYzMGU=

<sup>&</sup>lt;sup>4</sup> http://nrd.nationalreview.com/article/?q=ODJmYWRIMDkxMzYxMzM1 NTY3YmMwZDc1MzZmMmYzMGU=

played a role. But as Stein pointed out in his discussion of the Miracle then just nearing its apotheosis, Colorado had been given a political makeover primarily as a result of a relentless political ground war waged by the Colorado Democracy Alliance, an organization created out of his vision and Soros' money.<sup>5</sup> The Colorado Democracy Alliance had created, in record time, a progressive political infrastructure with one purpose: taking over Colorado politics from the precinct to the statehouse. It had accomplished this by putting together a relentless political blitzkrieg.<sup>6</sup> And best of all, Stein assured his audience, what had happened in Colorado was an exportable model that could be replicated in dozens of other states across the country. The election of Barack Obama might be the immediate goal before them, Stein concluded, but the longterm objective was to take control of the American political system. "The reason we're doing what we're doing..." he said, "and the way we get progressive change is to control government."7

Rob Stein was speaking for his patron as well

<sup>&</sup>lt;sup>5</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=7151

<sup>&</sup>lt;sup>6</sup> http://www.capitalresearch.org/pubs/pdf/v1228145204.pdf

<sup>&</sup>lt;sup>7</sup> http://www.capitalresearch.org/news/news.html?id=677

as for himself. Over a twenty year period, George Soros has been able to exercise unparalleled influence through the network of leftwing political organizations he built—a network so successful that it is a power unto itself and has earned itself a title: the Shadow Party.<sup>8</sup> It is a network that exists in a political penumbra, although it calls for transparency; that works at the edges of the electoral system, although affecting electoral outcomes is its raison d'etre.

Soros' agenda is hidden and his goals are not made public because they are based on a radical vision of social change that most Americans not only reject but fear. But this agenda involving a radical change of American institutions has subverted and taken over the Democratic Party. The Soros agenda, in fact, has become the Obama agenda.

#### The Billionaire Philanthropist

Born in Hungary in 1930 into a deracinated Jewish family, George Soros survived World War II by working as an assistant to an official in the

<sup>&</sup>lt;sup>8</sup> http://www.discoverthenetworks.org/viewSubCategory.asp?id=842

fascist government whose job was to confiscate the property of Jews headed to the gas chambers.<sup>9</sup> After the war, Soros relocated to England,<sup>10</sup> where he attended the London School of Economics and was influenced by one-worldism and the prospect of perfecting humanity through social engineering. But at this point in his life his ideas were subordinate to the desire to make money. After graduating in 1952, Soros joined a London brokerage firm, Singer and Friedlander.<sup>11</sup> Four years later, he relocated to New York and eventually found work as a portfolio manager at an investment bank. He brought continental anti-bourgeois and anti-American attitudes with him and later admitted that he only wanted to stay in the U.S. long enough to make his fortune.12 But business was too good and he became a citizen

In 1973 Soros set up a private partnership cal-

<sup>&</sup>lt;sup>9</sup> Peter Schweizer, *Do As I Say* (2005), p. 157; http://tinyurl.com/4kcy5ek

<sup>&</sup>lt;sup>10</sup> http://www.georgesoros.com/faqs/entry/georgesorosofficialbiography

<sup>&</sup>lt;sup>11</sup> http://www.telegraph.co.uk/finance/2773265/Billionaire-who-broke-the-Bank-of-England.html

<sup>&</sup>lt;sup>12</sup> Michael T. Kaufman, Soros: The Life And Times Of A Messianic Billionaire (2002), p. 83

led the Soros Fund,<sup>13</sup> renamed The Quantum Fund in 1979.<sup>14</sup> Its value grew to \$381 million by 1980,<sup>15</sup> and more than \$1 billion by 1985.<sup>16</sup> As he later said, "Having made it, I could then indulge my social concerns."<sup>17</sup> The \$3 million he invested in these concerns in 1987 grew to \$300 million a year by 1992.<sup>18</sup> During this period, Soros established a series of foundations in Central Asia and Eastern Europe,<sup>19</sup> where projects he funded hastened the fall of communist regimes and also, as he freely admitted, opened new money-making opportunities for him with the state industries and properties up for grabs.

In 1993 Soros established the flagship of his foundation network—the New York City-based Open Society Institute (OSI)—which would sup-

<sup>&</sup>lt;sup>13</sup> http://www.referenceforbusiness.com/history2/85/Soros-Fund-Management-Llc.html

<sup>&</sup>lt;sup>14</sup> http://www.fundinguniverse.com/company-histories/Soros-Fund-Management-LLC-Company-History.html

<sup>&</sup>lt;sup>15</sup> http://www.referenceforbusiness.com/history2/85/Soros-Fund-Management-Llc.html

<sup>&</sup>lt;sup>16</sup> Peter Schweizer, *Do As I Say* (2005), p. 157.

<sup>&</sup>lt;sup>17</sup> http://www.guardian.co.uk/business/2002/mar/10/theobserver.observerbusiness10

<sup>&</sup>lt;sup>18</sup> George Soros, The Bubble of American Supremacy (2004), p. 136

<sup>19</sup> http://www.soros.org/about/timeline

port a variety of radical American groups and causes over the next decade—ranging from the legalization of drugs and the promotion of open borders to the creation of a leftwing judiciary—that bore his eccentric stamp but also resonated with a growing segment of the Democratic Party.<sup>20</sup>

# Campaign Finance Reform and the Creation of the Shadow Party

By the early 1990s, Soros had become close to Bill and Hillary Clinton. ("I do now have great access in [the Clinton] administration," he boasted in 1995. "There is no question about this. We actually work together as a team.")<sup>21</sup> One point of close collaboration between the Clintons and Soros was health care. Soros had his own reform, promoted by the Open Society Institute, that he saw as compatible with the initiatives that became known as HillaryCare. He called it, with characteristic bluntness, The Project on Death in America.<sup>22</sup> Its rationale was compassionate: to embed hospices and

<sup>&</sup>lt;sup>20</sup> http://www.discoverthenetworks.org/viewSubCategory.asp?id=589

<sup>&</sup>lt;sup>21</sup> Interview with George Soros, The Charlie Rose Show, PBS (November 30, 1995)

<sup>&</sup>lt;sup>22</sup> http://www.capitalresearch.org/pubs/pdf/x3770435801.pdf

"palliative" care in U.S. health policy. But its basic objective was more pragmatic: rationing care to terminal and seriously ill patients for whom medical attention offered little payoff and who were thus a burden on the system. It was the direct forerunner of the "death panels" of ObamaCare that drew fire from the political right in the next decade.

Over a ten-year period, the Open Society Institute would sink \$45 million into The Project on Death in America.<sup>23</sup> But Soros was less concerned by the fact that his initiative didn't immediately pay off than he was by the way such socially progressive reforms were defeated in America by unruly free speech. The fate of HillaryCare provided him with an epiphany of how the political system had to be changed if progressive ideas were to triumph.<sup>24</sup>

The Clintons' proposal to nationalize the health care system had been undone in large part by a television ad campaign featuring "Harry and Louise," actors playing a typical American couple voicing their concerns in a series of television spots about

<sup>&</sup>lt;sup>23</sup> http://www.soros.org/resources/articles\_publications/publications/ report\_20041122/a\_complete.pdf

<sup>&</sup>lt;sup>24</sup>David Horowitz and Richard Poe, *The Shadow Party* (2006), pp. 131-136

the implications of a government takeover of medicine. The campaign had cost \$14 million, a small sum given what it achieved—undoing the most important initiative of the new administration.<sup>25</sup> The lesson Soros took away from the experience was that he had been putting the cart before the horse. Before pumping money into reforms, he had to clear the field of the unregulated political speech that would always stand in the way of the kinds of progressive (i.e., socialist) solutions to social problems he regarded as critical for the future of America and the world.

There was an answer at hand: campaign finance reform. It had been wafting through American politics with decreasing urgency since Watergate, but was still, many years later, a reform without a constituency. Working with others interested in this issue, Soros would use the institutional network he was beginning to build to create the illusion of a mass movement so that members of Congress would feel that everywhere they looked—academic institutions, the business community, religious groups—there was a clamor for campaign finance reform.<sup>26</sup>

<sup>&</sup>lt;sup>25</sup> http://www.nytimes.com/2009/07/17/business/media/17adco.html

<sup>&</sup>lt;sup>26</sup> http://www.richardpoe.com/2005/03/25/pewgate-the-battle-of-theblogosphere/

Over the next few years, Soros would give \$12.6 million to the cause of campaign finance reform through the Open Society Institute and push other interested philanthropies, the Pew Charitable Trusts chief among them, to accelerate their commitment to this crusade.<sup>27</sup> The juggernaut he helped form would give large grants to media outlets such as National Public Radio to publicize the cause,<sup>28</sup> and to institutions such as New York University's Brennan Center to do the legal research, bogus as it later proved to be, that sought to justify the regulation of political speech.<sup>29</sup>

All this paid off in 2002 with the McCain-Feingold Act (Soros contributed to McCain as well), which proposed to clean up politics by regulating the kinds and amounts of donations candidates could accept. The legislation banned "soft" money (unregulated individual contributions) and allowed only limited "hard" money (contributions to politi-

<sup>&</sup>lt;sup>27</sup> Ryan Sager, "Buying 'Reform': Media Missed Millionaires' Scam," New York Post (March 17, 2005).

<sup>&</sup>lt;sup>28</sup> Ryan Sager, "Buying 'Reform': Media Missed Millionaires' Scam," New York Post (March 17, 2005).

<sup>&</sup>lt;sup>29</sup> David Tell, "An Appearance of Corruption: The Bogus Research Undergirding Campaign Finance Reform," *The Weekly Standard* (May 26, 2003).

cal action committees).<sup>30</sup> Soros saw immediately that the main effect of the new law would be twofold-to curb the use of the kind of TV advertising that had killed HillaryCare; and ultimately to limit the influence of the two political parties, which depended on soft money as their basic source of fuel. This would provide the opening for him to step in with his well-funded network and take control of the Democrats' political campaigns. This would be accomplished by funneling money into politics through so-called "527 organizations," named for the section of the IRS code allowing them to register with the Federal Election Commission. Soros could use these organizations to perform the roles-political advertising, get-out-the-vote operations-previously under the control of the Democratic Party, which now lacked the cash to fuel them <sup>31</sup>

The McCain-Feingold law effectively defunded the Democratic Party (and the Republican Party as well), and allowed Soros to step into the breach creating a Shadow Party composed of 527 funding entities, radical get-out-the-vote organizations like

<sup>30</sup> http://www.fec.gov/press/bkgnd/bcra\_overview.shtml

<sup>&</sup>lt;sup>31</sup> http://www.discoverthenetworks.org/viewSubCategory.asp?id=813

ACORN and the public sector unions to pursue Soros' own political agenda.<sup>32</sup>

The national reaction to the events of September 11, 2001 convinced Soros that he needed to put his plan into effect immediately. He viewed the terrorist attacks as confirmation that what he called "American Supremacy" was the number one problem facing the world.<sup>33</sup> Soros detested what he viewed as the arrogance the President displayed when he publicly branded U.S. enemies as "evil"; when the President unapologetically expressed his faith in American exceptionalism; and when he refused to consider the possibility that the terrorists had real grievances and that American imperialism was ultimately responsible for the attacks.

Soros maintained that the proper long-term response to 9/11 would be for America to launch a global war on poverty by sending massive amounts of aid to impoverished regions around the world where terrorism flourished. Terrorism, Soros main-

 $<sup>^{32}</sup>$  http://www.discoverthenetworks.org/Articles/theshadowpartypoe2004. html

<sup>&</sup>lt;sup>33</sup> Soros (2004), p. 74; http://www.canadafreepress.com/index.php/ article/19648

tained, was the result of a "growing inequality between rich and poor, both within countries and among countries."<sup>34</sup>

Before 9/11 Soros saw his philanthropy as a way of incrementally changing health care, criminal sentencing, drug laws and other social issues he regarded as important. The direction in which he wanted to steer the United States was clear in the radical agendas of the groups that he had been funding for nearly a decade through his Open Society Institute. Those agendas could essentially be distilled down to three overriding themes: the diminution of American power, the subjugation of American sovereignty in favor of one world government, and the implementation of a socialist redistribution of wealth—both within the U.S. and across national borders.

But now Soros decided that the world was endangered by American dominance and it was essential to change the country fundamentally, overnight as it were rather than over time. He believed that the 2004 elections offered the best opportunity to "deflate the bubble of American supremacy."<sup>35</sup>

<sup>&</sup>lt;sup>34</sup> Soros (2004), p. 94

<sup>&</sup>lt;sup>35</sup> Soros (2004), p. 74

But to accomplish this would require a political apparatus whose like had never been seen in the United States before; a network that could not only acquire profound and lasting influence but would do so in such a stealthy manner that Americans would not know what was happening.

#### The First Election: 2004

There was no official birth announcement when the Shadow Party was launched on July 17, 2003 at El Mirador, George Soros' Southampton estate on Long Island. But it was the most significant development in American politics in decades. At this meeting of political strategists, wealthy donors, left-wing labor leaders and progressive activists, Soros laid out his plan to defeat George Bush in the 2004 presidential election. Present were figures from the Clinton years such as former Secretary of State Madeline Albright and former White House chief of staff John Podesta; alongside them were "progressive" activists such as Ellen Malcolm, founder and president of EMILY's List, Carl Pope, executive director of the Sierra Club, along with large donors such as Taco Bell heir Rob McKay, RealNetworks CEO Rob Glaser and Progressive

Insurance mogul Peter B. Lewis.<sup>36</sup>

The political operatives Soros had hired to staff the effort believed that Bush could be beaten in 2004 if there was a massive turnout of Democrat voters in swing states.<sup>37</sup> Soros pledged the \$10 million required to fund an organization that would be called America Coming Together. A grassroots activist group designed to coordinate the Shadow Party's massive get-out-the-vote drive, America Coming Together would raise the money that would allow it to dispatch tens of thousands of volunteers to knock on doors and work phone banks, parlaying the work of leftwing unions, environmentalists, and abortion rights activists into an unprecedented political offensive. When Soros made his commitment, according to reports that later filtered out of the Southampton meeting, Peter Lewis matched his \$10 million, Rob Glaser anteed up \$2 million, and Rob McKay put in \$1 million.38

Soon after this summit meeting, Soros also put up \$3 million for John Podesta's new think tank,<sup>39</sup>

<sup>&</sup>lt;sup>36</sup> http://www.richardpoe.com/2005/10/06/part-1-the-shadow-party/

<sup>&</sup>lt;sup>37</sup> ibid

<sup>38</sup> http://www.richardpoe.com/2005/10/06/part-1-the-shadow-party/

<sup>&</sup>lt;sup>39</sup> Laura Blumenfeld, "Soros's Deep Pockets vs. Bush," *The Washington Post* (November 11, 2003)

the Center for American Progress, which would function as the brain trust of the network of institutions that would comprise the Shadow Party.<sup>40</sup> And finally Soros summoned California software developer Wes Boyd for a meeting at his New York office. In addition to having made a fortune in Silicon Valley, Boyd was also creator of the radical website MoveOn.org,<sup>41</sup> which he founded during the Clinton impeachment trial to get the nation to "move on" to "more important issues" and since then had made an Internet cash cow for leftwing Democrat candidates. Soros offered Boyd a deal. He and Peter Lewis would match up to \$5 million for any new money Boyd raised to expand Move-On's reach for 2004.<sup>42</sup>

After all these negotiations were completed, Soros agreed to an interview with the *Washington Post*. "America under Bush is a danger to the world," he declared. "Toppling Bush is the central focus of my life... And I'm willing to put my money where my mouth is."<sup>43</sup>

<sup>&</sup>lt;sup>40</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6709

<sup>&</sup>lt;sup>41</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6201

<sup>&</sup>lt;sup>42</sup> http://www.richardpoe.com/2005/10/06/part-1-the-shadow-party/

<sup>&</sup>lt;sup>43</sup> Laura Blumenfeld, "Soros's Deep Pockets vs. Bush," *The Washington Post* (November 11, 2003)

While Soros' investment was substantial, it was primarily a catalyst inspiring other leftwing donors to take the new network seriously. As journalist Byron York observed, "After Soros signed on, contributions started pouring in."<sup>44</sup> America Coming Together and the Media Fund, the organization designed to fight the television "air war" in the coming election, alone took in some \$200 million after Soros pledged his \$20 million. This type of concentrated money and focused activity was unprecedented in American politics.<sup>45</sup>

By early 2004, scarcely six months after the meeting at the Soros estate, the Shadow Party had taken shape. Its infrastructure was comprised of seven non-profits. In addition to America Coming Together, MoveOn.org, and Podesta's Center for American Progress, the network included America Votes,<sup>46</sup> the Media Fund,<sup>47</sup> Joint Victory Campaign 2004,<sup>48</sup> and the Thunder Road Group.<sup>49</sup> Ostensi-

<sup>&</sup>lt;sup>44</sup> Byron York, *The Vast Left Wing Conspiracy* (2005), pp. 86-87.

<sup>45</sup> ibid

<sup>&</sup>lt;sup>46</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6527

<sup>&</sup>lt;sup>47</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6712

 $<sup>^{48}</sup>$  http://www.discoverthenetworks.org/funderprofileasp?fndid=5342&cat egory=79

<sup>&</sup>lt;sup>49</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6713

bly "independent" from each other, these organizations would work synchronously to defeat Bush and implant a progressive agenda in the Democratic Party.

The Shadow Party was the complete package. In the Center for American Progress it had a think tank to explore its important causes, especially what Soros saw as the increasing power of conservatives. (The CAP immediately launched Media Matters as an attack site to smear and discredit members. of the conservative media, especially those in talk radio and cable news.<sup>50</sup>) America Votes, referred to by one of its staffers as a "monster coalition," was designed to coordinate the efforts of all the leftwing groups working at the grassroots to defeat Bush—from ACORN to the Planned Parenthood Action Fund and the Sierra Club to the American Federation of Teachers and the Service Employees International Union. It would manage the "ground war" against Bush, fine tuning the details down to the precinct level.

The Joint Victory Campaign 2004, formed by onetime Clinton operative Harold Ickes Jr.,<sup>51</sup> was

<sup>&</sup>lt;sup>50</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=7150

<sup>&</sup>lt;sup>51</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=1624

the fundraising entity for the Shadow Party. It would ultimately channel more than \$57 million into the Shadow Party network, \$19.4 million of it to America Coming Together, which focused on high pressure tactics to register voters and get them to the polls, and another \$38.4 million to the Media Fund, also created by Ickes, which would oversee the television attack ads on Bush in the battleground states.<sup>52</sup> Eventually the Media Fund would outspend the Democratic National Committee and shape the political message of the Kerry-Edwards presidential campaign.

The Thunder Road Group was the nerve center of the Shadow Party and its unofficial headquarters, coordinating strategy for the Media Fund, America Coming Together, and America Votes through strategic planning, polling, and opposition research.

In addition to its seven core members, the Shadow Party also sheltered in its penumbra at least another 30 well-established leftwing activist groups and labor unions that participated in the America Votes Coalition. Among the better-known of these were ACORN; the AFL-CIO; the American Federation of Teachers; the Association of

<sup>&</sup>lt;sup>52</sup>David Horowitz and Richard Poe, *The Shadow Party* (2006), p. 199-200.

Trial Lawyers of America; the Defenders of Wildlife Action Fund; EMILY's List; the Human Rights Campaign; the League of Conservation Voters; the NAACP; NARAL Pro-Choice America; the National Education Association; People for the American Way; Planned Parenthood; the Service Employees International Union; and the Sierra Club.<sup>53</sup>

New Mexico's then-governor, Democrat Bill Richardson, observed that these groups were "crucial" to the anti-Bush effort. Because of campaignfinance reform law embodied in McCain-Feingold, Richardson observed, the organizations of the Shadow Party had become "the replacement for the national Democratic Party."<sup>54</sup> And no donor was more heavily invested in these organizations—or in defeating President Bush—than Soros, who contributed \$27,080,105 of his personal funds during the 2004 election cycle.<sup>55</sup> Campaign Finance Reform had led to the biggest infusion of money into politics in American history, and the money was directed by Soros.

<sup>53</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6527

<sup>&</sup>lt;sup>54</sup> Jeffrey H. Birnbaum, "The New Soft Money," *Fortune* (October 27, 2003)

<sup>&</sup>lt;sup>55</sup> Byron York, The Vast Left Wing Conspiracy (2005), p. 8

In November 2004, the Shadow Party came within a few thousand votes in Ohio of pulling off a victory in the national election. But even in defeat its alteration of the American political landscape was profound. By pushing campaign finance reform, Soros had cut off the Democrats' soft money supply. By forming the Shadow Party, he had provided the Democrats with an alternative source of funding—one which he and the institutions he created controlled. He was in a position to define the agenda of the Party and also to purge it of the small minority of remaining moderates who had survived the McGovern coup of 1972 and plan for the next election to determine the American future.

#### **Round Two: The Democracy Alliance**

As Soros wondered what his next step should be after Bush's reelection, the answer came to him—somewhat unexpectedly—from Democrat political operative Rob Stein, who would play a central role in the "Colorado Miracle," one of the Shadow Party's greatest triumphs and an exhibit piece for its national plan.

For the previous two years, Stein had been

working in a universe that paralleled the one Soros had created for the 2004 election. Lamenting that he felt as though he was "living in a one-party country" after Republicans had gained eight House seats and two Senate seats in the 2002 midterm elections. Stein had studied the conservative movement to determine why it was winning the political battle.<sup>56</sup> After a year of analysis, he concluded that a few influential, wealthy family foundations on the right-notably Scaife, Bradley, Olin, and Coors—had, by creating think tanks such as the Heritage Foundation and American Enterprise Institute and by subsidizing the work of certain intellectuals (such as Charles Murray, whose writings had touched off the movement to end welfare), managed to shape the public debate to an extent that was disproportionate to their relatively modest (and uncoordinated) investment.

Stein put his analysis into a comprehensive PowerPoint presentation titled "The Conservative Message Machine Money Matrix," which mapped out, in painstaking if inflated detail, the conservative movement's networking strategies and funding sources.<sup>57</sup> He showed this presentation—mostly in

<sup>&</sup>lt;sup>56</sup> http://www.humanevents.com/article.php?print=yes&id=8738

<sup>57</sup> http://www.humanevents.com/article.php?print=yes&id=8738

private meetings—to political leaders, activists, and prospective big-money donors of the left. He hoped to inspire them to join his crusade to build a new organization that would act as a financial clearinghouse dedicated to offsetting the efforts of conservative funders and injecting new life into the progressive movement.

Stein hit pay dirt when he showed his presentation to Soros early in 2005. After seeing the presentation and talking to Stein, the billionaire staged another summit meeting that April. The venue was in Phoenix, Arizona, but otherwise it resembled the elite get-together a year and a half earlier at Soros' Southampton estate. This time, Soros brought together 70 carefully vetted, likeminded wealthy activists who agreed that conservative politics represented "a fundamental threat to the American way of life" and were ready to do something about it.<sup>58</sup> Thus was born the Democracy Alliance (DA).

This would be the most exclusive of all the Shadow Party institutions. "Partners" in the Alliance, recruited on an invitation-only basis, would pay an initial \$25,000 fee, and \$30,000 in yearly

<sup>&</sup>lt;sup>58</sup> http://www.washingtontimes.com/news/2009/mar/15/fundraiser-seekscash-for-his-own-war-chest/print/; http://www.capitalresearch.org/news/ news.html?id=551%20

dues thereafter. They were also required to donate at least \$200,000 annually to groups the Alliance endorsed. Donors were to "pour" these requisite donations into one or more of what Rob Stein referred to as DA's "four buckets": ideas, media, leadership training, and civic engagement. The money was then to be apportioned to approved leftwing groups in each of these categories.<sup>59</sup>

Almost pathologically secretive about its membership, the Democracy Alliance is thought to consist of at least 100 donor-partners. The Capital Research Center has managed to compile the names of some of the more significant current and former DA partners, most having ties to Soros that extends beyond their shared membership in the Democracy Alliance.<sup>60</sup> Among them are Peter Lewis, Rob Glaser and Rob McKay, early backers of America Coming Together; Tim Gill, a major funder of gay-rights groups such as the Gay, Lesbian, and Straight Education Network, also supported by Soros; television producer Norman Lear, founder of People for the American Way; Tides

<sup>&</sup>lt;sup>59</sup> http://www.democracyalliance.org/membership%20; http://www.capital-research.org/news/news.html?id=551%20

<sup>&</sup>lt;sup>60</sup> http://www.capitalresearch.org/pubs/pdf/v1228145204.pdf; http://www.capitalresearch.org/news/news.html?id=551%20

Foundation founder and CEO Drummond Pike.

No grants were pledged at the Democracy Alliance's April 2005 gathering in Phoenix, but at an Atlanta meeting three months later, DA partners pledged \$39 million—about a third of which came from George Soros and Peter Lewis.<sup>61</sup> Because the Alliance has largely refrained from providing information about its getting or giving, only a small percentage of its grantees are known to the public. Thus it is impossible to determine precisely how much money DA has disbursed since its founding. Most estimates, though, place the figure at more than \$100 million. ("Partner" Simon Rosenberg, founder of the New Democrat Network, claimed in August 2008 that DA had already "channeled hundreds of millions of dollars into progressive organizations.")62 The recipients include organizations such as ACORN and Air America, the ill-fated effort to create a leftwing version of talk radio, along with Shadow Party organizations such as the Center for American Progress, America Votes, and Media Matters

In the three years following its founding, the

<sup>&</sup>lt;sup>61</sup> http://www.capitalresearch.org/news/news.html?id=551%20

<sup>&</sup>lt;sup>62</sup> http://www.capitalresearch.org/news/news.html?id=551%20; http:// www.capitalresearch.org/pubs/pdf/v1228145204.pdf

Democracy Alliance would establish subchapters in many states, but its most successful effort was in Colorado, where the Colorado Democracy Alliance funded such varied enterprises as liberal think tanks, media "watchdog" groups, ethics groups that bring forth so-called public-interest litigation, voter-mobilization groups, media outlets that attack conservatives, and liberal leadership-training centers.<sup>63</sup> The result was the "Colorado Miracle," which achieved the political equivalent of a sex change operation in turning a red state blue.

#### Radicalizing America, One Party and One State at a Time

Just two months after the Democratic Party had won control of both houses of Congress in the November 2006 elections, George Soros and then-SEIU president Andrew Stern created Working For Us (WFU), a pro-Democrat PAC. This group does not look favorably upon Democratic centrists. Rather, it aims "to elect lawmakers who support a progressive political agenda"—code for the political left.<sup>64</sup> WFU publishes the names of

<sup>63</sup> http://www.capitalresearch.org/pubs/pdf/v1228145204.pdf

<sup>&</sup>lt;sup>64</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=7342

what it calls the "Top Offenders" among congressional Democrats who fail to support such leftist priorities as "living wage" legislation (a socialist program to raise the minimum wage to potentially unlimited levels), the proliferation of public-sector labor unions, and a single payer healthcare system which would exert government control over the health of all Americans. Targeting congressional Democrats whose voting records "are more conservative than their districts," WFU warns that "no bad vote will be overlooked or unpunished."<sup>65</sup>

In an effort to promote large-scale income redistribution by means of tax hikes for higher earners, WFU advocates policies that would narrow the economic gulf between the rich and poor. The group's executive director is Steven Rosenthal, a longtime Democrat operative with close ties to the Clinton administration and a co-founder of Soros' America Coming Together. According to Rosenthal, WFU "will encourage Democrats to act like Democrats—and if they don't—they better get out of the way."<sup>66</sup>

What had taken place in Colorado was like a laboratory experiment for the Shadow Party,

<sup>65</sup> Ibid

 $<sup>^{66}</sup>$  http://www.democraticunderground.com/discuss/duboard.php?az=view\_ all&address=364x3176510

providing the model for similar coups it plans to stage in other "battleground" states that have experienced similar demographic changes and "cultural revolutions."

As early as August 2005, when the Democracy Alliance was just getting off the ground, Soros' Open Society Institute designed a project called the Progressive Legislative Action Network, or PLAN, whose mandate was to furnish state legislatures with prewritten "model" legislation reflecting leftist agendas.<sup>67</sup> A year later, three members of the Democracy Alliance took the next step in the Shadow Party's effort to gain a handhold on the levers of national power by launching a major new initiative called the Secretary of State Project (SoSP), which was set up as an independent "527 committee" devoted to helping Democrats win secretary of state elections in crucial "swing" states where the margin of victory in the 2004 presidential election had been 120,000 votes or less.68

Why the focus on the Secretary of State, traditionally considered one of the least impor-

<sup>&</sup>lt;sup>67</sup> Louis Jacobson, "New Organization to Push Liberal Measures," *Roll Call* (June 23, 2005).

<sup>&</sup>lt;sup>68</sup> http://www.capitalresearch.org/pubs/pdf/v1228145204.pdf; http://www. discoverthenetworks.org/groupProfile.asp?grpid=7487

tant jobs in state government? Because whoever fills this position serves as the chief election of-ficer who certifies candidates as well as election results in his or her state.<sup>69</sup> The holder of this of-fice, then, can potentially play a decisive role in determining the winner of a close election.

The idea for the Secretary of State Project had germinated shortly after the 2004 election, when the Shadow Party blamed then-Ohio secretary of state Kenneth Blackwell, a Republican, for John Kerry's defeat. Blackwell had ruled that Ohio, which provided George W. Bush's electoral victory (by a relatively slim 118,599-vote margin), would not count provisional ballots-even those submitted by properly registered voters-if they had been submitted at the wrong precinct. Though the U.S. Court of Appeals for the 6th Circuit ultimately upheld Blackwell's decision, the Secretary of State Project's founding members received the ruling with the same bitterness they had felt about the Florida recount which Vice President Al Gore lost to George Bush in the 2000 election, and which was handled by Republican Secretary of State Katherine Harris. Summing up their attitudes, political analyst Matthew Vadum wrote that the Secretary

<sup>69</sup> http://www.azsos.gov/info/duties.htm

of State Project's leaders and foot soldiers alike "religiously believe that right-leaning secretaries of state helped the GOP steal the presidential elections in Florida in 2000 ... and in Ohio in 2004."<sup>70</sup>

To establish "election protection" against similar outcomes in subsequent political races, the Secretary of State Project targeted its funding efforts in 2006 on the secretary-of-state races in seven swing states—Iowa, Minnesota, Nevada, New Mexico, Ohio, Colorado, and Michigan.<sup>71</sup> USA Today saw the development, even if it didn't catch sight of the shadowy machinery that had produced it: "The political battle for control of the federal government has opened up a new front: the obscure but vital state offices that determine who votes and how those votes are counted."<sup>72</sup>

Because of the relatively mundane nature of most of the Secretary of State's duties, candidates for that office tend to draw fewer (and small donations than do most state-level campaigns. Con-

<sup>&</sup>lt;sup>70</sup> http://spectator.org/archives/2008/11/07/sos-in-minnesota

<sup>&</sup>lt;sup>71</sup> http://spectator.org/archives/2008/11/07/sos-in-minnesota

<sup>&</sup>lt;sup>72</sup> http://www.usatoday.com/news/washington/2006-08-16-secretary-state-democrats\_x.htm

sequently, even a modest injection of cash from just a handful of dedicated and savvy donors can tip the scales.<sup>73</sup> In 2006, SoSP raised a total of \$500,000 for the secretary-of-state candidates whom it supported-a small amount by traditional political fundraising standards, but a weighty amount in comparison to the sums that such candidates had typically garnered in the past. Democrats emerged victorious in five of those seven targeted races-failing only in Michigan and Colorado (where they won two years later as part of the "Miracle"). Politico.com saw the meaning of the Secretary of State Project when it characterized it as "an administrative firewall" designed, "in anticipation of a photo-finish presidential election," to protect Democrats' "electoral interests in ... the most important battleground states."74

One beneficiary of Secretary of State Project funding in 2006 was Democrat Jennifer Brunner of Ohio, who defeated the Shadow Party's bête noire, incumbent Republican Ken Blackwell. Brunner went on to make her influence felt in several ways during the 2008 election cycle. She ruled, for instance, that Ohio residents should be permitted,

<sup>73</sup> http://spectator.org/archives/2008/11/07/sos-in-minnesota

<sup>&</sup>lt;sup>74</sup> http://www.politico.com/news/stories/1008/15105.html

during the designated early-voting period extending from late September to early October, to register and vote on the same day.75 Brunner also sought to effectively invalidate many of the approximately one million absentee-ballot applications that Republican presidential candidate John McCain's campaign had issued. Each of those applications had been printed with a checkbox next to a statement affirming that the voter was a qualified elector. In an effort designed to suppress Republican absentee votes. Brunner maintained that if a registrant failed to check the box-even if he or she signed the form-the application could be rejected. (The Ohio Supreme Court subsequently overturned Brunner's directive on grounds that it served "no vital purpose or public interest.")<sup>76</sup>

Another key beneficiary of the Secretary of State Project's support in 2006 was Democrat Mark Ritchie, who defeated a two-term incumbent Republican in Minnesota. Ritchie acknowledged his debt to the SoSP when he said, "I want to thank the Secretary of State Project and its thousands of grass-roots donors for helping to push my cam-

<sup>&</sup>lt;sup>75</sup> http://www.cbsnews.com/stories/2008/09/28/politics/main4483617.shtm l?source=RSSattr=U.S.\_4483617

<sup>&</sup>lt;sup>76</sup> http://www.dispatch.com/live/content/local\_news/stories/2008/09/12/ payday13.html

paign over the top."<sup>77</sup> A former community organizer with close ties to ACORN and to the nowdefunct radical New Party,<sup>78</sup> Ritchie, like Jennifer Brunner, played a lead role in 2008.

When Republican incumbent U.S. Senator Norm Coleman finished 725 votes ahead of Democratic challenger Al Franken, the thin margin of victory triggered an automatic recount. With Ritchie presiding, Coleman's lead gradually dwindled in the ensuing weeks as a result of what journalist Matthew Vadum describes as a long series of "appalling irregularities" that invariably benefited Franken. For example, during the recount process a number of ballots were suddenly "discovered" in an election judge's car; one Minnesota county similarly "discovered" 100 new votes for Franken and claimed that a clerical error was responsible for the fact that they hadn't been counted before; another county tallied 177 more votes than it had recorded on Election Day; yet another county reported 133 fewer votes than its voting machines had originally

<sup>&</sup>lt;sup>77</sup> http://www.startribune.com/politics/34306799html?elr=KArks:DCiUHc 3E7\_V\_nDaycUiD3aPc:\_Yyc:aULPQL7PQLanchO7DiU

<sup>&</sup>lt;sup>78</sup> http://spectator.org/archives/2008/11/07/sos-in-minnesota; http://new-zeal.blogspot.com/2010/11/mark-ritchie-file-2-minnesota-sos.html

tabulated. "Almost every time new ballots materialized, or tallies were updated or corrected, Franken benefitted," writes Vadum.<sup>79</sup> In addition, at least 393 convicted felons voted illegally in two particular Minnesota counties.<sup>80</sup> By the time the recount (and a court challenge by Coleman) ended in April 2009, Franken held a 312-vote lead and in June was officially declared the victor.<sup>81</sup>

#### Soros and Obama

With organizations such as the Democracy Alliance and electoral innovations such as the Secretary of State Project in place, the Shadow Party approached the 2008 Presidential election with an integrated organization and singleness of purpose unprecedented in the annals of American politics. It was able to use the Internet to put people in the street; it had think tanks, media organizations, and fundraising arms built to function smoothly in the new reality created by campaign finance reform; it had the most sophisticated voter registration (and,

<sup>79</sup> http://spectator.org/archives/2009/04/14/fighting-frankenstein/print

<sup>&</sup>lt;sup>80</sup> http://www.usnews.com/opinion/blogs/peter-roff/2010/07/20/Al-Franken-May-Have-Won-His-Senate-Seat-Through-Voter-Fraud

<sup>81</sup> http://tinyurl.com/6zelz9m

for the other side, vote suppression) program yet seen.

It had been widely assumed that Soros would throw the elaborate machinery he had created for seizing power behind the candidacy of Hillary Clinton. The two of them had a relationship going back some 15 years, after all, involving a shared vision about the importance of socializing medicine as a way of expanding government power and regularizing social life. Hillary began the primary season, moreover, as the prohibitive favorite in the fight for the Democrat nomination. But in December 2006, Soros summoned Barack Obama, elected to the U.S. Senate only two years earlier, to a meeting in his New York office. Just a few weeks later-on January 16, 2007 when Obama announced that he would form a presidential exploratory committee-Soros immediately sent the senator a contribution of \$2,100, the maximum amount allowable under the new campaign-finance laws he had played so large a role in creating. Soon thereafter, Soros announced that he would support Obama rather than Clinton for the Democratic Party's presidential nomination.82

<sup>82</sup> http://www.businessweek.com/magazine/content/07\_43/b4055047.htm

Some in the establishment were surprised that he should turn his back on an old friend But Soros' agenda had always been ideological, not personal. Obama not only shared virtually all of Soros' values, including his antagonism to the Iraq War, but had also risen to prominence in the universe of leftwing networking organizations the Shadow Party had created. Compared to Hillary Clinton, he was a sure thing, a politician who spoke Soros' language and could be counted on to promote the radical causes close to his heart. The Obama campaign was soon staffed, funded and promoted by personnel from the forces Soros had welded into the Shadow Party juggernaut: the leftwing public employees unions, the progressive billionaires, and the ACORN radicals

Some of the people who sold Obama to America moved in the parochial world of leftwing activism and "community organizing," coming out of organizations such as the Midwest Academy,<sup>83</sup> a major training center for radicals founded by Sixties diehards Heather and Paul Booth,<sup>84</sup> formerly hardcore members of Students for a Democratic

<sup>83</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6725

<sup>&</sup>lt;sup>84</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=1641; http://www.discoverthenetworks.org/individualProfile.asp?indid=2501

Society, who had continued the fight above ground when their comrades Billy Ayers and his wife Bernardine Dohrn, went underground to launch the Weatherman terror campaign.<sup>85</sup> The Booths chose a more gradual form of revolution—whose guidelines were laid down in the radical theories of Saul Alinsky.<sup>86</sup> The Midwest Academy, recipient of a grant from Soros' Open Society Institute, was one of the organizations in which Obama became involved when returning home to Chicago after graduating from Harvard Law.<sup>87</sup>

The future president had also cycled through some of the better known organizations sheltering under the Shadow Party's political umbrella. The most famous—to become the most notorious in the first year of the Obama presidency—was ACORN,<sup>88</sup> supported for years by Soros' Open Society Institute and other Shadow Party groups.<sup>89</sup> Its agenda in the words of one critic was "anti-capitalist redistributionism," and one of Obama's first jobs

<sup>&</sup>lt;sup>85</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2169;

<sup>&</sup>lt;sup>86</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2314

<sup>&</sup>lt;sup>87</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6725

<sup>&</sup>lt;sup>88</sup> http://www.nationalreview.com/corner/171642/obama-acorn-cover/ stanley-kurtz

<sup>89</sup> http://www.capitalresearch.org/pubs/pdf/v1225222922.pdf

was doing voter registration for the ACORN affiliate Project Vote.  $^{\rm 90}$ 

Then-SEIU President Andrew Stern, the Center for American Progress' John Podesta, and other kev figures in the Soros network sat on ACORN's Advisory Council.<sup>91</sup> For his part, Obama, adroitly riding the updrafts of Chicago's leftwing political universe, was the attorney for ACORN's lead election-law cases before joining the Illinois legislature.<sup>92</sup> In 1995, acting as ACORN's attorney, Obama sued to ensure the implementation of an Illinois motor-voter law.93 When ACORN officially endorsed Obama's presidential candidacy in February 2008, the candidate's campaign gave one of ACORN's front groups \$800,000 to fund a voterregistration drive on the senator's behalf.<sup>94</sup> By October, ACORN would be under investigation for voter-registration fraud in 13 states.95

<sup>90</sup> http://www.nationalreview.com/articles/print/249390

 $<sup>^{91}</sup> http://newsbusters.org/blogs/tom-blumer/2009/09/21/acorn-independent-advisory-council-member-stern-lets-loose-acorns-critic$ 

<sup>92</sup> http://www.nytimes.com/2008/10/11/us/politics/11acorn.html

<sup>93</sup> http://www.nationalreview.com/articles/print/224610

<sup>94</sup> http://tinyurl.com/4knn5r6

<sup>&</sup>lt;sup>95</sup> http://www.nationalreview.com/articles/225978/identification-requiredderoy-murdock

In the 2008 campaign, pursuing the Shadow Party's strategy for parlaying the power of institutions within its network, Obama's presidential campaign furnished Project Vote with a list of donors who had already given the campaign the maximum sum of money permitted by law. In turn, Project Vote representatives contacted those donors and urged them to give contributions to Project Vote, which it could then use to support Obama's candidacy while technically complying with electionlaw limits on campaign donations.<sup>96</sup> That same year, the Open Society Institute gave Project Vote \$400,000.<sup>97</sup>

Another boost for Obama came from MoveOn. This powerful Soros-affiliated organization dispatched approximately a million volunteers to work on Obama's campaign nationwide—600,000 in battleground states and 400,000 in non-battleground states. In addition, MoveOn registered more than half a million young Obama supporters to vote in the battleground states, while adding a million young people to its membership rolls dur-

<sup>96</sup> http://tinyurl.com/6ymmba4

<sup>&</sup>lt;sup>97</sup> http://dynamodata.fdncenter.org//990pf\_pdf\_archive/137/137029285/13 7029285\_200812\_990PF.pdf

ing the summer of 2008. All told, MoveOn and its members contributed more than \$58 million directly to the Obama campaign, while raising and spending at least an additional \$30 million in independent election efforts on behalf of other Democrats across the United States.<sup>98</sup>

### The Shadow Party in the White House

The Shadow Party succeeded in realizing Soros' dream of putting his man in the White House. With Obama's inauguration, members of the Soros coalition began showing up in high level jobs in the new administration. One who soon attracted unwanted attention was a self-defined "communist" named Van Jones who spent six months as the new president's "green jobs czar" in 2009 before revelations about his background forced him to resign and return to his position as a fellow at Podesta's Center for American Progress.<sup>99</sup>

Before joining Obama, Jones had headed the Ella Baker Center for Human Rights, which had received more than \$1 million from the Open Society

<sup>&</sup>lt;sup>98</sup> http://techdailydose.nationaljournal.com/2008/11/obama-benefits-frommoveons-88.php

<sup>99</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2406

Institute to pursue its claim that the American criminal-justice system was racist and therefore to promote "alternatives to violence and incarceration."<sup>100</sup> Over the years, Jones had been a board member of numerous nonprofits funded by the Shadow Party, including the radical environmental group Apollo Alliance, which was launched by the Soros-connected Tides Foundation, as well as Podesta's Center for American Progress.<sup>101</sup> Jones definitely had gotten the Shadow Party message, often urging his fellow leftists "to forgo the cheap satisfaction of the radical pose for the deep satisfaction of radical ends."<sup>102</sup>

A key figure in the Shadow Party entering the Obama White House by the front door was the ubiquitous Andrew Stern, a veteran New Leftist who headed the Service Employees International Union (SEIU), the second-largest labor organization in America. Trained in the tactics of radical activism at the Midwest Academy, Stern had worked with Soros to form America Votes to run the ground war for the 2004 Kerry-Edwards ticket.

<sup>100</sup> http://www.ellabakercenter.org/page php?pageid=19&contentid=151

<sup>&</sup>lt;sup>101</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2406

<sup>&</sup>lt;sup>102</sup> http://www.nationalreview.com/articles/228741/alinsky-does-afghanistan/andrew-c-mccarthy

In 2008, Stern's SEIU contributed \$60.7 million to help elect Barack Obama to the White House—deploying 100,000 volunteers during the campaign.<sup>103</sup> As of October 30, 2009, scarcely eight months into the Obama presidency, the union boss had visited the White House 22 times—more than any other individual.<sup>104</sup>

Almost everywhere one looked in the new administration, members of the Soros inner circle proliferated. Key presidential strategist and advisor David Axelrod, who as much as anyone was responsible for Obama's elections, first to the Senate and then to the Presidency, had received over \$200,000 for his political consulting firm during the 2004 elections from the Shadow Party's Media Fund.<sup>105</sup> Carol Browner, named by Obama as his "environment czar," was a board member of the Alliance for Climate Protection, the Center for American Progress, and the League of Conservation Voters—all funded by Soros.<sup>106</sup> The SEIU's

<sup>103</sup> http://articles.latimes.com/2009/jun/28/nation/na-stern28

<sup>104</sup> http://www.capitalresearch.org/pubs/pdf/v1259611404.pdf

<sup>&</sup>lt;sup>105</sup> http://www.americanthinker.com/blog/2010/09/the\_sorosaxelrod\_axis\_ of\_astro.html; http://www.politico.com/blogs/bensmith/0910/Axelrod\_and\_ the\_outside\_groups.html

<sup>&</sup>lt;sup>106</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2364

Anna Burger, called "the most powerful women in the labor movement" by *Fortune* magazine and vice chair of the Democracy Alliance, was appointed to the Obama Economic Recovery Advisory Board.<sup>107</sup> Kevin Jennings, who had established the Gay, Lesbian and Straight Education Network (GLSEN), a Boston-area organization funded by the Open Society Institute, was named "education czar."<sup>108</sup>

With members of the Shadow Party playing central roles, the Obama White House began to roll out an ideological agenda immediately after the inauguration that involved many of George Soros' signature concerns.

### Stimulus

Just a few days after Obama was elected, Soros stated: "I think we need a large stimulus package which will provide funds for state and local government to maintain their budgets—because they are not allowed by the constitution to run a deficit. For such a program to be successful, the federal government would need to provide hundreds of

<sup>&</sup>lt;sup>107</sup> http://www.seiu.org/a/ourunion/anna-burger.php; http://www.discoverthenetworks.org/individualProfile.asp?indid=2445

<sup>&</sup>lt;sup>108</sup> http://www.huffingtonpost.com/kevin-jennings; http://www.discoverthenetworks.org/individualProfile.asp?indid=2426

billions of dollars. In addition, another infrastructure program is necessary. In total, the cost would be in the 300 to 600 billion-dollar range....<sup>"109</sup>

Soon afterwards, as one of the first acts of his presidency, Obama pressured Congress to pass a monumental \$787 billion economic-stimulus bill with a text of 1,071 pages which few, if any, legislators read before voting on. It was based on the radical precept of using social crisis to create radical change, which the Alinskyite groups in Obama's background had made into a theorem and which chief of staff Rahm Emanuel made into an aphorism: "You never want a serious crisis to go to waste."<sup>110</sup>

It was first of all a payoff to key Shadow Party elements, in particular public sector unions, to allow them to remain strong for future elections through the financial crisis. It was also loaded with spending projects Democrats had been unable to fund for years. The stimulus was an opening bid to radically transform American capitalism by channeling populist anger at Wall Street toward support for an expansionist vision of the welfare state

<sup>&</sup>lt;sup>109</sup> http://www.spiegel.de/international/business/0,1518,592268,00.html
<sup>110</sup> http://www.youtube.com/watch?v=1yeA kHHLow

based on "social justice"—leftist code for a socialist redistribution of wealth.

Obama stressed that it was urgent to pass the stimulus bill at the earliest possible moment, even without full deliberation, so as to forestall any further harm to the U.S. economy. Because of the near hysterical atmosphere surrounding the flailing economy, it went largely unnoticed that the bill also repealed numerous essentials of the 1996 welfarereform bill which George Soros had so strongly opposed.<sup>111</sup> According to a Heritage Foundation report, 32 percent of the new stimulus bill-or an average of \$6,700 in "new means-tested welfare spending" for every poor person in the U.S.—was earmarked for social-welfare programs.<sup>112</sup> Such unprecedented levels of spending did not at all trouble Soros, who justified it with discredited Keynesian doctrine: "At times of recession, running a budget deficit is highly desirable."113

# **Environment and Energy**

Cap-and-trade, Obama's tax-based policy pro-

<sup>&</sup>lt;sup>111</sup> http://articles.mcall.com/1996-10-01/news/3126013\_1\_legal-immigrants-welfare-reform-law-rosalind-gold

<sup>112</sup> http://tinyurl.com/4tno77e

<sup>113</sup> http://www.spiegel.de/internationalbusiness/0,1518,592268,00.html

posal to reduce Americans' consumption of fossil fuels, was a strategy that had been discussed and perfected in the nonprofits associated with the Shadow Party. Under cap-and-trade regulations, companies would be subject to taxes or fees if they exceeded their government-imposed limit for CO2 emissions.<sup>114</sup> Some economists predicted that such legislation, if enacted, would impose colossal costs on businesses—costs that would be passed on to consumers, who in turn would pay anywhere from several hundred to several thousand extra dollars each year in energy costs.<sup>115</sup> But to Soros, the taxpayers' money would be well spent on such a policy. "Dealing with global warming will require a lot of investment," he emphasized, and thus "will be painful" but "at least" it will enable humankind to "survive and not cook."116 When asked in 2008 whether he was proposing energy policies that would "create a whole new paradigm for the economic model of the country, of the world," Soros replied, "Yes."<sup>117</sup>

During his 2008 presidential campaign, Obama

<sup>&</sup>lt;sup>114</sup> http://www.discoverthenetworks.org/viewSubCategory.asp?id=826

<sup>&</sup>lt;sup>115</sup> http://www.heritage.org/Research/Reports/2007/12/Beware-of-Capand-Trade-Climate-Bills

<sup>&</sup>lt;sup>116</sup> http://keywiki.org/index.php/George\_Soros\_-Political/Financial\_ Stances

<sup>&</sup>lt;sup>117</sup> Ibid

had a comparable moment of candor: "[U]nder my plan of a cap-and-trade system, electricity rates would necessarily skyrocket. Even regardless of what I say about whether coal is good or bad. Because I'm capping greenhouse gases, coal power plants, you know, natural gas, you name it, whatever the plants were, whatever the industry was, they would have to retrofit their operations."<sup>118</sup>

The principal motive underlying the capand-trade policies that Obama and Soros support was articulated by Obama's "regulation czar," Cass Sunstein,<sup>119</sup> a leftist law professor and longtime proponent of "distributive justice," whereby America would transfer much of its own wealth to poorer nations as compensation for the alleged harm that U.S. environmental transgressions have allegedly caused in those countries. In language echoing Soros' own pronouncements, Sunstein speculates that "desirable redistribution" can be "accomplished more effectively through climate policy than through direct foreign aid."<sup>120</sup>

 $<sup>^{118}\</sup> http://tv.breitbart.com/obama-vows-electricity-rates-would-necessarily-skyrocket-under-his-plan/$ 

<sup>&</sup>lt;sup>119</sup> http://www.discoverthenetworks.org/individualProfile.asp?indid=2422

<sup>&</sup>lt;sup>120</sup> http://www.wnd.com/index.php?fa=PAGE.view&pageId=112243

# **Health Care**

Socialized medical care continued to occupy pride of place on the Soros agenda in the years following the defeat of HillaryCare and the inability of his Project on Death to gain traction. Health care was high on the Obama agenda too, high enough that he focused on it, rather than the failing economy, in a way that puzzled political observers who failed to appreciate the ideological nature of the new administration. During the political debate over "ObamaCare" in 2009 and 2010, one of the most influential pro-reform coalitions backing the President was the Soros-created Health Care for America Now (HCAN), a vast network of organizations supporting a model in which the federal government would be in charge of financing and administering the entire U.S. healthcare system.<sup>121</sup>

HCAN's strategy became the Obama administration's strategy: to try to achieve such a system, which would ultimately culminate in government control as a "single payer," incrementally—in other words a full blown socialist system. The highway to this "solution" would be paved by a

<sup>121</sup> http://tinyurl.com/4h9rd6w

"public option"—a government insurance agency to "compete" with existing insurers, so that Americans would be "no longer be at the mercy of the private insurance industry."122 Because such an agency would not need to show a profit in order to remain in business, and because it could tax and regulate its private competitors in whatever fashion it pleased, this "public option" would inevitably force private insurers out of the industry and leave the government as the only alternative. It was a perfect implementation of the gradualist strategy of Obama's radical mentor, Saul Alinsky, who counseled a kind of camel's nose under the tent approach concealing the radical endgame while taking the maximum steps politically feasible at the time. (The public option was taken out of the final legislation because it imperiled the bill's passage in the U.S. Senate; but it remained what Obama-Care strategists called a "next future step" in the federalization of health care.)

In August 2009, with ObamaCare creating widespread grassroots resistance, Soros gave another \$5 million to HCAN to promote the administration's campaign and help pass the increasingly

<sup>122</sup> http://healthcareforamericanow.org/site/content/about\_us/

unpopular legislation.<sup>123</sup>

### **Punishing Israel**

If ObamaCare is the one piece of domestic legislation that most bears the stamp of George Soros, the administration's increasing hard line toward Israel is the foreign policy development that most reflects the Soros view of the world beyond Washington. Soros' own ambivalent attitudes toward having been a Jew on the edge of the Holocaust when he was a boy soon developed into a fullblown hostility to the Jewish state. Just as he perceived American policies to have provoked the anti-American jihad and the 9/11 attacks, so he saw Israel as a principal source of anti-Semitism. He has referred to Israel's conflict with the Palestinians as a case of the "victims turning prosecutors."<sup>124</sup> Ignoring the terrorist Hamas's call to kill the Jews and wipe Israel off the face of the earth. Soros has argued that a key to a Mideast peace is bringing Hamas "into the peace process."<sup>125</sup>

<sup>123</sup> http://tinyurl.com/66xml6f

<sup>124</sup> Soros, , pp. 19

<sup>&</sup>lt;sup>125</sup> Soros with Byron Wien and Krisztina Koenen, *Soros on Soros: Staying Ahead of the Curve* (John Wiley and Sons, 1995), p. 241.

Soros' views on the Middle East are reflected in a Middle East advocacy group he inspired and funded in 2008 called J Street.<sup>126</sup> Like other Soros groups, J Street is meant to counter what he regards as a malignant "conservative" organization, in this case the American Israel Public Affairs Committee (AIPAC), roughly 80 percent of whose members are Democrats but not the kind of Democrats that Soros prefers.

J Street has called for "a new direction for American policy in the Middle East" and has cautioned Israel not to be too combative against Hamas, on grounds that the latter "has been the government, law and order, and service provider [in Gaza] since it won the elections in January 2006 and especially since June 2007 when it took complete control."<sup>127</sup> It has also launched over 8,000 unprovoked rocket attacks on Israeli towns and schoolyards in the same period of time.<sup>128</sup> According to J Street the Mideast conflict is perpetuated chiefly by Israel: "Israel's settlements in the occupied territories have, for over forty years, been an obstacle to peace."<sup>129</sup>

<sup>126</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=7458

<sup>127</sup> http://tinyurl.com/4mehpus

<sup>128</sup> http://idfspokesperson.com/2009/01/03/rocket-statistics-3-jan-2009/

<sup>129</sup> http://www.jstreet.org/page/settlements

These positions marking a break with 60 years of American policy towards Israel are largely indistinguishable from those of the Obama White House. Obama signaled his comfort with J Street's agendas when he sent his then-national security advisor James Jones to deliver the keynote address at the organization's annual conference in October 2009.<sup>130</sup>

Knowing that his comments on Israel made him controversial in the Jewish community, Soros initially tried to conceal his support of J Street from the public for fear that it might alienate other potential backers of the organization. But in September 2010 *The Washington Times* penetrated the veil, revealing that from 2008-2010, Soros and his two children—Jonathan and Andrea—had given a total of \$750,000 to J Street and that the organization's Advisory Council includes a number of individuals with close ties to him.<sup>131</sup>

When the streets of Cairo erupted in February

 $<sup>^{130}\</sup> http://frontpagemag.com/2009/12/30/blaming-israel-first-by-p-david-hornik/$ 

<sup>131</sup> http://www.washingtontimes.com/news/2010/sep/24/soros-funder-liberal-jewish-american-lobby/; http://jstreet.org/supporters/advisory\_council/

2011 and Obama waffled as Mubarak tried to hold power, Soros quickly moved to give the President a signal to undercut America's unpleasant ally of 40 years and to open the door to the Muslim Brotherhood, a jihadist cult that has spawned 12 terrorist organizations including al-Qaeda and Hamas.<sup>132</sup>

In a Washington Post op-ed written during the early stages of the protests, Soros wrote: "President Obama personally and the United States as a country have much to gain by moving out in front...[D]oing so would open the way to peaceful progress in the region. The Muslim Brotherhood's cooperation with Mohamed ElBaradei, the Nobel laureate who is seeking to run for president, is a hopeful sign that it intends to play a constructive role in a democratic political system... The main stumbling block is Israel.... Fortunately, Obama is not beholden to the religious right, which has carried on a veritable vendetta against him. [And] the American Israel Public Affairs Committee is no longer the sole representative of the Jewish community...."133

<sup>&</sup>lt;sup>132</sup> http://www.discoverthenetworks.org/groupProfile.asp?grpid=6386

<sup>&</sup>lt;sup>133</sup> http://www.georgesoros.com/articles-essays/entry/why\_obama\_has\_to\_ get\_egypt\_right

# Conclusion

If George Soros were a lone billionaire, or if the Shadow Party consisted of a few disgruntled billionaires, these facts and achievements would not be so ominous. But the Shadow Party is far more than a reflection of the prejudices of one special interest or one passing generation. The Shadow Party has united the forces of the radical and "liberal" left while expelling moderates from the Democratic Party coalition. The Shadow Party is the current incarnation of a socialist movement that has been at war with the free market economy and the political system based on liberty and individual rights for more than two hundred years. It is a movement that has learned to conceal its ultimate goal, which is a totalitarian state, in the seductive rhetoric of "progressivism" and "social justice." But its determination to equalize outcomes, its zeal for state power and for government control as the solution to social problems, and its antagonism to America

as a defender of freedom are the tell-tale signs of a radical movement whose agenda is to change fundamentally and unalterably the way Americans have lived. The authors wish to thank Adam Schrager and Rob Witwer, authors of *The Blueprint: How the Democrats Won Colorado*, for their insights into "the Colorado *Miracle.*"