

Unabashed Radicals

The mission of Demos, Elizabeth Warren’s favorite left-wing group

By Barbara Joanna Lucas

Summary: *Demos, a New York City think tank and advocacy shop, is not a place for the timid. It pines for “global governance,” major redistribution of wealth, significant restrictions on political speech, and a Democratic presidential candidate to the left of Hillary Clinton.*

Sen. Elizabeth Warren, the freshman Massachusetts senator who pioneered the “you didn’t build that” philosophy, is using her new book, *Fighting Chance*, to throw red meat to the Left and position herself to the left of Democrats like Hillary Clinton, who are more comfortable with Wall Street donors. Warren’s book tour was well received among fawning liberal supporters across the country, many of whom are looking for an un-Hillary in the 2016 Democratic presidential primary.

“I’d spent nearly twenty years fighting to level the playing field for the middle class, and I’d seen millions of working families go over the economic cliff—and it was getting worse,” Warren writes in her book, explaining why she decided to run for Senate in 2012. “What kind of country would my grandchildren grow up in? What if the conservatives and the big banks and the big-time CEOs got their way and Washington kept helping the rich and powerful to get richer and more powerful? Could I really stand on the sidelines and stay out of this fight?”

The New Republic has called Warren “Hillary Clinton’s Worst Nightmare,” and much



reporting since has followed similar themes, even as Warren feigns uninterest in presidential politics (just as she claims public clamor forced her to run for the Senate).

Still, many political observers claim former Secretary of State Clinton is invincible. Of course, similar claims were made in 2008. That year, in addition to her official campaign organization, Hillary had close allies in the nonprofit sector propping her up, such as the Center for American Progress (founded by a former Clinton White House chief of staff, John Podesta) and targeting her enemies, as

Citizens for Responsibility and Ethics in Washington (CREW) did.

How can Warren compete with that?

July 2014

CONTENTS

Demos
Page 1

Briefly Noted
Page 6

Organization Trends

Should Warren run, she will likely have her own infrastructure in place with Demos, the research and advocacy group whose slogan is “An Equal Say and Equal Chance for All.” Notice the similarity to the title of Warren’s book.

Of course, the Left’s vision of equal opportunity is usually based on some absurd equality-of-outcome scheme, which is part of the core policy positions of Demos: to spend more, tax more, redistribute more, restrict political speech more, and convince the public that big government is good for them. The organization’s mission statement even calls for “rethinking American capitalism as it exists today as a system of political economy.”

The name Demos is actually an ancient Greek word meaning “people” or “the mob.” The Greek term is the root of the English word *democracy*—and also of *demagogue*.

Before she was a senator, Demos honored Warren at its 10th anniversary gala in 2010 with its “Transforming America” award, because Warren was the architect of the Dodd-Frank financial reform legislation (*New York Times*, April 10, 2010). Demos

Editor: Matthew Vadum

Publisher: Terrence Scanlon

Organization Trends

is published by Capital Research Center, a non-partisan education and research organization, classified by the IRS as a 501(c)(3) public charity.

Address:
1513 16th Street, N.W.
Washington, DC 20036-1480

Phone: (202) 483-6900
Long-Distance: (800) 459-3950

E-mail Address:
mvadum@capitalresearch.org

Web Site:
<http://www.capitalresearch.org>

Organization Trends welcomes letters to the editor.

Reprints are available for \$2.50 prepaid to Capital Research Center.

aggressively advocated for the Dodd-Frank bill and has long supported Warren. In 2003 Demos helped promote Warren’s previous book, *The Two Income Trap*. But that’s understandable, given that the senator’s daughter, Amelia Warren Tyagi, is a co-founder and currently chairman of the governing board for Demos.

Demos has a new president, Heather McGhee, who took the job in March when Miles Rapaport left to become president of Common Cause (see *Organization Trends*, May 2014). McGhee ascended to the presidency after serving as vice president of policy and outreach. She previously served as the deputy policy director for the ill-fated 2008 presidential campaign of former North Carolina Sen. John Edwards (D). There’s no reason to believe she was among the campaign aides involved in covering up Edwards’ extramarital affair or his questionable use of campaign funds that led to his indictment by a federal grand jury. (He was acquitted.)

But more importantly where Demos is concerned, Edwards sought to position himself far to the left of both Barack Obama and Hillary Clinton during that primary, running a “two Americas” campaign based on class warfare themes that approximate most of the positions in policy papers and books that the organization publishes.

“I am honored that Demos’ board and staff have entrusted me with the leadership of this extraordinary organization at this moment,” McGhee said in a statement after her promotion. “It’s true that a future progressive majority is emerging, but deep change is needed to ensure that the next generation has a meaningful say in our democracy and a chance in our economy. At a time when more Americans are demanding solutions to the inequality crisis, there’s simply no place I’d rather be.”

Other top staff members have a history in left-wing activism.

Brenda Wright, the Demos vice president of legal strategies, is a former managing attorney for the National Voting Rights In-

stitute in Boston, as well as a board member for Common Cause of Massachusetts—Warren’s state, coincidentally. She was also the director of the voting rights project at the Lawyers’ Committee for Civil Rights Under Law, where she remains a board member. (For more on the Lawyers’ Committee, see *Organization Trends*, February 2013.)

Before joining Demos as vice president of policy and outreach, Lenore Palladino was the organizing director at MoveOn, setting that group’s strategic priorities such as voting issues, “democracy reform,” “economic justice,” health care, women’s issues, and activism in the 2008, 2010, and 2012 elections. She also worked for the American Federation of State County and Municipal Employees (AFSCME) and was national director for United Students Against Sweatshops.

Those who sincerely believe that the “progressive majority is emerging,” as McGhee says, will likely not be entirely satisfied with Hillary Clinton as their presidential candidate. Like other 501(c)(3) nonprofits, Demos can’t explicitly endorse candidates. But the Left generally finds ways around that law.

One former board member at Demos was the original left-wing alternative to Hillary: a political neophyte named Barack Obama. So Demos has certainly acquired clout as a think tank and played an important role in the party’s leftward slide. It won’t likely be pleased to see the Democratic Party move in the Clintonite direction.

Origins

In 1999, several individuals came together to form Demos. Among them were David Callahan, a fellow at the Century Foundation; Charles Halpern, president of the Nathan Cummings Foundation; Rob Fersh, now the president of Convergence Center for Policy Revolution; Stephen Heintz, a vice president at the EastWest Institute; Sara Horowitz, the founder of Working Today and the Freelancers Union; Arnie Miller of the executive search firm Isaacson Miller; former U.S. Rep. David Skaggs (D-Colo.); and former U.S. Ambassador Linda Tarr-Whelan.

Though based in New York, Demos maintains a Beltway presence through a far-left magazine *The American Prospect*. Demos describes the publication as “a leading DC-based magazine that provides insightful and timely policy analysis on the political issues affecting our nation. The partnership brings together our 10-year history of collaboration, shared values, and complementary strengths and allows both organizations to increase our reach and impact toward the shared goal of bringing about progressive change.”

Heintz was the first Demos president, taking the post in March 2000 before exiting the next year. He is now president of the Rockefeller Brothers Fund. Heintz was previously commissioner of economic development and commissioner of social welfare in Connecticut in the 1980s.

He was succeeded by Miles Rapoport, a former Connecticut state legislator and secretary of state. Rapoport had a background in radical progressive politics, having been part of Students for a Democratic Society (SDS) in the 1960s. Before his election to the state Senate, he was the director of Connecticut Citizens Action Group. He also helped establish the leftist group Campaign for America’s Future.

New York Times columnist Bob Herbert has called the organization the “voice of reason.” In his April 10, 2010 column Herbert wrote, “It didn’t take long for Demos to begin issuing loud warnings about the danger that ever-increasing debt was posing to American households, while pointedly disputing the argument that over-the-top credit card debt was primarily the result of excessive consumer spending.” Herbert added, “Working people from the middle class down were in serious trouble, and Demos, along with many other voices (the bankruptcy expert and middle-class advocate Elizabeth Warren comes quickly to mind) was sounding the alarm long before the Great Recession hit like a Category 5 hurricane.”

Herbert went on to write, “It’s not just comforting but essential to have sane countervailing voices like Demos to remind us

that government action is necessary to plan for the common good, to set proper rules for economic activity and to be a bulwark against predatory practices in the private sector.” A year later Herbert became a “distinguished senior fellow” with Demos, so apparently flattery goes a long way.

But his characterization of the organization as a “voice of reason” is hard to swallow, given the membership of the board.

One Demos board member, Van Jones, was too radical even for the Obama administration. Jones has previously admitted that he became an avowed communist after the 1992 Los Angeles riots. He helped start the left-wing organization International ANSWER and is a senior fellow at the Center for American Progress. He was also a member of the radical group, Standing Together to Organize a Revolutionary Movement (STORM). In October 2004, he signed a 9/11 Truth Statement, as signature number 46, asking for an investigation into whether “people within the current administration may indeed have deliberately allowed 9/11 to happen, perhaps as a pretext for war.” In 2008, his book *The Green Collar Economy* called for a thriving environmental industry to drive the economy. This led to his appointment as Special Advisor for Green Jobs, Enterprise and Innovation at the White House Council on Environmental Quality, or “green jobs czar” for short. It was primarily the revelation that he put his name to the 9/11 “truther” petition that embarrassed Obama enough to oust Jones from the administration.

The board also includes Gina Glantz, who has a long record of involvement with the Democratic Party and left-wing causes. Glantz was a founding member of America Votes, America Coming Together, and the New Politics Institute. She also worked on the unsuccessful presidential campaigns of Walter Mondale in 1984, Bill Bradley in 2000, and Howard Dean in 2004. She previously worked for the Service Employees International Union, reports DiscoverTheNetworks.org.

The board also includes leaders of several

other high profile far-left organizations: Ruth Wooden, the former president of Public Agenda; Clarissa Martinez De-Castro, director of national campaigns for the National Council of La Raza; Rashad Robinson, executive director of Color of Change; Amy Hanauer, executive director of Policy Matters Ohio; Connie Cagampang Heller, the co-founder of Linked Fate Fund for Justice.

Fiscal Foolishness

Demos’ public policy agenda, if enacted, would put our already severely indebted nation even deeper in a fiscal hole. In 2010, Demos joined other left-wing groups, including the union-backed Economic Policy Institute and the Century Foundation, to create a budgetary blueprint to rival the debt commission recommendations from former Republican Sen. Alan Simpson and former Clinton White House Chief of Staff Erskine Bowles. (For more on the Century Foundation, see *Foundation Watch*, February 2006.) The Demos plan called for a massive increase in social spending, slashed military spending, and higher taxes. The groups claimed their plan “stabilizes debt as a share of the economy without demanding draconian cuts to national investments or to vital safety net programs.” In fact, the plan would leave the debt at a higher level as a share of the economy than the Simpson-Bowles plan (*New York Times*, Nov. 28, 2010).

In March 2011, Demos called for an additional \$382 billion stimulus, on top the original failed Recovery Act of 2009. The group claimed that \$46.4 billion would be needed to spur the creation of a million state, local, and federal jobs. The rest would go to infrastructure. As the Left often does, they claim this government spending would ultimately save money by reducing unemployment insurance (*The Hill*, March 7, 2011).

Major Donors

Not surprisingly, Demos is financed by the billionaire foundations that bankroll other far-left groups: Tides Foundation (\$1,246,469 since 2002); Ford Foundation (\$1 million since 2000); W.K. Kellogg Foundation (\$470,000 since 2008); Surdna Foundation (\$370,000 since 2010); Rockefeller Brothers

Organization Trends

Fund (\$268,000 since 2007); Rockefeller Family Fund (\$190,000 since 2002); Nathan Cummings Foundation (\$180,000 since 2009); Arca Foundation (\$154,050 since 2010); and the John D. and Catherine T. MacArthur Foundation (\$150,000 since 2005). The more centrist Bill and Melinda Gates Foundation has also provided support (\$850,000 since 2009).

Demos had a \$7.8 million budget in 2012, up from \$7.6 million in 2011 and \$7.2 million in 2010, according to its publicly available IRS filings. In 2012 Demos had 76 employees.

Demos is also part of the Democracy Initiative, a group of liberal-left organizations that colluded on a policy agenda for President Obama's second term, shortly after his reelection in 2012 (*Mother Jones*, Jan. 9, 2013). Various labor union, environmentalist, so-called civil rights groups, campaign finance groups, and other liberal advocacy groups vowed to commit their staffs and resources to "getting big money out of politics, expanding the voting rolls while fighting voter ID laws, and rewriting Senate rules to curb the use of the filibuster to block legislation."

Demos asserts that it has three broad goals:

"1.) Achieving true democracy by reducing the role of money in politics and guaranteeing the freedom to vote; 2.) Creating pathways to ensure a diverse, expanded middle class in a new, sustainable economy, and 3.) Transforming the public narrative to elevate the values of community and racial equity."

Perhaps the most revealing of those goals is the notion of "transforming the narrative," mentioned various times on the website. One way that progressives have been successful for more than a century is by repeating a lie so many times that it becomes accepted as truth. "We champion ideas powerful enough to improve the lives of millions, shift the narrative to clear the way for their acceptance, and advocate until they take effect," the website says.

Changing the narrative is part of what guides the organization's five key programs.

The Economic Opportunity Program lobbies both federal and state lawmakers to tackle "economic insecurity and inequality" and calls for "reducing gaps in wealth" through heavy taxation of the wealthy. It claims, reports DiscoverTheNetworks.org, that past tax cuts will "destroy the hard won social safety nets." The program is not, however, about "economic opportunity" but about coercive redistribution of earned wealth—a policy that history has repeatedly shown actually destroys upward mobility. Of course, it sometimes seems that the Left, so dependent on stirring up envy, sees upward mobility as its mortal enemy.

"Most fundamentally, a sustainable, just, and democratic future requires rethinking American capitalism as it exists today as a system of political economy," the organization says (*Washington Free Beacon*, Sept. 5, 2012). "If we are going to care for people and the planet, large-scale changes are needed in how Americans consume and live, how the United States structures economic activity and measures progress, and how we engage in the global economy."

Embracing Global Governance

The Demos International Program essentially involves surrendering to the United Nations. "This work challenges current patterns of globalization with the goals of democratizing global governance; ensuring that all people benefit from free markets and trade; and enabling immigrants to have a greater voice in the societies in which they live," the Demos website says. "The program also develops new messages to help build public support for responsible U.S. global engagement."

Yes, Demos embraces "global governance," something that receives open support from few of even the most left-wing organizations. The International Program calls for "a more vigorous U.S. approach to international environmental policy," by complying with the Kyoto Protocol on greenhouse gas emissions. Further, in what sounds like a demand for international wealth redistribution, the International Program calls for a "a more inclusive global economy in which all peoples

and nations share in the prosperity generated by markets, growth, and trade."

The Public Works Program promotes, "building broad understanding of and support for the essential roles of government in this country," and says "Demos believes in a public sector that acts effectively for the common good and plans for our future, with the public support and resources necessary to succeed in that critical work."

Like most think tanks, Demos has a Fellows Program, in which it recruits "emerging public intellectuals, journalists, distinguished public figures, and academics whose research can be used to inform the policy world" to be part of the organization.

Democracy Reform by Picking Voters

Demos wants to reshape the electorate by picking voters that help to ensure Democrats are elected to push the other policies the organization advocates. That's the basis for its Democracy Program. On this front, Demos wants to ensure that as many people as possible who collect government assistance are registered to vote, on the assumption they'll vote Democrat.

The organization has homed in on a provision of the 1993 National Voter Registration Act, better known as the Motor Voter law, which requires welfare offices to register low-income people to vote as part of the process of signing up for Medicaid, food stamps, or other assistance.

Similarly, although most of America thought it unseemly when it was revealed that the Obamacare website (*HealthCare.gov*) tries to register people to vote, Demos demanded that the administration do more to force those signing up on the website to register to vote, claiming the website's process was "grossly inadequate" for voter registration (*The Hill*, Jan. 23, 2014).

Demos teamed with Project Vote, a major ACORN offshoot, to write a letter to President Obama and Secretary of Health and Human Services Kathleen Sebelius. "Pro-

viding only a voter registration link does not comply with the law and, from a practical perspective, is grossly inadequate,” the letter complained. “A link does not ‘distribute’ a voter registration application because it requires applicants to have access to a printer, which many applicants do not have.”

Demos claims “many states have roundly ignored the public-assistance provisions” of the Motor Voter law.” In its crusade on this issue, Demos has teamed up with ACORN’s Project Vote, and of course the Lawyers’ Committee for Civil Rights Under Law (see *Organization Trends*, February 2013). The organizations have identified Ohio as the worst offender in its failure to sign up likely Democratic voters. Missouri, Tennessee, Colorado, New York, North Carolina, Georgia, New Jersey, and Texas also have problems, say the groups.

Demos brought suit against Ohio in a case that was settled in 2009; it resulted in the Buckeye State adding 246,000 low-income voters to the rolls by November 2010. Nationally, Demos claims credit for helping 2 million low-income voters register.

“Voter registrations were not being provided in a meaningful or consistent way in Ohio,” said Lisa Danetz, senior counsel at Demos and co-lead counsel in a settled lawsuit against Ohio (*Syracuse Post Standard*; Nov. 8, 2011). “Their numbers started to go up when litigation was filed in 2006.”

In addition, the Democracy Program seeks to “reduce barriers to voter participation.” Translated, that means it fights against all voter-integrity laws. Demos not only opposes basic voter ID laws but also seems to have some sway with Attorney General Eric Holder on what Demos claims is “felon disenfranchisement” (felons in most states lose their voting rights). Holder announced the Justice Department is looking at changes on that front. The organization continues to make demands for same-day voter registration, despite the obvious opportunities for corruption this would create.

The ‘Incalculable Harm’ of Political Speech

Like many other organizations on the Left, Demos has real problems with political speech. In April, the organization blasted the Supreme Court for its ruling in the *McCutcheon v. FEC*, which struck down select limits on political spending. In response, Brenda Wright, Demos Vice President of Legal Strategies, warned the decision “will do incalculable harm to our democracy, allowing millions of new dollars to flow.” She added, “This will lead to even further domination of our politics and public policy by the economic elite, pushing ordinary Americans further out of the political process.”

Demos released a study it conducted with the U.S. Public Interest Research Group which predicted the ruling would lead to an additional \$1 billion in political spending by the 2020 election cycle. “This distorted interpretation of the Constitution cannot stand,” Wright concluded. “We need transformational change to the court’s approach to money in politics so that the fundamental American values of political equality, accountable government, and fair representation for all regardless of wealth are served.”

Demos’ preferred first step to “transformational change” is the proposed “Government by the People Act,” which would greatly expand public financing of elections. The Act would set aside tax dollars to finance the election year bumper stickers and attack ads for politicians under a six-to-one federal matching program for donors who contribute only \$150 or less; politicians who wanted the public funds would also have to reject any contributions from PACs and limit all individual contributors to \$1,000.

“Demos strongly supports the Government By the People Act because it will raise up the voices of all Americans, encourage politicians to pay attention to ordinary constituents, not just wealthy donors, and move us closer to a true democracy in which the strength of a citizen’s voice no longer depends upon the size of her bank account,” said McGhee, the Demos president.

“And, the proposal will fight the increasing loss of faith in the legitimacy of our democracy, as more and more Americans accurately perceive that the game is rigged and their representatives are more accountable to their donors than to their voters.”

Conclusion

Demos earns an F when it comes to sensible policy proposals, but it may deserve an A for frankness. Few liberal nonprofits are this brazenly extreme and proud of it. Others on the far left are more clever and seek to sound pragmatic without talking about “transforming America,” “rethinking capitalism,” and “global governance.” Demos could create the perfect foundation for a certain presidential candidate.

Barbara Joanna Lucas is a writer in Northern Virginia and blogs at The Sharp Bite (TheSharpBite.blogspot.com).

OT

Please remember CRC in your estate planning.

A simple, commonly used method to ensure CRC’s legacy is to name the Capital Research Center as a beneficiary in your will. You can do this in several ways, such as giving specific assets or a percentage of your estate. Whichever method you choose, if properly structured your bequest will be fully deductible from your estate, thus decreasing your tax liability. The estate tax charitable deduction is unlimited.

For more information, contact

Gordon Cummings
Capital Research Center
1513 16th St. NW
Washington, DC 20036
202.483.6900

Briefly Noted

The dog ate my homework: The **Internal Revenue Service** says it has lost former tax-exempt division chief **Lois Lerner's** potentially scandalous emails from January 2009 to April 2011. As a result of a supposed computer crash, the agency now claims it possesses only Lerner emails to and from other IRS employees during this period in which Lerner and her colleagues were illegally cracking down on conservative nonprofit groups. In other words, the IRS is unable (or unwilling) to hand over emails written to or from Lerner and outside agencies or groups, such as the White House, Treasury, Department of Justice, Federal Election Commission, or from the offices of Democratic lawmakers.

“The fact that I am just learning about this, over a year into the investigation, is completely unacceptable and now calls into question the credibility of the IRS’s response to congressional inquiries,” said Ways and Means Committee Chairman **Dave Camp** (R-Mich.). “There needs to be an immediate investigation and forensic audit by Department of Justice as well as the Inspector General.”

The left-wing group **MoveOn.org Political Action** is encouraging its members to sign a petition urging President **Obama** to avoid taking new military action in Iraq, which is now being overrun by the brutal **al-Qaeda** linked terrorist group **ISIS** (Islamic State of Iraq and Syria). “The solution to the chaos is not another American military intervention, including bombing strikes. President Obama was right to end the Iraq War in 2011, and it would be a tremendous mistake to restart it now.”

Second Amendment-hating billionaires led by **George Soros** are gearing up for a fresh assault on your constitutional right to defend yourself, your family, and your property. The **Democracy Alliance**, a donors collaborative of well over 100 far-left venture capitalists, heirs and heiresses, Hollywood moguls, and unethical bankers, is throwing millions of dollars at left-wing gun-control groups in hopes of preventing a possible Republican takeover of the U.S. Senate this November. The progressive plutocrats plan to send upwards of \$175 million to left-wing organizations this year to push gun control and the rest of the Left’s agenda, according to documents left behind at a recent Alliance meeting in Chicago. Some of the groups slated to receive grants include: **Brennan Center for Justice** (\$2.7 million); **Catalist** (\$750,000); **Center for American Progress** (\$5.5 million); **Center for Community Change** (\$3 million); **Media Matters for America** (\$3 million); and **Organizing for Action** (\$1 million).

Meanwhile, the Democracy Alliance announced on its website that its new chairman of the board is **John C. Stocks**, executive director of the **National Education Association**. His NEA bio states that the signature of his career has been “an unmatched drive for social justice and positive change in education.” He also served as a Democratic member of the Idaho state senate and was honored in 2007 by the **Saul Alinsky**-inspired **Midwest Academy**, which trains community organizers. Stocks succeeds **Taco Bell** heir **Rob McKay** as Alliance chairman.

The Obama administration is finally getting around to contacting hundreds of thousands of people with subsidized health insurance under the auspices of the dysfunctional Affordable Care Act regime to verify their eligibility, reports the *New York Times*. The administration claims, but has not provided proof, that eight million people signed up for private health care coverage through government-run insurance exchanges, but the personal information provided by two million of those people is fishy, federal officials say. Predictably, left-wing groups are upset. **Mara Youdelman** of the National Health Law Program, said some consumers say they already filed the documents and now “they don’t understand why they are being asked to send them in again.” **Ronald F. Pollack** of **Families USA** also griped about the minor inconveniences those receiving taxpayer-supplied benefits are suffering. “We share concerns that the longer the process of verifying and resolving inconsistencies takes, the more some consumers will owe when they reconcile their tax returns.”