

## The Sunlight Foundation

*Another left-wing pressure group with dubious claims to nonpartisanship*

**By Jesse Tyler**

**Summary:** *The Sunlight Foundation is yet another nonprofit that preens itself on its political neutrality but turns out to have leaders and funding almost entirely from the left. “Transparency” is its battle cry, and it has an impressive array of projects underway. And yet it never seems troubled by groups on the left that revel in political intimidation, and its leaders have included the kind of “progressives” who find liberal Democrats too conservative.*

Campaign donor transparency has been hailed by many on the Left as a panacea for what ails America. If only everyone’s political donations were made public on the Internet, all would be right, they theorize. But in seeking to make campaign finance data public, the goals of the Left—and in particular of the Washington, D.C.-based Sunlight Foundation—are less than pure.

The Left’s obsession with “transparency” is a one-way street. It isn’t so much about keeping the inner machinations of government transparent as it is about exposing private activities so private actors can be publicly exposed to political pressure. The idea is that, if conservatives take enough heat for giving to politically incorrect causes, they will stop doing so. This, leftists believe, will transform the political giving environment and at long last the power of the *eeevil* rich and corporate America to dominate politics will be broken.



**Zephyr Teachout, who was the first national director of the Sunlight Foundation, unsuccessfully challenged New York’s Democratic Gov. Andrew Cuomo in the election this past fall.**

Publicly naming and shaming conservatives for their philanthropy can be used in the social policy sphere at well. Proposition 8 in California is a case in point. It was a voter-approved referendum in 2008 that defined marriage in the California state constitution to be between one man and one woman. A series of websites sprung up that publicly exposed donors to pro-Prop 8 groups in an effort to encourage left-wing activists to wage

**January 2015**

**CONTENTS**

The Sunlight Foundation

*Page 1*

Philanthropy Notes

*Page 6*

# FoundationWatch

a campaign of vilification and harassment against them.

One of the sites, AntiGayBlacklist.com, identified those who donated funds to the “yes” side. The very name of the site, *blacklist*, is proof of the malicious intentions of its founders. The site advised readers that “The following individuals or organizations (according to ElectionTrack.com) have donated money to the California Proposition 8 campaign which seeks to ban same sex marriages. Please do not patronize them. 8 = HATE. Thanks!” Certainly there were principled arguments on both sides of Prop 8 (which was eventually nullified by left-wing judges), but to crudely suggest that support for “8” simply equals “HATE” is beyond the pale.

As Michelle Malkin reported in 2010:

“In California, gay-rights mau-mau-ers compiled blacklists and harassment lists of citizens who contributed to the Proposition 8 initiative in defense of traditional marriage. A Los Angeles restaurant whose manager made a small donation to the Prop. 8 campaign was besieged nightly by hordes of protesters who disrupted the business, intimidated patrons,

---

**Editor:** Matthew Vadum

**Publisher:** Terrence Scanlon

## **Foundation Watch**

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](mailto: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.

---

and brought employees to tears. Terrified workers at El Coyote Mexican Cafe pooled together \$500 to pay off the protesters. A theater director who donated \$1,000 to Prop. 8 was forced to resign over the donation. Anonymous mischief-makers created ‘Eight Maps,’ a detailed directory of Prop. 8 donors using Google Maps to pinpoint their residences and businesses. Death threats enveloped with powdery substances and boycotts ensued. ‘When I see those maps,’ admitted California Voter Foundation president Kim Alexander, ‘it does leave me with a bit of a sick feeling in my stomach.’”

And as Capital Research Center’s Matthew Vadum has written:

“Left-wing activists call this kind of in-your-face harassment ‘accountability,’ an Orwellian euphemism to be sure. Accountability actions focus on harassing and intimidating political enemies, disrupting their activities, and forcing them to waste resources dealing with activists’ provocations. It is a tactic of radical community organizers, open borders fanatics, and union goons. Taking a cue from Marxist theorist Herbert Marcuse, they want to shut down, humiliate, and silence those who fail to genuflect before their policy agenda” (FrontPageMag.com, Dec. 4, 2014).

The most prominent victim of leftist anti-Prop 8 fanatics was former Mozilla CEO Brendan Eich, who was forced out of his post at the Internet company because he dared to donate \$1,000 to the “pro” traditional marriage side in the Prop 8 battle. Eich’s donation in support of Prop 8 was published by the *Los Angeles Times* using state public records. Activists shrieked that his donation was proof in and of itself that he was a homophobic bigot, and he was quickly given his walking papers at Mozilla, even though he was the company’s co-founder and invented the widely used JavaScript computer language.

The Sunlight Foundation is a handmaiden, or perhaps more accurately, an enabler of groups like Accountable America. MoveOn veteran Tom Matzzie created Accountable

America to intimidate donors who might give money to conservative groups. On its website the group explains, “Accountable America works to stop the outrageous policies of right-wing and special interests in Washington especially in the areas of economic policy, energy policy, national security policy and government reform. Our first project seeks to discourage groups and right-wing donors trying to ‘swiftboat’ progressives.”

The group’s method consisted of sending “warning letters” to big GOP donors. “We want to stop the Swift Boating before it gets off the ground.” (Note: the current status of Accountable America is unclear. At press time its website hadn’t been updated since October 2012.)

Thanks to Matzzie and his friends at the Sunlight Foundation, who have embraced the teachings of *Rules for Radicals* author Saul Alinsky, this kind of donor intimidation is now standard operating procedure among left-wing activists.

Thanks to their activist trailblazing, it is increasingly acceptable to force people to do things they don’t want to do with their businesses. Lacking the American tradition of “live and let live,” activists are commandeering the ovens of religious bakers opposed to same-sex marriage and forcing them to make cakes for gay weddings. Similarly, activists have also been coercing traditional marriage-supporting photographers into taking pictures at same-sex wedding ceremonies.

## **The Sunlight Foundation**

Based in the nation’s capital, the Sunlight Foundation is a nonpartisan, nonprofit institution that claims a mission of increased government transparency, which it seeks to achieve by funding and building web-based technologies. It was co-founded in 2006 by political activist Ellen S. Miller, a longtime government employee and “advocate for disclosure of campaign finances,” and Michael Klein, a securities lawyer who gave \$3.5 million of seed money.

Its first national director was Zephyr Teachout, who served as the director of online

organizing for Howard Dean's unsuccessful presidential campaign and who also worked for America Coming Together (a union front group) and Current TV (the cable network co-founded by Al Gore and sold to Al Jazeera). Just to make clear how strong "nonpartisanship" and "good government" are in Teachout's background, recall that America Coming Together was a massive get-out-the-vote operation funded by unions and George Soros in hopes of defeating George W. Bush in 2004. It was so clean in its operations that it had to close shop and pay hundreds of thousands of dollars in fines to the Federal Election Commission (see *Organization Trends*, April 2006). Teachout, most recently seen taking on Andrew Cuomo in the 2014 New York gubernatorial race, played a critical role in developing and creating the policy agenda and tools from which Sunlight grew and rose to prominence.

Another former Sunlight executive director is co-founder Ellen S. Miller, who previously worked with Campaign for America's Future ("the strategy center for the progressive movement" whose "goal is to forge the enduring progressive [political] majority") and with Public Campaign (another left-wing "transparency" operation that is so far to the left it has ties to the Occupy Wall Street campaign). As Fred Lucas wrote for *Foundation Watch*, August 2013, "Public Campaign abhors big money from corporations or Tea Party groups, but it seems to have no problem with, say, the National Education Association blocking any meaningful education improvements and the environmental lobby inhibiting economic growth. In general, Public Campaign is not so different from other 'good government' or 'watchdog' groups in Washington, all of which have an agenda but insist they are nonpartisan.... PC is indeed an appropriate ally for the tiny group of big donors who have long sought to use campaign finance reform to stealthily achieve their own political agenda."

The Sunlight Foundation describes itself as:

"a nonpartisan nonprofit that advocates for open government globally and uses technol-

ogy to make government more accountable to all. We do so by creating tools, open data, policy recommendations, journalism and grant opportunities to dramatically expand access to vital government information to create accountability of [sic] our public officials. Our vision is to use technology to enable more complete, equitable and effective democratic participation. Our overarching goal is to achieve changes in the law to require real-time, online transparency for all government information, with a special focus on the political money flow and who tries to influence government and how government responds. And, while our scope began with only a focus on the U.S. Congress, we now are defining open government on the local, state, federal, and international level. We believe that information is power, or, to put it more finely, disproportionate access to information is power. Indeed, we are committed to improving access to government information by making it available online, indeed redefining 'public' information as meaning 'online.'"

It uses different approaches to accomplish its goals. Sunlight "work[s] with thousands of software developers, local transparency activists, bloggers, on and off-line active citizens and journalists, involving them in distributed research projects, hackathons, targeted lobbying and training. Sunlight's Policy team pushes for improved transparency policy through NGO efforts like OpenParliament.org, and through traditional lobbying of government. Our reporters cover political influence stories both through reporting and through close collaboration with technical staff, leveraging computer-assisted reporting and data visualization techniques. And in Sunlight Labs, our team of technologists and designers create apps and websites to bring information directly to citizens, as well as building and maintaining APIs that power the applications of others." (API stands for Application Program Interface. According to Webopedia, an API is "a set of routines, protocols, and tools for building software applications.")

The foundation concentrates its efforts globally and nationally on opening up government and uncovering corruption. Sunlight stresses its claim to nonpartisan status, but

in fact it is firmly in the left-wing camp. Its board of directors is made up of several high profile power players; for example, Stacey Donohue of the Omidyar Group, Michael Klein, co-founder of the Sunlight Foundation and chairman of the board and co-founder of Costar Group; entrepreneur and Craigslist founder Craig Newmark; and Digg and Instapaper CEO Andrew McLaughlin. The president of the foundation is Christopher Gates, who previously served eight years as executive director of Philanthropy for Active Civic Engagement. In addition, Bill Allison serves as the editorial director for the Sunlight Foundation; he is a veteran journalist and editor who served at the George Soros-funded Center for Public Integrity and is also credited with being senior editor of *The Buying of the President 2000* and co-editor of *The Buying of the President 2004*. The foundation also has two serving technology advisors, along with an advisory board and, according to its website, a staff of 43.

## Funding

The Sunlight Foundation's funding provides further evidence that it is not as nonpartisan as it claims. Its money comes overwhelmingly from the Left. For example, among its large philanthropic supporters are George Soros's Foundation to Promote Open Society (\$752,066 since 2010); Ford Foundation (\$650,000 since 2011); William & Flora Hewlett Foundation (\$310,000 since 2011); Soros's Open Society Institute (\$250,000 in 2008); Omidyar Network Fund Inc. (\$14,481,184 since 2008); Rockefeller Family Fund (\$4,750,000 since 2007); Google Foundation (\$2.1 million in 2012); John S. and James L. Knight Foundation (\$1,771,678 since 2009); and Craigslist Charitable Fund (\$85,000 since 2010).

Although it calls itself a "foundation," the Sunlight Foundation is not a foundation the way, say, the Ford Foundation is. In legal terms, it is not a "private non-operating foundation" like Ford, but a 501(c)(3) public charity like the Boy Scouts. Public charities may, however, give grants to other charities, which Sunlight does.

## **Citizens United Decision**

A divided Supreme Court in 2010 handed down the *Citizens United* decision, which promotes freedom by allowing unions, corporations, and tax-exempt “social welfare” groups to spend money in elections. Specifically, the 5-4 ruling overturned restrictions on independent expenditures in elections which had been enacted through the federal Bipartisan Campaign Reform Act (better known as the “McCain-Feingold Act”). The court held that unions, corporations, and 501(c)(4) nonprofits had First Amendment protections of free speech that allow them to support or oppose candidates. The court left intact laws that forbid the same groups from contributing directly to candidates or political parties. In ruling in favor of freedom, Chief Justice Roberts, along with Justices Thomas, Scalia, Kennedy, and Alito, went against two previous cases, *McConnell v. Federal Election Commission* (2003) and the 1990 *Austin v. Chamber of Commerce* decision. Writing for the majority, Justice Anthony Kennedy said, “We now conclude that independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption.”

After the decision, President Obama in his State of the Union address claimed “the Supreme Court reversed a century of law to open the floodgates for special interests—including foreign corporations—to spend without limit in our elections. Well I don’t think American elections should be bankrolled by America’s most powerful interests, or worse, by foreign entities. They should be decided by the American people.” The part about foreign corporations was nonsense, because political contributions by them and by foreign citizens (who lack U.S. permanent resident status) remain illegal, and Justice Alito, seated directly in front of the president, mouthed “not true” when the president told his lie. Bradley A. Smith, a former Federal Election Commissioner who now chairs the Center for Competitive Politics, said, “The President’s swipe at the Supreme Court was a breach of decorum, and represents the worst of Washington politics—scapegoating ‘special interest’ bogeymen for all that ails Washington in

[an] attempt to silence the diverse range of speakers in our democracy.”

Political contributions represent political expression and should be protected. Sen. Chuck Grassley (R-Iowa), gives the classic argument: “The more political speech you have, the stronger our democracy will be.” Or as one *Washington Post* blogger put it more bluntly, the Left have “their billionaires; the conservatives have theirs. The only difference is liberals hypocritically attack the other guys’ billionaires as bringing about the end of democracy as we know it. The left is up to their eyeballs in third party money, union money, billionaire money and Super PAC money. As a Capitol Hill Republican remarked, ‘They have become what they once decried.’”

For evidence, see a recent report from the Sunlight Foundation itself, published less than two weeks before the last election and headlined, “Wealthy liberals top list of super PAC donors in 2014.” Sunlight had to confess, “In a reversal from 2012, liberal billionaires top the list of biggest super PAC donors with a little more than two weeks to go before Election Day. Three of the top five givers lean Democrat, while the king of unlimited money mountain—environmental crusader Tom Steyer of California—is lapping the competition, a Sunlight analysis finds.” Later the report acknowledges that “the largest single contributor to super PACs of all time” is not a conservative or libertarian, but Tom Steyer on the left, who has given \$70 million since March 2013 (for more on Steyer’s political machinations, see *Foundation Watch*, August 2014, and *Green Watch*, January 2014).

The Sunlight Foundation’s response to the high court’s expansion of freedom of speech is a seven-point plan available on its website. First, the plan calls for creating a powerful independent expenditure reporting system in order to know who, what, and how much corporations and labor unions are spending. Second, the plan calls for providing corporate shareholders with timely data about corporate political expenditures. Third, require substantive, timely

disclosure by lobbyists. Fourth, increase disclosures related to paid advertisements. Fifth, strengthen reporting by political candidates. Sixth, provide for meaningful enforcement. And lastly, ensure the data that’s collected at all levels is in a common format.

## **Projects of the Sunlight Foundation**

The Sunlight Foundation has additional projects and initiatives. One major project is to Track Influence. This campaign focuses specifically on identifying the financial supporters of political candidates and bringing them out into the open. The project has several initiatives such as **Political Ad Sleuth**, an online national database of information, which reveals the names of purchasers of television ads for political purposes. **Checking Influence**, a program which monitors the amount of money U.S. corporations allocate for lobbying activities and political campaign contributions. **Follow the Unlimited Money**, a database program that contains the list of organizations that spend money on political ads and any other form of political communication. **Foreign Lobbying Influence Tracker**, which digitizes the private information of representatives of foreign governments, political parties, and any government-affiliated groups, which must disclose to the U.S. Justice Department when they seek to participate and influence U.S. policy. **Inbox Influence**, which enumerates the political donations that have been spent by the organizations and people that seek to influence Americans through email. **Influence Explorer**, which creates a list of federal and state level political donations that well-known individuals and businesses make each year. And **Lobbyist Registration Tracker**, which is a database that allows members of the public to see and follow lobbyists as they register. **Party Time** is a tool which documents all the details of any meetings political candidates and office holders conduct whether in private or public. **Poligraf** is a website which gives users the ability to paste the URL or text of a news article, press release, or blog post, and create an augmented view of the people, organizations, and relationships that are described.

The Sunlight Foundation also seeks to monitor and expose members of the government through its **Inner Workings of Congress** project. This project has several initiatives such as **Call on Congress**, which is a free telephone service that lets the public know the voting records and actions of their elected representatives. **Politwoops** is another tool under the Inner Workings of Congress project; it contains a collection of deleted tweets or errors made by politicians so they are recorded forever.

A third Sunlight effort undertakes to track legislation and public policy through several initiatives, including the **Open State Project**, which allows data from state government to be accessed online. The Sunlight Foundation also has a **Mobile Apps** project, a list of smart phone applications that include such tools as **Ad Hawk**, a free mobile and web application which takes audio fingerprint technology and uses it to determine who is purchasing political ads. Another one worth mentioning is the **Open States** app, which gives users up to date information on past and present activities nationwide.

The Open Civic Data Project is another project of the Sunlight Foundation, which seeks to create accountability and openness among the government and our public officials. It aims to do this by making a minimum level of information available to all citizens. For example, if a group of citizens in one city decides to create an app to monitor the activities of its city council or school board, that same application can be accessed and used in other cities to accomplish the same task, as long as the data is available in the Open Civic Data format. All data collected will be put into one large database, which will be available for anyone to access.

The project has four overarching categories: organizations, people, events, and bills. “Organizations” can include any type of body inside government. “People” represents information on elected officials from a state or community and includes their salaries and voting records. Information about unelected officials would also be available.

“Events” informs citizens of government-sponsored events in their localities with the goal of increasing attendance and creating an environment where interaction can occur between elected officials and citizens. “Bills” encompasses access to ordinances and legislative documents and any and all official public actions that are documented.

What do all of these projects and initiatives have in common? They all seek to shed light on the activities of those individuals who make laws and influence policy in the government. Is there something wrong with that you might ask? Well, in theory it sounds good, and some of these projects such as tracking legislation and policy certainly have merit and offer the public good information to use.

But in the case of personal information and the creation of tools such as a national database to see who has given money and what they have supported, the information is often wielded as a weapon of an over-aggressive government and left-wing media, both of which aim to destroy persons’ reputations and intimidate them into submitting to their enemies’ will. Of course light should be shed on government activities, and politicians should be held accountable for their actions. But information can also be used as a weapon, and in the end, the only enduring way to minimize the harm done by corrupt politicians is to shrink the size and scope of government. Instead, the Left’s “transparency” brigades use that banner to attack their enemies, while simultaneously working to increase the size of government and the complexity of campaign finance laws. The bigger government is, the more easily malefactors can hide; the more complex the election laws, the more easily the laws can be manipulated.

## The Sun Act

The Sunlight Foundation supports the Sun Act (Sunlight for Unaccountable Nonprofits Act), introduced in November 2014 by Sen. Jon Tester (D-Mont.). The legislation claims to be designed to bring political spending out of the shadows and into the light. The bill would require tax-exempt organizations to

make their tax filings available to the public in a standardized online format. It would also require social welfare organizations (aka, 501(3)(4) groups) that engage in political activities that involve \$5,000 or more to disclose their donors. The claim is that nonprofits often make it difficult to find certain information, and this legislation will remedy that. Ultimately, however, the bill is designed to satisfy the Left’s insatiable appetite to publicly abuse and punish nonprofits they believe have helped non-leftist candidates and causes. As Sen. Grassley bluntly put it, “It seems to me that you ought to be able to participate in political [expression] without being harassed.”

## Conclusion

The Sunlight Foundation is an organization that supports a range of left-wing agenda items, including more regulation and less freedom. The tools it has created are likely in the long run to do more harm than good and lead to a society in which those who do not support the Left’s agenda will be fearful and not speak out. The regulations and policies Sunlight supports will lead to bigger government and a diminished civil society. As with so many “good government” groups in the past, the Sunlight Foundation touts itself as nonpartisan, even as it is almost entirely led and funded by the Left. That’s the transparent truth; let voters beware.

*Jesse Tyler is a freelance writer and government relations professional residing in the Washington, D.C. area.*

**FW**

Please consider contributing to the Capital Research Center.

We need your help in the current difficult economic climate to continue our important research.

Your contribution to advance our watchdog work is deeply appreciated.

Many thanks.

Terrence Scanlon  
President

# PhilanthropyNotes

Watchdog.org reports that the **Ford Foundation**, the fourth-wealthiest philanthropy in the U.S. with \$11.1 billion in assets and income of \$1.5 billion (in fiscal 2012), is pouring major resources into progressive groups involved in the fight over “net neutrality,” a fashionable liberal idea that the Internet needs more government regulation. “If you are a foundation for justice in the world, and you don’t understand that the Internet is going to be a major battleground in this century, and you’re not engaged in that fight and supporting people who are concerned about access and security, you’re going to be left out of one of the most important justice issues of the day,” Ford president **Darren Walker** said.

Walker neglected to say, notes Watchdog.org, that Ford “stands to earn millions of dollars in profits from a nearly billion-dollar investment portfolio that includes companies that would profit from net neutrality regulations,” the website reports. Ford’s investments in **Google**, **Microsoft**, and close to 500 companies netted the foundation more than \$402 million in stock-based profits in 2012 alone.

In a swansong of a study, retiring Sen. **Tom Coburn** (R-Okla.) slammed the U.S. tax code. As the *Washington Times* reports, Coburn’s “Tax Decoder” report warns that “the tax code is so peppered with special giveaways that companies such as Facebook end up getting refunds, and high-profile athletes and artists use their tax-free foundations to give friends jobs while avoiding taxes—all leading to higher income tax rates for the rest of us.”

One example from the foundation world that fits Coburn’s description: **Lady Gaga’s Born This Way Foundation** blew big bucks on overhead expenses while devoting almost none of its resources to actual charitable endeavors. The foundation of the New York-based entertainer, whose real name is **Stefani Joanne Angelina Germanotta**, took in \$2.66 million in 2012, but paid out only \$5,000 in grants while spending \$50,000 on social media projects. The philanthropy spent more than \$500,000 on its 23-event “Born To Be Brave” bus tour, which supposedly sought to reach out to disillusioned young people. It also spent \$406,552 on legal fees, \$300,000 for “strategic development,” and \$150,000 for “philanthropic consulting.”

The wealthiest Americans have scaled back their charitable giving in recent years, according to the *Chronicle of Philanthropy*’s “How America Gives 2014.” Comparing 2012 to 2006, those earning \$200,000 or more reduced the share of their income they gave away by 4.6 percent. In the same period those earning less than \$100,000 donated 4.5 percent more of their income. The study also determined: the total donated by Americans who itemize their tax deductions (\$180 billion); the share of Americans’ total income, after deductions, given to charity (3 percent); the median income, after deductions, of people who itemize (\$82,823); and the median charitable contribution (\$3,176).

## Goldman Sachs WATCH

Likely Democratic presidential candidate Hillary Clinton received about \$400,000 from Goldman Sachs for delivering two speeches to the bank’s clients in October 2013, according to media reports. Since the Left regards the bank as the “antichrist,” as the New York Post’s Michael Goodwin puts it, this coziness with Goldman may work against Clinton’s candidacy. This is especially true given the growing popularity in progressive circles of Sen. Elizabeth Warren (D-Mass.), who longs to take down Wall Street.

If you want to work at Goldman Sachs, go to New York University. According to Business Insider, NYU has the most alumni (428) now working at Goldman. Second is the London School of Economics (419 alumni), followed by Cornell University (359 alumni), Harvard University (339 alumni), and Columbia University (311 alumni).