

# Who Controls the Democratic Party?





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## **Who Controls The Democratic Party - Updated Introduction**

Several years ago, the Washington Examiner produced a special report entitled “Who controls the Democratic party?” Besides myself (I was editorial page editor then), the authors of the six-part series included former Clinton administration political adviser Doug Schoen, Capital Research Center senior editor Matt Patterson, and Ron Arnold, Examiner columnist and among the nation’s most knowledgeable experts on political funding.

As the introduction explained, the purpose of the series was to detail the reality that “classaction trial lawyers, Big Labor union leaders, Big Green environmentalists, and Big Insiders with billions of dollars in personal wealth and foundation grants -- together essentially dictate what Democrats can and cannot support on many key public policy issues. Call them the Four Horsemen of the coming Democratic apocalypse.

“These four groups provide most of the campaign funding and workers, political and policy expertise, legal and regulatory muscle, and strategic communications for the Democratic Party.

Consequently, most Democrats are prisoners of a narrow agenda of constantly growing government budgets, regulation and taxing.”

Since the series appeared, very little has changed. President Obama is still in the Oval Office.

Senate Majority Leader Harry Reid still has a choke-hold on the world’s most exclusive debating society and Republican leaders in the House of Representative still have control of only one-half of one-third of the federal government.

New campaign finance data recently compiled and published by [OpenSecrets.org](http://OpenSecrets.org) makes it clear that something else hasn't changed since 2011 – the trial lawyers, union bosses, environmental activists and super-wealthy individuals like George Soros and Tom Steyer still dictate what Democratic officials can and cannot do.

Seven of the 10 richest superPACs in 2014 fund liberal Democrats and causes. Only two of the top 10 fund conservatives (one if neither), according to [OpenSecrets.org](http://OpenSecrets.org). The superPACs can raise and spend unlimited amounts of money on campaigns.

Similarly, when compiling the top donors overall, [OpenSecrets.org](http://OpenSecrets.org) said this: “One of the first things you may notice about the 2014 list is that of the top 20 organizations, only two favor Republicans.

The rest, with the exception of one ‘on the fence’ trade association, all strongly prefer liberal policies and Democratic candidates.”

In other words, some of the numbers have changed since 2011, but “Who controls the Democratic Party” remains a primary issue at the heart of American politics and the Examiner’s series is as relevant – and, for many, disturbing – today as it ever was.

That’s why the Examiner is republishing the series, but this time as an eBook in hopes of getting it in the hands of millions of Americans across the political spectrum who may not agree on everything, but they most certainly agree on this: America is headed in the wrong direction in large part because these four special interest groups control the Democratic Party.

Mark Tapscott Executive Editor – *The Washington Examiner*

# **WHO CONTROLS THE DEMOCRATIC PARTY**





# PART I

## **The Plain Truth About Who Owns The Democratic Party**

*By Mark Tapscott*

It's unlikely that Howard Dean intended to expose one of his party's greatest weaknesses in August 2009 when he explained why Obamacare could not include a tort reform provision that experts said could save up to \$400 billion in health care costs.

Speaking at a Northern Virginia town hall meeting, the former Democratic presidential candidate and Democratic National Committee chairman stunned many in the nation's capitol with these unexpected words: "Here's why tort reform is not in the bill. When you go to pass a really enormous bill like that, the more stuff you put into it, the more enemies you make. And the reason the tort reform is not in the bill is because the people who wrote it did not want to take on the trial lawyers in addition to everyone else they were taking on and that is the plain and simple truth." Dean's admission was especially shocking because for years study after study has shown that doctors are forced to practice defensive medicine -- ordering unneeded tests and procedures in case they were sued by trial lawyers looking for deep pockets and big paydays that come with multimillion-dollar settlements. Tort reforms that put limits on such unrestrained classaction medical lawsuits by trial lawyers would save \$40 billion annually, and up to \$400 billion over a decade.

But President Obama and his Democratic congressional allies in the 111th Congress dared not alienate the Big Lawyers special interest of classaction trial attorneys. The lawyers and three other special interests - Big Labor union leaders, Big Green environmentalists, and Big Insiders with billions of dollars in personal wealth and foundation grants -- together essentially dictate what Democrats can and cannot support on many key public policy issues.

Call them the Four Horsemen of the coming Democratic apocalypse.

These four groups provide most of the campaign funding and workers, political and policy expertise, legal and regulatory muscle, and strategic communications for the Democratic Party. Consequently, most Democrats are prisoners of a narrow agenda of constantly growing government budgets, regulation and taxing.

This development comes at a time when public opinion surveys show conservatives, who favor less government, outnumber liberals by about two-to-one. In other words, the special interests are taking the Democrats in the opposite direction favored by most Americans.

This Examiner Special Report is about the plain truth of who owns the Democrats, beginning today with Douglas Schoen, former adviser to President Clinton, a clear voice from among a growing band of loyalists who fear the special interests are making it all but impossible for Democrats to attract support from moderates and independents.

Schoen also explains what President Obama must do to save his party and his presidency. Examiner columnist and political power structures expert Ron Arnold analyzes how the revolving doors swing between special interest and the government. And I examine the present state of the Democratic National Committee.

And that's just today! See the adjoining series box for a taste of what's coming Wednesday and Thursday: Tomorrow, Examiner contributor Ron Arnold, one of the nation's top experts on the structure of political power in America, lays out the who's who of the Democratic Party's power brokers and the roots of their respective agendas.

We'll also look back at the last time Democrats were held hostage by narrow interests.

On Thursday, a bevy of analysts examiner the policies Democratic officeholders and seekers are expected to support and those that must be opposed no matter what public opinion might reveal. And we will look at the billions of dollars these four special interests continually pump into Democratic coffers.

The sidebar above will be inside every one of these pieces and can help you easily navigate the report as it is published.

*Mark Tapscott is editorial page editor of The Washington Examiner.*

## **Democrats Must Break Free From Their Special Interest Stranglehold**

*By Doug Schoen*

An extraordinary electoral defeat last November has left the Democratic Party on life support -- not yet dead, but still reeling from the overwhelming "shellacking" it absorbed -- and facing structural challenges that few commentators have systematically analyzed.

With a net loss of 63 seats in the House and six seats in the Senate for the Democrats, a look at the election map shows that our country is almost entirely red, with blue sections mainly situated on the liberal east and west coasts, which is notably different than the pre-2010 map that had some blue in the South and Midwest.

On the state and local level, the Republicans picked up a historic 680 state legislative seats, and now control both chambers in 25 state legislatures.

Overall, GOPers won 11 governor's races, including key races in states like Nevada, Virginia and Iowa, states that President Obama won in 2008 and that he will need to win re-election in 2012.

And, according to the 2010 census, Democrats are expected to lose six congressional seats in states that Obama won in 2008, and at least six Electoral College votes once congressional districts are redrawn, further diminishing his prospects in 2012, and providing the GOP with the same clout-- if not more -- than it commanded in 2001.

Exit poll data provides an explanation for why the Democratic Party has suffered such extensive across-the-board losses.

The Democratic Party has become isolated on the left -- having lost critical support from the center and the right. Democratic House candidates lost the independent vote this year by an 18 point margin -- after receiving an 18 point victory among the same voters in 2006 -- while support among moderates declined by substantial margins in both the House and the Senate.

Having shed the broad-based coalition that it had previously enjoyed, the Democratic Party has become marginalized, with support now made up disproportionately of liberals, who represent just 20 percent of the electorate.

Moreover, a huge ideological shift has taken place in the American electorate as the proportion of self-identified moderates has trended down, while conservatives have gone up. This decline of moderate voters, combined with the decrease in support among moderates, accounts for much of the Democratic losses we witnessed this past November.

What is responsible for this change for the worse in the standing of the Democratic Party? Where does power in fact lie in the Democratic Party? Who in fact is in control?

Driving this change for the worse is the fact that at the elite level the Democratic Party has been captured by special interest groups who have to a very large extent determined the agenda of the Democratic Congress and indeed, the White House during the first two years of the Obama presidency.

While the electorate may be trending toward the center-right, power within the Democratic Party lies with the most liberal members of the Senate and the House, and especially with the special interests on the left, including public employee unions, environmentalist groups and trial lawyers, that have influenced the agenda of the Democratic Party and moved the party far to the left of mainstream America.

These special interests have used the power of the purse to co-opt the agenda of the Democratic Party vis-a-vis campaign contributions and independent expenditures.

Despite Obama's claim that special interests gave Republicans a corporate-funded advantage during the 2010 election cycle, overall, the Democrats raised considerably more money than the Republicans from political action committees.

Seventy-six percent of the \$102,839,147 donated by lawyers in the 2010 election cycle went to Democrats, while the American Federation of State, County, and Municipal Employees union spent \$87.5 million alone on independent expenditures, more than any other special interest, including the widely derided expenditures of the U.S. Chamber of Commerce.

Consequently, these special interests have an enormous amount of influence, and have used their power to hijack the highest levels of the Democratic Party both in terms of ideas and access.

The trial lawyer lobby used its influence to derail efforts to overhaul the nation's tort and liability laws, while the public employee unions lead efforts to block comprehensive pension reform.

Andy Stern, president of Service Employees International Union, visited the White House more than any other visitor in Obama's first year, making 22 visits and meeting with Obama seven times, while the White House political director, Patrick Gaspard, was an SEIU lobbyist for nine years before joining Obama's campaign in 2008.

Environmental groups achieved a regulatory victory in December with the EPA's announcement that it will propose New Source Performance Standards for greenhouse gas emissions from power plants and refineries in 2011 to curb CO2 emissions, despite the failure of cap and trade.

Note, too, that, while Obama has bashed Wall Street and insurance companies whenever needed to advance his programs, he has been eager to accept campaign contributions and negotiate with these very same banks and corporations behind closed doors.

During the 2008 election cycle, \$39,905,842 of campaign contributions to the Democratic Party came from the securities and investment industries -- no doubt contributing to Obama's decision to continue to fund multiple bailouts despite objections of the Democratic base, as well as implementing far less draconian set of financial reforms than might well have emerged.

His schedule reflects this delicate balancing act between the competing spheres of influence within the upper echelons of the Democratic Party. During the second week in December, Obama met with the business community on Thursday, committing himself to entrepreneurship and private sector job creation, then met with labor leaders on Friday and said that he is still committed to their core principles.

Democrats must break the stranglehold that trial lawyers, public employee unions, and special interest groups have on the party. If they can't do that, it will be very difficult to take the party off life support, and the 2012 election could very well be the final nail in the coffin for the Democratic Party.

*Pollster and Democratic political strategist Doug Schoen was a political adviser to President Clinton and more recently co-authored with Scott Rasmussen "Mad as Hell: How the Tea Party movement is fundamentally remaking our two-party system."*



## **What Obama Must Do To Save Himself And His Party**

*By Doug Schoen*

If the Democrats are to resurrect their party (especially in the face of 2010 U.S.

Census Bureau numbers and population trends that decidedly benefit the GOP) Obama and Democratic leaders need to move decisively back to the center and avoid appearing to be captives of the special interests.

Bill Clinton was able to do this 15 years ago in the aftermath of the devastating 1994 midterm defeat by adopting a bold new agenda that included a balanced budget, frank acknowledgement of the limits of government, welfare reform, and protection of key social programs like Medicare, Medicaid, education, and the environment.

And today, the Democrats must pursue a pro-growth agenda that emphasizes fiscal prudence and discipline, and focuses on balancing the budget, reducing the deficit and the debt, reforming entitlements, and cutting spending and taxation, while simultaneously promoting economic growth through bipartisan, fiscal stimulus initiatives that target the private sector and encourage entrepreneurship and job creation, promoting energy independence, and articulating practical ideas for education and health care reform.

There are some signs now that Obama understands that he needs to move toward the center as he again talks about bipartisan cooperation, and indicates that he will address the issues of spending and the deficit in his State of the Union address tonight.

But it is by no means clear that this change will in any way affect the influence of these special interests (who provide the bulk of the funding and the foot soldiers for the party) with liberal Democrats in the House and Senate, and especially with liberal congressmen from safe districts with whom they share a mutually beneficial relationship.

*Pollster and Democratic political strategist Doug Schoen was a political adviser to President Clinton and more recently co-authored with Scott Rasmussen "Mad as Hell: How the Tea Party movement is fundamentally remaking our two-party system."*

## **How The Revolving Doors Swing Between Special Interests And Government**

*By Ron Arnold*

A hallmark of government by special interest is the revolving door that allows skilled operators to move back and forth between tax-paid jobs in the executive and legislative branches when the Democrats are in power, and private sector organizations devoted to political and ideological agendas when the party is out of power.

David Doniger and Cathy Zoi provide excellent illustrations of how the revolving door works.

Doniger is currently policy director of the Washington climate center of the Natural Resources Defense Council, but his career path during the past two decades has taken him back and forth through the revolving doors.

He first began working at NRDC in 1978 and remained there for the next 14 years, helping to win the 1987 Montreal Protocol and the 1990 Clean Air Act amendments. In 1992, he joined the Clinton administration, where he was counsel to the head of the U.S. Environmental Protection Agency's clean air program and later, the agency's director of climate change policy.

Doniger spent a year at the Council on Environmental Quality, then rejoined NRDC in March 2001 in his present position. As part of his work with NRDC, Doniger heads a legal committee that litigates against rules he helped write while in government.

On the NRDC blog, Doniger notes that "now we're working to pass legislation to cap and cut the pollution that causes global warming, and to

reach a new treaty for global emission cuts."

Then there's Zoi, currently President Obama's assistant secretary for energy efficiency and renewable energy in the U.S. Department of Energy. Like Doniger's, Zoi's career path has seen several trips through the revolving doors.

During the early years of the Clinton administration, Zoi was chief of staff in the White House Office on Environmental Policy in 1994 and 1995, then went over to EPA in 1995 where she pioneered the government's Energy Star program.

Zoi spent some years working overseas, serving as assistant director general of the New South Wales EPA in Sydney, Australia, from 1996 to 1999. And she spent some time from 2003 to 2007 as group executive director at the Bayard Group (now Landis+Gyr Holdings), a world leader in energy measurement technologies and systems.

In 2007, Zoi became chief executive officer of former Vice President Gore's Alliance for Climate Protection, remaining there until 2009 when she rejoined the federal government as an Obama appointee.

Going back and forth through the revolving doors is not without risk, though.

Zoi's husband, Robin Roy, is vice president of projects and policy for Serious Materials, a company specializing in energy efficient building materials.

The Zois own 120,000 shares in Serious Materials and, as an officer of the company, Roy receives options on an additional 2,500 shares every month and will continue to do so until October 2012.

The Zois own between \$250,000 and \$500,000 in "founders shares" and another \$15,000 to \$50,000 in ordinary shares in Landis+Gyr, which makes smart meters, the advanced devices that enable real-time energy usage monitoring for greater efficiency and responsiveness by utilities and other pricesetting agencies.

Cathy Zoi has not responded to specific requests asking if she has recused herself from all Energy Department actions that might affect her investments or those of her husband.

*Examiner Columnist Ron Arnold is executive vice president of the Center for the Defense of Free Enterprise, and author of Undue Influence and Freezing in the Dark.*

## **Special Interests Propel Harmful Legislation And Block Needed Reforms**

*By Matt Patterson*

At the end of *The Wizard of Oz*, the great and powerful wizard is revealed to be a little man behind a curtain, a powerless “humbug,” as he timidly confesses to the Scarecrow.

Unfortunately, the special interests pulling the strings behind our political curtain are not so harmless. Big Labor is among the most prominent of these string pullers.

Steve Malanga of the Manhattan Institute has noted that, as public-sector unions have surpassed their private-sector counterparts in both number and influence in recent years, union culture has become more socially and fiscally liberal, and thus supportive of correspondingly liberal policies and politicians.

In 2008, unions gave \$400 million to President Obama and fellow liberals, hoping to elect politicians who would pass their most cherished legislative desire – Card Check, which would abolish the secret ballot in union elections and make it easier for unions to swell their ranks and coffers...at the expense of worker choice and privacy (to say nothing of the fiscal health of companies and governments, as lavish union pension and benefit plans have pushed many to the brink of insolvency). In 2008, then-AFL-CIO president John Sweeney admitted of Card Check, "It is the most important issue that we have."

The Democratic Congress failed to enact Card Check before the November 2010 conservative tide thinned their ranks. But never fear: An Obama

appointee to the National Labor Relations Board, Craig Becker, has ominously suggested that Card Check may not need the imprimatur of legislation.

As the editors of the Wall Street Journal noted, “As a top lawyer for the Service Employees International Union, Mr. Becker had suggested that the NLRB has the legal authority to impose Card Check...without the approval of Congress.”

The NLRB has also threatened to sue Arizona, South Carolina, South Dakota and Utah over state constitutional amendments guaranteeing the right to a secret ballot in union elections, claiming such amendments are in conflict with federal law.

Special interests can not only push priorities and legislation harmful to our liberty and economy, they also frequently stand in the way of reforms that could benefit millions.

Take tort reform. The costs of medical malpractice take a tremendous toll on our economy and our health care system.

Jackpot Justice, an analysis of medical tort costs by the Pacific Research Institute, concludes that in one year, “\$124 billion in health care expenditures was initially and primarily driven by medical-liability concerns.” In addition, the “total annual wealth loss to U.S. stockholders from tort lawsuits is \$684 billion.”

And a study by the Massachusetts Medical Society warns that the “defensive medicine” doctors are often forced to practice out of fear of lawsuits “is unsafe for patients and reduces access to care.” Indeed, “over 48% of Massachusetts physicians surveyed in 2007 reported that they currently alter or limit their day-to-day practice activities because of the fear of being sued.”

If tort reform could save lives and money, why was it not included in the final health bill? Simple – trial lawyers make huge fortunes litigating malpractice suits, and therefore have strong incentive to see the present tort system to continue.

And they contribute huge sums to politicians like Obama who can be counted on to spike it, which is exactly what happened on Obamacare. But don't take my word for it. Here's what Howard Dean, former Democratic National Committee chairman and a physician himself, said during the peak of the health care fight in 2009: "The reason that tort reform is not in the bill is because the people who wrote it did not want to take on the trial lawyers in addition to everyone else they were taking on. And that is the plain and simple truth."

Was there ever any doubt that tort reform would never be a part of the Obama remake of our health system? His Secretary of Health and Human Services, the bureaucrat perhaps most empowered by the new health law, is none other than Kathleen Sebelius, one-time director of the Kansas Trial Lawyers Association from 1978 to 1986.

The lesson is clear: Ignore the man behind the curtain at our peril.

*Matt Patterson is senior editor at the Capital Research Center and a contributor to Proud to Be Right: Voices of the Next Conservative Generation (HarperCollins, 2010).*



## **Whatever Happened To The Democratic National Committee?**

*By Mark Tapscott*

There was a time when the Democratic and Republican national committees represented the absolute pinnacle of partisan organizations led by powerful bosses who chose candidates, funded their campaigns and dictated their votes.

To advance in public office at any level, an ambitious individual had to gain and keep approval from party elders, who mostly represented state Republican and Democratic committees and machines. Special interests mainly operated outside the formal party structure and had far less influence on the outcomes than the bosses.

As a result, choosing a presidential candidate could go on for days. John Davis, the 1924 Democratic nominee, for example, required 103 ballots before winning the nomination in a convention that started in Madison Square Garden on June 24 and didn't conclude until July 9.

Things are different today, especially within the Democratic National Committee, which though still nominally a creature of the 50 state Democratic parties, is mainly a tool by which the special interests that now filter candidates, fund their campaigns and dictate their policies control the Democratic presidential nominating process from opening primary to the final blow of the chairman's gavel that announces adjournment of the national convention.

Ostensibly the DNC is organized around state party committees, but the reality is that it mainly a conglomeration of people representing four major special interests, including Big Labor unionists, Big Green

environmentalists, Big Law plaintiffs attorneys, and Big Insiders like George Soros and John Podesta.

In today's DNC, even groups ostensibly devoted to distinct voter groups are creatures of special interests. Consider, for example, how entrenched Big Labor is at the DNC. The DNC's National Democratic Seniors Coordinating Council is led by five officers, including: • *Steve Regenstreif, chairman, is a director of the American Federation of State, County and Municipal Employees and a veteran labor movement activist.*

- *Maria Cordone is an official of the International Association of Machinists and Aerospace Workers union.*

- *Frank Stella is a veteran leader in the American Federation of Teachers.*

- *Linda Chavez-Thompson is a former executive vice president of the AFL-CIO.*

- *Max Richtman, the only seniors leader who is not a labor leader. He is however, executive vice president of the Committee to Preserve Social Security and Medicare, one of the most powerful nonprofit activist groups with close links of long standing to Big Labor and the Democratic Party.*

Or consider the DNC's Veterans and Military Families Council. Among its key leaders is Christine Pelosi, daughter of the former House speaker, lawyer, and head of the AFSCME PEOPLE/New House PAC Congressional Candidates Boot Camp. The latter was behind 26 winning Democratic congressional candidates between 2006 and 2010.

"Change" is a term heard often around Democratic politics, and the DNC even has its own Change Commission, which was tasked with recommending reforms designed to eliminate the confusion that attended the role of "super delegates" -- mostly elected officials and other ad hoc

delegates not chosen by primary voters -- in the 2008 nomination battle.

Being independent of the primary voting process, the more than 800 super delegates represent something of an X factor in the party's presidential contest.

Since they are mostly elected officials who depend greatly on campaign money from the four key special interests, they can hold the balance of power that decides who gets the nomination.

There were complaints about the super delegates in 2008, however, so DNC Chairman Tim Kaine appointed the Change Commission to fix the problem. A 2009 DNC news release describes the Change Commission's members as including "grassroots activists, local and federal elected officials, labor leaders and a wide range of other backgrounds."

Indeed, according to the DNC release, five of the panel's 35 members are either labor leaders or people representing labor clients, two are trial lawyers who are political activists, and 10 are long-time liberal activists and organizers.

After holding multiple meetings and taking testimony from a variety of experts, the Change Commission's report contained hardly any changes at all. The special interest powers-that-be remain in power at the DNC.

*Mark Tapscott is editorial page editor of The Washington Examiner.*

## **WHO CONTROLS THE DEMOCRATIC PARTY**



# PART II

## **Haven't The Democrats Been Here Before?**

*By Mark Tapscott*

Yesterday, Democratic pollster Doug Schoen made the case for the Democratic Party being taken over by special interests that are hobbling the party's ability to appeal to moderate and independent voters in the center of American politics.

But 2011 is not the first time the Democratic Party has faced the prospect of being in a more or less permanent minority status in which it can only elect a president or a congressional majority following Republican miscues.

During the Reconstruction years following the Civil War, the Solid South was born. Voters in the states of the old Confederacy were so attached to the Democratic Party that they became known as "Yellow-Dog Democrats" -- that is, they would vote Democratic even if a yellow dog was the party's candidate.

Following the disputed presidential election of 1876 and the lifting of Reconstruction, the Solid South was the base of the Democratic Party. The only Democrats who won the White House between 1880 and 1932 -- Grover Cleveland and Woodrow Wilson -- did so mainly because of Republican disarray.

The Democrats' nadir came in the 1924 election when the party's presidential nominee, James M. Cox, lost every state outside the Solid South en route to losing to Republican Calvin Coolidge by 26 percent. Cox got only a fourth of the vote in New York City and barely more or less in Chicago, Detroit and other big cities.

The Democrats were trapped and could only escape by defying Southern voters on issues like civil rights, labor unions and the role of the federal government in the economy. Old voting habits die hard, but by 1968, it was clear the South was no longer solid for the Democrats. There have been 11 presidential elections since then and Republicans won seven of them.

What is disturbing about the Democrats' present condition is that America needs two healthy, vibrant major parties capable of attracting moderate and independent voters. But there is nothing moderate or independent about the agendas of the Four Horsemen of Big Labor, Big Green, Big Lawyers and Big Insiders.

When one or the other party stumbles toward minority status, the other, majority party doesn't have to work as hard for voter allegiance, and that's no good for anybody.

Today's Examiner Special Report offerings start with Ron Arnold's spotter's guide to the eight kinds of progressives and how they relate to the four major special interests that now control the party.

Arnold also identifies 15 of the most influential power brokers -- most of whom are hardly known to the public -- and an additional 25 who are even less visible but essential to understanding where the Democratic Party is going and why. And the Heritage Foundation's Conn Carroll examines the back story on one of the newest of those key Democratic power brokers.

Be sure to click on the links in the sidebar of this piece to easily navigate all of the stories in this series as they are published. More tomorrow!

*Mark Tapscott is editorial page editor of The Washington Examiner.*



## **Fifteen Special Interest Heavy Hitters Democrats Cannot Ignore**

*By Ron Arnold*

These 15 individuals are among the most important power brokers with undeniable leverage to most shape campaigns, candidates and policies in the Democratic Party. There are other Democratic heavy hitters, to be sure, but these 15 are must-haves on any list of those who cannot be ignored.

**Big Lawyers Briefs and Cash Gary M. Paul, President, American Association for Justice (AAJ)** Come July, the American Association for Justice, the chief political and lobbying voice of the classaction trial lawyers industry, will be headed by Gary M. Paul, a name partner in a firm -- Waters, Kraus and Paul in Los Angeles -- that proudly claims to have filed more class action asbestos plaintiffs suits than any other firm in the country.

Members of Paul's firm contributed at least \$366,000 to political candidates during the 2010 campaign, with more than \$364,000 of the total going to Democratic candidates and committees. And the AAJ PAC is the biggest among all legal PACs, according to [OpenSecrets.org](http://OpenSecrets.org), giving more than \$2.7 million in 2010 contributions, all but \$68,500 going to Democrats.

**Master Arm Twister Linda Lipsen, Chief Lobbyist/Executive Committee, American Association for Justice** When Members of Congress see Linda Lipsen coming, they know it's likely to involve a new request to do something or a request for a status report on the last request for a favor for the trial lawyers. And they often make requests.

Lipsen isn't personally a high dollar contributor -- having made only

\$15,500 in contributions to federal candidates in 2010, with all but \$500 going to Democrats and Democratic groups -- despite being paid more than \$360,000 annually by AAJ (according to the group's most recently available IRS Form 990).

But senators and representatives know Lipsen represents one of the most powerful lobbies in town and one that routinely is among the most generous contributors to Democrats. No wonder in naming Lipsen one of the top lobbyists on Capitol Hill in 2009, The Hill noted that "with Democrats in power across Washington, the trial bar association and Lipsen have plenty of energy." **Big Labor Activist Leader Gerald W. "Jerry" McEntee, President, American Federation of State, County and Municipal Employees (AFSCME)** International president of the 1.4 million-member AFSCME since 1981, McEntee runs one of the most politically active unions in America, dubbed the United States' largest single contributor to political campaigns by the Center for Responsive Politics, with nearly 99 percent going to Democrats. AFSCME is the nation's largest public employee and health care workers union.

AFSME campaigns for a range of issues, from urging larger unemployment benefits to fighting efforts to substitute vacation time for overtime pay. In the 2008 presidential election, AFSCME first endorsed Sen. Hillary Clinton for president, then switched to Obama after he won the nomination and pledged \$50 million to his campaign. McEntee is a member of the Democratic National Committee and was a "super delegate" from Pennsylvania at the 2008 Democratic National Convention.

**Lawyerly Campaigner Richard Trumka, AFL-CIO President** Elected president of the AFL-CIO in 2009, Trumka was its Secretary-Treasurer (1995 to 2009), and previously president of the United Mine Workers (1982 to 1995). He worked in the Pennsylvania coal mines to pay for college, earned a law degree from Villanova University, and went to work for the United Mine Workers as a staff attorney in 1974. He was elected UMW president in 1982.

Trumka's AFL-CIO, a federation of 56 unions with 11 million workers, wields enormous influence in Democratic politics. In 1996, Trumka allied himself with a leftist group, becoming a cofounder of Robert Borosage's Campaign for America's Future. An anti-racism speech Trumka gave in 2008 went viral on YouTube, a labor first.

**Iconic union boss Andrew L. "Andy" Stern, Former President, Service Employees International Union (SEIU)** President of the 2.2 million-member SEIU from 1996 to 2010, Stern made it the nation's fastest-growing union and [OpenSecrets.org](http://OpenSecrets.org)'s 10th biggest all-time political contributor, with 93 percent going to Democrats, much of it for door-to-door canvassing and other Get-Out-The-Vote actions.

SEIU gave Sen. John Kerry's 2004 presidential campaign \$65 million and \$60 million to President Obama's successful 2008 effort, plus another \$25 million to other Democratic candidates.

Stern worked forcefully to revitalize the labor movement through legislation, helping design Obama's health care reform, pushing union growth via Card Check, disempowering business with strong regulations and higher taxes.

In 1992, Stern and his then-wife Jane Perkins, head of Friends of the Earth, started the Blue-Green Working Group to merge Big Labor with Big Green, helped by the Sierra Club's Carl Pope. In 2005, Stern pulled SEIU out of the AFL-CIO over expansion disputes.

**Big Green Left-wing Makeover Master Carl Pope, Executive Chairman, Sierra Club** A 30-year Sierra Club veteran, Pope grew from associate conservation director (1980s) to long leadership as executive director, and stepped down last year to continue as chairman with a focus on climate change. Pope transformed Sierra from a litigious nature preservation group to an activist-oriented left-wing political machine.

Pope's levers on Democratic policy also come from his also being a director or adviser of numerous other key groups: Apollo Alliance, Alliance for Climate Protection, Clinton Global Initiative, California League of Conservation Voters, Public Voice, National Clean Air Coalition, California Common Cause and Zero Population Growth.

**Brains and Power Joshua S. Reichert, Managing Director, Pew Environment Group** Josh Reichert has been the giant Pew Charitable Trusts' smartest and most effective star since 1990, and now leads its Pew Environment Group. He is the chief architect and founder of an incredible catalog of environmental groups, including Oceana, the National Environmental Trust, SeaWeb, Earth Force, the Ocean Law Project, the Pew Center on Global Climate Change, Clear the Air, the Campaign for America's Wilderness, the Pew Institute for Ocean Science, the Ocean Wildlife Campaign and the Pew Oceans Commission.

Reichert holds a PhD in anthropology and the strings to a Pew-sized purse of grant money to other environmental groups, and is known for treating each grant as an investment that must produce results. He is courted and feared by environmental leaders for his Godfatherly listening mannerism and his doom-ordestiny decisions. He's also a Humane Society of the United States director.

**Biggest Big Green Resume Albert A. Gore, Jr., Chairman, Alliance for Climate Protection, investor** As 45th vice-president of the United States, narrator of "An Inconvenient Truth," which won an Academy Award and prompted his Nobel Peace Prize, Gore is cofounder and chairman of Current Media, LLC.

He is chairman of Alliance for Climate Protection and Generation Investment Management; a director of Apple, Inc. and World Resources Institute; a senior advisor of Google, Inc. and Silver Spring Networks, Inc.; a partner in Kleiner Perkins Caufield & Byers (venture capital firm), an investor in Capricorn Investment Group, a donor to the Climate Project, a

member of the Clinton Global Initiative, and a visiting professor at Middle Tennessee State University.

Gore's net worth is estimated to be in excess of \$100 million.

**Big Insiders Quirky Left-Wing Messiah George Soros, Open Society Institute, Soros Fund Management** A Hungarian-born American billionaire who once said he felt "godlike," Soros is chairman of Soros Fund Management and the Open Society Institute, and a former board member of the Council on Foreign Relations. He spent millions undermining the governments of the Soviet Union, Serbia, Hungary, and Georgia, then decided communism was no longer the problem, it was capitalism.

Soros spent \$23 million trying to defeat President George W. Bush's reelection in 2004. He was also an initial donor to the Center for American Progress and the Democracy Alliance and routinely funds a wide range of left-leaning groups.

His Open Society Institute spends about \$600 million a year on left-wing programs in more than 60 countries. His 2010 net worth was \$14.0 billion, making him the 35th richest man in the world.

**Tentacles of the Left Drummond Pike, Tides Network of organizations** With over 200 groups under his Tides umbrella, hundreds of members in the Tides Nonprofit Centers Network, and \$143 million given in 3,532 grants in 2010 alone, Pike funnels more money to more left-wing infrastructure than anyone else. Pike's Tides Foundation opened in 1976 with the money of Jane Bagley Lehman, Reynolds tobacco heiress and president of Arca Foundation, and gradually grew into today's vast network.

Pike is a board member of the Democracy Alliance, the Environmental

Working Group, and the Network for Good, and is chairman and CEO of the Tides Advocacy Fund, a lobbying group. He has incubated numerous groups that later became successful stand-alones, including projects of the Pew Charitable Trusts. He has developed the anonymous "donor-advised fund" into a powerful tool for anonymous donors to support controversial groups.

**Mortgage Moguls Herb and Marion Sandler, The Sandler Foundation**  
Founders of the scandal-plagued Golden West Financial Corporation that sank Wachovia, leading to its cut-rate sale to Wells Fargo, Herb and Marion Sandler were long-time funders of liberal causes when John Podesta snagged them in 2003 as initial donors to his Center for American Progress (CAP).

The couple created the Sandler Family Supporting Foundation in 1991, supporting Human Rights Watch, gay and lesbian rights, abortion rights, and [MoveOn.org](http://MoveOn.org), as well as art museums, universities and the local Bay Area Jewish Community Fund.

Marion Sandler is a board member of CAP, while Herb founded ProPublica, a nonprofit investigative reporting group spewing out blatantly left-wing antidevelopment, anti-gun, anti-fossil fuel stories.

**Smartest Political Operative John Podesta, President and CEO, Center for American Progress** It's tough to find a better political strategist and tactician than former Clinton White House chief of staff and Obama transition team co-leader John Podesta.

His Center for American Progress was conceived in the Democratic National Committee by a seven-person "brain trust" convened by Chairman Terry MacAuliffe, incorporated in 2002 as the American Majority Institute and relaunched a year later as CAP, with the aim of defeating President Bush in 2004.

Podesta is closely linked to power players who can be rapidly mobilized for manufactured constituency actions, including the Leadership Conference on Civil and Human Rights Education Fund, Women's Voices -- Women Vote, the League of Conservation Voters and the Apollo Alliance.

**Persistence Personified Ellen Malcolm, Founder, EMILY's List** The heiress of an IBM founder, Malcolm took a staff job with Common Cause in the 1970s, then served as press secretary for the National Women's Political Caucus, and later took a consumer affairs job in the Carter administration.

In 1985, she founded EMILY's List and built it into the richest political advocacy organization in America, supporting pro-abortion female Democrat candidates for office. EMILY stands for "Early Money Is Like Yeast." That is, it helps raise the dough: It scares off challengers and draws more donors.

Malcolm is legendary for her fundraising skill, relentless at "the ask," being one of the wealthy herself, at ease prying money from her peers. Her skill at political campaigning is also remarkable -- as its president, she made America Coming Together (ACT) the biggest 527 group in the 2004 Bush-Kerry election. EMILY's List helped elect 16 Democratic women in the 2008 cycle.

**Everywhere at Once Arianna Huffington, Founder, Huffington Post** Greek-born American media maven and political celebrity, Huffington is best known for her left-wing news website, Huffington Post, covering everything from politics to media, style and comedy, with news, blogs and other original material. HuffPost gets a million comments a month, and now has local versions in New York, Chicago, Denver, and Los Angeles.

## **25 Major Players**

1. Frances Beinecke (30 years with Natural Resources Defense Council, president since 2006; Obama-appointed member, National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling) 2. Simon Rosenberg (founded the centrist New Democrat Network, 1996; NDN's Phoenix Group prompted creation of the Democracy Alliance, 2005)

3. Teresa Heinz (Founder, Heinz Endowments, substantial funder of left-leaning groups; founder, Heinz Center for Science, Economics, and the Environment, giving annual \$250,000 awards; married to Sen. John Kerry)

4. John Doerr (venture capitalist at Kleiner Perkins Caufield & Byers with Al Gore; appointed to President's Economic Recovery Advisory Board; pushes clean energy government subsidies hard, funds candidates and activists; net worth \$1.7 billion) 5. David Fenton (Founder and CEO of Fenton Communications, top left-wing PR firm using professional ad and PR tools for leftist nonprofits)

6. Susan Packard Orr (Chairman, Packard Foundation; founder Telosa Software, fundraising tools for nonprofits; highly demanding of grant recipients; arranged media training for scientists to popularize global warming) 7. Paul Helmke (President, Brady Campaign to Prevent Gun Violence; former president, United States Conference of Mayors; vociferous activist against gun rights)

8. Terry O'Neill (President, National Organization for Women, chair, NOW Political Action Committee; feminist attorney, professor of law, Tulane and University of California at Davis; activist for "social justice" issues) 9. Carl Ferenbach (chairman, Environmental Defense Fund; managing director, Berkshire Partners, private equity firm not related to Warren Buffett's Berkshire Hathaway)

10. William H. Meadows III (President and key lobbyist, The Wilderness Society; chairman, Pew Campaign for America's Wilderness; director, League of Conservation Voters)



11. Joshua Mailman (heir of a large transportation conglomerate fortune; cofounder, Threshold Foundation and Social Venture Network; created or funded many other social investment entities) 12. Nancy R. Bagley, (President, Arca Foundation; editor-in-chief, Washington Life magazine; Clinton White House health care initiative consultant; ClintonGore 1992 campaign advance staff; funds far-left groups and programs) 13. David Brock (Founder and president, Media Matters for America, Tides Foundation incubated, recently Soros-funded, anti-conservative attack group, mostly against Fox News; formerly conservative writer) 14. Hal Harvey (Founder and CEO, Climate Works; founder and president, the Energy Foundation; funds groups opposing fossil fuels, pushes for clean energy subsidies)

15. Robert Borosage (Co-director, Campaign for America's Future, author Taking Back America; associate editor, The Nation; columnist, Huffington Post)

16. Brent Blackwelder (President, Friends of the Earth 1994-2010, now emeritus; most radical of the larger green group leaders)

17. Wayne Pacelle (President and CEO, Humane Society of the United States since 2004, chief lobbyist 1994-2004; executive director Fund for Animals 1989-1994. Absorbed Doris Day Animal League in 2006) 18. Margery Tabankin (executive director of Steven Spielberg's Righteous Persons Foundation and the Barbra Streisand Foundation; directs grants to numerous left-leaning groups; early member, 1967, radical Students for a Democratic Society; director 1977-81, VISTA, a federal agency; executive director 1981-1984, Arca Foundation) 19. Michael Shellenberger (Co-author, The Death of Environmentalism; cofounder, Breakthrough Institute; worked at Fenton Communications; contracted to do public relations in the U.S. for Venezuela's Hugo Chavez) 20. Lawrence Mishel (President, Economic Policy Institute, premier left-wing labor think tank; frequently testifies before and briefs congressional committees on economics)

21. Markos Moulitsas Zuniga (Founder and publisher, Daily Kos, a popular blog on left-wing issues and Democratic Party politics; fellow at NDN's New Politics Institute; founded the YearlyKos Convention, rebranded in 2007 as Netroots Nation) 22. Norman Lear (Founder and board member, People for the American Way; television producer)

23. Andrew Kimbrell (Executive director, Center for Food Safety in 1997; executive director of International Center for Technology Assessment in 1994; environmental attorney strongly opposed to industrial agriculture and mass market food supply) 24. Phil Angelides (Chair, Apollo Alliance, and appointed chairman of Obama's Financial Crisis Inquiry Commission)

25. Tim Gill (Founder, [Connexion.org](http://Connexion.org), a Lesbian-Gay-Bisexual-Transgender advocacy group: America's top gay funder) *Compiled by Examiner Contributor Ron Arnold, author of "Undue Influence" and "Freezing in the Dark," books that detail how special interests operate within and without the Democratic Party to advance their agendas.*

## **A Spotter's Guide To The Left's Side Of The Political Universe**

*By Ron Arnold*

Special interests have captured the elite level of the Democratic Party, leaving it, as Doug Schoen explained in Tuesday's Examiner, to languish on life support — and facing structural challenges that are not often systematically analyzed.

The quick analysis is that special interests have set the agenda of the White House and Congress for the past two years, isolating the Democratic Party on the Left, abandoned by the center and the Right.

But what is this "Left" where Democrats have been marooned? What is its structure and agenda? The agenda is the easy part. The last two years of White House and congressional actions can be accurately summed up in two words: more government.

The structure of the Left, however, is harder to sort out, especially when seeking to identify leaders with sufficient clout among key leaders in the White House and Congress to capture the elite level of the Democratic Party.

Long ago, I learned in tracking the Left, interviewing its leaders and studying its programs and tactics, that from an organizational perspective it is far from monolithic. Rather, it is a patchwork of diverse, often

competing factions, more resembling a poorly mended fishnet with a lot of big, little, and missing knots.

What defines groups on the Left beyond their shared demand for more government is a motley spectrum of inter-related ideological issues ranging from the exotic and odd -- animal rights and goddess Gaia's teachings on the environment -- to the utterly practical -- regulating urban growth and government-mandated end-of-life counseling for the elderly.

From out of this hodge-podge, I've identified eight essential types of progressives, including the four big major special interests, and four not so big, all of which in their own unique ways are influential: **Big Labor Progressives.** Andy Stern (SEIU) wanted to merge many small, weak unions into a few mighty mega-unions like Europe; Gerald McEntee (AFSCME) wants control of the government employee sector; Richard Trumka (AFLCIO) hints at coalitions of unions-plus-other-progressives.

**Big Green Progressives.** The Obama administration has so many that their no-development agenda is rapidly reducing the economic value of America's land and waters, hitting oil and gas, mining, and fisheries hardest. Greens trend toward the far left: former EPA boss Carol Browner was a Socialist International official before Obama recruited her as climate advisor.

**Big Funder Progressives.** The Environmental Grantmakers Association represents 225 major donors. George Soros' Open Society Institute is No. 27 on the Foundation Center's top donors list, and the 99 others all give money to progressive groups -- the top 54 each have assets over \$1 billion.

**Big Activism Progressives.** Social change factions include organizations like as NARAL Pro-Choice, People for the American Way, the Foundation for National Progress (publisher of Mother Jones), supporting same-sex marriage, assisted suicide, media reform, marijuana legalization, *etc.*

Also included in this category are the Leftist activists who control the Washington offices of such seemingly non-political organizations as AARP, which spent millions of dollars promoting Obamacare, and trial lawyers, represented mainly by the American Association for Justice, seeking new legislative and regulatory avenues for generating classaction litigation.

Smaller, but still influential: Anti-globalization progressives, such as the International Forum on Globalization, the Funders' Network on Trade and Globalization, and Fifty Years Is Enough. Their literature recommends relocating the World Bank, International Monetary Fund, and World Trade Organization in the United Nations to stop the spread of capitalism.

**Anti-corporate progressives.** Several dozen groups, including CorpWatch and the Campaign for America's Future, emphasize reducing corporate power by shareholder protests, lawsuits, tightening regulations, and rowdy protests to scare away customers, as Rainforest Action Network did to Home Depot to stop their sale of lumber from old-growth forests.

**Anti-capitalist progressives.** Off-the-chart leftists such as Global Exchange, Ruckus Society, Direct Action Network, Peoples' Global Action, Black Bloc anarchists, and other "WTO-Battle of Seattle" protesters, want to restrain capitalism as being an anti-social force, or, failing that, to redirect the profit system to government control. Some, a minority, want to destroy capitalism.

The Battle of Seattle attracted labor union and environmental group leaders to the protest site.

**Post-national progressives.** They seriously consider replacing national citizenship with "denationalized forms of citizenship." Some fear a totally privatized dystopia like that in Neal Stephenson's novel, Snow Crash, or dream of a localist utopia of small self-sufficient communities.

*Compiled by Examiner Contributor Ron Arnold, author of "Undue Influence" and "Freezing in the Dark," books that detail how special interests operate within and without the Democratic Party to advance their agendas.*

## **Markos Moulitsas, Democratic Power Broker**

*By Conn Carroll*

It's not every day that two members of Congress from the president's own party demand a White House press secretary's resignation, but that's exactly what Reps. Keith Ellison, D-Minn., and Alan Grayson, D-Fla., did last August.

What was the crime of President Obama's chief spokesman? The previous day, Gibbs criticized "the professional left," who he said wouldn't be satisfied until "we have Canadian health care and we've eliminated the Pentagon. That's not reality. ... They wouldn't be satisfied if Dennis Kucinich was president." Within hours of the story's publication, Gibbs had issued an apology explaining: "I watch too much cable, I admit. Day after day, it gets frustrating." But Gibbs must not have been watching Fox News, which no one has ever described as a voice on the Left. More likely, it was MSNBC, the favored cable TV outlet of left-wing political activists who often exercise a decisive influence on Democratic officials and policies.

Mostly, these activists come from Big Labor, Big Green, the trial lawyers or the nonprofit communities. Others come from the media or the blogosphere. Take, for example, Markos Moulitsas, founder of the highly influential Daily Kos blog.

As an unemployed Web developer, he began posting comments following the dot-com bust in 2001 on a small liberal politics site called [MyDD.com](http://MyDD.com). By the summer of 2002, this writer had gained a large enough following to start the Daily Kos. The "Kos" is pronounced the same as the last syllable of his first name.

Born in Chicago in 1971, Kos' family lived in El Salvador from 1976 through 1980 where they were on the anti-communist side of the Salvadoran civil war.

Mirroring President Reagan's fervent anti-communist policies, Kos counted himself a Republican until he entered the army a few weeks shy of his 18th birthday.

In the Army, Kos found his progressive politics, recounting in the *American Prospect*: "The military is perhaps the ideal society. We worked hard but the Army took care of us in return. All our basic needs were met, housing, food, and medical care." By contrast, Kos became disillusioned by "the selfishness, lack of community, and sense of entitlement inherent in the Republican philosophy." By 2002, Kos had grown tired of losing to that Republican philosophy and he thought he knew why conservatives kept winning elections: "The simplest fact about American politics is that Republicans have a noise machine and we don't." Turns out Kos was not the only one hungry for a leftist noise machine. In April 2004 when four American contractors (all veterans and three of them fathers) were killed and their bodies hung from a bridge, Kos wrote: "I feel nothing over the death of the mercenaries. ... They are there to wage war for profit. Screw them." Kos received a ton of attention for this comment ... attention which he was able to monetize. As a result, 2004 became the first year Kos was able to turn managing the *Daily Kos* into a full-time job. The *Daily Kos* now employs eight, has 250,000 registered users and attracts 2.5 million unique visitors a month.

Also in 2004, the *Daily Kos* raised \$500,000 for 15 Democratic candidates. In 2006, using the online fundraising political action committee ActBlue, the *Daily Kos* raised \$1.4 million for 17 Democratic candidates. As of December 2010, ActBlue had raised more than \$170 million for Democratic candidates, making it the largest single PAC source for Democratic campaign funds.



Messaging and fundraising are not the end of Kos' activism. The professional left has also made candidate recruitment a priority, even taking on the establishment's picks if they are not left-wing enough.

In 2006, they helped Sen. Jim Webb, D-Va., and Rep. Jerry McNerney, D-Calif., defeat less liberal candidates in Democratic primaries, then defeat conservative Republican incumbents.

Kos has also dived into the polling game too, commissioning more than 155 polls in 2008 alone, more than any news outlet in the country.

Messaging, fundraising, polling, candidate recruitment ... there is a word for an entity that performs all of these functions: a political party.

*Conn Carroll is assistant director of strategic communications at the Heritage Foundation.*

# **WHO CONTROLS THE DEMOCRATIC PARTY**



# PART III

## Where The Cash Goes, The Democratic Policy Flows

*By Mark Tapscott*

Employees and political action committees of organizations that make up the big four special interests that own the Democratic Party contributed hundreds of millions of dollars in campaign contributions to the party's federal candidates in 2010.

The top 20 labor unions, for example, gave more than \$68 million in 2010, with 94 percent of the total going to Democrats and just 4 percent to Republicans.

Most of the total, 88 percent, came from PACs associated with the top 20 unions, while the remaining 12 percent came from individual union members, according to [Opensecrets.org](http://Opensecrets.org).

Similarly, liberal ideological groups, many of which are heavily funded or otherwise closely linked with influential Democratic insiders like George Soros and Drummond Pike, gave more than \$33 million to federal candidates in 2010.

Not surprisingly, virtually all of that money went to Democrats, according to [Opensecrets.org](http://Opensecrets.org).

But tracking campaign finance is never easy because of weaknesses of the data collection system and thanks to the creativity and regularity with which individuals and organizations across the ideological spectrum find ways in which to circumvent or otherwise compromise disclosure.

The Examiner's commentary section has in recent months focused on a detailed analysis of Federal Election Commission data seeking to uncover as much information as possible about how individuals and organizations associated with Big Labor, Big Green, Big Insiders and Big Attorneys funnel campaign cash and related forms of support and to whom.

The analysis is far from complete, and there will be additional reports and analyses as the research continues. But we've already learned a great deal about the deep involvement of these four special interests not just in funding Democrats, but also in opposing Republicans.

It is all but impossible to determine which of the big four special interests have the most power within the Democratic Party, but nobody questions that classaction trial lawyers from the plaintiffs bar wield tremendous influence on the party's policy deliberations, incumbents and candidates seeking public office at all levels of government.

The Examiner found that more than 2,600 individuals who listed their employer as one of the top 110 plaintiffs bar law firms gave more than \$7.23 million in contributions to federal candidates in 2010. More than 96 percent of the total went to Democrats. Independent candidates actually received more contributions from these trial lawyers than did Republicans.

There is another nearly \$2.7 million in contributions to federal candidates in 2010 by the American Association for Justice PAC, which represents the classaction lawsuit industry in the nation's capital. Ninety-seven percent of that money went to Democrats and 3 percent to GOPers.

Among the recipients of AAJ contributions were Emily's List, perhaps the quintessential Democratic PAC (\$155,000), the National Democratic Redistricting Trust (\$100,000), Democratic Attorneys General (\$50,000) and varying amounts to at least 25 Democratic state committees.

But even these figures underestimate the amount of money given to Democrats by trial lawyers because not all individuals making contributions list their employer. Thus, an individual trial lawyer who never lists a specific firm as his or her employer would not be counted in the Examiner analysis.

Unions have been a reliable Democratic ally for decades, but a close examination of two of the most politically active, the National Education Association and the American Federation of State, County and Municipal Employees reveals just how reliable.

The NEA, which represents public school teachers across the country, gave a combined total of more than \$15.3 million in contributions to federal candidates during the 2010 and 2008 campaign cycles. Democrats received 97 percent of the total, including \$1.7 million to Democratic PACs and \$3.3 million from the NEA's 527 committee.

The Democratic Governors Association received more than \$700,000 from the NEA 527, while the union's PAC made contributions to at least 34 Democratic state committees, with amounts ranging from \$5,000 to as much as \$350,000 (Ohio).

With AFSCME, the contribution total came to \$2.2 million for 2010, with only \$6,000, or 0.3 percent, going to Republicans. Three hundred and thirty-nine House and Senate Democrats were recipients, as were three Republicans.

Unions are also fountains of campaign cash for Democratic candidates for state and local offices, according to the Examiner analysis. The 15 unions that gave at least \$1 million to Democrats during the 2008 and 2010 campaigns, contributed more than \$206 million, with 91 percent going to Democrats, according to the National Institute on Money in State Politics.

Tracking the political influence of Big Insiders like George Soros or John Podesta is all but impossible. According to FEC records, Soros gave nearly \$136,000 in individual contributions during the 2010 campaign, while Podesta contributed a mere \$4,750.

But those numbers don't begin to measure the total political clout of either Soros or Podesta. With a \$5 million total, Soros was the second most generous individual contributor to 527 committees in the 2008 campaign.

Soros has been a founding or supporting funder for a long list of major Democratic activist groups, while Podesta has been specifically focused on building the Center for American Progress as a combination think tank and political communications war room. An example of the latter is CAP's guiding role in the Obama administration's strategy of using regulation to impose programs that failed in Congress such as card check and cap and trade.

*Mark Tapscott is editorial page editor of The Washington Examiner.*



## **Trial Lawyers Find That Generosity To Democrats Pays Big Dividends**

*By David Freddoso*

When United Steelworkers President Leo Gerard described the Democratic Party's focus on "the people who take showers after work, not before," he most certainly did not have trial lawyers in mind. But the plaintiff's bar has long been one of the Democrats' most ardent and loyal special interest groups, a source of perennial financial support to the party.

A detailed Washington Examiner analysis of the top 110 plaintiffs' firms in America shows that their employees and partners gave about \$7.3 million to political campaigns during the last cycle, with almost every penny -- 97 percent-- going to Democrats. The remaining 3 percent was split almost evenly between independent Senate candidate Charlie Crist of Florida and Republican candidates for federal office.

The political action committee of the American Association for Justice, the trial lawyers' top trade group, was equally friendly to Democrats, giving the party and its candidates 97 percent of AAJ's \$2.7 million in 2010 contributions.

Amazingly, the Democratic bias is even more pronounced when only the top 10 plaintiffs firms are considered, with employees and partners there giving \$3,459,477 in contributions to federal candidates in 2010, with more than 99 percent going to Democrats and less than 1 percent to Republicans.

In Washington, that kind of generosity translates into clout. In AAJ's case,

it provided cover for the group's \$4 million lobbying effort on Capitol Hill last year.

AAJ scored its first congressional victory on the first bill Obama signed as president -- the Lilly Ledbetter Act, which abolished the statute of limitations on certain gender-discrimination lawsuits against employers.

Trial lawyers also scored a total victory on health care reform, preventing any reforms whatsoever to the malpractice tort system, the source of jackpot settlements and jury awards in many states. Excessive malpractice awards and the resulting practice of defensive medicine add \$56 billion to medical costs each year, according to a recent study by the journal Health Affairs.

The trial lawyers' agenda stalled out on the automotive safety bill, which failed to pass Congress last year. But even here, it is impressive to see what some Democratic members of Congress tried to do to help expand the universe of deep pockets into which lawyers can reach.

Rep. Bruce Braley, D-Iowa, a trial lawyer himself and a former president of the Iowa Trial Lawyers Association, inserted a provision in subcommittee that would have let state juries, instead of federal regulators, decide whether automobile designs are adequately safe. The legislative language written by Braley, who received \$80,000 in The Examiner's analysis of trial lawyers and \$10,000 from AAJ's PAC, also would have attached liability to rental and leasing companies for injuries caused by renters' negligent driving.

With Congress now in less friendly hands, AAJ will turn its attention to a White House that has been very friendly already. Linda Lipsen, AAJ's top lobbyist, visited the White House 11 times in 2009.

After one of these visits, in May of that year, President Obama signed an

obscure memorandum ordering federal regulators to re-examine federal regulations that keep federally regulated businesses from being sued in state courts.

One favor the trial lawyers have not yet received but often discuss is a special income tax break. It would let them deduct immediately the loans they make to cover their clients' costs in contingency fee cases. No other lender receives such tax treatment. This break would allow trial lawyers to take more cases -and more cases that are less likely to succeed.

At AAJ's 2009 convention, Lipsen described a strategy of attaching this \$1.6 billion tax break to another bill: "You cannot have a stand-alone bill to help lawyers," she said. "So we have to tuck it into something." This failed to happen, and in July 2010, her successor, John Bowman, told a closed-door session that the Obama Treasury Department was on the verge of granting the tax break administratively. The leak of this disclosure prompted a group of Republicans in Congress to write the Treasury Department in protest, which may have prevented the change from happening, at least for now.

Don't expect Democrats to become born-again medical malpractice reformers, either, even after in his State of the Union address, Obama went so far as to say he was "willing to look at ... medical malpractice reform to rein in frivolous lawsuits." But even here, Obama had not deviated from the trial lawyers' standard line.

Sen. John Kerry of Massachusetts and his vice presidential running mate, former North Carolina trial lawyer John Edwards, did not lose trial lawyers' support in 2004 when they embraced proposals to rein in "frivolous lawsuits," because none of Edwards' million-dollar jackpot malpractice suits would have been considered "frivolous." The real problem in the world of medical liability is not frivolous cases -- which are extremely rare, thanks to malpractice insurers' legal teams -- but excessive jury awards. If Obama were serious about reform, he would advocate caps on these

awards. Don't hold your breath waiting for this to happen..

*David Freddoso is online editor for The Washington Examiner.*

## **Big Labor Is The Democratic Party's ATM**

*By Mark Mix*

Big Labor spent a record-breaking billion dollars during the 2008 election cycle and then spent hundreds of millions more in 2010, nearly all of which went to elect and protect Democratic politicians. But what does Big Labor get in return? For starters, union bosses enjoy government-granted monopoly bargaining privileges to demand employees pay union dues or fees as a condition of employment, even if they want nothing to do with the union. But if that wasn't enough, union chiefs are still pushing for ways to expand their forced-dues powers.

And Big Labor's bought-and-paid-for partisans are happy to pull the levers of the government leviathan to pay back their Big Labor masters with even more special privileges to compel workers to pay forced union dues, and even grant union bosses the power to control entire sectors of our economy.

For example, President Obama appointed pro-forced unionism Rep. Hilda Solis, D-Calif., to head the Department of Labor. Solis' reign at DOL includes the rolling back of union boss disclosure, covering up union brass corruption, and encouraging federal agencies to discriminate against nonunion workers and employers by adopting so-called Project Labor Agreements on federal construction projects -- turning the DOL into an aggressive, taxpayer-funded union organizing outfit and inflating the costs of government services and infrastructure.

Obama also appointed former top Service Employees International Union lawyer Craig Becker to the National Labor Relations Board during a congressional recess. Becker's desire to expand Big Labor's already-

extensive special privileges is troubling.

And Becker and other pro-forced unionism partisans on the NLRB are currently stripping away any protections workers have left against card check forced unionism -- something even Congress could not do with large pro-forced unionism majorities in both chambers.

Meanwhile, Becker and other Big Labor allies ? including NLRB Chairwoman Wilma Liebman, a former Teamsters lawyer - are in the process of turning the National Labor Relations Act on its head, changing the enforcement of the law from one of recourse for workers into a powerful organizing tool for union bosses.

Additionally, the two Obama appointees (and former union officials) who make up the majority of the National Mediation Board earlier this year changed a 75-year-old union organizing election rule to favor more forced unionization of America's railway and airline employees.

The new procedure stacks the deck in favor of unionization by granting a union monopoly bargaining power over railway, airline, and shipping industry workers if the union acquires support from just a bare majority of workers who turn out for an election, no matter how few actually vote.

But union bosses didn't just gain power over workers and industries, they also benefited financially.

Obamacare is jampacked with troubling provisions to divert billions of dollars into union coffers by bailing out unfunded union pension plans while exempting union health care plans from the new taxes meant to pay for the law.

And Democratic lawmakers sent more than \$160 billion in federal cash to states-aimed in large part at preventing unionized public-sector worker

layoffs - in the 2009 stimulus and other bailouts. And let's not forget the United Autoworkers union bailout and takeover of General Motors.

And the political paybacks are not just federal. Democratic governors from across the country, including disgraced former Gov. Rod Blagojevich of Illinois, Gray Davis of California, David Paterson of New York, and Jennifer Granholm of Michigan paved the way for government union bosses to force unsuspecting child care and home care providers into union ranks.

Yet despite the disastrous results for workers, citizens and the economy, Big Labor and their Democratic benefactors show no signs of slowing down.

For the first time ever, a majority of unionized workers nationwide are government employees, creating even more incentives for union officials to push for still bigger government that will result in more forced union dues revenue. That money then funds the election of more pro-compulsory-unionism Democrats.

This vicious cycle leaves the Democratic Party more beholden to Big Labor than voters.

*Mark Mix is president of the National Right to Work Committee.*

## **Government Employee Unions Have Become Political Bosses**

*By James Sherk*

Be glad you don't work or own a business in Illinois. The state just decided to close its deficit by raising taxes. Illinois business taxes will jump by 45 percent and the state income tax by two-thirds.

These huge increases were the fruit of a two-year campaign by government employee unions, which lobbied legislators to raise taxes instead of cutting spending in order to close a massive state government deficit.

In the process, the state government employee unions donated millions of dollars to the re-election campaign of Illinois' deeply unpopular governor, Democrat Pat Quinn, who had succeeded the disgraced Rod Blagojevich.

They ran millions of dollars of attack ads against his opponent. On Election Day, their efforts paid off: Voters narrowly reelected Quinn, who promptly broke one of his main campaign promises and signed the tax increases hurriedly passed by a lame-duck legislature dominated by Democrats.

This is the new face of the labor movement. Competitive pressures have undercut unionized businesses in the private sector, but the government has no competitors. It stays in business no matter how poorly it runs. As a result, most workers who are union members now work in government.

Public-sector unions' interests differ profoundly from their private-sector counterparts. They don't negotiate over how to divide profits; they negotiate for the government to spend more on their members. And they've succeeded.



Unionized government employees enjoy benefits that few private-sector workers can dream of.

In most states, government employees can retire with a full pension in their mid-50s. They contribute little or nothing toward their health care costs, and often get generous retirement health benefits. They also enjoy incredible job security.

In many states, it's far easier to divorce your spouse than to fire an underperforming government employee.

These benefits aren't cheap. For government unions to win, taxes must rise.

Government unions in Illinois were blatant about what they wanted. They protested outside the state capitol shouting: "Where's the money?", "Give up the bucks!" and "Raise my taxes!" Despite the Republican Party's faults, the GOP generally holds the line on taxes. So to get what they want, government unions go all out to elect Democrats: campaign donations, attack ads, get-out-the-vote efforts.

Government unions spend heavily to nominate sympathetic Democrats in primaries, and to beat Republicans in general elections.

For all the furor over the Citizens United decision, Republican shadow groups were not the largest outside spenders in the last election. Public-sector unions were. Few Democrats can win office without their support.

Unfortunately, government employee benefits are driving state and local governments into insolvency. Nationwide, state and local government retirement plans are \$3 trillion in the red. Illinois' government pension plan faces a \$200 billion shortfall.

To get their fiscal house in order, states need to reform government

benefits.

Government unions, however, do not want change. They do not want their members to have to retire at 65. They only want higher taxes to fund their pay.

Their influence in the Democratic Party enables government unions to block most reforms. Only a handful of states have moved government employees to defined-contribution pensions. Democratic politicians don't want to take on their strongest supporters.

Even Democrats on their way out feel obliged to give unions parting gifts. Iowa's voters fired Gov. Chet Culver last fall. He nonetheless signed a collective bargaining agreement in his final days in office that gave state employees hefty raises. The outgoing Democratic majorities in the Wisconsin Legislature narrowly failed to ratify expensive new contracts before their successors took office.

This fealty to government unions doesn't serve taxpayers, or the long-term interests of the Democratic Party. Government benefits are also crowding out funds for welfare, health care and other liberal priorities. Politicians in both parties should just say no when government unions demand they "give up the bucks."

*James Sherk is the Bradley fellow in labor policy for the Heritage Foundation.*

## **Meet Government Worker Unions' 10 Best Friends In Congress**

*By Mark Hemmingway*

Public sector unions are among Washington's heavyweight political contributors. The American Society of County, State and Municipal Employees, for example, was the largest single campaign donor in 2010, spending \$87.5 million. Nearly all of AFSCME's money, along with the tens of millions spent by other public sector unions, went to Democrats.

The Examiner has compiled the 10 largest recipients of public sector union money now serving in Congress. Besides their total of campaign cash from the government employee unions in 2010, we also looked at how they voted on the two bills most favored by public sector union last year, and how dependent they are on public sector unions as a source of campaign funds.

Partisan campaign contributions by public sector unions are controversial because they come from dues money collected from taxpayer-funded salaries paid to workers who have no choice in the matter.

By demanding compensation that is typically far more generous than that earned by private sector workers doing the same kinds of jobs, these unions have played a major role in pushing countless state and local governments to the edge of fiscal calamity.

It's estimated that the liabilities for public sector union pensions could exceed \$3 trillion, and are creating debts that threaten to bankrupt cities and states around the country.

Yet, even as public sector unions continue to rack up massive taxpayer

debts for a small percentage of the population, the 111th Congress did them favors.

Last year, the Democratic Congress voted on two major pieces of legislation to benefit public sector unions.

The first of the two was a bill authorizing \$10 billion in federal subsidies for local teacher salaries. At a time when nearly 10 percent of the country was unemployed, Democrats paid big time to keep favored public school teachers employed.

In fact, the political director of the National Education Association said the teacher bailout was "a turning point" in the union's decision to spend \$15 million on ads for Democrats in last year's election.

The other piece of legislation was the Public Safety Employer-Employee Cooperation Act that would force cities and states to bargain collectively with emergency response personnel. Of the nation's 1.1 million firefighters, 830,000 are volunteers.

But if this bill becomes law, unions will be empowered to replace volunteers with expensive dues-paying union members. Not coincidentally, this would also result in a much bigger pool of union money for Democratic campaign cash.

Who: Rep. Steny Hoyer, D-Md.

How much did he receive from public sector unions?: \$123,000 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Hoyer depend on public sector union campaign cash? Public sector unions were Hoyer's ninth largest source of campaign cash.

Who: Sen. Barbara Mikulski, D-Md.

How much did she receive from public sector unions?: \$122,500 Did she vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did she vote for the \$10 billion teachers union bailout?: Yes How much does Mikulski depend on public sector union campaign cash? Public sector unions were Mikulski's 10th largest source of campaign cash.

Who: Rep. Gerry Connolly, D-Va.

How much did he receive from public sector unions?: \$120,750 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Connolly depend on public sector union campaign cash? Public sector unions were Connolly's No. 1 source of campaign cash.

Who: Sen. Patty Murray, D-Wash.

How much did she receive from public sector unions?: \$108,900 Did she vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did she vote for the \$10 billion teachers union bailout?: Yes How much does Murray depend on public sector union campaign cash? Public sector unions were not among Murray's top 20 largest industry contributors.

Who: Rep. Mark Critz, D-Pa.

How much did he receive from public sector unions?: \$101,500 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Critz depend on public sector union campaign cash?: Compared with other industries, public sector unions were Critz' third

largest source of campaign cash.

Who: Rep. Bill Owens, D-N.Y.

How much did he receive from public sector unions?: \$101,500 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Owens depend on public sector union campaign cash? Public sector unions were Owens' fifth largest source of campaign cash.

Who: Sen. Barbara Boxer, D-Calif.

How much did she receive from public sector unions?: \$98,300 Did she vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did she vote for the \$10 billion teachers union bailout?: Yes How much does Boxer depend on public sector union campaign cash? Public sector unions were not among Boxer's top 20 largest industry contributors.

Who: Rep. Stephen Lynch, D-Mass.

How much did he receive from public sector unions?: \$91,500 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Lynch depend on public sector union campaign cash? Public sector unions were Lynch's No. 1 source of campaign cash.

Who: Rep. Chris Van Hollen, D-Mass.

How much did he receive from public sector unions?: \$89,700 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Van Hollen depend on public sector union campaign

cash? Public sector unions were Van Hollen's fourth largest source of campaign cash.

Who: Sen. Harry Reid, D-Nev.

How much did he receive from public sector unions?: \$89,150 Did he vote against volunteer firemen and in favor of unionizing public safety employees?: Yes Did he vote for the \$10 billion teachers union bailout?: Yes How much does Reid depend on public sector union campaign cash? Public sector unions were not among Reid's top 20 largest industry contributors.

*Mark Hemingway is an editorial page staff writer for The Examiner.*

