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## The Shadow Party: How George Soros, Hillary Clinton, and Sixties Radicals Seized Control of the Democratic Party

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Last accessed on Friday, June 23, 2023

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Nations, like stock bubbles, do have a tendency to move from boom to bust, and hopefully back to boom again. However, in regard to America's future, Soros is not content to be a passive investor. He intends to intervene in the process, and not in America's favor. In Soros' vision, America is a threat to world peace and survival. In order to curb the threat, he told an audience at the London School of Economics on 29 January 2004, it is necessary to "puncture the bubble of American supremacy."<sup>34</sup>

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The November 2003 uprising that toppled Georgian President Eduard Shevardnadze is a case in point. While visiting Ukraine, Soros categorically denied press reports linking him to the coup. He told reporters in Kiev on 31 March 2004, "Everything in Georgia was done by its people, not by me. I had nothing to do with it."<sup>2</sup> However, in July, the Los Angeles Times quoted Soros thus: "I'm delighted by what happened in Georgia, and I take great pride in having contributed to it."<sup>3</sup> Which version is to be believed? In many ways, the Shadow Party reflects the personality of its creator, an institutional manifestation of its author's fascination with smoke and mirrors. Secrecy, misdirection and disinformation are its stock-in-trade. A fog of deception cloaks its operations at every level.

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The financial nerve center of Soros' empire is an investment firm called Soros Fund Management LLC, located at 888 Seventh Avenue in Manhattan. Political operations are facilitated mainly through the Open Society Institute (OSI), whose main office is at 400 West 59th Street. OSI is the flagship of the Soros Foundation Network, whose Open Society Foundations operate in more than 50 countries. A glance at the top-ranking officers of Soros' Open Society Institute sheds light on the type of expertise Soros values most highly. Its Director of US Advocacy operating from its Washington office is Morton H. Halperin, a former government official with a noteworthy career in

left-wing causes. In 1967, the Johnson Defense Department placed Halperin in charge of compiling a secret history of US involvement in Vietnam, based on classified documents. Halperin and his deputy Leslie Gelb assigned much of the writing to left-wing opponents of the war. Not surprisingly, they ended up producing a history that echoed Halperin's long-standing position that the Vietnam War was unwinnable, and ridiculed Presidents Kennedy and Johnson for stubbornly refusing to heed those of their advisors who shared this opinion. One of Halperin's writers was Daniel Ellsberg. Despite his background as a former Marine and a military analyst for the Rand Corporation, Ellsberg had evolved into a New Left radical. In a personal memoir, *Secrets*, Ellsberg writes that he had already concluded as early as 1967 that, "we were not fighting on the wrong side; we were the wrong side" in the Vietnam War.<sup>4</sup> Evidently Ellsberg had come to view Ho Chi Minh's totalitarian regime as a force for good in the world.

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In a March 1987 article in the *Nation*, Halperin expanded on this theme and, like Ellsberg, took the position that America was the real villain in the Cold War. He wrote, "Secrecy does not serve national security. Covert operations are incompatible with constitutional government and should be abolished."<sup>13</sup> This was a call for unilateral disarming of our intelligence services to match the disarmament of our military, which has long been a staple of the radical agenda. In hiring Halperin, Soros enabled him to continue his war on America's intelligence services. One of Halperin's principal assignments on the Soros team is to battle "post-September 11 policies that threaten the civil liberties of Americans," which includes blocking the provisions of the Patriot Act that provide new powers to America's intelligence agencies.<sup>14</sup> In this effort, the ACLU, the pro-Castro Center for Constitutional Rights, and other leftist organizations associated with Soros play leading roles.

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On 16 August 2005, Soros' Open Society Institute helped launch a new organization called the Progressive Legislative Action Network (PLAN). The Institute's partners in the project include the Soros-funded Center for American Progress run by former Clinton chief of staff John Podesta, the Soros-funded activist group MoveOn, the AFL-CIO, SEIU, AFSCME and the United Steelworkers. Led by Democrat activists David Sirota and Steve Doherty, its purported mission is to seed state legislatures with pre-written, "model" legislation reflecting their leftist goals.<sup>1</sup> However, Soros' involvement with the group makes it highly unlikely that PLAN will restrict its activities to conventional lobbying. Why

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The speech in Davos to which Soros referred had been delivered by Hillary at the 1998 meeting of the World Economic Forum in Switzerland. Soros and Hillary attended together. For Hillary, the Davos junket came as a welcome break, a chance to escape the mounting impeachment crisis then consuming the Clinton White House. Hillary's friendship with Soros deepened during that stressful period of her life. One source close to Hillary's inner circle states that Soros came to visit Hillary at the White House during the impeachment proceedings, during a tense period when she was receiving only her most intimate and trusted friends.<sup>5</sup> Evidently, Hillary counted Soros among her confidants at that point. No details of their early friendship are publicly available, yet it is clear that Hillary has known Soros "for a long time," as she put it. Hillary states that she first became aware of Soros through his work in the former Soviet Union. On 22 November 1994, the Clintons feted the new Ukrainian president Leonid Kuchma at the White House. Press reports indicate that Soros attended the dinner party. Hillary traveled to Central Asia in November 1997, visiting several of the former Soviet republics. Among the cities she visited was Bishkek, the capital of Kyrgyzstan, where she cut the ribbon for the opening of the American University of Kyrgyzstan, and received its first honorary degree. In her acceptance speech, Hillary praised the work of Soros' Open Society Institute, which had funded the university. In November 1998, Hillary also made a two-day trip to Haiti, during which she toured US-funded healthcare facilities, in the company of two of the facilities' financial backers, George Soros and William H. Gates Sr., the father of Microsoft founder Bill Gates. Beyond these slender facts, we know little about the early years of their relationship. Neither Hillary nor Soros has seen fit to write about each other in their books, and the Washington press corps, for the most part, has avoided any mention of their long and ever-deepening friendship. One exception to this rule was a Newsweek report of 11 May 1998, which hinted that Soros may have offered Hillary a job with his foundation network. "Friends daydream about her [Hillary] becoming head of UNICEF, or even UN secretary-general. More likely: some sort of global foundation, aided by friends such as financier George Soros or World Bank president James Wolfensohn," wrote Howard Fineman.<sup>6</sup> Why did Fineman consider it "more likely" that Hillary might take a job with Soros than with the United Nations? Perhaps he was just guessing. Then again, Fineman appears to have had access to unusually good sources for his story. He shared a byline on the article with reporter Matthew Cooper, who is married to Mandy Grunwald, a close Hillary advisor and personal friend. Hillary may or may not have considered working for Soros, but, if she had, she would have found the ideological climate of his Open Society Institute familiar and...

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Ironically, the city of Al Capone also happens to have given birth to modern, "liberal" criminology. Alinsky had a foot in both worlds. He pursued a master's degree in

criminology at the University of Chicago from 1930 to 1932.<sup>13</sup> UC's radical sociologists defended and romanticized gangsters as victims of social injustice. Alinsky went further, pursuing actual alliances with mobsters. He personally befriended Frank Nitti, Capone's lieutenant. Nitti had taken charge of Capone's empire after the mobster's imprisonment on tax charges in 1931. Alinsky later boasted that Nitti, "took me under his wing. I called him the Professor and I became his student."<sup>14</sup> In 1932, Alinsky married the daughter of a prominent Chicago bootlegger.<sup>15</sup> He remained on friendly terms with gangsters all his life.<sup>16</sup> Alinsky's real power came not from the criminal underworld, however, but from Wall Street—specifically, from the wealthy, "socially-conscious" patricians who funded his activism. A skilled fundraiser, Alinsky managed to smooth-talk some of America's wealthiest philanthropists into underwriting his Industrial Areas Foundation—an organization dedicated to waging class warfare in America. He prided himself on his ability to "use the strength of the enemy against itself"—a strategy he called "mass jujitsu."<sup>17</sup> "I feel confident that I could persuade a millionaire on a Friday to subsidize a revolution for Saturday out of which he would make a huge profit on Sunday even though he was certain to be executed on Monday," Alinsky once quipped.<sup>18</sup> His early benefactors included department-store mogul Marshall Field III; Sears Roebuck heiress Adele Rosenwald Levy; and Gardiner Howland Shaw, an assistant secretary of state in the Roosevelt administration.<sup>19</sup> Alinsky's skill at seducing the rich ultimately brought him into the inner sanctum of American power, among the tight circle of Wall Street families whose influence can make or break presidents. One such kingmaker was Katharine Graham, an early friend of Alinsky whose family newspaper, the Washington Post, would one day topple Richard Nixon.<sup>20</sup> Graham inherited the Post from her parents, Agnes and Eugene Meyer. It was the Meyers who provided Alinsky with the cash and publicity that catapulted him to national prominence in 1945.<sup>21</sup> In 1944, the University of Chicago Press signed Alinsky to write a book promoting his vision of a new American radicalism. Six months before its publication, Agnes Meyer, who co-owned the Washington Post with her husband Eugene, lionized Alinsky and his movement in a six-part series titled "The Orderly Revolution." President Truman ordered 100 reprints of Meyer's series.<sup>22</sup> By the time Alinsky's manifesto, *Reveille for Radicals*, hit the bookstores in January 1946, he was already famous. *Reveille* became a national bestseller, and Mrs. Meyer began funding Alinsky's Industrial Areas Foundation.

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During the Sixties, Alinsky's under-the-radar influence was such that even Bobby Kennedy fell under his spell. Following his brother's assassination, RFK began drifting leftward, in search of a base for his presidential ambitions. He met Cesar Chavez in 1966, forging an alliance with the popular union leader in order to gain political capital.<sup>24</sup> It happens that Chavez was an Alinsky protégé. Alinsky's foundation had recruited him in 1952, and provided much of his early funding and training.<sup>25</sup> RFK's

friendship with Chavez brought him directly into Alinsky's inner circle. In 1967, Alinsky launched a civil rights shakedown of the Eastman Kodak Company in Rochester, New York, accusing the company of failing to hire enough black workers. Kennedy pulled strings behind the scenes on Alinsky's behalf. Alinsky later wrote, "I had an understanding with the late Senator Robert Kennedy to advise him when we were ready to move [against Eastman Kodak]. In my discussions with Kennedy, I found that his commitment was not political but human. He was outraged by the conditions in the Rochester ghetto."26

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Hillary and her partner George Soros remain secretive about many details of their collaboration, and with good reason. A political partnership between them would be illegal—expressly forbidden by the campaign finance laws incorporated into the McCain-Feingold Act. Hillary shares with Soros a fascination with deception and subterfuge. Her penchant for Byzantine intrigue is reflected throughout her organization. This point came through in a New Republic cover story titled, "Welcome to Hillaryland." Its author Ryan Lizza informs us that the term "Hillaryland" is an affectionate nickname that Hillary's operatives have bestowed upon what Lizza calls "the vast political empire . . . unrivaled in Democratic politics" which is Hillary Clinton's political machine. Lizza plainly sympathizes with Hillary politically, and, in his article, strove mightily to present her and her team in the most positive light. Even so, the Machiavellian character of Hillaryland reveals itself repeatedly in Lizza's article.

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Soros' attempts to apply Popper's ideas to the real world demonstrate the impracticality of those ideas. In the real world, societies that are unwilling to defend their values are overrun by enemies who lack such inhibitions. There are no open societies in Soros' globalist sense. Every civilization holds certain assumptions about what sort of behavior is acceptable and unacceptable, and no civilization can stand that is unwilling to enforce its beliefs. Even a system as tolerant, open and "universal" as American democracy cannot live up to Popper's ideal. The American founders believed in self-evident truths. Popper did not. The founders regarded liberty as an absolute right, derived not from government but from "Nature's God." The rights enshrined in the Declaration are called "inalienable" precisely because they are seen as God-given. To deny individuals liberty was to violate the "Laws of Nature," as Jefferson famously wrote in the Declaration of Independence. Popper held no such beliefs. In his view, men were doomed to grope blindly for truth, by trial and error. No matter how hard they searched, they would never find it. Soros' anti-American agenda begins with his critique of America's birth certificate. In *The Bubble of American Supremacy*, Soros argues that

“the Declaration of Independence is also open to different interpretations.”According to Soros, the principles of the Declaration “are not self-evident truths but arrangements necessitated by our inherently imperfect understanding.”<sup>2</sup> Because these founding principles have no special sanctity and represent no timeless truths, Soros views them as disposable. They can be changed at will, to fit the radical fashion of the day. And, indeed, rewriting the US Constitution happens to be one of Soros’ pet projects. On 8-10 April 2005, Yale Law School hosted a conference called, “The Constitution in 2020,” promoted as an effort to produce “a progressive vision of what the Constitution ought to be.” Its website listed Soros’ Open Society Institute as a sponsor.<sup>3</sup> In fact, of the five organizations hosting the event, three were recipients of Soros funding. The five sponsors were the American Constitution Society, the Yale Law School, the Arthur Liman Public Interest Program at Yale, the Open Society Institute, and the Center for American Progress. The American Constitution Society and the Center for American Progress are both Shadow Party fronts—the latter headed by former Clinton chief of staff John Podesta. One of its founders was Morton Halperin, director of US advocacy for Soros’ Open Society Institute and executive director of the Open Society Policy Center. Halperin’s official biography at the Center now lists him as a senior fellow there. Soros helped launch both groups, and both have received major funding from the Open Society Institute.<sup>4</sup> Where Soros goes, Hillary Clinton cannot be far behind. The junior senator from New York played a quiet but significant role in founding the American...

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The Halperin family has deep roots in Soros’ Shadow Party. Many readers will recall that Mark Halperin, who is political director of ABC News, issued a memo to his reporters during the final weeks of the 2004 campaign, instructing them to slant the news in favor of Democrat candidate John Kerry. Mark Halperin is another son of Morton Halperin. Mark and David Halperin are brothers.<sup>9</sup> In addition to directing Campus Progress, David Halperin served as founding executive director of the Soros-funded American Constitution Society. He also co-founded the Internet company Real Networks with left-wing billionaire and Shadow Party funder Rob Glaser. It should be clear, at this point, that Soros was not just one among several sponsors of “The Constitution in 2020.” Shadow Party operatives and front groups ran the whole show. We might think of it as a Shadow Constitutional Convention. Attendees

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In his effort to dismantle the American founding and remake the society it shaped, Soros goes beyond his teacher. Popper was, in fact, a great admirer of America. Three years before his death in 1991 Popper wrote: “It was my first trip to the United States in 1950 that made an optimist of me again. That first trip tore me forever out of a

depression caused by the overwhelming influence of Marxism in postwar Europe. Since then I have been to America twenty or maybe twenty-five times, and each time I have been more deeply impressed."

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Soros arrived in America with a very different attitude. Having lived in England for nine years, Soros traveled to New York in 1956 for one reason only—to make money on Wall Street. He had no interest in planting roots in America. In fact, he set himself a deadline of five years, during which he hoped to save \$500,000, and after which he meant to return to Europe. "It was my five-year plan," Soros told his biographer Michael T. Kaufman. "At the time, I did not particularly care for the United States. I had acquired some British prejudices; you know, the States were, well, commercial, crass, and so on."<sup>13</sup> Soros ended up staying in America, even becoming a citizen in 1961. Yet his later writings suggest that he never shed his initial disdain. On the contrary, he seemed to invent new and ever more imaginative reasons for despising his adopted country as the years passed. "Who would have thought sixty years ago, when Karl Popper wrote *Open Society and Its Enemies*, that the United States itself could pose a threat to open society? Yet that is what is happening, both internally and externally," Soros concluded in *The Bubble of American Supremacy*.<sup>14</sup> In

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In fact, Soros had come to the Jewish Funders meeting in order to drum up support for his anti-Bush campaign. He approached the topic in what some observers thought a peculiar way. From the podium, Soros called on fellow Jews to acknowledge what he called their own role in provoking anti-Semitism around the world. "There is a resurgence of anti-Semitism in Europe," he said. "The policies of the Bush administration and the Sharon administration contribute to that. . . . If we change that direction, then anti-Semitism also will diminish."<sup>27</sup> To illustrate his point, Soros cited a 16 October 2003 speech by Malaysian Prime Minister Mahathir Mohamad, in which the Prime Minister (since retired) had charged that, "Jews rule this world by proxy."<sup>28</sup> Soros mused, "I'm also very concerned about my own role because the new anti-Semitism holds that the Jews rule the world." In calling attention to his "own role" in fostering anti-Semitism, Soros seemed to imply that some of his financial maneuvers might have helped fuel anti-Jewish feeling, particularly in Malaysia, where he was widely accused of causing a collapse of the national currency, in 1998.<sup>29</sup>

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Soros' uneasy relationship with the Jewish community and his rejected faith (a reflection also of his uneasy relation with the country he adopted) goes back many years. Born in Budapest on 12 August 1930, Soros originally bore the name György Schwartz. His parents were non-practicing Jews. Soros' father, Tivadar, was a lawyer. However, his marriage into a prosperous merchant family gave him leisure to indulge his true passion: the promotion of Esperanto, an artificial language created during the 1880s. Esperantists hoped to wipe out nationalism by persuading everyone in the world to drop their native tongues and speak Esperanto instead. Swept up in this globalist fantasy, Tivadar mastered Esperanto and in 1936 changed his family name to Soros—an Esperanto verb, in the future tense, meaning “will soar.” When

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In business, his eerily prescient investments marked him as the man to watch on Wall Street. When he bought up oil drilling and equipment stocks in 1972, everyone thought he was mad. But one year later the Arab states imposed an oil embargo that forced oil prices through the roof. No one had ever heard of an “automated battlefield” back in 1975. But Soros invested heavily in “smart” bombs, laser-directed artillery shells and computerized missiles, the same weapons that destroyed Saddam Hussein’s army in the Gulf War 16 years later.<sup>53</sup> Between 1979 and 1981, the Quantum Fund quadrupled in value, from \$100 million to \$400 million. At this juncture, Institutional Investor magazine named Soros “the world’s greatest money manager.” He was just getting warmed up. In September 1992, he shorted the British pound, as noted in Chapter 1. Wagering \$10 billion that it would sink in value against the German mark, Soros bought deutschmarks and dumped pounds, while the Bank of England tried to counter him by doing the reverse. After weeks of maneuvering, the counter effort failed, and the British were forced to devalue the pound by 20 percent. 16 September became forever known as “Black Wednesday” among London traders.<sup>54</sup> Soros’ profit from the crash was nearly \$2 billion. In June 1994, Financial World magazine hailed Soros as the top earner on Wall Street, noting that his 1993 profits “exceeded the gross domestic product of at least 42 member nations of the UN.”<sup>55</sup> New vistas unfolded. “The man who broke the Bank of England” had become a player, not only in financial markets, but in the struggle for power and dominance among nations and empires.

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In fairness to Soros, he actually began dabbling in philanthropy as early as 1979. In 1984, he launched his first Open Society Foundation in Hungary. But it is also true that his giving remained modest until 1987. That year, he opened his Moscow office, and his philanthropy quickly swelled to its now-legendary proportions. “My spending rose from \$3 million in 1987 to more than \$300 million a year by 1992,” he wrote.<sup>57</sup> There is no

question but that Soros spreads a lot of money around. On the other hand, his critics have long argued that his philanthropic spending is “merely a smoke screen for empire building,” in the words of the *New Yorker’s* Connie Bruck. Soros admitted to Bruck that his philanthropy opened doors to political influence—influence (as Soros failed to add) that could be translated into profits. When he first began doling out money in Central Europe, “People like the dictator in Romania, Iliescu, suddenly became very interested in seeing me. . . . [M]y influence increased.”<sup>58</sup> The entanglement of his goals as philanthropist,

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From the beginning, President Clinton chose to deal with Russia and the former Soviet states through private back channels, circumventing normal State Department procedures. He appointed what became known as a “troika,” three officials endowed with extraordinary authority over US-Russian relations. This troika included Strobe Talbott at the State Department, Lawrence Summers at Treasury and Vice President Al Gore.<sup>59</sup> Talbott had been Bill Clinton’s roommate and fellow Rhodes Scholar at Oxford University. He was the first of the troika to be appointed, and was the leader of the group. On 19 January 1993, Clinton invented a new title for Talbott, naming him Ambassador-at-Large to Russia and the New Independent States. Ten weeks later, Clinton further solidified Talbott’s power by appointing him chairman of a “Supercommittee” or Steering Committee on the former Soviet Union. *Business Week* accordingly dubbed Talbott the Clinton administration’s “Russian policy czar.”<sup>60</sup>

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Anne Williamson, a journalist who specializes in Russian affairs, remarked in an interview, “The Clintons welcomed Soros with open arms. Soros performed services for the Clintons, and in return received wide latitude for his business ventures in the former Soviet bloc. Soros not only expanded his fortune under Bill and Hillary, but he also fit in with their countercultural zeitgeist. Through them, Soros found a public platform to espouse his wacky politics. With Bush in power, Soros no longer has that kind of influence. That’s a big part of what’s driving him crazy.”<sup>62</sup>

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The period of Soros’ financial and political suzerainty coincided with Russia’s wholesale collapse into corruption and anarchy. David Ignatius of the *Washington Post* held the Clinton administration largely to blame. “Let’s call it Russiagate,” he wrote in an article of 25 August 1999, in which he decried, “the lawlessness of modern Russia and the acquiescence of the Clinton administration in the process of decline and decay there.”

Ignatius concluded, "What makes the Russian case so sad is that the Clinton administration may have squandered one of the most precious assets imaginable—which is the idealism and goodwill of the Russian people as they emerged from 70 years of Communist rule. The Russia debacle may haunt us for generations."<sup>64</sup> Soros was deeply immersed in the quicksand of corruption which engulfed Russia during the '90s. After years of preparation, he began his big power play in May 1989, when he began funding a young Harvard economist named Jeffrey Sachs to develop an economic reform plan for Poland. Soros paid Sachs and his team through his newly-founded Stefan Batory Foundation in Warsaw. The young economist favored "shock therapy"—a sudden lifting of price controls, currency controls, trade restrictions and investment barriers which would plunge the country instantly into the icy waters of free-market competition. The idea was to get the pain of the transition over with as quickly as possible. Poland implemented Sachs' plan on 1 January 1990. Hyperinflation immediately soared out of control.<sup>65</sup> "It was very tough on the population, but people were willing to take a lot of pain in order to see real change," Soros wrote later.<sup>66</sup> Ultimately, Poland's "big bang" was deemed a success. Soros and Sachs went to Moscow next, seeking to persuade Mikhail Gorbachev to try shock therapy in the Soviet Union. Gorbachev rejected their plan, which angered Soros. Later, when Gorbachev tried to secure loans from Western lenders, Soros undermined him, denouncing the Soviet leader in the press and predicting that his reforms would fail.<sup>67</sup> Soros' attack damaged Gorbachev's reputation in the West, impeding his access to foreign aid.<sup>68</sup> As the Soviet economy faltered, Gorbachev's hold on power weakened. Kremlin hardliners attempted a coup in August 1991, setting off a chain reaction of events that ended in Gorbachev's ouster. The coup itself failed, but the Soviet Union split up, and Gorbachev was obliged to resign. Boris Yeltsin emerged as Russia's new leader. Yeltsin proved more cooperative than his predecessor. Now Soros and Sachs could finally get down to the serious business of implementing their shock therapy plan. Russia lifted its price controls on 2 January 1992. The life savings of ordinary Russians went up in smoke as inflation hit 2,500 percent. This was only the beginning. What followed was one of the greatest economic catastrophes in history. Over the next four years, a cabal of corrupt officials and businessmen, both Russian and American,...

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The Soros Empire was short-lived. By 1998 federal investigators in the United States were scrutinizing billions of dollars in illegal transfers flowing out of Russia through the Bank of New York and other US financial institutions. As the magnitude of the pilferage began leaking into Western media, foreign aid and foreign investment slowed to a trickle. Everything finally came to a screeching halt on "Black Monday," 17 August 1998, when Russia was forced to devalue the ruble and default on its debt. Rep. Jim Leach, head of the House Banking Committee, announced on 1 September 1999 that the Russia scandal could prove to be "one of the greatest social robberies in human

history.” Based on preliminary inquiries, Leach declared that he was “very confident” that at least \$100 billion had been laundered out of Russia, an unknown portion of which may have been diverted from the International Monetary Fund and other foreign aid loans.<sup>76</sup> Journalist Anne Williamson, appearing before Leach’s House Banking Committee on 22 September 1999, explained to a panel of stunned congressmen how so many US taxpayer dollars had managed to go missing in Russia. She told the committee that the Clintons had set up an “international patronage machine.” Clintonites in the guise of “consultants” to the Russian government requested and received loans, virtually at will, through such international lending agencies as the IMF, the World Bank, the US Agency for International Development, the Overseas Private Investment Corporation and the Export-Import Bank. Few questioned the loans, said Williamson, because the Clinton administration had designated Russian “privatization” a “national security” priority. Much of the money simply vanished into offshore accounts and the New York Stock Exchange. Other monies were invested in Russian junk bonds, privatization auctions and other lucrative schemes. A handful of inside players, Russian and American alike, got rich, while the average Russian—not to mention the US taxpayer—got fleeced.<sup>77</sup> Soros insists that his own investments in Russia were squeaky clean. This is debatable. His privileged access to Kremlin officials and friendly oligarchs helped lubricate many deals. Anne Williamson notes that Soros invested in Russia’s second-largest steel mill, Novolipetsk Kombinat, and in the Russian oil firm Sidanko.<sup>78</sup> Joining Soros in these purchases was the Harvard Management Company, which invests Harvard University’s multibillion-dollar endowment fund. Soros and Harvard Management purchased shares in Novolipetsk and Sidanko in 1995, through rigged auctions. Technically speaking, the bidding was closed to foreigners. Soros and Harvard Management evaded the no-foreigners rule by making their purchases through the Sputnik Fund—an investment group tied to the powerful Russian oligarch Vladimir Potanin.<sup>79</sup> To Soros’ evident discomfort, the topic of Sidanko and Novolipetsk came up during his testimony in a Congressional hearing. On 15 September 1998, a...

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The next project Richard Cloward and Frances Fox Piven undertook was to launch what would become known as the Voting Rights Movement. This was ironic, for Cloward and Piven did not believe in voting. They despised America’s electoral system every bit as much as they despised its welfare system, and for much the same reason. They believed that welfare checks and voting rights were mere bones tossed to the poor to keep them docile. The poor did not need welfare checks and ballots, they argued. The poor needed revolution. In their 1977 book, *Poor People’s Movements: Why They Succeed, How They Fail*, Cloward and Piven took stock of the radical movement as a whole, analyzing what they regarded as notable but temporary successes, such as the movements for industrial workers’ rights, unemployed workers’ rights, civil rights and welfare rights,

and trying to determine which tactic worked and which failed. Their conclusion, as a reviewer in the Nation summarized it, was that “the poor cannot rely either on organization or the ballot to advance their interests; the only means they have of securing justice is disruptive protest. . . . Rent strikes, crime, civic disruptions are the politics of the poor.”<sup>1</sup>

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Of the two major parties, the Democrats posed a greater threat of cooptation, the authors implied, since Democrats pretended to represent the lower classes. As long as the poor believed they could get what they wanted by voting Democrat, their energies would be channeled into useless “voter activity,” rather than strikes, riots, “incendiarism” and the like. By holding out the false hope of change through the system, Democrat politicians lulled the poor into complacency. What should radicals do? Cloward and Piven drew on their past experience for an answer. Ten years earlier, when they determined that the welfare state was acting as a safety valve for the establishment, they resolved to destroy the welfare state. The method of destruction they chose was drawn from the teachings of Saul Alinsky.<sup>5</sup> “Make the enemy live up to their own book of rules,” Alinsky wrote.<sup>6</sup> And so they did, challenging the welfare state to pay out every penny to every person theoretically entitled to it. Alinsky called this sort of tactic “mass jujitsu”—using “the strength of the enemy against itself.”<sup>7</sup> Now Cloward and Piven had concluded that the Democratic Party also acted as a safety valve for the establishment. How would one go about applying “mass jujitsu” to the Democratic Party? Simple. You would force the Democrats to live up to their own book of rules. If the Democrats say they represent the poor, let them prove it. Cloward and Piven did not think they could. Fear of disruptive, McGovern-style insurgencies had left Democrat “oligarchs” wary of mobilizing new constituencies whose loyalties might prove fickle. If confronted with a militant new voting bloc of the poor, Democrats would resist it, Cloward and Piven predicted. They would be exposed as hypocritical skills for the rich. Cloward

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Rathke has come far since then. He no longer has to break into buildings to win audiences with Fortune 100 executives. Now he walks through the front door. In another sign of ACORN’s rising status, the very first grant awarded by the Bill Clinton Foundation, on 3 February 2006, went to Rathke’s group. Clinton gave ACORN \$250,000 to help Hurricane Katrina evacuees collect government benefits such as Earned Income Tax Credits.<sup>19</sup> ACORN founder Wade Rathke plays a special role in the Shadow Party, providing a liaison between many of its most critical operations. He is a union leader, political powerbroker, street-level community organizer and foundation executive, all in

one. In addition to serving as Chief Organizer of ACORN, Rathke is also deeply involved with Andrew Stern's radical, public-sector union SEIU, one of the Shadow Party's most important cash cows. He is president and co-founder of SEIU's southern conference, a member of SEIU's executive board, and founder of its Local 100 in New Orleans. Rathke also co-founded the Tides Foundation with Drummond Pike. Today he is Board Chairman of its sister group, the Tides Center, and sits on the Board of Directors of the Tides Foundation. The Tides "family" of organizations is a nerve center of radical Shadow Party activity. George Soros has given more than \$17 million to the Tides Center since 1999. One of Rathke's fellow Board members at Tides is civil rights attorney Maya Wiley, the daughter of George Wiley. She formerly served as an advisor to the Director of US Programs for George Soros' Open Society Institute and as a consultant to the Open Society Foundation—South Africa. She co-founded and runs the Center for Social Inclusion, a Soros-funded organization dedicated to fighting "structural racism." The Center for Social Inclusion bills itself as "A Project of the Tides Center." Given Rathke's exceptionally powerful network and his deep roots in the welfare rights movement, it was only natural that Cloward and Piven would turn to Rathke for help when they set out to launch their "voting rights" movement in 1982. That year, two new organizations came into being. One of them, Project Vote, was an ACORN front, launched by former NWRO organizer and ACORN leader Zach Polett. The other, Human SERVE, was founded by Cloward and Piven themselves, along with a former NWRO organizer named Hulbert James. Together with ACORN, these groups would form the vanguard of the Voting Rights

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All three of these organizations set to work lobbying energetically for the so-called Motor-Voter law, which Bill Clinton ultimately signed in 1993. When President Clinton signed the National Voter Registration Act on 20 May 1993, Cloward and Piven stood behind him, in places of honor, at the ceremony. Having achieved their goal, Cloward and Piven dissolved Human SERVE. However, George Soros took up the torch of the "voting rights" movement, founding the National Voting Rights Institute in 1994, with John Bonifaz as president. The Motor-Voter bill eliminated many controls on voter fraud, making it easy to register but difficult to determine the validity of new registrations. Under the new law, states were required to provide opportunities for voter registration to any person who showed up at a government office to renew a driver's license or apply for welfare or unemployment benefits. "Examiners were under orders not to ask anyone for identification or proof of citizenship," notes Wall Street Journal columnist John Fund in his book, *Stealing Elections*. "States also had to permit mail-in voter registrations, which allowed anyone to register without any personal contact with a registrar or election official. Finally, states were limited in pruning 'deadwood'—people who had died, moved or been convicted of crimes—from their rolls."<sup>20</sup>

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As we have already seen, Pew officer Sean Treglia claims the honor. He boasts that he led the campaign from his perch at the Pew Charitable Trusts. We are inclined to doubt his claim, however. Treglia was and remains a low man on the totem pole, a position underscored by his impolitic out-of-school boasts. If anyone at Pew had the clout to lead such a nationwide effort, involving at least eight major foundations and some \$140 million in expenditures over a ten-year period, it seems more likely that it would have been Treglia's boss, Rebecca W. Rimel, who became president and CEO of the Pew Charitable Trusts in 1994. Even Rimel seems a poor candidate to have led Pewgate, however. A former nurse who became an assistant professor of neurosurgery, Rimel specialized in healthcare issues at Pew. She is more bureaucrat than entrepreneur. Moreover, as a self-styled "executive feminist," she opposes strong, top-down management on philosophical grounds. "Most other businesses have a pyramid structure, whereas ours is very flat," she told the feminist magazine IRIS in 2000.<sup>30</sup>

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The second largest contributor to the Pewgate operation after the Pew Charitable Trusts was the Schumann Center for Media and Democracy, of which PBS journalist Bill Moyers has been president since 1990. Is it possible that Moyers was the true mastermind behind Pewgate? Probably not. Moyers is a journalist by training and experience. As with Rimel, nothing in his professional experience suggests that he has the leadership skills or the entrepreneurial derring-do to oversee a project of the magnitude, complexity and stunning audacity of Pewgate. He does, however, enjoy a close and long-standing relationship with another foundation head whose skills precisely fit the above description: George Soros. A former trustee of Soros' Open Society Institute, Moyers is a close Soros ally. As the Pewgate plot unfolded, it became increasingly clear that Soros played a much more pivotal role in the operation than his relatively modest cash contribution of \$12.6 million might suggest.

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According to Arianna Huffington, major funders of the Shadow Conventions included the Open Society Institute, the Pew Charitable Trusts, the Carnegie Foundation, and the Arc Foundation.<sup>38</sup> According to Time magazine, the largest single contributor to the Shadow Conventions was Soros' Open Society Institute, which put up about a third of the total cost.<sup>39</sup> At this time, few journalists knew who George Soros was. But columnist Robert Novak did and castigated John McCain for appearing at what he presciently dubbed "The Soros Convention."<sup>40</sup> In the final analysis, the Shadow

Conventions were symbolic affairs. They represented no party and nominated no candidates for office. But they put America on notice that a third force had entered the political arena. That force was George Soros.

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As the liaison between Soros' Shadow Party and "Hillaryland"—insider jargon for Hillary's official political machine—Ickes operates in a gray area of the law, where almost anything he does could plausibly be interpreted as a violation of the McCain-Feingold Act. He provides for Soros and Hillary— that is, for the Shadow Party and the Democrats—the coordination that these allied networks desperately require, but which they are forbidden by law from achieving. This is the type of job that Ickes does best. As a political operative, he has always moved along the fringes of the law. For him, it is familiar terrain. Like most Shadow Party leaders, Ickes began his political career in the Sixties Left. He was recruited in 1964 by Stanford University professor Allard Lowenstein, a Democrat activist whose skill at luring young people into radical causes earned him the sobriquet "the Pied Piper." Under Lowenstein's guidance, Ickes turned up on every noteworthy political battlefield of the Sixties and early Seventies. He served as a Freedom Rider in the Deep South, registering black voters for the Student Non-Violent Coordinating Committee (SNCC). In 1965, Ickes traveled to the Dominican Republic, where he lent assistance to a junta of leftist colonels seeking to oust the sitting government. Some of the rebels displayed a worrisome degree of sympathy for Castro's revolution. The plot was foiled when President Johnson landed 20,000 Marines on the island.<sup>3</sup> Ickes next followed Lowenstein to New York, where they went to work organizing resistance to the Vietnam War. Angry over Johnson's prosecution of the war, Lowenstein had started a "dump Johnson" campaign, which proved remarkably popular among left-wing Democrats. Lowenstein's project eventually crystallized around the candidacy of Senator Eugene McCarthy, a radical dove who demanded unconditional US withdrawal from Vietnam. With Lowenstein pulling strings for him behind the scenes, Ickes became co-manager of McCarthy's New York presidential campaign.<sup>4</sup> Later, Ickes worked for another anti-war candidate, George McGovern, who ran on a campaign slogan of "Bring America Home" in 1972. It was through his involvement in the Vietnam protest movement that Ickes met Bill Clinton. Both found themselves working together on Operation Purse Strings in 1972. This was a grassroots lobbying effort aimed at pressuring Congress to cut off aid to Cambodia and South Vietnam.<sup>5</sup> The campaign eventually succeeded and both governments fell, with catastrophic consequences for the Cambodians and Vietnamese. It was Ickes' later stint as a labor lawyer that appears to have left the deepest stamp on his character. During the years when Ickes represented labor unions for a living, many unions were controlled or influenced by New York's "five families"—the Gambino, Colombo, Lucchese, Genovese and Bonanno crime syndicates. Union bosses were often hand-picked by the mob. These Mafia-anointed bosses embezzled union dues, robbed pension funds,...

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Ickes started as an associate at Meyer Suozzi in 1977, became a partner in 1980 and headed the firm's labor practice from 1982 to December 1993, overseeing a staff of nine lawyers serving nearly 200 union clients. Through his labor practice, Ickes represented numerous clients with ties to the New York crime families.<sup>8</sup> Ickes justifies his work during those years by arguing that unions need representation, and that dealing with unions often means dealing with the mob. He told the Washington Post in 1993, "It is very important that law firms such as mine, which are known for their integrity, provide honest and competent legal representation to unions and their memberships. If we abandoned our clients in the face of allegations of corruption, it would leave union members at the mercy of only corrupt lawyers."<sup>9</sup> This is disingenuous, at best. If Ickes wanted to help unions, he would help them get rid of mob control, as did Bobby Kennedy when he was Attorney General. All too often, Ickes has done the opposite. He has represented, and thus protected, the very individuals who were corrupting unions and terrorizing honest workers. On at least one occasion, his actions on behalf of mob-connected union bosses have moved federal officials to accuse Meyer Suozzi's labor practice of obstructing federal law enforcement.

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Another Ickes client was Teamsters Local 560 in Union City, New Jersey, long reputed to be dominated by the Genovese crime family. Local 560 plays a dark role in the Teamsters saga. When former Teamsters president Jimmy Hoffa attempted to regain control of the union in 1975, the mob resisted him. Seeking allies, Hoffa arranged a meeting in Detroit to make peace with one of his chief rivals, Anthony "Tony Pro" Provenzano, who had headed Local 560 since the 1950s. In the words of a senior official of the Newark US Attorney's office, Provenzano was "one of the most notorious, high-ranking members of the Genovese [organized-crime] family."<sup>11</sup> When Hoffa arrived at the Detroit meeting place, Provenzano was not there. He was home in New Jersey. Hoffa never returned from that meeting. Prosecutors did not succeed in pinning Hoffa's disappearance on Provenzano. However, they eventually managed to convict him of extortion, labor racketeering and of ordering Teamsters rival Anthony Castellito strangled to death with piano wire. Incarcerated for these crimes on 18 November 1980, Provenzano died in prison on 12 December 1988. The fall of Provenzano did not end mob domination of Teamsters Local 560, and the Genovese crime family remained in control throughout the period that Harold Ickes and Meyer Suozzi represented it.

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Unfortunately, the forces of corruption would soon launch a counterattack. And when they did, no Ronald Reagan stood in the breach to stop them. Bill and Hillary Clinton took a dramatically different approach to labor racketeering than any of their White House predecessors, including Democrats like the Kennedy brothers. In exchange for record-breaking campaign contributions from union treasuries, Clinton effectively killed the federal effort to clean up unions. Michael Moroney, the former Labor Department investigator who accused Meyer, Suozzi, English & Klein of mob complicity, wrote in 1999, "Reagan's Organized Crime Commission wanted Justice to use civil racketeering laws to clean up the national Teamsters unions. George Bush's Justice Department launched the case. But the Clinton administration sees anti-labor rackets laws as a political profit center. . . ."15 Under Clinton, the mobsters returned in force. So did left-wing militants of a sort whose influence had not been seen in organized labor since the 1940s. A marriage of convenience arose between union radicals and Mafia bosses whose corrosive effects have reduced the labor movement to little more than a gigantic ATM, dispensing limitless quantities of cash to Democrat fund-raisers and left-wing causes. Political radicals took control of the labor movement in 1995 when John Sweeney ousted AFL-CIO president Lane Kirkland, in what has been called a "palace coup." Kirkland understood that the greatest threat to organized labor came from forces—organized crime and political radicals—that undermined the movement from within. When Polish shipyard workers, led by Solidarity leader Lech Walesa, ignited a wave of strikes against communist oppression in 1980, Kirkland put the AFL-CIO's formidable resources squarely behind Walesa, pouring money into his movement and arguably doing more than any other private individual to bring down the Soviet empire.

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Much has been made of Sweeney's political radicalism. A card-carrying member of the Democratic Socialists of America (DSA), Sweeney opened the AFL-CIO's door to Communist Party organizers for the first time since the 1950s, allowing Communists to distribute literature at his conventions and recruit workers to their cause. As an organizer, Sweeney has all but abandoned the private sector, whose shrinking industrial base offers little room for union growth. The "New Voice" Movement targets government workers through public-sector unions such as AFSCME and SEIU, whose business model relies upon a perverse feedback loop which rewards government unions financially the farther left they drift. Because

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Sweeney's tolerance for mob activity carries a strong element of self-interest. His old local, SEIU 32-BJ, was founded by Lucky Luciano. FBI investigators have identified the local as a center of Genovese crime family activity. Years after leaving Local 32-BJ to

become SEIU president, Sweeney continued drawing a salary from the local—a second salary, in addition to what he was paid as president. Gus Bevona, Sweeney’s hand-picked successor to head Local 32-BJ, made sure that Sweeney got his cut. Such “double-dipping” is a time-honored tradition among unions—but not one that inspires confidence in Sweeney’s “progressive” leadership.

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Following Bill Clinton’s election in 1992, labor lawyer Ickes was widely expected to get the job of deputy White House chief of staff. He had managed Clinton’s New York campaign, run the Democratic Convention, and overseen the Clinton transition team. However, shortly before Clinton announced his White House appointments, unknown sources began leaking reports of Ickes’ mob connections to the press—sources widely believed to be connected with his enemies in the Democratic Party.<sup>17</sup> Ickes was too hot to handle. Clinton declined to name him to any White House post, pending the results of further investigation. In a pattern that was to become all too familiar during the Clinton years, Ickes and his law firm were soon “cleared” of all allegations, based on an “investigation” whose thoroughness was open to some question. Court officer Mary Shannon Little was assigned to investigate. “Based on the evidence available to date, there is no evidence of criminal misconduct on the part of Harold Ickes or Meyer, Suozzi, English & Klein,” she wrote in a November 1993 memorandum. However, the 57-page Little report was sealed. When the Long Island newspaper Newsday sued to unseal it, a federal appeals court ruled against Newsday. While acknowledging that the report contained “various accusations” against Ickes, the court pointed out that much of the text had been redacted or blacked out and that it “would circulate accusations that cannot be tested by the interested public because the sources and much of the subject matter are shrouded by the redactions . . .”

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Thus Meyer Suozzi managing partner William Cunningham III—who would later serve as treasurer for Hillary Clinton’s Senate campaign—announced on 18 November 1993 that Ickes had been cleared of all charges. Of course, this was not exactly true. The only person with complete knowledge of the evidence for and against Ickes was court officer Mary Shannon Little.

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Ickes reported directly to Hillary Clinton. Hillary recruited Ickes as chief campaign advisor for her 2000 Senate run. According to Ickes, he accepted the job after a four-hour meeting with Hillary on 12 February 1999—the same day that the US Senate

voted on Bill Clinton's impeachment. "I'm really doing this out of my friendship for Hillary, pure and simple," Ickes told the Associated Press on 17 June 1999. "She called and there was no way I was going to say no to Hillary."<sup>27</sup>

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Under Soros' guidance, the Shadow Party infrastructure had assumed a coherent shape by early 2004. Making up its framework were seven ostensibly "independent" non-profit groups, which, at the time, constituted the network's administrative nexus. Let us call them the Seven Sisters. In chronological order, based upon their launch dates, they are: 1. MoveOn.org (launched 22 September 1998) 2. Center for American Progress (launched 7 July 2003) 3. America Votes (launched 15 July 2003) 4. America Coming Together (launched 17 July 2003) 5. The Media Fund (launched 5 November 2003) 6. Joint Victory Campaign 2004 (launched 5 November 2003) 7. The Thunder Road Group LLC (launched early 2004) With the exception of MoveOn.org—based in Berkeley, California—all Seven Sisters maintained headquarters in Washington DC. Testifying to the close links between these groups were their interlocking finances, Boards of Directors and corporate officers. In some cases, they even shared office space. For example, two of the Seven Sisters—The Media Fund and Joint Victory Campaign 2004—shared an office in Suite #1100 at 1120 Connecticut Avenue, NW. Three other groups—America Coming Together, America Votes and The Thunder Road Group—leased offices in the Motion Picture Association Building at 888 16th Street, NW. It is tempting to consider that the clustering of these three groups in a building owned by the Motion Picture Association of America (MPAA) may not be coincidental. The MPAA has long enjoyed a cozy relationship with the Democratic Party; many high-ranking Democrats have slipped comfortably from government jobs into glamorous posts in the MPAA's upper management. In March 2004, for instance, Dan Glickman succeeded Jack Valenti as MPAA president. Valenti was a Democrat lobbyist and former aide to President Lyndon Johnson. Glickman was formerly a Democratic Congressman from Kansas, who later served as Secretary of Agriculture in the Clinton White House. Now, as MPAA president, Glickman holds what is arguably the most powerful position in Hollywood. The Shadow Party draws much of its funding from the entertainment world. Between August 2000 and August 2004—the period when Soros was assembling his shadow network—Jane Fonda was the fourth largest donor to Democrat 527 groups, having contributed \$13 million, according to the Center for Public Integrity. Larger contributors soon overtook her. According to Political Money Line, \$78 million of the money raised through pro-Democrat 527s during the 2004 election cycle came from just five donors: George Soros—\$27,080,105; Progressive Insurance chairman Peter Lewis—\$23,997,220; Hollywood producer Stephen L. Bing—\$13,952,682; Golden West Financial Corporation founders Herbert and Marion Sandler—\$13,007,959.<sup>12</sup>

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Jonathan Soros became personally involved with MoveOn.org's activities. In December 2003, he collaborated with techno-rocker Moby to organize "Bush in 30 Seconds," an online contest for the best 30-second anti-Bush TV ad. MoveOn agreed to air the winning commercial on national television. Among the 1,500-odd submissions to the contest were two ads juxtaposing footage of George W. Bush and Adolf Hitler. MoveOn posted these ads on its site. Under pressure from Jewish groups and Republicans, MoveOn pulled the Hitler ads and apologized for them.<sup>21</sup> Despite such gaffes, MoveOn need not worry about its media image. Major networks and newspapers pour forth an endless flood of free publicity for the group. Calculated in terms of equivalent advertising fees, the millions MoveOn raises in political contributions doubtless pales in value beside the worshipful profiles and saccharine coverage that major media never tire of bestowing upon Boyd and Blades' website and political campaigns.

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Inasmuch as Media Matters aspires to serve as a media watchdog, monitoring the inaccuracies of "rightwing" journalists for ethical infractions and errors, it is peculiar that writer David Brock is appointed its President and CEO. Brock is a former conservative journalist who defected to the left amidst an outpouring of dramatic public confessions that he had built his career on lies, writing political hit pieces filled with flimsy evidence. Whatever Brock lacks in credibility, he more than makes up for in currying influence. Brock told the New York Times that he conferred with Senator Hillary Clinton, Senator Tom Daschle and former Vice President Al Gore before launching the website.<sup>28</sup>

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Cecile Richards had a personal as well as an ideological ax to grind against President George W. Bush. She is the daughter of former Texas governor Ann Richards, whom Bush soundly defeated in 1994, ending her political career. Like many of Bush's harshest critics, Cecile Richards harbors a deep antipathy toward the so-called "Christian Right." After her mother's 1994 defeat, Richards founded the Texas Freedom Network, a grassroots organization aimed at countering the political influence of conservative Christians, especially on school boards. Richards subsequently moved to Washington DC, where she served as organizing director of the AFL-CIO, then as a pro-abortion activist for the Turner Foundation and Planned Parenthood, and finally as deputy chief of staff for Democrat minority whip Nancy Pelosi, soon to become minority leader. Richards held that post for eighteen months, before joining America Votes. George Soros' son, Jonathan, has donated \$250,000 to America Votes. Several of

the organization's top donors, such as Rob McKay and Robert Glaser, are also close Soros associates.

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Soros' solution to this problem is to turn the entire planet into a giant welfare state. In order to squeeze the necessary taxes from today's globalized investor class, Soros calls for the creation of global institutions with the authority to track down and confiscate capital from anyone, anywhere in the world. To this end, Soros recommends the formation of what he calls an Open Society Alliance, a global network of likeminded nations, corporations and NGOs that would operate first within the framework of the United Nations, but would later replace the UN, taking on all its current functions and more. According to Soros, this Open Society Alliance would employ various sorts of "carrots and sticks" to keep its members in line.<sup>11</sup> "It would offer incentives where possible but would not shy away from enforcement where necessary," he writes.<sup>12</sup> The engine of Soros' Open Society Alliance would be what he calls "a kind of international central bank," operating under the auspices of the International Monetary Fund. Soros has proposed calling this new bank the International Credit Insurance Corporation.<sup>13</sup> It would facilitate the global redistribution of wealth by making loans to poor countries that would be guaranteed by rich countries.<sup>14</sup> The bank would even have the ability to issue its own global currency, denominated in SDRs or "Special Drawing Rights," which Soros aptly describes as a kind of "artificial money" currently used by IMF member nations to make payments to each other.<sup>15</sup>

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Now the Shadow Party looks forward to a new round of public funding, which it can use to bankroll radical activists all over the world—once again, under the guise of fighting poverty. In September 2000, the United Nations officially declared war on poverty. It aims to cut desperate poverty in half by the year 2015. The UN will take from the haves and give to the have-nots. It has asked the richest nations of the world to contribute 0.7 percent of their Gross National Product each year, for a ten-year period, from 2005 to 2015. That averages out to about \$235 billion per year, of which the United States would contribute about 60 percent, or \$140 billion annually.<sup>24</sup> Who will dole out this vast sum of money? Who is the poverty czar? He is Jeffrey Sachs, Columbia University economist, long-time Soros associate and Shadow Party operative. This is the same Jeffrey Sachs, formerly of Harvard University, whom George Soros hired to implement "shock therapy" programs in Poland and Russia, as described in Chapter 5. Sachs left Harvard in July 2002 to direct the Earth Institute at Columbia University. As noted in Chapter 5, Sachs earlier resigned as president of the Harvard Institute for International Development in May 1999, just as US Justice Department

investigators were closing the noose on his corrupt Russian assistance program. Sachs claimed that he knew nothing of the epic pilferage perpetrated by his “development” team in Russia. We have no reason to doubt his word. However, as president of the Harvard Institute, Dr. Sachs surely should have paid closer attention to what his people were doing. Whatever his merits as an economist, Sachs does not inspire confidence as an administrator. He is not the sort of person one should entrust with the disbursement of \$235 billion in foreign aid funds per year. Yet that is exactly what UN Secretary-General Kofi Annan has hired him to do. After the UN General Assembly declared war on poverty on 8 September 2000, Secretary-General Kofi Annan created the United Nations Millennium Project to implement the program. He appointed Jeffrey Sachs as its director, placing him at the helm of what the Canada Free Press has called, “the largest global wealth redistribution program ever conceived.”<sup>25</sup>

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order to fund anti-poverty programs.<sup>28</sup> Jeffrey Sachs also weighed in after the 9/11 attacks, hewing closely to the Shadow Party line. “The most important step is to avoid war . . .,” he wrote in September 2001. “The biggest mistake would be to launch a war in response to a terrorist attack. . . .” Instead, Sachs counseled America to “wake up from two decades of insufficient attention to the urgent needs of the world’s poorest nations.”<sup>29</sup> Elaborating in his 2005 book *The End of Poverty*, Sachs wrote, “Whether terrorists are rich or poor or middle-class, their staging areas—their bases of operation—are unstable societies beset by poverty, unemployment, rapid population growth, hunger, and lack of hope. Without addressing the root causes of that instability, little will be accomplished in stanching terror.”<sup>30</sup> Just as President Johnson’s poverty warriors sought to quell black riots by buying off urban militant groups with federal grants, Sachs proposed pouring money into the world’s hotspots, including those ruled by corrupt, tyrannical, anti-American regimes. Speaking before the Counsel on Foreign Relations in March 2006, Sachs said, “Every day we’re threatening someone else with an aid cut-off. . . . This is what we tried to do in Haiti for 20 years: put on the spigot, turn off the spigot. Put it on and turn it off. Put it on and turn it off until the place is so unbelievably desperate [there are] no jobs, no incomes, no nothing. . . . [I]f you’re turning this on and off, you never get development . . . you just get instability.”<sup>31</sup>

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Just how much bad behavior Sachs is willing to tolerate from foreign aid recipients became clear in January 2006, when Hamas, a terrorist group dedicated to the annihilation of Israel, won a majority in the Palestinian parliament. Sachs argued in a column that the West should continue bankrolling the Palestinian Authority, even under Hamas rule. “Almost daily the United States and Europe brandish threats to

impose economic sanctions . . . ,” he wrote. “The most recent threats are towards the new Hamas-led government in Palestine. . . . Such tactics are misguided. . . . [C]utting aid is likely to increase turmoil. . . . A newly elected Palestinian government should be treated, at least initially, with legitimacy.”<sup>33</sup>

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Since ascending to the post of global poverty czar, Sachs has carried on a non-stop campaign of recrimination against the United States—and against George W. Bush personally—accusing America of “grossly irresponsible neglect of the world’s poor”<sup>37</sup> and excoriating it as “the developed world’s stingiest donor.”<sup>38</sup> Sachs is angry that America has failed to cough up the annual payment of 0.7 percent of its GNP, which he claims this country owes to his Millennium Project.

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Thus has Soros operative Jeffrey Sachs emerged as the new poverty czar, not of America alone, but of the world. Americans did not want the McCain-Feingold Act, but got it anyway. We did not particularly want the Motor-Voter law, but now we live with its results. We did not ask for a Global War on Poverty, yet we are getting one all the same. These are the instruments and products of Shadow Party rule.

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Meanwhile, the Soros-funded television station Rustavi-2 began weekly broadcasts of a US-made documentary called Bringing Down a Dictator. The film presented a step-by-step account of the overthrow of Slobodan Milosevic. Its producer was Peter Ackerman, a former Sixties radical who later made a fortune as a stock trader, working for Michael Milken at the legendary junk-bond brokerage Drexel Burnham Lambert. When Milken was jailed for regulatory infractions, Ackerman left the firm to take up a new profession—fomenting velvet revolution. His International Center on Strategic Non-Violence based in Washington DC trains activists from many countries in direct-action principles similar to those found in Gene Sharp’s revolutionary handbooks.

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