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Andrew Yang and Eric Adams, leading Democrats in N.Y. mayor's race, are backed by GOP billionaires

Igor Derysh

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General elections in New York City have become almost an afterthought, and nearly everyone assumes that the winner of this month's Democratic primary will be elected the city's mayor later this year. It appears that billionaire hedge fund managers who have previously donated millions to conservative Republicans are now using their wealth to try to shape that Democratic primary to their liking — specifically, by blocking a progressive Democrat from becoming mayor of the nation's largest city.

Former presidential also-ran Andrew Yang and Brooklyn Borough President Eric Adams, widely seen as the two leading candidates in the crowded New York race, have sometimes tried to claim progressive credentials, something of a necessity in the city's current political climate. (Although outgoing Mayor Bill de Blasio has become a highly controversial figure, he was handily elected twice while strongly aligned with the progressive movement.)

But Yang and Adams have also attracted the financial backing of hedge fund billionaire Ken Griffin, who spent more than \$60 million to back Republicans in last year's elections, and fellow hedge fund billionaire Dan Loeb, who has given tens of millions to Republican candidates and conservative PACs over the past decade. Yang has also gained the support of libertarian billionaire investor Jeff Yass, who has donated more than \$25 million to Republicans and whose company was the main funder of a PAC that pushed the false claim that the 2020 presidential election was stolen from former President Donald Trump.

The three billionaires have a "history of funding the most extremist, racist, and anti-democratic forces within the Republican Party," said a report from Our City, a progressive super PAC that opposes Yang and Adams.

The longtime investors appear to be hedging their bets in the city's ranked-choice primary, where voters can rank up to five candidates in order of preference. But Yang and Adams' progressive

rivals, along with many activists, worry that the billionaire right-wingers are trying to buy power in a city where Republicans are virtually an endangered species.

"They're not satisfied with just owning one candidate — they want two," City Comptroller Scott Stringer, a mayoral candidate running to the left of Yang and Adams, warned last month.

Republicans are increasingly outnumbered in the Big Apple, winning just 27% of the vote in the last mayoral election, so in a sense it's logical for GOP donors to seek out new and unlikely allies to continue to exert their influence.

"Within this primary is a fight between Democrats and Republicans," Gabe Tobias, a former senior adviser to Justice Democrats and the executive director of Our City, said in an interview with Salon. "There are Democrats who are more progressive, and some others who are trying to put forward a progressive image because that's what they have to do to win this election." But in reality, he said, "if it were an open general election," those pseudo-progressive candidates would likely align with Republicans.

Griffin, Loeb and Yass have each donated \$500,000 to the pro-Yang Comeback PAC, which is run by Lis Smith, a top aide to former Democratic presidential contender (and now Transportation Secretary) Pete Buttigieg, Politico first reported. Griffin and Loeb gave the same amount to the pro-Adams Strong Leadership NYC PAC, which is run by Jenny Sedlis, a longtime charter school advocate.

Super PACs have become the vehicle of choice for wealthy donors to wield influence in politics in the wake of the Supreme Court's Citizens United decision, even as New York has rolled out a new public campaign financing program that provides matching funds to qualifying candidates in an effort to boost grassroots campaigns.

"Citizens United has created a terrible situation, with endless amounts of money pouring in from super-wealthy individuals to try and influence policy," Susan Lerner, executive director of the good-government nonprofit Common Cause NY, said in an interview with Salon. "The Supreme Court has basically turned on the money spigot, and it's simply bad for democracy."

Super PACs are allowed to raise unlimited sums but are prohibited from directly coordinating with political campaigns. Yang and Adams have denied they had anything to do with the billionaire donations, but critics say the contributions undermine the two candidates' appeals to the city's growing progressive base.

"Where your money comes from matters just as much as having a lot of money," Max Burns, a Democratic consultant and founder of Third Degree Strategies, said on Twitter. "When you're in bed with snakes like Griffin, and willingly take his money, that says a lot about your values."

Griffin, the founder and CEO of Citadel and one of the richest people in Illinois, recently bought a Manhattan penthouse for a record \$240 million. He has largely supported Republicans, last year contributing \$39 million to the Senate Leadership Fund, a super PAC aligned with Senate Minority Leader Mitch McConnell, and \$15 million to the Congressional Leadership Fund, a

super PAC affiliated with House Republican leader Kevin McCarthy, R-Calif. He previously contributed more than \$1 million to Future 45, a pro-Trump super PAC. He has also occasionally donated to Democrats, notably including embattled New York Gov. Andrew Cuomo, a longtime foe of the state's progressive wing.

In his home state of Illinois, Griffin spent \$20 million to try to kill tax increases for the rich in 2020, according to the Our City report, prompting a protest by the Service Employees International Union, which accused him of "hurtful, racist greed."

Burns told Salon that while Griffin has donated to both Republicans and Democrats, the reason to feel "concern about those massive contributions is more about values than partisanship."

"What Yang's folks don't see, or don't want to see, is that the common denominator is Griffin (and megadonors like him) donate to candidates they're confident will play ball," Burns said in an email.

"Democrats can't and shouldn't ever be the people playing ball with the super-rich, they have enough people looking out for them in the GOP already. Either we're the party trying to build a New York that works for everyone, or we're a party at least partially under the sway of hedge fund tycoons whose interests are directly opposed to our values. But we can't be both."

Loeb, a former Democrat who left the party in 2010 over opposition to former President Barack Obama, has donated millions to the Congressional Leadership Fund, Senate Leadership Fund, the National Republican Congressional Committee and the National Republican Senatorial Committee. He gave \$27 million to the conservative pro-LGBTQ American Unity PAC, which supported supposed Republican moderates like Sen. Susan Collins, R-Maine, and Rep. Elise Stefanik, R-N.Y., according to Sludge. Loeb has also donated to Cuomo and various liberal causes, but has funded super PACs that attacked progressive lawmakers like Rep. Ilhan Omar, D-Minn., and Rep. Jamaal Bowman, D-N.Y., according to the Our City report.

Loeb is a longtime charter school advocate who served as chairman of the Success Academy Charter Schools network, which Sedlis co-founded. He stepped down in 2018 after accusing New York State Senate Majority Leader Andrea Stewart-Cousins, who is Black, of inflicting "more damage to people of color than anyone who has ever donned a hood" while raging against unions. Sedlis continued to defend Loeb as he came under fire for other racially charged comments and as Democrats and progressive groups faced calls to return his "tainted" cash.

The Success Academy network was ordered to pay \$2.4 million in a disability discrimination judgment earlier this year after five Black students with learning and other disabilities alleged that one of the schools created a list of students it wanted to force out.

Yass, co-founder of the investment firm Susquehanna International Group, is a board member of the libertarian Cato Institute and the second-largest donor to Club for Growth Action, an anti-union super PAC that backs numerous Republicans who tried to overturn the election, including Sens. Ted Cruz, R-Texas and Josh Hawley, R-Mo. Yass also donated millions to a

super PAC that backed the brief 2016 presidential campaign of Sen. Rand Paul, R-Ky., and gave \$8.6 million to the Protect Freedom PAC, which promoted "Stop the Steal" conspiracy theories after Trump's election loss. Yass has since tried to distance himself from the false election claims, in the wake of the Jan. 6 Capitol riot. Yass, who was a key backer of the Students First PAC, a group affiliated with former Education Secretary Betsy DeVos' American Federation for Children, told Politico that he supports Yang because he supports charter schools and has criticized teacher unions.

"Andrew has a lot of libertarian leanings," he told the outlet. "He is not quite a libertarian, to say the least, but he has those leanings."

Tobias agreed that Yang's proposals are tinged with libertarian ideology, noting that his universal basic income plan is a "darling of libertarians" because it would "give people small amounts of cash and then cut social programs."

These longtime Republican donors target "people who they think will help them exercise the power that they want to have," Tobias said. "If they think that's going to be Democrats, they'll donate," with the goal of exercising power through a connection to a winning candidate.

"They really don't care about anything but their own political power, and when that means aligning themselves with the most extreme far-right, racist, anti-democratic elements of the Republican Party, they're more than happy to do that," he continued. "That kind of influence to me is so anathema to anything that Democrats in New York City want, it's preposterous."

Yang and Adams have both said they have nothing to do with the donations or the super PACs, as required by law. But Tobias argued that the candidates' refusal to denounce the support of billionaires who have funded the extremist wings of the far right amounts to "tacit acceptance" of their support.

These billionaires have framed their support around charter schools. Adams is a supporter of charters while Yang used his own money to help start a charter school in Manhattan. Yang has called for increasing the number of charter schools in the city and has criticized the teachers' union for delaying school reopenings amid the coronavirus pandemic.

Charter schools, which are funded by the government but privately run, offer students an alternative to struggling public schools, especially in poorer areas, advocates say. But teacher unions have long opposed charter schools since they are largely not unionized, and have accused charter schools of manipulating admissions to cherrypick students who are most likely to do well while consigning the neediest students to underfunded and struggling public schools.:

The national American Federation of Teachers and New York's United Federation of Teachers have launched their own super PAC, NY4Kids, to support Stringer, the city comptroller, who has repeatedly railed against his opponents for being aligned with Republican megadonors.

These big GOP donors "are funding Eric Adams' and Andrew Yang's campaigns because they are determined to buy City Hall," Stringer said in a [statement](#) last month, adding, "We can't let anyone — whether they're a Republican, a former Republican, or a corporate Democrat — undermine public education."

Stringer's backers at UFT are [backing legislation](#) to make charter schools more accountable and calling to roll back the 2017 Trump tax cuts and raise taxes on the ultra-wealthy to boost public school funding.

Stringer assailed Yang over his wealthy backers during a mayoral debate last Wednesday, noting that Yang's own supporters have described him as an "[empty vessel](#)" who is devoid of government experience or policy views.

"I don't think you're an empty vessel," Stringer quipped. "I think you're a Republican."

Stringer was referring to comments made by Bradley Tusk, a former aide to former Mayor Michael Bloomberg and disgraced former Illinois Gov. Rod Blagojevich who has since made a fortune as a venture capitalist and adviser to companies like Uber.

Tusk helped recruit Yang into this year's mayoral race and Yang's top aides all work for his lobbying firm Tusk Strategies, according to [City & State](#). Tusk Strategies is also registered to lobby on behalf of the tech firms Latch and Bird in front of the city that Yang would run if he wins, according to Sludge.

Tusk's relationship with Yang highlights a growing problem, which Susan Lerner of Common Cause described as a "new class of influencers" who are a "hybrid between consultants and lobbyists" and "in essence, are setting themselves up to be a shadow government."

In earlier political eras, she said, "Campaign consultants were campaign consultants and lobbyists were lobbyists and they were not some blending of the two. Typically, the people who worked on a campaign to elect an individual follow that individual into government and take a position in the administration," thereby becoming "accountable to the people." She is concerned that someone like Tusk, operating behind the scenes, "appears to want to set himself up as the shadow mayor."

After media reports highlighted the glaring conflicts of interest in Tusk Strategies' relationship with Yang, Tusk published a [Medium essay](#) vowing not to lobby Yang or his staff on issues that "intersect" with his business interests. He did not say the same about other people at his company. Tusk also vowed to disclose all interactions with the city and said no one from his firm would raise money for Yang if he is elected.

Tobias expressed skepticism over those promises, saying that Tusk and other super-wealthy supporters have "invested a lot of money, a lot of time because they want a candidate like Yang, who will do the things that they want to do," he said. "It seems pretty clear-cut and they didn't even deny that."

Lerner said there is a dangerous lack of regulations surrounding this new version of backstage influence-peddling in politics: "Our regulatory system has to figure out how to deal with this so that there's not a continuing threat of undue influence by people who are not accountable to the public."