State Room Arizona 006: Kristen Eastlick | Who's Really Funding Arizona's Politics?

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Full Article-Style Transcript

Introduction: Liberal Influence Networks

Scot Mussi: Hi, welcome to the State Room, a podcast dedicated to discussing key policy issues and events that affect the state of Arizona here. Hi, I'm Scot Mussi, your host. Today on the program, we're going to be talking about one of the largest forces that shape politics in America, the liberal influence networks that dominate political spending. And many people have never heard about this before, although it's gotten a lot more attention, especially with the Trump administration coming in and the shining of the light through DOGE and with USAID, which we'll be talking about more later on this podcast.

But what we're describing specifically is the vast network of nonprofit organizations, foundations, labor unions, advocacy groups on the left that pour billions of dollars into our political system to shape public policy, influence public opinion, and engage in our elections. It's a topic that our organization has researched and engaged in and looked into for years. Arizona has been a big target of this liberal infrastructure network from nationally being putting money into our state and engaging in our political system. It's been going on for over a decade to talk to us today about this and these influence networks. I've been pleased to have Kristen Eastlick with the Capital Research Center join us here in the State Room. Kristen with the Capital Research Center. It's been around since 1984.

They're a national group and in fact one of the pioneers investigating the flow of money into this these different influence networks into these different nonprofits and NGOs throughout the country. Kristen is an expert in this field. So happy to have you Kristen today. Thank you for joining us from Washington DC to talk a little bit about this.

Kristen Eastlick: Oh thank you so much. I'm particularly pleased because I actually grew up in Miami, Arizona. So this is this is personal.

Scot Mussi: Yes. So, she's not only an expert and passionate about this, but actually is a native Arizonan, which as we've gotten to know Kristen, something we love about her. In fact, she's going to be out in Arizona, I believe, next week to come back and maybe see the family, I guess. Good. Good. So, Kristen, let's just dive in. When we talk about money in politics, most people they think about it, they see it as just, oh well, it's the money they see on campaign commercials, political ads, the money candidates are spending. The element of it that actually is the vast amount of money that's actually spent in politics, I is far more convoluted and opaque. It's actually all these different entities that float out there that people maybe hear about from time to time, but they don't know how it works.

Can you give everybody a rundown on how this works at a national level and what we're talking about here when we talk about these liberal influ influence networks that operate in America.

The Scale of Political Spending

Kristen Eastlick: So what you have to think about is that there are three basically three and a half rivers of political spending. So you've got hard dollars. Everybody kind of understands that. That's when you write a check to a candidate. That's when you write a check to a party. This term dark money has started percolating about and the old traditional way of looking at it is that money was kind of like the 501(c)(4) political organizations. Every group has a foundation and an action arm. So there's one part of the group that is considered a public charity and the other part of the group that is doing the running up to Congress, talking to legislators, things like that. I know you're very familiar with this, but I want to make sure everyone's on the same page. Then you have all of the things that have come up. They're called all the outside groups.

The independent expenditure committees, the ads that are run that aren't paid for by a candidate, but they're paid for by a group that cares about the candidate, but doesn't actually they aren't they aren't working directly together. It's not like the campaign is telling the political campaign isn't telling this little group what to do, but they're aligned. And then there's the charitable giving, and that is what people think of. When we talk about charitable giving, we actually take out a bunch. We don't talk about the churches. We don't talk about nonprofit hospitals. We don't talk about universities. And you could talk, you could totally think that universities are influencing things. We are just looking at single issue groups or think tanks or organizations that have a legislative idea that they're trying to get past.

And when I say trying to get past, they have a policy outcome they're looking for. And so they will do things to try to support that policy outcome. White papers. They'll hold conferences. They'll hold meetings. So, when you look at all of that money, here's the breakdown. It's only about $14.4 billion. I know that's a lot of money, but that the hard dollars, the money going directly to candidates is only like 144 billion. When you look at those dark money groups, and people tend to think, oh, that's where all the problems are. In the 2020 election cycle, that was only $860 million. I admit that has grown and it's grown at a slightly faster pace than the others. But when you look at all outside money, all of those independent expenditures, you're looking at 3.3 billion. So that's not a lot.

When you look at so all the political ads that we see in a in the campaign cycle, the stuff that people really see the most about $3 billion spent by the candidates themselves or these other groups, these, you know, the 501(c)(4) non-tax-deductible, which our organization, the Arizona Free Enterprise Club, we're a non-tax-deductible organization as a 501(c)(4), but that equals about $3 billion nationally that was spent in a cycle. Okay. Yes. And so when you look at the charitable giving, you're looking at $35 billion. So it I know that there I know that you guys have that graphic that you're going to show up. You can see in scale the difference. And so that's why we tend to call that the Death Star. That's all of the charitable money that is going in.

You don't have to you write a check and then you get it taken off of your taxes when you give to the Sierra Club, when you give to Greenpeace, or when you give to say the Heritage Foundation. It happens on the left and the right, but the disparity between the two in the 2000 cycle was a 10:1 difference. So for every $10 given to leftwing organizations, there was $1 given to a right-wing organization. When you look at that in terms of the number of groups tends to be 300 groups on the right and at that point it was 1300 groups on the left and the left definitely multiplies and multiplies and multiplies those groups. Though you'll have a lot of them.

When you Another way when you think about this election though or the election activity is that you have a bunch of money that these nonprofits use to register people to vote and there is a long history of left-wing organizations again using charitable dollars and targeting specific types of people i.e. Targeting people who are more likely to vote with the Democratic party versus the Republican party. Obviously some demographics have been shifting and you've got a slightly changed mix, but the amount of money spent to get voters registered that wind up helping the Democrats is a very big amount. Now, we're a 501(c)(3), so we don't care about who we don't try to influence who gets elected, but it is a big disparity where the groups trying to elect Democrats tend to do this at a much higher rate than groups trying to elect Republicans.

Scot Mussi: When you're saying 10 to one, that is a huge disparity. I mean I mean that's a that's a that I mean that's a Grand Canyon size chasm between the amount of money flowing from the left and to the right on what you're describing. So who's who's funding this? So they have 10 to one type of money. Who's who's who the big players or who do we know of that is fueling this huge b huge chunk of money that's going to these again tax-deductible organizations but can engage in the soft political activities you're describing voter registration. They can they can do messaging campaigns. You know there's there's things you can do that to engage in the political part. Who's paying for this or who's funding it?

Foundations, Arabella, and Fiscal Sponsorship

Kristen Eastlick: Let me do a side bit. You also have a lot of people in a state like Arizona where you have ballot initiative campaigns. These organizations will spend a lot of money on one side or another of an issue because they think a lot of the voters that will vote for or against that issue will elect the people that they want to get elected. So that's kind of how this whole game started was through 501(c)(3) ballot edition campaigns. And to answer your question about the funders, well, one thing that we like to say here is that a lot of the as you might be not be surprised, it's kind of like a dynasty because they all share the same last name and that name actually happens to be foundations. A lot of big philanthropy is funding this ecosystem. They do it a lot of different ways.

Sometimes you'll have a big foundation like the Ford Foundation or Hewlett or MacArthur that will give money directly to some of these nonprofit organizations and you have these big philanthropies. Some of them care a lot about the environment. Some of them care a lot about social issues. They're there the amount of money in big philanthropy is staggering. And these are that's usually money that was kind of created through the capitalistic system but now because of generations and generations are far away from the person who actually you know earned the money in the first place now it's being used to kind of drive the a very far-left agenda.

So these foundations are giving these money but they've developed this technique of using kind of intermediaries to coordinate these messaging campaigns and a lot of times these intermediaries will start up a nonprofit group usually it's a 501(c)(3) sometimes there's another side to it again that action arm which you know the right does some of this but again scale is different and one of those big groups I'll say it used to be called Arabella because they recently went through a name change. I know you guys have focused a lot on this in your recent study that I thought was fantastic. But Arabella Advisors was a group that was very interesting. They started they have the it's a public affairs consultancy and they started up multiple it happened over time but they start set up later.

Arabella was is like the original mothership for all this stuff, right? But so about 20 years ago the mothership for it. Yes. Mhm. And so they started up a 501(c)(3) and eventually they got, you know, three C4s. But foundations, Gates Foundation, Soros, a lot of these big billionaires give money directly to either Arabella or to one of the nonprofit groups and then that nonprofit groups distributes it out amongst all these different campaigns through a system that is called fiscal sponsorship. And that has been a really big attention getter. At least as more and more people understand it. What happens is that I'll use a good I'll use a good version of it because it can be used for good. Let's say a local food bank gets started or someone wants to start a local food bank.

Well, they don't know how to file for tax exempt status or that person might not know how to raise money or how to set up personnel or finances. So, they might find another nonprofit that shares its same mission, that shares its same goals and say, "Hey, if we can use your tax exempt status, can we operate and if someone gives us wants to give us money, they give it to you, but you turn around and give it to us and we'll pay you a little bit of maybe an 8% fee, a 10% fee, whatever." So, that's a way that it can work for good. But when it's used to let somebody, okay, we're going to start up these four different groups that are all on the same side of an Arizona ballot initiative campaign and are all going to be saying the same messages, but you give it to us and then we'll give it to all of these other groups.

It looks like there's a coalition letter the a mile wide or a mile deep to support this. Well, it's everybody in the same office. It's somebody some guy who went from door to door to door. I'm I'm being funny. They're not actually going door to door. It's just these are all groups that are managed by the same firm. It's manufactured. It's manufactured. It's to make it look like it's actually much more comprehensive and grassroots and authentic than it really is. Astroturf. We call it astroturf. I'm hoping one of the images that you'll show is the image of the different Arabella entities. So right now I believe there are seven.

And what we see is a practice of one of them which is called the New Venture Fund will actually give money to the Windward Fund and Winward will give money to Hopewell and then they'll give money to the Sixteen Thirty Fund which that's their C that's their big huge 501(c)(4) and the money is just going all around lines to lines and it just looks like one big shuffle. One of my boss's friends who is a forensic accountant looked at it and said well that looks like money laundering. It's it and it really does. It there's no there's really no need for a foundation to give to one group and then have it dispersed in this way. They could just give directly to the group, but it of course multiplies it's exactly it multiplies the way that you can get the information out there. I'm a big fan of Mark Halperin.

And he has at least on his Twitter feed and he talks about this when he reports. He's a good reporter. He uses the term turtle on a fence post. Turtles can't get on fence posts. So when you hear of these hairrained legislative ideas that come up, the likelihood that some group manufactured that policy outcome and then is doing all that they can do to prop it up through again an astroturf kind of situation. It's very likely that one of the groups that I just mentioned in this network is going to be here. I mean there are a lot of you have done such a good job explaining who gives money in Arizona. So, I'd love to, you know, what other groups do are you thinking of that I could maybe explain?

IRS Questions and Tax-Deductible Political Activity

Scot Mussi: Well, we'll we'll dive into that in a minute, but I one element I want to talk about this as far as when you talk about this network, I mean, one element on this and I'll always tell people this is that much of the giving that you see even if it's to a 501(c)(4) or to a tax-deductible group and they go out and engage in these activities is legal. It's a first amendment right to go engage in this activities. That in and of itself from our perspective has never been the problem here. If people want to go support a cause or an issue that they believe in, it's their right to do so. Anybody can do it whether you're on the left or you're on the right. What I would like to we could talk about here a little bit here is where it starts veering off where it starts making look like it's not totally kosher. The scale on what's going on.

You described the money laundering that's that's happening here, but or the potential for money laundering, but let's talk a little bit about the elements here that maybe aren't what should be allowed under IRS regulations. Are you seeing examples or instances where it looks like they're kind of kicking the ball onto the fairway when it comes to f following IRS guidelines and rules to make sure that deductions are supposed to be taxedable because you get a tax benefit for making a for making some of these contributions.

Kristen Eastlick: Well, so you've got a couple of things there. There are a lot that I could kind of disentangle there. One of them is that when you are a 501(c)(3), so that's the public charity. That's the you get your tax deduction for it. You're technically like letter of the law regulation technically not supposed to help a candidate, not supposed to help a party win an election. It you can still get involved in these ballot initiative campaigns because you can target who is who is doing the voting. And so that's why you again in your state in our state we can get there's so much driving people to the polls for an issue. But you know let's say the NAACP that does a lot of voter registration and a lot of get out the vote on like the day of or during actual campaign season. They're not supposed to try to elect one party over another.

But they do and the IRS I think we have a lot of evidence of that. There have been memos that have been written to strategy organizations in particular the voter participation center and the center for voter oh gosh now I lost the name of it but it's a it's a group that or the these groups are working together to try to get Democrats elected. There is a memo from an organization called Mind the Gap. It was a super PAC. It still exists. Sorry, it is a super PAC. For a time though it was run by the mother of Sam Bankman Freed. So she's the one who wrote this memo and basically saying look if we use these voter registration and these voter outreach efforts and because they get tax deductions it is much more economically efficient than giving money directly to a campaign. So it's an open secret that this is how

Scot Mussi: Yeah. I remember before you and this gets back into some of the Arabella research where you guys a lot of what you guys were able to uncover on how Arabella was working was that they had what was it? I think their computers were hacked or some emails got leaked somehow. You guys didn't do it but somebody else had done that. But as part of that there was information circulating correspondence where they were talking about well if we actually restructure just how we word this a little bit we can turn this magically from a non-tax-deductible activity into a tax-deductible activity.

Fiscal Sponsorship and Disclosure

Kristen Eastlick: Precisely. Precisely. Now the bigger challenge here though is that so you can see some evidence of you know I'll call it wrongdoing or it would require a complaint and there would have to be an investigation for that organization to lose its tax-exempt status but the other stuff we actually don't know because there is no budget for one of those fiscal sponsorships. So back when Kavanaugh was nominated, back when he all those hearings were going on, the biggest group that was causing problems or was doing protests or having the signs that don't don't nominate so- and so was a group called Demand Justice. For a long time, Demand Justice was a line item on somebody else's budget. It was simply an accounting code.

So whenever somebody did work on that and they marked their time to Demand Justice, didn't have a board of directors, it didn't have a separate 501(c)(3) status. It didn't it wasn't organized as a as a physical company. You couldn't see any of the typical financial information that you would see from another or from your organization because you have to file those every year and you have to list who your boards of directors are and what your major accounting, you know, budget areas are. That's the exchange for having a tax-exempt status. That's the exchange for being recognized by the IRS. Well, a campaign, a fiscal sponsor doesn't have to do that kind of leg work. And so, you can't actually see who the foundation don't, you know, the foundation will maybe write New Venture Fund on their 990s.

They won't they don't always explain where that grant was designed to go. Back in the day, there was a lot more of that. You'd look at an organization I'll call it the schedule I for those for anybody who has done that and they would have to list the group and then they would really actually have a lot of detail about where the grant was supposed to go and sometimes they would name the actual campaign. Well, anymore it's either general operations or it's to support civic engagement or to support the environment and everything is very opaque as to what this money is going for and that is coming from

Scot Mussi: both the foundation reporting side and the organizational reporting side. So you asked you know and to give one example on that one example what you're talking about this sponsorship thing that actually came up with Black Lives Matter because they did have a sponsor. It was the Tides Foundation. It's a story I love telling because Tides was sponsoring BLM and they got that huge ramp up on all the cash after the George Floyd riots. All that money was flowing in. Tides was being their sponsor. Of course, it turns out that Black Lives Matter was largely a racket. And a lot of that money got laundered away and was stolen. But the funny end story about that is that the Black

Lives Matter people ended up suing Tides and accusing them of mismanaging on what they were doing and how that was all going on.

But you're as what you're describing, it's all opaque. Nobody really knows how that kind of works. But one of the good news stories on this is it appears the Trump administration is issuing new guidance. And that's one of the things is it appears the IRS is now finally starting to take steps on this now that the Trump administration's there and they issued guidance on this sponsorship. Am I right about that? That's they're moving forward on something that's to kind of shine a light on this issue.

Kristen Eastlick: You haven't seen exactly what they're going to do, but it does look like they're very interested in increasing the amount of disclosure. I mean, right now, all you had to do was basically say, "We operate and I guess now I'm thinking back, they act, the New Venture Fund would put out on in their annual report the number of organizations and sometimes they would list the organizations for purposes of like marketing the group or kind of good PR, but as far as the IRS goes, all you had to write down was we sponsored 533 or you know, that particular year, maybe it wasn't that many projects in designed for civic engagement or projects designed for environment to support environmental causes, whatever it was. You maybe just had a line number with, you know, three digits versus the more sophisticated, hey, we have, you know, 35 fiscal sponsores.

Here is the budget of each of them and here's their purpose. Again, I don't know yet exactly what the IRS is going to come up with. We have written a lot about some suggested ways that if you put us in charge of the IRS that there might be some ways that we could get basic information because you know you're not really looking. I'm going to go back to that food bank. I'm not trying to have everybody report every single thing that they do. That kind of creates a problem for the legitimate fiscal sponsored organizations. But my gosh, if you are a ballot initiative campaign that is or if your if you your ballot initiative campaign is being supported by millions of dollars in advocacy, that seems pretty legitimate that the public should know who that is.

SPLC and Nonprofit Accountability

Scot Mussi: People should know what it is and they should make sure it's on above board and it's not crossing IRS lines. And that's been the big thing from our perspective is that it just seems up until recently and it seems like it's now good the good news is starting to change is the IRS has turned a blind eye to a lot of this. Now we talked about that as far as some of the new reg requirements as far as disclosure. It's been great to see related to the Southern Poverty Law Center and how they've been playing fast and loose with this. I mean a lot of the attention is getting caught on because this is a criminal indictment with what they what they have done which is turns out that you know turns out that the KKK's number one funding source was the Southern Poverty Law Center.

But the other element of this as well too is a lot of the stuff that they were clearly doing looks to me to be completely non compliant with the IRS regulations and that they're just as exposed on that as they are with all the criminal allegations that are going on.

Kristen Eastlick: You know it I we did not sort of know we didn't know as much about the what those internal transactions were. But what I can tell you about our observations of the SPLC prior to this was they were sitting on hundreds. I believe that the last number I was close to 800 million 776 billion dollars in their assets. So they're sitting 700 billion. Yep. In their asset or sorry 700 million I'm sorry almost a billion dollars. Almost a billion dollars. I apologize for that. Almost a billion. That's a huge I mean that's huge for a an organization. That's just that's a mammoth amount of money. And it, you know, the name poverty is in like shouldn't wouldn't you have some success in addressing poverty with that much money? So they're sitting on top of that. A lot of it was invested in international funds.

So or not international funds, but it was housed in foreign banks. So there are a lot of questions. They had this palatial building in Alabama. It was this beautiful glass building. And it was started by a guy who was famous for direct mail. He was good at writing direct mail and getting people to send him money. And then as the as they were doing things, which they did some legitimate work against the KKK, they really did. But after that success, it, you know, h how do you grow? How do you continue to grow? So they but they figured out how to do it. They were sitting on that many assets. And just a few years ago, there was a massive expose that came out about them from the New Yorker, and there was a lot of both in-house racism and sexual harassment going on. It's very well documented.

It's a really unpleasant story about the SPLC from just a few years ago.

Scot Mussi: Yeah. And even with SPLC, I mean, you looked at what their budget and their numbers prior to the Charlottesville event that occurred back in I think it was 20 2016. They had an explosion in their in the revenue that they were bringing in after the event. Come to find out with this indictment that it turned out that they were helping to organize the very event that they then used to go fund raise off of.

And u another thing with SPLC is I think as it is with a lot of groups and you can probably point to different groups that may all along the political spectrum that a lot of times there's a cause or issue that they were created for that ends up getting solved but then the organization doesn't go away and then they have to figure out a new meaning and SPLC seems like exactly that type of group that at one time they maybe did something good but now they have just become completely corrupted and again good news is that this has now come to come to light. People are able to see it and it exposes the underbelly of this entire liberal network that's operating out there.

Kristen Eastlick: a couple things. One, there's an old saying that says every cause becomes a business and every business becomes a racket. So, once you once it has to feed itself, you know, why is it going to go out of business? That's they have the gosh when you think about the Sierra Club I don't there was one group out there and I now I'm blanking on it that it was design it was built to do a very specific thing and today it is you know 150 years old and it's got all this money the real idea just kept expanding because at some point you have people that you have to feed if you have you have employees you've got it's it does turn advocacy into some sort of corporation and a brand in a way that kind of stick stays far away from the intended purpose.

So the other thing the other thing I wanted to tell you on that front is one you mentioned the improvements of things. One of the big things that happened over the summer over last summer was that Bill Gates who pushed a lot of money into the Arabella network in particular started stepping away. So he had given this organization close to it was over 400 but almost half a billion dollars. So $400 million that had gone into the Arabella network since its inception. And he said nope somewhere quietly over the summer he basically said we are no longer going to be working through these group intermediaries. We are going to be giving directly to the organizations. And that was first of all it's a huge hit for Arabella. Again it predated that renaming that I talked about.

And it's funny they're called the new version of them is called sunflower services. A very nice and happy sounding thing.

Scot Mussi: yeah and you got and Capital Research Center probably take a little bit of a victory lap on this that the fact that Arabella again nobody a few years ago I would say go back circa 2020 2021 had never even heard of Arabella Advisors. I mean they have billions and billions of dollars flowing through them. They're funding all this state base and national activity. Your organization's shined a light on this and got stories written about them to the point now that as you mentioned they've had to rebrand and they shut down the Arabella brand.

Kristen Eastlick: They've now they're now what did you say? They're sunflower services. Yes. All nice and bright and happy. That sounds just so joyful. How can you be opposed to sunflowers? I mean just but they are still they're still around and they're and their network it's it's changed structures a little bit. It's more it's actually more confusing the way that they're structured if you can imagine. But it no one's really I think calling them that. I think it's everything is they pretty much understand. They're they're not stopping what they're doing. They just made it more difficult to explain and it probably isn't going to matter in the end.

Federal Taxpayer Money and Nonprofit Networks

Scot Mussi: Yeah. Another element of this when you talk about these vast networks is taxpayer money flowing to these various nonprofits that ends up getting funneled through to participate in these political endeavors. And I think one of the best things and I mentioned this before that the Trump administration did as part of DOGE was the exposure that USAID did to highlight the fact that money is flowing. And again, USAID was supposed to be for international causes. But no, there were groups operating here in America getting money from USAID, taxpayer money to fund far-left political activity. And we actually discovered this here in Arizona because there was money and still is money flowing to flowing to NGOs here, nonprofit organizations in Arizona that came from taxpayers. How much

Kristen Eastlick: have you guys seen of this nationally in addition to USAID where this tax dollars were is flowing to these nonprofit groups? Well, right after, right, like White Ren, Trump started, they dumped all of this stuff into a big database so people could search for it and it was such a huge, the public got so interested in it and they started it that it like broke they broke the internet or they broke that particular site for a while. There was too much usage. But we as we had been looking at this stuff for quite a while. Like two or three years ago, one of my colleagues had found out that there was a Colombian opera, a transgender Colombian opera that got a federal grant of $47,000. And then like the EPA has this huge green bank grant system. I mean, it was huge.

I think that it was the green bank that wound up giving that former candidate for governor in Georgia, Stacy Abrams. She wound up starting a group. Oh, and it was a Arabella related group, by the way. That got an influx of nine billion dollars overnight. Like it did it had maybe a hundred. Yeah. They went from like $200. They like 200 bucks. Yeah. They $200 one year and then the very next year everything. So anyways, that incredible growth. Stacey Abrams should get a should get an award for just being such an entrepreneur there. But like we had we were documenting like you know Church World Service is a group that got 375 million and that is a you know a far radical far-left group. The Rocky Mountain Institute going back to energy stuff. They're the group that came out with this let's ban gas stoves.

They were the originator of that particular idea. They wound up getting $12 million from the federal government. And then when it comes to Arizona, we actually you know, I we had seen one another in November and I went and looked to I asked Parker, my colleague, to look it up and you know, Chicanos Por La Causa got 188 million for migrant specific work. I think it was Head Start funding specifically, but that's a lot of money and there's some unaccompanied minor stuff. I you don't know how much of that is going to migrants who are here legally versus migrants who are not. And so we there are number of federal funds that have gone even into Arizona. I know you know more about that.

Arizona's Liberal NGO Syndicate

Scot Mussi: Yeah. No, and we and we could talk about that now because that gets into the state-based activity. We've touched a little bit on it, but here what's going on here in Arizona. Over the last decade, we have seen this explosion of all these different far-left organizations in the state that were non-existent or were tiny groups that all of a sudden had huge budgets. When we first saw when I first saw it, I didn't know. I go, "What was causing this? What was driving it?" Turns out it wasn't an accident. It was this national liberal network, Arabella and a few other players that were pouring billions of dollars into Arizona and largely they weren't bashful about what their goal was. Their goal was to turn Arizona blue. A lot of the methods they had, they had deployed in states like Colorado and Virginia.

Well, now they were deploying them here. And last year as you mentioned we did a report on this. We did a bunch of research to identify the flow of money into state and how it was into Arizona see how it was being used. Turns out last cycle as we describe it we call it the liberal NGO syndicate. Those network of groups were receiving hundreds of millions of dollars in tax-deductible money, some non-tax-deductible money, and then the hard money to influence Arizona's politics in the 2024 cycle. Hundreds of millions of dollars flowing to over a dozen different big groups, then lots of other smaller groups below that. Some of it was taxpayer money, money, some of it was coming from foreign donors, which we were shocked to discover that there was, you know, foreign money flowing into, groups engaging in various political activity.

But what we have here going on here in Arizona and that flow of dollars, what are some of the highlights that you've seen, at least here in Arizona, as far as that activity, that really caught your attention that you that surprised you?

Kristen Eastlick: Yes, I saw that we I just mentioned the CPLC, but then Primavera Foundation was getting 20 million for like community resilience in the face of climate change and they had like boot camps that they were setting up. When I think of that, I worry that we are, you know, using federal funds to encourage extremism because if you're doing boot camps to try to teach people that a lot of those boot camps turn into let's show you how to go protest something, which we are, you know, everybody is a fan of peaceful protests. Everybody's a fan of expressing your political opinion.

But when those start to get violent, when those start to I don't know block roads so that people can't drive, that becomes a little different, the level of legal versus illegal becomes sometimes it's fuzzy when it's started by a group that has a complete first amendment right to do this. But if you're if you're knowingly doing illegal things, that's a problem. Even like the Hispanic Chamber of Commerce was given money. They were getting a lot of money for race specific businesses, business funds, startup funds. And as we have been talking, you know, at the federal level and as we've been kind of grappling with, is this race-based race specific promotion, that's touching on some illegality as well because the colorblindness of how we as a society are supposed to be operating is becoming is becoming threatened.

And you've seen the Trump administration take a slightly harder angle than that. And now you've got some voting some language that has crept into Supreme Court opinions that are trying to get us away from focusing on you know using race as some distinguishing factor here. I think there are a couple of others. The Amistades Project that was for a climate resiliency project in Tucson to raise and mobilize 10 climate advocates. And again that you can climate you can be a climate advocate by going up and having meetings with your legislator or having conversations with people to try to change their mind. Or you could do things like you know deface a building. I'm not sure what they were doing.

I have no opinion on the Amistades Project but we've seen a lot of the climate activists you've seen a lot of the coverage of how they go in and destroy paintings or they start targeting buildings. They start targeting statues and things like that. And that is illegal activity. So where did the funding come from for that to happen? And then the last one that I highlighted here was the technical assistance partnership of Arizona, which was about $600,000. Again, we're back to the race specific. They Tiger Mountain Foundation promoting BIPOC businesses, the black indigenous people of color.

Resources and Closing

Scot Mussi: Yeah. It goes on and on. There is just an endless network of these groups and the report that we put on the liberal NGO syndicate. It's available on our website if anybody wants to take a look at it www.azfree.org. You can you can see some of the work that we have done on this. But on your end, what's a great resource that people could take a look at if they want to take a look at the network that Arabella has the vast, you know, spending that's going on throughout the country that's that's being supported on the left 10 to1 as you talked about it before. Where could they go to go view some of that if they want to take a look at identifying how's money getting spent, where is it getting spent, is any of it coming to Arizona?

Kristen Eastlick: Yes. So, I wanted to tell you, thank you for your report because, like I said, it was really, really great. But I wound up using it to help our website, Influence Watch. I, took some of the information that you put in your report and made it available on that site. Now, what is that site? It is basically a catalog of about 16,000 I think we're I think on the website right now is 1500 15,500 entries. And we have we have the influencers, we have the nonprofit organizations, we have the foundations, the founders or the big activists that are involved with things. We do have a lot of the 501(c)(4) organizations, the action arms and then we have their paired foundation or their 501(c)(3) or the education funds is usually another name of it. So you have you know issue education fund, issue action fund paired up.

So, you can just go and we've just redesigned it. Like just last week, we pulled we flipped the switch on this brand new site. It's really easy to now type in the search bar and the organizations that we already have pop up and then you can easily click on and then you can organize the your searches by I would like to know all of the environmentalist groups that have are based in Arizona. So you can check those two filters and I want to know which ones are charitable groups or which ones are action arms. You can have those different filters and stuff pops up exactly as you want it. And then as you're reading one, you'll get some suggestions. You since you're interested in this one, you might like because of course everything is an algorithm.

Now we are using that to our advantage so that we're suggesting things that you may not have thought about but that you could like based on what you just searched for. So, InfluenceWatch should help. And like I said, your stuff helped me either add a couple groups or I improved the profiles of groups that were already on there with your study.

Scot Mussi: InfluenceWatch.org. Influence. InfluenceWatch.org. Yep. InfluenceWatch.org. And then the other I encourage everybody to go make sure they go to that website, go check it out. Obviously, you can go to our website azfree.org to see our report. But go and if you want to take a deep dive, really learn how this works visit that. You can go to CapitalResearch.org to visit their main website as well too. Kristen, thank you so much for joining us today for the State Room, filling everybody in on this critically important topic. Really appreciate it.

Kristen Eastlick: I can't thank you enough for this opportunity. And again, I will see you see everybody in Arizona next week.

Scot Mussi: Yeah. Can't wait to have you out. And everybody wa watching today. Thank you for joining us here at the State Room where we cover all the key issues and topics that are critical to the state to help keep Arizona free. Thank you for joining us.