

Building a Radical Foundation

The Glaser Progress Foundation makes no bones about its focus on far-left activism

By Matthew Vadum

Summary: *Although the Glaser Progress Foundation was made possible by the great wealth its benefactor garnered from a mere decade's work at Microsoft, it aims to change the country radically. To that end, it works with left-wing agitators at such groups as the Democracy Alliance, Media Matters for America, and Demos.*

Often when wealthy left-wingers endow an eponymous foundation, they fade into the woodwork, preferring to let their money do the talking. Not so with software magnate Rob Glaser, a well-connected high-dollar Democratic donor best known for founding RealNetworks, a prominent Internet company. Glaser has been a supporter of Barack Obama since Obama's 2004 U.S. Senate run, according to DiscoverTheNetworks. In 2010, Glaser and his wife hosted a \$10,000-a-plate lunch event with President Obama at their Seattle home, the same year Glaser attended a White House forum on technology and government.

Glaser had previously donated \$50,000 to Obama's 2009 inauguration fund. But Glaser did still more in the 2008 electoral cycle; he also helped Al Franken (D) procure his Minnesota U.S. Senate seat by first "maxing out" to the candidate with \$4,600 for his regular campaign, and then contributing \$12,300 after the election to the Franken Recount Fund. During the



bitter recount battle for this Senate seat, Franken's team used means so outrageous that the *Wall Street Journal* declared that Franken's opponent, Norm Coleman "didn't lose the election. He lost the fight to stop the state canvassing board from changing the vote-counting rules after the fact."

In the 2004 electoral cycle, Glaser reportedly gave more than \$1 million to defeat George W. Bush. So it's no surprise that Glaser is an ally of George Soros, who poured tens of millions of dollars into the fight against Bush in 2004. Nor is it surprising that Glaser is also a leading member of Soros's Democracy Alliance, an invitation-only donors' collaborative for rich left-wingers. Created in the aftermath of the 2004

elections, which brought stinging defeats to the Left in battles for the White House, Senate, and House of Representatives, the Alliance is a financial clearinghouse for those who want to move America farther to the left.

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CONTENTS

Glaser Progress Foundation
Page 1

Philanthropy Notes
Page 6

FoundationWatch

Clinton administration official Rob Stein founded the Democracy Alliance with the aim of creating a permanent political infrastructure of nonprofits, think tanks, media outlets, leadership schools, and activist groups—a kind of “vast left-wing conspiracy” to battle the conservative movement. The donors group has channeled its members’ funds to fairly well-established pressure groups, watchdogs and think tanks, get-out-the-vote operations, and political action committees (PACs). It is intensely secretive. Members of the group meet twice a year to decide which causes to support with their checkbooks. (For more on the Alliance, see *Foundation Watch*, December 2008.)

Other ways that Glaser battled for the Left in the 2004 electoral cycle include his early support of America Coming Together (ACT), a large, ambitious Democratic get-out-the-vote operation created to affect the 2004 elections. Glaser donated \$750,000 to ACT and talked his friends into donating as well. ACT folded in 2005 with little to show for the millions of dollars it raised and spent—with the exception of a \$775,000 fine from the Federal Election

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Commission for illegally using unregulated “soft money” to support John Kerry’s 2004 presidential campaign.

In the previous presidential election of 2000, Glaser donated both to Ralph Nader’s Green Party campaign and also, less generously, to Al Gore’s campaign on the Democratic ticket.

Early Years

When Glaser studied at Yale, graduating in 1983, his politics were “slightly to the left of Che Guevara,” according to Bruce Jacobsen, a former RealNetworks executive who knew Glaser at the Ivy League school. Glaser once considered becoming a labor organizer, but instead he became a multi-millionaire thanks to his decade at Microsoft, where he worked on the Windows operating system and the word-processing program MS Word.

Glaser was a left-winger from way back, according to a *Seattle Times* profile. His parents were left-wing activists in Yonkers, N.Y. While studying at Yale, he penned a political column called “What’s Left” in the school paper. He also headed a group called the Campaign Against Militarism and the Draft. Jacobsen told the newspaper, “Glaser’s bookshelves are crammed with tomes about microeconomics and third-world development. His friends work for the State Department—or did during the Clinton-Gore years—and in the Peace Corps and at homeless shelters.”

RealNetworks

Glaser made his fortune largely at RealNetworks, a software developer that supplies video interfaces that work on standard Internet browsers and allow users to stream music videos, movies, and recorded music. The Seattle-based company was originally called Progressive Networks, and it aimed to provide left-of-center content for the World Wide Web. “It’s fair to say that our original objective was social revolution,” Glaser’s

RealNetworks co-founder, David Halperin, told *Wired* in 1997.

“They wanted to democratize the media and be able to deliver their progressive message over the Internet, bypassing corporate media giants,” according to the *Seattle Times* profile. “That didn’t happen. But what Glaser and Halperin started became RealNetworks, which pioneered audio and video on the Web and gave Glaser the money to pursue social revolution through philanthropy.”

Those who know Glaser well say “his giving reflects his goals of transforming mass media, improving health in the Third World and changing America’s measures of progress and prosperity,” according to the profile. “There are a lot of folks in this realm who may dabble,” said Eric Liu, a former RealNetworks vice president. “But Rob is definitely not dabbling.”

Former employees of RealNetworks have used the wealth they accumulated from working at the company in their own political campaigns. U.S. Sen. Maria Cantwell (D-Wash.) worked at RealNetworks between her unsuccessful run for the U.S. House and her 2000 Senate victory. She reportedly self-financed her campaign using money she earned at the company. In 2004, Alex Alben, a former vice president at the company, ran unsuccessfully in Washington’s 8th congressional district. He used his RealNetworks pay to fund his campaign.

Glaser left as CEO of the company in 2010 but came back in July 2012, after the company churned through two CEOs in two years. One online commenter at a *Forbes* news story on Glaser’s return asked, “Anyone think the real problem is Rob Glaser himself? We’ve had two CEOs spin through the revolving door in tenures of less than a year. The company has backtracked on the plan to simplify the company and exit the games business by doubling down on that segment with an acquisition and no

results to show for it. The company has not turned in an operating profit since at least 1995, and has written off almost \$400 [million] in failed acquisitions in the last 5 years.”

Glaser said at the time he would serve as CEO only in an interim capacity, yet at press time he remains in the post, as well as continuing to serve as chairman of the board. His tenure has not seen the company gain ground financially. Net annual revenues for 2013 were \$206 million, down from \$259 million the previous year, and the company had an operating loss in 2013 of \$71 million.

The website of Glaser’s philanthropy, the Glaser Progress Foundation, romanticizes Glaser’s radical activism and the way he blends it with his corporate activities:

Determined to use technology to pursue a progressive agenda, Rob founded ProgressiveNetworksin1993. Two years later Progressive Networks launched RealAudio, a product that delivered streaming audio via the web. Voices that could not penetrate mainstream media could now be heard in real time worldwide over the Internet. RealVideo followed in 1997, augmenting the audio with visual documentary. Now named RealNetworks, it continues to deliver independent and alternative ideas along with a vast array of content across devices and around the globe. The Glaser Progress Foundation implements Rob’s progressive agenda through leveraged backing of social causes. The Foundation funds programs that reflect Rob’s intense activism and his personal and professional focus on constant progress.

“Progressive” versus “Liberal”

Left-wingers have been running away from the adjective *liberal* for years. “The liberal brand is tarnished,” according to Glaser. He wants to “change the political paradigm” and treat the word *progressive* as a thing

“that’s nurtured and managed just like any other brand.” To test his theory, Glaser teamed up with John Podesta’s Center for American Progress and spent \$600,000 on TV ads in the Midwest over a three-week period. He proudly claims liberals in the test areas subsequently re-categorized themselves as progressives.

Leftist Thomas Frank, author of the influential tract, *What’s The Matter With Kansas: How Conservatives Won The Heart of America*, resents the alleged stereotyping of liberals as shallow, materialistic, arrogant urban elitists. This “latte libel,” a reference to a popular, pricey coffee drink available at Starbucks, is one of conservatives’ “dearest rhetorical maneuvers.” It holds that “liberals are identifiable by their tastes and consumer preferences and that these tastes and preferences reveal the essential arrogance and foreignness of liberalism.”

Astonishingly, Frank even dismisses the idea that America has a liberal elite, calling the notion “not intellectually robust.” The idea “has been refuted countless times, and it falls apart under any sort of systematic scrutiny.”

And yet in recent years, left-of-center Americans have rechristened themselves *progressives*, borrowing a label from the turn of the last century that was often associated with radical politics. As ex-leftist David Horowitz told Glenn Beck:

You have to understand this modern Left, what you call the progressives, which is, my parents were card carrying Communists, they always called themselves progressives. They belonged to the progressive party. It’s the same battle. These people are totalitarians. They think they know what’s good for you, and they’re going to control you to make you do what they think is good for you, even if you don’t want to do it.

Liberal may not be a political winner, but is *progressive* any better? The jury is still out on this question.

Foundation Finances

The Glaser Progress Foundation was granted charitable status in August 1996 and is located in Seattle, Wash. It was originally called the Glaser Family Foundation. In its public tax filing for the year ending December 2012, the foundation reported assets of \$7,886,298 (ledger value) and income of \$88,885, according to FoundationSearch.com. According to its own website, the foundation’s asset base has fallen from \$24.3 million in 2008, to \$13.7 million in 2010 and then down to \$7.6 million in 2012.

Its grantmaking has followed a similar downward track. What it calls “program grants” have gone from \$3.1 million in 2007 to just \$1.3 million in 2012. Its “directed grants” from \$261,000 in 2007 all the way down to a mere \$26,000 in 2012. Throughout the 2007-12 period the foundation’s operating and administrative expenses have risen somewhat, from \$353,950 in 2007 to \$447,553 in 2012.

This, of course, raises questions about the financial well-being of the foundation’s benefactor, Robert D. Glaser, whose personal wealth at one time was estimated at close to \$500 million. The decline in the foundation’s assets is also related to its history of distributing significantly more from its corpus than the legal minimum of 5 percent. From 2002 to 2010, it averaged 10.4 percent.

Grants

Much of the philanthropy’s giving has been focused on institutions of higher learning such as Columbia and Harvard, but significant grants have gone to ideologically neutral causes like the Grameen Foundation USA, which focuses on micro-lending, providing small business start-up loans to entrepreneurs in developing countries.

Groups promoting animal welfare have also received grants from Glaser Progress Foundation. Two such groups are the Humane Society of the United States (\$1,187,421 since 1999) and the militant People for the Ethical Treatment of Animals (PETA) (\$278,000 since 2000). (For more on the Humane Society, see *Foundation Watch*, April 2010.)

Environmental groups have received a fair bit of the foundation's money. Recipients include Earth Action Network (\$76,179 since 2001); Earth Island Institute (\$30,000 in 2000); Greenpeace Fund (\$25,000 in 2004); and Earth Day Network (\$268,637 since 2000).

The foundation funds left-of-center think tanks including the Center for American Progress (\$2,166,200 since 2003), Aspen Institute (\$215,000 since 2002), the (Jimmy) Carter Center (\$100,000 in 2003), and Demos (\$25,000 in 2012). David Halperin, Glaser's old business partner, served as senior vice president of the Center for American Progress from 2004 to 2012. He was also a speechwriter in the Clinton White House.

New York-based Demos is a leftist think tank and pressure group that describes its mission as "achieving true democracy by reducing the role of money in politics and guaranteeing the freedom to vote," expanding the middle class, and "transforming the public narrative to elevate the values of community and racial equity." This month, Heather McGhee, the group's vice president of policy and outreach, is scheduled to take over as president of Demos. Previously Demos was headed by former Connecticut Secretary of State Miles Rapoport, who has since become president of another left-wing group, Common Cause.

War on the GDP

Glaser Progress's \$25,000 grant to Demos was earmarked "to encourage development of effective community indicators." This

grant appears to be underwriting a radical attack on the concept of Gross Domestic Product (GDP), an underpinning of modern economic theory. GDP is the market value of all officially recognized final goods and services produced in a country in a year. GDP per capita is often seen as a good indicator of a country's standard of living.

Some on the radical left consider GDP to be somehow *unfair*. They prefer a novel, recently invented indicator they call the Social Progress Index (SPI). It claims to measure basic human needs, the foundations of well-being, and opportunity, and it favors big-spending countries with gargantuan welfare states that crush economic freedoms and crowd out civil society. To no one's surprise, Sweden is ranked number one using the pie-in-the-sky Social Progress Index.

The Glaser Progress Foundation's executive director, Martin Collier, explained why left-wingers don't like GDP at a 2008 Senate hearing (the full soliloquy is available on video at TheRealNews.com, "Senate hearing: GDP fails to measure progress"):

GDP measures money changing hands. So when money doesn't change hands, it's missed. It counts negatives as positives. And it also leaves out a wide range of things that are very, very valuable to us. If there's an oil spill on Puget Sound, where I live in Seattle, GDP goes up, because attorneys are hired, there's cleanup crews, all sorts of things. If someone gets cancer, GDP goes up. We can measure the depletion of our natural resources. We don't do that. We could measure the impacts of pollution on health and property damage. And that's just two examples. What I would propose is that at least as often as GDP we present other statistics. What are real wages doing for ordinary people, for instance? What's the national debt look like? It's now up to \$9 trillion. We've got 47 million people in this country without

health insurance. We've got over 37 million people in poverty. Those things should be reported along with increases in GDP to give us a more complete picture. The most simple way to put it is you are what you measure, you get what you measure, and you fix what you measure. It's time to measure what matters most, it's time to measure what we value most, instead of simply valuing what we measure.

James Gustave Speth, a Distinguished Senior Fellow at Demos, similarly explained the Left's bizarre attempt to rewrite the rules of economics. "The GDP is a truly terrible measure of things that really matter," Speth said. "Finally, there's a broad consensus on this point. For the first time there's a chance that this concern will move out of academic and research circles and become a real policy question."

"It takes enormous GDP growth to get jobs," he added. "It focuses us as a nation on a fool's errand." (*Time*, Jan. 30, 2010)

Fighting Conservatives

Glaser's philanthropy spends a lot of money attacking conservatives and promoting its vision of progressivism. For example, the Glaser Progress Foundation worked with Center for American Progress in 2009 to create a Progressive Studies Program whose mission is to "increase public awareness of progressive ideas and values, as well as to educate public officials and policymakers." Progressivism on Tap is part of the program. Under its auspices, left-wing authors speak about issues of the day at a trendy Washington, D.C. area restaurant, Busboys and Poets. The eating spot is owned by left-wing extremist Andy Shallal, an Iraqi-American who adores the radical historian Howard Zinn and Code Pink for Peace.

Glaser's philanthropy has funded a plethora of progressive activist groups. Among them are the ACLU Foundation (\$675,000 since 2004); Physicians Committee for

Responsible Medicine (\$375,000 since 2001); American Constitution Society (\$75,000 in 2005); People for the American Way (\$50,000 since 2005); and Center for Progressive Leadership (\$50,000 in 2009).

The Center for Progressive Leadership wants to mirror the conservative Leadership Institute. The center's website describes the group as "a national political training institute dedicated to developing the next generation of progressive political leaders."

Glaser Progress also funds left-wing "alternative" media. Democracy Now Productions has received \$700,000 in grants from the foundation since 2004. The Nation Institute, which is a 501(c)(3) nonprofit related to the far-left *Nation* magazine, received \$50,155 in grants in 2000. The misnamed Foundation for National Progress, a 501(c)(3) nonprofit related to the radical magazine *Mother Jones*, has received \$211,329 since 1999.

Mother Jones helped to torpedo Mitt Romney's presidential campaign in 2012. It published the story of Romney's ill-received "47 percent" comments. The San Francisco-based publication also instructs its interns, whom it doesn't pay adequately to live, that they should apply for taxpayer-funded food stamps during their servitude at the magazine. (Glaser served on the board of the Foundation for National Progress.)

Glaser Progress Foundation "seeks to fulfill the late Howard Zinn's call for the development of media that would foment a 'permanent adversarial culture' and widespread 'resistance' to traditional norms among the American population," according to the online encyclopedia DiscoverTheNetworks. Back in 2003 it co-sponsored a Media that Matters Film Festival, along with George Soros's Open Society Institute and Human Rights Watch. The event was held to highlight films that "encourage social action and inspire dialogue" in the areas of environmentalism,

hunger, criminal justice, cultural diversity, military spending and war, homosexuality, racism, AIDS, and poverty.

Not surprisingly, Glaser Progress funds organizations devoted to attacking and undermining free media institutions. Since 2005 the foundation has sent \$600,912 to the George Soros-funded Media Matters for America, a left-wing character assassination factory that secretly colluded with the Obama administration to attack critics of Attorney General Eric Holder. Another group, Free Press, which demands so-called "net neutrality" and government control of media outlets, has received \$200,000 since 2004.

Glaser also personally funded the Air America Radio network, the biggest effort ever mounted to create a left-wing talk radio network that could compete with highly successful conservative talk radio. When Air America crashed in bankruptcy in 2006, Glaser was its largest creditor; the network owed him \$9.8 million.

Since 2001, Glaser Progress has also given \$176,500 to the Adbusters Media Foundation based in Vancouver, Canada. Adbusters, which publishes a magazine under the same name, founded the violent Occupy Wall Street movement. That movement grew out of an event on Sept. 17, 2011, in lower Manhattan called the U.S. Day of Rage, organized by Adbusters. Organizers vowed that the mass protest would be nonviolent in nature. This raised the question of why they named their event after the original "Days of Rage" that took place in Chicago in 1969. In that tumultuous year, members of what was later to become known as the Weather Underground provoked four days of riots and demonstrations against The System, leading to scores of injuries.

Occupy Wall Street, and the satellite protests it spawned in cities across the U.S. and around the world, have also been violent. Radical activists are responsible for literally

hundreds of crimes, including assault, gang rape, arson, rioting, robbery, and a host of others. (For more on Adbusters and Occupy, see *Foundation Watch*, January 2012.)

Conclusion

Oddly, it never seems to have occurred to Rob Glaser that he was fortunate to live in a productive country whose market-based economy allowed him to become a millionaire after only a decade of work, and whose tradition of tolerance allows even the radical enemies of the nation's principles to rail against its imperfections, real and imaginary. Who knows—perhaps after Glaser's death, the staffers at his foundation will do what so many such staffers have done at other foundations; namely, change the funding stream to projects which the original donor would never approve

But don't hold your breath waiting for that to happen.

Matthew Vadum is a senior editor at Capital Research Center and the author of Subversion Inc.: How Obama's ACORN Red Shirts Are Still Terrorizing and Ripping Off America's Taxpayers (WND Books, 2011).

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Many thanks.

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President

PhilanthropyNotes

Activists marching in North Carolina last month were asked to bring valid photo identification in order to participate in an **NAACP**-hosted protest against voter ID laws in Raleigh. Although the NAACP and other left-of-center groups argue that voter ID laws are racist and discriminate against poor and minority voters, the ID the NAACP was insisting upon was exactly the kind of ID that they would be required to present at a polling place.

As **Hillary Clinton** seems to be gearing up for a 2016 presidential run, **Bill Clinton's** presidential foundation is clamping down on public access to papers from Mr. Clinton's term as Arkansas governor, Washington Free Beacon reports. The former president donated his gubernatorial papers to the Central Arkansas Library System (CALs) in 2003, and they are located at the Butler Center for Arkansas Studies in Little Rock. But the foundation, which owns the papers, is now denying all public access requests. "The documents could provide new insight into the early chapter of the Clintons' political careers, as reporters take a second look at Hillary Clinton's past in light of the information contained in the public materials of the Diane Blair collection. Hillary Clinton played a key role in her husband's health care and education initiatives during his time as governor, from 1979 to 1981 and 1983 to 1992."

Kriss Deiglmeier has become the San Francisco-based **Tides** network's fourth CEO in four years, the *Chronicle of Philanthropy* reports. She replaces **Gary Schwartz**, the interim president of Tides who will return to his previous post as senior vice president at Tides. Deiglmeier comes to the extreme-left philanthropic network after serving as executive director of **Stanford University's Center for Social Innovation**. She refused to disclose her salary but her predecessor in 2012 earned \$634,434 in total compensation from **Tides Foundation** and **Tides Center**, according to publicly available tax filings. Tides founder **Drummond Pike** left the network in 2010.

Goldman Sachs WATCH

Mergers and acquisitions (M&A) that hurt customers by creating monopolies are great for business, Goldman Sachs asserts in a research report. "M&A that drives an industry toward oligopoly is the good kind," according to the paper. "An oligopolistic market structure can turn a cut-throat commodity industry into a highly profitable one ... because they simultaneously satisfy multiple critical components of sustainable competitive advantage—a smaller set of relevant peers faces lower competitive intensity, greater stickiness and pricing power with customers due to reduced choice, scale cost benefits including stronger leverage over suppliers, and higher barriers to new entrants all at once."

Goldman Sachs Group and Deutsche Bank are quietly trying to exit the raw uranium trading business, a business few people even knew Goldman was involved in, Reuters reports. Over the past four years, the two banks have acquired low-grade stockpiles of the nuclear fuel ingredient (also known as yellowcake) larger than those held by Iran, and sufficient to operate China's nuclear power generating facilities for a year. "Goldman's uranium business can trace its roots back to an apartheid-era South African trading conglomerate that sold Iran its only known source of foreign yellowcake 35 years ago," the wire service reports. "To this day, that uranium delivery underpins Iran's disputed enrichment program, which western powers fear is aimed at developing atomic weapons, although Iran denies that." But demand has dropped in the wake of the Fukushima nuclear reactor disaster in Japan and Goldman is trying to offload its nuclear trading desk, known as NUFCOR International Ltd.