## Inside the secretive Silicon Valley group that has secretly funneled tens of millions of dollars to try to rig elections

- Does the FEC know?

There's a reason you haven't heard of Mind the Gap: Its "raison d'être is stealth."

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Members of Mind the Gap's leadership team aren't political operatives, they're academics from Stanford University. *Justin Sullivan/Getty Images* 

A secretive group led by Stanford University academics has unleashed millions of dollars in political spending from Silicon Valley and is now convincing some of its biggest donors to spend millions more to back Democrats in 2020.

Mind the Gap, a network formed less than two years ago, has been quietly routing millions of dollars to Democratic candidates and groups across the country in the 2018 and 2020 election cycles, emerging as a new power center in the Silicon Valley political scene. It's just that so far, it has avoided public detection.

The group's success is due in large part to how it speaks the language of Silicon Valley, donors and operatives say: In 2018,

Mind the Gap pitched donors on a statistical model that tried to assess the precise impact of each additional dollar on the chance that Democrats would win the House of Representatives — as opposed to funding the easiest seats to flip. It's an approach that one donor called the "Moneyball of politics."

That supposed secret sauce has ushered in more than \$20 million in new political spending from tech leaders and others who are grappling with how to best use their wealth in the age of Donald Trump, according to Mind the Gap's claims in materials seen by Recode. And the group has proven to be yet another way for Silicon Valley donors to spread their influence across the US at a time when many in the Democratic Party want to see Big Tech's power abated, rather than expanded.

Mind the Gap, whose efforts haven't previously been reported, has recently petitioned some donors for at least \$100,000 to supports its efforts. Backers include people like <a href="Facebook co-founder Dustin Moskovitz">Facebook co-founder Dustin Moskovitz</a>, former Google CEO Eric Schmidt, San Francisco power broker Ron Conway, and a coterie of major Democratic donors from across Silicon Valley, including fundraiser Amy Rao.

SV Angel founder Ron Conway is one of many Silicon Valley titans backing Mind the Gap.

Scott Olson/Getty

There are many middlemen on the left who have tried to take advantage of Silicon Valley's new political energy. But few are proving to be as unusual as Mind the Gap, in both its message and its personnel. The group operates in a cone of secrecy, often exhorting its donors to keep their information secure. It has no website or presence on social media, and its leaders don't mention their involvement in their professional biographies on sites like LinkedIn. That's not by accident.

"The raison d'être is stealth," one person with ties to the organization told Recode.

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A core strategy of Mind the Gap has been to hide which candidates and groups it is backing until it's too late, so to speak. Republicans closely watch Democratic donors to see which congressional races they are financing so that they can mobilize their *own* donors to restore fundraising parity in a particular congressional district. So Mind the Gap's game plan has been to escape a bidding war by having its donors begin shoveling money behind Democrats only in the fall of an election season — sometimes all on the same day — *before* Republicans have the chance to notice that they are soon to be outspent by Democrats (and then try to catch up.)

That means Mind the Gap has been covert about which campaigns it is directing donors to support. In fact, some candidates who have been overwhelmed with donations from rich Silicon Valley types sometimes don't even know they're on the list, according to one donor who discussed the matter with a bewildered candidate.

What is also unusual is that Mind the Gap is led not by highly experienced political hands, but by academics with no professional backgrounds as fundraisers. The group's leaders

are a pair of Stanford law professors: <u>Barbara Fried</u>, who has no apparent campaign experience, and <u>Paul Brest</u>, the former president of the William and Flora Hewlett Foundation. <u>Graham Gottlieb</u>, a Stanford fellow who served in junior roles for former President Barack Obama's 2012 reelection campaign and in his White House, is its executive director.

Fried declined to answer specific questions from Recode about its efforts, past or present. But in a statement, she downplayed Mind the Gap as merely a "pro-bono donor advisor to people who are interested in evidence-driven decision making."

"Most people have no idea whether their political contributions will actually make a difference," Fried said. "Our aim is to evaluate the efficacy of different forms of political and civic engagement, and provide our conclusions free to individual, interested donors so they can make more educated decisions about where their money would be most effectively spent."

Working with a well-regarded Democratic data (Election Manipulation firm, like SPLUNK) firm, <u>Civis Analytics</u>, and with early support from progressive mainstays like the AFL-CIO, Mind the Gap pitched donors in 2018 on a counterintuitive message to successfully take back the House: Don't fund the congressional races that are the likeliest to flip. Those are already overfunded. Instead, fund the slightly less-likely-to-flip races (say, ones in which a Democrat might have a one-third chance of winning) and where each donor dollar is more likely to make a difference — an "efficient funding" model, as Mind the Gap's leaders called it.

"Democrats face a serious funding-efficiency gap: We are on track to significantly overfund many of the races perceived to be the 'most flippable,' and at the same time, underfund races that could be won if we invested in them," reads one Mind the Gap memo from summer 2018 that Recode obtained. "To put it another way, most donors invest based on the perceived winnability of a race, rather than the difference their investment in the race will make to the outcome."

That kind of pitch is catnip to people in Silicon Valley, who like to pride themselves on data-driven thinking.

The group set out to raise \$10 million in the 2018 election cycle by convincing as many as 400 donors to give \$2,700 each (the legal maximum) to as many as 20 different congressional candidates, according to the same memo. Mind the Gap's fundraising drive ended up doubling those figures.

"It felt like a silver bullet, and that's how they marketed it," the person affiliated with Mind the Gap told Recode, characterizing the group's thinking as: "We have figured out a way to game the system."

Wealthy people from tech attracted by the vernacular of risk and return flocked to the group, packing donor briefings at ritzy spots in San Francisco's Pacific Heights neighborhood and sharing the endorsement list with their friends across the tech industry. Those donors then flooded Democratic challengers like Xochitl Torres Small in New Mexico and Lauren Underwood in Illinois with as much as \$640,000 in high-dollar donations. Mind the Gap "infused into their campaigns almost overnight" an average of more than \$500,000 each, according to a separate, year-in-review memo distributed to donors last month and obtained by Recode.

Some of these candidates had as little as \$65,000 on hand before Mind the Gap arrived.

By the end of the election cycle, Mind the Gap had convinced 800 people to support its efforts and funneled \$11 million to Democratic candidates, according to Mind the Gap's internal figures seen by Recode, and another \$9 million to Democratic groups. Ten of its 20 candidates, such as Torres Small and Rose, won their races.

Mind the Gap donors contributed \$597,000 to Lauren Underwood, who won a tough congressional race in Illinois in 2018.

Stacey Wescott/Chicago Tribune/Tribune News Service via Getty Images

"They are incredibly grateful to you all, and many attribute their victory (rightly or wrongly) to MTG's efforts," the group told its donors in one memo.

Now, in advance of what's expected to be the <u>most expensive</u> <u>presidential race ever,</u> Mind the Gap is trying to bring that same thinking to the 2020 election, soliciting donors to sink millions of dollars into a trio of groups focused on voter registration and preparing to recommend more candidates later this year.

"Anything could happen between now and next November to change the picture significantly. But we have no control over most of the things that will happen," the group told donors in its yearend memo last month. "As ever, the question for us is, what can we influence, and where will money make the biggest difference?"