

VC Style Funding for Progressive Organizations with Dimitri Mehlhorn of Investing in US

[00:00:00] If you look at where the Republicans are now, they demand that 18 year olds can buy assault rifles. And that 10 year olds have to be compelled to bear the children of their rapists. That is where they are. If we're not talking about that, if we're talking about something else, then we're losing.

Hello. This is the great battlefield podcast. I'm Nathaniel G Pearlman. A great political battle is being fought right now between progressives and the forces of reaction. On the other side, this show is about the political entrepreneurs and other progressive leaders who are finding new or improved ways to fight.

I was very happy to get the chance to catch up with Dimitri Melhorn. Who's continued his venture capital style funding of the fight against Trumpism with the help of Reed Hoffman, founder of LinkedIn, [00:01:00] Dimitri is not shy about what he thinks he's learned by funding, progressive organizations and from studies of what works and what doesn't.

He does not pull any punches either about the dangers of the other side or what he feels are allies who are making mistakes. And he's making changes to funding strategies as a result of what he's learning. He might not agree with everything Dimitri says, but he's one of our team and you'll want to listen.

So after a quick word from our sponsor, my interview with Dimitri, Melhorn

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Dimitri. Uh, welcome back to the great battlefield podcast. When I talk to people for the first time, I like to go through their biography a bit and we've done that. And I refer people to an earlier episode with you where they could

get to know you in that regard. But I wondered if you could first just catch me up with what you've been up to in the political space in the last while.

Maybe since we've talked a year or two and. Just how things are kind of going for you personally with that part of your life. Thanks, Nathaniel. It's uh, great to be with you again. I know it's been a while to answer your question. You may remember that our plan was to work together to essentially raise [00:03:00] venture capital style money for America's resistance to fascism through the primary focus point of trying to change the person in office by January 20th, 2021.

And our hope was that once that had happened, we'd be done. In fact, we, we talked about it as a movie project. We're trying our best to do this one thing. Maybe we'll fail, maybe it'll succeed, but it's a one thing that's very important. And in the aftermath of all of the events of January, 2021, We all looked at each other with relief.

Things were not perfect. Things were a long way from perfect, but it appeared that we were moving forward since then the Republican parties, leaders have engaged in a level of cowardice and weakness that [00:04:00] even we did not expect even after all this time. And you know, frankly, a lot of Democrats didn't really understand the moment either.

And so now we are back in a situation, actually the economist magazine had a cover story on it. That was perfect. That said that, you know, , if Democrats don't get their act together and win these next few elections could very well be the end of American democracy as it's existed to date. So we are back in it trying to figure out how to help keep these worst elements of the Republican party out of power.

With a focus on these midterms in particular because of their significance. So does that sort of answer your question, catch you up a bit? It does. And you know, one of the things I was gonna ask you kind of right out of the gate was how much danger do you think we are in, in exactly that regard in illiberal movement, right?

Wing authoritarian, [00:05:00] threat to governance in this country, which of course threatens the entire world. If the United States with all its power is on the side of authoritarian, dictators, and wanna be dictators around the world, how would you assess the level of threat to a country which has had, you know, deep democratic roots and which I never thought I'd be asking these kind of questions about to be honest, but in my view, we are in a moment like that.

Yeah. So I'm gonna give you an answer. That sounds absolutely insane. And I'll give you some of the reasons why it might not be insane looking forward from where we are right now, um, with all of the uncertainty around this midterm, I would say that the odds of the United States of America escaping from this decade with the peaceful transfer of power and the rule of law in [00:06:00] democratic elections for the United States presidency, I, I would say it's about 50 50 now.

Why do I say that? Well, first of all, you say that America has deep roots in enlightenment era democracy, and that is true, but we also have deep roots in, in its alternative. And if you look at the history of the United States and in particular, the founding colonies that came through the Barbados slave colonies and ended up founding the deep south, which eventually controlled two thirds of the world's cotton supply and became enormously powerful, almost won the civil war, basically won the postwar post reconstruction period.

You know, the, the norms of that part of the United States were always. Based on a different set of intellectual traditions, the idea that great people philosopher kings should really run everything and that other people were frankly, for them to use or not as they [00:07:00] self fit. And you know, that basic idea has gone through various permutations, but it is openly embraced by the Peter Thiels and Ben Shapiros of the world.

Right now, there is a lot of United States constitutional history that protects that fascist instinct. I think, uh, scholars of authoritarianism know that Hitler and his race scientists explicitly borrowed from the United States, Jim Crow rules to justify their ideas. So the United States of America is yes, the global champion of the peaceful transfer of power.

We were the first to ever do it. And we still account for a substantial portion of all of the times it has ever happened in human existence. We are also a global leader of fascism and the ideas around that. Now our view is that we had a break for good in the 1940s and 1950s, because Americans were exposed directly to visual evidence of how [00:08:00] bad fascism was with the photographs and images coming out of the Holocaust.

And then with the images being beamed around the country about the police response to civil rights marchers in the American south. And so there became a moment in the 1960s through really until, you know, the 2010s where it was considered unacceptable to endorse this kind of fascism, nationally Republicans from Nixon to Reagan, to, to doll, to Bush, all disavowed white nationalists disavowed people like David Duke.

Uh, it said. Felt the need to express that racists were not welcome in their party. And that was part of an antifascist consensus, but there were always fascists here. There were always people who, who were not being spoken for, who were unrepresented as America became an antifascist nation. And Donald Trump spoke for him and took [00:09:00] power.

And even though his election was a very unlikely event, once it happened, we were in a different place, closer to where we were before the 1940s and 1950s, where these two strands of American thought were very much intentional with each other. And now today we have one of the two major political parties, which is committed to ending the peaceful transfer of power.

The one thing that the Republican party is absolutely committed to. Is refusing to recognize the legitimacy of the 2020 election and in advance refusing to like recognize the legitimacy of a 20, 24 loss, should it happen? And so it is a party that is committed to not peacefully transferring power.

That's their sole organizing principle. And you can see by the way that people like Rusty Bowers was censured by the Arizona Republican party or Liz Cheney is gonna be out of a job after being in house leadership and Republican royalty. The dominant thing that matters is are you willing to overturn this order and keeping [00:10:00] a national party out of federal power?

Is very hard, especially on a repeated basis because American politics are subject to a pendulum where people grow tired of the party in power. And if the Republicans retain power again, that's it. They're not gonna leave peacefully. They have to kind of keep the fascist out of power by electoral means for the rest of this decade.

And that's hard. So that's why I give us, uh, 50, 50 odds of escaping, uh, with the America that we've had thus far this decade. First of all, it just, even to hear you talk about it in that forceful manner makes my blood run cold, then it should anybody who's following, uh, at all closely. I think one of the challenges is that it's only a small proportion.

I think of the populace that understands the democratic moment and its risks. And indeed regular [00:11:00] politics goes on. In which people are making decisions about who to elect much less on whether they support democracy and much more on whether they're mad about inflation or COVID, or the daily problems that regular politics effects with that pendulum you're talking about.

Right? So you have to, to win, you have to, you have to kind of both be aware of these enormous consequences to the rules and to what happens if the wrong people get in power. But here we have a midterm. The party and power in a, in a time of economic distress tends to lose seats in the house. That's just happened over and over on in an aggregate decision making basis.

It kind of makes sense that people are cranky with what's going [00:12:00] on. Not a lot, not that much has been able to get through Congress because the majorities are, are small. Here we are. How do you think about the strategy of winning when kind of fundamental basic variables run against you, but the consequences that you've been talking about are so dire systemically.

Yeah. Well, it's a great point. And I think there's, uh, really two important concepts to have front of mind for us in our community of people who care about this. The first is, as you say that being on the side of the enlightenment era and the peaceful transfer of power. And the rule of law does not mean you win.

It gives you an advantage in certain ways, and it gives you a disadvantage. In other ways, you have more access to the sort of anti-fascist donor base, but you have less access to the pro fascist [00:13:00] donor base. And that's the important thing to remember, you know, whereas 90% of the country cares about other things.

The percentage of people who care about this issue are divided. There are a lot of people who are spending big money to support the bad guys. Now you may have heard recent reporting that Democrats are substantially out raising Republicans in small dollar donations, but that major donors are making up the difference.

So this is a return to old school trends. When big Republican donors would offset democratic advantages, uh, among a larger number of people. Now, why would that be the case in today's Republican party, which is committed as, as we noted to ending the peaceful of transfer of power and attacking companies like Disney and the cruise lines and the shipping companies, the Republican party of today is anti-business pro fascist.

Why would they get big [00:14:00] donors? And you have to ask, who are the big donors? And it's Robert Mercer and Rebecca Mercer and Charles Schwab and Peter teal, who directly perceive that they can become essentially the oligarchs of America. You can be very, very rich in an anti rule of law regime. Just look how many billionaires there are in Russia or in China.

And they look at that and they think, Hey, that's pretty. And the reason they like it is, again, it goes back to an old, old debate, really between Plato and Aristotle. Plato said there should be philosopher. Kings Aristotle said basically a larger number of people could govern if they obey the law. And these people all believe in philosopher, Kings and turns out they're the philosopher Kings.

They want as much money and power as they can. And they're delighted to throw in with Trump because they believe that he will transactionally give them that the protection from the IRS, the power, the authority, the government contracts, all of it. [00:15:00] And so, whereas people who believe in the enlightenment era are on one side of the table, they're on the other.

And we have to win normal politics. Like as if none of that was real, we have to just go into the belly of the beast and win midterms, which gets to the second point was just how to win the midterms. Nathaniel, you interview a lot of people who one way or another, either with you or otherwise talk about this phenomenon, which, you know, we're all aware of, which is, uh, midterms are tough for the party that just won the white house.

Winning the white house is like warm, steamed milk in a comfy sun lit chair and losing the white house is like ice water in your face. It just happens all the time, but there are exceptions and different people make different things out of the exceptions. And the exceptions in the modern era are 1998 and 2002, which are actually not that long ago.

And [00:16:00] when you ask people in the political class, usually what they will say is some version of, well, those are exceptions that prove their rule cuz only in those phenomenally unusual circumstances, could an incumbent party resist those trends. And so I think about that and I'm like, what were those phenomenally unusual circumstances?

Did the opposition party sack the capital? Did they refuse to agree that the peaceful transfer of power was important? And then you think, oh right. In 2002, the Republicans spent tens of millions of dollars casting the opposition Democrats as unsafe due to nine 11. It wasn't some objective reality that caused, you know, max Cleveland to lose in Georgia to SAC be CS.

You know, the veteran max Cleveland, Georgia Senator, who is a war veteran who had lost three limbs, uh, lost on a campaign of nine 11 demagogue because the Republicans advertised about it. And similarly in 1998, the Democrats spent a ton of money focused on the Republicans being out of [00:17:00] step and scary and dangerous for, you know, pursuing this impeachment.

And so today the question really is can the Democrats make a focus on how dangerous the Republicans are? The Republicans have done. Everything they can to serve up the most radical and dangerous set of candidates America has seen in my lifetime. And the question is, can Democrats focus on that? And if they do we'll win and if they don't, we won't, my general reaction is if they do it will help if we don't, it, it won't.

And, and some of those other fundamental variables may intervene. So I think we can lose by less or possibly win by a little, I don't know that like just the focus would be enough to overturn the patterns, but I get what you're saying. Like strategy matters. Yeah, no, that's a fair correction. Uh, but by the way, losing by less is also winning.

If the goal is make sure you actually [00:18:00] have the ability to have a fair election in 24, the difference between holding the Senate and not holding the Senate is. Enormous. The difference between Mao and Shapiro is enormous for the governor's race in Pennsylvania is could determine, could absolutely determine the, the next president election.

Yes. Right? Yeah. Species wide implications. So, you know, when you get to global warming and everything else is at stake right now, one of the ways that came out in what you were talking about earlier, at least in my ear was we have sort of in your view, a battle between the big donor class, you mentioned the Mercers, Schwabs, heel, people like that.

And then you represent big donors on the democratic side. While there may be some reality to that. It's an [00:19:00] uncomfortable way to think about the balance of power and whether a small number of people who wield a lot of money can determine the direction. But can you elaborate on how you see the role of the big donor in this?

I, I call it the great battlefield. Yeah. So I understand your question and concern. Uh, but I think I can reassure you just by clarifying my point. I was referring to the big donors merely as an example of people who are openly and intellectually defending this kind of a system for their own personal benefit.

But the fight among wealthy interests is only one of many battles within the great battlefield. I believe that evil exists and that it exists in all of us. All of us are capable of evil. Every person, every family, every tribe, every nation. The difference is, is that evil when it's expressed [00:20:00] in law, in governance, through fascism that evil can ratchet and stick in a big way, like in the American

south, or like in, uh, the post Y Mar Germany or the cultural or revolution in China.

And I combine those things because in all of them, there was the same rejection of humanism, rejection of expertise, tribalism, and violence, uh, as opposed to peaceful resolution, it's also a debate among academics and intellectuals. You know, the, the people who write about the end of liberalism and defend the far right thinkers, there's the populist movement as well.

There are a lot of people on the left and right. Who are openly championing group identity ideas rather than individual ideas. And so there are a number of battles underway. I'm just pointing out. One of them is a battle between, you know, this, this basic foundational philosophy of rule of law versus rule of Lords.

You guys participated, as you [00:21:00] said, in the run up to 2020 by, I think you referred to it as like a venture capital effort to defend the peaceful transfer of power in the rule of law, et cetera. I know. And we've talked about it before that you invested in quite a large number of progressive groups and groups that were part of the coalition against Trump.

What did you learn broadly? And specifically from those efforts running through the 2020 election, what are the main learnings? All right. Well, So the categories of learnings are organizational turnout and narrative. And in a lot of cases, the conclusions to which we came were actually very old school and traditional conclusions.

Uh, whereas other conclusions were maybe a little bit more counterintuitive, but at a broad level, [00:22:00] uh, let me start with turnout. Most of the democratic ecosystem asks the question. Why do people not turn out? And we started asking the question, just starting from the other end. Why do people turn out? What is it that causes people to turn out?

And the reason why as, uh, a matter of evidence and inquiry, that's a more useful way to start is that when you ask people why they don't vote, or you try to understand why people don't vote, you end up chasing down a lot of very small. Important, but small factors that maybe move things, you know, a 10th of a percentage point.

Whereas the differences between high turnout communities and low turnout communities are, you know, 20, 30 points between different counties in California. For example, the highest turnout and lowest turnout counties in

California differ by 30 points. Neighboring states like Oklahoma and Colorado, uh, or Oregon in California differ by huge [00:23:00] numbers.

And none of the explanations of why people don't vote can fully explain those. They maybe, maybe explain a quarter of it. And so when you ask why people do vote, you find out that the research or the pew charitable trusts the research of Donald Green, it's all about a sense of identity and social identity.

It can be catalyzed by policy. It can be catalyzed by a candidate, but it is fundamentally not about policies or candidates or outcomes. And I'll say it in kind of a controversial way, deliberately nobody who is a marginal voter. Votes because they think their vote will make a difference. Nobody votes because their vote will make a difference.

And people who say vote because your vote makes a difference are damaging our turnout efforts by saying something that is so obviously false to everybody, that it triggers all these bad, psychological reactions, including a free rider problem, which is where if you talk to people and [00:24:00] focus them on the outcome of the election, what they think is, well, holy shit, everybody else should vote.

But whether I vote or not, won't make a difference because there are no elections, meaningfully that come down to one vote, not at the federal level. So what you do instead is you talk about identity. Why do you vote? You ask super voter communities, you know, elderly, black women in the south or certain communities in the, in the Northern Midwest.

You ask them why they vote. And it's because of a sense of social identity. And then you put that into practice with digital relational organizing tools, media tools that create a sense of, oh, this is the time we all vote. That's what drives turnout. So that's kind of the first big learning. Does that make sense?

It does. The second big learning is around persuasion. And again, to say it slightly controversially, it is essentially impossible to persuade any one of anything. And when I use words like nobody votes, uh, for this reason or everybody, you know, I'm, I'm talking about like maybe out of 10,000 [00:25:00] people, if you will, but, but for the purposes of actually predicting and influencing an actual election, there is no way to change people's minds on issues of importance to them.

They're too dug in and that's not how people work. The thing that you have to do with persuasion as we call it is find and remind. So find people who agree

with you on important issues, and then remind them around election season, that those issues are salient to them. So, for example, in the current moment, what you would do is you would find who are all of the women in this country who hate Democrats and vote reliably against Democrats, but hate the idea of forced birth for minors, even more than they hate Democrats.

And so would vote for a Democrat. If that were the issue. There are people like that. There are probably millions of people like that. We don't know who they are. We gotta find them, remind them that they think that. [00:26:00] and then make sure it's front of mind when they vote. And that is how we will get those voters.

We will not get them by trying to change their minds about anything. So that's an example of this sort of stuff that has to work in persuasion. That's why you get into these media companies that are so successful, like accelerate change or push black or the bold work or so forth. They build communities that, um, it's a little bit actually like what the Federalist papers talked about.

Factions. It divides people up along interest groups so that they are resistant to this kind of fascist takeover. And then finally, organizationally, we still believe that there's just not enough venture innovation in the democratic ecosystem. There is, uh, too much ICU bias and, uh, you know, there's still room for a cacophony of different voices to bring forward better, more innovative ideas because that's how our side will.

I wanted just sort of ask you personally. So you made all these investments, you made some attempt to assess the impact. [00:27:00] Whenever you working with an organization, it's the real world instance of it is different than the theoretical. You know, it matters who staffs it, it matters, you know, just human decisions about what to do matters, how much funding that they got and what other people came in.

There are political events where the strategic swamps to tactical kind of things, politics being a, something that is about large groups of humans is not as predictable. Some parts of it are predictable and some parts are really unpredictable, very chaotic for you personally. How, how did this affect you watching this?

You're obviously so concerned about, you know, the big picture, the fight against fascism in the United States. You're dealing with. In some cases fairly, you know, even though you guys have been putting in pretty big sums of

money, it's fairly micro stuff. It only has effect on [00:28:00] the margins in most cases.

How is this as a job for you as a calling for you? How frustrating is it? How rewarding is it? What's your experience so far? Well, I appreciate your curiosity. I don't really enjoy this line of work. The, uh, kind of work that I was doing before politics in, in kind of private venture capital. The rules of that game are that you try to find things that are gonna be really amazing and you invest in them early to help them become amazing and you provide capital, but you also provide advice and work.

And it's a way of touching the future and feeling like things are gonna be way better. We're involved in this work for the opposite reason, which is that it's all zero sum. And there are certain thresholds that if, if they get flipped things, get. Dramatically worse, very, very quickly as creatures of Silicon valley and as beneficiaries of the enlightenment age.

And just as human beings, we feel compelled to be involved, [00:29:00] but it would be far better if we did not have to. It's just fascinating to me that somebody who's in the center of working for Reed Hoffman and, and people like that, I, you know, that it's not a perfect fit for you. And that it's, it sounds like, you know, a fair amount of anguish in choosing to spend years of your life in this pursuit.

I interviewed recently Matthew Stafford. He was a part of the democratic data exchange. And still recently I was kind of struck by something he said about Reed, which was, you know, Which I guess represents some proportion of operatives in this space, which is a critique, or just a willingness to not view favorably, the efforts of people like you and Reed in the space.

I wonder what your response [00:30:00] is to the difficult politics of coming into the progressive ecosystem of trying to move things forward in the way that you do, and the natural resistance that people who are operating before and alongside have to new entrance with money, with different ways of viewing progress.

How do you respond to some of the people who viewed that, uh, with a, you know, little bail, full eye. Hmm. Well, um, I mean, there are so many people who viewed it with bail full eyes. It sort of depends on which kind of a bail full out we were getting. Our objective function was very narrow and specific. So look, I'll, I'll just talk about one example.

That's very clear. Abortion is an example where, um, I am kind of an absolutist. I have a libertarian orientation, as you know. And so my view is that the [00:31:00] state should not have any influence or control anything to say really other than support for what goes on inside someone's own body. And so the point at which the state can start protecting a human is the point at which it exits the woman's body, because until that point state can't get in.

So I am on the side of the absolutest extreme of, uh, abortion rights and. People who have that as their absolute point of view can be forgiven for thinking that is the most important thing. And one of the things that happened recently is there was a primary campaign in a swing district in Texas between a justice Democrat whose views on abortion were the same as mine and an incumbent Democrat whose views on [00:32:00] abortion were much more conservative and who also had much more conservative views on guns.

And I look at that district in south Texas, and I look at the history of nationalistic movements throughout the Americas, including Latin America. And I look at all the cultural trends focusing on the district and I'm like, oh, Jessica SI Eros is gonna give that district to a Republican. And if the house ends up being decided by one seat, then my vision of reproductive health rights will be destroyed.

So we can't let Jessica Cisneros take that seat. Now that is a decision that was made by a pack that we supported. We did not condition our donation on that support at all. We gave them support primarily to take out Nina Turner for someone, for whom abortion is the only issue you care about. And you're, uh, a hard line abortion rights believer.

You might say that Jessica Eros is a better bet because even though [00:33:00] she's 10% less likely to win, she's a hundred percent better on abortion. And I, I understand that calculus and that would cause someone to look at us bail fully, if that's their calculus. And all we can say is if we, if we get this wrong, we believe that it's foundational everything, abortion climate, the rule of law, everything depends on keeping these people out of power.

So that's our top priority. So that would be our response. Given the learnings that you had through 2020 and what's going on in the, in the midterms right now, it sounds like you're, you're very high on the sort of practical politics leaning. It's kind of like what the D C would represent. We're going to target our money to win the most seats that we can, regardless to some extent of ideology, correct.

We're going to use ideology. Well, not regardless of ideology. So it's, it's, it's [00:34:00] as many seats as we can win for people who support the peaceful transfer of power, regardless of any other ideology. Other than that one, when that is on the ballot, nothing else matters. So Doug Mao versus Josh Shapiro, if Doug Mao flipped his positions and agreed with me on every other issue, but still basically said that in 2024, if he's governor Donald Trump will win those electors, he wouldn't get my vote, even if, or my support, even if Josh Shapiro then flipped on all the other issues that I cared about.

Someone forwarded me an email that you wrote recently. I think it was to the groups, some of the groups that you funded, or maybe other people also who are seeking funding from you, and you wrote these people and said something to the effect of we're, we're changing our funding strategy in light of [00:35:00] the consequences of some of the things that some of the groups that we funded were.

That backfired. Can you explain what you were saying in that email and why and how that's changed, how you're thinking about operating, going forward? Yeah. So one of the things we believe structurally, remember I told you we had three big learnings. One of the things we believe structurally is that you have to be brutally honest with your own people and your own side, because otherwise you very quickly become the thing that you came in trying to fix, which is excessively differential and defensive about your own team and therefore blind to the need to make changes, to win elections.

So over the course of our investments, we actually ended up with not very good relationships with some of the people that we invested in. Part of it was because initially we invested very heavily in learning. So starting in Virginia 2017 and through the 2018 midterms, we actually put a [00:36:00] good bit of money into supporting super lefty candidates.

A known open socialist in Virginia. For example, I can't remember that, uh, that gentleman's name, but also Danica Rome. Who's the first ever, you know, who unseated the worst homophobia in the Virginia, uh, legislature. And I say that as he was self described, as the worst homophobia, he was bragging about it and Danica Rome and seeded him.

And so, but she's super lefty. And we invested in a lot of those and we also invested in centrist and we observed that and we did the same thing in 2018. We invested in, you know, groups like indivisible and we supported groups like crystal ball's group, the people's house projects who very much were in the kind of, um, Bernie and, and lings of the party.

And in many ways, you know, we learned some things and not others. So indivisible was extremely effective at resistance PR like very, very good at turning the narrative in lots of local places and nationally against the fascists and power. That was awesome. The lefty [00:37:00] groups, however, couldn't win election to save their souls.

You know, Kara Eastman lost twice against Don Bacon in Nebraska two. And if we'd nominated a centrist, we would've beaten Don Bacon. Either time in 2018, Democrats could have nominated a centrist to defeat Brian Fitzpatrick in Pennsylvania. One we declined to do so. And that's that those are seats that we could still hold today.

If we hadn't made that mistake, then this idea, and this gets back to the point I was making earlier, Nathaniel, about misperceptions, about turnout, the progressive left of our party, especially the, I don't even mean the progressive left. I mean really the sort of college educated, largely white identitarian left and by largely white, I mean the people who express these views are mostly college educated white people, even though some of the leaders of the movement are non-white this faction of the democratic party cannot generate turnout.

They only generate turnout for Republicans and [00:38:00] they don't persuade anybody. So they're just losers in election battles. But then the indivisible folks who are winners, at least when Trump was in office, but then after Trump was in office, the indivisible folks, especially at the leadership level, Leah Esra were hardcore advocates of the S one debacle where the house and Senate spent six, seven months of the Biden's administration's first two years in a doomed effort to pass the, for the people act that would not have fixed the most serious problems.

And from very early on, beginning in around April of 2021, it was obvious we weren't gonna be able to get it. And so the decision to spend eight months pushing for something that couldn't succeed, demonstrated the costs of putting a lot of narrative power backed by our money in the hands of, of people who fundamentally didn't seem to understand how politics worked.

so that's, that's how that all went out. It sounds like you, you see some portion of the [00:39:00] left as sort of strategically naive. Uh, yes. Yes they are. I mean, naive is the nicest way to say it, and that does apply to some people. And look, there are individual human beings who are associated with the left, who are actually very, very smart and good.

So just to give credit where it's due, there's a specific woman named, uh, Jennifer and Kona, Jennifer Fernandez, and Kona. Who's extremely smart and thoughtful on narrative issues. And she's associated with a group that I completely disagree with on their broader strategy objectives. But the specific content that she produces is good content.

And the defenses that she gives is, is good defenses. So people from the left or like Tom Perello is, is associated with a school. And there, there are people on the left who really smart ideas or Anna Galland is another one. I I'm probably damaging all these people by praising them, given everything I've just said, but those are people who are smart and who need to be part of the conversation because they prevent the group think.

But most of the, sort of our revolution, justice Democrats, [00:40:00] all they do is work for. they don't think they do, but they do from an electoral basis. They work for Trump a a lot of times when somebody on the left argues that it's electorally useful to like take more progressive positions or somebody who is moderate argues that it's ly more advantageous to take moderate positions, to run as a centrist.

A lot of times when you hear that argument, you wonder if it isn't just the person making the argument is themselves a centrist or moderate, or is themselves a progressive. And they are looking for the evidence that fits their preconceived notion of what is right to do. What is the argument that you would make that you're not just in that category that you.

Don't see the progressive argument [00:41:00] for the electoral efficacy of being progressive generally a and you do see the se it for Centris. Like how do you respond to that? Sure. So, uh, there's kind of an emotional response and the analytic response is, yeah, that's an issue. You have to try to be aware of it.

You can only do the best you can do. And so that's why we set out to invest in a whole bunch of groups who we didn't agree with ideologically and try to measure their performance. And so, for example, we commissioned a fairly expensive analysis of the 100 closest battleground elections in the 2018 midterms in the Congress.

And across all of them asked the analyst Institute, you know, the statisticians who are as reliable as anybody. Is there anything meaningfully we can learn? One of the things we learned is that endorsing Medicare for all. Cost you about a point in margin might have been a point and a half, might have been half a

point, but [00:42:00] pretty statistically significant cost you about a point in margin.

So that's a, a data point, pretty robust. There's also a series of case studies. So our revolution and justice Democrats made a bunch of promises about what would happen in the Bernie Sanders primary in the Jeremy Corbin election in a bunch of general elections in 2018 and in 2020. And those predictions are demonstrably full.

So I'll give you an example, Nathaniel, one of the predictions is that progressives. I know that I, I promised you the emotional reaction at the end, but one of the predictions is that electing a progressive will drive an increase in turnout that will help Democrats. Upal you've heard that argument, right?

Nathaniel? Uh, many times. Yeah. Okay. So great. So there, that should be demonstrable. Right. So, okay. Corey Bush, uh, well, let's not even take Corey Bush. Let's take Ilhan, [00:43:00] Omar. She was not in office in 2016 and she was in office in 2020. So how did the vote for Democrats or the net vote for Democrats change in her district versus the change nationally?

Was it greater than, or less than the national change? And the answer is less than a lot less than, and so then the lefties are like, oh no, no, that's different because Keith Ellison had already been there. So, you know, her district was already super progressive, so you're not gonna get the new lift. I'm like, okay, great.

So let's take a, a situation where a boring centrist was replaced by a dynamic star and just measure the votes at the top of the ticket in that congressional district, both the total democratic votes and the margin 2016 versus 2020. So New York 14 AOC versus Joe Crowley. I mean, that's the case study if they were right, we would know.

But if you look at it's actually massively lagging the net vote gains, and then you start [00:44:00] looking out and you're like, okay, where in November? Not in the specials, not in the off cycles, but in November. Where did Joe Biden outperform Hillary Clinton? It's the suburbs, Arizona, Georgia. It's the suburbs. So the evidence is just overwhelming.

Like at this point you said, when you hear people who are more liberal, say that more, you know, you hear people say going left will win. Electorally. You hear people say, going center will win electorally to me. That's like, yes. Sometimes you hear people say there's no global warming. And sometimes you hear people say there is global warming, but it's not like the first people are skeptics.

And the latter people are believers in science. It's like the first people are fucking wrong. You may have to bleep that out. Sorry. No, that's your, that's your emotional reaction? no, the emotional reaction is all note when you get to the emotional bit, it's also like there's the reasons why I care about Donald Trump are because, you know, because of my family history, because I'm worried about his stances on speech and immigration, and [00:45:00] I'm an absolutist on those things.

And I don't, you know, uh, indulge my personal beliefs by making those front and center. All I do is say, what do we have to do to win? And the specific version of this that I mention a lot of times to my labor friends is that the last time I was involved in politics before this moment, I was involved in opposition to the teachers unions, because I believe that something like 74 million students in this country are ill served by the positions that the teachers unions take.

And immediately after the 2016 election, I went and visited Randy Wein garden in our office, and we hugged and agreed that we would go back to fighting when the fascists were gone. I have personally supplement all of my other views to the goal of attacking the fascists. So I feel like I have some credibility on it.

So if you are, if I understand it, not inclined to support naive progressive groups that in your view have a, uh, inaccurate theory of [00:46:00] change and who, who sometimes take positions that backfire politically, where do you think there is opportunity and where do you want to make investments that you think are more efficacious and more likely to elect a democratic Congress, cetera, and democratic state legislatures and keep the wolves from the door?

Yeah. So just to be clear, it's not that I have a problem with, uh, giving money to people who are naive. I mean, look, you, you need to have idealists and some people need to get stuff done. We just don't invest in people who demonstrably lose because if our money. Helps Republicans win. Like if we put out \$10 and two of those dollars help Republicans win and eight of those dollars help Democrats win.

Well now we've only given net \$6. That's negative leverage in our fight. So we just can't give money to people who are still intellectually committed to strategies that are demonstrably inoperable in this [00:47:00] electoral environment. So who do you give to? Well, everybody else, like the thing about the activist left is that they don't actually represent very many people.

The progressive left of the American electorate is super white, super small, like one of the smallest groups, super well educated in the cities. It's an urban well

educated party, frankly. I would love to live under the rules that most of those folks promulgate, but they're not relevant to the conversation about how to win an.

Instead, give the money to people in the center or people who just know how to win are committed to win. So Ben Wickler is on the left, but he knows how to win in Wisconsin. Josh Shapiro knows how to win and, uh, is facing a critical fight in, in Doug Mao, get money to LER, get money to, uh, Josh Shapiro, you know, find ways to protect Gretchen.

Whitmer like there we have work to do without, uh, wasting money on doomed crusades. Do you think it's a symmetric [00:48:00] situation? It seems to me like there's a awful lot of funding going to the right wing of the Republican party, including from strategic operatives and strategic donors. Why does it not make sense to fund the left wing of the democratic party?

If it makes sense to fund the right wing of the Republican party? Sure. Imagine a dial and the dial is blue and red and it controls the heat of your shower. You can't turn it. Up or to the side, you can only turn it around. Resources are finite and communities are finite. And so when the Republican party is making a mad dash to extremism, that creates a strategic opportunity to win everybody else.

And every dollar we spend going to our own extremists is a dollar that is helping us lose. Like if I spend a dollar just on any of these issues, if you look at where the Republicans are now, [00:49:00] they demand that 18 year olds can buy assault rifles. And that 10 year olds have to be compelled to bear the children of their rapists.

That is where they are. If we're not talking about that, if we're talking about something else, then we're losing. And pretty much everybody on the left of the democratic operative ecosystem wants to talk about something else. Other than the extremism of the Republicans. What's the strategy. For getting the conversation where you want it to be on the extremism of the Republican party.

Just talk about the extremism of the Republican party. No, but what that's, what you're talking about. So look, but that's. Yeah, but you're saying that there's a lot of other actors on the battlefield, politicians, groups, cetera, who are led by people who don't have that focus for some reason, there's not a, not a lot led by.

So the people who argue the alternative don't lead a lot of groups. They are massively [00:50:00] overrepresented in the national deliberation because they're overrepresented in newsrooms, in urban areas and in donor advisor

communities and in, uh, kind of left of center operations, they're overrepresented in those groups, but they are relevant, uh, to winning increasingly.

So, uh, you know, Nina Turner and our revolution are raising less money and thank God. Um, it's not too late. Where do you see opportunity for sort of the entrepreneurial VC style investment going forward? Like, what are, what are you open to in terms of funding that you think might be helpful? Yeah. So Nathaniel find and remind in persuasion, right?

So operationally finding those millions of Republican effectively abortion, moderates who are anti [00:51:00] Democrat, but might be persuaded to vote Democrat in this environment. How do you find those people turns out there's a lot of ways you could do it, but none of the big superpacs are really good at it.

Some of them are working on it and new people are working on it. How do you find all of those women? You know, Republicans for choice hasn't existed as an entity in a long time. Who are the women today who would be members of that? If it existed, how do you find them in time to influence an election that's happening soon or turnout?

How do you at scale create the kind of turnout and like you've heard various of your guests talk about turnout, uh, among Puerto Ricans, right? The island versus the mainland. It's a 50 point swing saying human beings, 50 point swing. How do you create the environment? The multi, local environment of celebration that cranks up urban turnout.

You know, there's a lot of places to innovate. If we wanna stave off the fascist threat. Again, like [00:52:00] the stuff that, uh, you know, people like Roca advocate, it was plausible once it's not plausible. Now I've heard and talked to a lot of people in this sort of movement, building local organizing world who.

Have made a pretty compelling argument that we need to be long term talking locally to people, organizing them around their interests and then using those relationships to build political power and move people to the polls when need be, rather than just showing up to mobilize at the last minute.

What's your view of the groups that do that? So the way to do that in 2022 is digital social first. And then self-organized in person, [00:53:00] the groups that do it, digital social first are very successful and many of them have backing from us financially. Who are you thinking? Groups? That's what push black is.

Yeah. Nathaniel. It is organizing people PSO outside. Yeah. PSO is another example. Uh, organizing people outside of the context of politics, 22 months out of every two years. So that two months out of every two years, they trust you when they ask about politics, which does come up. That's what it is. So in a world of say, 1990, then yeah, you have to do that in person.

First. It has been a long time since doing that in person made sense in terms of winning elections and resource allocation. You know, I come from the political campaign software world. Is there anything in the tech. Data [00:54:00] analytics space that you think is a big gap. Currently, the groups that we endorse, I mean, again, like given all the things that I've said, it may be that in the democratic ecosystem, uh, endorsement from me is a, is not a compliment, but, uh, you know, there are groups like Tara McGowan's, uh, courier properties, uh, the good info properties, like the, uh, copper courier in Arizona, the Gander in Michigan, or frankly PSO and push black and Peter Murray.

They are both media properties and backend data architecture properties and organizing efforts. That's the point it's technology plus media plus organizing. And it's very much, we definitely don't know how to do it yet. And we need to keep working. What else would you like people to know about what you're up to?

I feel like I haven't been that shy thus far, Nathaniel

I'd like when I have a guest who is [00:55:00] willing to not be overly careful, politically, , it's rare actually for me. And a lot of times, because if they're on the other end of like, they're looking for money, they have to be careful about what they say rather than they're giving money. Right? You have a certain freedom from your position a hundred percent.

And, and God bless. And I talk to a lot of people who have moved from the operational world into the donor advisor world, and they do express an increased amount of that freedom. But Nathaniel, one of the things that's also driving, the way I operate in this space is I don't wanna get too cozy. You know, I don't wanna get to a place where, because of a personal relationship, I end up recommending something that allows the bad guys to win.

What is your view of the donor and donor advisor world on the high end, in the progressive and democratic space? How are we doing in that space? How wise is that group? How well organized? What do you think [00:56:00] beyond where you are at the collectives, the individuals, the bigger players did you read? Uh, Jonathan Chase's piece in the new Yorker.

Uh, Biden's big squeeze. I read Jonathan cha very, uh, frequently. He's a neighbor of mine and I think he's quite wise politically. I know he has his detractors, but I think. But remind me what that article said. So I don't know, Jonathan SHA he's never met me. I've never talked with him. He's he's a smart guy and a, and a halfway decent basketball player.

uh, alright, well, we'll have to put that to the test sometime. If you see him tell him, uh, the, that piece was dead on accurate, it was brutally critical of the community you just asked about, and it was critical of them for two broad sets of reasons. One of which you and I have just talked about, and then another set of reasons that you can see in the, in the paper, but a [00:57:00] community, a culture of aggressive performative, identitarian leftists that emerged at a college campuses, infiltrated the donor advisor community and conflated their personal preferences for the data on winning to the great detriment of the democratic party.

I have heard from enough individual people on the sides to know that. There's a lot of relief that that fever seems to be breaking a little bit, but how quickly it breaks. Like as I started, whether we win or lose will depend on how quickly that fever breaks. Can you be more specific about what you think people who had that fever were doing wrong?

So demanding things that were impossible and then attacking Democrats for failing to deliver it? Give me an example. Are you talking about like the, the build back better? S one \$4 billion? Yeah. Uh, packing the courts, adding states, whatever, if there's a thing that, uh, is doable. [00:58:00] The, and it could change things.

Yeah. Go for it. You know, so if the odds of passing S one were one in three and the odds of it really helping were one in three. Yeah. Roll the dice, push it. That was where we were in January of 2021 by April of 2021, it was clear that the odds were effectively zero. There was no way it was gonna pass because mansion and cinema were being very clear about the buying signals.

As someone who used to manage a sales force, you know, used to categorize opportunities based on buying signals. And these people were clear. No, and both of them were independent, clear nos. We had no chance that was April of 2021. And you had a donor community that basically forced Joe Biden to live in a narrative of failure for about seven months after that.

And the headlines of Biden succeeding and moving us forward were placed by Biden struggles. You know, his, his, his ideas can't even unite his own party. Let

alone pick up any Republicans. Then in August Biden at a, around the time when the [00:59:00] left, including people that I like a great deal were saying that Democrats could not get 60 votes on a resolution saying ice cream was good.

Joe Biden got 69 votes for a trillion dollar infrastructure bill. And we had an opportunity to bask in headlines. First of Joe Biden's bipartisan wizardry, which Mitch McConnell knew was bad. That's why they don't want, you know, every, no people don't pay attention to politics. What they care about is, was it bipartisan or not?

That's their badge of approval. Biden got that 69 votes we could have had weeks of national headlines followed months later by a bunch of local headlines about where grants were going. And we tanked that media opportunity for again about five months by refusing to get into law. Because again, we were demanding stuff that could not pass.

And at the end of the day, Pelosi had to pass a bill without the squad because they continued to vote with McCarthy. And there was a group of people [01:00:00] supporting them. And the donor advisors were at the lead and it was shameful, absolutely shameful. And by the way, when I asked those donor advisors in, you know, not very polite terms, what they plan to do now that they dragged Biden into traffic and then wandered away.

They said that he wasn't showing enough leadership. And so I'm like, you guys talk on all of you, like, it's just, that's terrible. You would think that the. Donor advisors of all people would be the least ideological and the most strategic, a lot of donors inherited their wealth and the advisors to those donors have a great deal of freedom to pursue their instincts.

Sometimes that's good. Sometimes it's bad. In this case, it has had the effect of helping Republicans. What groups [01:01:00] of donors do you think are making good strategic decisions? Well, it's rarely at the group level. And the other thing is that there are many donors who give in ways that are strategic.

intermediate time period. So we are very focused on 22 and 24. There are others who are focused on 26 and 30, and you know, that is a difference in focus. So for example, there are donors on the left who are incredibly strategic. There's a major donor on the left, uh, that I'm thinking of. And I don't wanna call individual people out because some of them prefer to be private, but there's a major donor on the left, who did things like invest in computer programs to

improve network connectivity among native American reservations in Arizona to increase their turnout.

That is a very, very smart, long term play. It's not a play we would've made. Um, there are, there are quite a few donors who are very, very individually good, but like a lot of the donors that you and donor advisors that you interview on this call are quite good. [01:02:00] It's one of those things, Nathaniel, where as always the individuals are much better than the group.

One of the other patterns of presidential elections is the president who suffers a rough midterm election, often wins reelection. I take a little bit of solace in that right now, although certainly not, uh, not dropping my worry at all. Biden is riding very low in the polls, exceptionally low, but when you, if you have a crazy us house passing insane things and running to the right, it's a good foil for a presidential campaign, whoever our nominee is.

Does that sort of fact or observation play at all into your calculus about how to operate between now and 2024? Well, absolutely. Nathaniel, it's the central thing. So [01:03:00] that's the thing America. Our politics are a pendulum and the pendulum always punishes the extremes. Always, always, always, always. So, number one, let's use that now in the midterms.

Number two, if the midterms go to badly, that's the point? The Republican party of today wants to end the pendulum. If Kerry lake is the governor in Arizona and the current leadership in the Arizona legislature remains the same. They will pass a bill, installing the state legislature as the final step in the review process of the presidential electors.

That's just what will happen. Now, maybe we are able to do something about that. Maybe we're able to persuade one or two Republican, uh, state legislators not to go along with it, maybe, but if they do that, it [01:04:00] doesn't matter. How many votes Joe Biden wins by, or the Democrats win by the election's over already.

That's the point. So we can't take too much comfort from that. If we don't prevent the Republicans from permanently changing the rules in these key battleground states, back to what they were in the early 18 hundreds, what's given you the most hope that we are moving to the center it's happening. Joe Biden has been calling to fund the police.

He, you know, look, I don't like Jamal Khashoggi killer anymore than anybody else, but you know, in a world of a lot of bad people, a deal with MBS is a good

thing. Given that our main adversary right now internationally is Latin Ray Putin. And so he's doing a lot of sound and reasonable things that might get inflation under control, at least a little bit.

And that allow. All of these individual state candidates to run their own campaigns. It's almost the opposite of [01:05:00] president Trump. President Trump had to make everything about him. President Biden is fine with everybody making things about them, and that gives us a shot. I feel like I have taken advantage of a large proportion of your time today, and I don't want to wear out my welcome.

Is there a question that I should have asked that I didn't not that I know of. You're the, you're the expert. I am not the expert, but I do enjoy asking the questions and I'll let you Dodge that one since I can't come up with another one. Thank you so much, Dimitri, for helping me understand where you are and helping other people.

Uh, anything else you wanna say? I think that's sufficient. Okay.

That was Dimitri Melhorn. Dimitri is at investing in us. This is Nathaniel G Pearlman with a great battlefield podcast. You can find [01:06:00] us@greatbattlefield.com or by searching for great battlefield in places where podcasts are found. The great battlefield is now part of the democracy group podcast network.

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