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QI Panel:

A New Era of Foreign Lobbying Transparency

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Ben Freeman 0:49

Good afternoon, and welcome to the Quincy Institute's webinar, a new era of foreign lobbying transparency. My name is Ben Freeman. I'm the director of the democratizing Foreign Policy Program here at the Quincy Institute for Responsible statecraft. I'm also the co author of our latest brief for lobbying in the US. And more generally, I like to consider myself before an influence in Europe. I have the distinct honor today of serving as moderator for this distinguished panel. The Quincy Institute is incredibly excited about hosting this event today, because foreign influence in the US is, for better or for worse, regularly making headlines. Just yesterday, the Director of National Intelligence announced the intel community will be providing regular public updates concerning illicit foreign influence campaigns targeting our 2024 elections. In May, sitting member of Congress Henry Cuellar was indicted by the Department of Justice for allegedly picking bribes and acting as a foreign agent. Last September, sitting US Senator Bob Menendez was also indicted for allegedly using his opposite position to benefit the government of Egypt in exchange for bribes, including cash and even gold bars. While illicit influence operations like these Garner headlines, there's a quiet yet thriving legal foreign influence industry operating in the US. That is the focus of today's webinar. As of this morning, that industry includes 2300 foreign agents in the US, working on behalf of 730 foreign principals from a whopping 150 different countries. Now, I know all of that, because of the transparency afforded by the US Foreign Agents Registration Act, better known as FARA. With all of its warts and problems, which don't worry we're sure to discuss, FARA remains the preeminent law in the US for regulating foreign influence in providing the public with information about the lobbying public relations. In other efforts foreign powers are using to sway us policies in public opinion. To help us better understand this legal side of foreign influence in America. We are joined by an extraordinary panel of foreign lobbying researchers whose efforts along with the Department of Justice are helping to usher in what I believe is an unprecedented era of foreign lobbying transparency in the US.

Our first presenter today will be Anna Massoglia, who is the editorial and investigations manager at open secrets which tracks the influence of money in US politics and of critical importance to today's event. Open secrets is home to foreign lobby watch, which I consider the go-to resource for following the money in the foreign influence industry. Nina's research includes foreign influence in investigations into opaque spinning there, and holds degrees in political science and psychology from North Carolina State and a JD from the University of the District of Columbia School of Law. Our next presenter is Nick Cleveland-Stout. Nick is a colleague of mine in the Democratizing Foreign Policy Program at the Quincy Institute, he previously conducted research on U.S.-Brazil relations as a 2023 Fulbright Fellow at the Federal University

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of Santa Catarina, with a particular focus on the influence of American think tanks in Brazil. His work has appeared in Responsible Statecraft, The Nation, The Intercept, & many, many other outlets.. Perhaps most notably, Nick's research on the revolving door from Congress to FARA registrants was cited in the reintroduction of the bipartisan Fighting Foreign Influence Act earlier this year. Our final panelist is Dr. Max Miller an assistant professor in the financial unit at Harvard Business School. His research lies at the intersection of finance, macroeconomics, and political economy. His recent work has focused on the importance of political connections for foreign countries and firms in the United States. Miller and his colleagues are in the midst of collecting and analyzing what I believe will be the most comprehensive dataset of fair recorded political activities ever assembled. Dr. Miller holds a PhD in finance from the Wharton School and a BBA in finance from Emory. versus business school. With those introductions complete, I am pleased to turn over to Anna Massoglia, for our first presentation. The floor is yours, Anna.

Anna Massoglia 5:09

Thank you so much, Ben. I'm really excited to be here and have a chance to talk about one of my favorite topics for an influence. It's such an important topic increasingly in the United States and abroad, where we are seeing just hundreds of millions and billions of dollars flowing into influence, some of which we are able to track and others which are much harder to add. OpenSecrets, we maintain what's called the foreign lobby Watch Program, which tracks filings under the Foreign Agents Registration Act, we have a full text searchable tool going back to the 1940s, as well as a running total of spending that people can search. Just to kind of scroll it back a little bit to talk about what Farah the foreign Agents Registration Act is. Vera is the main law that regulates disclosure of foreign lobbying and foreign influence operations. Unlike the Lobbying Disclosure Act, which regulates the disclosure of domestic lobbying, as well as some foreign companies that don't fall under Farah, we see more than just lobbying, and that is disclosed in FARA filings. This includes not just meetings with legislators and lawmakers and policymakers, but also other types of influence operations that are post quasi political. This is administered by the Justice Department who makes this information available in the form of PDFs, as well as more recently standardized data, which we're very excited about. But in the turn in terms of what we were able to track under Farah, this can be things like meetings between hired lobbyists or foreign influence agents, with lawmakers meetings with other types of public affairs professionals meetings with think tanks.

To some extent though, there are exemptions to FARA for the think tanks themselves. There are also other types of influence campaigns that target members of the public. So targeting, not just how lawmakers think but also how the average American can think about these issues, a painting a better a better picture of some countries, in particular countries that might have human rights abuses and other allegations. And it's not uncommon to see spending increase when countries have various issues that they face. It open secrets, we go to the Justice Department to collect these filings of that on pretty much a daily basis, and that are overflowing in the reasoning for this is that while foreign agents, which is the term used for lobbyists, or public relations, campaign agent, or whoever's doing the work, while they file every six months, that is based on when the initial contract is and when they registered under theorists, so they're

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constantly coming in. Based on those dates. Some days, we might get 40 new filings, some days, we might get none. And so it's a constant influx of things. We manually currently input the numbers from these filings from for the nerds out there, question 14 A, where you can see how much is received by the individual or firm that's working for the foreign principal, which is the term that's used for client, you can see how much money is going from that foreign entity, whether that's an organization, a foreign government, sometimes a nonprofit, or in some cases, it couldn't be it can be a company if they have oftentimes ties to government, and variety of other individuals who may be facing sanctions. It could be trade associations that are abroad, and also even tourist associations. So there's a wide range of types of clients and influencers that we're seeing show up in these filings. One other that we'll see that people might not always expect is also propaganda campaigns. So things like traditional Sputnik, China Daily where these are government controlled entities in the media in those foreign countries. This is a very contentious issue where many media outlets that are controlled by foreign governments might push back on whether or not they should register under FARA, there has been litigation over this. And it's a very complex topic. But as of right now we see China Daily, Sputnik and a few others registered under the Foreign Agent Registration Act. What this means is that we will whenever money is spent by those foreign media outlets, and paid to their US based subsidiary or affiliate, or any type of firm that's working for them in order to disseminate that media. So say, a radio broadcaster or whoever's printing out the newspapers for China Daily, we get to at least see that amount of money that's going in OpenSecrets does not as a as consistently tracked disbursements, mostly we track receipts, because this is the amount of money going from the client to the foreign agent, or whoever or lobbyist, whoever that influencer is, this was the cleanest number that we could find. Because oftentimes, the money might go from the client to the foreign agent and then spent many years down the road or they might not report much in terms of disbursements at all.

Unfortunately, FARA is written in a very broad and vague way in many circumstances, which presents a number of challenges, both in terms of what actually needs to be reported, as well as how the law is interpreted in terms of who actually needs to do that reporting. It's also presented some issues abroad as other countries adopt what they consider similar rules, but that can be interpreted in a variety of ways, including in ways that while in the United States fair benefits Transparency can be detrimental to media to think tanks and other countries that are doing good because they are interpreting the way the law is written is so broad that it can be used to then crack down on dissent, that I could talk about that forever. But that's a whole separate issue. But there are so many different issues that FARA brings up, we manually input these filings right now, currently, DOJ is starting to release more standardized data, we're really hoping to be able to do more scraping and leveraging the tools that are starting to be available. But as you'll hear a little bit later, until recent years, fair filings were filed. Even in Sharpie marker, there's very little standardization of these we've had, as we do our entry of these 14 A so the receipts reported, we've had to sometimes print out filings because it was slightly cut off where the name of the person is on one page, and then the numbers on the other. And we had to manually match this basically a physical puzzle in order to get those numbers. So there's a lot of challenges to this. Currently, our data goes back to the early 2010s. And online, I believe you can go back to 2015. But if there's other ways you want to slice and dice it, please reach out to

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open secrets, you can see how much each country is spending how much each foreign principal or client is spending, as well as how much each agent is making. So you can see that this become a really lucrative business. And you can also see what's in the disclosures in our in our full text search, in addition to that standardized data, where you can search a word and see oh, how much is this issue been mentioned? How much is this person been mentioned, see who the meetings have been with, and really get to see that meaty detail of what that money is going to. And so that's something that we work on it open secrets, I highly encourage everyone to check it out. It's a very valuable tool. And that's something that mean what we maintain daily as well as cleaning up the different names because sometimes there might be differences in the statute in the state or in the data that we get from in how it's reported to DOJ. They might be different firm names, changes in firms over time mergers. It's a complicated thing to track. But it's really worthwhile to be able to see who is trying to influence us politics and policy and also the minds of the American public. It's such an important thing. And with that, I know I'm coming up on my time. So I will pass it over.

Ben Freeman 12:15

Thank you so much, Anna, and thank you for all the wonderful work that OpenSecrets does for for those watching the webinar. Now that's open secrets, all one word, dot o RG just a fantastic resource that he had, and the folks there have put together. Thanks once again, Anna. Now our next presenter is my very own colleague, Nick Cleveland-Stout., Nick, the floor is yours.

Nick Cleveland-Stout 12:39

Hey, Ben, just gonna share my screen here, Cool. So as Ben mentioned, FARA implemented this change earlier this year, that now allows anybody to go in and look at the political activities themselves. These are, you know, as Anna mentioned, emails, text messages, in person meetings, phone calls, dinner parties, anything that's meant to influence policy or public opinion. And so we decided to, to take a look at these these political activities for 2022 and 2023, the two most recent years. And in those two years, we found that there were there was a lot, it was a lot of political activities, around 130,000, which is around 175 per day, and by the time I'm done speaking there, there will probably be a handful more. So that's what we're looking at here. This is this, this chart here. These are the top 20 countries by political activities, aka which countries are hiring firms to lobby power brokers on their behalf. So this tool can provide, I think, a more complete understanding of who is really influencing US foreign policy, I'll go over some of our our key findings here, but highly encourage anybody to go check out both the full brief and the ferry database itself, dig around and see where you can come up with. So I think the biggest takeaway is the who, you know, looking at this list, you can start to see some patterns. One that jumped out to us, by and large, is that the countries that have the largest lobbies are authoritarian countries.

And are you guys able to see the chart? Okay, cool. Of the top 20 most active, only three of these are actually considered free by the nonprofit Freedom House. And they also tend to be authoritarian partners, countries like Saudi Arabia, which leads the way here, the UAE,

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Azerbaijan. So when you think of foreign influence, it's typically not democratic allies, these countries that can rely more heavily on formal diplomatic channels. Instead, it's its authoritarian partners, a lot of which have been accused of human rights abuses looking to to push their interests in Washington. So what are these countries lobbying for? We saw from the data, that foreign lobbying in particular is a common avenue to push for for some of the thornier questions, that they want to build support for things like like arms sales, trying to improve their reputations in Washington, and pulling us into geopolitical rivalries, encouraging them to to take sides. And in some cases, those are tied together. We saw Egypt, for instance, coordinate an effort in Congress and in media to basically make the case that they're committed to human rights in order to push through a C 130 cargo plane sale. And the most common target of lobbying is, is Congress itself, we saw that the the NDAA, the annual defense bill was mentioned by name nearly 500 times in these two years alone. And I think we think about foreign lobbying from the perspective of a member of Congress, a lot of this starts to make sense on some level, they have to be an expert on everything, keep up with the news cycle, and they don't have any research capabilities to rely on of their own. So when something happens, say like Azerbaijan threatening to launch offensive on Nagorno Karabakh last year, they might respond to that email from the lobbyists from Azerbaijan asking to meet with them, whatever it is, but it isn't exclusively Congress, we actually saw a lot of instances in which these political activities these countries were directed towards executive branch officials, universities, think tanks, radio stations, really anybody that's that's in a position to to influence opinion and policy towards those those clients.

But also from this list, I think it's it's worth mentioning, you know, who isn't here? I think it's noteworthy that this list doesn't include the usual suspects of China and Russia. China spends the most money on Farah in theory, but that's largely just because their state media outlets are registered under Farah, but they don't discharge just looks at traditional political activities. And, you know, China Daily doesn't doesn't do any actual lobbying. They're not reaching out to members of Congress. And so, and also, I know this is a frequent question. But Israel doesn't have that many registrants under FARA, NSO Group is kind of the main one they have, I think, like three or four different firms that lobby on their behalf. AIPAC also isn't registered, just want to get out of the way since it's funded and led by American citizens. But, you know, I think that there are some valid questions surrounding the politicization of regulation, which can skew our understanding of foreign influence. We don't want a situation in which we have one set of rules for friends and another for adversaries. So if you heard about the story in New York Times, just a few weeks ago about a covert Israeli influence operation, called the Concert, those those groups are also not registered under FARA and there are some valid questions surrounding whether they should be.

So I'll stop sharing this, I'll just close out by saying on some level, you know, we know that the this isn't surprising considering the US has a wide open political system. American companies know that and foreign governments do too. And the bottom line is that these countries clearly see a positive return on investment here because they keep coming back every year, hiring firms doubling down on these these lobbying efforts. And I think that, but despite that, their their role and their outsized influence is oftentimes missing from the conversation. We had this idea

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of, of foreign policy being this thing that that a bunch of smart people go into a room, they look at a map long enough and kind of piece together what's in the national interest. And that's not really the case, you know, that that might happen in some cases. But we have to take into account the role that the foreign influence plays in not just influencing but militarizing our foreign policy. So thanks, I strongly encourage anyone again to go check out both the brief and the FARA website itself. I think, as far as, as government websites go, you'll find that it isn't too unmanageable. But I'll let you be the judge of that.

Ben Freeman 19:16

Thanks, Nick. Some very kind words, I would say for the FARA website, that a lot of other repair researchers might not express. I would like to note one thing about what made that brief possible for us was a critical transparency effort at the Department of Justice and the fair, a unit that was done earlier this year at the Department of Justice for the first time that I'm aware of, they released a this public database of the political activities. You know, pretty previously, we had databases for other things, you know, again, intervention, the spending that OpenSecrets does, this was the first time we really had the Department of Justice, pumping out their own database of these political activities. And as I know Dr. Miller will go into a lot more detail that that was once painfully hard to gather all the information surrounding those political activities. With that introduction, Dr. Miller, the floor is yours.

Max Miller 20:14

Thanks a ton. Ben, nice to meet everybody. Hey, to all the people that are here. So I'm almost terminally academic, so I have to share slides. So, and I have to have technical difficulty doing it, too. So, um, I think like, one sort of natural question to this is why am I here with this, you know, sort of esteemed panel of people I'm, I'm a professor in the finance unit over at HBS, that doesn't necessarily have a whole lot to do with, with lobbying nor nor foreign influence. But as part of, you know, sort of a broader research agenda that I have in trying to understand the role of money, politics, how that relates to the way that firms operate, I became interested in looking at at, you know, data on foreign lobbying. In particular, we've been talking a lot about FARA today, I became interested in that data, not just because it gives us information on foreign lobbying, which, which both Anna and Nick talked about before me, but also that it provides us with really interesting information about who has access to legislators we're gonna also talked about and that's kind of going to be what I'm talking about today. And I just want to kind of couch this in broader terms that I don't think that what is available through FARA is necessarily just a data on foreign lobbying. It teaches us a lot about lobbying in the US just in general. And so that's sort of Prelude. I'll talk a little bit about my work on foreign influence in US politics, which is joint work with Marco Greer Tyria and Lakshmi, Iranian who are both at London Business School.

Alright, so we talked a lot about how far reporting is a bit of a mess. Um, what did we do in this paper to kind of try to solve this mess? Well, we digitized over 12,000 Scan filings that were made under the under the Foreign Agents Registration Act, FARA, in order to try to understand

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all meetings that have happened between us legislators, employees of the federal government, and US state governors over the period 2000 to 2018. This is a project that we've had underway since 2019. So it's taken us roughly five years to gather the data, I can also say that we digitized the data from 2019 to 2021, as well, and are currently working to extend the data back to 1967. We're a few months away from completing completing the digitization from 1967, all the way up to 2020 21. And again, I think like the really cool thing about these data, which people have been hammering, no, I think in particular was handling it hammering it is that these are really granular, rich data. So if it weren't that these were all on, like scanned PDF filings that are housed at the Department of Justice, this would be an amazing source for understanding lobbying in the US in particular tells us a lot about the identity of the lobbyists who are working with foreign countries, the money that are spent on lobbying or political contributions, again, open secrets has a lot of that data digitized already. And what I'm going to focus on today datestamp meetings between legislators and lobbyists on behalf of foreign countries. And again, there's sort of two main advantages to looking at this dataset. One is that it gives novel insights on foreign lobbying and foreign influence in the US, which is, of course, the topic of this entire panel, but to but also gives us information on who has access to legislators, which, again, is a key question in the broader lobbying literature.

I mean, one thing that we really want to understand when we talk about money in politics, or at least one of the rationales for why we might be concerned about money in politics is that it buys undue access to legislators that maybe certain constituents shouldn't have. And so understanding that relationship is very difficult to do in the domestic lobbying literature, because we don't really understand who has access, but it's something that we might be able to make some headway on in the foreign lobby in the foreign lobbying space. Because we have data, particularly on access. Now, um, as I kind of alluded, this is not like the easiest thing to kind of go through. So I just want to talk a little bit about the data kind of what we went through in order to gather and I'll then talk a little bit about the some of the results that we found with the data. And I have tons of backup graphs and stuff if you guys really are curious in the in the q&a, but I can show you alright, so um, I think there was a question in the q&a and like why why Faro was originally put in place. It was originally enacted in 1938. To fight Nazi propaganda in the United States. I just think that's an interesting fact, that was the original purpose of Faraj is primarily a Disclosure Act that requires foreign agents to disclose the political activities and some other activities that they're undertaking on US soil to the Department of Justice. And what we've gone through is digitized over like I said, 12,000 scanned supplemental statements from the period 2020 18 to put together right now, there's sort of richer data that we could build using this but Currently, we have over 180,000 date stamped in person meetings between 146 foreign countries and US legislators over the period of 2000 to 2018, about 45,000 meetings with employees of US government agencies, and about 1500 1500 meetings with state governors, you can kind of see the numbers that are on there, this was not the easiest thing in the world to do.

So I just want to take you guys a little bit through the pain we went through over the last five years in gathering these data. And also just giving you sort of a sense of what some of these documents look like. So you know, this is more, maybe this is more for my enjoyment than for

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your enjoyment, but we're going to do it. Alright, so here's like, kind of one of the cleaner filings that we have under the Foreign Agents Registration Act. I believe that this is meetings that tickets some authorities within Tibet had with different members of US Congress, you can see here, these are very clean, detailed records of an entire schedule of a Tibetan representative, sick, sick young here, consider that there's a meeting at 10am Senator Mike Lee, Senator Orrin Hatch is their Representative Chris Stewart. You know, leader, Nancy, I think at this time Majority Leader Nancy Pelosi, I can't remember what her position was at this time. Anyway, Nancy Pelosi is on there. And you can see here that we have very detailed schedules, this is not like a very difficult sort of form to, to scrape right, you could pretty easily train like a, you know, an LLM or something like that, in order to kind of go through and OCR these data are not super hard to do. The kind of difficulty with all of this is that it's all different formatting across reports.

But you know, this is like a pretty a pretty clean example of a thing. This is very straightforward to collect. A lot of the examples look a little bit more like like this, so I can't remember which foreign, which foreign agent rich that wrote this report, I think it was Claire subsolar Merkel. But you can see here, there the teams representing two different foreign agents, the CBI sugar group, or its foreign principals, the CBI sugar group, and the Embassy of Azerbaijan. Here, you can see we have none of the nice formatting that we had in the previous example. This is all like pretty messy handwriting, you can kind of make it out if you pay attention long enough. A Beachy. It's got very important meetings. You've got John Hanuman with the USTR. You've got Senator Brownback for the Embassy of Azerbaijan. So we've come through and we've collected both deep clean and not so clean examples. In order to put together what we think is are some really cool data.

I should also note that this paper is sort of a work in progress. Right now. It's got a working paper version online, it hasn't undergone peer review yet. One thing that we hope to do after getting this paper through the publication process is make these data publicly available to everyone, not just so they can replicate the results that we have within our paper, but also so people can use this as a broader tool to study foreign influence and foreign lobbying. Also, I'd be remiss if I didn't talk about some of the results that we have in the paper. What we're using this now is mostly to try to understand what foreign countries get out of out of these relationships. One thing that we find is that greater access to lawmakers tends to correlate with greater amounts of foreign aid and financial assistance. They also find substantial spillover benefits to the US subsidiaries of foreign firms headquarters, that our headquarters in the countries that are meeting in particular, these firms tend to get greater corporate subsidies from the districts of the legislators that the home countries are meeting with. And this relationship seems to be driven by these meetings. So for example, we use unexpected legislator deaths as an exogenous negative shock to these connections. So a legislator unexpectedly dies, what we then look what happens to some of these subsidies.

And we find that these subsidies broadly disappear after the after the death of the legislator, we have about 33 deaths over the over the course of our sample that we're looking at the next thing that we want to do, and we've been kind of beating around this, and it gets into a broader discussion about what's the purpose of lobbying in the US is we want to say something about

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what's the nature of lobbying in the US, is this something that's good for constituents? Or is this something that doesn't seem to really help constituents. And, again, the way that this is discussed, at least in the broader sort of lobbying literature is it's put into two camps. There's the information camp, which says lobbyists give valuable information to policymakers to allow them to make better policies. And then there's this like, sort of quid pro quo camp again, we're not alleging that anyone's undertaking any sort of illegal quid pro quo actions. But it's basically saying that legislators take actions in their own interests that might not be of the interest of their constituents. In this paper, we kind of find more support of the latter relative to the former. And the way that we notice is, we look at what happens to jobs created after the subsidies are given to connected foreign companies relative to unconnected foreign companies. And we find that the unconnected guys create far more jobs than the connected foreign companies. Again, this is just one way of getting at this question. There's many other ways of doing it. We be interested in exploring many more, but that's what The broad results that we have into this into this foray. There's a lot of other work, we think that can be done using these data. We're excited to pursue it. But I'll leave that to the to the q&a. So thanks, guys, I look forward to hearing your questions. And, and, and discussing this a little bit more.

Ben Freeman 30:19

Thank you very much, Max. Really thank you to all the panelists for those wonderful introductory remarks. For everybody watching from home, we are going to switch now to a q&a session. I naturally as moderator, I'm going to take the first shot at these panelists. But I do encourage folks, if you do have questions, interim into the q&a here should be a tab at the bottom of your screen. If you're joining us on the Zoom webinar. I see we already have some wonderful questions from from Mindy, Larry Martin and some other folks. And we'll hopefully get as many of those as we possibly can. But before we get there, I have a question for each of our panelists. I'm gonna start with Anna, Anna, you've done just some excellent research and a foreign influence in the US. But you also I want to talk a little bit about your your other specialty, what some might call dark money in investigations. I'm really curious about the if you're seeing any sort of intersection with these two fields are? Are you seeing any trends of foreign influence efforts utilizing the the all these dark money avenues that you've identified?

Anna Massoglia 31:21

Thank you, Ben. Absolutely, there is a lot of intersection between the two fields, which is part of what really drew me to both of them. One of the issues with foreign influence generally, is that it's there's not just one channel through which it goes through. It's not just lobbying. It's not just what's registered under the federal foreign Agents Registration Act, there's so many other ways that influence flows into the US. That is not disclosed. One issue with this with the political spat area of this. So when you look at things like political contributions, and trying to directly put money in the pockets of politicians is that foreign nationals are prohibited from spending and influencing elections directly. And so this has really pushed a lot of that activity into the shadows. But that's not saying it's stopped. There are so many other ways that foreign actors who are not allowed to be getting involved in elections are getting involved. Just to answer the

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obvious question, why would they want to get involved in US election if they're foreign actors? In many cases, this can be seen as a way to grease the wheels for their agendas in Washington, to make friends with people who are in a position to influence policy that would be favorable or unfavorable to those foreign actors. And so while they can't give contributions directly, we see things like straw donor schemes going through other individuals or, or shell companies, we see one of the areas I track is 501. C for nonprofits, which are supposed to exist for social welfare purposes, but can spend unlimited sums on elections without ever disclosing their donors. This is really kind of open season for a foreign agent for foreign influencers, to pour money into these nonprofits that can then spend on what are called issue advocacy. So any type of spending that doesn't expressly support or oppose a candidate and largely that is not required to be disclosed to the Federal Election Commission, which is the primary entity charged with disclosure of political activity at the federal level. And so a lot of this is going completely unchecked. While foreign nationals can't aren't supposed to be influencing elections, there are so many ways that they can, there are examples of using straw donors or using these entities. But so there is so much more that's happening in the shadows that we might not be aware of. There are also new vehicles through which foreign and foreign actors may pour money into US elections. This could be through online advertising and online media, which is an increasingly common area where we're seeing foreign actors, the internet, you can pretend to be pretty much anyone I think is the general is the general issue and opportunity of it, where you see foreign actors getting online creating these pages to either explicitly influenced certain issues or just to sow discord. This has been something where we've seen issues with Russian actors in the past with a variety of other countries, there was just a network this week that was taken down. And in many cases, the point isn't just an explicit, here's the purpose, here's what I want to get done. It's just to sow discord, it's to pit different American sects against each other, you may see identity, assuming the identity of different more extreme groups in the US whether that's on the right or the left, it's happening on both sides. And this can have very real life implications where we've seen protests, where the were different, and using Russian actors again, but that's certainly not the only country that does this, where different Facebook groups were created for both the support and opposition of a certain issue. And both sides were entirely just Russian, a Russian influence operation, but it ended up resulting in an actual protest with real people real Americans showed up. And this is really just one example of the influence that this can have on people of fake news of fake news sites. And so really making sure to vet the information you're consuming whether that's in Facebook groups in news media, or elsewhere online is really important because not all of them are really going to have that disclaimer that's legally required under the Foreign Agents Registration Act, not all of them are gonna say we are a foreign foreign agent.

That brings also to even to influencers who are even being paid by entities that might otherwise be filing some of their disclosing some of their activities under the Foreign Agents Registration Act, they might not people who are working for them as influencers, online influencers may not actually include those disclaimers that they're supposed to. In some cases, this can be because of loopholes in the law, this can be perfectly legal, where they may not think that they are controlled enough by the foreign entity in order to have to do that. There are so many different ways that are being pushed back on this money, obviously flowing through think tanks as well have varying levels of opacity. You know this all too well, Ben. And there's just so many different

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ways that money can flow in. As I mentioned earlier, just one more point, before an age restriction act is broader than the Lobbying Disclosure Act in that it also includes those foreign influence operations that are not explicitly lobbying. But and so this means that if you are working even on a public relations campaign, you're supposed to register. But there's also just a growing, I guess, business of shadow lobbyists, which who are not registered under the Foreign Agents Registration Act, who are not registered under the Lobbying Disclosure Act, but still operating and engaging in these activities. Sometimes this can be cut because of the cooling off period after leaving government where they're restricted from conducting lobbying activities or being a foreign agent. But other in other cases, it may just be that they don't want the backlash of being of having that title. So there's so many different ways that this is flowing into US politics, some of which are disclosed and many more that really aren't, which creates a whole slew of interesting issues as people rely on that information might think it's neutral might think it's coming from Americans even. And especially in online forums, this is something that is increasingly problematic.

Ben Freeman 36:49

Thank you so much, Anna, and you, you covered a number of issues that that are critical to Farah relates to the exemptions, the fair registration, and a lot of the questions that I see in the q&a there are actually related to that, you know, why didn't Why wasn't this person mentioned where he lives in this country mentioned more? And a lot of the reasons for these questions are exactly what you refer to some of these exemptions to fair for nonprofits for think tanks, you know, is it it is that a US base entity that's doing this? You know, all of these things are cause for not registering under FARA so we are for, for better or for worse, when we're analyzing fair registrations, we are we are at the mercy of those exemptions. And so what, what what we're reporting here, and a lot of cases, are only the folks who did the right thing, and registered under Farah, and we're transparent about their work. So you know, this gets to Mindy, and many questions in the q&a about Japan and other groups. And he is exactly right. You know, Japan spends a lot of money on think tanks in the US and other avenues of influence, which just don't find their way into fare filings. And so that's why, you know, Japan very often doesn't come out as a high political activity in the Faroe Islands. So thank you, once again, in Ghana for that. And, Nick, I'm going to turn to you next. And I have the benefit of working with you personally on on a lot of these issues. And I know you've done a number of other investigations beyond our brief, I know firsthand that you've been surprised by a lot of what you found in several of these projects. So I'm very curious, what has surprised you most about what you found in your foreign influence investigations? And what do you really hope our audience would know about some of the most surprising things about foreign lobbying in the US?

Nick Cleveland-Stout 38:35

Yeah, it's, it's difficult to narrow it down. But I think the one that that really stays with me is an investigation that we did into the revolving door between government and lobbying for foreign governments. We found that there were around 100 former members of Congress that had registered as foreign agents since 2000. So the biggest firms, you know, I can go on Brownstein

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VGR. Group, they all have former members of Congress, working for them. And this is something that they're very much stacks the deck in favor of these firms in in favor of the foreign governments that they represent. People have flat out told me that, you know, they only met with with a lobbyists representing a foreign client and heard him out because he was a former member, because he was a former colleague. So it isn't a level playing field. And it's a lot easier, I think, to get in touch with with an office, obviously, if you know them personally, if you've worked with them, even something as seemingly mundane is having their cell phone number. And but that's not the only reason that these former officials are hired, they they're also hired because they likely have a lot of policy knowledge, can in some cases, help draft some legislation. I think that that's especially true of executive branch officials. You know, if you worked in OFAC, for example, the agency that administers sanctions list you might get an offer from And from from the represents a client. It's on a sanctions. So we've seen this before.

And then I'll just mention one more, and that's with the research that we did for this brief. I was pretty surprised at how many how often the media was contacted, and not just how often but the way in which they were contacted. We found a lot of instances in which firms representing foreign governments were pitching articles themselves, and even coordinating edits in different outlets. And sometimes that connection would go totally unmentioned. There was one that I saw that was published in on Fox News that was coordinated by a firm representing Cambodia talking about how Cambodia should be allowed to enter the Indo Pacific framework for prosperity. And it was published by three members of Congress who had just visited the country as part of the CODEL. But nowhere on the website wasn't mentioned that that affirm that was paid for by those paid by Cambodia helped coordinate this op ed and the editing process between the firm and the members of Congress that wrote it. And this is something that firms actually openly advertise. So it's not even that much of a secret. But it's still shocking to me, I think how often it happens, and how often those contacts those connections go unmentioned.

Ben Freeman 41:14

That's a great point, Nick, and any other other things we've seen in federal filings that regularly shocked folks are not just the editing of op eds, but you know, just flat out drafting op eds, that that other folks eventually published under, under their names without a mention that there was a foreign agent bind this. Also, previously, we've seen evidence of drafting legislation, you know, I've seen in the affairs information on materials, track change edits, going back and forth between a foreign agent and in a hill office. So in some cases, we literally have foreign agents writing US laws. So these are probably not what you expect when you come in to, to foreign lobbying. But this is the reality of the space we're in. So thank you for that, Nick. Max. Last, but certainly not least, you in the car, yeah, I'm gonna just fanboy over this wonderful data set you have here, you're in the midst of compiling what I unquestionably believe, is the largest dataset of fair political activities that we've ever seen. I have a huge case of data envy, that and I think the future the potential research projects that you can undertake with this are just extraordinary. So I'm going to ask you to spill the beans. What what research questions are you hoping to answer in the future? You know, can you tell us about you know, where you think this project might go down the line?

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Max Miller 42:37

Yeah, thanks. But I mean, no, it's, we're, we're really excited about gathering these data. And we're even more excited about getting them ready for people to actually, you know, researchers aside from us to start to start using them and start digging in. You know, we're, we're only three people we can only write so quickly. It'd be great if we can have more people sort of, in, in academic Well, I'm an economist, but and academic economics and political science, getting into this field and starting to write papers, this like for us. Going forward, Nick was just talking about this. We think that these meetings that are the drafting of op eds, are the activity that's used to influence the media is just something that's massively important. And with all the data that we gathered, we have basically every single contact between all foreign principals and members of the media. Since now about 1967. I just be interested in understanding how effective these strategies are at actually influencing us public opinion. And honestly, I don't know what the answer to that question is not necessarily. I mean, it's one it's a difficult question, from a methodological standpoint to answer because, again, countries don't just randomly choose their policy of who to target, they tend to target constituencies that might be the most favorable to them. And so we have to think through some ways of how we're going to actually do this from a methodological standpoint. But to me, it's not necessarily clear that this is going to have a major impact in all cases, and we'd be interested in understanding when this sort of activity has a major impact on us public opinion, and what how that then knees pass through and into policies. So that's sort of one avenue of research that we'd like to explore with this.

The next is potentially a bit more, a bit more favorable to the role of lobbying and the interplay between companies, foreign governments and legislators. We want to understand how legislators could potentially serve as intermediaries on behalf of companies that are in their constituency. So for example, a lot of companies face risks or a lot of firms face risks from abroad, that legislators could perhaps tamp down by meeting with foreign countries and we want to try to understand the extent to which legislators are taking on this role to help constituents at home, potentially to maybe save jobs. Of course, you know, there's a darker side to this too, that it could make it so that companies don't experience the competition that they might need to experience. Or it could keep out new new entrants that might be more adept at naturally dealing with these sorts of risks. And so we'd be interested in sort of exploring the sort of pros and cons of that role that legislators might play from from that angle. So that's kind of the direction that we'd like to go with it. Again, I think that there's many other interesting questions one could could potentially explore this. But that's where we're looking to go.

Ben Freeman 45:32

Thank you, Max. I don't want to put words in the mouth of your fellow panelist, but I think it's safe to say we all very much look forward to looking through your data. So thank you for that service. I am going to cut myself off from asking any more questions because we have just a plethora of wonderful questions in the q&a. I'm going to try to get through as many as possible. And we have a wonderful question here, from Larry Wilkerson, that that really jumps out in in I

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think this is a question that might be you know, something you can help us answer. Larry asks, What a constitutional amendment that essentially nullifies the effects of the Citizens United decision, any opinion of your experts be of any help and curbing some of the dark money that now flows into US elections.

Anna Massoglia 46:19

It depends on what you're looking at. There's so much that would not be impacted by the Citizens United decision, we're also seeing money flowing into things like ballot measures. So of many foreign countries, companies flowing pouring money into ballot measures now, which the FEC just recently confirmed is illegal unless the state makes it not or municipality makes it not legal. We also see I think one of the big issues is money flowing into issue advertising, which is largely not impacted by these federal election rules. There's so much of it that, in particular, online ads, and online media, generally, the FTC regulations really haven't caught up to the times with them. Generally, if you do even have an issue ad that's on TV or radio, and not to get too nerdy into all of this, you do have to disclose it during the window before an election. So this is ads that say, candidate so and so's great candidate so and so is terrible, you would have to at least disclose them if they're on traditional media, like radio and TV. But if you're doing online advertising or online media, up until the point of the election day, you can run ads, that impact candidates that online, you can have a variety of different messages. And so it while it would have some impact on that explicit messaging, there's so much else that it would not rain in and largely would not impact, unfortunately, and so much else that really isn't disclosed that just isn't encompassed by that.

Ben Freeman 47:37

I was honestly hoping you would just say, Yeah, that would that would fix it.

Anna Massoglia 47:44

I wish there was an easy fix, I really do.

Ben Freeman 47:45

Okay, well, thank you for that. We have another couple good questions here from Paul Carroll, who and I think anybody in the panel is free to free to address these. Paul's asking is this. Are we saying that fundamentally saying is this a Houston we have a problem moment with with foreign lobbying, per se, are the issues we're talking about here? More related to the pace of the affair filings, you know, we just can't get the information out that we'd like to get in Paul being a good questioner, he's got a follow up question to a cheaper one here. And then the second one is about fingers sort of double life abroad in that we know, a lot of foreign governments are using implementing fair like statutes, you know, some to I think nefarious end to the to clamp down on civil society, Russia, Hungary and other countries during that even we have foreign influence measures that are fair in light, but adopted by some US allies that I think are being used to good

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effect. Australia's fits the UK using foreign influence law, and legislation being considered in Canada as well. So to all the panelists, you know, how and how do you think what do you think the issue is for FARA generally? Are we, Is this a Houston, we have a problem moment? And can you comment about FARA's sort of double life abroad?

Nick Cleveland-Stout 49:06

I can take the first stab at this. Yeah, it's a really good question. I think that I think foreign influence is going to happen either way. Whether it's it's regulated or not. And I would, for me, it's not a Houston, we have a problem. Because of that, because it's going to happen either way. But there are definitely issues with the disclosures. And I think that we just need to it's more of we need to be aware of it. We need to recognize this is happening, we make sure that these these voices are not always dominating the debate in a foreign policy, in Congress or in the media, whatever it is, to end your second question on potential negative implications for civil society. I think that that's part of the reason why we need more specificity and clarity from Farah because we don't want a situation in which fear is used against dissidents or not Um, to fuel xenophobia, were actually something that I've been tracking is that we're actually seeing a lot of state fair legislation being proposed. We saw this in Georgia, California, Illinois, Arizona. And but a lot of this legislation actually doesn't include the exemptions that Anna was talking about earlier. So in Georgia, actually, the sponsor of the legislation was actually the one that ended up asking Governor Brian Kemp to veto it, because he didn't realize that it was going to bring so many unintended consequences, just just to give one example, without a commercial exemption than that people that worked for Georgians that worked for a Toyota dealership might have to register as foreign agents in under those circumstances. And fortunately, it seems like legislature state legislators are realizing how broad This is. Might take some notes from from Georgia's lesson, but, you know, it's I think that we just need more specificity on reporting and registration requirements, and maybe in some cases, broader exemptions. But, you know, this is something that we need to tackle on a federal level rather than a state level.

Max Miller 51:15

Now, I'll follow on under that as well, I think this is a question that I, you know, the Houston we have a problem moment is something that I kind of toss in her to my head quite quite a bit. I think even more so than corporate lobbying, foreign lobbying is a space where legislators need as much information as they can possibly get. These are places where I think the input from the governments that are actually affected by US foreign policy, you know, could be potentially very valuable in helping us to improve foreign policy. At the same time, I just don't think we understand enough about the sort of, you know, spillover effects that could be that could be occurring and other in other places. And so my answer to this is that I think we just need to understand more. My hope is that with by putting together greater amounts of data to better understanding the existing filings that have been made, we can start to get answers to some of these questions and understand where is foreign influence seem to be productive? Where does it not seem to be productive, and then maybe catered regulation or legislation to make it such that we can prohibit the things that are potentially the most harmful, while encouraging the

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behaviors that seem to be seem to be the most productive? In terms of spillover to to other civil society groups, I do think that there's quite, you know, there's, of course, lots of grassroots attempts in the US to try to make politicians aware of various groups around the globe that are trying to fight against authoritarian regimes that are trying to fight for greater human rights. And, of course, it would not be, you know, probably wouldn't be in the US interest, from a moral perspective, or from a policy perspective to try to try to prohibit that from happening. So again, we just need to understand more the data initiatives that the Department of Justice are putting in place now we're going to really help with that the work that open secrets is doing is really going to help with that, I hope that the data that we're going to make available is going to help with this. And again, then we might be able to really implement policy, that's that's pretty effective.

Anna Massoglia 53:25

I could not agree more with the need for more clarity in particular, in terms of in some cases, I think that transparency is framed it as at odds with some civil society. And I think that, if implemented correctly, transparency and disclosure rules, if there is enough clarity, if there if there is thoughtful drafting of them, that they can promote that. And it is very much a positive thing. I think it's so important to have more clarity, so that Farah can't be misconstrued either in the form of spillover abroad, where there are laws inspired by it, or domestically, where we are seeing different interpretations and potential weaponization of it, because it is so broad we see not necessarily by lawmakers, but by the media who really it's such a complex topic it becomes it can become hard to understand all of these exemptions, as states roll out their own versions. I think that that adds a whole other element to it, because FARA already encapsulates a lot of that state level disclosure in it. And we already do seed meetings with town council members with local trade associations with state legislators. And so I don't have a view on whether or not there should be a state level. But I think that that patchwork can be really challenging and presents a whole slew of other issues. That said, I've been somewhat amused by some of the state level legislation. One of my favorite examples is Utah where if you go into the state capitol building, and you're a foreign agent, you have to wear in a I think it was like 16 point font, a label on yourself that says you are a foreign agent. And so that's probably the one that I find the most amusing, at least and that is very much informative to the lawmakers their meetings with was the third literally labeled Hello, I am and a foreign agent basically. But I think that that patchwork can be so challenging when it comes to disclosure when it comes to actually regulating things. And that even if we do clamp down on certain and restrict certain things, there's so many ways to get around that with foreign influence, there's already so much that's happening, it's not disclosed that that presents a variety of other challenges as well.

Ben Freeman 55:22

You know, and I always like to tell folks, that foreign agents shouldn't be a scarlet letter, but now you're telling me that Utah is literally making it a scarlet letter. So that's unfortunate. Thank you all three there, we're a little low on time. So I'm gonna sort of rapid fire go through some questions here. And we were getting several questions on the sort of inverse of everything we're talking, we're talking about foreign influence coming into America, several of the questions are

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about, what about USA influence abroad? You know, is anybody tracking the way the US is influencing other countries? I am not aware of folks who are sort of systematically doing this and anywhere near the fashion that the that we're doing this domestically. And I think one of the big reasons for that is just the the lack of transparency abroad, you know, as I said it for all the and we've brought up many of the shortcomings of the foreign Agents Registration Act. But one of the benefits of it is that we do have, you know, it's it's, it's a worst of all, they legislate, it's a worst other than all the other legislation that's out there to track foreign influence. So we do get a good bit of transparency. There are other any of the panelists aware of folks who are doing really good work in this field, you're kind of tracking us influence abroad? Nick, you've done some interesting research on sort of us think tank influence in Brazil, can can you speak briefly to that?

Nick Cleveland-Stout 56:51

Yeah, sure. I mean, it's not. It's not, you know, typical political activities. Farah adjacent. But yeah, something that that, you know, I was part of a research group down in Brazil that was very interested in, in what networks and think tanks, the US was funding that, that oftentimes platformed positions that the US wanted to see in Latin America, what even Commission reports, by particular Brazilians that they wanted to elevate those those perspectives. And we would oftentimes see those authors of those reports then go into Brazilian government. So there was a pretty tangible success of this, this, this network that they were funding. And so you know, if anyone is interested in that, I'm happy to talk more offline about that, or connect with people that are interested in, in now, there's a lot of great researchers in Brazil that are focusing on this, and I'm sure in other countries as well. So we could talk more about that offline.

Anna Massoglia 57:55

And I would be very interested personally, I've looked into US influence abroad, not comprehensively, but more historical, looking just out of my own curiosity, looking through FOIA requests, and other older records. But really one of the challenges is that there isn't the equivalent disclosure rule abroad, there are certain things in Australia and the EU, many voluntarily I've actually, but historically, I've looked at it, but mostly through FOIA requests, which is very limited. And through historical accounts, which again, very limited and hard to get up to date information and newer information until it comes out much later and as declassified. And even I've worked with some media abroad, that use FARA to understand what's going on in their own countries, because in some cases, you have foreign influence campaigns targeting the US, but also influencing other countries that are disclosed. And so I know multiple little journalists abroad who have also used theory to get information about what's happening in their own countries. So I think that that disclosure is very much lacking in many places.

Ben Freeman 58:51

Yeah, I think that's spot on to one one final question here. And I have saved the most painful question for our panelists for last, it's from Seraph Gonji who asked, it was a very good question

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I kid, Seraph says we do a good job of analyses of foreign influence, do a good job counting the inputs, but have a tough time connecting them to the outcomes decisions, may laws altered, you know, all those sorts of things. Can each of you very briefly talk about what methods we can do to improve that? How do we substantiate that the sort of money going in, you know, he's affecting some of these outcomes match? You've talked a good bit about this. And you know, you're using some pretty advanced statistical analysis to do this. If you could talk about that, that'd be great.

Max Miller 59:38

Yeah absolutely, So again, I think the trick here is that money and influence is not allocated randomly, right? So foreign countries just go and don't go and you know, spray and pray money into the political system or spray and pray accessed in the into the political system, and then just see what they get back. They tend to target the legislators that might already be the most sympathetic to their causes. And so then it's hard to understand, you know whether policy outcomes would have been the same with or without the the influence that that was being employed. So when we, at least we tried to get at this as we try to take situations where we know that there's a connection between a lobbyist and a lobbyists, foreign country kind of pair, and a legislator, and then we try to see, well, what's the situation where this connection seems to disappear. And let's look at some downstream outcomes that might be affected by that relationship. So in the the paper that I talked about, we looked at US corporate subsidies in the context of foreign governments lobbying in the US, and we looked at the corporate, the US based subsidiaries of firms that are headquartered in those countries, and we found that if they're connected to a politician that dies, then the subsidies tend to tend to disappear. We're also using retirements, close election outcomes, things like this is sort of a severing of a connection to get it. To get this. We have a few other ideas of like methodologies that might allow us to, you know, sort of differentiate selection in economic terms selection, so who's actually choosing to do this versus treatment, the effect of the actual, the actual lobbying, and we hope that you guys are gonna see it in sort of some updated versions, but I don't have any results to show you. So I won't, I won't get myself in any trouble talking about things that aren't there yet.

Ben Freeman 1:01:23

We can't wait, Nick, anything to add on that point.

Nick Cleveland-Stout 1:01:30

Yeah, I think I think it's like next set, it's very difficult methodologically to try and ascertain the degree of success. You know, they, we can see who they target, we can try to piece things together. And you can, there can even be an adverse effect, where people are like, Oh, wow, this, you know, this, this person's emailing me every day, it's kind of annoying, that's gonna make me less likely to meet with them, whatever it is, you know, that's entirely possible. But, but yeah, right now, what we can do is sort of anecdotally piece things together and look at, you

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know, what they're lobbying for, and what they get. And we do see a lot of instances where these lobbies are very successful. You know, like I mentioned, we talked about, we looked into the we looked into arm sales, we looked into geopolitical rivalries with this research that we just came out with. And we saw a lot of instances in which, you know, there was correlation, US announced major arms sales to most of those, those countries that I mentioned in my opening remarks. A lot of countries were successful in trying to get amendments added to the to the NDAA. But was it because of those those lobbies? It's really hard to say, but what we can say is that they they lobbied for those, and at the end of the day, a lot of the time they did succeed, and those those amendments were added or that that arms package was sent to that country. And so, so I'm very interested in if Max is able to tackle the causation, but we at least you know, have a pretty heavy correlation.

Anna Massoglia 1:03:11

And I think Nick and Matt hit it on the nail on the head was saying they really at this point, and I'm excited for Max's research, like, where we can see correlation, we can't really see causation in many cases, you don't know, because they are taught very much targeting lawmakers, individuals who are susceptible to this already. It's an ongoing relationship. In many cases, it's not this really clear quid pro quo that I think many people assume with foreign influence. And without being more generally, in some cases, we have had luck with looking at things like the Congressional Record, when in certain cases, large chunks of text in the congressional record exactly match something that was sent by a foreign agent slightly before that. And so things like that, and tools like that can be really valuable. A lot of that has been manual in the past. I think with the the increase of AI and all of the capacity that that brings, I think that there could be a lot more that can be done with that as well.

Ben Freeman 1:04:06

With that I'm woefully over time and I apologize to our viewers. But I want to thank our panelists even more. This has been in my, I'm a self professed foreign influence nerd, as I said at the beginning, nonetheless, you have all taught me more. I'm very appreciative for your time. And I thank you to our wonderful folks who contributed to the q&a. I'm sorry, we didn't get to all the questions. Needless to say, this is an ongoing conversation, and we'll keep it going at the Quincy Institute. Max will keep it going at the Harvard Business School. And of course, we'll keep it going at open secrets. Thank you all. Thank you to our panelists, and thanks for everybody for tuning in. Have a wonderful day. Thanks, everyone.