Democracy North Carolina

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Overview of Art Pope & His Network

James Arthur (Art) Pope is the poster child of what one extremely wealthy individual can do to twist an entire state's public policy in a racially divisive, ultra-conservative direction.

Worse, Pope literally depends on the black community to finance his political operation; African-American shoppers at his stores supply a large share of his income, which he then uses to promote policies that keep them too poor to shop elsewhere. Here are the details:

• Art Pope is the chief executive and chair of the board of Variety Wholesalers, a chain of discount department stores started by his father, John W. Pope. Variety Wholesalers now includes over 400 stores spread across the South and into Ohio, Indiana and Delaware. Company-owned stores include Roses, Maxway, Super Dollar, Super 10, Bargain Town, Popes, and others.

• Variety Wholesalers' website says it targets lower-income minority neighborhoods for locating its stores. Two criteria for opening a new store: "Minimum 25% African-American population within 5 miles; Median household income of \$40,000 or less." <u>http://www.vwstores.com/real-estate/</u>

• Many workers at the stores are paid less than a living wage with few benefits and wind up relying on public assistance to support their families. In reality, rather than creating good jobs, Pope's business is heavily subsidized by government funds and traps its workers in near-poverty conditions.

• These stores that cater to black and poor communities are the primary source of the Pope family's wealth and also the money that finances the John W. Pope Foundation; Art Pope is the Foundation's president. At Pope's direction, Variety Wholesalers donates to political committees that back ultra-conservative state and federal candidates who oppose affirmative action, support public funding of private academies, and sponsor voter suppression measures. Pope also directs the Pope Foundation to provide grants to rightwing advocacy groups that back the same ultra-conservative agenda with policy papers, lobbying and intensive propaganda machines.

• In the past decade, Variety Wholesalers, Art Pope's immediate family, and the Pope Foundation have poured more than \$40 million into political campaigns, political committees and a network of advocacy groups that have turned NC politics in a sharply rightward direction. His success earned him a profile in the October 2011 *New Yorker* magazine in an article entitled, "State for Sale."

• Using money from its customers, Variety Wholesalers has donated nearly \$1 million in just the past four years to the Republican State Leadership Committee, Real Jobs NC, Republican Governors Association, Civitas Action Inc., and Americans for Prosperity, which have in turn paid for ads attacking NC candidates who support fair treatment of people of color, workers and the poor.

• The company-supported Pope Foundation, with assets of over \$140 million, contributed over 90% of the income received by the John William Pope Civitas Institute and over 65% of the John Locke Foundation – two of the largest "think tanks" and advocacy organizations in North Carolina. These 2 organizations received almost \$4 million in grants from the Pope Foundation in fiscal 2012 alone. The Foundation also provides 90% of the funds for other NC ultra-conservative groups, including

the Pope Center for Higher Education Policy and NC Institute for Constitutional Law. These NC groups generate an intensive flow of policy papers, speakers, lobbyists and articles that promote vouchers for private schools, cuts to need-based college scholarships, repeal of affirmative action policies, voter suppression, tax cuts for the rich, less regulation, denial of climate change, etc.

• The Pope Foundation is one of the largest institutional supporters of Americans for Prosperity, founded by the Koch brothers. It distributes millions more to a list of national ultra-conservative, "free enterprise" organizations, from the Heritage Foundation to the Reason Foundation. Art Pope has served on the board of many of the groups, including Americans for Prosperity.

• Art Pope's immediate family has donated over \$1.5 million to state and federal candidates and party committees in the past decade, including US Senate candidates George Allen of Virginia, Sharron Angle of Nevada, and Marco Rubio of Florida.

• In 2009, Pope and his allies financed a Republican takeover of the Wake County (Raleigh) Board of Education through the election of conservative candidates, with support from Americans for Prosperity and the Wake County Republican Party. The new board immediately began implementing plans to gut the county's landmark diversity programs and replace them with "neighborhood" resegregation policies. Massive demonstrations and civil disobedience led by the NC NAACP slowed down this change; in the 2011 and 2013 elections, the conservatives lost control of the school board.

• In 2010, the Pope family and three groups financed by Variety Wholesalers spent \$2.2 million on political ads and direct donations in 22 General Assembly races. Republicans won 18 of them and the party gain majority control of the NC General Assembly for the first time in 100+ years. Once in office, legislators who won with Art Pope's support began pushing bills for a voter photo ID, against the Racial Justice Act, against public education and more. See <u>www.ArtPopeExposed.com</u>.

• In 2011, the Republican State Leadership Committee paid for the computer expert who drew the redistricting maps for the NC General Assembly and Congressional districts. On behalf of Republican leaders, he packed African Americans into a small number of districts, weakened their political influence in the state, and maximized white Republican control. Art Pope personally assisted him in drawing the lines and Variety Wholesalers increased it donations to RSLC. The redistricting plans are now being challenged in court as racially discriminatory and unconstitutional.

• In 2012, to protect the redistricting plans, three Variety Wholesalers-financed groups – Civitas Action, Americans for Prosperity, and the Republican State Leadership Committee – targeted the NC Supreme Court race of Republican incumbent Paul Newby against Democrat Sam Ervin IV. The three groups spent \$1.5 million for ads backing Newby, who was trailing in the polls before their ads began. Newby won the election, protecting the 4-3 Republican advantage on the NC Supreme Court.

• In 2013, newly installed Gov. Pat McCrory named Pope as State Budget Director. Pope's family gave \$16,000 to McCrory's 2012 campaign and \$125,000 to the NC Republican Party. Two groups that Variety Wholesalers financed – Real Jobs NC and the Republican Governors Association – also spent \$5.3 million to help elect McCrory. Pope served as Budget Director until September 20014.

• From his position as State Budget Director, Pope infused state policy with an elitist, racially discriminatory ideology. The list of damaging policies from his 2013-14 budget and other actions is long, including shifting public education money to private academies, laying off teachers, denying Medicaid coverage to 500,000 poor families, ending the state's Earned Income Tax Credit, killing the public financing option for judicial elections, and cutting funds for black economic development.