

The Democratic presidential candidates: A socialist assessment

Beto O'Rourke: The incredible shrinking empty suit

By Ed Hightower
6 August 2019

Three-term congressman Beto O'Rourke, who gave up his House seat to run against Senator Ted Cruz in 2018 and lost narrowly, was touted as a serious contender for the Democratic presidential nomination when he entered the race earlier this year.

He was given star treatment by the media, including the cover of *Vogue* magazine, dubbed a "co-frontrunner," and initially placed as high as third in opinion polls. But his campaign has since floundered, his fundraising has virtually collapsed, and O'Rourke has barely qualified for the third Democratic debate, set for September in Houston.

The fundraising is a particular noteworthy shift from 2018, when O'Rourke raised more than \$80 million, more than double that of any other candidate for Congress last year, half of it from small donations over the internet. It now appears that this outpouring of support had more to do with the repulsiveness of Ted Cruz than with the positive attractions of Beto O'Rourke.

In the 24 hours after O'Rourke formally declared his presidential candidacy in an online appearance, his campaign raised over \$6 million. But since, his poll numbers have trended steadily downward, the media has turned hostile—panning his efforts in the first two Democratic debates—and financial backing has begun to dry up.

In the second quarter of 2019, O'Rourke raised only \$3.7 million, less than his one-day total when he entered the race. During that same period, his campaign spent \$5.2 million, an indication that the enterprise was hemorrhaging cash and might have to be liquidated, sooner rather than later.

O'Rourke presents himself with an air of little-kid wonder, with an optimism and cheerful populism that stands in inverse proportion to his political substance. For those unfamiliar with his repertoire of banal truisms, the following quote is a representative selection: "The power of people is what is necessary for us to accomplish our priorities."

Behind the hype, who is this young ray of sunshine?

"Beto" grew up in a 4,000-square-foot home, one of the first in the El Paso, Texas area with a swimming pool. He had a housekeeper. His mother owned a high-end store that retailed furniture, and his father, Pat O'Rourke, owned an apartment building, both on Stanton Street. His father ran two sweatshops staffed with labor from neighboring Juarez, Mexico. As a local social and political climber, he aspired to make El Paso the "Hong Kong of the southwest," that is, a cheap labor haven.

Both of the *maquilas* failed, however, and Pat O'Rourke was at best semi-successful in pivoting toward local politics, where he tacked to the left and right and back again as his career goals demanded.

The father supported the Reverend Jesse Jackson in his two presidential bids, and Beto has a photo of himself and the Democratic "civil rights activist" in his home. In a right-wing stunt, the same Pat O'Rourke, as county executive, sent then president Ronald Regan an "invoice" for local

hospital costs purportedly incurred as a result of illegal immigrants pouring into El Paso and straining social services.

Pat O'Rourke won election as county executive as a Democrat, left office after a single term, then ran again for the same position in 1998 as a Republican, aligned with the reelection campaign of Texas Governor George W. Bush, but he was badly defeated, since El Paso remained a Democratic stronghold even while Texas as a whole passed under Republican rule for several decades.

According to the cover article of April's *Vanity Fair*, his father put enormous pressure on Beto to make something of himself, shunning him for failing math, and ultimately shipping his son off to a boarding school in Washington, D.C. While studying at New York's Columbia University, he wrote a research paper on the U.S. overthrow of Guatemalan president Jacobo Árbenz, founded an environmental club and frequented the punk music scene.

Throughout his twenties, Beto enjoyed a bohemian existence dotted with a drunk driving accident and a trespassing charge, before he moved back into the family home and opened a web design firm with \$19,000 from mom and dad, "Stanton Street Technology" to wit.

In November 1999, he posted an article on Stanton Street Technology's "City Talk Readers' Forum" on a topic that would draw the attention of his future campaign financiers. "The big issue today is access to capital," he wrote, "and whether or not banks are making credit available to the qualified small businesses in town who need it."

Beto O'Rourke came into his own around this time, schmoozing with his father's friends and business associates, making the rounds, joining the Rotary Club, the Hispanic Chamber of Commerce, and "every organization that would have me," as he said. "If someone had an open slot, I wanted to be on it."

By 2004, after his father's death at the age of 58 in a bicycle accident, O'Rourke was considering his first political campaign for El Paso city council. It was around this time that his mother arranged a date for him with Amy Sanders, the daughter of local real estate mogul Bill Sanders.

Mogul might be an understatement, as Sanders had made hundreds of millions of dollars in the Chicago real estate scene, pioneered the investment instrument known as a REIT, or real estate investment trust, and was described by Bloomberg News in 1999 as "the Warren Buffett of real estate." He moved from Chicago to Santa Fe, New Mexico, before returning to El Paso where he had grown up.

Funded by several of El Paso's richest businessmen, Beto won a city council seat in 2005 on a platform of tax abatements for business. He married Amy shortly thereafter and became the chief promoter for an eminent domain redevelopment scheme centered on bulldozing working-class neighborhoods to make room for eateries and high-end stores on the downtown riverfront.

Meanwhile, Bill Sanders formed the Borderplex Realty Trust, a holding company that bought up real estate in El Paso speculating on steep value increases as a result of the city's (and Beto's) gentrification plans. His fortune was estimated at \$500 million in 2018—a solid “base” for an ambitious son-in-law.

By 2011, Sanders was encouraging O'Rourke to run for the U.S. House of Representatives seat held by a fellow Democrat and eight-term incumbent, Silvestre Reyes. Sanders established a Super PAC that spent some \$240,000 attacking Reyes as corrupt.

O'Rourke won the primary and the election, along with two more in 2014 and 2016. His congressional tenure is marked by the pay-to-play crookery that, in its totality, comprises much of everyday bourgeois politics. He received campaign cash from employees of companies run by major donors. Employees of his father-in-law's former company, Strategic Growth Bank, along with Sanders himself, donated \$57,400 to O'Rourke's 2014 and 2016 House campaigns. Likewise, employees of El Paso-based Western Refining gave \$10,600 in 2014.

The biggest investment came from employees of Hunt Companies: \$60,300 for the 2014 and 2016 election campaigns. In return, O'Rourke opposed decreases in defense appropriations that threatened Hunt Companies' bottom line as the nation's largest builder and manager of private housing for military personnel and families. O'Rourke assisted House Republicans in protecting \$2 billion worth of subsidies to these large-scale slumlords.

Between 2016 and 2018, a foundation set up and funded by Woody Hunt of Hunt Companies paid Amy O'Rourke (a one-time teacher and charter school founder) \$146,085 in “consulting fees,” a euphemism for services rendered.

O'Rourke was the 97th-richest person in the last Congress according to *Roll Call*. Tax returns show that between 2008 through 2017, nearly 40 percent of the O'Rourkes' \$3.4 million in income came from dividends, interest, capital gains and rental revenue from entities their parents owned or gave to them, including \$1 million from two entities established by Amy O'Rourke's father.

O'Rourke challenged Ted Cruz in the 2018 midterm election for Senator from Texas. O'Rourke campaigned on a national scale, appearing on *The Ellen DeGeneres Show* and winning endorsements from Beyoncé, LeBron James and former CIA director John Brennan. The campaign—Cruz won by a three-percent margin—served largely to stoke enthusiasm among Democratic donors in the 2018 midterm elections in which the Democrats captured two Texas congressional seats, in Houston and Dallas, as part of the 40-seat swing that gave them control of the House of Representatives.

Texas saw the highest voter turnout of any state, compared to previous midterm elections, as 3.7 million more voters cast ballots in 2018 than four years earlier. Voters in urban centers like Dallas, Houston, Austin and San Antonio showed up heavily for O'Rourke, but Cruz prevailed thanks to voters in the rural areas and mid-size cities.

“I learned a hell of a lot during that campaign,” O'Rourke said. “And I think at a time that our politics is so heavily scripted and tested and safe, there was something that was new and maybe even dangerous or different about the way that we ran this campaign.”

The Democratic wing of the American financial oligarchy learned something during that campaign, too. Here was someone with a proven record of service to big business and whose relative youth and supposed charisma might prove useful in 2020, either in the presidential race or in a contest against the other Republican senator from Texas, John Cornyn, a more establishment figure than the ultra-right Cruz.

O'Rourke identifies as a capitalist, rejecting the label “socialist” and even “progressive.” To date, his most developed policy proposal is a business-friendlier version of the Green New Deal, itself a political charade peddled by the less openly right wing of the Democratic caucus.

O'Rourke's plan highlights the private sector, drops the Green New Deal plank of full employment, and sets the goal of reducing greenhouse gas emissions to zero by ... 2050! While it has a price tag of \$1.5 trillion—what the U.S. military burns through in *two years*—the plan mostly avoids specifics, including the source of that funding, although O'Rourke has in the past called for raising the minimum age for Social Security eligibility.

In an interview with the liberal magazine *The American Prospect*, O'Rourke claimed that his father-in-law with a \$500 million fortune exerted no influence over his political agenda or program. William Sanders “made it a rule that he religiously followed, never to talk politics,” he said. This was apparently said with a straight face.

During his six years in Congress, O'Rourke showed no inclination to challenge the political establishment. Far from it: during his third term, which coincided with the first two years of the Trump administration, he voted 30 percent of the time with Trump, according to one vote tracking estimate. Open Secrets reported that in 2018 he accepted more contributions from the oil and gas industry than any other congressional candidate in the country—except for his opponent, Republican Ted Cruz.

To the extent that O'Rourke can boast any liberal credentials at all, he supports cosmetic changes in the criminal justice system, including legalizing marijuana and ending the cash bail system. He has defended NFL players who kneel during the national anthem to protest police violence. This type of “left” politics has an attractive price tag for the ruling class: it costs nothing.

On immigration, he stands boldly to the immediate left of the extreme right, favoring a “legal path to citizenship” and other paltry measures that preserve undocumented workers as a source of cheap labor for American businesses.

O'Rourke does not challenge the for-profit health care system. While he voices support for increasing public school teachers' pay, his own spouse founded a charter school in El Paso and works for an organization that promotes them.

Finally, on foreign policy, O'Rourke defends the McCarthyite fiction of Russian interference in the 2016 presidential election. In his 2018 Senate bid, O'Rourke attacked opponent Ted Cruz from the right for failing to condemn President Trump's diplomatic meeting with Russian President Vladimir Putin.

O'Rourke told *The Dallas Morning News* that Trump should face impeachment, saying he had “welcomed the participation of a foreign power into our election, that sought to sway that election in his favor” and “clearly obstructed justice in firing the principal investigator,” a reference to former FBI Director James Comey.

A great deal has been written about the *style* of Beto O'Rourke, his personal mannerisms and so on. He has a penchant for a stream-of-consciousness type of rambling one would expect from a motivational speaker or cult leader.

These are of course secondary matters. The point is rather, why does this veritable belt-fed machine gun of platitudes stand a chance at the most important political office in the world?

The “Beto” phenomenon gives a political reflection to the hopeless impasse of American capitalism. A widening chasm separates the few haves and the countless have nots.

Unlike rivals Bernie Sanders and Elizabeth Warren, Beto O'Rourke has not sought to demonize the billionaires or Wall Street when he feints to the left. Instead, he has sought to corner the market on liberal guilt, publicly disavowing his own “white male privilege.”

Most recently, in an effort to revive his flagging campaign—now on its second “restart”—this posturing reached a particularly grating climax. O'Rourke announced in mid-July that both he and his wife had traced their descent from slave owners. He wrote in a post on Medium that he had recently acquired documents showing that his paternal great-great-great grandfather listed two women, Rose and Eliza, as his

slaves.

“I benefit from a system that my ancestors built to favor themselves at the expense of others,” he wrote. “We all need to know our own story as it relates to the national story, much as I am learning mine. It is only then, I believe, that we can take the necessary steps to repair the damage done and stop visiting this injustice on the generations that follow ours.”

O’Rourke said that since his family had benefited from slavery and the “ensuing forms of institutionalized racism,” he felt it necessary to support reparations for the descendants of slaves, and embraced the legislation offered by fellow Texas Representative Sheila Jackson Lee.

The candidate makes no apology for benefiting from the vast fortune raked in by his father-in-law from real estate speculation, one of the most predatory and socially destructive forms of capitalist plunder. He swallows this camel but strains at the gnat of a sixth-generation connection to the slave system, which was overthrown 153 years ago in one of the greatest and most liberating struggles in world history, the American Civil War.

The political purpose is transparent. O’Rourke hopes to curry favor with the black political establishment for a campaign that is in near-terminal condition. But the contrast between his breast-beating over a slave system that was destroyed long ago and his adamant defense of modern capitalism, which exploits and oppresses billions of working people today, is instructive.

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