A close-up portrait of Paul Tudor Jones, a man with short dark hair and blue eyes, smiling slightly. He is wearing a dark blue collared shirt. The background is a soft, out-of-focus grey.

HEDGE PAPERS No.5

Paul Tudor Jones

AN INTRODUCTION TO PAUL TUDOR JONES:

Robin Hood or Robber Baron?

Paul Tudor Jones II is an American billionaire with a reported net worth according to Forbes of \$4.6 billion.^[1] He is the founder of the Tudor Investment Corporation, a private asset management company and hedge fund.

He resides in Greenwich, Connecticut, does the bulk of his business in New York City, and makes large-scale political contributions in a number of states. His one-year income in 2014 was estimated at \$200 million.^[2]

Paul Tudor Jones also founded the Robin Hood Foundation and sits on its Board of Directors.^[3] There's no doubt the Foundation has noble intentions and has had some successes in its mission to fight poverty. There's also no doubt that Jones' image as a philanthropist and environmentalist is well-established in the press and the public eye.

However, Tudor Jones' huge political contributions, his extravagant style of living, and his investments in businesses that many Americans might find morally questionable don't conform to the idea of a modern-day Robin Hood committed to serving the poor and making our world a better, more just place.

Instead, they paint a picture of a man who looks more like a modern-day robber baron – a 21st-century version of the corporate titans of the 19th century Gilded Age, who amassed massive wealth while adding to the burdens of the poor.

Future HedgePapers will go deeper into the interlocking worlds of Paul Tudor Jones, Tudor Investment Corporation, the Robin Hood Foundation and related institutions, including the controversial fraternity SAE.

GREENWICH, CONNECTICUT: A BARONIAL LIFE OF POWER AND EASE— WITH HELICOPTERS, AND LOW TAXES

Despite publicly expressing support for the poor, Tudor Jones lives a life of unbelievable decadence and luxury. Because hedge fund profits are undertaxed at the federal level, Tudor Jones is able to enjoy an elite lifestyle while paying a lower effective tax rate than most middle class families.



Paul Tudor Jones houses in Greenwich (left) and the Florida Keys (right), credit Bing.



Tudor Jones currently owns at least three houses—an expensive Greenwich manse overlooking the Long Island Sound, a posh New York hunting lodge on a rolling expanse, and a Key West mansion with private cove to protect his yacht.

Besides Tudor Jones' extensive properties in the United States, Jones owns Singita Grumeti Reserves, a luxury hotel that sits on an estimated 346,000 acres of the Serengeti in Tanzania.

On top of this extravagance, FAA records show that Tudor Jones's companies own at least three aircraft: a Bombardier global express jet, a Viking Air prop plane, and a French corporate jet.^[4]



Tudor Jones also has a helicopter, which flight records show frequently flies between Connecticut and Manhattan.

NEW YORK: PTJ CAMPAIGN CASH BACKS ATTACKS ON IMMIGRANTS, POLICIES THAT PROMOTE POVERTY

Paul Tudor Jones has contributed to New York political candidates that push regressive immigration policies, policing stances that harm New Yorkers of color, and economic policies that expand inequality and increase poverty.

Paul Tudor Jones has given \$1,613,900 to state-level political candidates, PACs, independent expenditure committees and housekeeping accounts in New York during the past 12 years, with a total including reported \$1,430,650 in personal donations, and another \$183,250 in household and corporate donations.

While the public profile of his Robin Hood Foundation is progressive, inclusive and respectful of diversity and democracy, the bulk of Jones' political giving has gone to achieve and maintain control of the State Senate for the conservative Republicans now in power in Albany.

Jones backed the New York Senate GOP either through big contributions to their unlimited housekeeping accounts or through big contributions to charter school-related PACs and Super PACs that backed Republicans.

Jones and the Republicans won control of the State Senate, despite a 6-1 statewide Republican registration disadvantage, through political campaigns marked by appeals against progressive changes occurring in New York City, and through aggressive gerrymandering.^[5]



COMPETITIVE
ADVANTAGE
RESEARCH

Paul Tudor Jones II & Sonia Jones New York Political Giving, 2002-2014



Source: NYS BOE

New York campaign contributions connected to Paul Tudor Jones

Of course the Senate GOP opposes all efforts to establish fair-share taxes^[6] for the super-rich like Paul Tudor Jones, blocking efforts to close the carried-interest loophole, assess taxes and fees on helicopter-commuting hedge fund managers doing business in New York, or establish a “Robin Hood” transaction tax on the high-frequency trades that distort markets but make hedge fund managers rich.

And while the Robin Hood Foundation is supporting immigrant communities, working to fight poverty and homelessness, and helping to reform the civil and criminal justice systems, campaign cash from Jones helped fund a PAC that attacked immigrant college students and prisoners seeking education and rehabilitation.

PTJ CAMPAIGN CASH SUPPORTS STATEN ISLAND DA DAN DONOVAN— AND DONOVAN’S DEFENDERS IN ALBANY

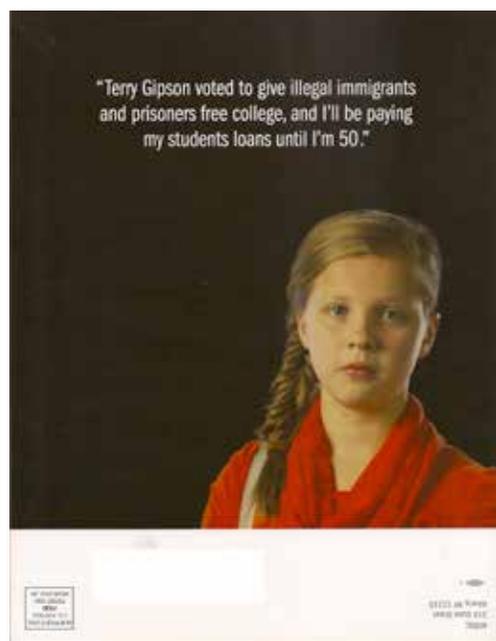
Paul Tudor Jones gave \$2500 directly to Donovan in 2010 when Donovan ran for Attorney General. And he gave over a million dollars to help win control of the State Senate for Republicans, who have backed Donovan and resisted calls for criminal justice reforms including special prosecutors to review police killings of unarmed men of color.

Big-money contributions from Jones put control of New York City criminal justice policies into the hands of State Senator (and target of federal corruption investigations) Marty Golden, who said he’d block any reforms, defending Donovan’s Staten Island grand jury on the Eric Garner case and other grand juries that have investigated allegations of police brutality, insisting, “The system has worked extremely well over the years, and it should continue the way it’s working.”^[7]

PTJ CAMPAIGN CASH SUPPORTS ORGANIZATIONS THAT ATTACK ON IMMIGRANT COLLEGE STUDENTS AND PRISONERS

Jones' million-dollar contributions to the Republican campaign effort in the 2014 elections in New York state, including a half-million dollar donation directly to the State Republican Campaign Committee housekeeping ("soft money") account, supported a fund that created attack mailers that were sent to tens of thousands of households in the Hudson Valley, attacking immigrant college students, the DREAM Act, and prison education programs.

Jones' contributions supported organizations that drove out several New York state legislators who were supporters of the DREAM Act and elected new Republican Senators who oppose it.



Terry Gipson mailer



FLORIDA: PTJ CAMPAIGN CASH BACKS ANTI-IMMIGRANT BACKLASH, STAND YOUR GROUND, PRIVATE PRISONS

Tudor Jones' companies have invested in marketing heavily to Latinos. But Tudor Jones' campaign contributions have backed political candidates with an anti-immigrant agenda—including the drafter of the “Stand Your Ground” law, Florida Senator John Thrasher

Tudor participated in the Series C and D rounds of investing at Batanga, a firm that does marketing to Latinos, and owns subsidiaries such as HispanoClick.com. As an investor in both rounds, Tudor Ventures was part of a consortium of investors who put \$53 million behind this marketing firm.

But despite investing in companies that sought to profit from Latino consumers, Paul Tudor Jones has consistently funded conservative Republicans with draconian stances on immigration reform: Tudor Jones gave \$100,000 to a committee backing John Thrasher's candidacy for Florida Senate.^[8]

Thrasher supported Arizona-style immigration reform, was instrumental in passing the “Stand Your Ground Law” used to acquit Trayvon Martin’s murderer, and pushed a bill to privatize prisons.

In 2010, Paul Tudor Jones donated \$100,000 to the Florida First Committee, which spent \$735,200 in the 2010 cycle to help elect Republican John Thrasher win election to the Florida Senate.

Thrasher, a former corporate lobbyist and current president of Florida State University, has a reprehensible history of pushing anti-immigrant and other regressive policies.

After accepting contributions from two large private prison operators—Corrections Corporation of America^[9] and the GEO Group,^[10] Thrasher introduced a bill to privatize Florida prison functions.^[11] The bill would have created the largest private-prison system in the U.S.^[12]

Thrasher’s campaign website publicly declared his support for regressive immigration policy, stating plainly: “I am committed to supporting and passing legislation, similar to the Arizona-style immigration reform here in Florida. And, I believe we need to place much more stringent laws on businesses to prevent the hiring and employment of any, and all illegal immigrants.”^[13]

The Orlando Sentinel called Thrasher “largely responsible for drafting” the 2005 “Stand Your Ground” law, used by George Zimmerman as a defense in the murder of Trayvon Martin.^[14] Besides drafting the law, Thrasher attempted to defend the bill from reforms proposed after the death of Trayvon Martin.^[15]

John Thrasher wasn’t the only anti-immigrant-rights candidate that Tudor Jones’ contributions supported. Tudor Jones gave \$200,000 to Restore Our Future, a PAC that supported Mitt Romney’s 2012 presidential candidacy:

Mitt Romney has a record of opposing immigration reform for undocumented immigrants currently in the United States. In 2012, he ran on a promise to veto the DREAM Act for children of undocumented immigrants. By supporting Mitt Romney’s candidacy for president in 2012, Tudor Jones was supporting one of the biggest critics of immigrants in the US.

WASHINGTON DC: PTJ CAMPAIGN CASH BACKS ANTI-IMMIGRANT RIGHTS GOP STARS MITT ROMNEY & JONI ERNST

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Mitt Romney has a record of opposing immigration reform for undocumented immigrants currently in the United States.^{[17][18]} In 2012, he ran on a promise to veto the DREAM Act for children of undocumented immigrants.^[19] By supporting Mitt Romney's candidacy for president in 2012, Tudor Jones was supporting one of the biggest critics of immigrants in the US.

Jones donated \$250,000 to a hedge fund backed Super PAC that helped elect Joni Ernst.^[20] Joni Ernst, the Tea Party darling whose 2014 win helped cement Republican control of the U.S. Senate, owes her victory, in part, to the Priorities for Iowa Political Fund. Backed by a small handful of hedge fund managers, including Paul Tudor Jones,^[21] the Priorities for Iowa Political Fund blasted \$1.2 million in late-stage ads supporting Ernst. Ernst's views on immigration toe the far-right line: she opposes "amnesty" for undocumented immigrants,^[22] and is on record opposing President Obama's use of executive action to solve unfair immigration laws.^[23]

PLANET EARTH: PTJ VIOLATES FEDERAL ENVIRONMENTAL PROTECTION LAWS, AVOIDS JAIL TIME

Tudor Jones is an environmental leader—with a past that includes millions in fines and restitution for violating laws intended to protect wetlands.

Tudor Jones has emerged as a noted environmental activist in recent years. But his past actions suggest he put creating his own private “hunting preserve” ahead of ensuring that wetlands were protected.

Tudor Jones co-founded the Everglades Foundation (with George Barley, president of George Barley, Inc., a real estate firm).^[24] The Foundation, per its web site, is “dedicated to leading efforts to restore and protect the greater Everglades ecosystem.”

One of the Foundation’s priorities is supporting “litigation when government or private entities act to harm the Everglades, or when there is a failure to enforce the laws passed to restore and protect this ecosystem.”^[25]

At a January 17, 2012, Everglades Summit hosted by journalist Chuck Todd, Jones criticized the agricultural sector in Florida for picking up too little of the clean-up costs for restoring the Everglades, the Palm Beach Post reported.^[26]

But in 1990, Jones paid \$2 million (a \$1 million fine and a \$1 million donation to the National Fish and Wildlife Foundation to help the nearby Blackwater Wildlife Refuge) as part of a plea bargain with federal prosecutors regarding his failure to supervise his contractor/ landscaper William Ellen.

Ellen was charged by federal prosecutors with filling in 86 acres of protected wetlands on Maryland’s Eastern Shore as part of the

creation of Tudor Jones' private hunting reserve, Tudor Farms. Ellen was sentenced to six months in federal prison after he was found guilty on five of six counts of violating Section 404 of the Clean Water Act.^[27]

Tudor Jones served no prison time.

According to an in-depth article on the case, Jones' plea bargain included, besides the \$2 million payment: 18 months on probation, a permanent, binding agreement not to develop his property, and a court order not to hunt waterfowl for 18 months.^[28]

The Baltimore Sun reported: "Jones pleaded guilty ... to a misdemeanor criminal charge for violating the Clean Water Act by negligently and illegally filling the Tudor Farms wetlands. He paid a \$1 million fine and \$1 million restitution to the government in a plea bargain."^[29]

COLLEGE CAMPUSES: PTJ EXPLOITS STUDENTS THROUGH FOR-PROFIT RIPOFFS

Tudor Jones' Robin Hood Foundation supports educational and life opportunities for all children—but what about when those children grow up? Tudor was a founding investor in a shadowy company that pushed trusting students into for-profit colleges. And Tudor's political donations have supported attacks on the educational aspirations of immigrant college students.

One Tudor Ventures darling is Vantage Media, a marketing and lead generation firm that helped subprime colleges lure new students. Basically, Vantage Media owns a number of websites that appear to advertise college counseling services. Prospective students who input their contact information to these websites are then contacted by a “lead generator” who tries to get them interested in for-profit schools that pay Vantage for leads. Tudor Ventures was one of four firms that took part in Vantage's Series A fundraising round, which generated \$70 million in investment at the company in 2007.^[30]

Vantage Media was the subject of some controversy in 2011,^[31] when the story of an FTC whistleblower James Soloway described how Vantage misled prospective students into questionable college choices:^[32]

I just feel bad, I feel bad that I was part of something that took advantage of people, a lot of them kids still in high school. I feel bad being witness to fellow workers losing their jobs for not being in compliance with the policies of a client whose business model can not function without first excelling in deceit. ...

Vantage Media is deceiving possibly two to three thousand students a week. Students are being misinformed. .. If Vantage Media was forced to abandon educational marketing, I don't believe any student out there would be the lesser for it.

Vantage Media is still in the education lead business as of 2015. Their website, which advertises their prospect-screening process, notes that they will “take out your trash,” an apparent reference to students who are seen by their for-profit partners as undesirable potential applicants:^[33]

Reports of Tudor Venture's investment in Vantage Media name Corinthian Colleges, University of Phoenix, Career Education Corp., and Westwood College as clients of Vantage.^[34]

Every single Vantage client named in a Reuters article about Tudor Venture's investment was cited for their abysmal withdrawal rates in a 2012 Senate Health, Education, Labor and Pensions Committee report on the failure of for-profit higher education.^[35]

In 2014, the Los Angeles Times reported, Corinthian Colleges had been facing heightened scrutiny from the federal government (including the Department of Education, the U.S. Consumer Financial Protection Bureau and attorneys general in more than a dozen states) that led to a sell-off of 85 of its campuses amid allegations that Corinthian falsified job placement rates and student attendance records.^[36]

Corinthian is currently the subject of a student debt strike supported by Senator Elizabeth Warren (D-MA).^[37]

To recap: Vantage Media was the first stop in a pipeline that turned students over to a network of for-profit colleges that exploited students, burying them with student debt and offering little in the way of education. Paul Tudor Jones' company is one of a handful of investors in Vantage.

WOMEN AND GIRLS: PTJ LEANS BACK AND KICKS HARD

The Robin Hood Foundation seeks to open doors for girls' education and life opportunities. But Tudor Jones' quoted comments about women in certain business careers are shocking.

Speaking at a symposium at the University of Virginia in 2013, Jones made statements blaming pregnancy for hampering women's motivation and success in the world of global finance. Bloomberg Businessweek reported:

In response to a question, Jones said that having a child is a “killer” for women engaged in macro hedge-fund trading, robbing them of the intense focus required for the job. ^[38]

Bloomberg reported that Jones' comments caused “an uproar in academic and finance circles.” The Washington Post described Jones' remarks this way:

At the symposium, a person in the audience submitted a question—labeled “elephant in the room”—that asked the all-male panel what it would take to get more diversity on the stage. In a lengthy answer, Jones said that women are “very capable” but lose focus once they have children.

“You will never see as many great women investors or traders as men,” Jones said. “Period. End of story.”

Jones gave the example of two women who worked with him at a stock brokerage in the late 1970s, then married and had children.

“As soon as that baby’s lips touched that girl’s bosom, forget it,” Jones said, motioning to his chest. Jones said the women were “overwhelmed by the most beautiful experience” of connecting with a child and could no longer focus on investment ideas or market movements. He doesn’t expect this to change.

“If you told me that this woman was not going to have a baby—certainly can get married, but not going to have a baby—then I think it would be a completely different panel 20 years from now,” said Jones, who has three daughters. “Assuming that she’s not going to have a baby.”^[39]

Jones subsequently apologized in a statement to the *Washington Post*.^[40]

FOOTNOTES:

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- [2] http://www.forbes.com/hedge-fund-managers/#tab:overall_page:3
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- [4] *All three are owned through Tudor Investment Corporation and/or a Tudor subsidiary or affiliate.*
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WHO ARE THE HEDGE CLIPPERS?

The Hedge Clippers are working to expose the mechanisms hedge funds and billionaires use to influence government and politics in order to expand their wealth, influence and power. We're exposing the collateral damage billionaire-driven politics inflicts on our communities, our climate, our economy and our democracy. We're calling out the politicians that do the dirty work billionaires demand, and we're calling on all Americans to stand up for a government and an economy that works for all of us, not just the wealthy and well-connected.

The project is supported by the Strong Economy for All Coalition, a coalition of labor unions and community groups working to fight income inequality and build shared prosperity and economic & social justice in New York and around the country.



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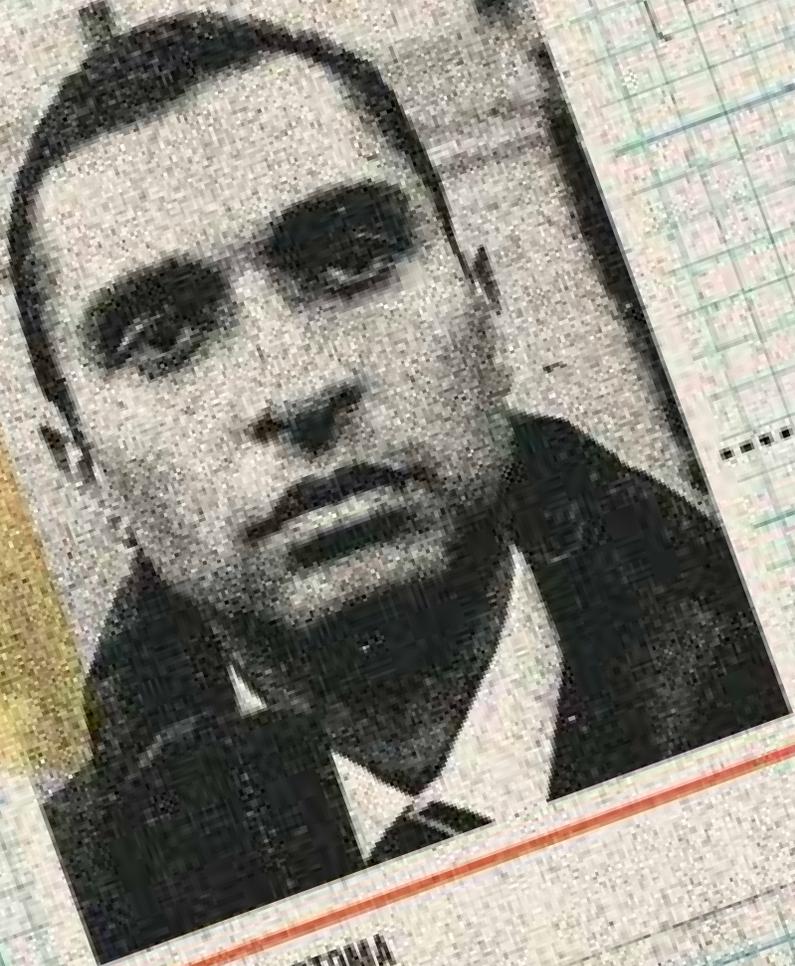
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