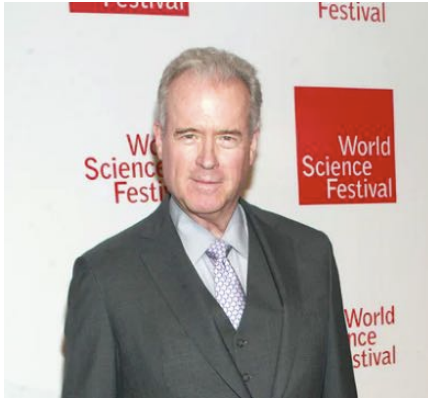


Robert Mercer: the big data billionaire waging war on mainstream media

With links to Donald Trump, Steve Bannon and Nigel Farage, the rightwing US computer scientist is at the heart of a multimillion-dollar propaganda network



Robert Mercer in New York in 2014. Photograph: DDP USA/Rex Shutterstock

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Just over a week ago, Donald Trump gathered members of the world's press before him and [told them they were liars](#). "The press, honestly, is out of control," he said. "The public doesn't believe you any more." CNN was described as "very fake news... story after story is bad". The BBC was "another beauty".

That night I did two things. First, I typed "Trump" in the search box of Twitter. My feed was reporting that he was crazy, a lunatic, a raving madman. But that wasn't how it was playing out elsewhere. The results produced a stream of "Go Donald!!!!", and "You show 'em!!!!" There were star-spangled banner emojis and thumbs-up emojis and clips of Trump laying into the "FAKE news MSM liars!"

Trump had spoken, and his audience had heard him. Then I did what I've been doing for two and a half months now. I Googled "mainstream media is..." And there it was. Google's autocomplete suggestions: "mainstream media is... dead, dying, fake news, fake, finished". Is it dead, I wonder? Has FAKE news won? Are we now the FAKE news? Is the mainstream media – we, us, I – dying?

I click Google's first suggested link. It leads to a website called CNSnews.com and an article: "The Mainstream media are dead." They're dead, I learn, because they – we, I – "cannot be trusted". How had it, an obscure site I'd never heard of, dominated Google's search algorithm on the topic? In the "About us" tab, I learn CNSnews is owned by the Media Research Center, which a click later I learn is "America's media watchdog", an organisation that claims an "unwavering commitment to neutralising leftwing bias in the news, media and popular culture".

Another couple of clicks and I discover that it receives [a large bulk of its funding – more than \\$10m in the past decade](#) – from a single source, the hedge fund billionaire Robert Mercer. If you follow US politics you may recognise the name. Robert Mercer is the money behind Donald Trump. But then, I will come to learn, Robert Mercer is the money behind an awful lot of things. He was Trump's single biggest donor. Mercer started backing Ted Cruz, but when he fell out of the presidential race he threw his money – \$13.5m of it – behind the Trump campaign.

It's money he's made as a result of his career as a brilliant but reclusive computer scientist. He started his career at IBM, where he made what the Association for Computational Linguistics called "[revolutionary breakthroughs in language processing](#)" – a science that went on to be key in developing today's AI – and later became joint CEO of [Renaissance Technologies](#), a hedge fund that makes its money by using algorithms to model and trade on the financial markets.

One of its funds, Medallion, which manages only its employees' money, is the most successful in the world – generating \$55bn so far. And since 2010, Mercer has donated \$45m to different political campaigns – all Republican – and another \$50m to non-profits – all rightwing, ultra-conservative. This is a billionaire who is, as billionaires are wont, trying to reshape the world according to his personal beliefs.

Robert Mercer very rarely speaks in public and never to journalists, so to gauge his beliefs you have to look at where he channels his money: a series of yachts, all called Sea Owl; a \$2.9m model train set; climate change denial (he funds a climate change denial thinktank, [the Heartland Institute](#)); and what is maybe the ultimate rich man's plaything – the disruption of the mainstream media. In this he is helped by his close associate Steve Bannon, Trump's campaign manager and now chief strategist. The money he gives to the Media Research Center, with its mission of correcting "liberal bias" is just one of his media plays. There are other bigger, and even more deliberate strategies, and shining brightly, the star at the centre of the Mercer media galaxy, is Breitbart.

It was \$10m of Mercer's money that enabled Bannon to fund Breitbart – a rightwing news site, set up with the express intention of being a Huffington Post for the right. It has launched the careers of Milo Yiannopoulos and his like, regularly hosts antisemitic and Islamophobic views, and is currently being [boycotted by more than 1,000 brands](#) after an activist campaign. It has been phenomenally successful: the 29th most popular site in America with 2bn page views a year. It's bigger than its inspiration, the Huffington Post, bigger, even, than Pornhub. It's the biggest political site on Facebook. The biggest on Twitter.

Prominent rightwing journalist Andrew Breitbart, who founded the site but died in 2012, told Bannon that they had "to take back the culture". And, arguably, they have, though American culture is only the start of it. In 2014, Bannon launched Breitbart London, telling the *New York Times* it was specifically timed ahead of the UK's forthcoming election. It was, he said, the latest front "in our current cultural and political war". France and Germany are next.

A determined plutocrat and a brilliant media strategist can, and have, found a way to mould journalism to their own ends

But there was another reason why I recognised Robert Mercer's name: because of his connection to Cambridge Analytica, a small data analytics company. He is reported to have a \$10m stake in the company, which was spun out of a bigger British company called SCL Group. It specialises in "election management strategies" and "messaging and information operations", refined over 25 years in places like Afghanistan and Pakistan. In military circles this is known as "psyops" – psychological operations. (Mass propaganda that works by acting on people's emotions.)

Cambridge Analytica worked for the Trump campaign and, so I'd read, the Leave campaign. When Mercer supported Cruz, Cambridge Analytica worked with Cruz. When Robert Mercer started supporting Trump, Cambridge Analytica came too. And where Mercer's money is, [Steve Bannon](#) is usually close by: it was reported that until recently he had a seat on the board.

Last December, [I wrote about Cambridge Analytica](#) in a piece about how Google's search results on certain subjects were being dominated by rightwing and extremist sites. Jonathan Albright, a professor of communications at Elon University, North Carolina, who had [mapped the news ecosystem](#) and found millions of links between rightwing sites "strangling" the mainstream media, told me that trackers from sites like Breitbart could also be used by companies like Cambridge Analytica to follow people around the web and then, via Facebook, target them with ads.

On its website, Cambridge Analytica makes the astonishing boast that it has psychological profiles based on 5,000 separate pieces of data on 220 million American voters – its USP is to use this data to understand people's deepest emotions and then target them accordingly. The system, according to Albright, amounted to a "propaganda machine".

A few weeks later, the *Observer* received a letter. Cambridge Analytica was not employed by the Leave campaign, it said. Cambridge Analytica "is a US company based in the US. It hasn't worked in British politics."

Which is how, earlier this week, I ended up in a Pret à Manger near Westminster with Andy Wigmore, Leave.EU's affable communications director, looking at snapshots of [Donald Trump](#) on his phone. It was Wigmore who orchestrated Nigel Farage's trip to Trump Tower – the PR coup that saw him become the first foreign politician to meet the

president elect.

Wigmore scrolls through the snaps on his phone. “That’s the one I took,” he says pointing at the now globally [famous photo of Farage and Trump](#) in front of his golden elevator door giving the thumbs-up sign. Wigmore was one of the “bad boys of Brexit” – a term coined by Arron Banks, the Bristol-based businessman who was Leave.EU’s co-founder.

Cambridge Analytica had worked for them, he said. It had taught them how to build profiles, how to target people and how to scoop up masses of data from people’s Facebook profiles. A video on YouTube shows one of Cambridge Analytica’s and SCL’s employees, [Brittany Kaiser](#), sitting on the panel at [Leave.EU’s launch event](#).

Facebook was the key to the entire campaign, Wigmore explained. A Facebook ‘like’, he said, was their most “potent weapon”. “Because using artificial intelligence, as we did, tells you all sorts of things about that individual and how to convince them with what sort of advert. And you knew there would also be other people in their network who liked what they liked, so you could spread. And then you follow them. The computer never stops learning and it never stops monitoring.”

It sounds creepy, I say.

“It is creepy! It’s really creepy! It’s why I’m not on Facebook! I tried it on myself to see what information it had on me and I was like, ‘Oh my God!’ What’s scary is that my kids had put things on Instagram and it picked that up. It knew where my kids went to school.”

They hadn’t “employed” Cambridge Analytica, he said. No money changed hands. “They were happy to help.”

Why?

“Because Nigel is a good friend of the Mercers. And Robert Mercer introduced them to us. He said, ‘Here’s this company we think may be useful to you.’ What they were trying to do in the US and what we were trying to do had massive parallels. We shared a lot of information. Why wouldn’t you?” Behind Trump’s campaign and Cambridge Analytica, he said, were “the same people. It’s the same family.”

There were already a lot of questions swirling around Cambridge Analytica, and Andy Wigmore has opened up a whole lot more. Such as: are you supposed to declare services-in-kind as some sort of donation? The Electoral Commission says yes, if it was more than £7,500. And was it declared? The Electoral Commission says no. Does that mean a foreign billionaire had possibly influenced the referendum without that influence being apparent? It’s certainly a question worth asking.

In the last month or so, articles in first the Swiss and the US press have asked exactly what Cambridge Analytica is doing with US voters’ data. In a statement to the *Observer*, the Information Commissioner’s Office said: “Any business collecting and using personal data in the UK must do so fairly and lawfully. We will be contacting Cambridge Analytica and asking questions to find out how the company is operating in the UK and whether the law is being followed.”

Cambridge Analytica said last Friday they are in touch with the ICO and are completely compliant with UK and EU data laws. It did not answer other questions the *Observer* put to it this week about how it built its psychometric model, which owes its origins to original research carried out by scientists at Cambridge University’s Psychometric Centre, research based on a personality quiz on Facebook that went viral. More than 6 million people ended up doing it, producing an astonishing treasure trove of data.

These Facebook profiles – especially people’s “likes” – could be correlated across millions of others to produce uncannily accurate results. [Michał Kosinski](#), the centre’s lead scientist, found that with knowledge of 150 likes, their model could predict someone’s personality better than their spouse. With 300, it understood you better than yourself. “Computers see us in a more robust way than we see ourselves,” says Kosinski.

But there are strict ethical regulations regarding what you can do with this data. Did SCL Group have access to the university’s model or data, I ask Professor Jonathan Rust, the centre’s director? “Certainly not from us,” he says. “We have very strict rules around this.”

A scientist, Aleksandr Kogan, from the centre was contracted to build a model for SCL, and says he collected his own data. Professor Rust says he doesn’t know where Kogan’s data came from. “The evidence was contrary. I reported it.” An independent adjudicator was appointed by the university. “But then Kogan said he’d signed a non-disclosure agreement with SCL and he couldn’t continue [answering questions].”

Kogan disputes this and says SCL satisfied the university’s inquiries. But perhaps more than anyone, Professor Rust understands how the kind of information people freely give up to social media sites could be used.

“The danger of not having regulation around the sort of data you can get from Facebook and elsewhere is clear. With this, a computer can actually do psychology, it can predict and potentially control human behaviour. It’s what the scientologists try to do but much more powerful. It’s how you brainwash someone. It’s incredibly dangerous.

“It’s no exaggeration to say that minds can be changed. Behaviour can be predicted and controlled. I find it incredibly scary. I really do. Because nobody has really followed through on the possible consequences of all this. People don’t know it’s happening to them. Their attitudes are being changed behind their backs.”

Mercer invested in Cambridge Analytica, [the *Washington Post* reported](#), “driven in part by an assessment that the right was lacking sophisticated technology capabilities”. But in many ways, it’s what Cambridge Analytica’s parent company does that raises even more questions.

Emma Briant, a propaganda specialist at the University of Sheffield, wrote about SCL Group in her 2015 book, *Propaganda and Counter-Terrorism: Strategies for Global Change*. Cambridge Analytica has the technological tools to effect behavioural and psychological change, she said, but it’s SCL that strategises it. It has specialised, at the highest level – for Nato, the MoD, the US state department and others – in changing the behaviour of large groups. It models mass populations and then it changes their beliefs.

SCL was founded by someone called Nigel Oakes, who worked for Saatchi & Saatchi on Margaret Thatcher’s image, says Briant, and the company had been “making money out of the propaganda side of the war on terrorism over a long period of time. There are different arms of SCL but it’s all about reach and the ability to shape the discourse. They are trying to amplify particular political narratives. And they are selective in who they go for: they are not doing this for the left.”

In the course of the US election, Cambridge Analytica amassed a database, as it claims on its website, of almost the entire US voting population – 220 million people – and the *Washington Post* reported last week that SCL was increasing staffing at its Washington office and competing for lucrative new contracts with Trump’s administration. “It seems significant that a company involved in engineering a political outcome profits from what follows. Particularly if it’s the manipulation, and then resolution, of fear,” says Briant.

It’s the database, and what may happen to it, that particularly exercises Paul-Olivier Dehaye, a Swiss mathematician and data activist who has been investigating Cambridge Analytica and SCL for more than a year. “How is it going to be used?” he says. “Is it going to be used to try and manipulate people around domestic policies? Or to ferment conflict between different communities? It is potentially very scary. People just don’t understand the power of this data and how it can be used against them.”

There are two things, potentially, going on simultaneously: the manipulation of information on a mass level, and the manipulation of information at a very individual level. Both based on the latest understandings in science about how people work, and enabled by technological platforms built to bring us together.

Are we living in a new era of propaganda, I ask Emma Briant? One we can’t see, and that is working on us in ways we can’t understand? Where we can only react, emotionally, to its messages? “Definitely. The way that surveillance through technology is so pervasive, the collection and use of our data is so much more sophisticated. It’s totally covert. And people don’t realise what is going on.”

Public mood and politics goes through cycles. You don’t have to subscribe to any conspiracy theory, Briant says, to see that a mass change in public sentiment is happening. Or that some of the tools in action are straight out of the military’s or SCL’s playbook.

But then there’s increasing evidence that our public arenas – the social media sites where we post our holiday snaps or make comments about the news – are a new battlefield where international geopolitics is playing out in real time. It’s a new age of propaganda. But whose? This week, Russia announced the formation of a new branch of the military: “information warfare troops”.

Sam Woolley of the Oxford [Internet](#) Institute’s computational propaganda institute tells me that one third of all traffic on Twitter before the EU referendum was automated “bots” – accounts that are programmed to look like people, to act like people, and to change the conversation, to make topics trend. And they were all for Leave. Before the US election, they were five-to-one in favour of Trump – many of them Russian. Last week they have been in action in the Stoke by-election – Russian bots, organised by who? – attacking Paul Nuttall.

You can take a trending topic, such as fake news, and then weaponise it, turn it against the media that uncovered it

“Politics is war,” said Steve Bannon last year in the *Wall Street Journal*. And increasingly this looks to be true.

There’s nothing accidental about Trump’s behaviour, Andy Wigmore tells me. “That press conference. It was absolutely brilliant. I could see exactly what he was doing. There’s feedback going on constantly. That’s what you can do with artificial intelligence. You can measure ever reaction to every word. He has a word room, where you fix key words. We did it. So with immigration, there are actually key words within that subject matter which people are concerned about. So when you are going to make a speech, it’s all about how can you use these trending words.”

Wigmore met with Trump’s team right at the start of the Leave campaign. “And they said the holy grail was artificial intelligence.”

Who did?

“Jared Kushner and Jason Miller.”

Later, when Trump picked up Mercer and Cambridge Analytica, the game changed again. “It’s all about the emotions. This is the big difference with what we did. They call it bio-psycho-social profiling. It takes your physical, mental and lifestyle attributes and works out how people work, how they react emotionally.”

Bio-psycho-social profiling, I read later, is one offensive in what is called “cognitive warfare”. Though there are many others: “recoding the mass consciousness to turn patriotism into collaborationism,” explains a Nato briefing document on countering Russian disinformation written by an SCL employee. “Time-sensitive professional use of media to propagate narratives,” says one US state department white paper. “Of particular importance to psyop personnel may be publicly and commercially available data from social media platforms.”

Yet another details the power of a “cognitive casualty” – a “moral shock” that “has a disabling effect on empathy and higher processes such as moral reasoning and critical thinking”. Something like immigration, perhaps. Or “fake news”. Or as it has now become: “FAKE news!!!!”

How do you change the way a nation thinks? You could start by creating a mainstream media to replace the existing one with a site such as Breitbart. You could set up other websites that displace mainstream sources of news and information with your own definitions of concepts like “liberal media bias”, like CNSnews.com. And you could give the rump mainstream media, papers like the “failing *New York Times*!” what it wants: stories. Because the third prong of Mercer and Bannon’s media empire is the Government Accountability Institute.

Bannon co-founded it with \$2m of Mercer’s money. Mercer’s daughter, Rebekah, was appointed to the board. Then they invested in expensive, long-term investigative journalism. “The modern economics of the newsroom don’t support big investigative reporting staffs,” Bannon told *Forbes* magazine. “You wouldn’t get a Watergate, a Pentagon Papers today, because nobody can afford to let a reporter spend seven months on a story. We can. We’re working as a support function.”

Welcome to the future of journalism in the age of platform capitalism. News organisations have to do a better job of creating new financial models. But in the gaps in between, a determined plutocrat and a brilliant media strategist can, and have, found a way to mould journalism to their own ends.

In 2015, Steve Bannon described to *Forbes* how the GAI operated, employing a data scientist to trawl the dark web (in the article he boasts of having access to \$1.3bn worth of supercomputers) to dig up the kind of source material Google can’t find. One result has been a *New York Times* bestseller, *Clinton Cash: The Untold Story of How and Why Foreign Governments and Businesses Helped Make Bill and Hillary Rich*, written by GAI’s president, Peter Schweizer and later turned into a film produced by Rebekah Mercer and Steve Bannon.

This, Bannon explained, is how you “weaponise” the narrative you want. With hard researched facts. With those, you can launch it straight on to the front page of the *New York Times*, as the story of Hillary Clinton’s cash did. Like Hillary’s emails it turned the news agenda, and, most crucially, it diverted the attention of the news cycle. Another classic psyops approach. “Strategic drowning” of other messages.

This is a strategic, long-term and really quite brilliant play. In the 1990s, Bannon explained, conservative media couldn’t take Bill Clinton down because “they wound up talking to themselves in an echo chamber”.

As, it turns out, the liberal media is now. We are scattered, separate, squabbling among ourselves and being picked off like targets in a shooting gallery. Increasingly, there’s a sense that we are talking to ourselves. And whether it’s Mercer’s millions or other factors, Jonathan Albright’s map of the news and information ecosystem shows how rightwing sites are dominating sites like YouTube and Google, bound tightly together by millions of links.

Is there a central intelligence to that, I ask Albright? “There has to be. There has to be some type of coordination. You can see from looking at the map, from the architecture of the system, that this is not accidental. It’s clearly being led by money and politics.”

There’s been a lot of talk in the echo chamber about Bannon in the last few months, but it’s Mercer who provided the money to remake parts of the media landscape. And while Bannon understands the media, Mercer understands big data. He understands the structure of the internet. He knows how algorithms work.

Robert Mercer did not respond to a request for comment for this piece. Nick Patterson, a British cryptographer, who worked at Renaissance Technologies in the 80s and is now a computational geneticist at MIT, described to me how he was the one who talent-spotted Mercer. “There was an elite group working at IBM in the 1980s doing speech research, speech recognition, and when I joined Renaissance I judged that the mathematics we were trying to apply to financial markets were very similar.”

He describes Mercer as “very, very conservative. He truly did not like the Clintons. He thought Bill Clinton was a criminal. And his basic politics, I think, was that he’s a rightwing libertarian, he wants the government out of things.”

He suspects that Mercer is bringing the brilliant computational skills he brought to finance to bear on another very different sphere. “We make mathematical models of the financial markets which are probability models, and from those we try and make predictions. What I suspect Cambridge Analytica do is that they build probability models of how people vote. And then they look at what they can do to influence that.”

Finding the edge is what quants do. They build quantitative models that automate the process of buying and selling shares and then they chase tiny gaps in knowledge to create huge wins. Renaissance Technologies was one of the first hedge funds to invest in AI. But what it does with it, how it’s been programmed to do it, is completely unknown. It is, Bloomberg reports, the “blackest box in finance”.

Johan Bollen, associate professor at Indiana University School of Informatics and Computing, tells me how he discovered one possible edge: he’s done research that shows you can predict stock market moves from Twitter. You can measure public sentiment and then model it. “Society is driven by emotions, which it’s always been difficult to measure, collectively. But there are now programmes that can read text and measure it and give us a window into those collective emotions.”

The research caused a huge ripple among two different constituencies. “We had a lot of attention from hedge funds. They are looking for signals everywhere and this is a hugely interesting signal. My impression is hedge funds do have these algorithms that are scanning social feeds. The flash crashes we’ve had – sudden huge drops in stock prices – indicates these algorithms are being used at large scale. And they are engaged in something of an arms race.”

The other people interested in Bollen’s work are those who want not only to measure public sentiment, but to change it. Bollen’s research shows how it’s possible. Could you reverse engineer the national, or even the global, mood? Model it, and then change it?

“It does seem possible. And it does worry me. There are quite a few pieces of research that show if you repeat something often enough, people start involuntarily to believe it. And that could be leveraged, or weaponised for propaganda. We know there are thousands of automated bots out there that are trying to do just that.”

The war of the bots is one of the wilder and weirder aspects of the elections of 2016. At the Oxford Internet Institute’s Unit for Computational Propaganda, its director, Phil Howard, and director of research, Sam Woolley, show me all the ways public opinion can be massaged and manipulated. But is there a smoking gun, I ask them, evidence of who is doing this? “There’s not a smoking gun,” says Howard. “There are smoking machine guns. There are multiple pieces of evidence.”

“Look at this,” he says and shows me how, before the US election, hundreds upon hundreds of websites were set up to blast out just a few links, articles that were all pro-Trump. “This is being done by people who understand information structure, who are bulk buying domain names and then using automation to blast out a certain message. To make Trump look like he’s a consensus.”

And that requires money?

“That requires organisation and money. And if you use enough of them, of bots and people, and cleverly link them together, you are what’s legitimate. You are creating truth.”

You can take an existing trending topic, such as fake news, and then weaponise it. You can turn it against the very media that uncovered it. Viewed in a certain light, fake news is a suicide bomb at the heart of our information system. Strapped to the live body of us – the mainstream media.

One of the things that concerns Howard most is the hundreds of thousands of “sleeper” bots they’ve found. Twitter accounts that have tweeted only once or twice and are now sitting quietly waiting for a trigger: some sort of crisis where they will rise up and come together to drown out all other sources of information.

Like zombies?

“Like zombies.”

Many of the techniques were refined in Russia, he says, and then exported everywhere else. “You have these incredible propaganda tools developed in an authoritarian regime moving into a free market economy with a complete regulatory vacuum. What you get is a firestorm.”

This is the world we enter every day, on our laptops and our smartphones. It has become a battleground where the ambitions of nation states and ideologues are being fought – using us. We are the bounty; our social media feeds; our conversations; our hearts and minds. Our votes. Bots influence trending topics and trending topics have a powerful effect on algorithms, Woolley, explains, on Twitter, on Google, on Facebook. Know how to manipulate information structure and you can manipulate reality.

We’re not quite in the alternative reality where the actual news has become “FAKE news!!!!” But we’re almost there. Out on Twitter, the new transnational battleground for the future, someone I follow tweets a quote by Marshall McLuhan, the great information theorist of the 60s. “World War III will be a guerrilla information war,” it says. “With no divisions between military and civilian participation.”

By that definition we’re already there.

Additional reporting by Paul-Olivier Dehaye

• Carole Cadwalladr will be hosting a discussion on technology’s disruption of democracy at the [bluedot festival](#), Jodrell Bank, Cheshire, 7-9 July

TRUMP'S MONEY MAN

Section:

THE TALK OF THE TOWN [New Yorker](#)

How Robert Mercer, a reclusive hedge-fund tycoon, exploited America's populist insurgency.

LAST MONTH, WHEN President Donald Trump toured a Boeing aircraft plant in North Charleston, South Carolina, he saw a familiar face in the crowd that greeted him: Patrick Caddell, a former Democratic political operative and pollster who, for forty-five years, has been prodding insurgent Presidential candidates to attack the Washington establishment. Caddell, who lives in Charleston, is perhaps best known for helping Jimmy Carter win the 1976 Presidential race. He is also remembered for having collaborated with his friend Warren Beatty on the 1998 satire "Bulworth." In that film, a kamikaze candidate abandons the usual talking points and excoriates both the major political parties and the media; voters love his unconventionality, and he becomes improbably popular. If the plot sounds familiar, there's a reason: in recent years, Caddell has offered political advice to Trump. He has not worked directly for the President, but at least as far back as 2013 he has been a contractor for one of Trump's biggest financial backers: Robert Mercer, a reclusive Long Island hedge-fund manager, who has become a major force behind the Trump Presidency.

During the past decade, Mercer, who is seventy, has funded an array of political projects that helped pave the way for Trump's rise. Among these efforts was public-opinion research, conducted by Caddell, showing that political conditions in America were increasingly ripe for an outsider candidate to take the White House. Caddell told me that Mercer "is a libertarian—he despises the Republican establishment," and added, "He thinks that the leaders are corrupt crooks, and that they've ruined the country."

Trump greeted Caddell warmly in North Charleston, and after giving a speech he conferred privately with him, in an area reserved for V.I.P.s and for White House officials, including Stephen Bannon, the President's top strategist, and Jared Kushner, Trump's son-in-law. Caddell is well known to this inner circle. He first met Trump in the eighties. ("People said he was just a clown," Caddell said. "But I've learned that you should always pay attention to successful 'clowns.'") Caddell shared the research he did for Mercer with Trump and others in the campaign, including Bannon, with whom he has partnered on numerous projects.

The White House declined to divulge what Trump and Caddell discussed in North Charleston, as did Caddell. But that afternoon Trump issued perhaps the most incendiary statement of his Presidency: a tweet calling the news media "the enemy of the American people." The proclamation alarmed liberals and conservatives alike. William McCraven, the retired Navy admiral who commanded the 2011 raid that killed Osama bin Laden, called Trump's statement a "threat to democracy." The President is known for tweeting impulsively, but in this case his words weren't spontaneous: they clearly echoed the thinking of Caddell, Bannon, and Mercer. In 2012, Caddell gave a speech at a conference sponsored by Accuracy in Media, a conservative watchdog group, in which he called the media "the enemy of the American people." That declaration was promoted by Breitbart News, a platform for the pro-Trump alt-right, of which Bannon was the executive chairman, before joining the Trump Administration. One of the main stakeholders in Breitbart News is Mercer.

Mercer is the co-C.E.O. of Renaissance Technologies, which is among the most profitable hedge funds in the country. A brilliant computer scientist, he helped transform the financial industry through the innovative use of trading algorithms. But he has never given an interview explaining his political views. Although Mercer has recently become an object of media speculation, Trevor Potter, the president of the Campaign Legal Center, a nonpartisan watchdog group, who formerly served as the chairman of the Federal Election Commission, said, "I have no idea what his political views are—they're unknown, not just to the public but also to most people who've been active in politics for the past thirty years." Potter, a Republican, sees Mercer as emblematic of a major shift in American politics that has occurred since 2010, when the Supreme Court made a controversial ruling in Citizens United v. Federal Election Commission. That ruling, and several subsequent ones, removed virtually all limits on how much money corporations and nonprofit groups can spend on federal elections, and how much individuals can give to political-action committees. Since then, power has tilted away from the two main political parties and toward a tiny group of rich mega-donors.

Private money has long played a big role in American elections. When there were limits on how much a single donor could give, however, it was much harder for an individual to have a decisive impact. Now, Potter said, "a single billionaire can write an eight-figure check and put not just their thumb but their whole hand on the scale—and we often have no idea who they are." He continued, "Suddenly, a random billionaire can change politics and public policy—to sweep everything else off the table—even if they don't speak publicly, and even if there's almost no public awareness of his or her views."

Through a spokesman, Mercer declined to discuss his role in launching Trump. People who know him say that he is painfully awkward socially, and rarely speaks. "He can barely look you in the eye when he talks," an acquaintance said. "It's probably helpful to be highly introverted when getting lost in code, but in politics you have to talk to people, in order to find out how the real world works." In 2010, when the Wall Street Journal wrote about Mercer assuming a top role at Renaissance, he issued a terse statement: "I'm happy going through my life without saying anything to anybody." According to the paper, he once told a colleague that he preferred the company of cats to humans.

Several people who have worked with Mercer believe that, despite his oddities, he has had surprising success in aligning the Republican Party, and consequently America, with his personal beliefs, and is now uniquely positioned to exert influence over the Trump Administration. In February, David Magerman, a senior employee at Renaissance, spoke out about what he regards as Mercer's worrisome influence. Magerman, a Democrat who is a strong supporter of Jewish causes, took particular issue with Mercer's empowerment of the alt-right, which has included anti-Semitic and white-supremacist voices. Magerman shared his concerns with Mercer, and the conversation escalated into an argument. Magerman told colleagues about it, and, according to an account in the Wall Street Journal, Mercer called Magerman and said, "I hear you're going around saying I'm a white supremacist. That's ridiculous." Magerman insisted to Mercer that he hadn't used those words, but added, "If what you're doing is harming the country, then you have to stop." After the Journal story appeared, Magerman, who has worked at Renaissance for twenty years, was suspended for thirty days. Undaunted, he published an op-ed in the Philadelphia Inquirer, accusing Mercer of "effectively buying shares in the candidate." He warned, "Robert Mercer now owns a sizeable share of the United States Presidency."

Nick Patterson, a former senior Renaissance employee who is now a computational biologist at the Broad Institute, agrees that Mercer's influence has been huge. "Bob has used his money very effectively," he said. "He's not the first person in history to use money in politics, but in my view Trump wouldn't be President if not for Bob. It doesn't get much more effective than that."

Patterson said that his relationship with Mercer has always been collegial. In 1993, Patterson, at that time a Renaissance executive, recruited Mercer from I.B.M., and they worked together for the next eight years. But Patterson doesn't share Mercer's libertarian views, or what he regards as his susceptibility to conspiracy theories about Bill and Hillary Clinton. During Bill Clinton's Presidency, Patterson recalled, Mercer insisted at a staff luncheon that Clinton had participated in a secret drug-running scheme with the C.I.A. The plot supposedly operated out of an airport in Mena, Arkansas. "Bob told me he believed that the Clintons were involved in murders connected to it," Patterson said. Two other sources told me that, in recent years, they had heard Mercer claim that the Clintons have had opponents murdered.

The Mena story is one of several dark fantasies put forth in the nineties by The American Spectator, an archconservative magazine. According to Patterson, Mercer read the publication at the time. David Brock, a former Spectator writer who is now a liberal activist, told me that the alleged Mena conspiracy was based on a single dubious source, and was easily disproved by flight records. "It's extremely telling that Mercer would believe that," Brock said. "It says something about his conspiratorial frame of mind, and the fringe circle he was in. We at the Spectator called them Clinton Crazyes."

Patterson also recalled Mercer arguing that, during the Gulf War, the U.S. should simply have taken Iraq's oil, "since it was there." Trump, too, has said that the U.S. should have "kept the oil." Expropriating another country's natural resources is a violation of international law. Another onetime senior employee at Renaissance recalls hearing Mercer downplay the dangers posed by nuclear war. Mercer, speaking of the atomic bombs that the U.S. dropped on Hiroshima and Nagasaki, argued that, outside of the immediate blast zones, the radiation actually made Japanese citizens healthier. The National Academy of Sciences has found no evidence to support this notion. Nevertheless, according to the onetime employee, Mercer, who is a proponent of nuclear power, "was very excited about the idea, and felt that it meant nuclear accidents weren't such a big deal."

Mercer strongly supported the nomination of Jeff Sessions to be Trump's Attorney General. Many civil-rights groups opposed the nomination, pointing out that Sessions has in the past expressed racist views. Mercer, for his part, has argued that the Civil Rights Act, in 1964, was a major mistake. According to the onetime Renaissance employee, Mercer has asserted repeatedly that African-Americans were better off economically before the civil-rights movement. (Few scholars agree.) He has also said that the problem of racism in America is exaggerated. The source said that, not long ago, he heard Mercer proclaim that there are no white racists in America today, only black racists. (Mercer, meanwhile, has supported a super PAC, Black Americans for a Better Future, whose goal is to "get more Blacks involved in the Republican Party.")

"Most people at Renaissance didn't challenge him" about politics, Patterson said. But Patterson clashed with him over climate change; Mercer said that concerns about it were overblown. After Patterson shared with him a scientific paper on the subject, Mercer and his brother, Randall, who also worked at the hedge fund, sent him a paper by a scientist named Arthur Robinson, who is a biochemist, not a climate expert. "It looked like a scientific paper, but it was completely loaded with selective and biased information," Patterson recalled. The paper argued that, if climate change were real, future generations would "enjoy an Earth with far more plant and animal life." Robinson owns a sheep ranch in Cave Junction, Oregon, and on the property he runs a laboratory that he calls the Oregon Institute of Science and Medicine. Mercer helps subsidize Robinson's various projects, which include an effort to forestall aging.

Patterson sent Mercer a note calling Robinson's arguments "completely false." He never heard back. "I think if you studied Bob's views of what the ideal state would look like, you'd find that, basically, he wants a system where the state just gets out of the way," Patterson said. "Climate change poses a problem for that world view, because markets can't solve it on their own."

Magerman told the Wall Street Journal that Mercer's political opinions "show contempt for the social safety net that he doesn't need, but many Americans do." He also said that Mercer wants the U.S. government to be "shrunk down to the size of a pinhead." Several former colleagues of Mercer's said that his views are akin to Objectivism, the philosophy of Ayn Rand. Magerman told me, "Bob believes that human beings have no inherent value other than how much money they make. A cat has value, he's said, because it provides pleasure to humans. But if someone is on welfare they have negative value. If he earns a thousand times more than a schoolteacher, then he's a thousand times more valuable." Magerman added, "He thinks society is upside down—that government helps the weak people get strong, and makes the strong people weak by taking their money away, through taxes." He said that this mind-set was typical of "instant billionaires" in finance, who "have no stake in society," unlike the industrialists of the past, who "built real things."

Another former high-level Renaissance employee said, "Bob thinks the less government the better. He's happy if people don't trust the government. And if the President's a bozo? He's fine with that. He wants it to all fall down."

The 2016 Presidential election posed a challenge for someone with Mercer's ideology. Multiple sources described him as animated mainly by hatred of Hillary Clinton. But Mercer also distrusted the Republican leadership. After the candidate he initially supported, Senator Ted Cruz, of Texas, dropped out of the race, Mercer sought a disruptive figure who could oust both the Democratic Party and the Republican Party. Patterson told me that Mercer seems to have applied "a very Renaissance Technologies way of thinking" to politics: "He probably estimated the probability of Trump winning, and when it wasn't very high he said to himself, 'O.K., what has to happen in order for this twenty-percent thing to occur?' It's like playing a card game when you haven't got a very good hand."

Mercer, as it happens, is a superb poker player, and his political gamble appears to have paid off. Institutional Investor has called it "Robert Mercers Trade of the Century."

IN THE 2016 campaign, Mercer gave \$22.5 million in disclosed donations to Republican candidates and to political-action committees. Tony Fabrizio, a Republican pollster who worked for the Trump campaign, said that Mercer had "catapulted to the top of the heap of right-of-center power brokers." It's worth noting that several other wealthy financiers, including Democrats such as Thomas Steyer and Donald Sussman, gave even more money to campaigns. (One of the top Democratic donors was James Simons, the retired founder of Renaissance Technologies.) Nevertheless, Mercer's political efforts stand apart. Adopting the strategy of Charles and David Koch, the billionaire libertarians, Mercer enlarged his impact exponentially by combining short-term campaign spending with long-term ideological investments. He poured millions of dollars into Breitbart News, and—in what David Magerman has called "an extreme example of modern entrepreneurial philanthropy"—made donations to dozens of politically tinged organizations.

Like many wealthy families, the Mercers have a private foundation. At first, the Mercer Family Foundation, which was established in 2004, had an endowment of only half a million dollars, and most of its grants went to medical research and conventional charities. But by 2008, under the supervision of Mercer's ardently conservative daughter, Rebekah, the foundation began giving millions of dollars to interconnected nonprofit groups, several of which played crucial roles in propagating attacks on Hillary Clinton. By 2015, the most recent year for which federal tax records are available, the foundation had grown into a \$24.5-million operation that gave large sums to ultraconservative organizations.

On top of this nonprofit spending, Mercer invested in private businesses. He put ten million dollars into Breitbart News, which was conceived as a conservative counterweight to the Huffington Post. The Web site freely mixes rightwing political commentary with juvenile rants and racist innuendo; under Bannon's direction, the editors introduced a rubric called Black Crime. The site played a key role in undermining Hillary Clinton; by tracking which negative stories about her got the most clicks and "likes," the editors helped identify which story lines and phrases were the most potent weapons against her. Breitbart News has been a remarkable success: according to ComScore, a company that measures online traffic, the site attracted 19.2 million unique visitors in October.

Mercer also invested some five million dollars in Cambridge Analytica, a firm that mines online data to reach and influence potential voters. The company has said that it uses secret psychological methods to pinpoint which messages are the most persuasive to individual online viewers. The firm, which is the American affiliate of Strategic Communication Laboratories, in London, has worked for candidates whom Mercer has backed, including Trump. It also reportedly worked on the Brexit campaign, in the United Kingdom.

Alexander Nix, the C.E.O. of the firm, says that it has created "profiles"—consisting of several thousand data points—for two hundred and twenty million Americans. In promotional materials, S.C.L. has claimed to know how to use such data to wage both psychological and political warfare. "Persuading somebody to vote a certain way," Nix has said publicly, "is really very similar to persuading 14-to 25-year-old boys in Indonesia to not join Al Qaeda." Some critics suggest that, at this point, Cambridge Analytica's self-promotion exceeds its effectiveness. But Jonathan Albright, an assistant professor of communications at Elon University, in North Carolina, recently published a paper, on Medium, calling Cambridge Analytica a "propaganda machine."

As important as Mercer's business investments is his hiring of advisers. Years before he started supporting Trump, he began funding several conservative activists, including Steve Bannon; as far back as 2012, Bannon was the Mercers' de-facto political adviser. Some people who have observed the Mercers' political evolution worry that Bannon has become a Svengali to the whole family, exploiting its political inexperience and tapping its fortune to further his own ambitions. It was Bannon who urged the Mercers to invest in a data-analytics firm. He also encouraged the investment in Breitbart News, which was made through Gravitas Maximus, L.L.C., a front group that once had the same Long Island address as Renaissance Technologies. In an interview, Bannon praised the Mercers' strategic approach: "The Mercers laid the groundwork for the Trump revolution. Irrefutably, when you look at donors during the past four years, they have had the single biggest impact of anybody, including the Kochs."

Last summer, Bannon and some other activists whom the Mercers have supported—including David Bossie, who initiated the Citizens United lawsuit—came together to rescue Trump's wobbly campaign. Sam Nunberg, an early Trump adviser who watched Mercer's group take over, said, "Mercer was smart. He invested in the right people." Bannon and Rebekah Mercer have become particularly close political partners. Last month, when Bannon denounced "the corporatist, globalist media" at the Conservative Political Action Conference, in his first public appearance since entering the White House, Rebekah Mercer was part of his entourage. Bannon supports some initiatives, such as a major infrastructure program, that are anathema to libertarians such as Robert Mercer. But the Wall Street Journal has described Bannon joking and swearing on the deck of the Mercers' yacht, the Sea Owl, as if he were a member of the family. Bannon assured me that the Mercers, despite all their luxuries, are "the most middle-class people you will ever meet."

Robert and Diana Mercer brought up their three daughters in a modest home near I.B.M.'s Thomas J. Watson Research Center, in Westchester County. The girls attended public schools, and Robert and Diana worried about paying three college tuitions. According to Donna D'Andrea, a family friend, Diana was a PTA member and a "tiger mom" who "made sure that the girls did all the right things—they were in the honor society, and stayed out of trouble." D'Andrea recalled Diana saying that Robert was brilliant, but D'Andrea found it hard to tell, because "he was very quiet—he didn't talk to anybody."

The eldest Mercer daughter, Jennifer, or Jenji, attended Stanford. Rebekah, the middle daughter, enrolled at Cornell and then transferred to Stanford. Majoring in biology and math, she graduated in 1996; a few years later, she got an M.A. in operations research. The youngest daughter, Heather Sue, "was the spitfire," D'Andrea recalled. When Heather Sue was a junior in high school, she tried out to be a place kicker on the football team. She made it, and, after enrolling at Duke University, she joined its varsity squad. When the Duke coach refused to treat her as the equal of her male teammates, she sued the school for gender discrimination, and won two million dollars in damages. Ron Santavicca, Heather Sue's high-school coach, described the Mercers, who still invite him to their Christmas parties, as "the salt of the earth." He added, "The whole family is very determined. When they have a mission, they go after it."

In 1993, when Nick Patterson mailed Robert Mercer a job offer from Renaissance, Mercer threw it in the trash: he'd never heard of the hedge fund. At the time, Mercer was part of a team pioneering the use of computers to translate languages. I.B.M. considered the project a bit of a luxury, and didn't see its potential, though the work laid the foundation for Google Translate and Apple's Siri. But Mercer and his main partner, Peter Brown, found the project exciting, and had the satisfaction of showing up experts in the field, who had dismissed their statistical approach to translating languages as impractical. Instead of trying to teach a computer linguistic rules, Mercer and Brown downloaded enormous quantities of dual-language documents—including Canadian parliamentary records—and created code that analyzed the data and detected patterns, enabling predictions of probable translations. According to a former I.B.M. colleague, Mercer was obsessive, and at one point took six months off to type into a computer every entry in a Spanish-English dictionary. Sebastian Mallaby, in his 2010 book on the hedge-fund industry, "More Money Than God," reports that Mercer's boss at I.B.M. once jokingly called him an "automaton."

In 2014, Mercer accepted a lifetime-achievement award from the Association for Computational Linguistics. In a speech at the ceremony, Mercer, who grew up in New Mexico, said that he had a "jaundiced view" of government. While in college, he had worked on a military base in Albuquerque, and he had showed his superiors how to run certain computer programs a hundred times faster; instead of saving time and money, the bureaucrats ran a hundred times more equations. He concluded that the goal of government officials was "not so much to get answers as to consume the computer budget." Mercer's colleagues say that he views the government as arrogant and inefficient, and believes that individuals need to be self-sufficient, and should not receive aid from the state. Yet, when I.B.M. failed to offer adequate support for Mercer and Brown's translation project, they secured additional funding from DARPA, the secretive Pentagon program. Despite Mercer's disdain for "big government," this funding was essential to his early success.

Meanwhile, Patterson kept asking Mercer and Brown to join Renaissance. He thought that their technique of extracting patterns from huge amounts of data could be applied to the pile of numbers generated daily by the global trade in stocks, bonds, commodities, and currencies. The patterns could generate predictive financial models that would give traders a decisive edge.

In the spring of 1993, Mercer experienced two devastating losses: his mother was killed, in a car crash, and his father, a biologist, died six weeks later. With life's precariousness made painfully clear, and with tuition bills mounting, he decided to leave I.B.M. for a higher-paying job at Renaissance. Brown made the leap, too.

Renaissance was founded by James Simons, a legendary mathematician, in 1982. Simons had run the math department at Stony Brook University, on Long Island, and the hedge fund took a uniquely academic approach to high finance. Andrew Lo, a finance professor at M.I.T.'s Sloan School of Management, has described it as "the commercial version of the Manhattan Project." Intensely secretive and filled with people with Ph.D.s, it has been sensationally profitable. Its Medallion Fund, which is open only to the firm's three hundred or so employees, has averaged returns of almost eighty per cent a year, before fees. Bloomberg News has called the Medallion Fund "perhaps the world's greatest moneymaking machine."

In "More Money Than God," Mallaby, who interviewed Mercer, describes his temperament as that of an "icy cold poker player" Mercer told him that he could not recall ever having had a nightmare. But Mercer warms up when talking about computers. In the 2014 speech, he recalled the first time he used one, at a science camp, and likened the experience to falling in love. He also spoke of the government lab in New Mexico. "I loved the solitude of the computer lab late at night," he said. "I loved the air-conditioned smell of the place. I loved the sound of the disks whirring and the printers clacking." The speech lasted forty minutes—"more than I typically talk in a month," he noted.

Patterson told me that when Mercer arrived at Renaissance the firm's equities division was lagging behind other areas, such as futures trading. Mercer and Brown applied their algorithms to equities trading. "It took several years," Patterson recalled, but the equities group eventually accounted for the largest share of the Medallion Fund's profits. Mercer and Brown's code took into account nearly every conceivable predictor of market swings; their secret formula became so valuable that, when a pair of Russian mathematicians at the firm tried to take the recipe elsewhere, the company initiated legal action against them.

Renaissance's profits were further enhanced by a controversial tax maneuver, which became the subject of a 2014 Senate inquiry. According to Senate investigators, Renaissance had presented countless short-term trades as long-term ones, improperly avoiding some \$6.8 billion in taxes. The Senate didn't allege criminality, but it concluded that Renaissance had committed "abuses." The I.R.S. demanded payment. (Renaissance defended its practices, and the matter remains contested, leaving a very sensitive material issue pending before the Trump Administration.)

The Medallion Fund made Renaissance employees among the wealthiest people in the country. Forbes estimates that Simons, who has the biggest share, is worth eighteen billion dollars. In 2009, Simons stepped aside, to focus on philanthropy, and named Mercer and Brown co-C.E.O.s. Institutional Investors Alpha estimates that, in 2015, Mercer earned a hundred and thirty-five million dollars at Renaissance.

MERCER'S FORTUNE HAS allowed him and his family to indulge their wildest material fantasies. He and Diana moved into a waterfront estate in Head of the Harbor, a seaside community on Long Island, and called the property Owl's Nest. Mercer, a gun enthusiast, built a private pistol range there. (He is also a part owner of Centre Firearms, a company that claims to have the country's largest private cache of machine guns, as well as a weapon that Arnold Schwarzenegger wielded in "The Terminator.") At Owl's Nest, Mercer has installed a \$2.7-million model-train set in his basement; trains chug through a miniature landscape half the size of a basketball court. The toy train attracted unwanted tabloid headlines, such as "BOO-HOO OVER 2M CHOO-CHOO," after Mercer sued the manufacturer for overcharging him. (The case was settled.)

Mercer retains a domestic staff that includes a butler and a physician; both accompany him whenever he travels. But this, too, has sparked bad publicity. In 2013, three members of the household staff sued to recover back wages, claiming that Mercer had failed to pay overtime, as promised, and that he had deducted pay as punishment for poor work. One infraction that Mercer cited as a "demerit" was a failure to replace shampoo bottles that were two-thirds empty. This suit, too, was settled.

Mercer has bought several spectacular yachts, including the Sea Owl, which is two hundred and three feet long. A 2013 photo shows the gates of the Tower Bridge, in London, raised high to allow it to proceed up the Thames. The Sea Owl has a crew of eighteen, and features a hand-carved "tree" that twists through four levels of decks.

Designed, in part, as a place where the extended Mercer family can gather, the yacht has many fanciful and didactic touches for the Mercer grandchildren, such as frescoes that allude to the discoveries of Darwin and Newton. There's a self-playing Steinway, a spa pool, and an elevator.

Mercer has given major credit to his family for the yacht's special details, telling Boat International that they are "endowed with both exceptionally good taste and exceptionally strong opinions." The Mercer daughters are indeed forceful. When a Manhattan bakery that the sisters loved, Ruby et Violette, threatened to close, depriving the Mercers of their favorite cookies, they bought it. In a Fox News interview, Heather Sue recalled telling the others, "We are going to buy a bakery!" The Mercers still own the business, although it is now online-only.

After graduating from Duke, Heather Sue began competing in high-stakes poker tournaments; she is admired on the circuit for her cool manner. When Mercer insisted that Heather Sue take a security guard with her, Santavicca said, "they became friends, then they became whatever, and now they're married, with two beautiful daughters."

Jenji has a law degree from Georgetown, but she has pursued an interest in horses instead. In 2008, the Mercers bought a horse farm in Wellington, Florida, for \$5.9 million. Jenji and Diana regularly attend the Winter Equestrian Festival, in Palm Beach. They are investors in an equestrian center in North Carolina, and have announced plans to open one in Colorado. Diana is also listed as the owner of Equinimity, a horse stable in Florida. According to the stable's Web site, it specializes in Equine Facilitated Learning, a system that teaches "non-verbal leadership and interpersonal communication skills through non-predatory horse-inspired wisdom."

Rebekah worked for a few years at Renaissance after graduating from Stanford. A former colleague recalls her as smart but haughty. In 2003, she married a Frenchman, Sylvain Mirochnikoff, who is a managing director of Morgan Stanley. They had four children and bought a twenty-eight-million-dollar property—six apartments joined together—at Trump Place, on the Upper West Side. Now forty-three, she is divorcing Mirochnikoff. She homeschools the children, but in recent years she has become consumed by politics. "She is the First Lady of the alt-right," Christopher Ruddy, the owner of the conservative outlet Newsmax Media, said. "She's respected in conservative circles, and clearly Trump has embraced her in a big way."

Amity Shlaes, the conservative writer and the chair of the Calvin Coolidge Presidential Foundation, where Rebekah Mercer is a trustee, told me, "In the dull crowds of policy, the Mercers are enchanting firecrackers." She likened the Mercer sisters to the Schuylers—the high-spirited, witty sisters made famous by the musical "Hamilton." Shlaes went on, "The Mercers have strong values, they're kind of funny, and they're really bright. Their brains are almost too strong." Rebekah, she noted, supports several think tanks, but grows tired of talk; she "is into action."

AFTER THE Citizens United decision, in 2010, the Mercers were among the first people to take advantage of the opportunity to spend more money on politics. In Oregon, they quietly gave money to a super PAC—an independent campaign-related group that could now take unlimited donations. In New York, reporters discovered that Robert Mercer was the sole donor behind a million-dollar advertising campaign attacking what it described as a plan to build a "Ground Zero Mosque" in Manhattan. The proposed building was neither a mosque nor at Ground Zero. The ads, which were meant to boost a Conservative Party candidate for governor, were condemned as Islamophobic.

In Oregon, the Mercers gave six hundred and forty thousand dollars to a group that attacked Representative Peter DeFazio, a Democrat, with a barrage of negative ads during the final weeks of his 2010 reelection campaign. This effort also failed—it didn't help when DeFazio announced that a New York hedge-fund manager and his daughter were meddling in Oregon politics.

Press accounts speculated that Robert Mercer may have targeted DeFazio because DeFazio had proposed a tax on a type of high-volume stock trade that Renaissance frequently made. But several associates of Mercer's say that the truth is stranger. DeFazio's Republican opponent was Arthur Robinson—the biochemist, sheep rancher, and climatechange denialist. The Mercers became his devoted supporters after reading Access to Energy, an offbeat scientific newsletter that he writes. The family has given at least \$1.6 million in donations to Robinson's Oregon Institute of Science and Medicine. Some of the money was used to buy freezers in which Robinson is storing some fourteen thousand samples of human urine. Robinson has said that, by studying the urine, he will find new ways of extending the human life span.

Robinson holds a degree in chemistry from Caltech, but his work is not respected in most scientific circles. (The Oregon senator Jeff Merkley, a Democrat, has called Robinson an "extremist kook.") Robinson appears to be the source of Robert Mercer's sanguine view of nuclear radiation: in 1986, Robinson co-authored a book suggesting that the vast majority of Americans would survive "an all-out atomic attack on the United States." Robinson's institute dismisses climate change as a "false religion." A petition that he organized in 1998 to oppose the Kyoto Protocol, claiming to represent thirty thousand scientists skeptical of global warming, has been criticized as deceptive. The National Academy of Sciences has warned that the petition never appeared in a peer-reviewed journal, though it is printed in "a format that is nearly identical to that of scientific articles." The petition, however, still circulates online: in the past year, it was the most shared item about climate change on Facebook.

Robinson, who calls himself a "Jesus-plus-nothing-else" Christian, has become a hero to the religious right for homeschooling his six children. Robert and Rebekah Mercer have praised a curriculum that Robinson sells. (An advertisement for it casts doubt on evolution: "No demonstration has ever been made of the process of 'spontaneous origin of life.'") Robinson has said that the "socialist" agenda of public schools is "evil" and represents "a form of child abuse."

EVEN THOUGH 2010 was a successful election year for Republicans, the candidates that the Mercers had supported in Oregon and New York both lost decisively. Their investments had achieved nothing. Wealthy political donors sometimes make easy marks for campaign operatives. Patrick Caddell, the former pollster, told me, "These people who get so rich by running businesses get so taken in when it comes to politics. They're just sheep. The consultants suck it out of them. A lot of them are surrounded by palace guards, but that's not true of the Mercers."

By 2011, the Mercers had joined forces with Charles and David Koch, who own Koch Industries, and who have run a powerful political machine for decades. The Mercers attended the Kochs' semiannual seminars, which provide a structure for right-wing millionaires looking for effective ways to channel their cash. The Mercers admired the savviness of the Kochs' plan, which called for attendees to pool their contributions in a fund run by Koch operatives. The fund would strategically deploy the money in races across the country, although, at the time, the Kochs' chief aim was to defeat Barack Obama in 2012. The Kochs will not reveal the identities of their donors, or the size of contributions, but the Mercers reportedly began giving at least a million dollars a year to the Kochs' fund. Eventually, they contributed more than twenty-five million.

The Mercers also joined the Council for National Policy, which the Times has described as a "little-known club of a few hundred of the most powerful conservatives in the country." The Mercers have contributed hundreds of thousands of dollars. The group swears participants to secrecy. But a leaked 2014 roster revealed that it included many people who promoted anti-Clinton conspiracy stories, including Joseph Farah, the editor of WorldNetDaily. The group also brought the Mercers into the orbit of two people who have become key figures in the Trump White House: Kellyanne Conway, who was on the group's executive committee, and Steve Bannon.

In 2011, the Mercers met Andrew Breitbart, the founder of the fiery news outlet that bears his name, at a conference organized by the Club for Growth, a conservative group. They were so impressed by him that they became interested in investing in his operation. Breitbart, a gleefully offensive provocateur, was the temperamental opposite of Robert Mercer. (In 2010, Breitbart told this magazine, "I like to call someone a raving cunt every now and then, when it's appropriate, for effect.") Nevertheless, the Mercers were attracted to Breitbart's vision of "taking back the culture" by building a media enterprise that could wage information warfare against the mainstream press, empowering what Breitbart called "the silenced majority."

Breitbart soon introduced the Mercers to Steve Bannon. For a while, Breitbart News operated out of office space that Bannon owned in Santa Monica. A Harvard Business School graduate, Bannon had worked at Goldman Sachs, but he eventually left the world of finance and began making political films. His ambition, apparently, was to become the Michael Moore of the right. In the aughts, he directed polemical documentaries, among them "Fire from the Heartland" and "District of Corruption." A former associate of Bannon's in California recalls him as a strategic thinker who was adept at manipulating the media. A voracious reader, he was quick and charming, but, according to the former associate, he had a chip on his shoulder about class. He often spoke of having grown up in a blue-collar Irish Catholic family in Richmond, Virginia, and of having served as a naval officer when he was young. Bannon seemed to feel excluded from the social world of Wall Street peers who had attended prep schools. He had left Goldman Sachs, in 1990, without making partner, and, though he was well off, he had missed out on the gigantic profits that partners had made when the company went public, in 1999.

In 2011, Bannon drafted a business plan for the Mercers that called for them to invest ten million dollars in Breitbart News, in exchange for a large stake. At the time, the Breitbart site was little more than a collection of blogs. The Mercers signed the deal that June, and one of its provisions placed Bannon on the company's board.

Nine months later, Andrew Breitbart died, at forty-three, of a heart attack, and Bannon became the site's executive chairman, overseeing its content. The Mercers, meanwhile, became Bannon's principal patrons. The Washington Post recently published a house-rental lease that Bannon signed in 2013, on which he said that his salary at Breitbart News was seven hundred and fifty thousand dollars.

Under Bannon's leadership, the Web site expanded dramatically, adding a fleet of full-time writers. It became a new force on the right, boosting extreme insurgents against the G.O.P. establishment, such as David Brat, who, in 2014, took the seat of Eric Cantor, the Virginia congressman. But it also provided a public forum for previously shunned white-nationalist, sexist, and racist voices. One pundit hired by Bannon was Milo Yiannopoulos, who specialized in puerile insults. (He recently resigned from the site, after a video of him loudly defending pederasty went viral.)

In 2014, Bannon began hosting a radio show that often featured Patrick Caddell, who effectively had been banished by Democratic Party leaders after years of tempestuous campaigns and fallings-out. On the air, Caddell floated dark theories about Hillary Clinton, and often sounded a lot like Bannon, describing "economic nationalism" as the driving force in American politics. Under Barack Obama, he said, America had turned into a "banana republic."

By 2016, Breitbart News claims, it had the most shared political content on Facebook, giving the Mercers a platform that no other conservative donors could match. Rebekah Mercer is highly engaged with Breitbart's content. An insider there said, "She reads every story, and calls when there are grammatical errors or typos." Though she doesn't dictate a political line to the editors, she often points out areas of coverage that she thinks require more attention. Her views about the Washington establishment, including the Republican leadership, are scathing. "She was at the avantgarde of shuttering both political parties," the insider at Breitbart said. "She went a long way toward the redefinition of American politics."

The Mercers' investment in Breitbart enabled Bannon to promote anti-establishment politicians whom the mainstream media dismissed, including Trump. In 2011, David Bossie, the head of the conservative group Citizens United, introduced Trump to Bannon; at the time, Trump was thinking about running against Obama. Bannon and Trump met at Trump Tower and discussed a possible campaign. Trump decided against the idea, but the two kept in touch, and Bannon gave Trump admiring coverage. Bannon noticed that, when Trump spoke to crowds, people were electrified. Bannon began to think that Trump might be "the one" who could shake up American politics.

"Breitbart gave Trump a big role," Sam Nunberg, the aide who worked on the early stages of Trump's campaign, has said. "They gave us an outlet. No one else would. It allowed us to define our narrative and communicate our message. It really started with the birther thing"—Trump's false claim that Obama was not born an American citizen—"and then immigration, and Iran. Trump was developing his message." By 2013, Nunberg said, Trump, like others on Breitbart, was "hitting the establishment" by slamming the Republican leadership in Congress, including Paul Ryan. Nunberg added, "It wasn't like Charlie Rose was asking us on."

THE MERCER FAMILY FOUNDATION kept expanding its political investments. Between 2011 and 2014, it gave nearly eleven million dollars to the Media Research Center, an advocacy group whose "sole mission," according to its Web site, "is to expose and neutralize the propaganda arm of the Left: the national news media." The group's founder, L. Brent Bozell III, is best known for his successful campaign to get CBS sanctioned for showing Janet Jackson's bared breast during the 2004 Super Bowl broadcast. The Mercers have been among the M.R.C.'s biggest donors, and their money has allowed the group to revamp its news site, and it now claims to reach more than two hundred million Americans a week.

In 2012, the Mercer Family Foundation donated two million dollars to Citizens United, which had trafficked in Clinton hatred for years. During the Clinton Administration, David Bossie, the group's leader, was a Republican congressional aide, and he was forced to resign after releasing misleading material about a Clinton associate. In 2008,

Citizens United released a vitriolic film, "Hillary: The Movie." Two years ago, after the group received an additional five hundred and fifty thousand dollars from the Mercers' foundation, it filed a Freedom of Information Act request demanding access to Hillary Clinton's State Department e-mails. When the e-mails were released, her Presidential campaign became mired in negative news stories.

Bannon has often collaborated with Bossie, producing half a dozen films with him. In 2012, Bossie suggested a new joint project: a movie that urged Democrats and independents to abandon Obama in the Presidential election. The film's approach was influenced by polling work that Patrick Caddell had shared with Bannon. The data suggested that attacking Obama was counterproductive; it was more effective to express "disappointment" in him, by contrasting him with earlier Presidents.

Caddell and Bannon made an unholy alliance, but they had things in common: both men were Irish Catholic sons of the South, scourges to their respective parties, and prone to apocalyptic pronouncements. "We hit it off right away," Caddell told me. "We're both revolutionaries." Bannon was excited by Caddell's polling research, and he persuaded Citizens United to hire Caddell to convene focus groups of disillusioned Obama supporters. Many of these voters became the central figures of "The Hope & the Change," an anti-Obama film that Bannon and Citizens United released during the 2012 Democratic National Convention. After Caddell saw the film, he pointed out to Bannon that its opening imitated that of "Triumph of the Will," the 1935 ode to Hitler, made by the Nazi filmmaker Leni Riefenstahl. Bannon laughed and said, "You're the only one that caught it!" In both films, a plane flies over a blighted land, as ominous music swells; then clouds in the sky part, auguring a new era. The disappointed voters in the film "seared into me," Bannon said, the fact that middle-class Americans badly wanted change, and could be lured away from the Democratic Party if they felt that they had been conned.

In 2012, Citizens United's foundation paid Bannon Strategic Advisors, a consultancy group founded by Bannon, three hundred thousand dollars for what it described to the I.R.S. as "fund-raising" services. Bossie told me that the tax filing must have been made in error: the payment was actually for Bannon's "film development" work. Charitable groups are barred from spending tax-deductible contributions on partisan politics, yet, as Breitbart News noted at the time, "The Hope & the Change" was a "partisan" film "targeting Democrats" during an election year. Even so, the Mercers took a hefty tax deduction for their two-million-dollar donation to Citizens United.

Bossie told me that "the Mercers are very interested in films." Indeed, Rebekah Mercer is on the board of the Moving Picture Institute, a conservative group devoted to countering Hollywood liberalism with original online entertainment. Among its recent projects was a cartoon, "Everyone Coughs," which spread the rumor that Hillary Clinton was mortally ill. The film ended by depicting an animated Clinton literally coughing herself to death.

ON ELECTION NIGHT in 2012, the Mercers and other top conservative donors settled into the V.I.P. section of a Republican Party victory celebration, having been assured that their investments would pay off. Obama's defeat of Mitt Romney particularly infuriated Rebekah Mercer, who concluded that the pollsters, the data crunchers, and the spin doctors were all frauds. Soon afterward, Republican Party officials invited big donors to the University Club, in New York, for a postmortem on the election. Attendees were stunned when Rebekah Mercer "ripped the shit out of them," a friend of hers told me, adding, "It was really her coming out." As the Financial Times has reported, from that point on Mercer wanted to know exactly how her donations were being spent, and wanted to invest only in what another friend described as "things that she thinks put lead on the target."

That year, Rebekah Mercer joined the board of the Government Accountability Institute, a nonprofit group, based in Tallahassee, which Bannon had recently founded. In 2013, the Mercer Family Foundation contributed a million dollars to the institute, and in 2014 it contributed another million. In 2015, it donated \$1.7 million, which exceeded the group's entire budget the previous year. The G.A.I., meanwhile, paid Bannon three hundred and seventy-six thousand dollars during its first four years; it told the I.R.S. that Bannon was working for it thirty hours a week, ostensibly on top of his full-time job running Breitbart News.

The G.A.I. billed itself as a nonpartisan research institute, but in 2015 Bannon told Bloomberg Business-week that its mission was to dig up dirt on politicians and feed it to the mainstream media. (A G.A.I. staffer called this "weaponizing" information.) The group reportedly hired an expert to comb the Deep Web—sites that don't show up in standard searches—for incriminating information about its targets. The plan was to exploit the mainstream media's growing inability to finance investigative reporting by doing it for them. The strategy paid off spectacularly in April, 2015, when the Times ran a front-page article based on the book "Clinton Cash," a compendium of corruption allegations against the Clintons, which was written by the G.A.I.'s president, the conservative writer Peter Schweizer. (The G.A.I. had given the paper an advance copy.) The book triggered one story after another about Hillary Clinton's supposed criminality, and became a best-seller. In 2016, a film version, co-produced by Bannon and Rebekah Mercer, debuted at the Cannes Film Festival, as the Mercers' yacht bobbed offshore.

The G.A.I. also undermined Jeb Bush, the candidate favored by the Republican establishment, with another Schweizer book, "Bush Bucks." As Bannon put it in a 2015 interview, it depicted Bush as a figure of "grimy, low-energy crony capitalism."

During this period, the Mercers continued giving money to election campaigns. In 2014, Robert Mercer made a two-and-a-half-million-dollar contribution to the Kochs' Freedom Partners Action Fund. This exceeded the two-million-dollar contributions of David and Charles Koch, prompting a memorable headline about Mercer from Bloomberg News: "THE MAN WHO OUTKOCHEd THE KOCHS."

Rebekah Mercer, meanwhile, was growing impatient with the Kochs. She felt that they needed to investigate why their network had failed to defeat Obama in 2012. Instead, the Kochs gathered donors and presented them with more empty rhetoric. Mercer demanded an accounting of what had gone wrong, and when they ignored her she decided to start her own operation. In a further blow, Mercer soured several other top donors on the Kochs.

In 2012, one area in which the Republicans had lagged badly behind the Democrats was in the use of digital analytics. The Mercers decided to finance their own big-data project. In 2014, Michal Kosinski, a researcher in the psychology department at the University of Cambridge, was working in the emerging field of psychometrics, the quantitative study of human characteristics. He learned from a colleague that a British company, Strategic Communication Laboratories, wanted to hire academics to pursue similar research, for commercial purposes. Kosinski had circulated personality tests on Facebook and, in the process, obtained huge amounts of information about users. From this data, algorithms could be fashioned that would predict people's behavior and anticipate their reactions to other online prompts. Those who took the Facebook quizzes, however, had been promised that the information would be used strictly for academic purposes. Kosinski felt that repurposing it for commercial use was unethical, and possibly illegal. His concerns deepened when he researched S.C.L. He was disturbed to learn that the company specialized in psychological warfare, and in influencing elections. He spurned the chance to work with S.C.L., although his colleague signed a contract with the company.

Kosinski was further disconcerted when he learned that a new American affiliate of S.C.L., Cambridge Analytica—owned principally by an American hedge-fund tycoon named Robert Mercer—was attempting to influence elections in the U.S. Kosinski, who is now an assistant professor of organizational behavior at Stanford's business school, supports the idea of using psychometric data to "nudge" people toward socially positive behavior, such as voting. But, he told me, "there's a thin line between convincing people and manipulating them."

It is unclear if the Mercers have pushed Cambridge Analytica to cross that line. A company spokesman declined to comment for this story. What is clear is that Mercer, having revolutionized the use of data on Wall Street, was eager to accomplish the same feat in the political realm. He screened many data-mining companies before investing, and he chose Cambridge Analytica, in part, because its high concentration of accomplished scientists reminded him of Renaissance Technologies. Rebekah Mercer, too, has been deeply involved in the venture. Cambridge Analytica shares a corporate address in Manhattan with a group she chairs, Reclaim New York, which opposes government spending. (Bannon has reportedly served as a corporate officer for both Reclaim and Cambridge Analytica.)

Political scientists and consultants continue to debate Cambridge Analytica's record in the 2016 campaign. David Karpf, an assistant professor at George Washington University who studies the political use of data, calls the firm's claim to have special psychometric powers "a marketing pitch" that's "untrue." Karpf worries, though, that the company "could take a very dark turn." He explained, "What they could do is set up a Move-On-style operation with a Tea Party-ish list that they could whip up. Typically, lists like that are used to pressure elected officials, but the dangerous thing would be if it was used instead to pressure fellow-citizens. It could encourage vigilantism." Karpf said of Cambridge Analytica, "There is a maximalist scenario in which we should be terrified to have a tool like this in private hands."

Cambridge Analytica is not the only data-driven political project that the Mercers have backed. In 2013, at a conservative conference in Palm Beach, an oil tycoon named William Lee Hanley, who had commissioned some polls from Patrick Caddell, asked him to show the data to Mercer and Bannon, who were at the event. The data showed mounting anger toward wealthy elites, who many Americans believed had corrupted the government so that it served only their interests. There was a hunger for a populist Presidential candidate who would run against the major political parties and the ruling class. The data "showed that someone could just walk into this election and sweep it," Caddell told me. When Mercer saw the numbers, he asked for the polling to be repeated. Caddell got the same results. "It was stunning," he said. "The country was on the verge of an uprising against its leaders. I just fell over!"

Until Election Day in 2016, Mercer and Hanley—two of the richest men in America—paid Caddell to keep collecting polling data that enabled them to exploit the public's resentment of elites such as themselves. Caddell's original goal was to persuade his sponsors to back an independent candidate, but they never did. In 2014, Caddell and two partners went public with what they called the Candidate Smith project, which promoted data suggesting that the public wanted a "Mr. Smith Goes to Washington" figure—an outsider—as President. During the next year or so, Caddell's poll numbers tilted more and more away from the establishment. Caddell's partner Bob Perkins, an advertising executive and a former finance director of the Republican Party, told me, "By then, it was clear there wouldn't be a third-party candidate. But we thought that a Republican who harnessed the angst had a real chance." At one point, Caddell tested all the declared Presidential candidates, including Trump, as a possible Mr. Smith. "People didn't think Trump had the temperament to be President," Caddell said. "He clearly wasn't the best Smith, but he was the only Smith. He was the only one with the resources and the name recognition." As Bernie Sanders's campaign showed, the populist rebellion wasn't partisan. Caddell worried, though, that there were dark undertones in the numbers: Americans were increasingly yearning for a "strong man" to fix the country.

Caddell circulated his research to anyone who would listen, and that included people inside the Trump campaign. "Pat Caddell is like an Old Testament prophet," Bannon said. "He's been talking about alienation of the voters for twenty-five years, and people didn't pay attention—but he's a brilliant guy, and he nailed it." The political consultant and strategist Roger Stone, who is a longtime Trump confidant, was fascinated by the research, and he forwarded a memo about it to Trump. Caddell said that he spoke with Trump about "some of the data," but noted, "With Trump, it's all instinct—he is not exactly a deep-dive thinker."

Robert Mercer, too, was kept informed. Perkins said, "He just loves the numbers. Most people say, 'Tell me what you think—don't show me the numbers.' But he's, like, 'Give me the numbers!'"

During the 2016 campaign, as the Mercers considered which Presidential candidate to back, they rejected insiders such as Jeb Bush and Marco Rubio, who they believed couldn't win. They initially gravitated toward Ted Cruz, in part because he was an outsider in the Senate—loathed by even his Republican peers. During the primaries, the Mercers gave eleven million dollars to a super PAC supporting Cruz, run by Kellyanne Conway. According to Politico, Rebekah Mercer soon "wore out her welcome" with the Cruz campaign by offering withering appraisals of his debate performances. She also insisted that the campaign hire Cambridge Analytica, even though Cruz campaign officials were skeptical of it.

After Cruz dropped out, many Republicans—including Cruz himself—recoiled from Trump. The Mercers, however, joined the Trump camp, and publicly rebuked Cruz, giving a statement to the Times. If Clinton won, the Mercers claimed, she would "repeal both the First and Second Amendments of the Bill of Rights." Given the stakes, they said, "all hands" were "needed on deck" in order to insure a Trump victory. Cruz, they noted, had "chosen to stay in his bunk below."

The Mercers redirected their Cruz super PAC to support Trump, and gave two million dollars to it. According to one Trump adviser, there were strings attached to the donation. He says that, two weeks before Cruz dropped out, Bannon urged the Trump campaign to talk to Alexander Nix, Cambridge Analytica's C.E.O., about hiring the company. (The previous year, the Trump campaign had rebuffed a pitch from the firm.) The adviser said that Nix followed up and offered cash inducements, in the form of a

"finder's fee," to a Trump operative. (A Cambridge Analytica spokesman denied that this occurred.) Paul Manafort, Trump's campaign manager at the time, said that he knew nothing of Nix's cash offer but gave Cambridge Analytica a limited contract, though he didn't see the need, in deference to the Mercers. Later that summer, Manafort was forced to resign, after the press reported his links to Ukrainian oligarchs. In the vacuum, the Mercers soon established control over the Trump campaign. Rebekah Mercer successfully pushed for a staff shakeup that led to the promotions of three people funded by the family: Bannon became the campaign's C.E.O., Conway its manager, and Bossie its deputy manager. William Kristol, the editor of The Weekly Standard and an adamant Trump opponent, warned, "It's the merger of the Trump campaign with the kooky right." But an e-mail that Bannon sent to a friend in 2015, and that was later leaked to the Daily Beast, confirms that the elevation of the Mercers and their operatives was, in many ways, a formality. A year before Bannon joined Trump's campaign staff, he described himself in the e-mail as Trump's de-facto "campaign manager," because of the positive coverage that Breitbart was giving Trump. That coverage had largely been underwritten by the Mercers. Brendan Fischer, a lawyer at the Campaign Legal Center, said that the Mercers' financial entanglement with the Trump campaign was "bizarre" and potentially "illegal." The group has filed a complaint with the Federal Election Commission, which notes that, at the end of the 2016 campaign, the super PAC run by the Mercers paid Glittering Steel—a film-production company that shares an address in Los Angeles with Cambridge Analytica and Breitbart News—two hundred and eighty thousand dollars, supposedly for campaign ads attacking Hillary Clinton. Although Bannon was running Trump's campaign, Fischer said that it appears to have paid him nothing. Meanwhile, the Mercers' super PAC made a payment of about five million dollars to Cambridge Analytica, which was incorporated at the same address as Bannon Strategic Advisors. Super PACs are legally required to stay independent of a candidate's campaign. But, Fischer said, "it raises the possibility of the Mercers subsidizing Steve Bannon's work for the Trump campaign."

On December 3rd, the Mercer family hosted a victory celebration at Owl's Nest—a costume party with a heroes-and-villains theme. Rebekah Mercer welcomed several hundred guests, including Donald Trump. In extemporaneous remarks, Trump thanked the Mercers, saying that they had been "instrumental in bringing some organization" to his campaign. He specifically named Bannon, Conway, and Bossie. Trump then joked that he'd just had the longest conversation of his life with Bob Mercer—and it was just "two words." A guest at the party told me, "I was looking around the room, and I thought, No doubt about it—the people whom the Mercers invested in, my comrades, are now in charge."

After the election, Rebekah Mercer was rewarded with a seat on Trump's transition team. "She basically bought herself a seat," Fischer said. She had strong feelings about who should be nominated to Cabinet positions and other top government jobs. Not all her ideas were embraced. She unsuccessfully pushed for John Bolton, the hawkish former Ambassador to the United Nations, to be named Secretary of State. So far, her suggestion that Arthur Robinson, the Oregon biochemist, be named the national science adviser has gone nowhere. Like her father, she advocates a return to the gold standard, but as of yet she has failed to get Trump to appoint officials who share this view.

Still, Mercer made her influence felt. Her pick for national-security adviser was Michael Flynn, and Trump chose him for the job. (Flynn lasted only a month, after he lied about having spoken with the Russian Ambassador before taking office.) More important, several people to whom Mercer is very close—including Bannon and Conway—have become some of the most powerful figures in the world.

Rebekah's father, meanwhile, can no longer be considered a political outsider. David Magerman, in his essay for the Inquirer, notes that Mercer "has surrounded our President with his people, and his people have an outsized influence over the running of our country, simply because Robert Mercer paid for their seats." He writes, "Everyone has a right to express their views." But, he adds, "when the government becomes more like a corporation, with the richest 0.001% buying shares and demanding board seats, then we cease to be a representative democracy." Instead, he warns, "we become an oligarchy."

PHOTO (COLOR): Nick Patterson, a former colleague of Mercer's, said, "In my view, Trump wouldn't be President if not for Bob."



The great British Brexit robbery: how our democracy was hijacked

A shadowy global operation involving big data, billionaire friends of Trump and the disparate forces of the Leave campaign influenced the result of the EU referendum. As Britain heads to the polls again, is our electoral process still fit for purpose?

Carole Cadwalladr

Sunday 7 May 2017 09.00 BST

"The connectivity that is the heart of globalisation can be exploited by states with hostile intent to further their aims[...] The risks at stake are profound and represent a fundamental threat to our sovereignty."

Alex Younger, head of MI6, December, 2016

"It's not MI6's job to warn of internal threats. It was a very strange speech. Was it one branch of the intelligence services sending a shot across the bows of another? Or was it pointed at Theresa May's government? Does she know something she's not telling us?"

Senior intelligence analyst, April 2017

In June 2013, a young American postgraduate called Sophie was passing through London when she called up the boss of a firm where she'd previously interned. The company, SCL Elections, went on to be bought by Robert Mercer, a secretive hedge fund billionaire, renamed Cambridge Analytica, and achieved a certain notoriety as the data analytics firm that played a role in both Trump and Brexit campaigns. But all of this was still to come. London in 2013 was still basking in the afterglow of the Olympics. Britain had not yet Brexited. The world had not yet turned.

"That was before we became this dark, dystopian data company that gave the world Trump," a former Cambridge Analytica employee who I'll call Paul tells me. "It was back when we were still just a psychological warfare firm."

Was that really what you called it, I ask him. Psychological warfare? "Totally. That's what it is. Psyops. Psychological operations – the same methods the military use to effect mass sentiment change. It's what they mean by winning 'hearts and minds'. We were just doing it to win elections in the kind of developing countries that don't have many rules."

Why would anyone want to intern with a psychological warfare firm, I ask him. And he looks at me like I am mad. "It was like working for MI6. Only it's MI6 for hire. It was very posh, very English, run by an old Etonian and you got to do some really cool things. Fly all over the world. You were working with the president of Kenya or Ghana or wherever. It's not like election campaigns in the west. You got to do all sorts of crazy shit."

On that day in June 2013, Sophie met up with SCL's chief executive, Alexander Nix, and gave him the germ of an idea. "She said, 'You really need to get into data.' She really drummed it home to Alexander. And she suggested he meet this firm that belonged to someone she knew about through her father."

Who's her father?

"Eric Schmidt."

Eric Schmidt – the chairman of Google?

"Yes. And she suggested Alexander should meet this company called Palantir."

I had been speaking to former employees of Cambridge Analytica for months and heard dozens of hair-raising stories, but it was still a gobsmacking moment. To anyone concerned about surveillance, Palantir is practically now a trigger word. The data-mining firm has contracts with governments all over the world – including GCHQ and the NSA. It's owned by Peter Thiel, the billionaire co-founder of eBay and PayPal, who became Silicon Valley's first vocal supporter of Trump.

In some ways, Eric Schmidt's daughter showing up to make an introduction to Palantir is just another weird detail in the weirdest story I have ever researched.

A weird but telling detail. Because it goes to the heart of why the story of Cambridge Analytica is one of the most profoundly unsettling of our time. Sophie Schmidt now works for another Silicon Valley megafirm: Uber. And what's clear is that the power and dominance of the Silicon Valley – Google and Facebook and a small handful of others – are at the centre of the global tectonic shift we are currently witnessing.



The money man: Robert Mercer, Trump supporter and owner of Cambridge Analytica. Photograph: Rex

It also reveals a critical and gaping hole in the political debate in Britain. Because what is happening in America and what is happening in Britain are entwined. Brexit and Trump are entwined. The Trump administration's links to Russia and Britain are entwined. And Cambridge Analytica is one point of focus through which we can see all these relationships in play; it also reveals the elephant in the room as we hurtle into a general election: Britain tying its future to an America that is being remade - in a radical and alarming way - by Trump.

There are three strands to this story. How the foundations of an authoritarian surveillance state are being laid in the US. How British democracy was subverted through a covert, far-reaching plan of coordination enabled by a US billionaire. And how we are in the midst of a massive land grab for power by billionaires via our data. Data which is being silently amassed, harvested and stored. Whoever owns this data owns the future.

My entry point into this story began, as so many things do, with a late-night Google. Last December, I took an unsettling tumble into a wormhole of [Google autocomplete](#) suggestions that ended with "did the holocaust happen". And an entire page of results that claimed it didn't.

Google's algorithm had been gamed by extremist sites and it was [Jonathan Albright](#), a professor of communications at Elon University, North Carolina, who helped me get to grips with what I was seeing. He was the first person to map and uncover an entire "alt-right" news and information ecosystem and he was the one who first introduced me to Cambridge Analytica.

He called the company a central point in the right's "propaganda machine", a line I quoted in reference to its work for the Trump election campaign and the referendum Leave campaign. That led to the [second article](#) featuring Cambridge Analytica - as a central node in the alternative news and information network that I believed Robert Mercer and Steve Bannon, the key Trump aide who is now his chief strategist, were creating. I found evidence suggesting they were on a strategic mission to smash the mainstream media and replace it with one comprising alternative facts, fake history and rightwing propaganda.

Mercer is a brilliant computer scientist, a pioneer in early artificial intelligence, and the co-owner of one of the most successful hedge funds on the planet (with a gravity-defying 71.8% annual return). And, he is also, I discovered, good friends with Nigel Farage. Andy Wigmore, Leave.EU's communications director, told me that it was Mercer who had directed his company, Cambridge Analytica, to "help" the Leave campaign.

The second article triggered two investigations, which are both continuing: one by the Information Commissioner's Office into the [possible illegal use of data](#). And a second by the Electoral Commission which is "focused on whether one or more donations - including services - accepted by Leave.EU was 'impermissible'".

What I then discovered is that Mercer's role in the referendum went far beyond this. Far beyond the jurisdiction of any UK law. The key to understanding how a motivated and determined billionaire could bypass electoral laws rests on AggregateIQ, an obscure web analytics company based in an office above a shop in Victoria, British Columbia.

It was with AggregateIQ that Vote Leave (the official Leave campaign) chose to spend £3.9m, more than half its official £7m campaign budget. As did three other affiliated Leave campaigns: BeLeave, Veterans for Britain and the Democratic Unionist party, spending a further £757,750. "Coordination" between campaigns is prohibited under UK electoral law, unless campaign expenditure is declared, jointly. It wasn't. Vote Leave says the Electoral Commission "looked into this" and gave it "a clean bill of health".

How did an obscure Canadian company come to play such a pivotal role in Brexit? It's a question that Martin Moore, director of the centre for the study of communication, media and power at King's College London has been asking too. "I went through all the Leave campaign invoices when the Electoral Commission uploaded them to its site in February. And I kept on discovering all these huge amounts going to a company that not only had I never heard of, but that there was practically nothing at all about on the internet. More money was spent with AggregateIQ than with any other company in any other campaign in the entire referendum. All I found, at that time, was a one-page website and that was it. It was an absolute mystery."

Moore contributed to an LSE report published in April that concluded UK's electoral laws were "weak and helpless" in the face of new forms of digital campaigning. Offshore companies, money poured into databases, unfettered third parties... the caps on spending had come off. The laws that had always underpinned Britain's electoral laws were no longer fit for purpose. Laws, the report said, that needed "urgently reviewing by parliament".

AggregateIQ holds the key to unravelling another complicated network of influence that Mercer has created. A source emailed me to say he had found that AggregateIQ's address and telephone number corresponded to a company listed on Cambridge Analytica's website as its overseas office: "SCL Canada". A day later, that online reference vanished.

There had to be a connection between the two companies. Between the various Leave campaigns. Between the referendum and Mercer. It was too big a coincidence. But everyone - AggregateIQ, Cambridge Analytica, Leave.EU, Vote Leave - denied it. AggregateIQ had just been a short-term "contractor" to Cambridge Analytica. There was nothing to disprove this. We published the known facts. On 29 March, article 50 was triggered.

Then I met Paul, the first of two sources formerly employed by Cambridge Analytica. He is in his late 20s and bears mental scars from his time there. "It's almost like post-traumatic shock. It was so... messed up. It happened so fast. I just woke up one morning and found we'd turned into the Republican fascist party. I still can't get my head around it."

He laughed when I told him the frustrating mystery that was AggregateIQ. "Find Chris Wylie," he said.

Who's Chris Wylie?

"He's the one who brought data and micro-targeting [individualised political messages] to Cambridge Analytica. And he's from west Canada. It's only because of him that AggregateIQ exist. They're his friends. He's the one who brought them in."

There wasn't just a relationship between Cambridge Analytica and AggregateIQ. Paul told me. They were intimately entwined, key nodes in Robert Mercer's distributed empire. "The Canadians were our back office. They built our software for us. They held our database. If AggregateIQ is involved then Cambridge Analytica is involved. And if Cambridge Analytica is involved, then Robert Mercer and Steve Bannon are involved. You need to find Chris Wylie."

I did find Chris Wylie. He refused to comment.

Key to understanding how data would transform the company is knowing where it came from. And it's a letter from "Director of Defence Operations, SCL Group", that helped me realise this. It's from "Commander Steve Tatham, PhD, MPhil, Royal Navy (rtd)" complaining about my use in my Mercer article of the word "disinformation".

I wrote back to him pointing out references in papers he'd written to "deception" and "propaganda", which I said I understood to be "roughly synonymous with 'disinformation'." It's only later that it strikes me how strange it is that I'm corresponding with a retired navy commander about military strategies that may have been used in British and US elections.

What's been lost in the US coverage of this "data analytics" firm is the understanding of where the firm came from: deep within the military-industrial complex. A weird British corner of it populated, as the military establishment in Britain is, by old-school Tories. Geoffrey Pattie, a former parliamentary under-secretary of state for defence procurement and director of Marconi Defence Systems, used to be on the board, and Lord Marland, David Cameron's pro-Brexit former trade envoy, a shareholder.

Steve Tatham was the head of psychological operations for British forces in Afghanistan. The *Observer* has seen letters endorsing him from the UK Ministry of Defence, the Foreign Office and Nato.

SCL/Cambridge Analytica was not some startup created by a couple of guys with a Mac PowerBook. It's effectively part of the British defence establishment. And, now, too, the American defence

establishment. An ex-commanding officer of the US Marine Corps operations centre, Chris Naler, has recently joined Iota Global, a partner of the SCL group.

This is not just a story about social psychology and data analytics. It has to be understood in terms of a military contractor using military strategies on a civilian population. Us. David Miller, a professor of sociology at Bath University and an authority in psyops and propaganda, says it is "an extraordinary scandal that this should be anywhere near a democracy. It should be clear to voters where information is coming from, and if it's not transparent or open where it's coming from, it raises the question of whether we are actually living in a democracy or not."

Paul and David, another ex-Cambridge Analytica employee, were working at the firm when it introduced mass data-harvesting to its psychological warfare techniques. "It brought psychology, propaganda and technology together in this powerful new way," David tells me.

And it was Facebook that made it possible. It was from Facebook that Cambridge Analytica obtained its vast dataset in the first place. Earlier, psychologists at Cambridge University harvested Facebook data (legally) for research purposes and published pioneering peer-reviewed work about determining personality traits, political partisanship, sexuality and much more from people's Facebook "likes". And SCL/Cambridge Analytica contracted a scientist at the university, Dr Aleksandr Kogan, to harvest new Facebook data. And he did so by paying people to take a personality quiz which also allowed not just their own Facebook profiles to be harvested, but also those of their friends – a process then allowed by the social network.

Facebook was the source of the psychological insights that enabled Cambridge Analytica to target individuals. It was also the mechanism that enabled them to be delivered on a large scale.

The company also (perfectly legally) bought consumer datasets – on everything from magazine subscriptions to airline travel – and uniquely it appended these with the psych data to voter files. It matched all this information to people's addresses, their phone numbers and often their email addresses. "The goal is to capture every single aspect of every voter's information environment," said David. "And the personality data enabled Cambridge Analytica to craft individual messages."

Finding "persuadable" voters is key for any campaign and with its treasure trove of data, Cambridge Analytica could target people high in neuroticism, for example, with images of immigrants "swamping" the country. The key is finding emotional triggers for each individual voter.

Cambridge Analytica worked on campaigns in several key states for a Republican political action committee. Its key objective, according to a memo the *Observer* has seen, was "voter disengagement" and "to persuade Democrat voters to stay at home": a profoundly disquieting tactic. It has previously been claimed that suppression tactics were used in the campaign, but this document provides the first actual evidence.

But does it actually work? One of the criticisms that has been levelled at my and others' articles is that Cambridge Analytica's "special sauce" has been oversold. Is what it is doing any different from any other political consultancy?

"It's not a political consultancy," says David. "You have to understand this is not a normal company in any way. I don't think Mercer even cares if it ever makes any money. It's the product of a billionaire spending huge amounts of money to build his own experimental science lab, to test what works, to find tiny slivers of influence that can tip an election. Robert Mercer did not invest in this firm until it ran a bunch of pilots – controlled trials. This is one of the smartest computer scientists in the world. He is not going to splash \$15m on bullshit."

Tamsin Shaw, an associate professor of philosophy at New York University, helps me understand the context. She has researched the US military's funding and use of psychological research for use in torture. "The capacity for this science to be used to manipulate emotions is very well established. This is military-funded technology that has been harnessed by a global plutocracy and is being used to sway elections in ways that people can't even see, don't even realise is happening to them," she says. "It's about exploiting existing phenomenon like nationalism and then using it to manipulate people at the margins. To have so much data in the hands of a bunch of international plutocrats to do with it what they will is absolutely chilling."

"We are in an information war and billionaires are buying up these companies, which are then employed to go to work in the heart of government. That's a very worrying situation."

A project that Cambridge Analytica carried out in Trinidad in 2013 brings all the elements in this story together. Just as Robert Mercer began his negotiations with SCL boss Alexander Nix about an acquisition, SCL was retained by several government ministers in Trinidad and Tobago. The brief involved developing a micro-targeting programme for the governing party of the time. And AggregateIQ – the same company involved in delivering Brexit for Vote Leave – was brought in to build the targeting platform.

David said: "The standard SCL/CA method is that you get a government contract from the ruling party. And this pays for the political work. So, it's often some bullshit health project that's just a cover for getting the minister re-elected. But in this case, our government contacts were with Trinidad's national security council."

The security work was to be the prize for the political work. Documents seen by the *Observer* show that this was a proposal to capture citizens' browsing history en masse, recording phone conversations and applying natural language processing to the recorded voice data to construct a national police database, complete with scores for each citizen on their propensity to commit crime.

"The plan put to the minister was *Minority Report*. It was pre-crime. And the fact that Cambridge Analytica is now working inside the Pentagon is, I think, absolutely terrifying," said David.

These documents throw light on a significant and under-reported aspect of the Trump administration. The company that helped Trump achieve power in the first place has now been awarded contracts in the Pentagon and the US state department. Its former vice-president Steve Bannon now sits in the White House. It is also reported to be in discussions for "military and homeland security work".

In the US, the government is bound by strict laws about what data it can collect on individuals. But, for private companies anything goes. Is it unreasonable to see in this the possible beginnings of an authoritarian surveillance state?

A state that is bringing corporate interests into the heart of the administration. Documents detail Cambridge Analytica is involved with many other right-leaning billionaires, including Rupert Murdoch. One memo references Cambridge Analytica trying to place an article with a journalist in Murdoch's *Wall Street Journal*: "RM re-channelled and connected with Jamie McCauley from Robert Thomson News Corp office," it says.

It makes me think again about the story involving Sophie Schmidt, Cambridge Analytica and Palantir. Is it a telling detail, or is it a clue to something else going on? Cambridge Analytica and Palantir both declined to comment for this article on whether they had any relationship. But witnesses and emails confirm that meetings between Cambridge Analytica and Palantir took place in 2013. The possibility of a working relationship was at least discussed.

Further documents seen by the *Observer* confirm that at least one senior Palantir employee consulted with Cambridge Analytica in relation to the Trinidad project and later political work in the US. But at the time, I'm told, Palantir decided it was too much of a reputational risk for a more formal arrangement. There was no upside to it. Palantir is a company that is trusted to handle vast datasets on UK and US citizens for GCHQ and the NSA, as well as many other countries.

Now though, they are both owned by ideologically aligned billionaires: Robert Mercer and Peter Thiel. The Trump campaign has said that Thiel helped it with data. A campaign that was led by Steve Bannon, who was then at Cambridge Analytica.

A leading QC who spends a lot of time in the investigatory powers tribunal said that the problem with this technology was that it all depended on whose hands it was in.

"On the one hand, it's being done by companies and governments who say 'you can trust us, we are good and democratic and bake cakes at the weekend'. But then the same expertise can also be sold on to whichever repressive regime."

In Britain, we still trust our government. We respect our authorities to uphold our laws. We trust the rule of law. We believe we live in a free and fair democracy. Which is what, I believe, makes the last part of this story so profoundly unsettling.



Donald Trump with Peter Thiel, one of his key Silicon Valley supporters. Photograph: Drew Angerer/Getty Images

The details of the Trinidad project finally unlocked the mystery that was AggregateIQ. Trinidad was SCL's first project using big data for micro-targeting before the firm was acquired by Mercer. It was the model that Mercer was buying into. And it brought together all the players: the Cambridge psychologist Aleksandr Kogan, AggregateIQ, Chris Wylie, and two other individuals who would play a role in this story: Mark Gettleston, a focus group expert who had previously worked for the Lib Dems. And Thomas Borwick, the son of Victoria Borwick, the Conservative MP for Kensington.

When my article linking Mercer and Leave.EU was published in February, no one was more upset about it than former Tory adviser Dominic Cummings, the campaign strategist for Vote Leave. He launched an irate Twitter tirade. The piece was "full of errors & itself spreads disinformation" "CA had ~0% role in Brexit referendum".

A week later the *Observer* revealed AggregateIQ's possible link to Cambridge Analytica. Cummings's Twitter feed went quiet. He didn't return my messages or my emails.

Questions had already been swirling about whether there had been any coordination between the Leave campaigns. In the week before the referendum, Vote Leave donated money to two other Leave groups – £625,000 to BeLeave, run by fashion student Darren Grimes, and £100,000 to Veterans for Britain, who both then spent this money with AggregateIQ.

The Electoral Commission has written to AggregateIQ. A source close to the investigation said that AggregateIQ responded by saying it had signed a non-disclosure agreement. And since it was outside

British jurisdiction, that was the end of it. Vote Leave refers to this as the Electoral Commission giving it “a clean bill of health”.

On his blog, Dominic Cummings has written thousands of words about the referendum campaign. What is missing is any details about his data scientists. He “hired physicists” is all he’ll say. In the books on Brexit, other members of the team talk about “Dom’s astrophysicists”, who he kept “a tightly guarded secret”. They built models, using data “scraped” off Facebook.

Finally, after weeks of messages, he sent me an email. We were agreed on one thing, it turned out. He wrote: “The law/regulatory agencies are such a joke the reality is that anybody who wanted to cheat the law could do it easily without people realising.” But, he says, “by encouraging people to focus on non-stories like Mercer’s nonexistent role in the referendum you are obscuring these important issues”.

And to finally answer the question about how Vote Leave found this obscure Canadian company on the other side of the planet, he wrote: “Someone found AIQ [AggregateIQ] on the internet and interviewed them on the phone then told me – let’s go with these guys. They were clearly more competent than any others we’d spoken to in London.”

The most unfortunate aspect of this – for Dominic Cummings – is that this isn’t credible. It’s the work of moments to put a date filter on Google search and discover that in late 2015 or early 2016, there are no Google hits for “Aggregate IQ”. There is no press coverage. No random mentions. It doesn’t even throw up its website. I have caught Dominic Cummings in what appears to be an alternative fact.

But what is an actual fact is that Gettleson and Borwick, both previously consultants for SCL and Cambridge Analytica, were both core members of the Vote Leave team. They’re both in the official Vote Leave documents lodged with the Electoral Commission, though they coyly describe their previous work for SCL/Cambridge Analytica as “micro-targeting in Antigua and Trinidad” and “direct communications for several PACs, Senate and Governor campaigns”.

And Borwick wasn’t just any member of the team. He was Vote Leave’s chief technology officer.

This story may involve a complex web of connections, but it all comes back to Cambridge Analytica. It all comes back to Mercer. Because the connections must have been evident. “AggregateIQ may not have belonged to the Mercers but they exist within his world,” David told me. “Almost all of their contracts came from Cambridge Analytica or Mercer. They wouldn’t exist without them. During the whole time the referendum was going on, they were working every day on the [Ted] Cruz campaign with Mercer and Cambridge Analytica. AggregateIQ built and ran Cambridge Analytica’s database platforms.”

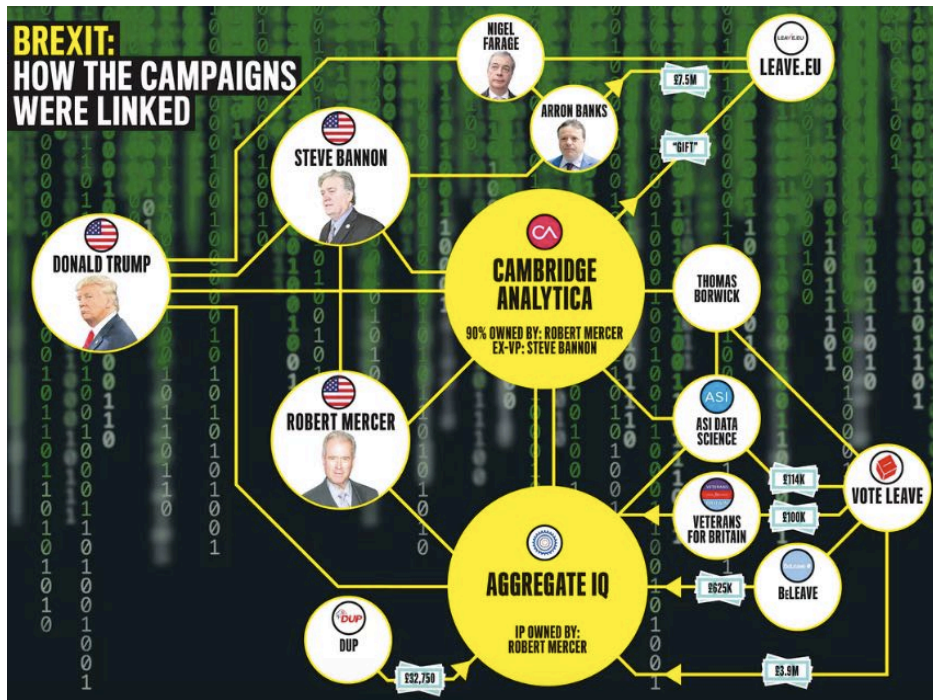


Illustration: James Melaugh

Cummings won't say who did his modelling. But invoices lodged with the Electoral Commission show payments to a company called Advanced Skills Institute. It takes me weeks to spot the significance of this because the company is usually referred to as ASI Data Science, a company that has a revolving cast of data scientists who have gone on to work with Cambridge Analytica and vice versa. There are videos of ASI data scientists presenting Cambridge Analytica personality models and pages for events the two companies have jointly hosted. ASI told the *Observer* it had no formal relationship with Cambridge Analytica.

Here's the crucial fact: during the US primary elections, Aggregate IQ signed away its intellectual property (IP). It didn't own its IP: Robert Mercer did. For AggregateIQ to work with another campaign in Britain, the firm would have to have had the express permission of Mercer. Asked if it would make any comment on financial or business links between "Cambridge Analytica, Robert Mercer, Steve Bannon, AggregateIQ, Leave.EU and Vote Leave", a spokesperson for Cambridge Analytica said: "Cambridge Analytica did no paid or unpaid work for Leave.EU."

This story isn't about cunning Dominic Cummings finding a few loopholes in the Electoral Commission's rules. Finding a way to spend an extra million quid here. Or (as the *Observer* has also discovered) underdeclaring the costs of his physicists on the spending returns by £43,000. This story is not even about what appears to be covert coordination between Vote Leave and Leave.EU in their use of AggregateIQ and Cambridge Analytica. It's about how a motivated US billionaire – Mercer and his chief ideologue, Bannon – helped to bring about the biggest constitutional change to Britain in a century.

Because to understand where and how Brexit is connected to Trump, it's right here. These relationships, which thread through the middle of Cambridge Analytica, are the result of a transatlantic partnership that stretches back years. Nigel Farage and Bannon have been close associates since at least 2012. Bannon opened the London arm of his news website Breitbart in 2014 to support Ukip – the latest front "in our current cultural and political war", he told the *New York Times*.

Britain had always been key to Bannon's plans, another ex-Cambridge Analytica employee told me on condition of anonymity. It was a crucial part of his strategy for changing the entire world order.

"He believes that to change politics, you have to first change the culture. And Britain was key to that. He thought that where Britain led, America would follow. The idea of Brexit was hugely symbolically important to him."

On 29 March, the day article 50 was triggered, I called one of the smaller campaigns, Veterans for Britain. Cummings's strategy was to target people in the last days of the campaign and Vote Leave gave the smaller group £100,000 in the last week. A small number of people they identified as "persuadable" were bombarded with more than a billion ads, the vast majority in the last few days.

I asked David Banks, Veterans for Britain's head of communications, why they spent the money with AggregateIQ.

"I didn't find AggregateIQ. They found us. They rang us up and pitched us. There's no conspiracy here. They were this Canadian company which was opening an office in London to work in British politics and they were doing stuff that none of the UK companies could offer. Their targeting was based on a set of technologies that hadn't reached the UK yet. A lot of it was proprietary, they'd found a way of targeting people based on behavioural insights. They approached us."

It seems clear to me that David Banks didn't know there might have been anything untoward about this. He's a patriotic man who believes in British sovereignty and British values and British laws. I don't think knew about any overlap with these other campaigns. I can only think that he was played.

And that we, the British people, were played. In his blog, Dominic Cummings writes that Brexit came down to "about 600,000 people – just over 1% of registered voters". It's not a stretch to believe that a member of the global 1% found a way to influence this crucial 1% of British voters. The referendum was an open goal too tempting a target for US billionaires not to take a clear shot at. Or I should say US billionaires and other interested parties, because in acknowledging the transatlantic links that bind Britain and America, Brexit and Trump, so tightly, we also must acknowledge that Russia is wrapped somewhere in this tight embrace too.

For the last month, I've been writing about the links between the British right, the Trump administration and the European right. And these links lead to Russia from multiple directions. Between Nigel Farage and Donald Trump and Cambridge Analytica.

A map shown to the *Observer* showing the many places in the world where SCL and Cambridge Analytica have worked includes Russia, Lithuania, Latvia, Ukraine, Iran and Moldova. Multiple Cambridge Analytica sources have revealed other links to Russia, including trips to the country, meetings with executives from Russian state-owned companies, and references by SCL employees to working for Russian entities.

What Brexit should have taught us about voter manipulation

Paul Flynn
[Read more](#)

Article 50 has been triggered. AggregateIQ is outside British jurisdiction. The Electoral Commission is powerless. And another election, with these same rules, is just a month away. It is not that the

authorities don't know there is cause for concern. The *Observer* has learned that the Crown Prosecution Service did appoint a special prosecutor to assess whether there was a case for a criminal investigation into whether campaign finance laws were broken. The CPS referred it back to the electoral commission. Someone close to the intelligence select committee tells me that "work is being done" on potential Russian interference in the referendum.

Gavin Millar, a QC and expert in electoral law, described the situation as "highly disturbing". He believes the only way to find the truth would be to hold a public inquiry. But a government would need to call it. A government that has just triggered an election specifically to shore up its power base. An election designed to set us into permanent alignment with Trump's America.

Martin Moore of King's College, London, pointed out that elections were a newly fashionable tool for would-be authoritarian states. "Look at Erdoğan in Turkey. What Theresa May is doing is quite anti-democratic in a way. It's about enhancing her power very deliberately. It's not about a battle of policy between two parties."

This is Britain in 2017. A Britain that increasingly looks like a "managed" democracy. Paid for a US billionaire. Using military-style technology. Delivered by Facebook. And enabled by us. If we let this referendum result stand, we are giving it our implicit consent. This isn't about Remain or Leave. It goes far beyond party politics. It's about the first step into a brave, new, increasingly undemocratic world.

Key names

SCL Group

British company with 25 years experience in military "psychological operations" and "election management".

Cambridge Analytica

Data analytics company formed in 2014. Robert Mercer owns 90%. SCL owns 10%. Carried out major digital targeting campaigns for Donald Trump campaign, Ted Cruz's nomination campaign and multiple other US Republican campaigns – mostly funded by Mercer. Gave Nigel Farage's Leave.EU "help" during referendum.

Robert Mercer

US billionaire hedge fund owner who was Trump's biggest donor. Owns Cambridge Analytica and the IP [intellectual property] of AggregateIQ. Friend of Farage. Close associate of Steve Bannon.

Steve Bannon

Trump's chief strategist. Vice-president of Cambridge Analytica during referendum period. Friend of Farage.

Alexander Nix

Director of Cambridge Analytica and SCL Group.

Christopher Wylie

Canadian who first brought data expertise and microtargeting to Cambridge Analytica; recruited AggregateIQ.

AggregateIQ

Data analytics company based in Victoria, British Columbia, Canada. Worked for Mercer-funded PACs that supported the Trump campaign. Robert Mercer owns AggregateIQ's IP. Paid £3.9m by Vote Leave to "micro-target" voters on social media during referendum campaign. Outside British jurisdiction.

Veterans for Britain

Given £100,000 by Vote Leave. Spent it with AggregateIQ.

BeLeave

Youth Leave campaign set up by 23-year-old student. Given £625,000 by Vote Leave & £50,000 by another donor. Spent it with AggregateIQ.

DUP

Democratic Unionist Party of Northern Ireland. Spent £32,750 with AggregateIQ.

Thomas Borwick

Vote Leave's chief technology officer. Previously worked with SCL/Cambridge Analytica and AggregateIQ.

ASI Data Science

Data science specialists. Links with Cambridge Analytica, including staff moving between the two and holding joint events. Paid £114,000 by Vote Leave. Vote Leave declared £71,000 to Electoral Commission.

Donald Trump

US president. Campaign funded by Mercer and run by Bannon. Data services supplied by Cambridge Analytica and AggregateIQ.

Nigel Farage

Former UKIP leader. Leader of Leave.EU. Friend of Trump, Mercer and Bannon.

Arron Banks

Bristol businessman. Co-founder of Leave.EU. Owns data company and insurance firm. Single biggest donor to Leave – £7.5m.

Some names, ages and other identifying details of sources in this article have been changed

After working for Trump's campaign, British data firm eyes new U.S. government contracts

What you need to know about SCL Group and its ties to the White House

Play Video2:06

SCL Group, the parent company of British data firm Cambridge Analytica, is increasing its pursuit of government contracts. The company has ties to people in Trump's inner circle, including White House senior strategist Stephen K. Bannon, who until recently was on the board of Cambridge Analytica. (Thomas Johnson/The Washington Post)

By **Malea Gold** and **Frances Stead Sellers** February 17

During last year's race, President Trump's campaign paid millions of dollars to a data science firm, Cambridge Analytica, that **touted its ability** to target voters through psychological profiling.

Now, with Trump in office, Cambridge's British parent company is ramping up its U.S. government business by pursuing contracts that could be driven by the new president's policy agenda, according to multiple people with knowledge of the firm's activities who spoke on the condition of anonymity to describe private interactions.

The company, SCL Group, has hired additional staffers who are working out of a new office down the street from the White House. It has in recent weeks pitched officials in key national security agencies on how its technology could be used to deter terrorism, bolster the military's capacities as it prepares for a possible buildup and help assess attitudes about immigrants.

SCL Group has ties to people in Trump's inner circle, including White House chief strategist Stephen K. Bannon, who until recently was

on the board of Cambridge Analytica.

In addition, one of Cambridge's main financiers is [hedge fund magnate Robert L. Mercer](#), whose daughter Rebekah is [one of the most influential donors in Trump's orbit](#), according to people with knowledge of Mercer's investment.



Alexander Nix, chief executive of Cambridge Analytica, confirmed recent outreach to federal agencies and acknowledged that the company was stepping up its efforts to secure U.S. government business. (Joshua Bright/Fer The Washington Post)

[The rise of GOP mega-donor Rebekah Mercer]

Company executives say they are not exploiting their ties to the White House and are simply building on government work they have done in the past. But SCL's move to expand its government business reflects how corporate interests connected to the administration see new opportunities in Trump's Washington, even as the president vows to "drain the swamp." And it shows how contractors are viewing the new administration's spending priorities as potentially lucrative opportunities.

SCL's effort is being driven by a former aide to now-departed national security adviser Michael Flynn, who served as an adviser to the company in the past.

As part of its outreach to U.S. officials, SCL is touting more than 20 years of experience [in shaping voter perceptions](#) and [advising militaries and governments](#) around the world on how to conduct effective psychological operations. In materials obtained by The Washington Post, the company suggests it could help the Pentagon and other government agencies with "counter radicalization" programs. At the State Department, SCL is offering to assess the impact of foreign propaganda campaigns, while the company says it could provide intelligence agencies with predictions and insight on emerging threats, among other services.

Government officials familiar with the company said that SCL just finalized a \$500,000 contract with the State Department in the works before the election and that its executives recently met with procurement officials at the Department of Homeland Security.

Alexander Nix, a senior SCL executive who has overseen its U.S. expansion, confirmed the recent outreach to federal agencies and acknowledged that the company was stepping up its efforts to secure U.S. government business. He said that the push is an extension of the work the company has done as a subcontractor on a variety of government projects during the last 14 years — and that SCL would have sought the new work no matter who had won the election.

"We're clearly seeking to augment our existing client services and products with some of the new technologies we've been developing in our other sectors, such as the political field," he said in a phone interview. "But this is not a radical shake-up or anything new."

"I'd like to think that regardless of the outcome of the election, we'd be working in this space," Nix added and said he has not

communicated with Bannon about the company's work. "We've survived different administrations from left and right of the aisle, with different policy agendas."

Cambridge Analytica collected at least \$6 million from the Trump campaign for its data-analytics work, federal filings show. Bannon was a key driver of the company's push into the U.S. political market in 2014, according to multiple people familiar with his role.

[The rise of GOP mega-donor Rebekah Mercer]

Company officials declined to comment on Bannon's relationship with Cambridge.

Nix said that any involvement Bannon "may have had with the company is being discussed" with federal ethics officials. Bannon, like other top White House staff, is required to file a personal financial disclosure form that will become public later this year.

"They will be, I'm sure, making all that information available in due course," Nix said.

White House officials did not respond to requests for comment. A spokeswoman for the Mercers said they could not be reached for comment.

Trump's surprise win has meant boom times for Cambridge, which is now in hot demand by political campaigns and corporate clients across the globe.

"It's like drinking from a fire hose," Matt Oczkowski, Cambridge's head of product, said in an interview at the company's new Pennsylvania Avenue offices. "Besides Antarctica, we've gotten interest from every continent."

Much of the curiosity is driven by Cambridge's emphasis on psychographics, the study of personality traits. By measuring qualities such as openness, conscientiousness and neuroticism, officials say they can craft more effective appeals and drive people to take action.

The Mercers were early investors in the company, dismayed that the Republican Party had lost the data war in the 2012 elections.

Bannon, who was then operating as the family's political adviser, was a participant in strategy meetings as the company worked to sign up American campaign clients. "He was instrumental in the rollout of Cambridge Analytica in the United States," said one person familiar with his role.

The company first garnered attention in 2015 when it was tapped by the presidential campaign of Sen. Ted Cruz (R-Tex.). In the end, Cambridge's work proved uneven, according to campaign officials, who said that while its data scientists were impressive, its psychographic analysis did not bear fruit. Company officials said they were still learning how to apply the approach in a tightly compressed primary environment.

Cambridge then moved on to serve as the Trump campaign's data-science provider. While company officials said they did not have sufficient time to employ psychographics in that campaign, they did data modeling and polling that showed Trump's strength in the industrial Midwest, shaping a homestretch strategy that led to his upset wins in Michigan, Wisconsin and Pennsylvania.

[Trump's plan for a comeback includes building a 'psychographic' profile of every voter]

Headquartered in a nondescript building on New Oxford Street in central London, SCL Group has the look of a staid insurance agency, with employees working at rows of computer screens. But along with project managers, IT specialists and "creatives" who design websites are psychologists and a team of data-scientists, many of whom hold doctorates in physics, quantum mechanics and astrophysics.

SCL's main offering, first developed by its affiliated London think tank in 1989, involves gathering vast quantities of data about an audience's values, attitudes and beliefs, identifying groups of "persuadables" and then targeting them with tailored messages. SCL began testing the technique on health and development campaigns in Britain in the early 1990s, then branched out into international political consulting and later defense contracting.

Emma Briant, who wrote about SCL's work in her 2015 book "Propaganda and Counter-Terrorism: Strategies for Global Change," said its approach can be used to manipulate the public, which is largely unaware how much of their personal information is available.

"They are using similar methodologies to those the intelligence agencies use with openly available data in order to create a commercial advantage for themselves," said Briant, a journalism studies lecturer at the University of Sheffield in Britain, who is on leave to conduct

research at George Washington University. “They are exploiting our dependence on social media.”

Nix, who serves as Cambridge’s chief executive, said that none of the information the company collects is “particularly intrusive,” adding that SCL’s data-science techniques were predominantly developed in the political space, not for military clients.

“This is not medical data or health data or financial data,” he said of the U.S. data that Cambridge collects. “It’s what cereal you eat for breakfast and what car you drive.”

SCL, which says it has worked in 100 countries, offers military clients techniques in “soft power.” Nix described it as a modern-day upgrade of early efforts to win over a foreign population by dropping propaganda leaflets from the air.

In a [2015 article for a NATO publication](#), Steve Tatham, a British military psyops expert who leads SCL’s defense business outside of the United States, explained that one of the benefits of using the company’s techniques is that it “can be undertaken covertly.”

“Audience groups are not necessarily aware that they are the research subjects and government’s role and/or third parties can be invisible,” he wrote.

In the United States, the company’s efforts to win new government contracts are being led by Josh Weerasinghe, a former vice president of global market development at defense giant BAE Systems who previously worked with Flynn at the Office of the Director of National Intelligence. Flynn served as an adviser to SCL on its efforts to expand its contracting work, according to two people familiar with his role.

Weerasinghe declined to comment. Flynn, ousted this week as Trump’s national security adviser amid questions about his conversations with Russian officials, could not be reached for comment.

In early February, Weerasinghe met with several procurement officials at the Department of Homeland Security. A DHS official said the gathering was focused on “whether their data analytics services could benefit the department.”

The company also just finalized a contract with the State Department’s Global Engagement Center to provide audience analysis for the center’s efforts to dissuade military-age males from joining the Islamic State, according to people familiar with the details. A State Department spokesman declined to comment on why SCL was selected.

SCL’s efforts to land new government contracts come as Trump has vowed to vastly expand the military. In late January, he [signed an executive order](#) to launch the “great rebuilding of the Armed Forces,” pledging support for more troops, weapons, ships and planes.

[Trump promises ‘great rebuilding of the Armed Forces’ while signing executive order at the Pentagon]

Nix said that while an increase in defense spending could “help” the company’s business, SCL’s government division sees potential beyond the Pentagon and Homeland Security. “We see the applications for these technologies as much in tourism and health care and treasury,” he said.

He rejected the idea that SCL’s intensifying pursuit of government contracts could be viewed as a conflict of interest because of its role in helping elect the president.

“Look, clearly the decision-makers on the campaign are very different people than the decision-makers in government,” he said, noting that the responsibility for contracts falls with procurement officials. “There is a code of ethics in order to make sure that is the case, and we adhere to that.”

Cambridge now has a database of 230 million American adults, with up to 5,000 pieces of demographic, consumer and lifestyle information about each individual, as well as psychological information people have shared with the company through quizzes on social media and extensive surveys, Nix has said.

“By having hundreds and hundreds of thousands of Americans undertake this survey, we were able to form a model to predict the personality of every single adult in the United States of America,” Nix declared in a speech at a New York conference in September 2016.

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The company has its share of skeptics who question whether its data-driven messaging can actually change behavior.

“They walked me through the entire formula, and something just didn’t add up,” said a consultant who worked briefly for SCL and spoke on the condition of anonymity to describe private interactions with the company. “All of a sudden it spits out analysis and data. There was a leap in logic.”

Nix shrugged off such doubters.

“We have been doing this for nearly 30 years,” he said. “I suppose if it didn’t work, we wouldn’t still be in business and we wouldn’t still be growing.”

Sellers reported from London. Tom Hamburger in Washington contributed to this report.

The rise of GOP mega-donor Rebekah Mercer



Conservative donor Rebekah Mercer, pictured at the Media Research Center's 2015 annual gala at the National Building Museum in Washington, D.C. (Photo courtesy of the Media Research Center)

By [Malea Gold](#) September 14, 2018

Mitt Romney had just lost the 2012 presidential election, and a group of wealthy donors assembled in New York’s University Club was trying to figure out what had gone wrong. Suddenly, a young woman stood up before the largely male crowd and delivered an unsparing critique of the Republican’s technology and canvassing operations.

Thomas Saunders III, chairman of the Heritage Foundation’s Board of Trustees, was impressed. “Who is that?” he asked the man next

him.

Soon, there would be few in conservative policy and political circles who did not know the name Rebekah Mercer.

Galvanized in part by the Republicans' 2012 White House loss, the middle daughter of billionaire hedge fund magnate Robert Mercer has rattled the status quo by directing her family's resources into an array of investments on the right. In the past six years, the Mercers have poured tens of millions into Republican super PACs, Washington think tanks, state policy shops, a film-production company, a data analytics operation and one of the country's most provocative online conservative news outlets.

This year, Rebekah Mercer has emerged as a heavyweight presidential player, leading a super PAC financed by her father that was the biggest outside benefactor of Sen. Ted Cruz (Tex.) during the Republican primaries.

<iframe width='480' height='700' scrolling='no' src='http://www.washingtonpost.com/politics/photos-of-donald-trump-on-the-campaign-trail/2016/07/30/3e3b9ea0-566d-11e6-b7de-dfe509430c39_gallery.html?_template=gallery-embed' frameborder='0' webkitallowfullscreen mozallowfullscreen allowfullscreen></iframe>

What Donald Trump is doing on the campaign trail



View Photos

The GOP presidential nominee is out on the trail ahead of the general election in November.

After Donald Trump clinched the nomination, the Mercers rallied to his side. Their imprint is now evident on the real estate developer's campaign, which is led by three close associates who ran Mercer-funded enterprises: former Breitbart News executive chairman Stephen Bannon, pollster Kellyanne Conway and Citizens United President David Bossie.

Meanwhile, Rebekah Mercer has taken up the day-to-day management of her family's super PAC, which is producing a string of [searing ads](#) attacking Democratic nominee Hillary Clinton.

Mercer exemplifies a new breed of activist donors that has risen since the Supreme Court kicked off a flood of big money into elections in 2010. As one of the most influential figures in Trump's orbit, she threatens to undercut the candidate's insistence that he is free from the influence of elite contributors. And her access shows how donors can easily move between a campaign and a super PAC that is supposed to operate independently.

In response to a question about Mercer's influence on the campaign, Trump spokeswoman Hope Hicks said in a statement: "The only special interest Mr. Trump is beholden to is the American people."

The 42-year-old former Wall Street trader is not your typical mega-donor, and not just because of the vast wealth of her father, who earned an estimated \$150 million last year, according to Forbes.

Unlike other GOP financiers

Mercer home-schools her four children and runs an online gourmet cookie company with her sisters.

And unlike many veteran GOP financiers, Mercer feels more aligned with the anti-establishment movement that has buffeted the Republican Party. Although she and her family live in a sprawling triplex in a Trump-branded residential building on Manhattan's Upper West Side, she maintains a keen sense of what will resonate with the conservative base, friends and colleagues said.



mega-donor Rebekah Mercer backed Sen. Ted Cruz of Texas, shown here in Nevada, in the GOP presidential primary before switching allegiance to nominee Donald Trump. (Ricky Carioti/The Washington Post)

"You would never think that this would make sense coming from the daughter of a billionaire, but she has an incredible understanding of the grass roots," said L. Brent Bozell, founder of the Media Research Center, who is close to the family. "She is grounded in that, and she will ground you in that by constantly bringing you back and pulling you away if you are in any way drawn to the Beltway."

[How Trump charms wealthy donors in private — by seeking their advice]

Mercer is now applying those instincts and her family's vast fortune to the biggest insurgent play yet: propelling Trump into the White House.

People close to her say that she admires how Trump challenges orthodoxies, even though she has flinched at some of his more unvarnished comments. An even bigger driver is her deep-seated opposition to Clinton, who she believes would further expand the size and influence of the federal government.

"One is faced with a binary choice right now, and you know the country would be taken in one very clear direction with Hillary Clinton, and that's a direction she would find extremely objectionable," said Leonard Leo, a friend who serves as executive vice president of the Federalist Society.

Intensely private, Mercer declined repeated requests for an interview.

"If she could be anonymous, I bet she'd prefer that," said friend Alexandra Preate, a public relations executive.

'Not a Marie Antoinette'

Mercer was shaped by her upper-middle-class upbringing in the New York suburb of Yorktown Heights, where her father then worked at IBM, pulling down a comfortable salary but not enough to cover college tuition for three daughters, friends said.

"Rebekah is not a Marie Antoinette," said Amity Shlaes, an author who chairs the board of the Calvin Coolidge Presidential Foundation,

which gets Mercer funding. “Her father was a research scientist at IBM. Her family did well late. She understands what it means to make economic decisions.”

Mercer, known as “Bekah” to close friends and family, is one of three sisters. The eldest, Jennifer, who goes by Jenji, has a law degree from Georgetown. The youngest, Heather Sue, made headlines in the early 1990s when [she successfully sued Duke University](#) for sex discrimination after she was cut from the football team.

Rebekah followed her older sister to Stanford University, where she studied biology and math and, in 1999, earned a master’s degree in management science and engineering. There, she met her future husband, Sylvain Mirochnikoff, a native of France, who now works as a managing director at Morgan Stanley.

Mercer, herself, did a short stint on Wall Street as a trader until her children were born. In 2006, when Heather Sue discovered that their favorite bakery, Ruby et Violette, was up for sale, the Mercer sisters bought it.

At the time, their website joked that Rebekah “washes the dishes.” But she approached the enterprise with characteristic thoroughness, filing trademarks for luxury cookie gift-basket names, such as [Chenonceau](#), named after a chateau in France’s Loire Valley, patent records show.

Still, her interests lay elsewhere. Mercer shares her father’s free-market philosophy and views a bloated federal government as a threat to enterprise, associates said. In 2010, around the time Robert Mercer became co-chief executive of the Renaissance Technologies hedge fund, Rebekah Mercer began deepening her involvement in conservative circles.

[How a reclusive computer programmer became a GOP money powerhouse]

Darey Olsen, chief executive of the Goldwater Institute, a Phoenix-based libertarian think tank, recalled meeting her at a breakfast for prospective donors in New York.

“This woman walks in, and she is tall and she has this gorgeous mane of brunette hair and this baby sling and a tiny, beautiful baby,” Olsen recalled. “Politics is still a bit of a man’s world, and when I saw her walk into this meeting with a baby, I was like, ‘This is my kind of woman.’ We got to talking policy, and I realized that she was smart and as committed to the same set of principles as I am.”

Mercer joined the board of the Goldwater Institute and threw a cocktail reception at her Manhattan home to introduce Olsen to her friends and colleagues. Her family foundation gave nearly \$1 million to the institute between 2011 and 2014, tax records show.

Still, until recently, “I had no idea of the extent of her enthusiasm for the cause, or her ability to contribute to it,” Olsen said.

‘She thinks out of the box’

Since 2010, Robert Mercer has climbed the ranks of [the country’s biggest political donors](#), giving at least \$36.5 million to federal GOP candidates and super PACs. Rebekah has contributed an additional \$814,500, campaign finance records show.

At the same time, the Mercers have steadily upped their nonprofit investments. Run by Rebekah, the family foundation went from doling out \$1.7 million in 2009 to \$18.3 million in 2014, according to tax records.

In all, the foundation gave nearly \$35 million to conservative think tanks and policy groups in those five years, according to records compiled by The Washington Post and GuideStar USA.

[Meet the wealthy donors who are pouring millions into the 2016 elections]

The Mercers’ largesse has catapulted Rebekah Mercer onto the boards of conservative organizations across the country, including the venerable Heritage Foundation, which she joined as a trustee in 2014.

“She thinks out of the box,” said Saunders, the Heritage board’s chairman, who first noticed Mercer’s “fiery” delivery at the Romney post-mortem in 2012. “She will immediately question what we are doing. It is constituents who are changing things in this election, and she’s on things like that, saying, ‘What is the best way to reach the American people?’”

One of the efforts Rebekah is most proud of, according to friends, is a watchdog group called [Reclaim New York](#) that she started in 2013 with Bannon, the longtime executive chairman of Breitbart News, which counts Robert Mercer among its investors. Reclaim New York is using the state’s freedom-of-information law to try to disclose every local public expenditure and is working to train citizens to function as watchdogs in their own communities.

At times, the Mercers' insistence that they know best has rankled others in the conservative movement.

"One thing to know about the Mercers: They always think they have a better mousetrap," said a Republican strategist who knows them and requested anonymity to avoid angering the family. "Whatever you are doing, they have something they are doing in a better way."

Until now, the family's political spending has had uneven returns. This summer, Robert Mercer gave \$200,000 to a super PAC backing a GOP primary challenger to Sen. John McCain of Arizona, who won handily. McCain said he believes that the donation was retribution for a 2014 congressional subcommittee report that found Mercer's hedge fund evaded taxes, which the firm has denied.

"So far, I wouldn't say they have been particularly effective," said GOP strategist John Weaver, a former McCain adviser. But with their resources and determination to influence politics, he added, "I am concerned about what kind of role they will play in the future."

The Mercers declined to comment. A friend familiar with their thinking said the family's "time and resources are dedicated to preserving freedom and protecting the Constitution. Many elitist politicians and strategists in Washington profit with the current system at the expense of their fellow Americans."

From Cruz to Trump

After the 2012 elections, Robert Mercer invested in Cambridge Analytica, a data-analytics firm, driven in part by an assessment that the right was lacking sophisticated technology capabilities, associates said. Rebekah Mercer has urged the organizations that her family funds to hire the company, according to people familiar with her advocacy.

Cambridge was a major vendor to Cruz's presidential campaign, which paid it \$5.8 million before he dropped out in May, campaign finance records show. Trump, who has expressed skepticism about the value of data analytics, brought Cambridge aboard in July, paying it \$100,000.

Cambridge shares a Beverly Hills, Calif., address with other Mercer investments. The company's Wilshire Avenue office suite is also the home of Breitbart News and a movie production company called Glittering Steel, which helped finance the films "Torchbearer," starring "Duck Dynasty" star Phil Robertson, and "[Clinton Cash](#)," a documentary based on the book by Peter Schweizer.

In the GOP primaries, Robert Mercer poured \$13.5 million into the family super PAC — then called Keep the Promise 1 — in support of Cruz.

In May, shortly after the senator from Texas dropped out of the race, Trump's daughter Ivanka and her husband, Jared Kushner, invited Mercer and Conway to lunch at Trump Tower.

Over sandwiches and salads in a conference room, Ivanka and Rebekah bonded over parenting young children and being the daughters of hard-charging, successful fathers, according to people familiar with their conversation.

[Meet Donald Trump's 'basket of deplorables']

Rebekah's sister Jenji and her mother were already fans of the real estate developer, according to a friend. And now Rebekah was on board: The family would help Trump.

By late June, the Mercer super PAC had been relaunched as an anti-Clinton vehicle called Defeat Crooked Hillary PAC.

Last month, Rebekah Mercer was among those who [privately urged Trump to retool his campaign leadership](#). At a fundraiser in the Hamptons, she and Trump discussed the merits of hiring Bannon. Within days, the candidate had tapped Bannon as chief executive, pushing aside then-campaign chairman Paul Manafort. Trump also named Conway campaign manager. A few weeks later, Bossie, who has been close to the billionaire for years, [was hired](#) as deputy campaign manager.

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In a statement, Trump called Mercer "a spectacular woman and leader."

"Her greatest desire is to make America great again," the statement read. "Our country is lucky to have her support."

Friends were not surprised by the turn of events. Rebekah Mercer is not known for giving up, they said.

"It would have done no good in June to sulk around and say, 'I lost.' These are people who are doers, they are not talkers," said Saunders. He added that he believes Rebekah and her associates have had an influence on Trump, who has been a relatively more disciplined

candidate in the past month. “What better job can you do, if you can turn him into a winner?”

Alice Crites, Anu Narayanswamy and Paul Kane contributed to this report.

Major Trump donor Robert Mercer to sell stake in far-right news site Breitbart

Billionaire investor to sell stake in Breitbart for ‘personal reasons’
Mercer distances himself from Bannon and severs ties with Milo Yiannopoulos

Robert Mercer said of Milo Yiannopoulos: ‘I was mistaken to have supported him, and for several weeks have been in the process of severing all ties with him.’ Photograph: Oliver Contreras/The Washington Post via Getty Images

David Smith in Washington

@smithinamerica

Thursday 2 November 2017 16:23 GMT

Last modified on Thursday 2 November 2017 18:55 GMT

Billionaire investor Robert Mercer, who was Donald Trump’s biggest single donor during the presidential election, is to sell his stake in the controversial rightwing news site [Breitbart](#).

Revealed: Ukip whistleblowers raised fears about Breitbart influence on Brexit

[Read more](#)

The 71-year-old also plans to step down as co-chief executive of hedge fund [Renaissance Technologies](#) from 1 January, according to a letter he sent to investors.

Mercer and his daughter, Rebekah, are Republican mega-donors and patrons of [Steve Bannon](#), the chairman of Breitbart News and former White House chief strategist known for his populist views.

In a letter to colleagues at the hedge fund, Mercer acknowledged that he has come under scrutiny and said “for personal reasons” he has decided to sell his stake in Breitbart News to his daughters, Bloomberg reported.

“The press has also intimated that my politics marches in lockstep with Steve Bannon’s,” Mercer wrote. “I have great respect for Mr Bannon, and from time to time I do discuss politics with him. However, I make my own decisions with respect to whom I support politically. Those decisions do not always align with Mr Bannon’s.”

Turning to notorious former Breitbart provocateur Milo Yiannopoulos, Mercer reportedly added: “I supported Milo Yiannopoulos in the hope and expectation that his expression of views contrary to the social mainstream and his spotlighting of the hypocrisy of those who would close down free speech in the name of political correctness would promote the type of open debate and freedom of thought that is being throttled on many American college campuses today.

“But in my opinion, actions of and statements by Mr Yiannopoulos have caused pain and divisiveness undermining the open and productive discourse that I had hoped to facilitate. I was mistaken to have supported him, and for several weeks have been in the process of severing all ties with him.”

He added: “For personal reasons, I have also decided to sell my stake in Breitbart News to my daughters.”

Mercer’s politics have put him at odds with those of other top figures at Renaissance. Jim Simons, who remains chairman of the Renaissance board, was one of Hillary Clinton’s top financial backers during last year’s election.

Mercer was a leading financial backer of Cambridge Analytica, a data mining company that worked with the Trump campaign. The WikiLeaks founder Julian Assange said last month that Cambridge Analytica had approached it during the election but did not give further details.

Trump was a guest last December at Mercer’s annual holiday costume party at Owl’s Nest, his Long Island estate. The president’s adviser Kellyanne Conway tweeted: “Honoring the ultimate hero at the Mercer ‘Heroes and Villains’ party on Long Island. Crowd thrilled w/ surprise!”

[View image on Twitter](#)

Kellyanne Conway



@KellyannePolls

Honoring the ultimate hero at the Mercer "Heroes and Villains" party on Long Island. Crowd thrilled w/ surprise!

2:55 PM - Dec 4, 2016

3,7023,702 Replies

6,2216,221 Retweets

21,33821,338 likes

[Twitter Ads info and privacy](#)

Mercer will leave the board of Renaissance but remain at the company, which manages more than \$50bn in assets, as a member of the technical staff focusing on research work.