

Influential Indians lend weight and wealth to Clinton cause

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By Edward Luce in Washington

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Indian-Americans for Hillary - a group that supports Mrs Clinton's 2008 campaign - will host a fundraising event in New York on Sunday that could net the former first lady between \$500,000 and \$1m. Among other wealthy Indians, Lakshmi Mittal, the London-based steel magnate, is expected to attend.

With all the presidential candidates scrambling to meet their second quarter fundraising targets by the end of this month, Mrs Clinton's ties with the increasingly wealthy 2.3m-strong Indian-American community could prove very helpful.

Just as helpful was a memo written and leaked last week by junior campaign staff for Barack Obama, who is trailing Mrs Clinton in the Democratic race, which made fun of her ties to prominent Indian-American business leaders.

Entitled Hillary Clinton "D-Punjab" (Democratic senator for the Indian state of Punjab), the memo outlined Mrs Clinton's allegedly hypo-critical links to groups that have transferred US jobs to India while at the same time the senator claims to stand up for ordinary Americans.

Mr Obama, who has garnered enthusiasm among Indian-American students, apologised for the memo, which he described as "caustic" and "stupid" and which he said he had not authorised. But the damage from what some Indians see as the memo's borderline prejudiced undertones could prove hard to undo.

"In addition to being offended by the clear anti-Indian sentiment in the memo, we were particularly disturbed because the memo flies in the face of what we respect most about Senator Obama - his inclusive message and his ability to relate to people of all backgrounds," said a statement by South Asians for Obama.

Alienating Indian-Americans is an increasingly expensive prospect in US politics. With a median income of \$61,000 (£31,700, €45,500) compared with a national median of \$41,000 according to the US census bureau, Indians are the richest ethnic group in America. More than 300,000 Indians work in Silicon Valley, where their average income is \$200,000.

Many support Mrs Clinton, who has repeatedly defended the right of US companies to offshore business to India arguing that "you cannot legislate against reality". Mrs Clinton, who is also co-chair of the "Friends of India" caucus on Capitol Hill, will be the keynote speaker in Silicon Valley next month at the annual conference of the alumni of the Indian Institutes of Technology - the elite engineering schools that have produced many of India's - and America's - software leaders.

"There is a lot of support for Hillary because she has stuck by Indians on the two issues that most motivate us - defending offshoring and supporting the US-India nuclear deal," said a leading Indian business executive in San Francisco.

Among the ties listed in the leaked memo, the links between the Clintons and Vinod Gupta, chief executive of the technology company InfoUSA, are prominent. Bill Clinton, who earned \$10m last year in speaking fees, has received \$2.1m in consulting fees from InfoUSA and both Clintons have used Mr Gupta's private jets to attend political events.

The value of the flights is estimated at \$900,000 over many years. Mrs Clinton has complied with regulations that require senators to reimburse the owner of corporate jets the equivalent cost of a first-class fare. The memo also says Mrs Clinton has received \$60,000 in campaign contributions from employees of Cisco, the prominent US router-maker that has thousands of employees in India.

In an interview with an Indian online magazine, Mr Obama insisted that he supports an open economy, including offshoring.

"I hope and trust that all my friends in the Indian-American community understand that it [the memo] did not reflect my views, either on the complex issue of outsourcing or on my attitude towards the enormous contributions of the Indian-American community that they have made to this country," Mr Obama told India Abroad.

Financial targets put pressure on US campaign fundraisers

With just 10 days to go before the end of the second financial quarter, the 18 Democratic and Republican presidential candidates are cramming in as many fund-raising events as possible to try to meet their campaign finance targets, **writes Edward Luce in Washington.**

The first quarter produced several shocks in what the media dubbed the "money primary" - in reference to the party voting primaries and caucuses that take place in January next year.

In spite of having the most formidable money-raising machine in US politics, Mrs Clinton was emulated by the comparative newcomer, Barack Obama, in the first quarter, who raised \$25m compared with Mrs Clinton's \$26m (she also had \$10m cash on hand left over from her Senate re-election campaign last year).

In this quarter, many are predicting Mr Obama will significantly outraise Mrs Clinton partly because he has attracted such a large audience of internet donors and supporters. According to leaks from Mrs Clinton's campaign her target is to raise \$27.5m, which she is on course to meet. Mr Obama is rumoured to be on course to raise more than \$30m.

Among the Republicans, the biggest focus is on John McCain, the former frontrunner, who was significantly out raised in the first quarter by Rudy Giuliani and Mitt Romney, who topped the field with \$23m in donations. Mr McCain took in just \$12m in new funds.

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