

Inquiring Minds Topic – 4 November 2016

Melissa Butler, Moderator

Do We Really Need Campaign Finance Reform?

Elizabeth Renstrom, Time

Some political analysts see corruption in unrestricted spending. Others see an equal playing field.

By the time America's next president is named this November, campaign spending for all the candidates who ran in the election is projected to total about \$4.4 billion—on [television ads alone](#). In the wake of *Citizens United*, the landmark 2010 Supreme Court case that loosened restrictions on political expenditures, campaign financing has gone through the roof. Super PACs and the country's wealthiest of the wealthy contribute enormous amounts of money to campaigns, helping candidates fight their way into—and stay in—the national spotlight. But to what extent can money buy power? Dismantling campaign finance laws can create more incentive for candidates to bend their will to the people who write the biggest checks. Yet money on its own clearly isn't enough to win a presidential race. Jeb Bush's super PAC has raised more money in the first half of 2015 than President Obama's main super PAC did for the entire 2012 election cycle. But Bush is still trailing behind Donald Trump, whose media attention has allowed him to [spend just a fraction](#) of Bush's costs on his campaign. So when does money go from being necessary for a candidate's voice to be heard to corrupting the political process? In advance of a January 12 Zócalo event, "[What Will the Presidential Elections Cost Us?](#)", we asked a variety of political analysts: **How can we mitigate the effects of "big money" on American politics?**

Miriam Marks: Create a more timely and effective system of donor disclosure

While campaign finance information must be made public by law, that doesn't mean it's easy to track down. Federal candidates' reporting requirements allow them to submit campaign donor information on a quarterly basis and sometimes on handwritten documents that must be manually typed in by data-entry specialists. Super PACs, the more formidable big-money vehicles that emerged from the *Citizens United* decision, can accept unlimited contributions but need only file donors' information quarterly in general election years and on a semi-annual basis in odd-numbered years. As a result, the identity of the largest donors to super PACs cannot be determined until months after the contributions were made.

The picture is no brighter with so-called "secret money groups"—organizations such as 501(c)(4) social welfare groups that are not required to disclose their donors under current IRS rules despite increasing levels of political activity. These groups are playing a large role in campaign finance precisely because they are able to operate entirely beyond the realm of disclosure and can exert their influence by funding candidates and super PACs in anonymity. Better disclosure rules would require more frequent filing deadlines for entities that do file,

with mandatory 24-hour reporting for large contributions. They would require a complete move away from any forms without machine-readable data. And they would need appropriate enforcement in tandem from the Federal Election Commission, the six-commissioner elections watchdog agency that unfortunately continues to be gridlocked by partisanship. These improvements would not only assist the journalists, researchers, and members of the public working to expose big money's influence on politics in real-time, but would also potentially deter some of the most egregious cases of such influence by increasing accountability more generally.

Miriam Marks is data director at [MapLight](#), a nonpartisan, nonprofit research organization that tracks money's influence on politics

Ann M. Ravel: Enforce the laws that already exist

The 2016 election promises to be the most expensive in history, but the problem with money in politics isn't the sheer amount being spent. Instead, the problem is a political system in which the overwhelming majority of political contributions come from a tiny number of individuals. In the first part of the 2016 election campaign cycle, just 158 families, along with companies they own or control, contributed nearly half of all the money that was raised to support the presidential candidates. Meanwhile, a huge number of people around the country are so disillusioned with government that they don't even vote, let alone contribute to political causes. We need to find new ways to engage more individuals in the political process, so that public policy decisions can reflect the input of all citizens, not just those of the donor class. To do so, some states are introducing constitutional amendments aimed at encouraging voter participation and civic engagement by improving disclosure of the true sources of political spending. Other states are experimenting with public financing of political campaigns. One promising development comes from Seattle, where a recently approved program will provide all qualified voters with four \$25 vouchers they can use to support the candidates of their choosing.

On the federal level, the Federal Election Commission needs to enforce laws that require public disclosure of campaign finance information—laws that Congress established the commission to implement, and that the Supreme Court has repeatedly held are a crucial component of our democratic system of government. Disclosing the sources of political spending helps voters make informed decisions at the ballot box, and fosters trust in the political process. When even Justice Kennedy, the author of the *Citizens United* decision, [acknowledges](#) the disclosure system isn't working, we need to do more.

Ann M. Ravel served as chair of the [Federal Election Commission](#) for 2015 and as the commission's vice chair for 2014. She previously served as chair of the California Fair Political Practices Commission

Paul Jacob: Free up campaign finance even more

The effects of so-called “big money” on American politics are largely positive. In political discourse, more voices are preferable to fewer, but without the money to advertise or hire other speakers, a candidate lacks a large enough megaphone to reach the voting public with his or her ideas.

People will not agree, of course, with every message that garners enough funding to reach their eyes and ears. Yet even disagreeable ideas and candidacies have a right to be heard. Moreover, our democratic process functions better when ideas, both positive and negative, receive a public hearing.

While some observers decry that billionaires are buying our elections, this is demonstrably false. Certainly, Sheldon Adelson, Paul Singer, and the Koch brothers did not want President Obama to be re-elected in 2012, nor did Michael Bloomberg, George Soros, and Tom Steyer wish to see Republicans enlarge their congressional majority in 2014.

Super PACs do allow a handful of wealthy donors—or even a single one—to keep a candidacy alive when otherwise it might fold for lack of funds. But voters ultimately make the decision on each candidacy. If fundraising to carpet-bomb the public with TV spots were the sole determinant of political campaigns, Jeb Bush would be running away with this year’s GOP presidential race and asking former President Phil Gramm for an endorsement.

The best way to mitigate the negative effects of big money? Further free up the campaign finance system. Allow political parties to raise unlimited contributions again. And just as millionaires can make mega-contributions to super PACs, or nonprofit groups and Bruce Springsteen can perform a very valuable concert to influence voters, individual citizens should be free to contribute as much as they can to do likewise.

Will this corrupt candidates? Let the voters decide, candidate by candidate.

Paul Jacob is president of [Citizens in Charge](#), a national organization advocating for every American’s right to initiative and referendum without regard to politics or party. He authors a daily commentary at [ThisIsCommonSense.com](#)

Lee Drutman: Institute small-donor matching

Running for public office is depressingly expensive these days. On average, it costs about \$1.6 million to land a House seat, and about \$10.5 million for a Senate seat. To pay for this, candidates naturally gravitate towards the wealthiest donors, who can write the biggest checks. The problem is that these donors are a tiny, unrepresentative group. This winnows the potential pool of candidates down to only those who can effectively raise money from these donors. It also requires candidates to spend considerable time with these campaign donors, listening sympathetically. The result is a political agenda largely hemmed in by these donors’ preferences.

We need an alternative path to office. We need a system that encourages candidates to connect broadly with constituents first and directly—not only through massive ad-buys after they’ve raised their millions. Luckily, this system already exists: New York City now gives candidates for mayor, city council, and other offices \$6 in public funding for every one dollar they raise in small individual contributions (as long as candidates abide by certain limits). This system, known as small-donor matching, resulted in wider participation and more donor diversity across income and race. Now, there is federal legislation in the works: The Government by the People Act (HR 20) would provide a 6-to-1 match for “small dollar” contributions up to \$150—and a \$25 tax credit for such donations.

A small-donor matching system changes the calculus of running for office. It pushes candidates to reach out more widely, engaging more citizens. And it provides a path for candidates who do not wish to climb through the needle’s eye of elite donor support. Given

that campaign finance limits face serious obstacles in our current environment, small-donor matching systems are a promising—and constitutional—solution.

*Lee Drutman is a senior fellow in the political reform program at [New America](#), and the author of *The Business of America Is Lobbying: How Corporations Became Political and Politics Became More Corporate**

Bradley Smith: Embrace higher spending

This question presumes that we ought to mitigate the effects of “big money.” Is that right? What are the effects?

There is considerable evidence that higher spending in politics helps voters identify candidates, place them on an ideological scale, and connect them to stances on issues. Money is also used to fund voter registration and get-out-the-vote efforts.

Money can make races less equal, but it can also make them more equal. For example, it can balance out newspaper endorsements, name recognition unrelated to political achievement or acumen, and non-monetary support from special interest groups such as unions or trade associations. And while people often complain about the negativity of campaigns when they complain about money in politics, media coverage of candidates is often more negative than advertising.

It is alleged that money “drowns out” voices, but it more often makes new voices heard. If you were introducing a new soft drink, which would you prefer—a ban on spending on soft drink advertisements, or unlimited spending on soft drink ads? The latter would clearly be preferable, even if Coke spent more than you would on advertising. In a modern society, money is needed to promote a mass message.

There are real concerns money poses about equality and corruption, but the cure is often worse than the disease. Before the 1970s, the idea of limiting individual contributions to candidates was pretty much unheard of, and campaign finance laws were almost nonexistent. Has all the regulation since, aimed at limiting the effects of big money, made things better?

Bradley Smith is the chairman of the Center for Competitive Politics and former chairman of the Federal Election Commission

Craig Holman: Rely on public financing of elections and overturn *Citizens United*

Today, two opposing currents of thought on money in campaigns are streaming through America’s political culture. The first is that unlimited and unregulated money in politics creates a robust democracy. The second is that letting the vast imbalance of wealth dominate the political sphere is a danger to democracy, which is premised upon the principle of equality. Polls show that attitudes lean toward the latter. Republicans, Independents, and Democrats alike are alarmed by money’s growing role. Many are strongly opposed to “dark money” in elections—funds given to nonprofits that lawfully are allowed to spend money on elections without disclosing their donors—and disgruntled by the *Citizens United* ruling. Yet congressional Republicans have blocked all legislative and regulatory efforts to open the books on money in politics, and the deadlocked Federal Elections Commission is unable to prevent candidates from skirting finance laws.

My organization, Public Citizen, is pushing for an executive order to require government contractors to disclose their political spending. I believe that the best ways to mitigate big money’s effects on politics are advocating for public financing of elections, especially at the

state level where opportunities exist; pressing to limit “pay-to-play”—when businesses contribute to campaigns in the hopes of procuring government contracts—around the nation; and mobilizing legislators and the public to pass a constitutional amendment that would overturn the wildly unpopular *Citizens United* decision.

Craig Holman is a government affairs lobbyist for Public Citizen. Previously, he was a senior policy analyst at the Brennan Center for Justice, New York University School of Law. This article was written for [Zocalo Public Square](#)

"You're going to have money dumped in this election cycle that's going to turn off the American people. There's going to be a need and a movement to try to control the money in politics."

That wouldn't be a revolutionary statement from a Democratic politician. But it's not from a Democratic politician. It's [from Senator Lindsey Graham](#), a 2016 Republican presidential hopeful. Graham has some personal reasons for speaking out against big money—he'll struggle to match the top-tier GOP candidates' fundraising—and has [voted](#) for campaign-finance laws in the past, but he's not the only one doing so.

[As *The Washington Post's* Matea Gold notes](#), Chris Christie has been offering a tempered critique of the emerging world of campaign finance in the aftermath of the *Citizens United*, *SpeechNow*, and *McCutcheon* court cases. “I think what is corrupting in this potentially is we don't know where the money is coming from,” the New Jersey governor said in New Hampshire.

Graham and Christie may come from the more moderate side of the party, but Ted Cruz—who most assuredly does not—also seems to find the whole business distasteful.

“I've told my six-year-old daughter, ‘Running for office is real simple: you just surgically disconnect your shame sensor,’” [he said](#). “Because you spend every day asking people for money. You walk up and say, ‘How are you doing, sir? Can I have money? Great to see you, lovely shirt, please give me money.’ That's what running for office is like.”

[Campaign-Finance Reform Has to Be Cross-Partisan](#)

But Cruz immediately followed that comment up with a qualification that's essential to the way this debate functions on the right, telling *Politico* that he thinks that hassle is worth it, since the alternative—limiting contributions—would curtail freedom. Cruz stunned the political world this month with the [revelation](#) that a network of four super PACs to support him had already raised \$31 million.

These divisions within the Republican Party seem to be the product of a movement to deregulate campaign finance that has achieved stunning victories over the last 15 years. If the movement isn't quite a victim of its own success, it now faces some disarray bred by winning so quickly and completely. Having triumphed, conservatives aren't unified on where to go next.

Starting with the attack on the McCain-Feingold campaign-finance law in 2003, opponents have won an accelerating series of victories against similar laws. The result has completely changed the world of campaign finance. *Citizens United* struck down limits on independent expenditures. *SpeechNow* made it possible for contributions to be largely hidden. Aggregate limits on personal contributions were [swept away](#) by *McCutcheon v. FEC* in 2014. Liberals are generally unified in distaste for these developments, but conservatives are faced with a new set of questions: What happens now? Are there more restrictions to knock down? Are the changes good, or have they gone too far?

For extremely wealthy donors who want to elect candidates and influence issues, their newfound power is a godsend. After spending \$92 million on super PACs in 2012, Sheldon Adelson can [summon any Republican candidate he wants](#) and has their ears to discuss Israel, his pet issue. The Koch brothers have put together a coalition that [intends to spend almost \\$1 billion in 2016](#). Some donors complained after *McCutcheon* that they'd no longer be able to hide behind limits when they didn't want to give, but the overall landscape has clearly shifted toward those writing the checks.

As Cruz suggested, it's less fun for the candidates. Who wants to spend all their time hitting folks up for money—especially if they think they have Big Ideas to solve the country's problems? Even when candidates aren't directly raising money (super PACs are legally barred from coordinating with candidates), they depend on their allies' ability to do the same sort of panhandling. Members of Congress get the shaft, too, [spending up to 12 hours a day dialing for dollars](#). The simple drag of having to do all that seems like a potent reason for candidates to push back. After all, it's not clear that there's much of a grassroots groundswell against the rise of campaign cash, despite the best efforts of activists to produce one.

The polling is a mixed bag. The number of Americans who are tightly focused on money in politics is relatively small, but concern is widespread. [A Pew poll in January](#) of voters' top priorities found that only 42 percent thought it should be a top priority for the year—well down the list, tied with the hot-button topic of transportation and just edging scientific research. But even as it fails to rise to the top of most voters' agendas, [majorities of Democrats, Republicans, and independents](#) have voiced concern about the corrupting influence of money in polls, and [the public generally supports spending caps](#).

The candidates who are doing best at fundraising, or for whom super PACs are likely to raise money effectively, are staying tactfully quiet on the issue. Marco Rubio isn't joining those edging toward caps; incidentally, a Florida businessman will [reportedly spend as much as \\$25 million to back him](#). Jeb Bush, who's gotten off to a strong start with fundraising, isn't talking much about it either.

Hillary Clinton, however, is eager to make her opinion known. Clinton is expected to have little trouble raising money, especially if she has the Democratic field effectively to herself. She seems not to have the same queasiness of about adopting the new techniques of financing campaigns that President Obama displayed in 2012, but [she also called last week](#) for a constitutional amendment to create limits or mandate transparency for campaign cash. Her call is unlikely to actually deliver ratification of an amendment, but it is a powerful signaling mechanism, especially to progressives who worry she's too moderate.

At the same time, a forthcoming book by Peter Schweizer has [excited the political world](#) with allegations of quid pro quos, in which foreign governments gave to the Clinton Foundation and Hillary Clinton, then serving as secretary of state, did them favors—essentially alleging bribery in foreign affairs. The Clinton campaign said there's nothing to the allegations.

Democratic and Republican super PACs are already lining up to attack the book or to use it to attack Clinton, respectively. The implication of Schweizer's argument is awkward for the groups poised to pour millions into publicizing its allegations, though. Shadowy organizations funded by multimillionaires, many of which [scrupulously cover up their sources of donations](#), are going to pour huge amounts of money into trying to sway the democratic process—all in an attempt to prove that huge, insufficiently transparent infusions of cash from wealthy donors can corrupt a public servant's policy decisions. Is this irony lost on the donors and the candidates they back, or does it simply not bother them?