The Top Ten Things Every Voter Should Know About Money In Politics

Information adapted from

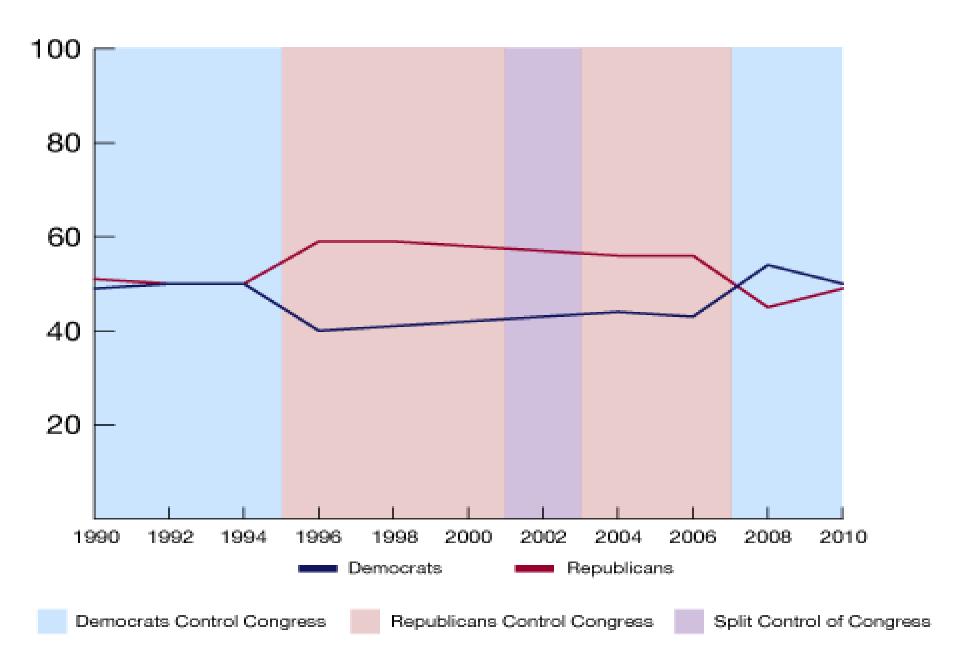
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Chapter 10.3

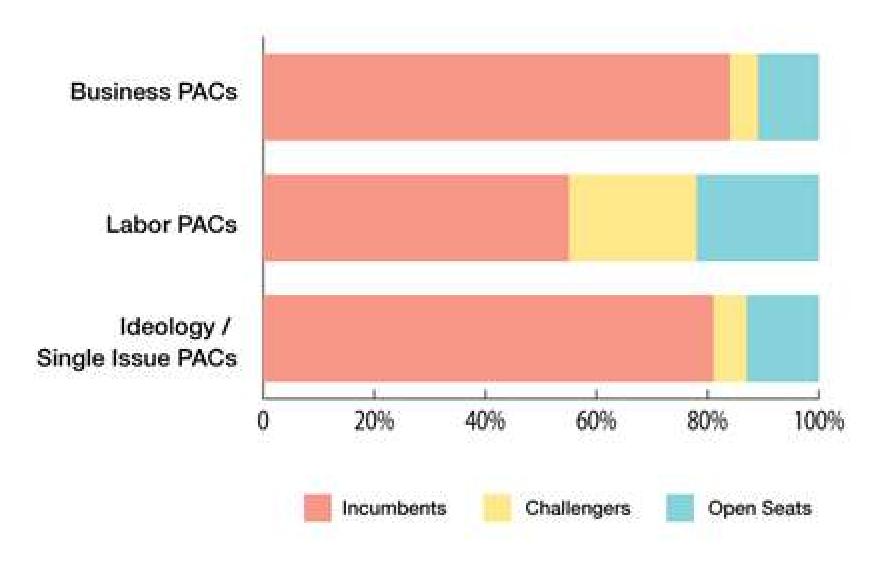
1 MONEY FOLLOWS POWER

- As surely as water flows downhill, money in politics flows to where the power is. Individuals and interest groups will give campaign contributions to politicians in the best position to deliver what they're looking for.
 Incumbents vs. Challengers
- Interest groups like safe bets, and in the political world nothing is so safe as giving money to a politician who's already in office. Re-election rates are so high that nearly all interest groups give an overwhelming majority of their campaign dollars to incumbents. They typically reserve a small part of their budgets for promising candidates in open seat races where no incumbent is running -- and very little, if anything, for challengers seeking to oust the current officeholders. Labor unions are more likely to take a chance on a new candidate than business groups, but even they put the great majority of their dollars into the re-election campaigns of incumbents.

Party Split of Business PAC and Individual Contributions

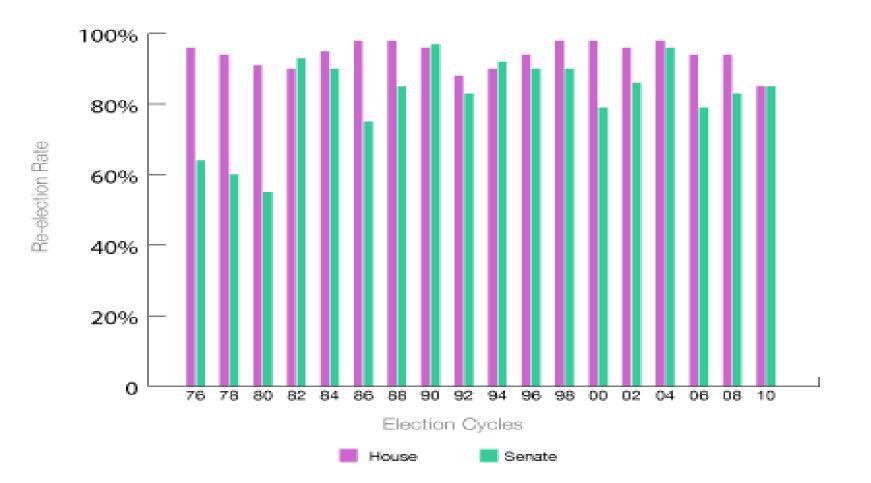


2010 PAC Contributions: Who Got What



2 INCUMBENTS NEARLY ALWAYS WIN

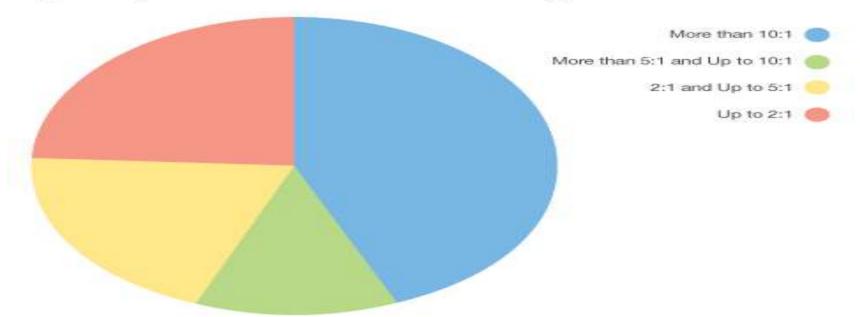
US Congress Re-election Rates (1976-2010)



MOST RACES FOR CONGRESS ARE NOT EVEN COMPETITIVE

Campaigns with money can reach voters -- with commercials, flyers, mailings -- more often and often more effectively. Candidates with minimal cash have a hard time just getting voters to recognize their name.

Spending Imbalance Between 2010 Congressional Candidates



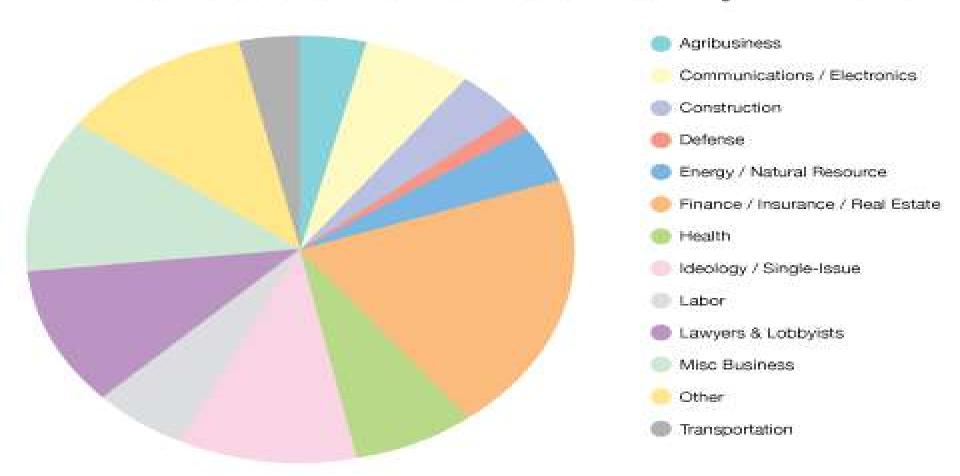
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SMALL DONORS MAKE GOOD PRESS, BIG DONORS GET YOU REELECTED

	To any candidate committee (per election)	To any national party committee (per year)	To any PAC, state/local party or other political committee (per year)	Aggregate Total
Individuals	\$2,500 subject to aggregate limit	\$30,800 per party committee, subject to aggregate limit	\$10,000 to each state or local party committee (Levin funds) \$5,000 to each PAC or other political committee subject to aggregate limit	\$117,000 per two-year election cycle as follows: \$46,200 to candidates and \$70,800 to all national party committees and PACs
Multicandidate Committee	\$5,000	\$15,000	\$5,000	No Limit
Other Political Committee	\$2,500	\$30,800 per party committee	\$10,000 to each state or local party committee (Levin funds) \$5,000 to each PAC or other political committee subject to aggregate limit	No Limit

INTERESTS BEHIND THE MONEY ARE PREDICTABLE

1990 - 2010 Contributions by Sector





DONORS SEEK A LONG TERM RELATIONSHIP

The biggest supporters of incumbent members are long-term supporters.

These supporters give money to politicians every election cycle. A politician who's received contribution after contribution from a political patron is much more likely to entertain his or her concerns during a time of political -- even personal -- need. Money often equals access, and access equals action.



THE FUNDRAISING NEVER STOPS

Fundraising for the next election begins as soon as the last election ends.

Fundraisers are happening all over D.C. every day that Congress is in session.

8 ENFORCEMENT OF CAMPAIGN LAWS IS WEAK

The agency that's supposed to oversee and enforce the campaign finance laws -- the <u>Federal Election Commission</u> -- is notoriously ineffective. In fact, it was designed that way. Congress created the FEC after the <u>Watergate scandal</u>. It's primary mission is to monitor the behavior of the lawmakers themselves.

Thus the campaign finance system is riddled with <u>loopholes</u>. <u>"Soft money"</u> -- contributions to political parties from otherwise prohibited sources such as corporations, unions and other groups -- was one such loophole that persisted for years until it was finally closed in 2002 by an act of Congress, the <u>Bipartisan Campaign</u> Reform Act.

The one exception to the FEC's reputation as an ineffective agency is the work it's done to improve <u>disclosure</u> of campaign contributions. All donations over \$100 must be reported to the FEC.

9

ALL HELL BROKE LOOSE IN THE 2010 ELECTIONS

A U.S. Supreme Court ruling in January 2010 threw a big monkey wrench into the 2010 elections. In a 5-4 ruling in the case of *Citizens United v. Federal Election Commission*, the court overturned a ban on corporate and union involvement in federal elections that had been in effect since the early 1900s. They can now spend as much as they like but cannot work with any specific campaign. The ads must be run independently.



THEY DON'T HAVE TO BE CROOKS, JUST HUMAN

The "beauty" of the campaign finance system -- if you're trying to use it to influence the actions of public officials -- is that nobody ever has to break the law for it to work.

If you hand over money secretly to a member of Congress to get something done, that's a bribe. But if you contribute year after year to the member's campaign committee, then lobby that lawmaker whenever your issues come before Congress, that's fine.

Of course, there are big differences between those two paths. Campaign money goes to the campaign effort, not the politician's pocket. And unlike bribes, contributions are publicly reported, so everyone can see who gave to whom.