

Take Back Your Power!

By Wendell Potter, February 29, 2016

There are not many things that Republicans and Democrats seem to agree on these days, but there is one issue in which there is almost unanimity: we must do something about the corrosive role that Big Money plays in American politics.

That “something” is this: We must take back our power. Our ability to self-govern. And we must undertake this with a sense of urgency.

There is agreement from one end of the ideological spectrum to the other that the enormous amounts of money being spent by a few super-wealthy individuals, corporations and special interest groups is threatening not only our democracy, our republican form of government, but, even more fundamentally, what it means to be an American.

If you’re paying any attention at all to what the presidential candidates are saying this year, you know that Sen. Bernie Sanders of Vermont is making a big deal of Big Money in politics. He doesn’t miss an opportunity to talk about the urgency of taking action. It’s the centerpiece of his campaign. That’s great, and I hope he keeps talking about it, but it might lead you to think that this is just a liberal cause. Nothing could be further from the truth.

A poll conducted by *The New York Times* and CBS News last year showed that 84 percent of adults—including 80 percent of Republicans—think that money has too much influence in American political campaigns. In that same poll, 85 percent said they want to see our campaign finance system either fundamentally changed or completely overhauled. And on the issue of limiting contributions, 71 percent of Republicans, along with 80 percent of Democrats, said they favored such limits.

A story about an earlier CBS poll carried this headline: “Alienated Nation; Americans Complain of Government Disconnect.” Here’s the first sentence of that story: “Americans see their leaders in Washington as overpaid agents of wealthy individuals and corporations who are largely disconnected from the concerns of average Americans.”

The sobering truth is that we, the people, are losing our faith in the dream of democracy. As our collective power is increasingly eclipsed by a rigged system of politics and governance dominated by a handful of billionaires and a phalanx of well-financed special interests, we are growing increasingly skeptical that the promises of the fabled American dream can come true anymore.

But it is not too late to take back our power, as Nick Penniman and I make clear in our new book, *Nation on the Take: How Big Money is Corrupting Our Democracy and What We Can Do About It*.

Right now, as we write in the book, there is no credible outside threat to our American way of life. No other nation is sounding the death knell of ours. But the rapid proliferation of a system akin to oligarchy—within our own country—threatens to cripple our march forward.

It’s a threat the Founding Fathers knew we would always have to guard against. In the summer of 1787, when delegates to the Constitutional Convention were in the heat of their debates, they were obsessed with bribery, influence, and corruption. James Madison, who kept meticulous notes, recorded the word “corruption” fifty-four times. To them, the notion of corruption was both the corruption of the individual and the corruption of the system of governance. They were less obsessed with corrupt individuals—with bad apples—than with the system itself, with the orchard. The rotting of the fruit of liberty was seen as the dominance of private interests over the public interest. It was the bending of governing priorities away from the common good—a process that would, over time, fatally damage the

whole project of a democratic republic—of “We, the people,” of the “consent of the governed.”

Seen in this light, government is *us*. Or it should be. We give our government our money, in the form of taxes. Then we hire its executives, through elections. Then we imbue it with directions and instructions, in the form of legislation. If all goes well, our politicians utilize our tax dollars to manifest our brightest ideas. The most exquisite dynamic is achieved when the common good is served while individual liberty is protected. No kings, no dictators. *Us*, in charge of ourselves, leveraging our resources behind our highest hopes, while protecting each other’s freedoms, shaping our country, forever working to form “a more perfect union.”

Yes, of course: there were—and always will be—bad people and bad pieces of legislation. The factions and special interests will fight for their legislative handouts and carve-outs, and politicians will lose their virtue. Corrupt moments in our future are inevitable.

And, of course, for centuries, women, people of color, and non-land owners were legally excluded from voting and running for office. But powerful, popular grassroots movements like suffrage, abolition, and civil rights—fueled by the early American Enlightenment’s dreams of liberation and equality—forced profound course corrections that are among this country’s greatest accomplishments, not just for United States citizens but for humankind.

Today we all—regardless of whether we identify as Republican or Democrat or independent—seem to feel as if we need another such profound course correction, one that is focused on reclaiming our right to self-government and renewing our hope in the American dream. Correctly, we suspect that the system is rigged, our government has become coin-operated, and that we’ve been sidelined.

How bad is it? Here’s just one clue: In January 2013, newly elected Democrats in the House of Representatives were being given an orientation session by the Democratic Congressional Campaign Committee about how they should spend their time serving in the House—what was once referred to as the “People’s House.” Among the materials they were presented with was a “model daily schedule.” That schedule provided for four hours of “call time,” one to two hours of “constituent visits,” two hours of committee hearings or floor votes, one hour of “strategic outreach,” and one hour of “recharge time.” You have no doubt already guessed what “call time” and “strategic outreach” are: fundraising. Which means that new representatives are expected to spend *half* of their time either dialing for dollars or attending fundraising events.

Who are they calling? Probably not you. Certainly not us. Mostly, very wealthy donors in the richest cities in America. And who’s throwing the daily fundraisers for them? Often, the very industries they are supposed to be regulating, based on their congressional committee assignments. The Finance Committee members rake in contributions from the bankers and their lobbyists, the Natural Resources Committee members from the oil and coal executives and their lobbyists.

That’s why these types of committees on Capitol Hill are referred to as “cash committees.” In 2014, for instance, the top industries contributing to members of the House Financial Services Committee, formerly known as the Banking Committee, were finance, insurance, and real estate. Individuals and PACs from those sectors collectively chipped \$30 million dollars into the committee members’ coffers.

As Ray Plank, the former founder and chairman of the Apache Corporation, told the conservative journalist Peter Schweizer, whose book *Extortion* was later turned into a 60 Minutes episode, campaign cash and corporate contracts with well-connected lobbying firms are “protection money. It’s what you expect from the mafia.”

Yet, in Washington and the state capitals, such activity is not seen as mafia-like. It’s run-of-the-mill. It’s the way things get done. Anyone who questions it, or wants to change it, is deemed naïve or—even worse!—idealistic.

And it's done in broad daylight.

Throughout *Nation on the Take*, Nick and I talk about both lobbying and campaign contributions and expenditures. Big Money is both. And well-financed special and corporate interests deploy both as a means of bending the apparatus in Washington and the state capitals to their will.

It's important to point out early on that lobbying in its purest form is not bad. Making arguments to members of Congress is part of the democratic process. Sharing information and expertise is a good thing. It's a form of free speech, and a healthy democracy should have plenty of lobbying going on, as long as it is occurring on behalf of all sides of an issue. Our concerns about lobbying involve the relationship between lobbying and political cash, the lobbyists who have little or no fealty to the broader public interest, and those politicians or Hill staffers who see public office as a pathway to a lucrative influence-peddling career. We are also disgusted by lobbying groups that knowingly leverage millions of dollars into false and misleading communications campaigns, which destroy the possibility of having a thoughtful, genuine debate about weighty policy ideas.

Although this rigged system creates special economic benefits for those who can pay to play, the overall well being of the economy does not necessarily improve. For too long, campaign finance reform has been viewed as an "anti-corporate" cause. Instead, it should be seen, in part, as pro competition and anti-cronyism.

Luigi Zingales, a conservative economist at the University of Chicago Business School and author of *A Capitalism for the People*, compellingly documents how the system of lobbying and legislative favors is dangerously reducing economic competitiveness and opportunity. He writes:

American capitalism . . . grew in a unique incubator that provided it with a distinct flavor of competitiveness, a meritocratic nature that fostered trust in markets and a faith in mobility. Lately, however, that trust has been eroded by a betrayal of our pro-business elites, whose lobbying has come to dictate the market rather than be subject to it, and this betrayal has taken place with the complicity of our intellectual class.

Who suffers from this betrayal? Consumers (you and us), small- and medium-sized business owners, big corporations whose lobbyists get beat by their competitors' lobbyists, and entrepreneurs—that is, nearly everyone. You see, wherever you are, and whatever you do, whether you love politics or hate politics, whether you devour news or never look at the news, whether you see yourself as an environmentalist or a business leader (or both), as a conservative or a liberal, every moment of your life is being affected by the system of Big Money.

Government is us, and it's either working for us, or it's working for those who are trying to rig it to get what they want, sucking our employees (our legislators) into their agendas and often diverting our resources (tax dollars) into their pockets.

So is it fixable? Yes, if we are clear about what success means. The reformers' slogan, "Get Money Out of Politics," is misleading. We can't get money completely out of politics, but we can create a much, much higher-functioning and responsive system. It requires money to run campaigns, to hire doorknockers, to print lawn signs, and to run TV, radio, and online ads (the bulk of the spending). Groups like the NRA, the Sierra Club, and the National Association of Manufacturers will always want to weigh in on key public policy debates. And they should.

What we can do is restore our power—the people's power—within the system by limiting the most egregious sources of the money, by creating new ways of financing politics that reorient politicians to their voters back home, by demanding total transparency in the giving and spending of political cash, by enacting new ethics and lobbying laws that reduce conflicts of interest and shut down the most transactional forms of political giving, and by making sure that campaign and lobbying laws are evenly

and effectively enforced.

These things shouldn't seem so hard to achieve. We've won similar fights before. We're Americans, after all. We're the ones who make dramatic course corrections when things are going wrong or when new and revolutionary ideas emerge. We're not a defeatist or cynical people (although our level of cynicism is rising fast). We know that we can accomplish extraordinary things.

And we are. Although the media is paying scant attention to it, the movement is well underway. More than at any time since Watergate, regular people are realizing that this situation has to change.

Since 2010, more than six hundred resolutions have been passed by cities and states protesting the *Citizens United* decision by the Supreme Court, which opened the floodgates of money into newly formed SuperPACs. New campaign finance systems are already functioning in places including Connecticut, Arizona, and New York City. In 2014, led by the reform group Represent.Us, 67 percent of voters in Tallahassee, Florida, supported a major reform package, including lower campaign contribution limits, creation of a new, independent ethics commission, and a program to empower non-wealthy people to participate in funding politics. The coalition that was assembled to win consisted of progressives, independents, and Tea Party members.

Similar coalitions are forming around ballot measures in cities and states throughout the country. And there's the possibility for immediate progress at the federal level. Even if Congress isn't ready to legislate, the White House can act, and it should use its authority to do so. Hundreds of thousands of people have urged President Obama to sign an executive order that would require federal contractors—given that they are receiving taxpayer dollars—to disclose their political activities. If such an order were signed, 70 of the Fortune 100 companies would have to do so.

The Securities and Exchange Commission could also help. More than a million comments have been submitted to pressure the SEC to issue a rule requiring publicly traded companies to disclose the political dollars they spend on behalf of investors. Former Republican SEC Commissioner William Donaldson and former Democratic SEC Commissioner Bevis Longstreth are among the chorus calling for change.

But for these types of executive actions and state-based efforts to take root, we must immediately build a much stronger—and politically broader—citizen army. There is already a battalion of reformers working hard every day. But they are waiting for major reinforcements to arrive. That means you. And your friends. It will take you, and us, and millions of other kindred spirits to create a patriotic force powerful enough to reorient the power in this country back to “We, the people.”

What are we up against? First or foremost, our own cynicism and resignation. Too many people—rich and poor, political and apolitical— have decided that we simply can't overcome the power of moneyed interests and have given up trying.

In fact, fixing this is technically remarkably simple compared to other things we need to fix—we could do it in a day with a single piece of legislation. No pipes or wires or army bases have to be moved. No new power plants need to be built or retrofitted. No cyber attacks need to be defended against. No international humanitarian missions need to be launched. No families or individuals have to change the way they eat or drive or raise their children. No new federal agency needs to be funded. No school needs to alter the way it educates our children. No hospital or health center needs to amend the way it cares for patients or bills insurance companies. No trade agreements need to be nullified. No workers need to be retrained. Those things—transportation, education, public health, national security, good jobs—are complicated. And, by the way, most of them are harder to fix because of the influence of money in politics. This, though—how money flows in and around our political system and our government—should be something we routinely clean up, like making sure the gutters on our homes

are clear of leaves.

Just as we won our right to self-government by fighting the British monarchy more than 240 years ago, we will lose it if we fail to fight to reclaim it now.

Imagine what would happen if we don't. Can any one of us truly claim that we will be able to revitalize our country as long as this problem worsens? Does anyone believe fixing our democracy is optional? Who among us would surrender ourselves, our children, our communities, to an oligarchy?

It's Fixable

When you bring up the topic of Big Money in politics, many people assume you're just talking about the Supreme Court's Citizen's United decision. Yes, that decision has enabled the rich and powerful to have even greater influence over public policy and our political system. While there are groups that are working for a Constitutional amendment to overturn Citizen's United, there are many other things that our lawmakers can and must do and that won't take nearly as long.

So what are the legislative fixes that we can accomplish right now, regardless of the Supreme Court? Broadly speaking, they fall into four categories that embody the principles of a high-functioning democracy: (1) everyone participates, (2) everyone knows, (3) everyone plays by the same commonsense rules, and (4) everyone is held accountable.

1. Everyone Participates

This is the "game changer" category. Unless we create better ways of financing politics in this country, we're never going to be able to rebalance the power dynamic in Washington and the state capitals.

There are several type of citizen funding program, dozens of which are already in place at the state and local levels, including:

Clean elections, in which candidates receive a set amount of money to operate their campaigns;

Matching funds, in which a government fund matches every dollar raised from citizens, by some multiple, up to a certain amount;

Tax incentives, in which people get a tax credit or deduction for political contributions, up to a certain amount;

Vouchers, in which the government provides each citizen with a certificate for \$50 or \$100, which he or she can then contribute to a candidate or party; and

Hybrids, or some combination of the above approaches.

2. Everyone Knows

The one thing we know is that darkness encourages bad behavior. That's why it's critical that voters know exactly where the money is coming from. And the information should be available online immediately, presented in an intuitive and easy-to-navigate format to give the public the true

transparency they need to make informed decisions.

3. Everyone Plays by the Same Commonsense Rules

Beyond campaign financing and transparency lies a realm of ideas that is too often overlooked; ethics and lobbying reforms. Many of these involve changing the way lobbyists interact with politicians and government officials. One such fix: let's enact at the federal level what many states have in place—bans on campaign contributions from lobbyists.

4. Everybody is Held Accountable

All the laws on the books are utterly irrelevant without a strong enforcement mechanism ensuring that everyone is held accountable to the laws. Our system of self-government relies, in part, on a citizen's belief that someone is enforcing the rules of politics, keeping the game clean. That someone is the Federal Election Commission, which, unfortunately, has been dysfunctional for years. We need to fix the FEC.