

Schedule Next Weeks

- Monday 10/11: Final lecture
- Wednesday 12/11: Deadline Preparation 3 + Seminar 3 **for group 1**
- Monday 17/11: Seminar 3 **for group 2**
- Wednesday 19/11: Deadline Preparation 4 + Seminar 4 **for group 1**
- Monday 24/11: Seminar 4 for **group 2**
- Wednesday 26/11: Q&A session (for any questions you might have regarding course material or the written exam)
 - Two hours, two essay questions, max two pages each.

MPD in the News: Ukraine's Energy Sector Corruption



<https://www.yahoo.com/news/articles/ukrainian-anti-corruption-agencies-conduct-081800351.html>

POL1050: Money, Power and Democracy

Class 12 – Case Study 3: United States – MPD in Contemporary US

10/11/2025

Schedule

This week (?): Money, Power and Democracy in the US

- Last week: *Money and Freedom of Speech?*
 - Corruption in the young republic
 - Limits on contributions and expenditure -> hampering free speech?
 - PACs, Soft Money
- Today: *MPD in contemporary US*
 - BCRA & Citizens United
 - Effects of Citizens United: Super PACs, elections, campaign spending?
 - Quid Lobbying?

Reminder: Washington DC in 1860

*"Out-of-the-way, one horse town, whose population consists of office-holders, lobby buzzards, landlords, loafers, blacklegs, hackmen and Cyprian – all subsisting on public plunder...The paramount, overshadowing occupation of the residents, is office-holding and lobbying, and the prize of life is a grab at the contents of UNCLE SAM's till. The public plunder interest swallows up all others, and **makes the city a great festering, unbearable sore on the body politic**. No healthy public opinion can reach down here to purify the moral atmosphere of Washington." (NY Times, March 29)*

=> Spoils System (until 1883) & Gilded Age (until 1900)



HISTORY REPEATS ITSELF. — THE ROBBER BARONS OF THE MIDDLE AGES, AND THE ROBBER BARONS OF TO-DAY.



Anti-Corruption Reforms

- Tillman act (1907)
- Federal Corrupt Practices Act (1910)
- Federal Election Campaign Act (1971)

PRE-BUCKLEY

-----**BUCKLEY VS VALEO (1976)**-----

POST-BUCKLEY

- Contributions can be limited (because it battles corruption)
- Spending cannot (because it hampers freedom of speech)

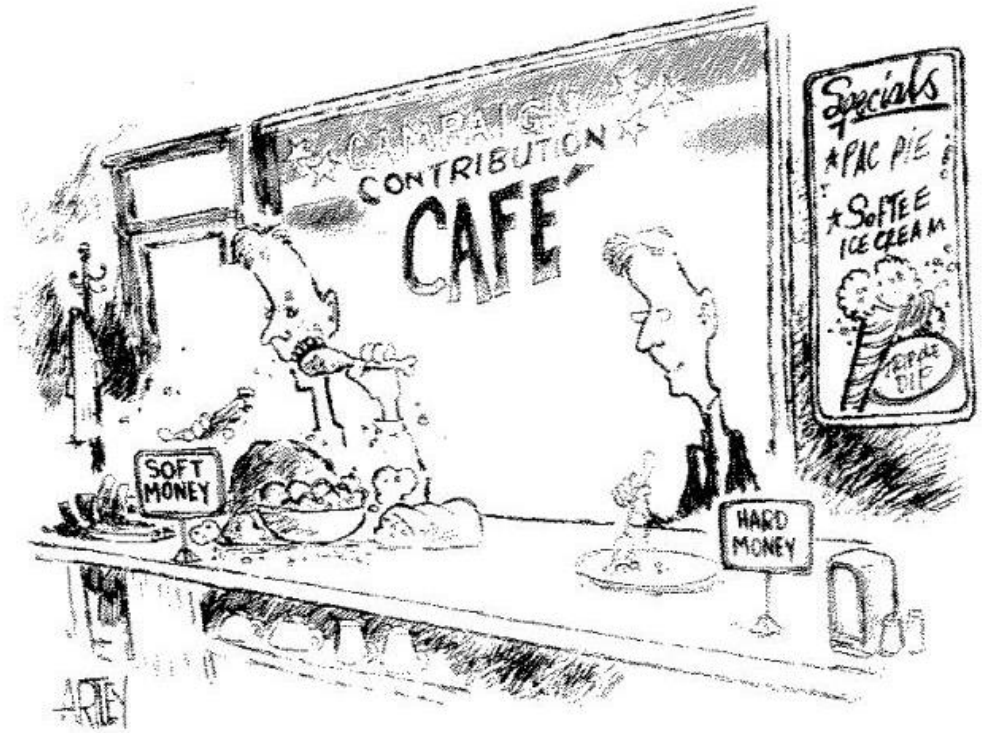
PACs & Soft Money to work around it

Political Action Committees

- Raise funds to support or oppose political candidates or parties
- Represent specific interest (but not necessarily “connected”)
- Regulated by Federal Election Commission (FEC)
- Boomed after introduction of FECA as they can work around limits by collecting donations from multiple individuals/organizations
- But still limited in terms of how much they can receive and how much they can donate

PACs & Soft Money to work around it

- Hard Money: contributions directly to candidates
- Soft Money:
 - donations to a party/interest group who can buy advertising on candidate's behalf
 - **Not subject to campaign finance laws**
 - No idea how much until 1991



PACs & Soft Money to work around it

The chart below details total soft money contributions to the national party committees from 1991-2002 with breakdowns by recipient party and by donor type (organizations vs. individuals).

Soft Money Contributions to the National Party Committees, 1991-2002

[Download CSV](#)

Cycle	Total	To Dems	To Repubs	From Indivs	From Orgs	Indiv%
1992	\$88,067,088	\$38,294,484	\$49,702,604	\$27,159,577	\$60,907,511	31%
1994	\$88,708,478	\$42,699,322	\$46,007,156	\$21,555,929	\$67,152,549	24%
1996	\$243,625,940	\$112,126,241	\$130,295,152	\$71,483,574	\$172,142,366	29%
1998	\$191,271,915	\$78,603,488	\$112,106,507	\$53,618,019	\$137,653,896	28%
2000	\$456,878,202	\$218,604,212	\$235,951,425	\$283,975,950	\$137,653,896	38%
2002	\$457,582,326	\$215,951,479	\$241,089,068	\$159,792,850	\$297,789,476	35%
Total	\$1,526,133,949	\$706,279,226	\$815,151,912	\$506,512,201	\$1,019,621,748	33%

Is Money Speech 2.0: BCRA (2002)

- Bipartisan Campaign Finance Reform Act
- Raised hard money contribution limits
 - \$2,000/candidate/election
 - Future adjustments allowed in accordance with inflation
- “Stand by your ad” provision
- **Took several measures to ban soft money**
 - Only allowed to raise hard money
 - “Millionaire Clause”



The Chicago Maroon

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Op-Ed

Remember Blair Hull? Barack Obama does.

By [Matt Barnum](#)

November 14, 2006

Like life, politics can turn on a moment.

Blair Hull will not be remembered by many; if anything, he will be a footnote in history. In 2004, Hull decided to seek the Democratic nomination for Illinois's open Senate seat, vacated by Peter Fitzgerald. Hull, who funded himself with \$28 million, had a significant lead early on. Then

allegations surfaced that he had threatened to kill his wife during an argument, and that he was arrested for battery, although charges were never filed. Nevertheless, the damage to Hull's campaign was done.

The chief beneficiary of Hull's meltdown was a little-known state senator from Hyde Park. His name, of course, is Barack Obama.

Is Money Speech 2.0: Citizens United vs FEC (SC, 2010)

- BCRA: corporations/non-profits cannot buy electioneering communications in certain time periods before elections/primaries
- 2004: Michael Moore releases “Fahrenheit 9/11”
 - Bush, Iraq War and media coverage
 - Conservative non-profit Citizens United argued that ads for the movie were essentially ads against George Bush
 - FEC ruled against this

 NEWSLETTERS SIGN IN NPR SHOP DONATE

NEWS CULTURE MUSIC PODCASTS & SHOWS SEARCH

SPECIAL SERIES
Politically Speaking

Are 'Fahrenheit 9/11' Ads Campaign Spots?

JUNE 28, 2004 · 12:00 AM ET

 Peter Overby

As if Michael Moore and his documentary film *Fahrenheit 9/11* needed any more publicity, the conservative group Citizens United weighed in just in time to help.

Citizens United has a reputation for being outspoken. Its own ads critical of former President Bill Clinton aired during his recent *60 Minutes* interview. Now the group is making news again by calling for government limits on TV and radio ads for Moore's new movie, alleging they are tantamount to campaign ads and should be subject



Fahrenheit 9/11 Director Michael Moore chats with movie fans in New York, June 27, 2004.
Reuters

<https://www.npr.org/2004/06/28/3023147/are-fahrenheit-9-11-ads-campaign-spots>

The ads in question: “Secrets ”



The ads in question: “Everybody”



The ads in question: “Event ”

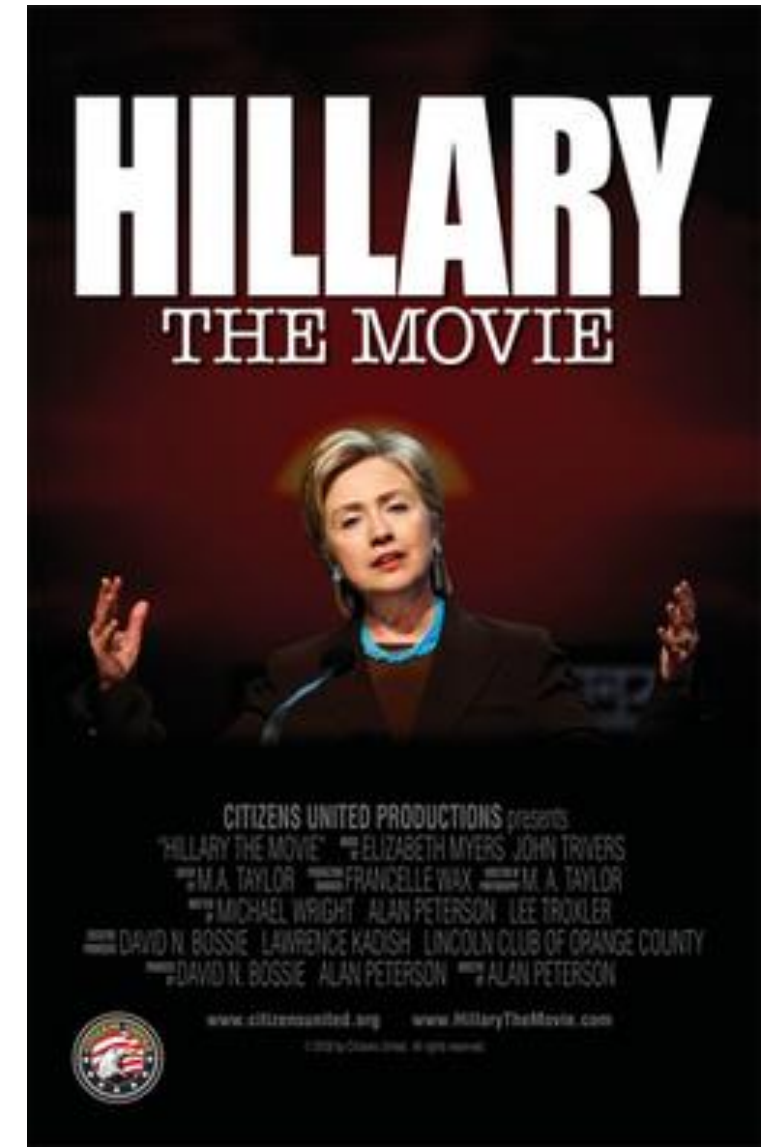


The ads in question: “Patriotism ”



Is Money Speech 2.0: Citizens United vs FEC (SC, 2010)

- BCRA made it illegal for corporations/non-profits to engage in electioneering communications in certain time periods before elections/primaries
- 2004: Michael Moore releases “Fahrenheit 9/11”
- 2008 Democratic Presidential primary: **Hillary the Movie** by Conservative non-profit Citizens United
 - Considered electioneering by FEC and was not allowed to air
 - Case went to SC, who deemed that the ban was against freedom of speech and **struck it down**



Would you say this is electioneering?



Effects of Citizens United | Super-PACs

- **Related also to Speechnow.org v. FEC (two months later)**
 - PACs that did not make contributions to candidates, parties, or other PACs **could accept unlimited contributions** from individuals, unions, and corporations (both for profit and not-for-profit) for the purpose of making **independent** expenditures
 - An independent expenditure is an expenditure for a communication that expressly advocates the election or defeat of a clearly identified candidate and **which is not made in coordination with any candidate or their campaign or political party.** (<https://www.fec.gov/help-candidates-and-committees/candidate-taking-receipts/understanding-independent-expenditures/>)

Effects of Citizens United | Super-PACs

- Related also to *Speechnow.org v. FEC* (two months later)
- New type of PAC
- Can only make independent expenditures
- May receive unlimited contributions from individuals, corporations, labor unions and other PACs

Effects of Citizens United | Super-PACs

Allowed to...	Normal PACs	Super PACs
Raise unlimited money from individuals and groups	No	Yes
Raise unlimited money from corporations, nonprofits & unions	No	Yes
Donate directly to a candidate's official campaign	Yes	No
Coordinate with a candidate's official campaign	No	No

<https://act.represent.us/sign/what-is-citizens-united/>

Americans for a better Tomorrow, Tomorrow



Effects of Citizens United | Super-PACs

81 number of super PACs

\$89,091,204 total raised by super PACs

\$62,621,749 total spent by super PACs

Select A Cycle:

2010

Select Filter:

-- Super PACs

☐ by Group Viewpoint

☒ by Recipient Party

☐ by Disclosure of Group



Against Dems	\$26,931,885	44.90%
Against Repubs	\$20,458,945	34.11%
For Repubs	\$8,111,860	13.53%
For Dems	\$4,474,457	7.46%

https://www.opensecrets.org/outside-spending/super_pacs/2010?disp=O&type=S&chart=P

Effects of Citizens United | Super-PACs

1261 number of super PACs

\$828,347,228 total raised by super PACs

\$609,925,369 total spent by super PACs

Select A Cycle:

2012

Select Filter:

-- Super PACs

☐ by Group Viewpoint

☒ by Recipient Party

☐ by Disclosure of Group



	Against Dems	\$251,336,435	41.28%
	Against Repubs	\$222,544,517	36.55%
	For Repubs	\$96,287,728	15.82%
	For Dems	\$38,606,288	6.34%

https://www.opensecrets.org/outside-spending/super_pacs/2010?disp=O&type=S&chart=P

Effects of Citizens United | Super-PACs

2376 number of super PACs
\$1,790,478,936 total raised by super PACs
\$1,066,767,838 total spent by super PACs

Select A Cycle:

2016

Select Filter:

-- Super PACs

- ☐ by Group Viewpoint
☒ by Recipient Party
☐ by Disclosure of Group



Against Repubs	\$405,370,059	38.37%
Against Dems	\$285,397,262	27.01%
For Repubs	\$261,610,570	24.76%
For Dems	\$104,200,822	9.86%

https://www.opensecrets.org/outside-spending/super_pacs/2010?disp=O&type=S&chart=P

Effects of Citizens United | Super-PACs

2502 number of super PACs

\$5,096,825,517 total raised by super PACs

\$2,688,997,939 total spent by super PACs

Select A Cycle:

2024

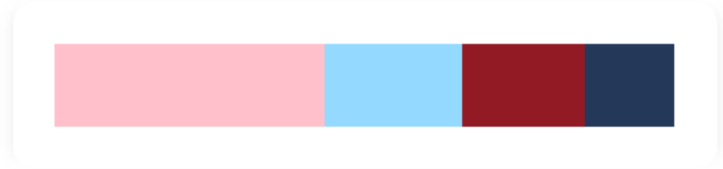
Select Filter:

-- Super PACs

☐ by Group Viewpoint

☒ by Recipient Party

☐ by Disclosure of Group



Against Dems	\$1,159,917,402	43.67%
Against Repubs	\$585,258,329	22.04%
For Repubs	\$521,659,025	19.64%
For Dems	\$388,960,855	14.64%

Effects of Citizens United | Elections (Klumpp et al. 2016)

- Has CU shifted election probabilities of Republicans/Democrats?
 - Are business interests (~Rep.) outspending labor interests (Dem.)?

Table 2
Donation Sources of Top-10 Fundraising Super-Political Action
Committees in the 2010 and 2012 National Elections

	2010		2012	
	Republican (<i>N</i> = 6)	Democrat (<i>N</i> = 4)	Republican (<i>N</i> = 5)	Democrat (<i>N</i> = 5)
Business	31,688	4,118	265,450	79,868
Labor	0	13,413	0	75,216
Other or unknown	10,417	6,427	71,393	41,293
Total	42,105	23,958	336,843	196,377

Data source. Donors' interests are classified on the basis of disclosure statements from Center for Responsive Politics, Outside Spending, By Group (<http://www.opensecrets.org/outsidespending/summ.php>).

Note. Values are \$1,000s. *N* = super-political action committees in the top 10 in terms of fundraising.

Effects of Citizens United | Elections (Klumpp et al. 2016)

- Has CU shifted election probabilities of Republicans/Democrats?
- Looks at state House/Senate races
 - Some had never banned political expenditures and were thus unaffected
 - Others had to lift bans

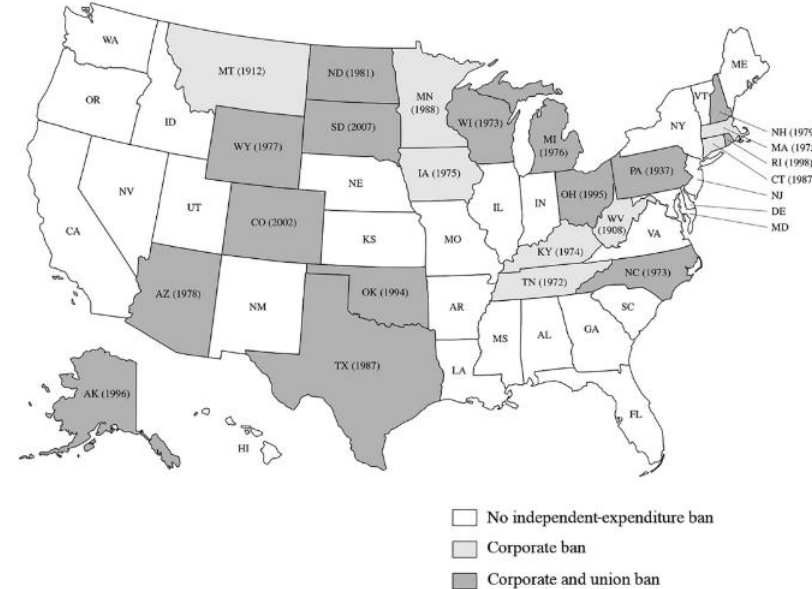
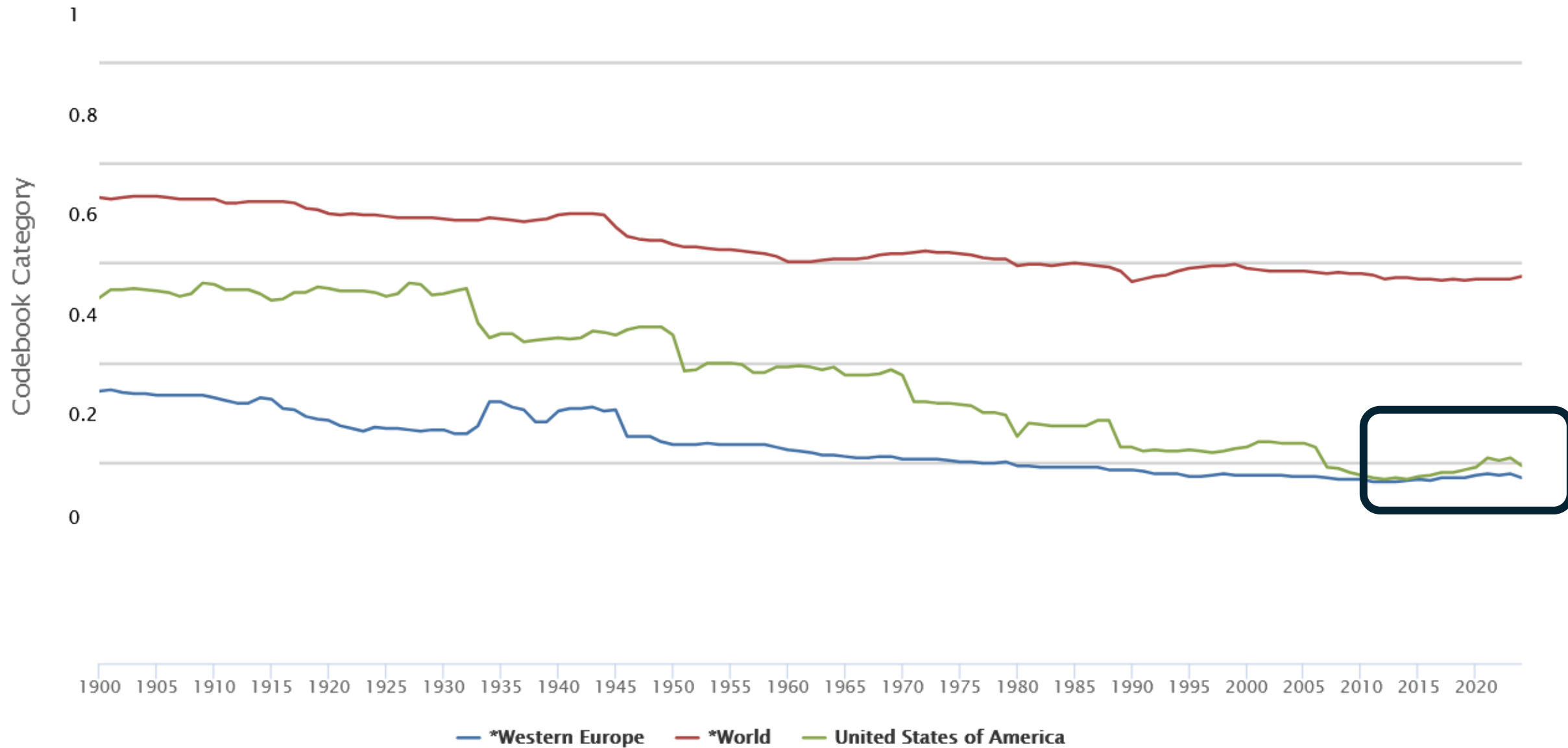


Figure 2. State restrictions on independent political expenditures by corporations and labor unions.

Effects of Citizens United | Elections (Klumpp et al. 2016)

- Has CU shifted election probabilities of Republicans/Democrats?
- Looks at state House/Senate races
- Results:
 - Republican 6 percentage points more likely to be elected
 - Republican incumbent 5 percentage points more likely to run for reelection (and more likely to be reelected)
 - Less Democratic candidates enter races
 - **Might result in more pro-business policies**

Clientelism Index



Effects of Citizens United | Campaign Spending (Barut & Schofield, 2016)

- US Congressional Elections 2014
- Candidate spending follows challenger effect
 - Figure indicates effect on **incumbent** vote share

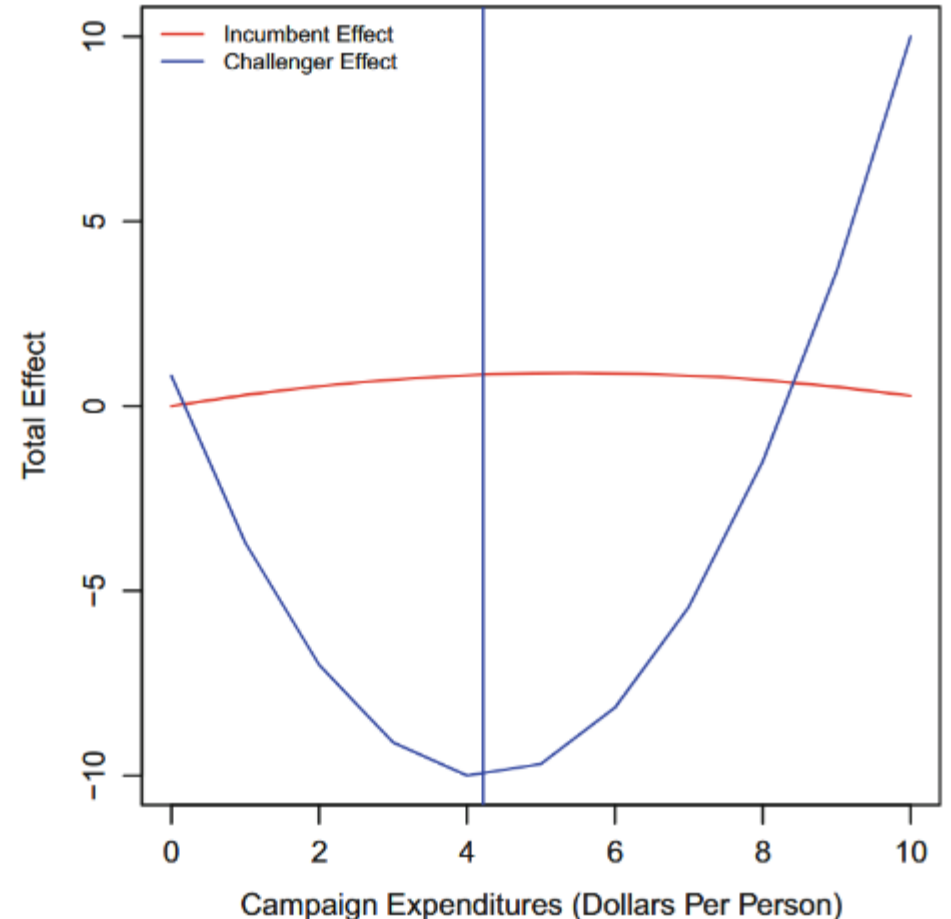


Fig. 1 Impact of campaign expenditures

Effects of Citizens United | Campaign Spending (Barut & Schofield, 2016)

- US Congressional Elections 2014
- Candidate spending follows challenger effect
 - Figure indicates effect on **incumbent** vote share
- But independent expenditure breaks this effect
 - Effect is symmetrical

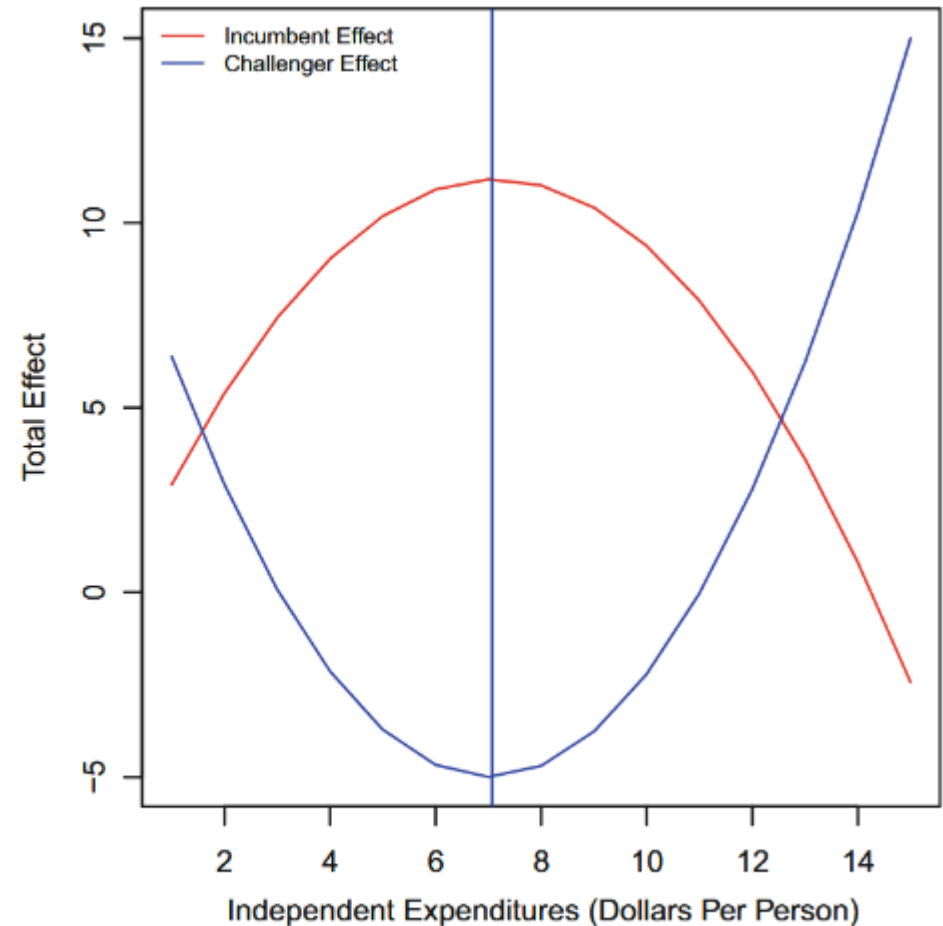
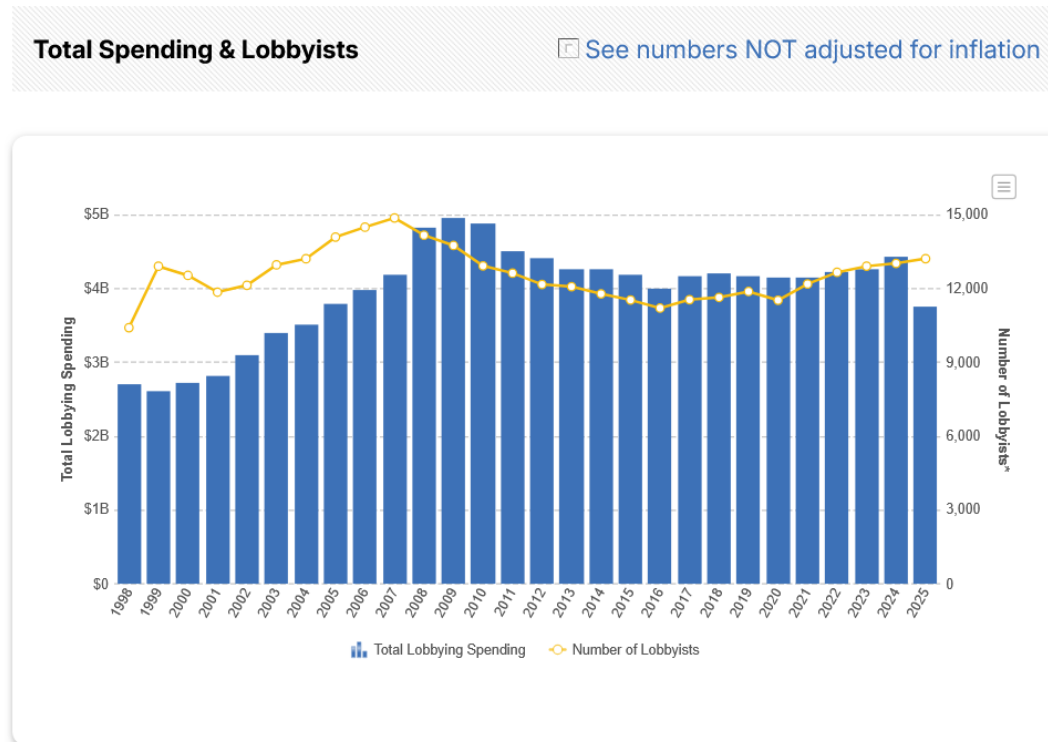


Fig. 2 Impact of independent expenditures

Lobbying?

- Protected by First Amendment (so no limits!)
- But quite extensive transparency regulations



Foreign Lobby

open secrets

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Top 10 Countries, 2016-2024

Select year: Totals since 2016

Country	Total Spending
China	\$521,665,058
Japan	\$438,333,578
Liberia	\$353,239,848
Saudi Arabia	\$344,176,498
South Korea	\$326,821,234
Marshall Islands	\$285,094,040
Qatar	\$260,397,694
Bahamas	\$255,791,453
United Arab Emirates	\$246,356,886
Israel	\$195,135,041

Top 10 Foreign Principals, 2016-2024

Select year: Totals since 2016

Foreign Principal	Total Spending
Government of Liberia	\$350,486,671
Government of China	\$338,618,482
Government of the Marshall Islands	\$283,901,646
Japan External Trade Organization	\$277,638,402
Government of Saudi Arabia	\$268,673,505
Government of Bermuda	\$192,046,623
Barzan Holdings	\$155,775,778
ANO TV-Novosti	\$147,069,172
Government of the Bahamas	\$136,148,426
Government of Ireland	\$132,165,695

DONATE

Does it matter? Reminder:

- Generally more access for donors (Kalla and Broockman, 2016)

FIGURE 1 Access Gained to Congressional Staffers, by Experimental Condition

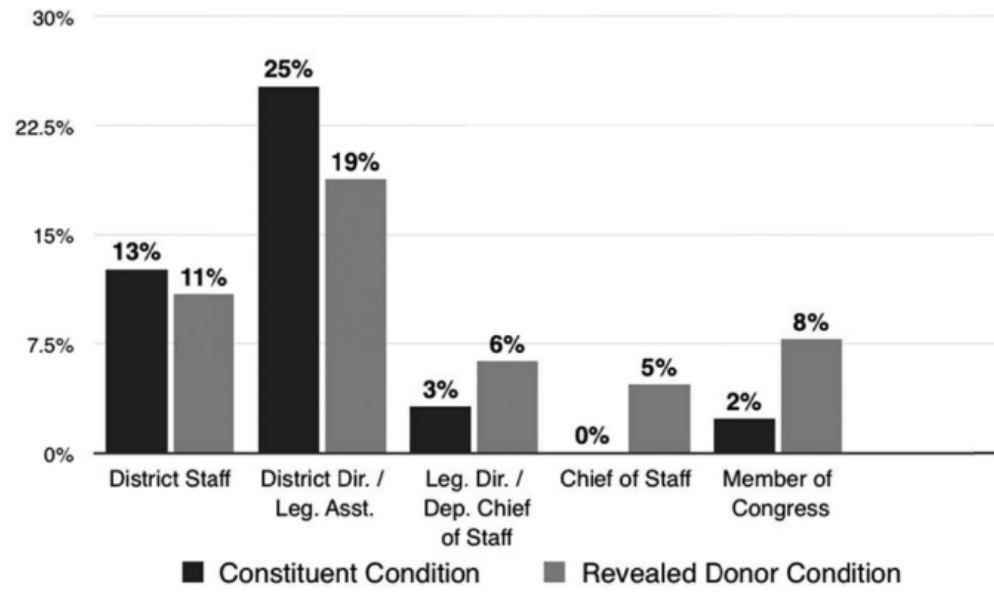
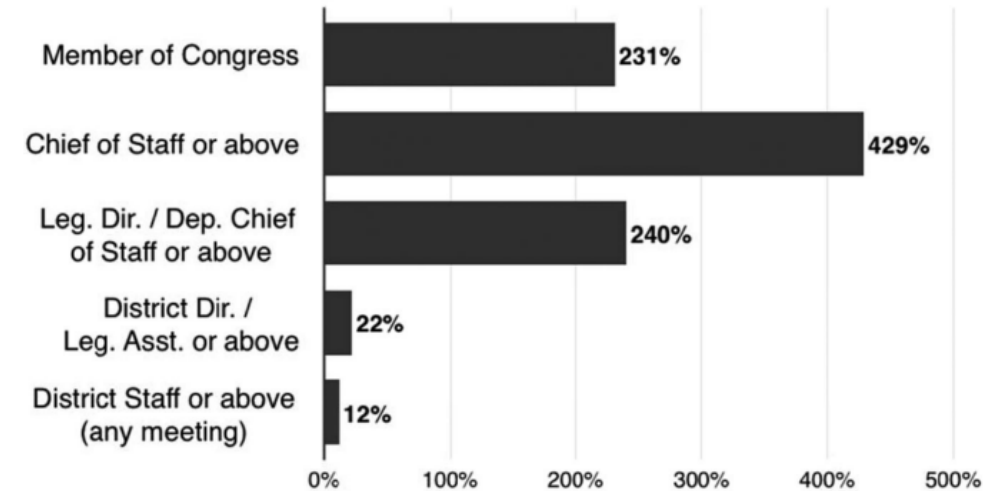


FIGURE 2 Percentage Increase in Access Revealed Donors Gained, at or above Each Level.



Note: Each bar shows the percent increase in the share of meetings that occurred at or above each level in the Revealed Donor condition relative to the Constituent condition. These can be obtained by comparing the fourth column of 1 to the third column.