

Democrats, Republicans to spend \$1 billion in US presidential campaign

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The campaigns of George W. Bush and John Kerry, together with the Democratic and Republican parties and allied groups, will spend more than \$1 billion in the course of the 2004 presidential campaign, according to projections based on reports of campaign spending and fundraising through the end of June.

Bush raised a record \$130 million for his 2000 election campaign, but both candidates in 2004 have already shattered that mark. Bush has topped \$216 million, with two months to go before the Republican Party's nominating convention in New York City, which marks the end of official campaign fundraising.

Kerry's campaign reported Thursday that he has collected \$182 million in 2003 and the first half of 2004, with another month of fundraising before the Democratic convention, set for July 26-29 in Boston. Kerry raised \$34 million in June alone, so his pre-convention total will be well past \$200 million and could approach \$250 million, while Bush's fundraising could top \$300 million.

Added to this are vast sums raised by the Republican National Committee and the Democratic National Committee, as well as by independent groups organized by Democratic and Republican Party supporters. These groups, called "527 committees" after the provision in the tax code which makes them legal, raise so-called "soft money," the six-figure donations which can no longer be given directly to candidates or parties, under the provisions of the McCain-Feingold campaign finance law which went into effect last year.

Two pro-Democratic groups, America Coming Together and the Media Fund, have raised \$110 million to finance anti-Bush ads, while the MoveOn.org Voter Fund has raised \$17.7 million directly and another \$5 million for its Political Action Committee.

When funds from all sources are added up, the

Bush/Republican side of the contest has raised \$574 million and the Kerry/Democratic side \$421 million, for a combined total of \$995 million, with several more months of fundraising to go. The two candidates will get an additional \$75 million apiece from the federal government to finance their fall campaigns.

Campaign manager Mary Beth Cahill sought to present Kerry's fundraising success as the product of popular political involvement, hailing the approximately one million contributors who gave \$200 or less to the campaign. She claimed, "The strength of the small donor has helped level the financial playing field with the Bush campaign."

These contributions, more than half over the Internet, certainly reveal an intensifying hatred of Bush and the war in Iraq among broad layers of the American people. But the smaller donations account for about \$100 million, less than a quarter of the funds raised by all Democratic Party-allied groups. The balance of the funds come from multi-millionaire and corporate donors, the same social layer which provides the overwhelming majority of the funds to Bush and the Republicans.

Imitating the Bush campaign's network of "Rangers" and "Pioneers"—supporters who have raised at least \$200,000 or \$100,000 respectively—the Kerry campaign now gives "vice-chair" or "co-chair" status to the 350 people who have raised \$50,000 or \$100,000 for his campaign. Similarly, the Democratic National Committee has designated 17 "trustees," who have raised over \$250,000 apiece, and more than 170 "patriots" responsible for \$100,000 in contributions.

The enormous sums raised by or for the Democratic presidential candidate are a significant political fact, demonstrating that within the financial elite itself, there has been a certain turn away from Bush. At the end of

2003, Bush's reelection campaign had \$99 million in the bank, while Kerry's campaign was effectively broke, and the candidate had to mortgage his Boston mansion for \$6.4 million to keep going.

Since effectively clinching the Democratic nomination in the March 2 primaries, however, Kerry has raised a staggering \$1 million a day for the ensuing four months. From March through May, Kerry raised \$100.4 million to Bush's \$55.2 million, according to reports filed with the Federal Election Commission.

The Bush campaign has spent vast sums over the past three months on saturation television advertising in key states like Ohio, Michigan and Florida, where Bush aides expect the election to be decided. The campaign spent \$50 million in March alone, an unprecedented outlay more than six months before the vote. Spokesman Scott Stanzel told the press there was \$64 million in the bank June 30, indicating that the Bush campaign has spent \$150 million of the \$214 million it has raised.

The combination of diminished fundraising and staggering outlays has forced the Bush campaign to cut back significantly: from \$50 million in March to \$31 million in April and \$22 million in May. In early June, the Bush campaign temporarily halted television advertising entirely in order to conserve cash—amid complaints from some Republican operatives that it was counterproductive to put Bush's face constantly before the public under conditions of unending bad news from Iraq.

The vast sums flowing through the two campaigns underscore the role of millionaires and corporate bosses in the US political system, whose two major parties are entirely in the grip of the financial aristocracy. No one can be elected president under the existing political structure without the financial backing—and political approval—of this ruling elite.

The near-parity which Kerry and the Democrats have established—in sharp contrast to the 2000 presidential campaign or the 2002 congressional elections—demonstrates that the ruling elite is seriously considering making a change at the top. By maintaining Kerry's financial viability, big business is giving itself the option of installing a Democrat in the White House if the US position in Iraq continues to deteriorate or there is a social or financial upheaval in the United States.



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