

# Record US presidential fund-raising: The best elections money can buy

The Bill Van Auken  
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The Barack Obama campaign said Thursday it had raised at least \$25 million since the beginning of the year for the Illinois senator's run for the Democratic presidential nomination. With this announcement, the overwhelming role that will be played by big money in the upcoming 2008 election came even more clearly into focus.

Obama's cash hoard places him on a par with Senator Hillary Clinton, who reported raising \$26 million in the first quarter of 2007. Their figures are more than triple the amount previously raised by any candidate of either party at this early stage of a presidential campaign. John Edwards set the old record of \$7.4 million in 2003.

For the Clinton campaign, Obama's unexpectedly large receipts represented a political blow. Her handlers had hoped to overwhelm potential rivals by posting an insurmountable lead in the race for money.

Leading the pack among the Republican candidates was former Massachusetts governor and venture capitalist Mitt Romney, who pulled in \$23 million, despite registering the support of barely 3 percent of Republican voters in the polls.

Meanwhile, the campaign of one of Romney's principal Republican rivals, Arizona Senator John McCain, was thrown into severe crisis by its failure to raise more than \$12.5 million, with reports of staff shakeups and the postponement of a formal announcement of his candidacy.

The amount of campaign fund-raising reported thus far by candidates of both major parties totals approximately \$130 million. More complete figures—revealing how much of this money has been raised for the party primaries, as opposed to the general election, how much of it has already been spent, and some indication of where it all came from—are due to be filed by April 15.

What is most striking about the early onset of the 2008 presidential contest is the universal acceptance by the political establishment, both major parties and the media alike that such massive amounts of money, most of it coming from a fabulously wealthy financial elite and corporate-connected donors, should play such an overriding role in determining the viability and ultimate selection of a

candidate.

This acceptance is by no means mirrored within the population as whole. The spectacle of candidates flying around the country in a non-stop fund-raising blitz aimed at currying favor with a thin layer of multi-millionaires and billionaires only deepens popular cynicism towards and alienation from the entire electoral process.

The Associated Press reported a revealing incident Wednesday. Barack Obama, speaking at a Veterans of Foreign Wars hall in Rochester, New Hampshire, "was confronted by an audience member who said, 'I don't want money to pick my next president. I want to pick my president.'"

Such sentiments are no doubt widespread, but find little reflection within the operations of the two parties controlled by big business. The political facts of life within these corrupt and reactionary institutions found authentic expression in the words of one of Hillary Clinton's top fundraisers, John Catsimatidis, a multi-millionaire New York supermarket magnate and self-described former Reagan Republican.

Dismissing Obama's unexpected early surge in contributions, Catsimatidis predicted he would not be able to sustain the kind of cash flow that Clinton can count on from her well-tended connections with the big drug companies, Wall Street and media moguls like Rupert Murdoch of Fox News. "Regardless of what he reports," Catsimatidis declared, "at the end of the day, the Clintons get the nomination."

Official recognition of the determining role played by these huge sums of money was spelled out by Federal Election Commission Chairman Michael Toner, who told the *Washington Post* last month, "There is a growing sense that there is going to be a \$100 million entry fee at the end of 2007 to be considered a serious candidate."

The 2008 election is expected to sound the death knell for the system of public funding of campaigns put in place in 1976 as a supposed antidote to the wholesale corruption involving campaign funding that was a subtext of the

Watergate crisis that brought down Richard Nixon.

For the first time, candidates of both major parties are expected to forego federal matching funds—and their attendant limits on spending and private fundraising—in both the primaries and the general election because of their ability to raise far more from private and corporate donors. Hillary Clinton has already announced her decision to rely solely on private funds.

If anything, the present system is a far more ubiquitous and effective method of legalized bribery of public officials than ever existed in Nixon's day. Describing the process, the *Washington Post* noted, "The practical effect of the revved-up fundraising race means that candidates who do not enjoy national name recognition or a national fundraising network must troll the country relentlessly to build relationships with wealthy individuals in key donor states such as New York, California and Florida."

The *New York Observer* this week provided an apt description of the endless parade of candidates pouring into New York City in the past few months: "Some nights they head for Park Avenue, other nights for Fifth Avenue. But no matter how much the sites or scenes might vary—pinstriped Wall Street suits on one evening, media types the next—the goal is always the same: to kiss the rings of the city's rich and connected and raise as much primary cash as possible."

The "insurgent" candidacy of Barack Obama, who has managed to challenge Hillary Clinton in the all-important money primary, is backed by just such individuals, including members of Chicago's most prominent billionaire families, the Crowns and the Pritzkers.

The bulk of the money being raised by all of the candidates comes in the form of "bundled" contributions put together by fundraisers from the financial elite, with individual donors giving the maximum allowable by law, \$4,600—\$2,300 for the primary and \$2,300 for the general elections.

Bush's reelection campaign perfected this method, giving titles to these "bundlers"—"pioneers" for those who raised \$100,000, "rangers" for \$200,000 and "super rangers" for \$300,000. Such sums are accumulated by the very wealthy, tapping into their corporate, financial and social connections. It is precisely these types of networks that are being utilized by the Clinton campaign and other Democratic hopefuls. In the case of Clinton, key fundraisers are reportedly expected to put together events netting \$1 million or more.

Part of the intensified pressure to secure ever greater campaign contributions from the wealthy this year is the accelerated schedule for the 2008 primaries, with major states such as California and Florida moving up their polling days to February. This presents the prospect of both major parties handing the nominations nearly nine months before

the election to right-wing, pro-big business candidates committed to continuing war abroad and social reaction at home.

The staggering growth of private financing for US election campaigns has—by no means coincidentally—gone hand-in-hand with the increasing lurch to the right by both major parties. There is no doubt a significant element of *quid pro quo* in this process, with wealthy donors securing support for their political and social interests in return for hefty contributions.

More fundamentally, however, the steadily tightening stranglehold exercised by the financial elite over official politics is a reflection of the unprecedented social inequality that pervades every aspect of American society.

The inordinate role played by money in the political life of the country reflects the social reality in which the 300,000 wealthiest Americans—the top tenth of one percent—receive a combined income totaling more than that of 150 million people—half the population—at the bottom of the economic ladder.

Today, the average chief executive officer is paid 821 times the amount earned by a minimum wage worker. As recently as 1978, CEO compensation was 78 times that of those earning the minimum wage.

This level of social polarization makes any genuine form of democratic representation untenable. Instead, the political institutions and two corporate-controlled parties rule on behalf of a financial oligarchy, implementing policies—from tax cuts for the rich to wars of aggression—that are aimed at accelerating the transfer of social wealth from the vast majority of the working people of the US and the entire world into the hands of a tiny elite.

To ensure its grip over this system, this elite is pouring ever greater resources into a political process that grows ever more hollow and corrupt, and from which the vast majority of the population is alienated, reduced to the status of hostile spectators to a charade in which big money chooses its representative.

This grotesque struggle between largely interchangeable candidates of the Democratic and Republican parties to win the "money primaries" only underscores the necessity of working people forging their own independent political alternative to the two-party system.



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