

Fundraising for US presidential campaign surpasses \$1 billion

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Financial contributions for Democratic and Republican candidates running in the US presidential elections surged past \$1 billion by the end of last month, shattering comparable figures for previous elections. A huge proportion of this money has come from a handful of super-wealthy donors who have taken advantage of the elimination of restraints on donations to “Super PACs” associated with individual campaigns.

According to data compiled by the Campaign Finance Institute and reported yesterday by *USA Today*, the sums of money raised so far are more than twice the \$402.7 million raised during the last presidential election in 2012, through the end of February. In 2008, the last year when both parties had contested primaries, election spending was at \$812 million through the same period.

Super PACs, which are free to raise unlimited funds following the 2010 *Citizens United* ruling by the Supreme Court, account for nearly 40 percent of fundraising, up from 22 percent in 2012.

According to *USA Today*, 108 individuals, companies and groups have contributed at least \$1 million to super PACs, for a combined total of \$232 million. That is, just over 100 individuals have contributed more than half of all donations to Super PACs and nearly a quarter of financing for the election as a whole.

Separate data compiled by the Center for Responsive Politics shows that Democratic front-runner Hillary Clinton has raised the most of any candidate through the first week of March, at \$222.6 million. Of this, \$62.7 million has gone to outside organizations associated with her campaign, primarily her Super PAC Priorities USA Action, which has pulled in the most of any outside group.

Top donors for Clinton and her Super PAC include Soros Fund Management run by billionaire investor

George Soros (\$7 million), Euclidean Capital (\$3.5 million), Pritzker Group (\$2.8 million) and Saban Capital Group (\$2.5 million).

Vermont Senator Bernie Sanders has raised nearly \$140 million, much of it in the form of individual contributions to his campaign, with half the total coming from donations of less than \$200. When individual contributors are grouped by the institution where they work, the largest (at \$132,000) is Google, followed by the University of California, Apple, Microsoft and Amazon. The presence of other tech companies and universities on the list is an indication of Sanders’ support among students and professional workers.

On the Republican side, Texas Senator Ted Cruz has raised \$119.2 million, with 44 percent of this going to his Super PACs. Cruz’s Keep the Promise I, II and III Super PACs have each raised more than \$10 million.

Donald Trump has raised \$36.8 million, the bulk of which has come in the form of loans from the candidate himself to his own campaign, which he expects to be able to pay back. The billionaire real estate developer has pledged to spend unlimited funds to secure the presidency.

The Center for Responsive Politics also breaks down campaign donations by sector. Individuals associated with finance/industry/real estate have contributed \$192.3 million to candidates and outside groups so far, with \$67.1 million going to Republican candidate Jeb Bush (who has now dropped out), \$40.1 million to Cruz and \$29.1 million to Clinton. Lawyers and lobbyists have contributed \$26.2 million, with half of this going to Clinton.

Next month Clinton is hosting a fundraiser in San Francisco, California with seats at the head table (which will include actor George Clooney and his wife,

Amal) going to individuals who raise or donate \$353,400 for the Hillary Victory Fund (which includes Clinton's own campaign as well as the Democratic National Committee and 32 state party committees).

According to a report in *Politico*, the event will be hosted by Jeffrey Katzenberg, the CEO of DreamWorks and a major backer of both Clinton and, before her, Barack Obama.

Overall, the 2016 election—which is still more than 7 months away—is expected to be the most expensive on record by far. Candidates and outside groups are predicted to spend up to \$10 billion on the presidential, congressional and other candidates, 40 percent more than was spent in 2012.

A separate analysis published by the *New York Times* last week estimated the monetary value of free media coverage for the different candidates, based on the equivalent advertising rates. Trump received by far the largest amount of media coverage, the equivalent of \$1.9 billion. Clinton's media coverage was estimated at \$746 million and Sanders' at only \$321 million.

Sanders has posed a significant challenge to Clinton in the Democratic Party race despite his relative lack of media coverage and access to large donors. While Clinton is widely expected to win the delegate race easily, a recent poll conducted by Bloomberg gave Sanders a slight lead nationally, with 49 percent to Clinton's 48 percent. Other polls have put Clinton ahead by significant margins.

Sanders' poll numbers and his financial contributions are reflections of the fact that he has gained support particularly from younger and less wealthy Democratic Party primary supporters. It is also an expression of his assigned role: to use "socialist" rhetoric and anti-big business rhetoric to channel disaffection back into the Democratic Party, the party of the status quo.



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