

Billionaires, corporate money swing toward Democrats

Our reporter
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The 2018 midterms have been the most expensive congressional elections in US history, with an estimated \$5.2 billion raised and spent by Election Day, according to data collected and reported by the Center for Responsive Politics (CRP). The total not only rose 35 percent over the previous midterm record in 2014, it exceeds the money spent on congressional races during the 2016 presidential election year.

Significantly, the Democratic Party and affiliated political action committees raked in the lion's share of the record fundraising. Of the \$4.7 billion spent by the latest reporting period, Democrats accounted for \$2.5 billion, compared to \$2.2 billion for Republican candidates and committees. Republicans have traditionally enjoyed a massive fundraising edge.

Democrats enjoyed a huge fundraising advantage in the contests for 435 seats in the House of Representatives, raising \$951 million compared to \$637 million for the Republicans, who held the majority of seats, 242 to 193. The Democratic advantage was particularly notable in the 29 seats considered "toss-ups," where Democratic candidates raised an average of \$5.5 million apiece, nearly twice the \$3 million average for the Republicans.

Democrats also held the fundraising advantage in the Senate, \$513 million to \$361 million, but that was a smaller edge than in the House and actually represents a significant gain for the Republicans, since the Democrats had the advantage of incumbency in 26 of the 35 Senate seats that were at stake.

Overall, spending by the Democratic Party and associated groups was projected by the CRP to rise 44 percent over 2014, while the Republican Party and associated groups boosted their spending by only 21 percent.

Despite the claims that small-dollar donors were the

driving force in the Democratic fundraising advantage, on the model of the Bernie Sanders presidential campaign in 2016, donations of under \$200 accounted for only 16 percent of the funds raised by House candidates and 27 percent of the money raised by Senate candidates—with the latter figure swelled mainly by the small-donor fundraising for Texas Democrat Beto O'Rourke, who raised a colossal \$70 million for his campaign, more than double the cost of a typical presidential campaign 30 years ago.

Among the most significant changes in big-money fundraising is the shift by Wall Street, with the securities and investment sector raising its spending by \$100 million compared to 2014 and favoring Democratic congressional candidates over Republicans by 52 percent to 46 percent. This is the first time Wall Street has favored congressional Democrats since 2006, the last time the Democratic Party won control of the House of Representatives. Finance also backed the Democratic Party in 2008, by a margin of 58 percent to 42 percent, but the bulk of that funding went to the presidential campaign of Barack Obama.

In 2010, Wall Street swung its funding back to the Republicans, who raked in 69 percent of the funds from stockbrokers and hedge fund bosses.

According to the CRP report, "Sixteen of the top 20 recipients of investment group affiliates are now Democrats, with Sen. Claire McCaskill taking the top spot at nearly \$2 million."

Other industries shifting towards the Democrats include hospitals and nursing homes, health professionals (doctors) and retail, while software services firms and law firms, already pro-Democratic, increased their contributions as well.

The top individual financial supporter of the Republicans was casino billionaire Sheldon Adelson,

who spent \$113 million in 2018, more than the \$93 million he spent in support of Republicans in 2012. The second-ranking Republican moneymen were Richard Uihlein, who gave \$39 million to Republican candidates.

These Republican billionaires were matched nearly dollar for dollar by two Democratic billionaires, hedge fund boss Tom Steyer, who spent \$51 million, and media mogul Michael Bloomberg, the former mayor of New York City, who pledged \$100 million and had delivered \$38 million by the time of the latest filings with the Federal Election Commission.

Self-funding candidates were led by Democratic House candidate David Trone in Maryland, who effectively bought a safe Democratic seat vacated by retirement, spending \$16 million of his liquor fortune, and Republican Senate candidates Rick Scott in Florida (an estimated \$50 million) and Bob Hugin in New Jersey (\$27 million).

The amounts of money spent on individual races underscores the oligarchic character of American politics. What passes for democracy in America is actually the monopoly of the super-rich. For example, Senate contests in Florida and Texas have cost more than \$100 million, those in Nevada, Arizona, Missouri and Indiana more than \$30 million.



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