

Big money, big problems



Money and politics are two words that are hard to separate. Money has ruled the political scene in the United States for years, and there is no sign of that changing or slowing down. In 1895 Senator Mark Hanna was quoted saying “ There are two things that are important in politics.

The first is money, and I can’t remember what the second one”, and I do not know if there is a better quote that describes the state of the political system in the United States. In the Presidential elections that happen every four years, billions of dollars are thrown at campaigns with the understanding that money plays a vital role in the outcome of an election.

In the 2016 Presidential campaign there was nearly \$2 billion raised by the two leading candidates, Donald Trump and Hillary Clinton. With a Presidential campaign coming up, I feel that something must change. The role money plays in politics tilts the playing field, and makes it impossible to have a chance at winning without the backing of a major party, or billions of dollars from private donors.

The main problem with donors and money given to campaigns, is where the money comes from. The two main groups where the money comes from, are the super rich, and corporate financial lobbies. A report published by democracymagazine.org, reported on a study done by political scientists on the uber rich, and wealthy corporations. The 0. 1% of billionaires in the United States are concerned with taxes and deficits. Of course the corporations care about this too, but their main focus is on industry-specific regulations and subsidies. And while the rich 0. 1% of Americans focus their

contributions to campaigns, corporations but most of their money into lobbying.

For Americans at the top, a stakes are potentially massive. When you are working with a family, or single person worth a billions, tax cuts in turn, could mean millions lost or saved. This dilutes the reason behind the donations of the top percent in America.

For corporations, their main interest is direct spending or donations, to effect policy. For most part, the campaigns do not matter nearly as much to corporations as it does to the super rich. The real game for corporations begin as the governing starts. David Koch was quoted saying “ Our main interest is not participating in campaigns.... Our main interest is in policy”. In the 2016 elections, the David Koch, and his billionaire brother funneled over \$400 million through their network of corporations.(cnbc. com). One can only imagine the amount of money to be spent, if the Koch brothers main interests were in campaigns.

It is time for a change. The problem of money in politics is a universally recognized. Current President, and capitalist Donald Trump, democratic socialist Bernie Sanders both agree on the problem. Sanders has spent his career fighting against the corruption caused by big money, and Trump even admitted to making large donations before his presidency to gain favor with them.

I started to look for a solution to the problem of big money, and found one at the State level I thought to be very interesting.

In November 2015, Seattle residents voted overwhelmingly to create the Honest Elections Seattle ballot initiative. It won 63%-37% on aggregate, to create the nations first Democracy Voucher program. What is a Democracy Voucher? A Democracy Voucher is Seattle's way of fighting big money politics.

Last January the residents of Seattle received a packet from the state government in the mail. Many threw the envelope away, thinking it was spam, or junk mail. Those who opened it found “ free money,” courtesy of the City of Seattle inside.

The “ free money” was in the form of a Democracy Voucher. These vouchers could be used to donate to local political candidates. Residents received four \$25 Democracy Vouchers to for use in two at-large City Council races and the contest for City Attorney. The program will expand to other races including the race for Mayor in future elections.

Those who received the vouchers simply wrote the candidate of their choosing on the back, and sent it back to the City, or personally gave it to the candidates. The candidates then received funding from the State, to use as they pleased for their campaigns.

In my eyes this is a huge step forward. The Seattle Experiment shows that citizens of the United States have acknowledged the problem with big money in politics. It gives power back to the average tax payers, instead of letting the power of money reside with major political parties, and named donors.

Gina Owens who is a Seattle Resident was quoted saying, “ It is the perfect example of the empowerment this program provides.” She told the Seattle times, “ My income has never been the highest in Seattle, so I always had a problem using my finances for campaigns, when I have to take care of home.” Because of the Democracy Voucher program, she has the means to make a difference in the local election. “ I felt like a bigwig that usually donates all the time...Being able to contribute to a campaign like that was really awesome ...” Of course this solution didn’t make everyone happy, but the majority of residents in Seattle responded positively.

The point of the Seattle Experiment was to prove that there is a way to make small money significant in American politics, and take away the corruption big money has created. Certain data gathered from the experiment show that it indeed is giving power back to small money.

The city of Seattle plans to stick with the experiment for the next round of elections. As of April 18th, this is the state of the current voucher program, according to [seattle. gov](http://seattle.gov).

According to [everyvoice. org](http://everyvoice.org), “ Seattle’s Democracy Voucher Program is achieving its intended goals by generating historic numbers of new and small donors, diversifying the makeup of campaign supporters to better reflect the people of Seattle, and limiting the reliance on big money in local elections.”

A major problem when it comes to voting in American, is capturing and engaging the focus of the younger generations and minorities. Among the donors within the Democracy Voucher program, the share of funds from young people, which is defined by ages 18-35, 27%. Which is nearly three

<https://assignbuster.com/big-money-big-problems/>

times greater than the 9%, found in the last cycle of elections, without the Democracy Voucher system in place, according to studies published by seattle.org.

The number of small donations tripled since the program has been put in to practice. Another report shows that 84% are first time donors. These sorts of numbers, when it comes to small money donors, are unheard of in the political realm. Yet, there are still problems that must be smoothed out.

Out of nearly 600, 000 residents who received vouchers, only 3. 3% redeemed them and sent out their donations. This means 96% of the “ free money” sent out by the government was lost, or merely forgotten. The main issue with not having a big turnout was that it cost the city almost \$1 million to start up the program and only brought back about \$1. 1 million in donations.

Like any government program, it is not perfect but I believe the pros outweigh the cons tremendously. I know from personal experience it is very easy to ignore state politics, and not pay attention. These vouchers in a way, have helped to solve that problem. It gets citizens engaged, and reduces the role big money plays in politics. Of course it is not perfect, but I have not seen a better solution to the problem.

For the first time, every Seattle resident played an important part in the fundraising of potential campaigns. The result was that runner-ups relied heavily on vouchers dispersed within the community rather than the wealthy white communities in Seattle. The role of these vouchers dramatically reduced the impact big money had on the campaigns, and helped balance

<https://assignbuster.com/big-money-big-problems/>

the playing fields. As public awareness of the vouchers goes up, the percentage of the population that redeems their vouchers will go up, even furthering the discouragement of big money in politics. Seattle's next plan of action is to send the vouchers out during the campaign for Mayor. We can expect the potential candidates running for Mayor, to appeal and advertise themselves to the everyday citizens, instead of lobbying predominantly with the upperclass. The best part about the program is that the longer it is in existence the better results we will see. It will continue to grow and exponentially compound its results.

While the program is undoubtedly expensive, it is getting results. Cara Bilodeau, program director at the Win/Win Network in Seattle was quoted saying,

“ This was a historic election in which more Seattleites participated as donors than ever before and more candidates were able to run with the backing of small donors, instead of big money...Our city is strongest when everyone has the opportunity to have his or her voice heard, and thanks to the Democracy Voucher Program, we made strides towards ensuring that opportunity this election season.”

Tam Doan, who is a research and policy director at everyvoice. org. She has been very involved with the program, and has been following it closely.

“ Seattle voters put in place the Democracy Voucher Program to make local government more accountable to the people of Seattle, and so far, it's working...As billionaire donors play an increasingly larger role in national politics, Seattle's Democracy Voucher Program is a promising example and a

<https://assignbuster.com/big-money-big-problems/>

reminder for the rest of the nation that if we choose to use them, we have the tools necessary to reduce the power of big money and give everyday people a bigger voice in our political system.”

More than anything, these reports show that the people of Seattle are on board. They love the change, and the results of the experiment. In my opinion the voting system at the Federal level, could learn something from the city of Seattle.

It is time for a change. The problem of money in politics is universally recognized. Current President, and capitalist, Donald Trump and Democratic Socialist Bernie Sanders both agree on the problem. Sanders has spent his career fighting against the corruption caused by big money, and Trump even admitted to making large donations before his Presidency to gain favor with them.

A possible solution to the problem of big money in politics is expanding the Seattle Experiment to a Federal level. Giving out the equivalent of a Democracy Voucher every four years could solve the problem. An ideal scenario would be for the 2024 elections. This gives the government adequate time to advertise the new system, and make sure it is known and talked about in order to keep the turnout from being a low percentage, like the first year in Seattle. There are over 140 million tax payers in the United States. If as little as 20% of tax payers used their Democracy Vouchers, that is over \$28 million in potential campaign funding. The longer this program is in effect, the bigger the number of vouchers used would be.