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Make People Matter



More Than Money!

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Money screams in recall elections

With weeks worth of campaign fundraising and spending still to be accounted for, the Democracy Campaign already had tallied over \$66 million in spending in the recall election for governor by the time voters cast their ballots on June 5.

About \$47 million was spent on the Republican side and Democrats spent \$19 million. Republican Governor Scott Walker had a huge financial advantage over his Democratic opponent, Milwaukee Mayor Tom Barrett. Walker reported spending \$29.3 million through May 21, while Barrett reported spending \$2.9 million. Other Democratic candidates collectively spent \$1.1 million in the primary election. Post-election reports showing fundraising and spending after May 21 are due July 5.

Interest groups spent roughly \$33.5 million sponsoring their own advertising in the race, including about \$18 million by Republican groups in support of Walker and \$15.5 million by Democratic groups backing Barrett. More interest group spending will be accounted for in reports to be filed by their political committees on July 20.



CNN correspondent Dana Bash interviews WDC director Mike McCabe about recall spending days before the election.

WDC expects total spending in the governor's race to reach or exceed \$80 million when a final price tag can be put on the election, more than doubling the previous record of \$37.4 million set in the last election for governor in 2010.

Millions more were spent on the recall elections for lieutenant governor and four state senate seats. When combined with the \$44 million in spending the Democracy Campaign counted in nine senate recall elections last summer, it is likely that overall spending in 2011 and 2012 will top \$130 million.

Outside interference figured prominently in the recalls. Of the money Walker raised from individual contributors, 62% came from outside Wisconsin. Barrett got 26% of his money from out of state. Much of the money spent by interest groups also came from outside Wisconsin.

Wealthy donors belly up to buffet

At a time when the public was repeatedly told Wisconsin was broke and drastic measures were needed to put the state's finances back in order, Governor Scott Walker and the legislature approved nearly five dozen proposals sought by powerful special interests that will cost the average family \$235 in 2012 and continue to grow to nearly \$300 annually in 2020, a Wisconsin Democracy Campaign study issued last month showed.

The report entitled "Special Interest Smorgasbord" identified 55 state budget items and bills approved during the 2011-12 legislative session that benefited business, manufacturing, construction, transportation, real estate and agriculture interests that donated nearly \$24 million to the governor and state legislators since 2009.

Eighteen items had price tags costing state taxpayers over \$330 million in 2012, with the cost eventually growing to nearly \$440 million, or \$291 a year for a

Special interests that donated nearly \$24 million to the governor and state legislators got more than \$330 million steered their way – at a time when the public was told the state was broke.

family of four, by 2020.

These changes included a controversial raid on the state's general fund to pay for more spending on major highway projects than the transportation fund could accommodate, new tax write-offs for businesses, and capital gains and investor tax cuts that benefit mostly wealthy individuals.

In addition, 37 measures approved by the legislature and the governor gave special interests clear breaks or benefits – such as relief from legal liability or regulation – but it is not possible to determine an exact cost to the public.

"The general public was constantly lectured this whole past year about the need for 'shared sacrifice' and painful cuts," WDC director Mike McCabe said. "While regular folks had to tighten their belts, wealthy campaign donors were treated to a smorgasbord of perks and government handouts."

Money's the issue

The Democracy Campaign and 17 other citizen groups made out-of-control election spending a campaign issue at a May 31 press conference at the Capitol and called on Governor Scott Walker and his opponent, Milwaukee Mayor Tom Barrett, to promise action to rein in outside spending, close the loophole allowing unlimited recall fundraising, and create more accountability and transparency in election financing.



The issues raised at the news conference became the subject of a series of questions posed to the candidates in the final debate in the governor's race. Neither candidate would commit to the groups' demand for a special legislative session on campaign reform.

Roemer calls out nation's leaders

Speaking last month to the largest-ever audience at a Democracy Campaign annual membership meeting, former Louisiana governor and congressman and frequent Comedy Central guest Buddy Roemer steered clear of punch lines and instead delivered a from-the-heart indictment of money's influence on American politics. Roemer's keynote speech pounded the theme that "America is in trouble" and needs elected officials who are "free to lead." He repeatedly exhorted those in attendance to insist on a sweeping overhaul of the way election campaigns are funded.



Ex-Louisiana Governor Buddy Roemer chats with Mike McCabe after giving keynote remarks at WDC's annual membership meeting May 2.

From the Big Money Blog

After all the finger pointing ends

Some Democrats blamed President Obama for their party's defeat in the June 5 recall election for governor, gnashing their teeth over his refusal to come in and campaign with Tom Barrett. Some blamed the DNC for not jumping in the race with all its might. Some blamed the unions for wasting millions of dollars trying to anoint Scott Walker's opponent in a primary fight. Some blamed Russ Feingold for not accepting a role as savior. Some blamed young people for not going to the polls in droves the way they did in 2008.

The Democrats' state party chair chalked up their latest defeat to money. A great many others agreed, laying the blame on the infamous Citizens United decision by the nation's highest court, although in the next breath more than a few Democratic activists scolded the party's braintrust for not trusting the citizen movement behind the recall and for screwing up the election.

When the scapegoating subsides, the fact remains that the Democratic Party proved unable to beat Wisconsin's most polarizing political figure in living memory, one bankrolled by millionaires and billionaires, some of whom could vote in the election and most of whom could not. The nation's worst job-creation record and a mushrooming cloud of scandal and criminal investigations were not enough to prompt the majority of voters to find the Democrats' standard bearer preferable.

After all the finger pointing ends, Democrats face the real question: Will the party finally come to terms with how damaged its brand really is?

To most eyes, the Democratic Party is the party of government and government employees and their unions. Most people hate the government. Why? Because increasingly they see it as corrupt, run by people they view as crooked. They don't believe government is working for them, and if it's not going to work for them, then they'd prefer to keep it as small as possible. How do you build a governing

majority with a brand people hate?

When the Democrats won the hearts of a majority of people in the past, it was because the party had a big hand in creating things that tangibly benefited everyone or at least directly touched every American family in a major way. Social Security and Medicare. Rural electrification. The GI Bill. The interstate highway system.

Today's Democrats have broken the sacred political law of universality. They may say we're all in this together and need to look out for each other, but most people see today's Democrats standing for health and retirement security and better pay for a few, but not for most. This has created an opening for Republicans to build a rich-poor alliance – and a governing majority in Wisconsin.

In defeat there is still opportunity for the Democrats. We have one party that is scary and another that is scared. One is seen as standing for big government, the other for no government. But neither is seen as truly working for the people. Both are seen as captive parties that owe allegiance to their big donors and ceaselessly cater to those wealthy interests.

Maybe their defeat in the recall election will be the wake-up call Democrats need, and maybe they will finally come to terms with the cancer that is growing in the body of democracy and see the impact that

One party is scary and the other scared. One is seen as standing for big government, the other for no government. But neither is seen as truly working for the people.

disease is having on their party's brand.

I'm not holding my breath. After all, in the nearly 15 years I have been doing this work, a Democratic governor reached out to the Democracy Campaign and asked to meet with us only once. That was to read us the riot act for shining light on his campaign money. In all those years, a Democratic state party chair sought to meet with us one time. That was to ask if we would support legislation to significantly *increase* the limits on campaign contributions to candidates and parties.

— Mike McCabe

Look who's writing our laws

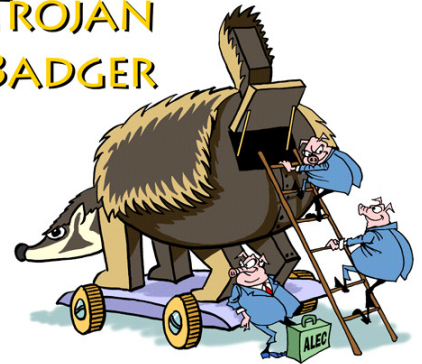
A website called "Kids in the House" managed by the U.S. House clerk's office says this to its young visitors: "*Laws begin as ideas. These ideas may come from a Representative – or from a citizen like you.*"

Lawmaking in Wisconsin has strayed far from that ideal. Many of our most recent laws are being written by a corporate-funded bill mill based in Washington, D.C. called the American Legislative Exchange Council, or ALEC for short.

What was called "2011 Wisconsin Act 1," which provided a tax break for primarily wealthy individuals who could sink money in so-called health savings accounts, was written by ALEC. So was Wisconsin Act 2, which puts limits on the legal liability of manufacturers, health care providers and other businesses. ALEC also cooked up Act 9 requiring a legislative supermajority to raise any tax and Act 10

curtailing collective bargaining rights. ALEC also was behind business deregulation done in Acts 14, 21 and 22. And the bill requiring voters to have a state-issued photo ID in order to cast a ballot that became Act 23. Not to mention seven different parts of the state budget (Act 32) and at least six other new laws ranging from concealed carry to permitting the use of deadly force under a "castle doctrine."

TROJAN BADGER



The legend of the Trojan Horse lives on as a metaphor for sneak attacks and concealed agendas. What ALEC is doing in Wisconsin is a living embodiment of this ancient tale. Call it the Trojan Badger.



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