

# Even In An Economic Crisis, Follow The Money

## Lee Hamilton Commentary

Recently, *Newsweek* looked at Federal Election Commission records and made an intriguing discovery. The political action committees of five major recipients of federal bank bailout money, it found, made some \$85,000 in campaign contributions in January and February, mostly to members of Congress sitting on the committees that oversee their industry.

Quite naturally, the magazine uncovered some squeamishness about the notion that taxpayer dollars meant to resolve the credit crisis are instead being used to influence Congress. “The last thing I want to do is wake up one morning and see our PAC check being burned on C-SPAN,” one bank lobbyist said. Even so, some banks are making the contributions, and lawmakers are accepting them.

And why not? This is how business gets done in Washington. In an illuminating, full-page chart, *The New York Times* recently illustrated the ties between captains of finance and members of Congress in 2007-2008: PAC donations in the millions of dollars from various Wall Street firms, and a web of lines showing personal donations that snaked from their CEOs to various influential lawmakers.

The same could be done with other industries. When prescription drug coverage provisions come up in Congress, big pharmaceutical companies blanket the capital with their presence and their cash. When defense procurement issues come up, military contractors — and their money — are everywhere you turn. On any given issue, in other words, interests with money line up to show Congress how much they care.

In his new book on the chase for political cash, *So Damn Much Money: The Triumph of Lobbying and the Corrosion of American Government*, longtime *Washington Post* editor Robert Kaiser tells a story about the late John Stennis, the legendary Senator from Mississippi. In 1982, running for his seventh term, Stennis found himself in a tough race, and was urged by his consultants to raise money from the defense industry he oversaw from his perches on the Armed Services and Appropriations committees. “Would that be proper?” Stennis responded. “Sir, I hold life and death over those companies. I don’t think it would be proper for me to take money from them.”

By the time Senator Stennis uttered those words, Washington was already changing; expressing that sentiment today would immediately get you written off as hopelessly naïve. The political process runs on people and organized interests with money: politicians need it in order to get elected; donors use it to try to get favorable legislation. And everyone knows how the game is played: legislators raise money from the industries that come under the purview of their committees, while donors contribute to those who wield the most influence over their interests and don’t waste their resources on politicians who are irrelevant.

It is not at all clear what we can do about this. I don’t fault politicians for raising money to run for re-election. How do you fund a multi-million dollar campaign without such contributions? Yet whether they want to admit it or not, accepting that money puts them under some obligation to donors.

We cannot eliminate money in politics, if for no other reason than that doing so would threaten this nation’s obligation to protect free speech. Those who contribute to campaigns have a right to do so to promote their interests. I do wonder, however, who contributes to the common good. We want to make sure we have a system that allows everyone — not just the well-heeled — to express their views to their representatives and have those views treated with equal consideration.

I think the chase for money — demeaning to both candidate and contributor — has gotten so far out

**of hand that it is beginning to threaten representative democracy itself. And though we still haven't figured out a cure, that's not a reason to stop trying to find one.**

**One step in the right direction is to ensure real-time transparency of donations, so that as they come in, the public can learn about them. This already happens in the U.S. House, where donations must be filed and made available electronically. Astoundingly, though, the Senate has been dragging its heels on even this modest reform — when what we really need goes further: a system that gives the voter, with the click of a few computer keys, instant access to charts that line up contributions to members with their votes and earmarks. This is only difficult politically, not technologically. If Congress wants to restore public confidence in its actions, that's the direction it needs to head.**

*Lee Hamilton is Director of the Center on Congress at Indiana University. He was a member of the U.S. House of Representatives for 34 years.*