



Big picture Q: how does a big money system harm poor people and people of color?

The problem of big money in politics is tied together with inequality in different systems in the United States: economic inequality, racial inequality and injustice, and political inequality.

Economically, we're in a moment in which wealth is concentrated at alarming levels—this has been central to popular moments like Occupy Wall Street or Bernie Sanders' bid for President.

We have a political donor class made up of really wealthy, and [disproportionately white](#), people and corporations that can spend unlimited amounts of money on elections. And they have very different views and priorities than the rest of us, especially when it comes to economic policy. This has thwarted our ability to enact economic reforms that have broad popular support. Ex:

TABLE 1: JOBS & INCOME POLICY PREFERENCES OF AFFLUENT VS. GENERAL PUBLIC

Policy	% Wealthy in Favor	% General Public in Favor
Government must see that no one is without food, clothing or shelter	43%	68%
Minimum wage high enough so that no family with a full-time worker falls below official poverty line	40%	78%
The government should provide a decent standard of living for the unemployed	23%	50%
The government in Washington ought to see to it that everyone who wants to work can find a job	19%	68%
The Earned Income Tax Credit (EITC) should be increased rather than decreased or kept the same	13%	49%
The federal government should provide jobs for everyone able and willing to work who cannot find a job in private employment	8%	53%

SOURCE: Benjamin I. Page, Larry M. Bartels, and Jason Seawright, "Democracy and the Policy Preferences of Wealthy Americans," *Perspectives on Politics* [italized] 11:1, pp. 51-73.

Demos.org

From: [Stacked Deck: How the Dominance of Politics by the Affluent & Business Undermines Economic Mobility in America](#) (Demos, 2013)

So ultimately, the donor class is better represented in our democracy than the rest of us, as policies that our representatives enact are skewed toward this same donor class. Research by political scientists like Marty Gilens shows that when it comes to economic policies, when the views of the

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wealthiest 10% of Americans conflict with those of the bottom 90%, the 10% trumps the 90%, and in fact:

under most circumstances, the preferences of the vast majority of Americans appear to have essentially no impact on which policies the government does or doesn't adopt...

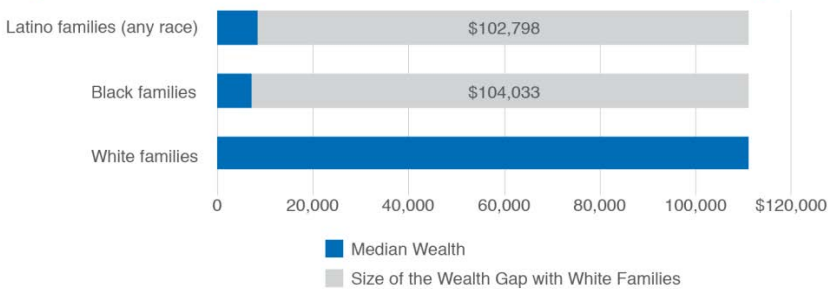
patterns of responsiveness...often correspond more closely to a plutocracy than to a democracy.

From: MARTIN GILENS, AFFLUENCE AND INFLUENCE: ECONOMIC INEQUALITY AND POLITICAL POWER IN AMERICA (2012)

This system works in conjunction with past and present systemic racism, discrimination, and injustice. Demos' 2014 report [Stacked Deck: How the Racial Bias in Our Big Money Political System Undermines our Democracy and Our Economy](#) links big money in politics and racial inequality. Demos has also done research on the racial wealth gap and the [Asset Value of Whiteness](#). We know that:

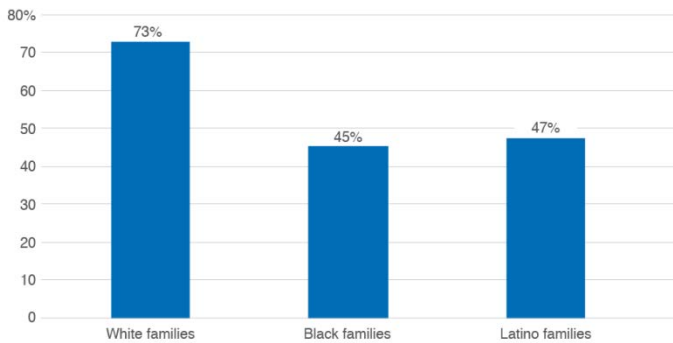
- Because of our country's history and present practice of excluding POC from our economy and our democracy, there are significant gaps in the median household wealth controlled by white families and families of color:

Figure 1. Wealth Accumulation and Size of the Racial Wealth Gap, 2011



Source: Survey of Income and Program Participation (SIPP), 2008 Panel Wave 10, 2011

Figure 2. Homeownership Rates



Source: Survey of Income and Program Participation (SIPP), 2008 Panel Wave 10, 2011

From: [Racial Wealth Gap: Why Policy Matters](#) (Demos, 2016)

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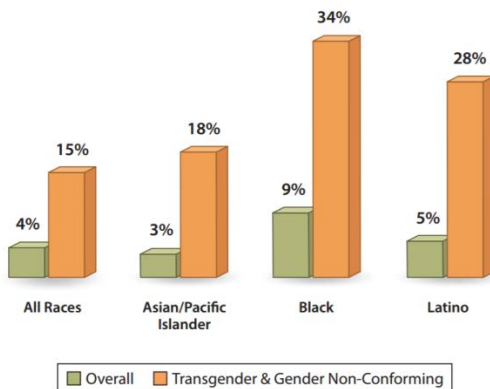
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- LGBTQ people also face barriers in our democracy and in our economy. An example of this is voter ID laws, which the Williams Institute has done some great [research](#) on. Over a quarter of trans people have reported not having an I.D. that lists their correct gender. Many states make the process of correcting your gender really burdensome; some even require a sex change operation. So voter ID creates obstacles for thousands of potential trans and gender nonconforming voters-- in addition to people of color, low-income people, elderly people, and people with disabilities. And in the economic marketplace, not all legislatures and courts are protecting LGBTQ people from discrimination (at least not consistently).

So in addition to racial inequality, we see gaps in the wealth controlled by LGBTQ people compared to cis/straight folks.

Against this backdrop, trans and gender non-conforming people are almost 4x more likely to live in extreme poverty than Americans as a whole. Black trans and gender nonconforming people are 8.5x more likely to live in extreme poverty; trans Latinx folks are 7x more likely. This is a huge obstacle to full participation in our democracy. Candidates don't have a big incentive to campaign and talk to folks who can't give them money (and in many states can't even vote because they lack the proper I.D.)

Figure 3: Extremely Low Income
Percentage of Transgender Respondents Reporting Extreme Poverty Incomes Less Than \$10k Per Year



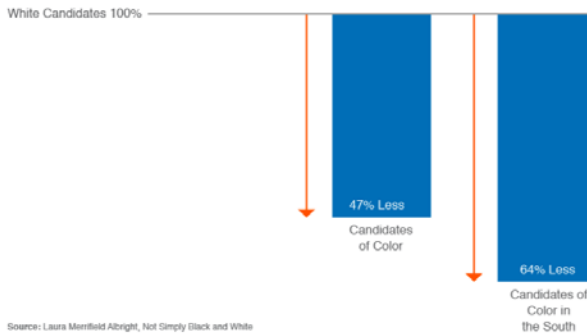
From: [Paying an Unfair Price: The Financial Penalty for Being Transgender in America](#) (Movement Advancement Project & CAP, 2015)

- The outcome of all this is a political system and a government skewed against prioritizing the needs of POC, and queer and trans POC.
- In this environment, candidates of color, including queer candidates of color, are less likely to run in the first place, and raise less money when they do run-- especially in the South.

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Figure 13. Candidates of color raise 47% less than white candidates overall, and 64% less than white candidates in the South (in 2006 state legislative races)



From: [Stacked Deck](#) (Demos, 2014)

Q: How is this even legal?

- For decades, the Supreme Court has been zealously protecting the right of wealthy people to spend money on elections – a right that not everyone has access to, and that POC and QPOC are disproportionately excluded from exercising. Not only that, the Court has been protecting that right to spend money with a level of constitutional protection—Strict Scrutiny—that it has not always afforded even the Freedom to Vote.
- The Supreme Court’s democracy case law has directly contributed to this system. Because of its decisions:
 - o Wealthy candidates can spend millions on their own campaigns (Donald Trump and Mike Bloomberg, former NYC mayor);
 - o Billionaires like [Robert Mercer](#) and Sheldon Adelson can spend unlimited amounts of their own money to help elect their favorite candidates
 - o And a lot of really awesome potential candidates for office are not taken seriously if they can’t raise large amounts of money, and are completely left out of the process
 - This disproportionately harms POC and QPOC
 - o Corporations can spend unlimited amounts of money on elections, and can exert Free Speech and Free Religion
- Demos recently released a report called [Court Cash](#) which tries to estimate how much money in our system is attributable to the Supreme Court’s extreme protection of the rights of the wealthy donor class:

Figure 1. Portion of Competitive Congressional Race Spending Attributable to Supreme Court Rulings (2016)



Table 1. Money in 2016 Competitive Congressional Races by Supreme Court Decision

Court Case	Amount	Percentage
<i>Buckley v Valeo</i> (1976)	\$201,000,000	24%
<i>Colorado Republican Party v FEC</i> (1996)	\$124,000,000	15%
<i>Citizens United v FEC</i> (2010)	\$324,000,000	38%
SCOTUS Total	\$649,000,000	77%
Total Spending	\$843,000,000	100%

Sources: Demos calculations of CRP and FEC data

- Unfortunately, thanks to Donald Trump the Supreme Court probably won't reverse course on this any time soon. Justice Gorsuch, who Trump appointed and who was rammed through by the Senate Republicans, seems to be just as far to the right on money in politics as his predecessor Justice Scalia. He might be hostile to contribution limits (how much you can donate directly to a candidate), one of the few remaining protections against big money still on the books post-*Citizens United*. He also seems to have some hostility to requirements that spending be disclosed—and if that's the case, he would actually be **to the right of Scalia** on the issue of disclosure. This is scary for money in politics and other areas of economic regulation.

This is a big part of why Demos [opposed](#) Gorsuch's nomination so strongly. He also signed onto an opinion in the *Hobby Lobby* case (as a 10th Circuit Judge) holding that the company Hobby Lobby's "religious" liberty gave it the right to refuse to provide reproductive health services to its employees. To afford enhanced personal rights like this to corporations while in so many parts of the country LGBTQ people's dignity is not protected by the law, is really problematic.

Q: What are some possible solutions to this problem?

- At the big picture level, we need to pass policies-- at all levels of government-- that allow people to achieve economic security regardless of their gender identity, race, gender, immigration status... and we need to demand that candidates and elected officials prioritize this, and prioritize racial equity
- One way we can work toward building the power that we need to do that is by passing policies that aggregate and amplify the power of everyday people as opposed to the donor class, including LGBTQ people and QPOC, and their communities
 - o This can be done at the state and local level by passing public financing programs, which can help break down financial barriers to running for office and enhance participation by people who have historically been disenfranchised
 - Example – in Washington DC, my colleague Emmanuel Caecido is working with the coalition for the Fair Elections Act, which is a program that would provide candidates with grants to use to campaign and would also match the donations of small donors to amplify their power.

The NYC public financing system is an awesome example of how this works—it's brought in more people including more people of color into the system. That said, public financing is not the end-all be-all; it still allows someone like Michael Bloomberg to come in and spend over \$200M on his own campaigns for mayor.

- o It can also be done by enacting policies that empower voters and potential voters who have been disenfranchised, to grow our power in numbers and our ability to hold candidates accountable. This includes reforms like [Automatic Voter Registration](#) or “AVR”, which would put the onus on the state to register people to vote, rather than putting the onus on voters [would help combat the gaps in voter registration – currently 15% of eligible folks in Massachusetts are not registered to vote]. It also includes fighting for people who have been excluded from exercising their civil right to vote by way of a felony conviction.
- [As we're thinking about solutions, I think it's important for white people like myself to engage the asset value of whiteness that we have access to, and to spend money in ways that support people of color, candidates of color, businesses and organizations led by people of color and doing racial equity work...white people, including white queer people, could step up in a way that we historically have not been doing]
- [On the topic of a constitutional amendment, check out Blair Bowie's [blog post](#) and article on using unique provisions of State constitutions to advance MIP reforms]