



Show Me The Money

Obama Loathes Money In Politics But Has No Problem Directing It To His Causes

OBAMA EXPRESSES DISMAY OVER THE INCREASED PRESENCE OF MONEY IN POLITICS, BUT FAILS TO MENTION HIS ROLE IN PROPAGATING IT

This Week, Obama Bemoaned “The Prevalence Of Money” And “The Power Of Special Interest Lobbies In Politics.” OBAMA: “Just as there's been a long tradition in this country of people chasing after the almighty dollar, just as there's been a long tradition of communities looking out for each other—those dual impulses of community and individual ambition— the political system has gone back and forth. There have been times in this country where the political system was captive to wealthy interest and special interests, and money has been the overriding factor in what Washington does. What we have seen increasingly over the last decade or so is the prevalence of money in politics, the power of special interest lobbies in politics. Campaigns have gotten more expensive. TV has come to dominate who wins and who loses. There's a reduced importance of mediating institutions, like unions and community organizations that used to be the building blocks of political power. In that context, you see policies that all too often reinforce this ‘winner-take-all’ economy, instead of trying to compensate for it.” (David Blume, *President Barack Obama: The Kindle Singles Interview*, 2013)

After Promising To Focus On Campaign Finance Reform In A Second Term, Obama Has Been Promoting A Group That Accepts Unlimited Donations

PROMISE: During The 2012 Campaign, Obama Promised To Tackle Campaign Finance Reform.

OBAMA: “But, look, we’re in an environment right now where money is as prominent as it’s ever been in our politics. And that’s never been my idea of politics. That’s never what has motivated me. I think the American people consider this a big problem and I hopefully will be able to work with them to find some solutions in a second term.” (Michael Scherer, “What He Knows Now: Obama On Popularity, Partisanship And Getting Things Done In Washington,” [TIME](#), 8/30/12)

- **In A Second Term, Obama Campaign Senior Adviser David Axelrod Said Obama Would “Bring Some Common Sense Back” To The Campaign Finance System.** “Axelrod said a second term Obama administration would bring about reforms in the campaign finance system. ‘I hope that when we win this election, one thing we can do is bring some common sense back to our system,’ Axelrod said.” (Byron Tau, “Axelrod Says Super PACs Hurting Democracy, Vows Reform,” [Politico](#), 6/14/12)

BROKEN: In January, Obama Turned His Campaign Into A Permanent Advocacy Group Called “Organizing For Action.” “Leaders of President Obama's reelection campaign announced Friday that they are launching a permanent advocacy organization called Organizing for Action that will enlist his supporters to fight for his policy agenda.” (Matea Gold, “Obama Aides Launch Organizing For Action To Back,” [Los Angeles Times](#), 1/18/13)

- **Organizing For Action Is A Tax-Exempt Group That Can Accept Unlimited Contributions.** “As a 501(c)4 group, the new Obama organization will be separate and different from Priorities USA, the Obama-backing super PAC that could accept unlimited financial contributions in support of his re-election campaign. Despite high-profile backing from top Obama aides and allies including former President Bill Clinton, Priorities foundered compared to groups backing GOP rival Mitt Romney. Priorities officials did not respond to request for comments about the group’s future. But unlike a super PAC, the new nonprofit will be able to accept anonymous contributions. The nonprofit could voluntarily choose to release the names of donors — but such disclosure is not mandated by the Internal Revenue Service or the Federal Election Commission. There are no contribution caps on what donors are allowed to give to 501(c)4 groups.” (Glenn Thrush, Reid J. Epstein and Byron Tau, “Obama Campaign To Relaunch As Tax-Exempt Group,” [Politico](#), 1/17/13)

“Opponents Of Campaign Finance Reform Say It’s Another Reversal By Obama — Who Has Said Repeatedly That He Is Against The Amount Of Money Sloshing Around In Politics.” (Glenn Thrush, Reid J. Epstein and Byron Tau, “Obama Campaign To Relaunch As Tax-Exempt Group,” [Politico](#), 1/17/13)

- **Former FEC Chairman Bradley Smith: Some Of Obama’s Campaign Rhetoric On Campaign Finance Was Just “B.S.”** “‘It’s just further evidence that everybody recognizes that there are valid reasons for people to want to remain anonymous,’ said Bradley Smith, a former Federal Election Commission chairman and head of the Center for Competitive Politics. Smith — a vocal opponent of increased regulation of money in politics — called some of Obama’s rhetoric on campaign finance ‘B.S.’” (Glenn Thrush, Reid J. Epstein and Byron Tau, “Obama Campaign To Relaunch As Tax-Exempt Group,” [Politico](#), 1/17/13)

In 2011, Obama Reversed His Position On Super PACs

PROMISE: In 2010, Obama Called Outside Spending Groups “A Threat To Our Democracy.” OBAMA: “Now, that’s not just a threat to Democrats -- that’s a threat to our democracy. Every American business and industry deserves a seat at the table, but they don’t get to a chance to buy every chair. We’ve seen what happens when they do. They put the entire economy at risk and every American might end up suffering.” (President Barack Obama, [Remarks At Campaign Event](#), Philadelphia, PA, 10/10/10)

- **In Obama’s 2010 State Of The Union, Obama Said The Citizens United Ruling Would “Open The Floodgates For Special Interests – Including Foreign Corporations – To Spend Without Limit In Our Elections.”** OBAMA: “With all due deference to separation of powers, last week the Supreme Court reversed a century of law that I believe will open the floodgates for special interests -- including foreign corporations -- to spend without limit in our elections. I don't think American elections should be bankrolled by America's most powerful interests, or worse, by foreign entities. They should be decided by the American people. And I'd urge Democrats and Republicans to pass a bill that helps to correct some of these problems.” (President Barack Obama, [State Of The Union Address](#), Washington, D.C., 1/27/10)
- **In 2010, Obama Called Super PACs “Shadowy Groups.”** OBAMA: “As the political season heats up, Americans are already being inundated with the usual phone calls, mailings, and TV ads from campaigns all across the country. But this summer, they’re also seeing a flood of attack ads run by

shadowy groups with harmless-sounding names. We don't know who's behind these ads and we don't know who's paying for them. The reason this is happening is because of a decision by the Supreme Court in the Citizens United case – a decision that now allows big corporations to spend unlimited amounts of money to influence our elections.” (President Barack Obama, [Remarks For Weekly Address](#), 8/21/10)

BROKEN: In February 2011, Obama Reversed His Position On Super PACs, “Encouraging Donors To Send Their Unlimited Contributions” To Pro-Obama Priorities USA PAC. “President Obama's re-election campaign made an about-face late Monday in its opposition to super PACs, encouraging donors to send their unlimited contributions to one such group founded by a former administration spokesman. Obama campaign manager Jim Messina emailed supporters to formally endorse contributions to Priorities USA, the Democratic super PAC founded by Bill Burton, a former White House deputy press secretary.” (Michael O'Brien, “Obama Campaign Reverses Stance, Urging Donations To Super PAC, [NBC News' First Read](#), 2/7/12)

- **Obama's Decision Marks A “Stark Reversal” From A President Who Has Been Among The “Most Vocal Critics” Of Super PACs To One Who Is Embracing Them.** “The decision represents a stark reversal for Obama, who has been among the most vocal critics of these outside political spending groups since the Supreme Court's 2010 ruling that paved the way for the rise of super PACs.” (Michael O'Brien, “Obama Campaign Reverses Stance, Urging Donations To Super PAC, [NBC News' First Read](#), 2/7/12)

During His First Presidential Run, Obama Abandoned Public Financing

PROMISE: In Response To A 2007 Questionnaire, Obama Said He Would Accept Public Funding In General Election. “QUESTION: ‘If you are nominated for President in 2008 and your major opponents agree to forgo private funding in the general election campaign, will you participate in the presidential public financing system?’ OBAMA: ‘Yes. I have been a long-time advocate for public financing of campaigns combined with free television and radio time as a way to reduce the influence of moneyed special interests.’” (Senator Barack Obama, “Presidential Candidate Questionnaire,” [Midwest Democracy Network](#), 11/27/07)

- **Obama Even Referred To His Plan As A “Fundraising Pledge” For His Opponents To Accept.** OBAMA: “In February 2007, I proposed a novel way to preserve the strength of the public financing system in the 2008 election. My proposal followed announcements by some presidential candidates that they would forgo public financing so they could raise unlimited funds in the general election. The Federal Election Commission ruled the proposal legal, and Senator John McCain (R-AZ) has already pledged to accept this fundraising pledge.” (Senator Barack Obama, “Presidential Candidate Questionnaire,” [Midwest Democracy Network](#), 11/27/07)
- **In April 2008, Obama Claimed He “Would Be Very Interested In Pursuing Public Financing...”** “FOX NEWS’ CHRIS WALLACE: ‘If you can get that agreement, you would go for a publicly financed campaign?’ OBAMA: ‘What I don’t intend to do is to allow huge amounts of money to be spent by the RNC, the Republican National Committee, or by organizations like the Swift Boat organization, and just stand there without -- (cross talk).’ WALLACE: ‘But if you get that agreement?’ OBAMA: ‘I would be very interested in pursuing public financing, because I think not every candidate is going to be able to do what I’ve done in this campaign, and I think it’s important to think about future campaigns.’” (Fox News’ [“Fox News Sunday,”](#) 4/27/08)

BROKEN: In April Of 2008 Obama “Declared His Independence” And Broke His Promise To Participate In Public Financing. “Obama said, ‘I’m asking you to try to do something that’s never been done before. Declare our independence from a broken system, and run the type of campaign that reflects

the grassroots values that have already changed our politics and brought us this far.’ Declaring independence from a ‘broken system’ by breaking a promise.” (Ed O’Keefe, “Obama To Break Promise, Opt Out Of Public Financing For General Election,” [ABC News](#), 6/19/08)

- **Obama Was The First Major Party Nominee To Forgo Public Financing.** “Obama will become the first major-party presidential nominee to reject the public funds, passing up nearly \$85 million in taxpayer money and instead looking to the 1.5 million donors who contributed to his primary campaign.” (Shailagh Murray and Perry Bacon Jr., “Obama To Reject Public Funds For Election,” [The Washington Post](#), 6/20/08)

OBAMA’S ORGANIZING FOR ACTION IS LEAVING THE DNC DROWNING IN DEBT

The DNC Has Battled Months Of Bad Fundraising Headlines

JANUARY: *The Huffington Post:* “DNC Debt Totals \$21 Million At Start Of 2013.” (Paul Blumenthal, “DNC Debt Totals \$21 Million At Start Of 2013,” [The Huffington Post](#), 1/31/13)

FEBRUARY: *Politico:* “DNC Still Saddled With Debt.” (Byron Tau, “DNC Still Saddled With Debt,” [Politico](#), 2/20/13)

MARCH: *The Washington Post:* “DNC Continues To Bleed Money.” (Aaron Blake, “DNC Continues To Bleed Money,” [The Washington Post](#), 3/21/13)

APRIL: *The Huffington Post:* “RNC Beats DNC Fundraising With Small Donors, Romney Transfers.” (Paul Blumenthal, “RNC Beats DNC Fundraising With Small Donors, Romney Transfers,” [The Huffington Post](#), 4/24/13)

MAY: *Roll Call:* RNC Raises \$7.2 Million, DNC \$6.3 Million. (Kent Cooper, “RNC Raises \$7.2 Million, DNC \$6.3 Million,” [Roll Call](#), 5/20/13)

JUNE: *The Huffington Post:* “RNC Fundraising Continues To Swap DNC Efforts.” (Paul Blumenthal, “RNC Fundraising Continues To Swap DNC Effort,” [The Huffington Post](#), 6/21/13)

JULY: *Roll Call:* “RNC Raises \$2.6 Million More Than DNC In June.” (Kent Cooper, “RNC Raises \$2.6 Million More Than DNC In June,” [Roll Call](#), 7/20/13)

When OFA First Formed, Democrats Were Concerned That It Would Hinder Their Fundraising Efforts

Since It Launched In The Beginning Of 2013, OFA Reports That It’s Raised Over \$13 Million. (“We Have News,” [Organizing For Action](#), 7/12/13)

For The DNC, The “Competition For Fundraising With The New Obama Organization Has Some State Party Officials Worried.” “Financing: The Democratic National Committee is nearly \$22 million in debt, largely the result of a \$15 million loan due next June taken shortly after the Democratic Convention last year. The borrowing isn’t unprecedented – the party took out a \$15 million loan during the 2010 cycle as well – but the competition for fundraising with the new Obama organization has some state party officials worried.” (Zeke Miller, “Democrats New Serve Two Masters: DNC And Organizing For Action,” [TIME](#), 4/1/13)

- **“With Obama Safely In Office For Four More Years, They Wonder If The National Party Can Convert Obama Donors To Give To The Democratic Party.”** “With Obama safely in office for four more years, they wonder if the national party can convert Obama donors to give to the Democratic Party. None would speak on the record citing relationships with the DNC and the Obama campaign.” (Zeke Miller, “Democrats New Serve Two Masters: DNC And Organizing For Action,” [TIME](#), 4/1/13)
- **Another Problem For Democrats Is That, “The Records Of The Millions Of Obama Campaign Supporters – Remains With The Dormant Obama Campaign And Not The DNC.”** “Technology:

The former Obama campaign maintains control over its vaunted Project Narwhal, which combined data from once-separate sources like emails, form responses, and volunteer activity with donor data and the Democratic Party's voter file. Narwhal allowed the campaign to identify those supporters most likely to volunteer, donate or make phone calls. Much of the underlying data — the records of the millions of Obama campaign supporters — remains with the dormant Obama campaign and not the DNC." (Zeke Miller, "Democrats New Serve Two Masters: DNC And Organizing For Action," [TIME](#), 4/1/13)

"President Barack Obama's Decision To Launch His Own Political Organization Has Some Democrats Wondering: Is He Just In It For Himself?" "President Barack Obama's decision to launch his own political organization has some Democrats wondering: Is he just in it for himself? Obama's new group, Organizing for Action, will focus on his policy agenda – not on electing Democratic candidates – by raising unlimited amounts of cash and accessing the president's secret list of 20 million supporters, volunteers and donors." (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)

- **"And It Has No Plans To Coordinate Efforts, Leading Some Democrats To Worry That It Will Take Money And Manpower Away From The Party As It Heads Into The 2014 Elections For Control Of Congress."** (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)
- **"'There's Only So Much Money To Go Around In Democratic Circles. There's A Limited Pool Of Resources,' Said Gilda Cobb Hunter, A South Carolina Legislator And A Member Of The Democratic National Committee. 'Why Can't We Strengthen One Entity?'"** (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)

"And Obama Is The First To Form A Group That Will Raise Millions Of Dollars As It Seeks To Perpetuate A Year-Round Campaign For Him." (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)

- **The Formation Of OFA Has "Prompted Some Democrats To Accuse Obama Of Focusing More On His Legacy And Less On His Party."** "The decision to create Organizing for Action separate from the DNC, where a similar group was housed after the 2008 election, has prompted some Democrats to accuse Obama of focusing more on his legacy and less on his party." (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)
- **"Several DNC Members Said In Interviews That They Weren't Told About Organizing For Action's Formation Until It Was Publicly Announced In January."** (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)
- **"They Said That When They'd Complained, They Were Chastised And Told By National And State Party Leaders Not To Speak Publicly."** "They said that when they'd complained, they were chastised and told by national and state party leaders not to speak publicly. Most spoke to McClatchy only on the condition of anonymity in order to talk candidly about the internal party dispute." (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)

A Democrat Consultant Said Contributors Who Are Choosing Between Groups To Donate To Would Donate To OFA "Because Of The President's Connection." "A Democratic consultant who's worked on campaigns across the nation said contributors who faced a choice would donate to Organizing for Action rather than to another Democratic campaign group because of the president's connection. 'If you are a donor, which do you go to?' he asked, also speaking only on the condition of anonymity lest he alienate fellow Democrats." (Anita Kumar, "Democrats Fear Obama Group Will Siphon Money From Them," [McClatchy Newspapers](#), 4/1/13)