Reviving American Democracy: Fueling Civic Engagement Through Campaign Finance Reform

Christina Levin

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Chapter I

Introduction

Civic participation has always been a critical element in American life. From cooking clubs to the Common Council, Americans make themselves part of something more meaningful – at least, numerically – than they are individually by joining various associations. It is part of the citizens’ First Amendment right, the constitutional provision that permits people to “peaceably to assemble and to petition the government for a redress of grievances.” While citizens do not only assemble to protest or call on the government for change, this freedom to associate – in itself – is an intrinsic part of a democratic government and American livelihood. It is a way to express views and engage with others, particularly with complex nebulous structures like the local, state, or federal government. It is a way for citizens to inform public officials about opinions. It is a way to fraternize with others who hold similar beliefs. It is part of what determines the laws of the land and American cultural norms.

Yet in recent years, political apathy has increased and voter turnout has plummeted. Even during the hyped-up 2008 presidential elections, which marked the first election of an African-American president and yielded a 64 percent turnout for voting-age citizens, nearly half of survey respondents agreed that people do not have a say in what the government does, according to American National Elections Studies. Many citizens are losing confidence that their voices can make any political impact. This poses a tremendous
problem for a system of government that relies on citizen participation in the
election of its public officials, to name one issue.

In this paper, I contend that the growing role of money from wealthy
individuals and special interest groups, which contribute to election
campaigns and expect political favors in exchange, has thwarted our
policymaking process. I begin by outlining how 1) civic engagement has been
the bedrock of American democracy and proceed by arguing that 2) the rise of
the corporate state has sparked the downfall of an accountable political system
that is accessible and responsive to all voters. Thereafter, I assert that 3) the
increased influence of corporate money in politics has only magnified this
political flaw. In conclusion, I propose that 4) one effective method for
boosting civic engagement and restoring faith in a democratic government is
campaign finance reform, through which elections would become publicly
financed. This would strengthen a participatory democracy that is responsive
to the average voter, rather than one manipulated by corporate interests that
can donate significantly more to election campaigns than the vast majority of
the American public.

Chapter II

Civic Engagement as the Bedrock of American Democracy

Before I delve into my discussion of the instrumental role civic
engagement plays in American democracy, it is imperative to examine the
historical roots of the political framework that have fueled this participation in the United States.

Through what has been characterized as “the most complex constitutional system in the world,” the American government has been attempting to balance the tension between democracy and elitism since the 1787 Constitutional Convention, when the structure of an unparalleled political system emerged, after much bargaining and compromise from the parties involved. As described by the Framers in Federalist #10,

To secure the public good and private rights against the danger of a faction, and the same time to preserve the spirit and the form of a popular government, is then the great object to which our inquiries are directed.

This system, typified by the Madisonian Model, is based on the separation of powers, checks and balances, and overlapping centers of political power. The Madisonian Model aims to balance elite and mass interests, in addition to regulation and participation of American citizenry. Deliberate institutional mechanisms, embedded in the Constitution since its ratification in 1789, try to stabilize these tensions through arrangements like the separation of powers within different levels of government – between central and state/local governments, as well as among the three branches of national government – checks and balances among the executives, legislative and judicial branches, and the intertwining spheres of political authority. The last of these is most precisely termed “shared federalism.”

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To comprehend why the Framers fashioned the Madisonian Model in the form it originated, it is essential to briefly address the political and economic conditions that pervaded the country in the late 18th century. Gaining independence from the British crown in 1776, Americans, some critics may argue, took their newly acquired freedom to the extreme at first, much like people tend to binge on junk food after restrictive diets. The Founders created a “highly decentralized system, in which the national government derives limited authority from the states rather than directly from citizens”, embodied by the Articles of Confederation. As some note, “their suspicion of national authority very nearly cost the fledgling nation its independence”\(^2\). The newfound confederation assigned so little authority to the central government – for instance, amendments in direct taxation required unanimous agreement by states to be effected – that it proved futile in military coordination and funding during the war with Britain. Thirteen states faced many collective action problems, such as transaction costs in attempting to manage local affairs single-handedly and supplying public goods like defense and commercial markets. Furthermore, there were “contagious levels of free riding”\(^3\) because the confederation lacked an overarching body of power that could mandate a tax for all states. Thus, the few states that yielded their share were exploited by the states that did not, so many states received “free meals”


at the expense of others. When British troops were defeated in Yorktown, Virginia, with France’s aid, America prevailed in the Revolution but remained with a declining economy and domestic and international trade barriers due to a lack of a strong central government. Specifically,

The nation’s shaky finances were not helped by its trade problems, which also stemmed from the confederation’s explicit reservation of all matters of commerce to the states … Congress lacked the authority to negotiate credible trade agreements with other nations. ⁴

To paraphrase, since the states held the purse strings and there was no cardinal enforcement device to oblige them to collaborate and contribute, the states “individually confronted a classic prisoner’s dilemma: No state would contribute its share of the revenue so long as it suspected one or more of the other states might not.” This can be linked to the *Tragedy of the Commons*, namely the idea that “freedom in a commons brings ruin to all.” ⁵ To clarify, the unrestrained freedom the states had eventually drew the entire confederation into a dire economic situation. Without some control over every state, all were likely to collapse as they hurt one another through collective action discords. To boot, because of Congress’ inability to implement economic policies and regulate commerce in its own nation, it lost the international credibility needed to compete on a global scale. As a result of these economic woes, exacerbated by political instability, popular discontent

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mounted, culminating in the 1786 Shays’ Rebellion. This rebellion symbolized the very expression of “excessive democracy” the Framers feared. Indeed, “Shays’ Rebellion represented a wildfire threatening to sweep the country into anarchy,”⁶ and it “mobilized the states behind constitutional reform.”⁷

Now that I have contextualized, I will concisely cover some of the Framers’ concerns as they crafted the Madisonian Model. Primarily, they were alarmed by the tyranny of faction. The Framer after whom this model is named, James Madison, interpreted this principle:

…As a number of citizens, whether amounting to a majority or minority of the whole, who are united and actuated by some common impulse of passion, or of interest, adverse to the right of other citizens, or to the permanent and aggregate interests of the community. [Federalist #10]

In other words, the Framers were concerned with self-interested groups that would relentlessly bulldoze their agenda regardless of the repercussions this might have on the public, even if this infringed on citizen rights or hurt the welfare of the state. Similarly, Madison stipulated that “measures are too often decided, not according to the rules of justice and the rights of the minor party, but by the superior force of … an overbearing majority” [Federalist #10]. The Framers believed that one of the greatest catalysts of this arbitrary majority action was a “pure democracy,” which would encourage “popular

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passions” to diffuse and eventually interfere with the wellbeing of society. As Madison observed,

…Such democracies have ever been spectacles of turbulence and contention; have ever been found incompatible with personal security or the rights of property; and have in general been as short in their lives as they have been violent in their deaths. [Federalist #10].

It is almost as though the Framers were redefining the meaning of democracy by implying there is more than one kind of democracy. Pushing for this shift from a direct democracy to a representative one, the Framers repeatedly stressed that “an encompassing national [republic] would be less susceptible to the influence of factions than would state governments,” due to its size and diversity (an auxiliary precaution, with which it becomes more difficult to organize the tyrannical majority the founders were so apprehensive of). Another reason for establishing a representative democracy was “to redefine and enlarge the public views, by passing them through the medium of a chosen body of citizens, whose wisdom may best discern the true interest of their country” [Federalist #10]. Some may contend that this in itself was an elitist idea that aimed to serve the interests of medium’s occupants, as if public views need to be filtered by a more refined and well-bred outlooks that ordinary men lacked.

What’s also noteworthy is that Madison touched on the subject of property in The Federalist Papers, which bears significance in that the Framers themselves occupied the propertied privileged class. As some critics explain, “representing a cross section of the nation’s propertied interests, the framers
feared the threat which growing democratization posed for their social and
economic livelihood.” Madison seemed to reaffirm this in Federalist #10,
“…the most common and durable source of faction has been the various
unequal distribution of property.” Based on the attention the Framers allocated
toward power and property, the Framers might have been more preoccupied
with keeping their privileged socioeconomic statuses “rather than [satisfying]
the needs of the populace.” Some historians support the argument that “their
goal was to construct a centralized power to serve the expanding interests of
the manufacturing, commercial, land-owning, and financial classes.” Whether
due to the economic conditions permeating the confederation, the historical
circumstances leading up to it, the Framers’ political and economic interests,
their concern with the tyranny of faction, their fear of social unrest, or a
combination of some or all of these factors, the Framers used the Shays’
Rebellion to their advantage: as an opportunity to persuade the Anti-
Federalists to nationalize the country. 8

We will now take a short aside to outline the institutional mechanisms the
Framers championed for, to further illustrate their endeavor to balance the
tension between elitism and democracy, particularly their attempt to mitigate
the popular passions and tyranny of faction they feared would emerge from an
“uncontrolled” democracy. The founders of the American government clearly
attempted by limitations on their powers of government and by the separation

Martin's, 1983. Print.
of the branches of government, to avoid the “unbridled power of a majority.”

These mechanisms include the separation of powers between different levels of government and checks and balances. Madison and other leading political thinkers of the time believed that “the accumulation of all powers legislative, executive, and judiciary in the same hands … may justly be pronounced the very definition of tyranny” [Federalist #47]. To elucidate further, the Framers argued that the concentration of all national power in one branch would lead to corruption, since one leader would retain all control and would not depend on other branches to thrive and function properly. Therefore, the Framers were determined in “so contriving the interior structure of the government as that its several constituent parts may, by their mutual relations, by the means of keeping each other in their proper places” (another auxiliary precaution) [Federalist #51].

Resultantly, today the United States has three separate but interrelated branches of national government, with constitutional provisions that protect each level from encroachments by others. At the same time, each branch has leverage over others, so it is in each branch’s interest to cooperate with the other two. The Framers were arguably most concerned with the connections of the legislative branch to its constituencies -- out of personal motives, some counter -- so in the Great Compromise, the resolution produced a bicameral legislature, with the lower chamber’s representation based on population and

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upper chamber’s representation equal for every state. Overall, Congressional power heightened after the Constitution was ratified, especially due to the commerce clause, which permitted Congress to regulate all trade, and the necessary and proper clause, which “left the door open for a major expansion of Congress’s legislative power.”

To “insulate the executive and judicial branches and enlist them in containing any efforts by the states through the Senate to subvert national policy,” Madison embarked on designing independent executive and judiciary branches, each equipped with constitutional means to exercise checks and balances over the other. Specifically, the executive branch was granted veto power, enabling the president to nullify any legislative outcome. In turn, Congress is allowed to override a presidential veto, but only after a supermajority is reached in both houses (2/3). The Supreme Court is, some suggest, underestimated in its power – the Constitution grants it the final jurisdiction in resolving differences between state and national governments, it has the supremacy clause, and ever since the landmark *Marbury v. Madison* (1803), it has the right to judicial review. This authorizes it to overturn any federal laws and executive actions it deems unconstitutional.

But again, some critics offer that the end product of the Constitution – this Madisonian Model – is an elitist contrivance. For instance, the Framers

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evidently did not want to promote amendments to the Constitutions or major transformations in the government instigated by the general public. As Madison emphasized in Federalist #49, this would render the government unstable or untrustworthy, causing disorder in society – or so he eloquently argued. Others may assert that this was a justification to forge the path for “rational” leaders and doctrines, while weeding others out as they painted an illusion of public participation through methods like regular elections. Whatever the measure of actual impact, the Framers realized from the start it was important for American citizens – most of whom had fled from oppression in Europe – at least feel like they have some level of influence in political life and society at large.

One of the first people who noted this was a visitor to this country. This 19th century Frenchman, Alexis de Tocqueville, was not culturally nor politically rooted in the United States. During his extended visit, he was able to critically observe from a safe empirical distance and assess how the American system of government functions, as an independent observer with the outlook of an upper class, educated European. Traveling over 3,000 miles to conduct a “field study” of another nation’s governmental structure for several months was not a common endeavor at the time, which added to the singularity of his experience and to the richness of his perspective.

Through features like accidental causes, the laws, and the manners and customs of the people, America has been able to sustain a balance between democracy and elitism, according to the French aristocrat and author of
Democracy in America, a two-volume piece that continues to offer uncannily accurate and profound insight on American politics and culture to this day. Tocqueville cited factors like geographic location as one accidental cause, with its abundance of resources and vastness of land, which by nature fosters development and expansion of a nation. Furthermore, America was isolated on an enormous territory, free from competing or enemy states. This meant that Americans did not have to allot resources to distinguish themselves through military accomplishments – though we do today – which, according to Tocqueville, played a significant role in the nation’s motivation. More precisely, he argued that aggregating political influence in one community by placing one city above others would cause abuse of power and selfish, impulsive pursuit of a majority-led agenda. Prioritizing one metropolis over other towns would also be “a serious injury to the representative system; and it exposes modern republics to the same defect as the republics of antiquity,” he contended.

Another favorable circumstance for a representative republic that Tocqueville found in America was the “equality of condition” everyone was born with. This was considering an essential component of a functional democratic republic, which was conceived at the arrival of New England settlers, who were mostly equal in socioeconomic status. The early settlers left the laws of inheritance on the shores of England, which rendered it “difficult for families to preserve their ancestral domains … [compelled] them in some measure to cooperate with the law.” And equal division of property became
more widespread, and henceforth “reduced all to one level.” When everyone begins life in similar economic circumstances, equalization of social condition occurs and the expectation of equal rights develops. This affects the political framework, because more citizens expect to participate and fewer anticipate to solely be governed by others. It is imperative to underscore that to Tocqueville at the time, equality of condition did not apply to women or people of color, but to property-owner white males.

Another attribute that helps maintain a democratic republic is the laws of the land, Tocqueville added. This consists of the federal union, township institutions, and judicial power, which manage to “check and direct impulses of the majority without stopping its activity.” Tocqueville listed education as another “equalizing” factor in the American republic, spreading basic knowledge and skills to a broad spectrum of people, not just the privileged aristocracy, as in 18th century France. Education provides greater access to jobs, avenues for civic engagement, and access to public forums and the press. This then fosters a sort of practical knowledge and ingenuity Americans channel into the public sphere, which Tocqueville admired.

One of the overriding dangers of a democratic republic that discomforted Tocqueville was the unlimited power of the majority. This power is bolstered by the notion that American people respect the majority, either out of political virtue – patriotism – or personal interest. The latter essentially means “all parties are willing to recognize the rights of the majority, because they all hope at some time to be able to exercise them to their own advantage.” In
other words, citizens willingly accept the force of a majority and acknowledge its authority because they believe it will enable them to exercise their own political will and social agency in the future – a social contract, of sorts. The turbulence resulting from the transient nature of legislation and the administration may lead to a tyranny of the majority. It is useful to recall that to Tocqueville’s immediate readership, democracy mostly equated with anarchy, and his intellectual quest entailed understanding why democracy in America works. First, he offered that because legislatures change representatives annually and the authority of the law is supreme, the legislatures are injected with an extra dose of power, making them more prone to abuse it. This reminds us why a balance of power is so crucial among the branches of government – each department keeps the other in check, thereby preventing rampant corruption overall (ideally). Another danger of an overly powerful majority is the impact it has on public opinion, Tocqueville maintained. As he phrased it, “In America the majority raises formidable barriers around the liberty of opinion; within the barriers an author may write what he pleases, but woe to him, if he goes beyond them.” This illustrates that while there is a relative degree of freedom in thought and expression in America, there are also restrictions beyond which it is socially expensive to trespass.

Still, one of Tocqueville’s central observations regarding American democracy centered on the freedom to form associations – a pivotal way for Americans to escape the tyranny of the majority. He marveled, at times even
gently mocked, how Americans have an insatiable inclination to form groups, organizations, committees – civil associations of all types and sizes – for even the most trivial purposes. Associations give assent to certain doctrines, allowing them to be promoted above others in the public sphere. As he explicated,

In no country in the world has the principle of association been more successfully used, or applied to a greater multitude of objects, than in America. Besides the permanent associations, which are established by law, under the names of townships, cities, and counties, a vast number of others are formed and maintained by the agency of private individuals. 13

As the abovementioned quotation illustrates, it is by the people’s own will -- not anyone else’s pressure -- that they form such an array of associations.

Tocqueville reasoned that this tendency to form associations is an outlet for expression as well as one of the leading safeguards against the tyranny of the majority, a concept he considered one of the greatest perils for democratic societies. As he phrased it, “At the present time, the liberty of association has become a necessary guaranty against the tyranny of the majority.” Tocqueville asserted that the freedom to associate is not only a protection but also a necessity for a democratic government, in which the opinion of the majority prevails and the views of the minority can get eclipsed without enough prudence. To ground in evidence, “There are no countries in which associations are more needed, to prevent the despotism of faction or the

arbitrary power of the prince, than those which are democratically constituted.”

Tocqueville claimed that associations are needed more in democracies than in monarchies, since in the latter, the minority is not only protected but reigns absolute. In a democratic society, however, minorities do not have as much power and find an outlet for their discontents by forming associations. This bolsters their effectiveness, rendering them visible to those in positions of power. What they cannot achieve on their own becomes feasible in a group of like-minded people. Sometimes combining their individual strengths and efforts toward a mutual goal yields results that exceed citizens’ expectations about their own capabilities to produce societal change. As Tocqueville stated, “Citizens who are individually powerless do not very clearly anticipate the strength which they may acquire by uniting together.” As this connotes, public associations are integral to a democratic nation, since individuals do not possess enough resources and clout on their own. Citizens cannot advance any cause if they do not learn to voluntarily help one another, Tocqueville contended. Since they cannot force their fellow men to execute a task, citizens must learn to willingly cooperate for mutual gain.

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Establishing associations remains the minority’s only route toward 
budging the status quo, which is why this liberty is so fundamental to prevent 
abuses of power by the majority, Tocqueville maintained. To substantiate,

In America, the citizens who form the minority associate, in order, 
first, to show their numerical strength, and so to diminish the moral 
power of the majority; and, secondly, to stimulate competition, and 
thus to discover those arguments which are most fitted to act upon the 
majority: for they always entertain hopes of drawing over the majority 
to their own side, and then disposing of the supreme power in its 
name. 16

As this excerpt stresses, forming associations allows citizens to show the 
majority that opposing viewpoints exist and present alternatives to current 
conditions. Moreover, they generate the proliferation and competition of 
ideas, which enables the minority to select the argument or strategy that offers 
the strongest likelihood of coaxing the majority to their side.

By virtue of this behavior, associations acknowledge that they do not 
represent the majority, Tocqueville wrote. Suffrage, voting for the majority, 
crystallizes this notion and is respected in American society. To exemplify, 
many citizens may disapprove of President Barack Obama’s policies, whether 
domestic or foreign, but few informed citizens would argue that he does not 
hold executive power or that he received this authority illegitimately. He was 
the clear winner of a national election, and therefore his post embodies 
popular will, or the majority’s stance on the choice of presidential candidate. 
In effect, associations, reflecting a minority position, know they are up against

a bigger tide. After all, if the minority “…did represent the preponderating power, they would change the law instead of soliciting its reform.” 17

Citizens who join associations realize they must obey the law to preserve their legal rights and enjoy living in a civil society, which is why Tocqueville stated, “the right of association may remain unrestrained without evil consequences” in America. There is widespread public understanding that while laws constrain liberty to an extent, they also enable citizens to exercise the prerogatives characteristic of a democratic society – like the freedom to associate. But these freedoms are only protected if the citizens follow the laws of the land. The American citizenry realizes it is in every person’s interest to uphold the laws. More exactly, “The citizen looks upon the fortune of the public as his own, and he labors for the good of the State, not merely from a sense of pride or duty, but from what I venture to term cupidity.” He asserted that in the United States, nearly everyone (again, those who are privileged enough to vote at the time) exercises the elective franchise, which may shed light on why the American public feels a sense of ownership toward the laws and other public goods. 18 Tocqueville concluded that in a participatory political system like a democracy, governments should not be the only active powers. Associations ought to stand in lieu of those powerful private


individuals whom equality of conditions has swept away. To buttress this concept,

If men are to remain civilized, or to become so, the art of associating together must grow and improve in the same ratio in which the equality of conditions is increased.\(^{19}\)

Today, however, it remains a question whether the rise of the corporate state, the subject of the next section, has not brought inequality of economic and political conditions back – disproportionately tilting in favor of those in positions of immense wealth.

Chapter III

The Rise of the Corporate State

As Parenti contends in Democracy For the Few, although governmental decisions are frequently made in the name of national interest, they rarely benefit everyone; those decisions may have an impact on. Defining public policy proves challenging when only a portion of the electorate makes key decisions. To support this claim,

A major difficulty that exists within the democratic process regarding the definition of the public interest is that often very few groups and individuals participate in the process of defining the public interest in particular policy areas. The broader electorate does not have the information, motivation, or time to involve itself in every area of public policy.\(^{20}\)


In truth, the political system seems to cater to the interests of those who can exert the most political pressure – something that takes connections and financial resources to accomplish. To substantiate, “some portion of the populace, often the majority, loses out. What is considered national policy is usually the policy of dominant groups strategically located within the political system.” The political system primarily responds to the influences and needs of the corporate community, and this section explicates this development in American history. As Parenti highlights by referencing President Calvin Coolidge, too often “‘the business of government is business.’” Even during the period of “Jacksonian democracy,” supposedly the era of the common man, the upper-class dominance of public – often political – that was characteristic of the founding fathers’ generation I alluded to earlier, continued into the 19th century and on. As Peter Woll asserts in Public Policy, “For most of the nineteenth century it would not be an exaggeration to say that public policy served the economic interests of selected groups in the private sector.” Specifically, Jackson’s key appointments were mostly picked from the wealthiest ranks and his policies typically reflected those interests, as Parenti argues.

Meanwhile, the laboring class of the 19th century – which may be mirrored in some ways by the middle and working classes today – struggled

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with atrocious working conditions, including long shifts, minimal or below-wage pay, and unsanitary conditions. These intolerable conditions sparked the railroad, farmers’, and industrial strikes of the 1870s, 1880, and 1890s, respectively. When the government would step in to respond, “it was almost invariably on the side of the wealthy element against the working class.” To be precise, civil authorities would energetically defend the capitalist interests, crushing workers’ strikes by using measures like the police and state militia and later federal troops. 22

By the dawn of the Civil War, the law was remodeled to the advantage of commerce and industry, at the expense of farmers, consumers, workers, and other groups with less political and economic resources. The law of “eminent domain,” for example, facilitated the government in seizing farmers’ land and redistributing it as subsidies to canal and railroad companies.

Like during the 19th century, the affluent men of the 20th century relied on the central government to do for them what they could not individually, including: repress democratic forces, limit competition, regulate the market to their own merit, and in other ways fuel the process of capital accumulation, Parenti maintains. To illustrate this idea,

During the 1900-1916 period, known as the Progressive Era, federal price and market regulations in meat packing, food and drugs, banking, timber, and mining were initiated at the insistence of the strongest companies within these industries. 23

As the abovementioned quotation shows, powerful companies within leading national industries lobbied their interests and aimed to sway federal decision-making even back in the dubiously termed “Progressive” Era.

In this period, the several men who occupied the presidency were faithful collaborators of big business. Teddy Roosevelt’s major legislative proposals, for instance, echoed corporate interests, as did those of subsequent presidents like Taft and Wilson. Any legal gains for labor were “wrestled from fiercely resistant elites by democratic forces after bitter and sometimes bloody struggle. Even with these victories, the conditions of labor remained far from good.”

To ground in facts, millions of people continued to work 12- to 14-hour days, real wages were lower in 1914 than in the 1890s, and 2 million children -- reported – were still compelled to work to supplement the family income. One can argue that this can be paralleled to the manner in which our government today pushes forward policies that may benefit oil companies but pose grave dangers toward the environment, security, and the health of the average American.

With the onset of World War I, relations between industry and government grew more intimate still, after President Woodrow Wilson revoked the policy of American neutrality in 1915, entering the war allegedly to “defend American interests” and “to make the world safer for democracy.”

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(This is eerily similar to the patriotic rhetoric utilized by the Bush administration to legitimize to the American public and the world the wars in Iraq and Afghanistan, some critics may note.) Allied purchases of munitions and supplies became a major source of profit and industrial production for the U.S. The war presented the authorities with another justification to strengthen the oppression of labor. To strengthen this claim,

The war helped quell class conflict at home by focusing people’s attention on the menace of the ‘barbarian Huns’ of Germany, who supposedly threatened Anglo-American civilization. Patriotic feelings ran high as Americans were exhorted to make sacrifices for the war effort. Strikes were now treated as seditious interference with war production.  

Again, this took a toll on ordinary families: in 1916, workers’ wages could not feed families. About 35,000 were killed on the job every year, with 700,000 suffering injury, blindness, illness or other work-related disabilities. During the “normalcy” of the 1920s, when prosperity was supposedly within everyone’s reach, many continued to struggle, Parenti underlined.

When the stock market crashed in 1929, millions plunged into poverty and economic hardship. The crash exacerbated living conditions for those who were barely making it as it were. During the Great Depression of the 1930s, a third of the nation was ill fed, ill-housed, and ill-clothed, with at least another third barely getting by. Like in the late 19th century, these dire economic conditions prompted a series of strikes across the country. Eventually, F. D.

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Roosevelt’s New Deal brought some victories for the working class: minimum wage reform, the eight-hour workday, the right for labor unions to organize, and the Social Security and unemployment compensation legislation won by the labor-led coalitions of the 1930s. But as Parenti emphasized, this era was hardly a triumph for the “forgotten man” – these reforms were rather “giant stepping stones that put working people on higher ground from which to continue struggling.” 27 It was not the hardship of millions that instigated this government assistance and intervention, but the threat of civil unrest that labor strikes across the nation generated. The corporate state sought to contain class struggle and calm political unrest, giving “a little to keep a lot,” much like Tocqueville presciently thought the function free associations would serve to resist the tyranny of faction.

As Senator Mike Gravel argues in his book, Citizen Power, the interests of business and government merged further still with World War II and the onset of the Cold War. They found a common purpose in the nation’s obsession to prevent the proliferation of communist ideas with the expansion of our military power and influence aboard. Gravel contends that “true social progress was being starved to feed the military machine” during this time 28. But when abuses become very personalized – whether they entail discrepancies in the distribution of wealth, enlistment in criminal wars like

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Vietnam, or excessive government repression during civil rights movement and the black revolution – even a highly apolitical public can and does challenge the power structure. This is a breaking point in the tolerance level of the masses, when the general public decides to stand up to the power elites to defend their own rights and needs, Gravel explains. Still, the vast majority of America’s wealth – and in turn, most policymaking – is owned by these powerful elites, not a broad middle class that may occasionally channel its built-up frustrations and discontents in the form of strikes or protests. In fact, most of the time “middle-income people are finding it increasingly hard to maintain a middle-class standard of living.”

In turn, this “superclass” – as David Rothkopf labels these powerful elites that steer much of the country’s course – seek to preserve the privileges they reap from the positions they occupy in our society and are far from interested in re-examining the way wealth is organized and used in this country. As Parenti states, “It is corporate power that prevents both a reordering of our priorities and a move toward a healthier, more equitable society.” After all, why modify a system that runs so smoothly to advance one’s agenda? This powerful, wealthy “superclass” is content with the privileges its occupation comes with. Contradistinctively, the average voter has become more apathetic and disillusioned with a political process that consistently disregards his or her voice, the focus of the following section.

Chapter IV

Undemocratic Democracy, or How the Increased Corporate Influence in the Political Process Has Thwarted Accountable Policymaking and Disengaged the Average Voter

When one feels like one is ignored or one’s input has no effect, he or she is less inclined to contribute to the conversation – this rationale pertains to politics and a classroom setting alike. To exemplify, if I get the sense that my professor does not care about my perspective or even discourages me from participating in class discussion, I am far less likely to raise my hand and express my opinion in the lecture hall. In sharp contrast, a professor that invites students to articulate their opinions on a more equal platform than the traditional professor-lecturing-students scenario will probably stimulate a robust exchange of ideas and engagement from his or her pupils. The students may call for change in the classroom dynamic, offering their takes on various issues to make the most out of their learning opportunity. But it is up to the professor to acknowledge and approve of this dynamic shift between students and faculty, since the professor occupies the leadership role. In this section, I scrutinize how the ballooning corporate influence in the political process -- which stems from the rise of the corporate state -- has thwarted representative and accountable policymaking, distancing the average American citizen from active participation in civic life.

When Senator Mike Gravel recounted his travels across the country in
the ‘70s, he said he saw mounting public dissatisfaction, frustration, and anger. Americans across the nation were demanding more economic security, more social benefits and safeguards, more personal freedom, and more control over the decision-making process, he described. To better visualize,

Sitting in that Harlem street academy in the middle of neglected America, I could readily understand why the idea of ‘citizen power’ was greeted with contempt when I raised the subject. ... They had only to look out the window to see a street – their street – littered with debris, where crime and poverty were daily facts of life. They had no jobs, no money, nothing to call their own.  

With the balance of power resting in the hands of the government, business, and organized labor, the common man has become excluded from the decision-making process. He links this to money – politics have become an exponentially expensive arena to penetrate. The cards are now in favor of those who either use personal wealth to become the lawmakers, or those who donate enough for existing lawmakers and special interest groups to advance their interests. To substantiate, “Not every important political leader is rich but many are, and those who are not are usually beholden to moneyed interests.” Moreover, “Since World War II, almost all presidential candidates on the Democratic and Republican tickets have been millionaires either at the time they first campaigned for the office or by the time they

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departed from it.” 34 To add precision, G. William Domhoff underlines in *Who Rules America?* that politicians are from the top 10 to 15 percent of the occupational and income ladders – particularly those who hold the highest elective offices. 35

Either way, the current framework reinforces the power of those already powerful economically, and as a result, politically. As Gravel wrote, “The reliance on personal fortunes or massive contributions from special interest groups naturally tends to perpetuate in power those who are allied with corporate and other big-money interests.” 36 To offer more concrete detail, the cost of conducting a political campaign increased 100 percent over the past 15 years and skyrocketed 50 percent in just the years between 1964 and 1968 – a 1972 statistic, though the concept may resonate more today than ever. It cost an average of $5 million to win a Senate seat in 2002. Just since 1989, one sector of the economy – finance, insurance, and real estate sector – contributed more than $1 billion to federal candidates and political parties. 37

As this suggests, those who cannot afford to run a costly election campaign will be unable to run for office. In effect, this system excludes citizens who do not have enough money or do not obtain it from wealthy donors, rendering an

enormous segment of the population politically silent. Parenti expressed a similar sentiment: “One of the many ways the ruling class exercises its influence over the democratic process is by expending large sums of money to influence elections.”  

One may wonder what makes elections so expensive, but one only has to consider the following expenditures to understand the costs involved: broadcasting, television and radio advertising, professional pollsters, managers, public relations firms, and advertising companies. All of these expenditures are necessary to run competitive campaigns, because fellow political candidates – who may be running for the same office – are sure to utilize these prevalent communication techniques to boost their chances of winning over their constituents. Failing to use any of these strategies and resources is a disadvantage for any politician, because others will. This brings us to the topic of campaign finance, or how elections are presently run. As Gravel depicts,

Under the present system of financing of campaigns exclusively from private funds, the candidate who does not have great personal wealth must raise the large sums required for a successful campaign by relying on large contributions or loans from a monied elite composed of corporate executives and directors, financiers, professional entertainers, labor leaders, and individuals with family and inherited wealth.  

Unsurprisingly, these generous contributors may expect something in return for their financial contributions. As Parenti somewhat sarcastically puts it,

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If it should happen, however, that after the election the big contributor finds himself or his firm burdened by a problem that only the White House can handle, he sees no reason why he shouldn’t be allowed to exercise his right like any other citizen and ask his elected representative, who in this case happens to be his friend, the president of the United States, for a little help.  

Like most business transactions, the wealthy donors perceive these contributions as investments, for which they should benefit after the fact. More often than not, that is precisely what takes place – elected officials end up listening to and responding to the interests of these affluent contributors much more readily than “Joe the Plumber” who donates $10 toward a given political campaign. As a result, “What they want, and what they usually get, are elected officials who are beholden to them and inclined to be sympathetic and responsive to their interests and needs.” For example, the Nixon administration helped settle a multibillion-dollar antitrust suit against ITT in return for a $400,000 donation. Furthermore, one of President Reagan’s first acts involved deregulating heating oil and gasoline prices – a $50 billion “gift” to the oil companies in return for more than $200 million they contributed to his 1980 campaign. What this demonstrates is a political structure built on financial base, either personal or acquired for a hefty economic and political price.

It is not surprising, then, that many voters now view elections as an elaborate theatrical circus, in which they are growing tired of the quality of the candidates, the lack of real choice, the absence of real issues, the numerous primaries, and the “vast expenditures of campaign funds.” Ever since the 1974 Federal Election Campaign Act, supported by court decisions and Federal Election Campaign rulings, corporations have been given the green light to form political action committees (PACs) that can solicit contributions from stockholders and company employees – from managers on down – and can spend as much as they wish on their preferred candidates. This spurred an explosion of corporate PACs: 776 in 1978, 954 in 1980, and 1327 in 1982 - “and a dramatic increase in big-business contributions.”

Some may think only corrupt politicians are susceptible to this influence, but one only has to look at the pervasive nature of money in politics to acknowledge this is far from reality. “’Everyone has a price,’ Howard Hughes once told an associate who later recalled that the billionaire handed out about $400,000 yearly” to councilmen, county supervisors, tax assessors, sheriffs, state senators, assemblymen, district attorneys, governors, congressmen and senators, judges, and even vice-presidents and presidents in the late 1970s. To phrase otherwise,

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The temptation for corporate interests to use large sums of money to win decisions that bring in vastly larger sums is strong…especially since those who would be the guardians of the law themselves have their palms out or are in other ways beholden to the corrupting powers. Politicians too face a competitive market, and their campaign expenses are burdensome. To avoid yielding to the special interests, to refuse to take from the haves, is to turn oneself into a have-not and lower one’s chances of political survival.  

Corporate money seems to have become an elementary part of politics, and to refuse it without drastically restructuring the current system of election financing may well equate to political suicide.

Many large corporations now have special departments dedicated to performing favors for office holders. It may shock some, but “the services include everything from free Caribbean trips on private jet planes to loans, private contracts, and illegal gifts.” The American Petroleum Institute -- an organization of gas, oil, and petrochemical companies -- allocates $75 million annually in lobbying efforts in Washington and has at least a dozen full-time lobbyists. In 1979, the oil industry employed over 600 people to lobby Congress and government agencies. Money is paramount for lobbying lawmakers. As one House aide said, money purchases ‘basic ingredient of all lobbying’ – accessibility to the officeholder and, with that, the opportunity to shape his or her judgments with arguments of the lobbyist’s own choosing.”

Most of the public may have no idea what their state representative are doing,

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but banks, land developers, utilities, and manufacturers regularly communicate with them, inundating them with campaign contributions, legal retainers, special-term “loans,” and investment advice. To solidify this concept,

Congress produces an array of grants, subsidies, leases, franchises, inkind supports, direct services, noncompetitive contracts, loan guarantees, loss compensations, and other forms of public largesse to private business…that same Congress cut food programs for infants and senior citizens, assistance programs for the disabled, home-care and therapy programs for the infirm and handicapped, and medical care, job, and housing programs for the poor and elderly.  

Subservience to business is so widespread, that it is sometimes difficult to distinguish the politicians from the lobbyists.  

As a result of this corporate grip on politics, then, we have been seeing “decline in party apparatus, an increase in free-for-all primary contests, and an ever greater dependency on big contributors to pay for individualized staffs and costly media campaigns.” Since money is needed to run election campaigns, a process all officeholders undergo, campaign finance is not – or should not be – a partisan issue. Both parties tend to “‘reflect an upper-class tendency,’ not surprisingly, since ordinary working people rarely have the time and money that would enable them to participate.” Gravel contends that this results in the very public disenchantment that has alienated many

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American citizens from civic life, “The growing disaffection with the political process can be traced directly to the powerlessness of our people, the unresponsiveness of our parties, and the increasing control of our lives by a monied elite.” 52 In the last section of this paper, I offer some solutions to this pressing issue, basing my convictions on secondary research and two years of experience as an intern for nonprofit organization Democracy Matters.

Chapter V

Solutions: Campaign Finance Reform and Political Youth Activism

In the 2010 landmark Citizens United ruling, the Supreme Court held that corporations are legal entities that deserve the same First Amendment protections as private citizens in relation to political speech, in the form of financial contributions to political campaigns. Justice Anthony Kennedy delivered the opinion of the Supreme Court:

We find no basis for the proposition that, in the context of political speech, the government may impose restrictions on certain disfavored speakers," he wrote. "The court has recognized that First Amendment protection extends to corporations.

This decision, approved by a 5-4 margin, blurred the distinction between corporate and individual spending, overturning a 22-year-old Supreme Court decision that barred corporations from spending unlimited financial resources to support or oppose candidates. Furthermore, it nullified part of the 2002 McCain-Feingold campaign finance law that prohibited

political advertisements financed by corporations or unions from being broadcast or transmitted 30 days before a presidential primary and 60 days before the general election. Some limitations remain. For example, corporations still cannot contribute directly to federal candidates or national party committees, a ban that dates to 1907. Other restrictions, including disclosure requirements for nonprofit organizations that champion for political candidates, still apply. But overall, by striking down limits on expenditures by corporations that are not formally associated with candidates’ campaigns, the court effectively aggrandized the role of special interests in politics, many critics and government watchdog groups believe. One of the first critics to denounce this ruling was President Obama, who said in an official statement:

The Supreme Court has given a green light to a new stampede of special interest money in our politics … It is a major victory for big oil, Wall Street banks, health insurance companies and the other powerful interests that marshal their power every day in Washington to drown out the voices of everyday Americans.  

Like Hankin points out in Making Democracy Work, “A corporation differs from an individual in that, as one wag has put it, ‘it has no body to be kicked and no soul to be damned.’ But the law finds it convenient to deal with it as a person – though a fictitious one – in many ways.” In actuality, it is quite simple to discern that a corporation differs from an individual citizen in


countless ways, beginning with the fact that most Americans do not stand behind a comparable network of powerful connections and financial resources that a corporation does. It logically seems inequitable, then, to extend the same legal prerogatives to an already powerful entity while indirectly reducing the potential of the average voter to exercise his or her political voice. This only works to institutionalize the existing political and economic inequalities in American society, limiting the very concept of public interest.

As Woll remarked in the 1970s,

If more of the public at large could be involved in the process of policy formulation then the public interest would be defined differently. But so far the mechanisms of our democracy have not been able to bring wider public participation into the process of policy formulation.  

One viable alternative to the status quo is campaign finance reform, today most comprehensively embodied by the Fair Elections Now Act, a bill co-sponsored by Senate Democratic Whip Dick Durbin. This piece of legislation seeks to enable candidates to choose to run for congressional office without relying on large contributions, big money bundlers, or donations from lobbyists. Senator Gravel observed over four decades ago that, “We have to democratize our elections, and we can do this only if we provide federal subsidies for both presidential and congressional election campaigns.”  

As this quotation denotes, one vehicle for this potential change is the public financing of election campaigns, otherwise known as “clean elections” or “fair elections.” This reform is a primary and necessary step in returning control of

the government to the people, and it is the only method to halt the auctioning of American elections to the highest private bidder, as Gravel underscores:

A people’s platform, therefore, must insist on the public financing of elections to help ensure that our elected officials are not unduly inhibited or excessively influenced by the real and imagined obligations which accompany large private campaign contributions. Under this voluntary system, qualified candidates could received donations of $100 or less, with would be matched by government funds. This way, ordinary Americans can run for office without leaning on wealthy special interests to enter – and win – a political race. Instead, candidates would be able to organize grassroots campaigns and spend a larger chunk of their time on the campaign trail communicating with their constituents, rather than “dialing for dollars.” Importantly, public financing would permit average voters to connect with politicians and express their perspectives. The playing field of politics could also be levelled, allowing more diverse candidates in, thereby enriching the scope of the competition and choice for voters. Uncontested elections would be less frequent, more challengers and diverse candidates would enter the political scene, and together this would present voters with more choice and incentive to participate in civic life. Conjointly, this would restore public confidence in the electoral system, because voters would appreciate that elected officials are more responsive and accountable to

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their needs, rather that strangled by the corporate stronghold.  

Public financing schemes have proven to work effectively. This is evident in states like Maine, Arizona and Connecticut. Specifically, in 2006, Arizona elected "clean" candidates as Governor, Lieutenant Governor, Attorney General, and other state-wide offices. Voter turnout rose from 64 percent in 1996 to 77 percent in 2004. The number of Native American and Latino candidates also tripled between 2000 and 2002. In Maine, 85 percent of the seats in the state legislature in 2008 were occupied by candidates who ran with public financing – owing their allegiance to nobody except their constituents. An attractive element in this turbulent economic climate is that public financing of all state elections has not cost taxpayers any money. The system is mostly funded by a levy on criminal and civil penalties, and voluntary contributions. In reality, taxpayers would save money if politicians were not sponsored by special interests in return for tax breaks, special favors, and government bailouts. The Democracy Matters Institute estimates that public financing at the federal level would cost taxpayers less than $10 -- a negligent price to pay for a more representative and robust democracy.  

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The impact of involving young people in this cause and political life generally cannot be underestimated, a claim I can attest to thanks to my experience of interning with Democracy Matters and serving as the president and founder of the Syracuse University chapter of this nonprofit organization for the past two years. Whether by initiating and coordinating a 55-student trip to the Washington, D.C., rallies in October of 2010, organizing a lobby visit to State Senator Valesky, or by penning letters to Governor Andrew Cuomo, I have seen with my own eyes that grassroots campaigns can mobilize students and even elicit response from elected officials. This bipartisan organization advocates reducing corporate influence in politics by involving college students in politics, unveiling a platform for students of all interests and concerns to relate on. Established by Colgate University student and NBA player Adonal Foyle in 2001 to give students a bigger voice on important issues, this organization rallies for the public financing of elections across the country, to fight the corporate takeover of democracy in America. The mobilization of citizenry is instrumental in enacting any change in American society, a time-tested reality our history books reveal when summarizing the course of events of civic rights movements, for instance. It is a force of great potential magnitude, and it can be tapped into by sacrificing some of your time and effort toward advancing a more participatory system of government – the lifeblood of American democracy we have the obligation to sustain.
Works Cited


