

REPORTING ON MONEY IN POLITICS DURING THE NON-ELECTION CYCLE

The time to track monetary campaign contributions and their effect on politics isn't during an election cycle; it's after it's ended.

With a new political landscape in the wake of the 2010 Citizens United Supreme Court decision, reporters and the public as a whole got a good look at the big money that gets pumped into politics, especially in the lead-up to an election.

While the money has been there for years, this Supreme Court decision put the issue on the national forefront.

Despite being at the center of conversation, journalists mostly stopped reporting on the issue after Election Night. That's precisely when they should be reporting.

Journalists and policy experts say that campaign contributions mean less until a candidate is elected, at which time contributions are seen by some as favors that need to be returned by the freshly elected official.

However, the deluge of articles and news segments on campaign contributions during the campaign cycle is often followed by silence in the media on how legislation is affected by all this money being flooded into the system.

“Where the money really is important is in the influence it buys after the election,” said David Donald, the data editor at The Center for Public Integrity, the country's oldest and largest nonpartisan, nonprofit investigative news organization.

Part of the problem is that there are various perceptions of how money influences politics, and there's a bit of truth and a bit of misperception in most views. The truth about the effects can be rather complicated.

“How money influences things is a lot more subtle than what people think,” Donald said.

Sheila Krumholz, executive director of the Center for Responsive Politics, a nonprofit, nonpartisan research group that tracks money's effects in politics, believes that the time to really cover campaign contributions is when most of the media stop paying attention. She also wants to help them come to this realization.

“The Center for Responsive Politics wants to focus on journalist training for the post-election period when the media turns away from covering money in politics which is a shame because that's precisely when reporters should be focusing on money in politics in our view because that's when donations that are made (during the election) are viewed as an investment that will be cashed in,” Krumholz said.

Lobbying loopholes

The people who often catch the most flak in the media for their attempts to influence politics with money aren't the people who pump millions of their own, or their company's, money into support of politicians. Instead, it's the people these millionaires hire to do the work for them who are seen as a scourge in Washington, D.C.: the lobbyists.

In a 2011 Honesty and Ethics poll conducted by Gallup, lobbyists were ranked as the least trustworthy profession, in a tie with car salespeople and members of Congress. A large part of the reason that the media, and the public in general, are frustrated by lobbyists and their practices has to do with a loophole in the law that has exempted a vital piece of information from public disclosure: who exactly lobbyists meet with.

This loophole has hindered understanding of just who is being lobbied in Washington. In 1989, Robert Byrd wrote the “Byrd Amendment,” which required outside lobbyists to report who they were meeting with in the government. After about two years, Congress realized that most meetings were not with departments within the government, but rather with members of Congress and it was damaging reputations. In response, they removed the part of the form where one would report who they're meeting with.

“The big, big loophole is that lobbyists may have spent \$50,000 lobbying this bill but they don't say if they lobbied Senator 'X' or Representative 'Y',” Donald said.

Without this type of disclosure, a full understanding of the inner workings of lobbying is virtually impossible to discern.

“We know they lobbied someone but that's pathetically inadequate toward knowing if they met with key officials,” Krumholz said.

While the difficulty in closing this loophole will be difficult as Congress has to eliminate it and that might not be in their best interests, some feel that there's no reason it shouldn't already be public information.

“I do feel there should be full disclosure of the meetings at least with the offices they're lobbying,” Krumholz said. “That's critical information that we should be privy to as well.”

With that information, it might be easier for journalists to establish a quid pro quo situation with officials and lobbyists. It's difficult to establish otherwise.

“You're never going to find a congressman to say that he took campaign money and it affected his vote on a piece of legislation,” Donald said.

However, that's not always what's going on. Sometimes, lobbyists bring actual language their clients would like inserted in a bill. Lobbyists don't necessarily guarantee money from their clients but tend to emphasize previous transactions.

“There's a difference between saying 'you vote and we'll give you campaign money' and just to remind the senator that he or she received campaign money from whoever they're lobbying for,” Donald said.

Krumholz can see why some don't want the loophole closed.

“The best argument for not making it more transparent is that it will have a chilling affect on across-the-aisle negotiations and audiences,” Krumholz said. “If disclosed, conservatives won't meet with Greenpeace and liberals won't meet with Americans for Tax Reform.”

But transparency should trump this rationale, according to Krumholz. Members of congress should be encouraged to hear all sides of an argument.

“I think we need to prioritize transparency and educate people on a congressman's right to hear diverse perspectives and get a backbone,” Krumholz said.

Misnomer of Non-election cycle

When an election occurs in the United States, a cycle of contributions to a campaign generally comes to an end. The attitude of many after the conclusion of the 2012 federal election was one of relief from the barrage of advertising that goes alongside campaigning.

Though many consider this the end of the electioneering, in reality, it's the start of the next cycle. The Federal Election Commission (FEC) runs in two-year cycles.

“So that means [the FEC] are already taking information about contributions for the 2014 election cycle.”

“It just keeps going on; it never stops. It's the eternal money machine.”

Believe it or not, television advertisements for the federal mid-term elections in 2014 have already been seen by many in at least 12 states, courtesy of the American Petroleum Institute.

“Even though everyone was sick of the election, people are already gearing up for 2014,” Allison said.

While advertising has already started being played in states across the country, many newsrooms are ill-equipped to handle this type of reporting with so much time until the next election.

“A lot of places remove it as a beat after the election – it morphs into something else,” said Derek Willis, an interactive news developer at the New York Times who built a campaign finance application for reporters that allows them to subscribe to updates based on certain criteria.

The problem is that many forget that every end of an election cycle corresponds to the beginning of another.

“Some editors sort of ignore that the system doesn't shut itself off after the election,” Donald said.

When reporting on money in politics, it's inevitable that spikes of reporting will happen in concert with releases of financial information such as federally- and state-mandated campaign finance reports, to be submitted by campaigns, political action

committees and others. The closer to an election, the more these types of reports receive coverage.

“Reporting is probably more during the election season because that's the news hook,” said Edwin Bender, executive director for the National Institute on Money in State Politics.

The reporting feeds on a sort of horse-race mentality.

“The elections go on day to day and candidates look to define themselves and their audience is the public,” Bender said. “Reporters tend to go along with that.”

However, experts say the time to do this type of reporting is after the election has run its course.

“It's a critical time for all of us to be on alert and monitor,” Krumholz said.

Unfortunately, that's not happening. Since the 2012 election, the New York Times has seen just a couple articles per month about money in politics. Before the election, it wasn't unusual to see one or two a day.

“There's obviously not as much reporting on money in politics after an election,” Allison said. “Obviously a lot more can happen.”

Changing dynamics in the newsroom

A lack of resources in newsrooms is a common complaint among all reporters, but it's a huge issue among reporters wanting to dig deeper.

“One of the problems is that newsrooms are under such a crunch in terms of resources that they really don't have the time to invest in the kinds of deep dives that used to be par for the course for newspapers,” Allison said.

Part of the problem has been a redefinition of a reporter's responsibilities.

“We've lost a lot of seasoned reporters and reporters are covering wider beats,” Krumholz said.

Bender said that legislative reporters, especially at the state level, used to be the pinnacle of a career. But with these reporters being asked to do more, there aren't a lot of seasoned legislative reporters left. The Kansas City Star, for example, only has one dedicated City Hall reporter, and that reporter hasn't worked in the position for two years, yet.

“We don't have the institutional memory in the news world today,” Bender said.

Beside that, money has such a place in the legislative branch, it's imperative to report on it at all times.

“Money in politics has major ties in the legislative process but editors think there's not an appetite for it in the reader,” Bender said. “As such, some experienced reporters aren't allowed to report on it during non-election cycles.”

On the other side, many political reporters are stuck in an old-fashioned mindset that “if I know all the right people, they'll tell me what's going on,” according to Willis.

“If that's all you're doing, you're only as good as your sources,” Willis said.

For Willis, the problem is mostly that the media isn't keeping pace with campaigns.

“There's a growing deficit between what we know how to do and what campaigns know how to do,” Willis said. “Well-funded campaigns can do this stuff and count on journalists not doing it well.”

Journalists could be finding stories frequently like the recent story about how Sarah Palin's political action committee gave more money to consultants than to candidates.

“There's at least a story a week that could be done on committees that pay consultants or give no money to candidates,” Willis said.

Some say there's just not enough time in the day for the few journalists who report on these issues.

“There's such an enormity of the task in hand,” Bender said. “Reporters are human. They have to sleep and eat and this is a different kind of animal.”

Secretive organizations

Money in politics may not be as bad as everyone says. The issue, however, lies in the fact that a lack of transparency shrouds everything. Without being able to pull back the curtain, journalists assume the worst.

“Even the appearance of corruption, in essence, corrupts the system because it erodes faith in the system,” Donald said. “Even if there's no corruption, the appearance erodes public sentiment just as actual corruption would.”

While pundits tend to look at the Citizens United Supreme Court decision as a turning point in the political process that hailed in a new era of politics driven by money, experts argue that its effects were minimal.

“I don't think the Citizens United ruling changed that much,” Allison said. “What Citizens United did was it created a vehicle of the Super PAC where everything is disclosed and it's easier to follow the money in politics.”

While Super PACs became new vehicles for big money in politics, they also opened the door for journalists and researchers to see big donors and were, in a way, more transparent than the big money operations of previous elections.

Before Citizens United, the Bipartisan Campaign Reform Act of 2002 was the major thing standing between big-money donors and campaigns. But Allison said that people quickly adapted and found ways to put their money into elections using nonprofit 527 organizations.

“These guys have always found a way to get around the restrictions,” Allison said.

So with no donor disclosure, 527 organizations were able to pump tons of money into elections with no oversight and no disclosure of donors.

Groups like Swiftboat Veterans for Truth and MoveOn.org took advantage of the 527's exempt status to raise large sums of money for electioneering without ever disclosing donors. But the Federal Election Commission caught on and started going after 527s.

“There was a chilling affect after the 2004 election when the FEC went after big donors to 527s asking for intent and why people gave to these organizations,” Allison said.

That hasn't prevented people from using nonprofit organizations to fund political advertisements. Now, 501 c4s and c6s are much more active than they used to be. Allison thinks the Internal Revenue Service won't crack down on political activities because the IRS doesn't want to figure out what is and isn't political activity. For example, Karl Rove's “social welfare” organization, Crossroads GPS, toes the line between what it means to be participating in political activities.

The biggest difference between money given to Super PACs and money given to nonprofits is that nonprofits do not have to disclose their donors. However, political nonprofits are allowed to use no more than half their money for political purposes.

“If I give a million dollars to a Super PAC, a million dollars can go into the election,” Donald said. “If I give a million to a 501 c6, only 49.9 percent can be used for political stuff. You basically pay for disclosure.”

Krumholz has seen this move as detrimental to the political system and believes that transparency needs to prevail.

“Organizations are using the tax exempt status as a shield both for themselves and their donors in a way that was not intended for social welfare organizations and we should amend the rules for at least a minor level of transparency,” Krumholz said.

Establishing Relationships

Some experts argue that we're covering money in politics, from the most basic standpoint, all wrong.

“We need to look at money as establishing and defining relationships instead of as transactional,” said Willis.

This will help readers to better comprehend the process, something journalists don't give readers enough credit for, according to Willis.

“The more we can describe these [contributions] as a social relationship, the more they understand,” Willis said.

However, publicly available data isn't great for this. Data from the FEC has no way to establish social constructs, Willis said. Still, journalists and researchers do their best to find relationships as much as they can. Rosalind Helderman of the Washington

Post has recently done excellent work connecting Virginia Governor Bob McDonnell to a campaign donor from money given to McDonnell's daughter's wedding.

“The money does show evidence of some kind of a relationship and through those relationships we can connect the dots part of the way,” Krumholz said.

But Willis sees the fundamental flaw as journalists not focusing on changes in relationships between donors and candidates over time. One key element of relationships isn't covered well enough.

“We don't look at who broke up enough,” Willis said.

How to improve – government, journalists and non-profits

But there is still a ways to go to reach the level of transparency that journalists and nonpartisan research groups would like.

While journalists and researchers explore how money affects politics, it's up to the government to make more data available to the public.

Closing the loophole that allows lobbyists to not report exactly who they're lobbying would be a start, according to Krumholz.

Besides responsibilities the government may have of opening up the doors for more and better data, it's up to news organizations to allow people to report on money in politics before and after elections.

“I think it's a challenge for the media to make sure there are people out there who are afforded the opportunity to do that work,” Krumholz said. “If a reporter has a scoop and they've done the legwork to find it, they do get rewarded. Good reporting has its own rewards.”

Organizations like The Center for Responsive Politics and the Sunlight Foundation are attempting to make the lives of these journalists easier by creating applications that cut down on reporting time.

“Sunlight is trying to be a resource for reporters so they don't have to spend hours and hours just downloading data from the FEC,” Allison said.

At the state level, Bender hopes to provide connections between money and legislation.

“The next step for us is a link between money and legislation someone is introducing so we'd have a pretty good way of getting reporters to make links better and quicker,” Bender said.

Willis sees an easy fix for journalists that will not only keep things fresh but also keep readers from feeling a bit of *deja vu*.

“We've just got to stop writing the same story over and over and over,” Willis said. “Don't be Captain Obvious.”

Also, journalists can change the way they report on money in politics by not fully relying on sources that may give skewed information, according to Willis.

“Focus on changes in the system – changes in behavior, donors, fundraising – and be more data driven,” Willis said. “It's not outside the realm of possibility to write stories with greater context other than one donor or one meeting.”

For Krumholz, breaking the facade of political nonprofits would be a priority.

“We need to find the resources to track down these political organizations because it's not just a charitable hobby of the politician, it's their shadow campaign now,” Krumholz said.

Finally, Bender believes that news organizations should allow journalists to report on money in politics all the time, whether or not it will attract readers or be a large source of revenue.

“It's accountability,” Bender said. “Journalists should be doing it even if the readers don't normally read it.”

While the future of journalism is uncertain, the need for seasoned journalists to report on money's effects in politics will always remain.

If journalists keep pushing for coverage and organizations like the Center for Responsive Politics, the Sunlight Foundation and the National Institute on Money in State Politics continue to find funding to help journalists in this mission, there's plenty of reason to believe that the future is bright for transparency for money in politics.