

TRANSCRIPT: CAMPAIGN FINANCE REFORM AND THE CITIZENS UNITED SUPREME COURT DECISION

i The following transcript is a verbatim account of the video or audio file accompanying this transcript.

[Music]

hey guys welcome to hippies history my name is mr. Hughes and we're about to cook up a little bit of learning for you specifically on campaign finance reform specifically taking a look at the history of it all the way up to Citizens United versus the FEC in 2010 which you need to know that's right you need to know what if you're an AP government poly size class and US history class or in the class of life we don't care why you're here

cray-cray included stick around because right now alright guys this is really great stuff taking a look at the idea of money in politics and whether it's a corrupting influence whether it's something that always leads to a quid pro quo which basically means that money is corrupting politicians and getting them to do things that the people giving them the money want them to do or if it's a issue of free speech if it's an issue that I have money and in a democracy I should be able to do what I want with my money so let's first take a look like I said at the history of campaign finances alright let's go back in time are you ready

I've done this before and I've gone back to Andrew Jackson talked about the spoil system and how employees of the government were expected to pay their employers which were these politicians like Andrew Jackson in order to run campaigns and that was way back in 1830 32:31 was matched by the National Bank a corporation in this sense giving \$40,000 to Hendrickson's opponent in order to

defeat him so money's been in politics a very very long time the Pendleton act of 1883 at least got the government civil employees out of the picture by creating a civil service system and really that I think gave the preference to corporations for quite a while they even had a name for it it was called the Pennsylvania idea and in the late 1900s senators mainly Republican senators and Republicans that were aspiring to be President William McKinley being one of them we've raised money by basically going directly to corporations and saying you give me the money and I'll pass favorable legislation or stop negative legislation so you can even you know make more money and Teddy Roosevelt was another Republican who really kind of saw disfavor with us and after a while William McKinley's assassination we see that Teddy Roosevelt ascends to the presidency and makes it his mission to regulate and to really make a fair competition system and capitalism and he believes that money is a negative influencing campaigns so Teddy Roosevelt sponsors and signs the 1907 Tillman act you get your vocab you love that don't you the Tillman act of 1907 is the first federal legislation that it's going to have some type of impact on campaign finance and what it basically did what it was banned corporations from giving money directly to candidates that idea was expanded in 1947 with the Taft-Hartley Act and this took unions which many people on the right see has basically labor corporations and it banned them from giving money directly to candidates so if you can get those two laws that's Helmer Act of 1907 and the Taft-Hartley Act of 1947 you got it going on and now we continue

[Music]

all right here we go your playback Amol Kemal and that's what sometimes campaign finance reform feels like as soon as you whack one of those moles another mole pops up that mall would be political action committees and after the 1947 Taft-Hartley act unions really first started political action committees and

then corporations jumped on the bandwagon these were basically corporation entities that developed separate from the corporation but funded by the corporation and by employees of the corporation in order to influence the outcome of elections and political action committees have a lot of sweaty in the 1950s the 1960s all the way up into the 1970s and really beyond but was in the 1970s that we get our next piece of legislation that's really responding to political action committees and this is the 1971 federal election campaign Act fika which sounds kind of dirty doesn't it in 1971 the Federal Election Commission Act was passed it was later expanded in 1974 with a series of amendments and basically what it did was it tried to limit the influence of these political action committees which many of the time really saw as an extension of corporations and unions there was disclosure laws which basically said that you couldn't do this in secret if you were going to give money to a candidate or a political action committee you needed your name on it I'm it limited hard money the amount of money you that one individual could give directly to one of these political action committees so they wouldn't have too much undue influence and it also created the skeleton or the aspects of what would be considered I guess publicly financed election so continuing with the whack Amole the PAC start figuring out that rather than really giving money directly to candidates or giving it in soft money formats which we're going to state political parties who would then spend that on the half of candidates they really start going into the media game and creating commercials trying to influence the outcome that way and in some Minds skirting the law still influencing the elections and what the people on the Left would say was that this is going to give opportunity for quid pro quo the idea that I spend and win you the election and then you pass me the favorable legislation you're ready for new vocab I'm ready for new

vocab mccain-feingold you sometimes
you'll hear it called mccain-feingold
sometimes you'll hear it called a
bipartisan campaign Reform Act or the
BCRA
and what this did was it sought to
expand disclosure on soft money and it
changed some of the limits on hard money
the piece of the legislation we really
want to pay attention to is section 203
or electioneering campaigning which
basically is going to try to limit the
influence that PACs have by rolling out
ads right near elections so what it
basically did was a band or a tional
itical action committees from running
ads 30 days before an election 60 days
before a primary so that's McCain
Feingold and we're gonna challenge that
in citizens united but not before
mentioning the whack-a-mole game one
more time you always have whack-a-mole
and in that instance you had these
groups 527s pop up and 527s are kind of
taxed by another another name they
define themselves in a way which were
they weren't classified as PACs and they
started running issue-oriented ads so as
long as they didn't see a candidates
name they could be a 527 and they're in
a sense supposed to be nonpartisan but
in a sense they might not be and you
have them on the left you have them on
the right the biggest one that comes to
mind would be Swift Boat Veterans for
truth influencing the outcome of the
2004 election by running tons and tons
of ads against John Kerry and his
experience in Vietnam but like I said
they're running up against Bush on the
left in the same way so now let's get to
the meaty part of what we need to do the
vegetarians that meaty part hang like
that citizens united
[Music]
all right we get a baby I knew we'd get
there Citizens United versus the FEC and
the fad BC is the enforcement agency the
Federal Election Commission born out of
the amendments of the 1971 federal
election campaign Act so on citizens
united is a nonprofit group they are a
conservative nonprofit group a

Republican minded nonprofit group and they have actually they can do that they actually used McCain Feingold or attempted to use McCain Feingold by bringing Michael Moore's movie buff Erin hi 9/11 to the FEC and they complained that Michael Moore's movie and the ads for that movie would violate the electioneering campaign part of 203 and that he shouldn't be able to do that the FEC

actually ruled in favor of Michael Moore saying that his movie wasn't meant to influence the election but it was a commercial enterprise it wasn't just a really a political enterprise but it had artistic value and he was doing it for other reasons so now the tables are gonna turn because citizens united is gonna basically do what they thought Michael Moore was doing they're gonna create a production company a film company and they're gonna start making the movies and in 2008 they're gonna release a movie and this movie is called Hillary the movie and it's really aimed directly at her Larry Clinton who's running against Barack Obama and the Democratic primary and it's gonna take her down like a clown but in their mind this is a commercial enterprise they've created a movie with money they've raised they want to show the movie the movie was going to be on like Direct TV and they want to run ads for it and somebody goes to the FEC and says hey man they can't do this this is violating the McCain Feingold because they're not doing it because they wanted to make a good movie they're doing it because they want to influence the outcome of an election and that is illegal and the FEC rules against citizens united and they're not allowed to show the movie they're not allowed to run the commercials either so now they go to the Supreme Court they go up through the appeals court process and they lose and that's why it's Citizens United versus the FEC let's look at the other five for baby you know if it's five four it's probably going to be a pretty big decision so Kennedy wrote the decision

and basically its sides with Citizens United not just in the narrow instance and sometimes the court did that actually the court did this first they've ruled on it twice and the first time they basically confined the ruling to Citizens United in a sense just overriding the FEC's decision but then for reasons that are very political inside the court John Roberts got the court to hear the case again and at the end of 2010 they released the same five to four balance but this time they've expanded their decision and not just aimed it at the FEC but aimed it at the very heart of McCain-Feingold and basically what they did was they said that you know PACs can spend money the way that they want to the way they want to is their freedom of speech money is freedom of speech so we're gonna talk about super PACs in a second and kind of the result of this or the effect of this ruling but if you're on the Left generally liberals or people that are progressives and even Republicans like Teddy Roosevelt believe that money is a quid pro quo that money is corruption and that this type of big money I'll give you a quick statistic in a second you'll find out how much money we're talking about but that this money is influencing the system in a bad way it's corrupting it's drowning out individual citizens ability to influence the election and the other side on the right or the Republican side is a freedom of speech argument that it's not the government's job to get in and try to equalize the size that money is freedom of speech so let's take a look at the outcome of these elections and 2012 so now it's kind of like open season there's something called super PACs and these super PACs are huge PACs that raise huge amounts of money and spend that money pretty freely there's a few rules that are still in place super PACs are not allowed to coordinate with the candidates so in a sense they're supposed to be separated from the candidates button any instances on both sides you have

Democrats and Republicans that are in the political party system running these super PACs so many people point to the obvious conflict of interest they have that they know the candidates and that they're probably coordinating even though they say they're not coordinating but the super PACs are pretty huge but a hundred million dollars they raised in 2012 so the top hundred individuals who contributed his super PACs made up 3.7% of all the contributors but that 3.7 percent of those hundred people gave 80 percent of that hundred million that super PACs raised so the argument of course is is that these very few very wealthy people are influencing elections and there's got to be quid pro quo stuff going on they're gonna not spend that much money and not get anything out of it I think one of the other arguments is whether or not corporations or citizens people on the right or Republicans conservatives generally argue that these are factions of individuals corporations sounds like a very kind of you know capitalistic and mean word but would they boil it down to is these are human beings that have banded together and have self-interest you know interests for that group and they're trying to influence the outcome of an election that's pluralism all groups have the opportunity to do this nonprofit groups and sporting teams are the Boy Scouts and lobby groups and corporations the other side says hogwash poppycock that is just baloney that they're not citizens how can corporations be citizens and be entitled to the same rights of citizens when they don't have the same responsibilities of citizens they can't get drafted you can't draft a corporation you like ATT you're going to Vietnam right and they can't vote so they're not real citizens this is all baloney now you have to decide where you stand but you do have to examine both sides

[Music]
[Applause]
[Music]

instead of working me I'm done we hope
that you got the main ideas of freedom
of speech and kind of money is
corruption and whether or not
corporations or citizens and have the
same rights as everybody else or whether
corporations or something else I don't
know if corporations can get drafted or
vote but I'm sure there's good arguments
on both sides of that fence wherever you
stand you need to tell me below by
commenting and you can battle it out
down there and I'll moderate how about
that for you click the description
because we have other edu channels that
you best be going subscribing to and you
best be subscribing to hip cues because
I asked nicely and now I don't like to
shout and I don't like to pout I don't
even like the sauerkraut but you know
what hip use is it turns out
[Music]
you