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DURATION

48m 42s

7 SPEAKERS

Hannah McCarthy

Nick Capodice

David Sirota

Archival

VEEP

Speaker8

Speaker9

START OF TRANSCRIPT

[00:00:00] Hannah McCarthy

Hi, I'm Hannah McCarthy.

[00:00:02] Nick Capodice

I'm Nick Capodice

[00:00:04] Hannah McCarthy

And today we are just going to jump straight in because we have a lot to get to. So this is our guest.

[00:00:10] David Sirota

I'm David Sirota. I'm the editor in chief and founder of The Lever, an investigative news site. I am also the host and creator of Master Plan, and I was a writer who helped co-create the movie Don't Look Up. And I was the speechwriter for Bernie Sanders in his 2020 presidential campaign.

[00:00:32] Hannah McCarthy

All right, plenty of bona fides there. But the main reason I spoke to David for this podcast is his new podcast, Master Plan.

[00:00:42] David Sirota

Well, the podcast starts out with a story about the first time I discovered how systemic corruption was. I mean, I think we all know that corruption. We know what it looks like. We know it's real. We know it's pervasive.

[00:00:57] Hannah McCarthy

Today, Nick, We are talking corruption now. David says we know what it looks like. So before we go any further, do you know what it looks like? Nick, what is corruption?

[00:01:15] Nick Capodice

Oh, uh, what is corruption like in terms of what it looks like? I don't think it's like obscenity. Justice Potter Stewart in the 60s saying he couldn't define obscenity, but he knows it when he sees it. But corruption. Corruption has to have a definition.

[00:01:34] Hannah McCarthy

Well, it's a word used by humans, so it does have a definition. But this is not an essay for government class. So I am leaving the Oxford English Dictionary out of it.

[00:01:43] Nick Capodice

All right. But what about corruption as a legal term?

[00:01:47] Hannah McCarthy

Sure, Corruption is a legal term. It can apply to bribery, extortion, fraud, even nepotism. But, Nick, I don't think that's going to help us much today. What a lot of what we might call corrupt is perfectly legal.

[00:02:04] Nick Capodice

Yep, but corruption is bad. Like it is bad, isn't it?

[00:02:10] Hannah McCarthy

Well, you and I are definitely not going to solve the conundrum of ethics versus law. So instead, let's try it this way. Can you think of a situation where you're corrupt or that's corruption would be a compliment?

[00:02:27] Nick Capodice

Oh, absolutely.

[00:02:28] Hannah McCarthy

Really?

[00:02:29] Nick Capodice

Yeah. Like in a den of super villains in a movie. You know, it's a little played for laughs, but it also serves as a useful social commentary, like, oh, darling, that's so corrupt, so deliciously corrupt.

[00:02:41] Hannah McCarthy

Okay, so corruption is giving villain.

[00:02:45] Nick Capodice

Yeah, it's not giving hero. Hannah.

[00:02:46] Hannah McCarthy

I think I know why.

[00:02:48] Nick Capodice

All right.

[00:02:48] Hannah McCarthy

I think that we can pretty reasonably say that corruption involves abusing trust for some kind of gain, be that gain financial, influential, social, structural, you name it. And when corruption occurs, it damages that trust. And for the purposes of this episode, we are talking about political corruption.

[00:03:12] Nick Capodice

All right. In that case, it's not just trust that's at stake. It's also stuff like health and safety and the economy and civil rights. And you know, I could go on, but I'm going to stop there for now.

[00:03:24] Hannah McCarthy

You are describing things that lawmakers and leaders are supposed to help out with. Like when people run for office, they always say, you know, I'm going to make us healthier or safer or wealthier or more free. Yeah. So we vote for the people we believe we trust will do what they promise.

[00:03:43] Nick Capodice

So basically, democracy is just one big trust fall exercise.

[00:03:48] Hannah McCarthy

We put our arms out, we fall back. And if the people we voted for don't catch us because they're too busy taking care of themselves. We probably won't trust them anymore. So let's get back to David. And the first time he felt like the system let him fall.

[00:04:05] David Sirota

When I got out of college in the late 1990s, I was filled like lots of young people typically are. After college, I was filled with really idealistic dreams about how Washington works. I mean, I wasn't completely naive, but I had dreams about how things worked, how public pressure can force Congress and the government to do things that the public wants.

[00:04:31] Nick Capodice

All right. Public pressure. Does it work? I've looked into this. I know you've looked into this, and I think the answer is it can work. It doesn't always. The way that pressure is applied really makes a difference. But it can be really tricky to know what worked and why.

[00:04:50] Hannah McCarthy

So David tells a story about public pressure succeeding.

[00:04:55] David Sirota

It all honed in on this trip that we took a set of trips, actually, that Bernie Sanders was running from Vermont to Canada to help seniors buy lower priced prescription drugs.

[00:05:05] Archival

Congressman Sanders wants U.S. pharmacists and wholesalers to be able to buy drugs in Canada and other countries. It's an idea he hopes will bring relief to Vermonters paying about 80% more than our neighbors to the North Pole.

[00:05:20] Archival

You ladies want to get on.

[00:05:21] David Sirota

Okay. And we ran this campaign to both help seniors in Vermont access lower priced prescription drugs in Canada, but also to help raise the public's understanding of the issue of price inequity and how medicines developed at government expense. Us government expense are being sold all over the world at lower prices, and they are being sold at much higher prices in the United States and causing lots of financial problems for people.

[00:05:52] Archival

Ruth Mary Jeffreys calculates he sends \$1,000 more a year for her breast cancer medication in the US than in Canada. It's sort of like a gift to the drug company.

[00:06:03] Hannah McCarthy

Prescription drugs can be incredibly expensive in the United States. They can be a lot cheaper elsewhere. So Senator Bernie Sanders took elderly and breast cancer patients over the border to get them affordable drugs in Canada. And of course, it wasn't just about getting those individuals cheaper medicine. It was about making a very public scene.

[00:06:25] David Sirota

And so we did these bus trips, and they really did raise public awareness of how unfair and rigged this part of the healthcare economy has become. And the public pressure ultimately ended up shaming Congress into passing legislation to allow American wholesalers and pharmacists to import medicines from other countries at the lower world market prices, which under the existing law before that they were not allowed to do.

[00:06:58] Nick Capodice

Wow. So public pressure worked.

[00:07:02] David Sirota

It got a lot of both Democratic and Republican support. It was a bipartisan initiative. It passed, and it felt to me, to the young me that the system had worked. And it sort of it proved my dreams that I had watched on West Wing. The public gets angry. The Congress has to react, something good comes of it, and a bill passes, and that helps people.

[00:07:26] Nick Capodice

Uh oh. Hannah.

[00:07:27] Hannah McCarthy

Why uh oh Nick.

[00:07:29] Nick Capodice

Well, West Wing dreams are just that. Hannah. They are dreams. You know what might be a safer kind of dream? VEEP dreams. Because VEEP dreams are way more likely to come true.

[00:07:44] VEEP

What else do we need to talk about?

[00:07:45] VEEP

Federal lands.

[00:07:46] VEEP

They need to be protected.

[00:07:48] VEEP

We need more drilling.

[00:07:50] VEEP

For drilling purposes.

[00:07:54] David Sirota

What happened was after the bill was signed into law, after it passed and was enacted and was on the books very quietly, the Clinton administration ended up essentially killing the importation program, using its executive authority to do that after the bill had been passed, essentially killing all the work that we had done. And that happened as the pharmaceutical industry was dumping millions and millions of dollars into American politics, to both parties, to candidates of both parties. And so, essentially, this victory to help seniors afford and access lower priced prescription drugs, that victory was essentially killed by, in my view, a corrupt system corruption that the pharmaceutical industry has disproportionate financial and political power and use that disproportionate financial and political power to keep the American market closed and to keep everyone in this country paying far higher prices for medicine than other people in other countries.

[00:09:02] Hannah McCarthy

Now, are you going to hear a bunch of lawmakers say, yes, the pharmaceutical industry has disproportionate power and influence on Congress, and they use it to get what they want. And what they want is money. And I let them influence me. And then I write laws that help them. Probably not. Is it happening anyway? That is David's take.

[00:09:23] Nick Capodice

But how did this happen? It wasn't a bill signed into law. I don't understand how it goes from being a law to being null and void.

[00:09:32] Hannah McCarthy

Here's the landscape as this bill was getting closer to becoming law. The drug industry funneled millions of dollars into an ad campaign to stop that from happening. There, telling the American public that this will be bad for senior citizens. And they're also lobbying Congress per usual, saying that this will hurt the drug industry. And then, of course, at this point, legislators have told their constituents that they have this great way to get them cheaper drugs. Political pressure was building and the bill was revised.

[00:10:06] David Sirota

What ended up happening was the pharmaceutical industry got its key allies in Congress to insert a very small provision into the legislation, a couple of lines as the bill was passing, which said that when this bill passes and is signed into law, the executive branch has to certify that the program is safe and certify that the program will work. So it gave the white House one last way to kill the program before it came into effect.

[00:10:43] Nick Capodice

I think I understand. Congress gets the bill to the president's desk and the president even signs it. They did what they said they were going to do. But the new law has a loophole, and the executive branch uses it. They use that loophole. Yeah.

[00:10:59] Hannah McCarthy

The Secretary of Health and Human Services said that they couldn't certify this program was safe and would work. The new law dies.

[00:11:09] David Sirota

And actually, one Republican governor who supported the measure, the Republican governor, then of Minnesota, Tim Pawlenty, said, if the drugs from Canada are so unsafe, show me the dead Canadians. Where are all these dead Canadians who are dying by, you know, ingesting counterfeit drugs? It was a lot of nonsense. But the point is, is that at the heart of it was corruption. And I think that the part of the problem with corruption is not only does the public not get good policy, but the public becomes more cynical. It's a it's a shredding of the social contract. Right. Because the average voter who paid attention to this said, hey, you told me you were going to lower the price of medicine. And I saw it all over TV and your press release and you celebrating the passage of this bill. And now the price of medicine isn't any lower. Not nothing actually happened. It sort of reinforces that politics is all spectacle and show, but where the real power is wielded, corruption makes sure that power is wielded not for the everyday person, but for the people with the most amount of money.

[00:12:14] Nick Capodice

So David said the pharmaceutical industry was dumping money into politics, parties and candidates. How does that get them what they want though? I actually mean this question, Hannah. I think it's really easy just to say money influences politics. But my question is, how.

[00:12:32] Hannah McCarthy

Is it really easy to say.

[00:12:34] Nick Capodice

That money influences politics? Yes. Yes, I, I think so.

[00:12:38] Hannah McCarthy

Not for social scientists. Let's say there's a bill that will help out big industry. Does a lawmaker vote for that bill because they got donations from big industry? Or did they get donations from big industry because they were likely to vote on it already?

[00:12:58] Nick Capodice

You know, I really would love to just go one day in American politics without a chicken or egg scenario.

[00:13:04] Hannah McCarthy

And even if we could find the answer to that question, there are so many ways for a corporation, an entity, a person to donate, and so many ways to conceal that you have donated so many ways that linking donations to votes is nigh impossible.

[00:13:23] Nick Capodice

Not every day you get to use the word nigh eh McCarthy.

[00:13:26] Hannah McCarthy

One study showed that lawmakers are more likely to give a meeting to a donor than a mere constituent, but that doesn't mean that we can say for sure why they are doing that.

[00:13:39] Nick Capodice

It seems so obvious.

[00:13:42] Hannah McCarthy

It seems, but seems is not science. Another study found that when a top donor dies, a candidate starts winning by fewer points. They start focusing on fewer issues. Even their ideology shifts. They become a little more middle ground than they were before. Political action committees that support this candidate start making fewer ads.

[00:14:08] Nick Capodice

So it seems like that top donor was beefing up campaigns, which helped secure more votes. And it seems like that candidate was probably supporting that donor's interests, because suddenly they're changing their agenda when that candidate dies.

[00:14:23] Hannah McCarthy

Yeah. So does money get you influence? Does money affect legislation? The data suggests it. And you know, David, an investigative journalist, does too.

[00:14:39] David Sirota

When there was at least a pretense that corruption is bad, that corruption is not something we should embrace, is not something that should be part of the system in the way it works. So obviously, there was a deterrent to the most flagrant forms of corruption, public shaming, prosecution and the like. I think the danger is now the corruption is so out in the open and flagrant that there is no deterrent at all.

[00:15:10] Hannah McCarthy

Here's my deal, Nick. I cannot I must not, will not believe that we the people are useless against the forces of money and influence and profit forces that may well be banding together in corrupt efforts to undermine our livelihoods. And I will not let you stew in that notion Either.

[00:15:35] David Sirota

It's not a force of nature. It's not, you know, inevitable the way things are now, the policies that enrich the rich and hurt everyone else, that the system that creates that was created by a series of very deliberate, very well thought out, very well planned decisions by human beings, specific people with a specific agenda, that this is not the way it has to be.

[00:16:02] Nick Capodice

It's not a force of nature.

[00:16:05] Hannah McCarthy

As in this is not simply the way it is, you know. Oh, well, what can you do? This is something human beings did, and this is something human beings can undo. And David told me that historically, when money seems to get a little too powerful in the world of law, someone does try to fix it.

[00:16:28] David Sirota

There tends to be these cycles of lots and lots and lots of corruption and then reform that addresses some of it and brings the system back into balance. And then there's new corruption, new ways of of corruption. And then the pendulum swings back.

[00:16:44] Nick Capodice

Wait, give me an example of this pendulum swing. What does that look like?

[00:16:49] David Sirota

People who are listening to this can probably remember, for instance, John McCain. We have an episode in the later part of the series about John McCain's 2000 presidential campaign and how he ran that campaign against the corruption in Washington.

[00:17:08] Speaker8

We are going to take the government out of the hands of the big money and the special interests, and we're going to give it back to the people of this country who deserve it. They've been having a great time and it's been a lot.

[00:17:23] David Sirota

He didn't win the campaign in 2000, but that campaign ended up creating the momentum to pass the McCain-Feingold campaign finance law.

[00:17:32] Nick Capodice

What did that do?

[00:17:33] Hannah McCarthy

Mccain-feingold, aka the Bipartisan Campaign Reform Act, stopped political parties from raising or spending unlimited funds. It also stopped corporations from funding certain campaign ads. Uh, yeah.

[00:17:50] Nick Capodice

Come on. You know what I'm going to say here, Hannah?

[00:17:52] David Sirota

Of course, that campaign finance law was then attacked by the Supreme Court. But the point is, is that that raised the public's awareness of how big a problem this is.

[00:18:03] Hannah McCarthy

In 2006, in *Federal Election Commission v Wisconsin Right to Life Incorporated*, the Supreme Court found that actually, certain campaign ads are exempt from this law. And then, of course, in 2010, we had *Citizens United v Federal Election Commission*, which people say led to super PACs, which can accept unlimited contributions and make campaign ads. We do have an episode on that. So if you want to know more about it, I suggest you give it a listen. But I want to stick to David's point, which is the fact that high profile politicians said, hey, there's a ton of money pouring into politics here, and we're not regulating it, and we're letting corporations throw their weight around with candidates, and that could lead to corruption. And so they made that behavior illegal.

[00:18:54] David Sirota

I think that the system doesn't have to be inherently nearly as corrupt as it is. There's always going to be corruption at the margins, but it won't be cleaned up. It won't be a better system if we simply accept that this is no longer corruption. This is just the way things work. I don't accept that the kind of corruption we've just been discussing is the way everything has to work. There are ways to reduce corruption in a real way, but that requires a real campaign and a real focus.

[00:19:26] Nick Capodice

All right, so we're back to this. Corruption is not a force of nature idea. But Hannah. I do have to say, lately especially, it feels like a fact of life, that money has a massive influence on lawmakers and probably on laws and policy. If that is corruption and there really is a swinging pendulum here, does David see reform on the horizon?

[00:19:50] David Sirota

What I fear is, is that there's no more of a cycle anymore, that the master plan and the master planners, who have essentially worked over decades to legalize this form of corruption, both in the legislative sphere and in court rulings, deregulating the campaign finance and ethics rules system, that that they have permanently ended the cycle of pushing back. As we enter, as we are in amid an incredibly obviously corrupt era.

[00:20:21] Nick Capodice

Well, that's a sunny outlook, isn't it?

[00:20:24] Hannah McCarthy

I'll help us find the light, Nick. But, uh, first I got to share the story of how it got so dark in here. That's after the break.

[00:20:30] Nick Capodice

But before that break, listeners, you should know that there is a lot on the cutting room floor of every episode we make, and Hannah and I take all those clippings from the cutting room floor, sweep them up, and we put them into our biweekly newsletter. Extra credit. You can check it out. It's fun, it's free, and it's all on our website, civics101podcast.org.

[00:21:02] Nick Capodice

We're back. We are talking corruption today. And before the break, Hannah, you promised us a scary story.

[00:21:10] Hannah McCarthy

I did. Here's David Sirota again.

[00:21:12] David Sirota

So in 1971. Richard Nixon had just installed the now famous recording devices in the white House.

[00:21:24] Archival

We are going to use any means to get it done. I want it done.

[00:21:32] David Sirota

1971 was this moment in history in which the reformers, Ralph Nader types, were winning tons of legislative victories. It was a time of really incredible progress in America. I mean, the country had declared war on poverty. The Voting Rights Act had passed, the Civil Rights Act had passed the Medicare, had passed Medicaid. Richard Nixon signed the legislation creating the EPA and the like. I mean, this was an incredible moment. And Nixon had just installed his recording device in the white House. And one of the problems that had not been solved, one of the last big problems that had not really been addressed was this thrum of corruption underneath the political system.

[00:22:22] David Sirota

And Nixon ended up recording this exchange that he had with his Treasury secretary, in which his Treasury secretary said to Nixon, and they were they were strategizing together that they could shake down. That was the that was the term used. They could shake down the dairy producers. And we're talking about the big giant dairy companies. They could shake down the dairy companies for more campaign cash to Nixon's reelection campaign, in exchange for Nixon issuing a policy that would create a price support floor for the price of milk, to keep the price of milk at or above a certain minimum amount.

[00:23:09] Nick Capodice

Hang on. Shake down the dairy industry.

[00:23:13] Hannah McCarthy

Yes, Milk shake down milk shake. We are not the first to notice the pun potential there.

[00:23:18] Nick Capodice

Milk them for all they're worth. But how is this a shakedown. Exactly. You know, you help me get reelected, I'll help your industry out. That's quid pro quo. As old as time in American politics, isn't it?

[00:23:31] Hannah McCarthy

Well, Nixon may not have invented campaign corruption, but he sure did define it in a new way.

[00:23:37] David Sirota

It was very, very clear. They're going to give us money. We're going to do this policy. And what ended up happening was that this kind of came out. It leaked out at the time, not necessarily the tapes. The tapes did not leak out until Watergate a few years later. But the fact that so much money flooded into Nixon's campaign from the dairy producers. And then Nixon essentially reversed a decision from his agriculture department to then do these price supports, which enriched the dairy processors, the dairy companies. It became this example of the kind of corruption that had become systemic in Washington and helped prompt To Congress to pass the Federal Election Campaign Act. It's still on the books. It was a landmark moment.

[00:24:31] Hannah McCarthy

Basically, even before Watergate went down, Congress was taking note of how campaign contributions could directly influence regulation. It was, like David said, very clear that Nixon had received a ton of money from the dairy industry and then turned around and helped the dairy industry. So the 1971 Federal Election Campaign Act regulated money in federal elections, contribution limits spending disclosures prohibiting candidates from offering rewards in exchange for donations.

[00:25:04] David Sirota

I think what it exemplified was this cycle that we've been talking about where bad stuff happens. Congress feels forced to react, and Congress did react. Now, Nixon almost immediately after signing the Federal Election Campaign Act. Signing it, I don't know. He didn't exactly love that he was signing it. He didn't do a big signing statement, but he felt sort of publicly pressured, publicly forced to sign it. Nixon and his cronies decided to try to immediately circumvent it. And what's fascinating is, is that we uncovered a lot of previously never reported on documents in which they outlined their strategy of how to effectively undermine that anti-corruption law. Immediately upon its passage, I should mention, when the bill was moving through Congress after this dairy corruption scandal, Nixon was publicly saying he supports campaign finance reform. He supports anti-corruption legislation. Meanwhile, we uncovered memos inside the white House in which they were plotting a strategy of getting corporate donors to threaten members of Congress with financial punishment if they ended up voting for that anti-corruption law.

[00:26:20] Nick Capodice

Wow. That is. Well, I guess that is Richard Nixon.

[00:26:26] David Sirota

So I realized that people listening to this will say, well, it's not a surprise that Richard Nixon, of all people, was corrupt. And I think that's right. It's not a surprise, but I think we have to understand that the Watergate scandal and the Nixon administration, it really wasn't just a scandal about the break in and a desire to win an election. It was really the first and biggest campaign finance and corruption scandal of the modern era.

[00:26:55] Hannah McCarthy

And Nick, why is it important that Congress is monitoring this stuff that they're playing watchdog in their own world, because the public is often busy thinking about other things. For example, who's thinking about the dairy industry in 1971?

[00:27:14] David Sirota

Is Nixon going to end the Vietnam War. The public may be keyed into. Is Nixon going to sign the bill creating the Environmental Protection Agency? The public may not be as keyed into Agriculture Department policy on dairy prices and dairy price supports. So the smaller, more granular, more detailed, more esoteric the issue becomes. In some ways, the more likely a politician is to think, well, that's the kind of issue that I can go do the bidding of big money, because the public's never going to notice. The average voter is never going to know what I did. The average voter is never going to know that I slipped this or that line into a bill. I mean.

[00:27:57] Nick Capodice

Members of Congress barely have the time or opportunity to read every detail of a bill. So why would the public.

[00:28:04] Hannah McCarthy

Exactly. And then there's the fact that you can always sneak language into a bill that gets you or someone else what you or they want. We hear about things like poison pills, language in a bill that basically kills it from the inside out, and riders language attached to a bill that might have nothing to do with the bill. There are plenty of quiet routes to a legislative goal, routes that voters might never notice or know about.

[00:28:35] David Sirota

The more in the details you get, the easier it is for corruption to flourish. And what happened soon after that dairy scandal? Watergate happened. And what came out of Watergate was an effort to tighten and strengthen those campaign finance rules and those anti-corruption rules.

[00:28:56] Hannah McCarthy

We talked about the 1971 Federal Election Campaign Act after the Watergate scandal. Congress amended that act to limit contributions from individuals, parties and political action committees. That 1974 amendment also established the Federal Election Commission. But politicians were immediately opposed to these reforms.

[00:29:20] David Sirota

And what ended up happening was that even in the shadow of that scandal that everyone paid attention to, everyone knew about, the president resigned on the bills to strengthen the anti-corruption and campaign finance laws. After Watergate, the famous bills to crack down. Even those bills had provisions slipped into them to help create ways, new ways for corporations and interests, with lots of money to continue and actually expand their power to influence members of Congress.

[00:29:58] Hannah McCarthy

Then, in 1976, a Supreme Court case, Buckley v Vallejo, struck down some of the campaign Act's spending limits throughout the 80s and 90s spending limit bills were repeatedly killed and blocked in Congress. There were even proposed constitutional amendments to reform campaign finance. That, of course, went nowhere. Or we would know about it. Remember that McCain-Feingold act in 2002? I do. Senators John McCain and Russell Feingold started proposing versions of that in 1997, so it wasn't exactly an easy sell. And as we learned earlier, the Supreme Court pulled out a lot of its teeth. Not long after its passage. David's podcast, masterplan tracks how all of this happens, the decades of work that went into preserving this thing we call corruption.

[00:30:53] David Sirota

I think this is why what we track in our series is so important. Some might say, well, okay, there was a secret plan to legalize corruption. The question then is why would anyone want to legalize corruption? And the answer is if you're a powerful industry or a billionaire, you probably know that you can't preserve and pass new policies that continue to enrich you in a one person, one vote. Functioning democracy. Corruption is the way you can use your money to wield the disproportionate power you need to wield to get the government to produce policies that the public won't like. So at its core, what we're talking about here is deregulating the campaign finance system. Making bribery effectively legal is a way to short circuit or as, as we say, corrupt the way democracy is supposed to work so that it is not working for the people who elected their government.

[00:32:05] Hannah McCarthy

I want to add that there are many, many lobbying groups claiming to be working for public interests and the preservation of democracy. And if you have an issue that you're passionate about, I warmly recommend that you look into groups that promise to represent that issue and also do your research to find out if they're really representing you. But either way, if money is allowed to speak louder than or even against the voter, David sees this as a systematic problem.

[00:32:36] David Sirota

When we say legalizing corruption, I want to be clear about what I mean. What I mean is the changing of laws via Congress and legislation and via the court system, the changing of laws to allow money to dictate political outcomes and public policy outcomes. That that I think people are so used to that. And look, money is always going to have some disproportionate power, but it certainly doesn't have to have the amount of disproportionate power it has now the determinative power.

[00:33:13] Nick Capodice

Okay, this is potentially concerning for listeners, but I also find it very helpful because we started this whole thing off by trying to understand what corruption is. But maybe it's more important to understand what corruption does. What corruption does is create a barrier between the voter and the elected official. It is a wall that stops the democratic process.

[00:33:38] Hannah McCarthy

And to that point, Nick, David didn't pull any punches when he talked about what he thinks this means for America.

[00:33:47] David Sirota

In a system where corruption is this pervasive, where money is so determinative of political outcomes and government policy. We are moving towards a place where democracy is like a game we play every couple of years, almost meaningless sporting event to to allow us to feel the sensation of democratic control. But in reality, the people who are in control are the people who have the most money.

[00:34:15] Nick Capodice

Knife to the heart hannah

[00:34:17] Hannah McCarthy

Nick. This is Civics 101. Do you remember how I started this episode? I said I would not let you stew in the notion that we, the people, are powerless against this force. Because. What is this? Not a force of.

[00:34:32] Nick Capodice

Nature.

[00:34:33] Hannah McCarthy

Right? It is a force of humans. Fallible, distractible swayable humans. You can make Congress do things. Here's an option, for example, that maybe some people will not love.

[00:34:47] David Sirota

Public financing of elections would go a long way to fixing a lot of this. It wouldn't completely fix it, but it would go a long way to doing that public financing.

[00:34:57] Nick Capodice

Wait, is this like that thing on my tax form where I can volunteer to give money to the presidential election campaign fund.

[00:35:04] Hannah McCarthy

This is that thing kind of which, by the way, Nick, I really wish someone had explained to me when I first started doing my taxes because for the longest time I was like, why is the IRS getting into politics? And also why are they asking me to give more money on top of what I am already paying in taxes? Well, it isn't, and they aren't.

[00:35:25] Nick Capodice

All right, so what is it then?

[00:35:29] Hannah McCarthy

The Presidential Election campaign fund was established by Congress in 1966. The thinking was, if candidates can access public funding, they won't be dependent on or beholden to the giant coffers of industry.

[00:35:44] Nick Capodice

Wait, so public funding of elections. The thing David was just talking about, we already have that.

[00:35:50] Hannah McCarthy

Well, for a long time, basically since this fund was established, taxpayers have opted into it less and less. Even though, to be clear, opting into it doesn't mean paying more money. It's actually pretty much the only way. Americans can directly choose where their tax dollars go. And it's not just taxpayers who are ignoring it. Candidates are too. If you choose to use the fund, you also agree to a spending limit. You can spend 50 grand of your own money plus the election fund grant. And that is it. The grant for the 2024 general election is \$123.5 million.

[00:36:33] Nick Capodice

So when you think about the fact that the Biden campaign spent over \$1 billion in 2020, if that is ostensibly what it takes to win an election, why would you use the public fund?

[00:36:43] Hannah McCarthy

John McCain, surprise, surprise, was the last nominee to use it. That was in 2008, but you can use it for your primary campaign this year. Jill Stein and Mike Pence chose to use some of it. For a while now, people have been trying to figure out what to do with this pot of money. In 2014, Congress started giving some of it to the National Institutes for Health for Pediatric Research instead.

[00:37:07] Nick Capodice

Okay. Interesting, because I don't think that box on my taxes has said presidential election campaign fund, pediatric research. I'm not opposed to supporting health research for kids, by the way. It's just not what the box says.

[00:37:21] Hannah McCarthy

Yeah, you know what else that box doesn't say? Slash election security grants, slash Secret Service operations.

[00:37:28] Nick Capodice

Wow. No, the box definitely does not say that.

[00:37:31] Hannah McCarthy

In an August 2024 appropriations bill, Congress took \$55 million out of the public presidential election campaign fund for state election security grants and \$320 million out of that fund for the Secret Service.

[00:37:49] Nick Capodice

So the money that people think is going to the public funding for presidential campaigns has actually gone off to election security and the Secret Service.

[00:37:58] Hannah McCarthy

And as of right now, the most recent report from the FEC. The presidential election campaign fund is down to just over 17 million.

[00:38:08] Nick Capodice

Okay. So the one source of federal public funding for campaigns probably couldn't be used even if someone wanted to.

[00:38:17] Hannah McCarthy

Not to great effect anyway. Basically, candidates would have to wait until that fund builds back up to eventually get the money they need. But Nick, like I said, people have been arguing for some kind of change to this fund for a while now. Some kind of reform, some shift that makes public funding viable for candidates. And in David's opinion, public money for candidates is preferable to private money for candidates.

[00:38:50] David Sirota

I know the argument against that. Oh, you know, like we're just going to use government money to subsidize politicians. Well, you know what? You get what you pay for, right? I mean, we're getting the best government money can buy right now. Private money can buy, which isn't so good for the for the public. So the public, I think, in my view, should be willing to pony up a little bit of money to get a better government, which means creating a system by which, if you want to run for office, you don't have to go begging billionaires and corporations for money, where if you get lots of little donations, there's a public pot of money that boosts those donations, gives you more resources to just run a campaign, regardless of, by the way, whether you're a Republican, Democrat, whatever ideology, that's the kind of thing we can do. We know how to do it. It's been done in certain places.

[00:39:40] Nick Capodice

It's been done.

[00:39:41] Hannah McCarthy

I mean, New York City matches campaign donations at a really high rate, for example, which some listeners might have heard about recently in the wake of Mayor Eric Adams indictment, it appears that Adams abused the city's public funds program.

[00:39:55] Nick Capodice

So to be clear, it's not like these programs will mean corruption goes away.

[00:40:00] Hannah McCarthy

No, but it does make corruption a real and prosecutable thing. Okay. One other thought from David when it comes to money and politics.

[00:40:09] David Sirota

I think you could pass. Congress could be shamed into passing the Disclose Act, which is a bill that came after Citizens United, which would essentially force dark money, which dominates our elections now. Dark money being anonymous spending that could force that out into the open so we at least know who's spending money in elections.

[00:40:31] Speaker9

What we can still do, and what we should do is require these anonymous groups to disclose who is funding their ads. That's exactly what the Disclose Act does.

[00:40:43] David Sirota

If you ask yourself, why do the spenders of dark money want to stay anonymous? It's because they don't want to become the issue in the elections. They don't want to. They don't want you to know that the advertisement on your television is coming from them because they know you probably won't like them, and your interests are not aligned with theirs.

[00:41:05] Hannah McCarthy

So the question to David's mind becomes this if what we have been talking about sounds like corruption, if it sounds like something that erodes trust in our lawmakers and our system, if it sounds like it creates a barrier between we the people and our needs being represented by our lawmakers. If Americans think money influences law and policy, regardless of what the people actually need, what do we do about that?

[00:41:37] David Sirota

I think at its core, the first thing we have to do is say, okay, wait a minute. This is a problem. I think there have been examples in the recent past in which we are moving towards normalizing this corruption in a way that does not give me hope. That's the warning.

[00:41:56] Hannah McCarthy

Nick. We started this episode hearing an anecdote from David's West Wing dream years, a Bernie Sanders anecdote, and we're going to end it on another one.

[00:42:07] David Sirota

There was a moment on the Bernie Sanders campaign that was heartbreaking for me.

[00:42:12] Hannah McCarthy

By campaign David Means Sanders 2020 presidential campaign.

[00:42:17] David Sirota

It was January, so it was right before Iowa. One of his surrogates, a supporter of his named Zephyr Teachout, who's a law professor who's been talking about corruption forever. She published an op ed in which she said Joe Biden over his career has a corruption problem. And she pointed out that Joe Biden had taken lots of money from the credit card industry and had passed a bankruptcy bill that was that helped the credit card industry. And she went through sort of a whole litany of things that Joe Biden had done for corporate interests that gave him lots of money. All stuff that's verifiable, not conspiracy theory, just right out in the open. And she said he has a corruption problem. And this behavior of pay to play of where a politician with power gets money and then does the bidding of an industry that this is a systemic problem. And she published that op ed and there was a firestorm of controversy around it.

[00:43:16] Nick Capodice

A firestorm, because people were like, oh, wow, Biden is part of the corruption problem.

[00:43:21] Hannah McCarthy

More like a firestorm, because people were like, hey, keep that to yourself.

[00:43:26] David Sirota

How dare she do this? And is this Bernie Sanders campaign going negative? Et cetera, et cetera. And under that pressure, Bernie Sanders came out and didn't say, hey, this was a good point. I do think there's a systemic corruption problem in Washington. Bernie Sanders came out and felt compelled to apologize, to apologize to Joe Biden.

[00:43:47] Archival

But it is absolutely not my view that Joe is is corrupt in any way, and I'm sorry that that Op-Ed appeared to be so.

[00:43:56] Nick Capodice

Hannah Bernie Sanders talks about money in politics a lot. Like a lot, a lot. It's it's kind of his whole thing. Right? Namely, saying that he is opposed to how it influences the government and how he wants to ban avenues to corruption. But we should also say Sanders has definitely taken money from corporate lobbyists in his career. But if one of the most outspoken opponents of quote unquote dark money apologizes when someone calls it out, what does that mean?

[00:44:29] Hannah McCarthy

Well, that's David's point.

[00:44:31] David Sirota

If even Bernie Sanders is in a political system that tries to to shame people for even calling out corruption, if even Bernie Sanders feels so pressured that he has to succumb to that Bernie Sanders, who's spoken out about this, it tells you how much the system doesn't even want the problem to be acknowledged. And to me, we can get those better policies we just talked about. Those can be done if we say we are not going to apologize when somebody calls out corruption, we are not going to accept that the corruption that we see all around us is just normal and acceptable and okay and good. No, we are not going to do that. That's why the last time there was a real effort, a successful effort to put anti-corruption legislation on the books, it came as a result of John McCain running an entire presidential campaign saying, I am going to talk about the systemic corruption that is destroying our country, and I'm going to talk about it whether people like it or not. And that was the only way that anti-corruption policy, a better policy, was put on the books. And that's the only way it's going to happen in the future.

[00:45:47] Nick Capodice

One last question for you, Hanna. What can people actually take away from this episode to hear that the only way things are going to change is if someone really powerful uses their platform to force that change. What role do we play in that? David has painted a picture of a pretty entrenched system that seems like it sustains itself, and it's hard to see where the change can come in.

[00:46:15] David Sirota

I think people have gotten so used to this. We're really at the precipice of not really understanding what corruption is, what's the difference between corruption and just business as usual. And I think what I hope the series does is give people a sense that, wait a minute, it didn't have to be this way. My hope is that people walk away from this series and say, wow, you know, I see that like, there was this whole plan to make money. The only thing that matters in American politics. And I also see that it didn't have to be this way. And if it doesn't have to be this way, if those decisions were made in the past to create what we are living in now, other decisions can be made now to make sure it no longer is this way.

[00:46:58] Nick Capodice

So public pressure.

[00:47:01] Hannah McCarthy

I'm not going to assume that people listening to this episode are opposed to the apparent force of tons of money in politics. If you like the system as it is, you're in luck. It is not easy to change. But if you don't like it, keep saying you don't like it. Say it to your representatives. Say it with your vote. Say it to your local and state governments. Say it over and over again. If you don't like what you see, give it a name and say that name repeatedly. This episode was produced by me Hannah McCarthy with Nick Capodice Christina Phillips is our senior producer. Rebecca LaVoie is our executive producer. Music in this episode by Katherine Lee Bates, Ryan James Carr, Matt Large, El Flaco Collective, Waykapper Brendon Moeller, Ikhana, John Runefelt, spring gang, Lennon Hutton, Baegel and Mike Franklyn. If you like what we do here, please follow or subscribe wherever you get your podcasts. It's free and you'll make sure to never miss an episode. While you're at it, consider leaving us a review. Civics 101 is a production of NHPR, New Hampshire Public Radio.



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