Money, PACs, and the Buying of Washington

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Introduction

Money has always been the oxygen of American politics, but the composition of that oxygen has changed. In the wake of judicial decisions that loosened limits on independent political spending, a new ecosystem emerged: super PACs capable of raising unlimited sums, nonprofit advocacy groups able to shield donor identities, and digital platforms that transformed how campaigns find and mobilize supporters. This book examines how those forces—big checks, hidden channels, and countless small-dollar contributions fueled by smartphones—rearranged power in Washington and across the states.

The story is not simply about more money; it is about different money moving through different pipes. Independent expenditures now dwarf many traditional party functions, while social media and data brokers have made it possible to reach specific voters with tailored appeals at unprecedented speed and scale. At the same time, the rise of small donors has energized participation and diversified who gives, even as the tactics that unlock those donations can reward outrage, accelerate polarization, and privilege attention over deliberation.

Dark-money organizations add another layer to the picture. Donor-advised funds, trade associations, and issue-advocacy nonprofits serve as pass-throughs and amplifiers, financing campaigns that shape not only elections but also rulemaking, judicial confirmations, and state-level policy fights. These entities operate within the law's gray areas, often leaving the public with little visibility into who is speaking, why they are intervening, and how their investments are connected to later policy outcomes. The lack of timely disclosure can impede accountability, distort agendas, and erode trust.

To ground the analysis, this book turns to case studies that illustrate key inflection points: the first major cycle dominated by super PACs; the digital arms race of modern midterms; campaigning amid a pandemic; and runoffs where grassroots organizing and small-dollar energy proved decisive. These narratives are not chosen to valorize winners or castigate losers, but to reveal the mechanics—fundraising innovations, media strategies, legal boundaries, and organizational choices—that now define competitive politics.

Following the money leads inevitably to policy. Dollars do not purchase roll-call votes in any mechanical sense, but they do buy time, expertise, and agenda access. They influence who runs, what issues make it onto the docket, how hearings are framed, which regulations are quietly revised, and which are never proposed. The cumulative effect is a policy process that can be exquisitely sensitive to organized, well-financed interests and comparatively deaf to diffuse publics—even when those publics are newly energized by small-donor tools.

This is not a book of lamentations. It is a field guide for reform-minded activists and policymakers who are serious about practicality. Some fixes are straightforward—real-time disclosure, robust ad archives, and clear disclaimers that follow content across platforms. Others require structural choices—small-donor matching, public financing options, modernized enforcement, and platform rules that treat political advertising with the transparency it deserves. States remain vital laboratories, and corporate governance reforms can align political spending with long-term value and stakeholder expectations.

The chapters ahead map this terrain, combining accessible explanations with empirical insights and on-the-ground examples. Whether you are designing legislation, building a campaign, investigating money trails, or simply trying to vote in an information environment shaped by targeted persuasion, the aim is the same: to understand how money moves, how that movement shapes power, and how a democracy can channel resources toward participation and accountability rather than opacity and distortion.

CHAPTER ONE: After Citizens United: The New Rules of Money

For decades, the landscape of campaign finance in the United States was, if not precisely a tranquil meadow, then at least a reasonably well-mapped territory. Candidates and parties raised money, subject to limits on individual and organizational contributions, and those funds were largely spent directly by their campaigns. Independent expenditures—spending by groups not coordinating with campaigns—existed, but they were often the quirky side act, not the main event. Then came January 21, 2010. On that day, the Supreme Court issued its ruling in *Citizens United v. Federal Election Commission*, a decision that would fundamentally rewire the flow of money in American politics and forever alter the playbook for anyone seeking to win an election or influence policy.

The case itself stemmed from a documentary, *Hillary: The Movie*, produced by Citizens United, a conservative nonprofit organization. The film, critical of then-Senator Hillary Clinton, was slated for release during the 2008 Democratic primary season. However, federal law at the time prohibited corporations and unions from using their general treasury funds to make independent expenditures for electioneering communications within certain periods before primary and general elections. Citizens United challenged these restrictions, arguing they violated the First Amendment's guarantee of free speech. The Supreme Court agreed, and its majority opinion sent shockwaves through the political establishment and campaign finance world alike.

At its core, the *Citizens United* decision held that corporations and unions have the same First Amendment rights as individuals, and therefore, the government cannot restrict their independent political spending in candidate elections. The Court reasoned that limiting such spending amounted to censorship and that independent expenditures, by definition, did not pose a risk of corruption or the appearance of corruption because they were not coordinated with candidates or campaigns. This distinction—between coordinated spending (which can be limited) and independent spending (which largely cannot)—became the fulcrum upon which the new campaign finance system would balance.

The immediate aftermath of the ruling was a scramble. Campaign finance lawyers, political consultants, and advocacy groups quickly began to interpret the implications and explore the newly opened avenues for political spending. While the decision itself focused on corporations and unions, its logic was soon extended to individuals as well, cementing the idea that independent expenditures, regardless of the source of the funds, were largely protected speech. The existing legal framework, which had attempted to regulate the influence of money through contribution limits and disclosure requirements, suddenly seemed quaint, a relic of a bygone era.

Before *Citizens United*, the main concern for regulators and reformers had often been "soft money"—unregulated contributions to political parties for "party-building activities" that could indirectly benefit federal candidates. The Bipartisan Campaign Reform Act of 2002, commonly known as McCain-Feingold, largely shut down the soft money spigot, pushing more money into regulated channels. But *Citizens United* opened a new, far wider gate for what would soon be dubbed "dark money" and "super PACs," shifting the focus from direct contributions to independent spending. The well-intentioned reforms of the early 2000s, designed to curb the influence of large, undisclosed donations, inadvertently set the stage for an even more opaque and potent form of political finance.

The logic underpinning the *Citizens United* decision was rooted in the idea that money equals speech. Justice Anthony Kennedy, writing for the majority, stated, "We find no basis for the proposition that, in the context of political speech, the Government may impose restrictions on certain disfavored speakers." This perspective asserted that the ability to spend money on political advertising, issue advocacy, and voter mobilization was essential to the exercise of free speech. Critics, however, argued that this equation of money with speech effectively granted greater political influence to those with greater financial resources, fundamentally undermining the principle of one person, one vote.

The decision also leaned heavily on the notion that independent expenditures, by their very nature, could not corrupt or create the appearance of corruption. The Court drew a bright line between direct contributions to candidates, which could still be limited to prevent quid pro quo corruption, and spending by outside groups that operated independently of campaigns. This distinction, while legally precise, proved to be highly contested in practice. As subsequent chapters will detail, the lines between independent spending and coordinated spending often blur, and the potential for perceived influence, if not outright corruption, remains a significant concern for many observers.

The immediate practical effect of *Citizens United* was not the creation of super PACs directly, but rather the legal groundwork that allowed them to flourish. A few months later, in July 2010, the D.C. Circuit Court of Appeals, relying on the logic of *Citizens United*, issued a ruling in *SpeechNow.org v. Federal Election Commission*. This case specifically held that if an independent expenditure group did not make contributions to candidates, parties, or PACs, then it could accept unlimited contributions from individuals, unions, or corporations for the purpose of making independent expenditures. This was the birth certificate of the super PAC.

Prior to these rulings, political action committees (PACs) were limited in how much they could receive from any single donor and how much they could contribute to candidates. The new "independent-expenditure-only committees," quickly dubbed "super PACs," circumvented these limits entirely. They could raise unlimited sums from individuals, corporations, unions, and other groups, and then spend unlimited sums to overtly advocate for or against political candidates, as long as they did so independently of the candidates' campaigns. The floodgates, it seemed, had opened.

The first election cycle to fully feel the impact of this new regime was the 2012 presidential election. Super PACs emerged as powerful new players, funneling unprecedented amounts of money into television advertisements, mailers, and digital campaigns. They often operated as extensions of candidate operations, sometimes staffed by former campaign aides or close allies, raising questions about the true independence of their expenditures. The sheer volume of spending by these new entities quickly demonstrated their potential to shape election outcomes and redefine the balance of power in political campaigning.

Beyond super PACs, *Citizens United* also emboldened other types of organizations, particularly those structured as 501(c)(4) "social welfare" groups or 501(c)(6) trade associations under the IRS tax code. These groups, which are not primarily political organizations, could also engage in independent political spending, often without disclosing their donors. This became known as "dark money" because the source of the funds remained hidden from public view. While these groups existed before *Citizens United*, the ruling provided a fresh impetus and legal clarity for their expanded role in electoral politics, allowing them to participate more aggressively in advocating for or against candidates without the constraints of donor disclosure that applied to super PACs.

The rise of dark money groups introduced a new level of opacity into campaign finance. Voters were often left guessing as to who was funding the relentless barrage of political ads and messages. Was it a wealthy individual, a specific industry, or a foreign entity? The lack of transparency made it difficult for the public to "follow the money" and understand the potential biases or motivations behind political messaging. This erosion of transparency became a central concern for those advocating for campaign finance reform, highlighting a fundamental tension between free speech and informed public discourse.

The architects of *Citizens United* argued that disclosure, not limits, was the proper antidote to any concerns about undue influence. Justice Kennedy wrote that "disclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages." However, the growth of dark money groups, which were not subject to the same disclosure requirements as super PACs or traditional campaigns, demonstrated a significant loophole in this proposed solution. The promise of an informed electorate through disclosure remained unfulfilled in a substantial portion of the new spending landscape.

The new rules of money also had a profound impact on the role of political parties. Historically, parties served as central conduits for campaign funds and coordinated much of the electoral strategy. With the advent of super PACs and dark money groups, a significant portion of political spending shifted outside of party control. This decentralization of financial power sometimes led to friction between party committees and outside groups, even when they shared similar goals. It also meant that candidates often had to contend with multiple, sometimes competing, messages being put forth by various independent spenders, further complicating campaign strategy and message discipline.

Moreover, the decision indirectly fueled the professionalization of political consulting and the data industry. With vast sums of money flowing into independent expenditures, there was a greater demand for sophisticated targeting, advertising production, and voter mobilization efforts. Data analytics firms, digital strategists, and media buyers became indispensable players in the new ecosystem, helping outside groups maximize the impact of their spending. This created a lucrative industry around campaign finance, attracting talent and resources that further cemented the new rules of money as the dominant paradigm.

The "new rules" established by *Citizens United* and subsequent rulings were not simply about allowing more money into politics; they fundamentally reshaped the architecture of political power. They empowered a new class of wealthy donors and well-funded organizations, granting them unprecedented ability to influence elections and policy debates. The traditional channels of party giving and direct campaign contributions, while still important, were increasingly overshadowed by the sheer volume and flexibility of independent expenditures. This shift meant that understanding American politics now required a keen eye on not just who was running, but who was spending and through what channels.

The implications for policy influence were equally significant. With unlimited independent spending, special interests could inundate the airwaves and digital sphere with messages tailored to specific policy outcomes, even between elections. This "permanent campaign" extended beyond election cycles, influencing public opinion, pressuring lawmakers, and shaping legislative agendas. The ability to fund issue advocacy campaigns without disclosing donors further obscured the connections between financial contributions and policy victories, making it harder for the public to discern whose interests were truly being served in Washington and state capitals.

This new era of campaign finance also presented a unique challenge for reformers. The Supreme Court's strong emphasis on free speech rights made it difficult to impose new restrictions on independent spending. The focus for reform efforts therefore shifted, in many cases, from limiting spending to increasing transparency and strengthening disclosure requirements. The hope was that even if money could not be capped, sunlight could still be the best disinfectant, allowing the public to see who was attempting to influence their elected officials and policy debates. However, as the rise of dark money groups demonstrated, even disclosure proved to be a difficult and contested battleground.

The post-*Citizens United* landscape is characterized by a relentless arms race of fundraising and spending. Each election cycle brings new innovations in how money is raised and deployed, as campaigns and outside groups constantly adapt to the legal framework, technological advancements, and the ever-shifting media environment. From the early super PACs of 2012 to the increasingly sophisticated digital operations of today, the fundamental principle of unlimited independent spending has remained a constant, driving a continuous evolution in the mechanics of modern political influence.

Understanding these new rules is not merely an academic exercise; it is essential for anyone seeking to navigate, participate in, or reform American democracy. The decisions made by the Supreme Court in the wake of *Citizens United* didn't just change a few lines of campaign finance law; they fundamentally altered the power dynamics between citizens, special interests, political parties, and elected officials. The reverberations of that single ruling continue to shape every aspect of American politics, making it imperative to grasp the origins and evolution of this new era of money in Washington.