



Who's Spending More: Candidates or Super PACs?

Transcript

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GWEN IFILL: The Republican presidential field moved on today, fanning out to a series of upcoming caucus states. But the echoes from the Romney-Gingrich battle in the Florida primary lingered.

CROWD: Mitt! Mitt! Mitt! Mitt! Mitt! Mitt! Mitt!

GWEN IFILL: Fresh off Tuesday's big win, Mitt Romney said the no-holds-barred fight in Florida has prepared him for a tough, drawn-out campaign.

MITT ROMNEY (R): Perhaps that what we're getting now inoculates us, or at least prepares us for what'll come down the road.

GWEN IFILL: But he gave his opponents' ammunition first thing, leaving the impression in a morning television interview that he doesn't care about poor people.

MITT ROMNEY: I'm not concerned about the very poor.

GWEN IFILL: But, in context, that's not all Romney said.

MITT ROMNEY: We have a safety net there. If it needs repair, I will fix it. I'm not concerned about the very rich. They're doing just fine. I'm concerned about the very heart of America, the 90, 95 percent of Americans who right now are struggling.

GWEN IFILL: Moving his campaign to Minnesota, where Republicans vote next Tuesday, Romney chose instead to focus his fire on the president.

MITT ROMNEY: He does not know how to lead America. He's detached from the American people. I will stay in touch with the American people, and I will lead us back into prosperity.

(CHEERING AND APPLAUSE)

GWEN IFILL: But former House Speaker Newt Gingrich, who lost Florida to Romney by 14 points, took direct aim at Romney's remarks about poverty in Reno, Nev. today.

NEWT GINGRICH (R): I am fed up with politicians in either party dividing Americans against each other.

(CHEERING AND APPLAUSE)

NEWT GINGRICH: I am running to be the president of all the American people, and I am concerned about all of the American people.

(CHEERING AND APPLAUSE)



GWEN IFILL: Gingrich vowed to stay in the race right up until the nominating convention, seven months away in Tampa.

But, in Washington today, the nation's top elected Republican, House Speaker John Boehner, dismissed fears that a protracted nomination fight would hurt the party.

REP. JOHN BOEHNER, R-Ohio: I understand that people are concerned about how long the primary process is dragging on. I would remind people that President Obama and Secretary of State Hillary Clinton had a fight that went through June of 2008. So, I think everybody just needs to relax, and this will resolve itself.

GWEN IFILL: Two other major Republicans remain in the hunt for the nomination. Former Pennsylvania Sen. Rick Santorum stumped in Colorado, where caucuses are set for Tuesday. And Texas Congressman Ron Paul spent the day courting voters around Las Vegas. All four will need to raise and spend ever larger amounts of money to keep going.

New financial reports released last night show the role that independent outside groups, the super PACs, are playing. According to the Federal Elections Commission, pro-Romney groups raised more than \$30 million by the end of last year. Those supporting Newt Gingrich raised more than \$2 million.

And that doesn't include \$10 million the former House speaker's super PAC received from a single wealthy Nevada couple in January. Groups supporting Ron Paul and Rick Santorum brought in a little over \$2 million combined.

The super PACs grew out of a Supreme Court ruling in 2010 that lifted restrictions on corporate and union spending in federal elections.

The numbers are big: \$40 million spent just by those outside super PACs so far. But candidates are also raising money the old-fashioned way -- Mitt Romney, \$57 million, more than his closest competitors combined. That's Ron Paul at \$26 million, Newt Gingrich at \$13 million, and Rick Santorum at \$2 million.

But President Obama had already -- has already raised \$128 million for his reelection campaign by the Dec. 31 reporting deadline. And that's before the first primary votes were even cast.

For more now on how money has shaped the campaign so far, we turn to John Dunbar, managing editor of the Center for Public Integrity, which has been tracking the spending, and Eliza Newlin Carney, who covers this for Roll Call newspaper.

Welcome to you both.



John Dunbar, start by telling us what we know based on these reports about who is behind all of this money coming into the campaign.

JOHN DUNBAR, Center for Public Integrity: Well, they're mostly wealthy individuals. There's a lot of corporations, a number of corporations, but we're seeing a continuing trend of, you know, basically rich people making extremely large donations.

GWEN IFILL: Were they not able to do that before?

JOHN DUNBAR: No, not this way.

They're able to give a contribution -- by giving a contribution to a super PAC they can actually affect the campaign in a way that they couldn't before. The contribution limits to a candidate are \$2,500. There are no contribution limits to a super PAC, and yet a super PAC can run an ad that's just as effective as something that would be run by a candidate.

GWEN IFILL: Are these super PACs outspending the candidates right now?

JOHN DUNBAR: In some cases, they are.

And I think what's interesting about Restore Our Future, which is a pro-Romney super PAC, that is \$30 million that it's raised. That's more than all of the other GOP competitors have raised in their own candidate committees, a lot more.

GWEN IFILL: Eliza, you spend your life following the follow the money edict, OK, following the money, try to figure out where it goes.

Wasn't the whole goal of this, the Supreme Court's whole goal to allow for transparency? You can give as much money as you want, as long as you say you're giving it.

ELIZA NEWLIN CARNEY, Roll Call: Yeah. You can spend as much money as you want as long as you say what you're spending.

GWEN IFILL: Right.

ELIZA NEWLIN CARNEY: There were complaints around these super PACs for two reasons -- or continue to be complaints.

One is that leading up to the primary, a number of them requested changes in their filing deadlines for the FEC, meaning that they managed to prevent people from seeing the donations until just Jan. 31, after a number of primaries and caucuses had already taken place. And that's one reason why FEC disclosures have been very carefully watched, because this money hadn't been disclosed until now.



GWEN IFILL: When are we going to find out about the money that has been spent since Dec. 31? We know we have had four big primaries since the beginning of the year. When are we going to find out about that spending?

ELIZA NEWLIN CARNEY: We know about that spending. It's just that a number of the primaries took place before we found out about it.

The other thing that people are distressed about with these super PACs is a number of them run nonprofit affiliates, and those nonprofits are subject to no disclosure rules whatsoever.

GWEN IFILL: What about unaffiliated groups, like Crossroads, the Karl Rove-affiliated outside funding group? That's \$51 million they raised. They're not spending it necessarily targeted to a particular candidate.

JOHN DUNBAR: Oh, but they are. They're just doing it in the congressional districts right now. Once the GOP figures out who they're going to get behind, half of that money from Crossroads, well at least what we understand, are going to go in ads to back the GOP nominee or to go after Barack Obama.

GWEN IFILL: So we know about the money that is being spent for presidential races, which is what you're talking about today, but you're saying there's a whole another front in this war.

JOHN DUNBAR: Oh, boy, yeah. There is, especially on the Crossroads front. This is a shadow Republican Party. You could actually say it's kind of a doppelganger party, and like Restore Our Future is as well.

And, you know, actually we will know because of the filings. We're going to know on the 20th how much the super PACs have spent. On Feb. 20, they're going to switch to a monthly filing. Hopefully from here out, we will know a little more about the super PACs. But the nonprofits really are much more of a concern, and that's Crossroads Grassroots Policy, which is a nonprofit. And they don't have to say who their donors are at all.

GWEN IFILL: But surely there are Democratic doppelgangers as well.

ELIZA NEWLIN CARNEY: Well, there are. But the Democratic doppelgangers are not raising and spending nearly as much as the Crossroads operation.

The Crossroads operation raised about \$18 million for the super PAC, but about more than \$30 million for the nonprofit. And in fact some senators on Capitol Hill today, Democrats, criticized that secret money. There is a group called Priorities USA Action, which has a nonprofit affiliate. But the money involved is much smaller.

GWEN IFILL: So, we now know, for instance, that all this money has been raised. What do we know about what it's being spent on? Is it all television or other things?



JOHN DUNBAR: It's mostly television.

The vast majority of it is television, but that's no surprise because that's 80 percent of what you spend on a campaign is television. Florida is a great example of that. Restore Our Future spent \$10 million out of the \$17 million that it has spent so far just in Florida, almost all of it on advertising.

GWEN IFILL: Spending decisions, do they differ from candidate to candidate?

ELIZA NEWLIN CARNEY: They differ from super PAC to super PAC, certainly.

I think the candidates' strategies are probably fairly similarly, although each candidate has his or her own little quirks. But the pro-Gingrich super PAC, Winning Our Future, for example, came out and said they were going to do a real ground war operation, that they were going to get out voters, that they were going to target voters.

And there were some people I talked to who said that's difficult for a super PAC to do. The most effective use of a super PAC may be running ads, because if you don't have a candidate to mobilize volunteers, it's hard to motivate people and really turn them out to vote.

GWEN IFILL: But one of the things that comes out of these discussions, these periodic discussions we have about money is that money yields a result, and that the \$10 million, for instance, that Newt Gingrich got from the rich Las Vegas couple that we alluded to kept him alive through South Carolina and Florida and he wouldn't have been able to survive.

But Rick Perry got a lot of money. Jon Huntsman got some super PAC money -- mostly from his farther, it turned out. But they are no longer in the race. So is there a direct connection, I guess I'm asking, between money coming into these races this way and candidates flourishing?

JOHN DUNBAR: That's the eternal question, isn't it?

I think if we knew that, that, absolutely, then it would be -- you know, politics would be really boring. But generally speaking, the guy with the most money wins, and that's what's playing out right now on the GOP side.

ELIZA NEWLIN CARNEY: My own view about these super PACs is that they are probably going to play less of a role on the presidential campaign trail than they will in congressional races. They probably are accelerating trends that would have taken place anyway on the presidential campaign trail, but when you get to closely contested House and Senate races, there may be millions spent by outside groups, especially at the last minute, that could be decisive.

And some people argue that already happened in 2010, when American Crossroads and other GOP-friendly outside groups help Republicans take over the House.

GWEN IFILL: How does this compare to past presidential cycles?

ELIZA NEWLIN CARNEY: Well, in 2004, we had these groups called 527 groups.

GWEN IFILL: Right.

ELIZA NEWLIN CARNEY: And Republicans like to say that this isn't new, because George Soros and others . . .

GWEN IFILL: And the Swift Boat Veterans for Truth.

ELIZA NEWLIN CARNEY: Exactly. And those were important groups as well.

Those groups were somewhat different in that the so-called 527 groups did disclose everything to the Internal Revenue Service, and the nonprofit affiliates of these super PACs are not going to do that. So I think there's arguably going to be less disclosure this time around.

GWEN IFILL: You agree with that?

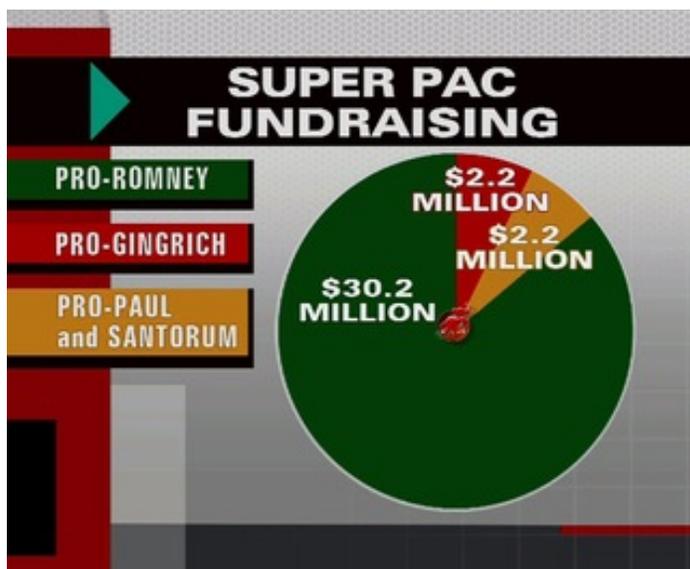
JOHN DUNBAR: Well, it's also the content of the message.

The Supreme Court said that -- this is something called express advocacy. The 527s were never allowed to say vote for or vote against. Otherwise, they would have been regulated by the FEC. These groups are allowed to say the most aggressive form of political speech.

GWEN IFILL: And that's the biggest different.

John Dunbar from the Center for Public Integrity, Eliza Newlin Carney, from Roll Call, thank you both very much.

ELIZA NEWLIN CARNEY: Thank you.



Super PAC spending as reported by the Federal Elections Commission.