

Steve Smith insists that the story was reported as the facts became evident. How do locally owned media companies manage covering their own communities without incurring conflicts of interest?

CASE 5-G

POLITICS AND MONEY: WHAT'S PRIVATE AND WHAT'S NOT

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When the Supreme Court in 2011 decided that corporations and unions could contribute an unlimited amount of money to political campaigns—what is referred to as the Citizens United decision—most political pundits and scholars agreed that the opinion had the potential to alter the democratic election process.

The Supreme Court decision renewed journalistic emphasis on covering campaign finance. It was a story that had been around for at least 50 years but, with the new ruling, received new urgency. The journalistic reasoning was fairly straightforward: If wealthy individuals (who were not themselves candidates for public office) were willing to write checks to politicians they supported for millions of dollars, shouldn't the public know something about these donors?

Because of campaign finance laws that were not altered by the Supreme Court ruling, most large and even unlimited donations went to "SuperPacs" or outsized political action committees that were not legally required to report donations in the same way as an individual politician-based fundraising effort. What happened nationally with campaign finance was also evident at the state and sometimes the local level. Even state supreme court justices were not immune from the attacks levied by outside interests. When a mid-level state-elected official coming up for reelection encountered an opponent funded by a SuperPac, the resulting tsunami in cash overwhelmed these traditionally underfunded campaigns.

In the early months of the 2012 presidential campaign, the *New York Times* reported the following:

- Billionaire Harold Simmons gave \$1 million to Newt Gingrich's political action committee, another \$1.1 million to Texas Governor Rick Perry's SuperPac, and \$10 million to American Crossroads, a Republican-oriented SuperPac advised by controversial GOP strategist Karl Rove.

- Peter Thiel, PayPal co-founder and a self-identified libertarian, gave Congressman Ron Pauls' Pac \$2.6 million.
- Multiple news organizations reported that Gingrich's largest financial supporter, Sheldon Adelson, had donated more than \$10 million to the SuperPac Winning Our Future.
- Millionaire Rex Sinquefeld, of St. Louis, donated more than \$1 million to various campaigns in the state, including campaigns focusing on public education and conservative political candidates.

While the bulk of million dollar donations went to Republicans, President Barack Obama's campaign also received

- at least \$1 million in support from the Service Employees International Union; and
- \$2 million from film industry executive Jeffrey Katzenberg.

The US Chamber of Commerce, both nationally and locally, endorsed candidates, often accompanied by sizeable donations from individual members.

Many of the large-dollar donors were on record with controversial political opinions or business decisions. Simmons, for example, had clashed with the Environmental Protection Agency over compliance with regulations for a Texas radioactive waste dump, and Thiel had blamed giving women the right to vote on the rise of the welfare state.

When the Obama campaign placed a list of million-dollar GOP donors on its website, Frank VanderSloot, who had contributed more than \$1 million to the Mitt Romney SuperPac, characterized Obama's list as an "enemies list," borrowing the term from the Nixon presidency when such a list did exist. Both VanderSloot and the billionaire brothers, Charles and David Koch, who had bankrolled many political campaigns, claimed that the publication of their names and their donations had made them subject to attacks and a loss of business.

On June 20, 2012, in a report by NPR's Andrea Seabrook, VanderSloot was quoted as saying that he had lost customers, received negative press, and been the target of unsavory e-mails. VanderSloot refused to talk with NPR in its series on millionaire donors—not a single donor was willing to be interviewed on the record—but had spoken earlier with Fox News about the response to his donation after it became public.

As might be expected, the publicity and reporting surrounding these donations made its way to Congress. There, Republican Mitch McConnell said that the coverage was infringing on the donors right to free speech. "This is nothing less than an effort by the government itself to expose its critics to harassment and intimidation. That's why it's critically important

for all conservatives, and indeed all Americans, to stand up and unite in defense of the freedom to organize around the causes we believe in.”

Democrats and their supporters shot back by, among other things, quoting conservative Supreme Court Justice Antonin Scalia, who said that publicity is part of the price of getting involved in the adult and consequential game of politics.

NPR, in its series on millionaire donors, also asked the large-dollar contributors why they were unwilling to be interviewed by NPR for the story. The question was met with universal silence.

Micro Issues

1. Most Americans think of money—how they earn it and how they spend it—as very private. Should campaign contributions be treated the same way as salary information or income tax returns for private citizens?
2. Using ethical theory, justify the current state of reporting campaign donations. Should those who give a great deal of money be treated differently? Why or why not?
3. Using ethical theory, justify the current state of reporting how much candidates contribute to their own political campaigns.

Midrange Issues

1. Apply Nissenbaum’s concept of control over the contextual flow of information to the subject of covering campaign finance.
2. Does journalistic reporting on the individual political beliefs and agendas of donors—both large and small—make the ethical mistake of guilt by association?
3. Did NPR make the correct decision in broadcasting that no one would speak on the record about their campaign contributions?

Macro Issues

1. Should news organizations be required to report the source of their income, particularly when it comes from airing campaign commercials?
2. How do you think Americans should define political speech? Connect your thinking to the privacy of the secret ballot, the notion of the marketplace of ideas, and your views about the relationship between money and politics.