

Fundraising

Toward Donor-Centered Politics?

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Democrats running for the House of Representatives in 2018 faced a problem: many preelection analyses suggested that the Democrats had a good chance of gaining control of the House. President Trump's approval ratings had been underwater for his entire presidency, and antipathy toward Trump and congressional Republicans had led to a historic surge in the number of Democratic candidates running for office. The candidate pool featured an unprecedented number of first-time candidates, including many women and racial minorities. While many of these candidates attracted national attention, few of them had a demonstrated track record of raising money, and many of them were running in districts where the party had not been competitive for years. To make matters more complicated, many potential donors did not reside in districts represented by Republicans. Democrats and their allies would need to find ways to channel contributions to candidates who had a realistic chance of winning, and they would need to find ways to avoid wasting money in primary battles or in districts where even the most telegenic, enthusiastic Democratic candidates were unlikely to win.

Despite the Democratic victory in 2018, it is not evident that Democratic money was spent as wisely as it could have been in the election. Perhaps the most prominent member of the new freshman class was Alexandria Ocasio-Cortez, a twenty-nine-year-old political neophyte who had unseated a veteran Democrat in a primary. Ocasio-Cortez raised just under \$600,000 during the primary, compared to her opponent's \$3 million.¹ She raked in over \$1.4 million after the primary—money that was unnecessary to secure a general election victory in this safe Democratic seat in New York City. In the meantime, Kentucky Democrat Amy McGrath raised \$8.5 million, including \$2.1 million in small contributions and \$5.6 million from out-of-state donors, yet McGrath came up short in this solidly Republican district. Many other well-funded Democrats did, however, win, and they did so in part because they had successfully managed to convert liberal unrest into campaign contributions.

As American politics has become more polarized, it has become necessary for candidates to rely on national organizations that work to direct

contributions to candidates who need money. This is not an entirely novel turn of events, but it is one that has upended traditional models of campaign fundraising. The old model, where candidates slowly build a network of friends and business associates within their home districts and states, has been replaced by a model where online organizations and fundraising portals such as ActBlue and Swing Left have become vital players in campaign finance. This is a role that was filled once by party campaign committees, and later by incumbent politicians' leadership PACs. Yet the ongoing effects of the Supreme Court's decision in *Citizens United v. Federal Election Commission* (2010) have also led to the rise of new Super PACs. Some of these Super PACs have become de facto arms of the parties in coordinating national fundraising. Others have sought to channel large contributions toward candidates with specific characteristics—for instance, toward women, toward members of particular racial or ethnic groups, toward LGBT candidates, toward candidates with particular career backgrounds, or toward candidates with distinctive ideological perspectives.

All of these changes suggest that money matters more than ever, but that candidates no longer are the dominant players in financing campaigns. A candidate can establish his or her viability by using tried-and-true fundraising techniques, but elections are driven in large part by forces outside of candidates' control. In this chapter, we review traditional fundraising practices, and we focus on the increasing nationalization of campaign finance. While many of the innovations of 2018 were driven by congressional campaigns, we also consider the implications of these changes for presidential fundraising. It is not always the case that the most successful fundraisers win, but a strong and creative fundraising plan is essential for candidates to put themselves in contention.

The Old Model of Campaign Fundraising

Many campaigns today—and, in particular, the campaigns that tend to capture national media attention—are fueled by partisan donors. This is true at all levels of politics—the more contributors a candidate has, even if these contributors only give a small amount, the more people are available for other types of campaign activities. The 2018 Texas Senate candidate Beto O'Rourke, for instance, raised over \$36 million from people who gave less than \$200 to the campaign, and was able to draw on his donor list to create 862 “pop-up” field offices staffed by volunteers.² Campaigns such as these can bring new donors into politics, and many of these donors will undoubtedly remain active in politics for years to come. Not all donors are online, and not all campaigns can ignore people who are habitual contributors and

are not particularly ideological. Hence, successful campaigns still draw on traditional methods, such as those summarized as follows.

Friends and Acquaintances

Every candidate for office begins with a network of supporters: personal and professional contacts, Facebook friends, neighbors, and so on. Those who have a history of activism within local party organizations or issue-based groups can also draw on lists of people who have supported such organizations. And, of course, those who have held political office in the past begin with a network of those who have supported them before. As Congressman David Price (D-NC) recounts in his campaign memoir, an up-to-date Christmas card list can be an important first step in campaigning.³ This type of campaign fundraising has probably existed for as long as there have been campaigns, but social media and other new ways of networking can certainly help.

It is important to note, however, that the people in this constituency are not just donors; they are ambassadors for the candidate to other groups, and this community also includes people who can provide advice for all aspects of the campaign. A candidate's friends can, in turn, introduce him or her to their friends, hold fundraisers in their homes, or provide in-kind support. It was once thought that men with business backgrounds had an advantage in doing this, but many women running for office, such as Florida House candidate Lauren Baer, relied heavily on volunteers to organize informal meet-and-greet events in their homes.⁴ This circle of friends and acquaintances will likely include many who have made the maximum permissible donation—\$2,800 per election cycle as of the 2020 election cycle—but these people are valuable above and beyond the dollars they personally give to the campaign.

Bundling

While candidates will likely be personally involved in the solicitation of contributions from their friends and acquaintances, the scale of campaigning for most offices precludes having the candidate play a direct role in soliciting all, or even most, of the money that will be needed to be competitive. Once a candidate has identified his or her most connected supporters (that is, people who know a lot of other people who might give), these people may either formally or informally gather contributions for the candidate. The practice of formally doing this (that is, personally collecting checks and forwarding them to the campaign) is known as *bundling*. The FEC requires disclosure of the names of groups or lobbyists who bundle contributions. Some candidates encourage bundlers to

provide other, less formal means of letting the campaign know what they have done, such as entering lists of contacts on a campaign webpage or using a tracking number on checks they have solicited. Contributors who meet these goals are usually pleased to be recognized for their accomplishments, but campaigns have also provided various perks to these people in appreciation for their fundraising, including dinners with the candidate and other forms of recognition.⁵ Interest groups also bundle contributions and may publicize the amounts they have bundled in order to emphasize their clout.

Campaign Events

Campaign events have always been a common way for candidates to raise money. These events range from relatively casual “meet and greet” events that may cost only \$50 or \$100 per person to fancier \$2,700-per-person dinners. Contributors at these events get the benefit of meeting the candidate and mingling among others who share their financial means and interest in the campaign. The Democratic and Republican Parties hold fundraising dinners in many parts of the country—the Jefferson–Jackson Day dinners for Democrats and the Lincoln Day dinners for Republicans—that are regular gatherings of party contributors. Holidays such as Labor Day, Saint Patrick’s Day, and Columbus Day are often occasions for fundraising events. Among the most lucrative fundraising events for candidates are events featuring political “superstars.” An event featuring a Hollywood celebrity, a professional athlete, or a better-known politician can yield tens of thousands, or even hundreds of thousands, of dollars.

Phone Banks and Direct Mail

Telemarketing was one of the most dependable means of fundraising during the 1980s and 1990s, and it has not entirely disappeared. Telephone calls to a candidate’s prior supporters, or to people who supported a similar candidate, may simply jog the memory of someone who contributes regularly. Incumbent members of Congress engage in “dialing for dollars” regularly, keeping in contact with people who are not necessarily close acquaintances but who have some connection to the candidate. A brief script tailored to the background or issue concerns of the donor in question—for instance, a reminder that the donor attended the candidate’s alma mater, or is a supporter of environmental causes—can help assure the donor that there is more to the relationship than the “ask.” It may be prudent for the candidate him- or herself to be the one who makes the call to big donors, and some candidates have tried to showcase their willingness

to call small donors as well—Elizabeth Warren, for instance, put videos of her thank-you calls to small donors on her Facebook page during her 2020 presidential run.⁶

Candidates can also outsource some of their telephone calls, either to professional firms or to cell phone-wielding volunteers. Telemarketing firms that have access to lists of people with strong partisan views or views on controversial issues (such as abortion or guns) have had success in using more incendiary scripts to solicit contributions from people who may have no prior connection to the candidate. Mitt Romney, for instance, raised over \$10 million during a one-day phone-a-thon to start his 2012 campaign.⁷ Direct mail serves a similar purpose; a well-executed direct mail campaign can use partisan rhetoric and appealing graphic design to lure potential contributors into opening the letter and perusing the contents. Direct mail remains a staple of congressional campaigns and local campaigns, where it serves the trinal purpose of soliciting contributions, mobilizing voters, and informing voters about campaign issues.

More and more, however, telemarketing and direct mail are becoming a secondary feature of campaigns—a way of reconnecting with people who are already part of the campaign, or of reaching people who cannot be reached through other methods. Good lists—of prior contributors, contributors to other candidates, or people who have supported similar causes—are paramount, yet expensive to purchase or maintain. Caller ID reduces the number of people who will even answer the phone when they see an unfamiliar number, and the volume of junk mail people receive makes it likely that even a well-designed direct mail piece will never be opened. Campaigns that do not target their mailings well can spend more money on fundraising by mail or phone than they bring in.⁸ This is no surprise—the benefits to contributors of responding to direct mail or telephone solicitations are small. Candidates can work to personalize these appeals, but there is less ability to tailor these appeals to individual donors than there is for other methods.

PACs

A final mainstay of traditional candidate fundraising is the political action committee, or PAC. PACs are important in part because candidates often have to do very little to build a PAC donor base. Many of the largest trade PACs, such as the National Association of Realtors, routinely give to all incumbent members of Congress. Members of the House of Representatives tend to raise approximately 40 percent of their money from PACs, and senators raise about 20 percent of their money from PACs, often with minimal effort.⁹ Most individual contributors do not give without first being

asked. Organized interests, on the other hand, have reasons to seek out candidates. For nonincumbents, the parties may help to line up meetings with PAC directors; a showing that the candidate is viable and sympathetic to the group's objectives may yield PAC contributions.

People who give because of these older types of fundraising pitches are not necessarily concerned with what happens to their money; a contribution is the price of admission to an event, or a way to cement friendships and business networks. Many of these people may sincerely care about politics, but they can also just give and then go on with their lives. Fundraising like this is effective to a point, but in recent elections it has been supplanted by methods that give donors more knowledge about the campaign and more of a stake in the outcome.

Mixing Old and New Models of Fundraising

Many of the older methods of fundraising take up valuable campaign time—when candidates are busy calling regular donors, they are losing time that they could spend campaigning. One way to avoid this problem is to have surrogates do the fundraising. This strategy might be useful when candidates have effective surrogates—that is, a president might rely on other members of his or her party to make fundraising pitches. Voters hunger, however, for personal contact with politicians—for a sense of authenticity. Many candidates have used social media to build ties with voters. Successful candidates in 2018 were able to make personal connections with voters and to demystify the fundraising process.

Establishing Authenticity Through Social Media

Congressman Jeff Denham (R-CA) established a weekly series of YouTube videos titled “Jeff’s Morning Mailbag.” In the videos, Denham sat at his desk and responded to constituent queries about legislation and district concerns.¹⁰ The videos did not include a fundraising pitch, but Denham was able to point to these videos when he raised money as examples of his effort to make personal connections to voters on a nonpartisan basis. Nonincumbent candidates also used Facebook and Twitter to distribute iPhone videos that showed them as regular people. Alexandria Ocasio-Cortez used Instagram to show followers what her life was like during her campaign, sharing thoughts on cooking and the daily stresses of campaigning.¹¹ Although campaign advertisements can often be quite expensive to produce, homemade videos such as these can be more effective in showing supporters the personal side of the candidate.

Steering Contributions to Where They Are Most Needed

Few congressional candidates are able to establish themselves as household names, the way Ocasio-Cortez did. Many voters in 2018 were interested in helping Democrats gain control of Congress but did not reside in competitive districts. Groups such as Swing Left used Facebook and other social media tools to combine voter education efforts with promises to steer contributions toward candidates in need of money. Swing Left, like Democratic groups in the past, presented contributions as only one potential action voters might take—it also provided links to local groups and touted volunteer opportunities. Swing Left was one of many groups that sought to connect voters to candidates, but the focus of this group was on helping Democrats to gain control of Congress, rather than on aiding particular types of candidates. Bundling groups such as EMILY's List (which helps pro-choice, female Democratic candidates) and the Victory Fund (which works on behalf of LGBT candidates) have been a staple of elections for several years, but many new groups made a point of encouraging small donations and of updating the information they provided based on where money was needed most.

Creating a Sense of Urgency

One challenge in fundraising lies not only in convincing people to give money, but in convincing them to give money now. In the past, some campaigns have given donors the option of making weekly or monthly payments during the campaign season. But for most candidates, it is necessary to use campaign events to connect contributions to a particular need. There are many ways to do this: candidates can tell potential donors that an FEC reporting deadline is approaching, and that the candidate's fundraising haul will signal to the party that he or she is a serious candidate. They may point to a statement the candidate's opponent has made, and proclaim that it is urgent to raise money as soon as possible in order to respond. Or candidates may use their opponent's fundraising as a sign that they must reciprocate—for instance, if an outside group has just invested in a major ad buy, a candidate may tell voters that it is important to respond to that group's claims. Candidates may also adopt strategies from the world of nonprofit fundraising, promising that contributions made by a particular date will be matched by other donors, as 2018 House candidate Ann Kirkpatrick did.¹² This sense of urgency can legitimize some methods of contact that might otherwise be seen as intrusive: text messaging, for instance, may bother voters if it is used regularly, but if the text is framed so that it points to an urgent need, potential donors may respond.¹³

Merchandise

The “Make America Great Again” baseball caps sold by the Donald Trump presidential campaign were a highly successful mixture of fundraising and candidate advertising. The hats sold for between \$25 and \$45, and the campaign estimated after the election that it had sold one million of them, at a profit of \$8 per hat.¹⁴ Campaign merchandise helps the candidate to raise money, then, but it also helps to establish a campaign message—wearers of the hat feel a sense of identification with the campaign, and they can identify like-minded voters. It is a long-standing principle of political advocacy that people will be motivated to give if they get a tangible material benefit from their donation; hence, bumper stickers, T-shirts, and many other goods can be sold at a price that enables the campaign to make a profit. Not everyone can develop as successful (or controversial) a benefit as the Trump hats, but many campaigns have tried. Creativity and novelty are also important in creating campaign merchandise: during the 2019 government shutdown, for instance, the Democratic Congressional Campaign Committee sold foam bricks (to symbolize Trump’s proposed border wall) to donors.¹⁵

These new techniques have three advantages over older models of fundraising: they integrate fundraising with the campaign, they integrate low-tech and high-tech methods, and they send a signal to voters and prospective donors about how viable the candidate is.

Large Unregulated Contributions and the Rise of Candidate Super PACs

For many—indeed most—candidates, the details provided so far in this chapter tell all that there is to tell. For presidential candidates and a growing number of congressional and gubernatorial candidates, however, that story is only the beginning. Legally, candidates cannot play a role in raising money for Super PACs, 501(c)(4) organizations, or other groups that might then turn around and support their candidacy. By law, there can be no coordination between candidates’ campaigns and the ostensibly independent advocacy campaigns conducted on their behalf. Yet in the past decade it has not been difficult for candidates and their allied Super PACs to pursue a common strategy even without formal coordination. Innovations in the ways candidates and their supporters act to harness the power of unrestricted corporate, group, and individual contributions thus will determine the outcomes of many elections over the next few years. We also note that candidate Super PACs differ from other interest group Super PACs discussed in Chapter 8.

The Complex Web of the Campaign Donation World

The details of the *Citizens United* ruling are discussed elsewhere in this book; the decision has had implications for many different political actors. For our purposes here, it is most instructive to focus on the new choices prospective political contributors face. Citizens can still contribute money directly to candidates, parties, and PACs up to the contribution limit.¹⁶ If they wish to spend more money in support of a candidate, they can contribute to a Super PAC. In 2012, there was a Super PAC for each of the major presidential candidates, and Super PACs were formed for the purpose of aiding some House and Senate candidates as well. By 2018, the number of candidate-specific Super PACs had expanded to a total of 259.¹⁷ Some of these Super PACs solicited contributions from the public, while others were funded by a small number of friends of the candidate or family members. Donors can also contribute to Super PACs that spread their money out among a wider array of candidates, or to Super PACs associated with interest groups of long standing. And if donors do not care for any of the existing groups, they can simply create their own.

Fundraising Lessons to Be Learned: The Rise of Donors

Campaigns are strategic about where they raise money. The difference now is that *donors* have far more control over how their money is spent. As it was for candidate contributions, different types of donors have different reasons for becoming involved in politics: some are habitual donors who “push” money into the system, and thus actively look for candidates to support, while others are citizens who are “pulled” into politics by charismatic politicians or well-crafted political appeals.

It is important for candidates to understand which types of donors they are dealing with. Anyone who can contribute only a small amount of money is better off giving that money directly to an interest group or a candidate, and candidates are better off having this money than they are having money spent by others on their behalf. This is what makes very small donations, such as the \$1 donations that Democratic presidential candidates solicited in 2020, important; if a candidate has a list of small donors, he or she can try to gather information on these people and use their initial small display of interest to encourage them to give more. The size of the contribution is less important than the mere fact that the donor gave. Candidates often point this out—Democratic presidential aspirant Seth Moulton, for instance, noted on his website that “it used to be that the most important measurement of a campaign’s strength was the size of its contributions. Now, the strength of a campaign is measured by its

number of contributions.”¹⁸ The \$1 donation enables the candidate to use the donor list to pull more money in.

In the case of “pushed” money, on the other hand, intermediaries such as interest groups become important—donors to such groups will seek them out because they want to see results. A group such as Swing Left can only succeed if it can demonstrate to its donors that it has had results. Super PAC donors and other large contributors may be able to figure out for themselves whether their contributions have made a difference. For everyone else, however, it is incumbent on candidates and groups to show that they have used the money wisely. A group such as EMILY’s List thus will regularly tell contributors what it has done, and what it plans to do. When EMILY’s List told the public, for example, that it hand bundled \$10 million for candidates as of September 2018, it was in part trying to establish its credibility with its donors.¹⁹

In both cases, the donation itself is important for campaigning, but there is a flow of information between the donor and the recipient that was not always present in the past. Donors want to know how their money is being used, and candidates and groups want to show what they are doing with the money in order to raise more from these donors.

Super PAC Surrogate Fundraising Committees for Presidential Candidates in 2016 and 2020

While explicit coordination between candidates and Super PACs is not permitted, candidates can still come close to coordinating with a Super PAC. The details of this *de facto* coordination are discussed in Chapter 10 on campaign finance reform. This new development means that candidates who expect to benefit from the efforts of Super PACs have an incentive to delay their entry into the race, and consequentially the development of their candidate fundraising efforts, for weeks or even months after they have effectively begun to campaign. This is one reason why Scott Walker and Jeb Bush, the two Republican candidates who were expected to be most successful in attracting Super PAC money in 2016, did not join the Republican field until much later than some of the other, less well-known candidates.

Sources close to the Ted Cruz campaign announced shortly after Cruz’s March 23, 2015, entry into the race that four different Super PACs, all with similar names (variations on “Keep the Promise”), would work in tandem to advocate for Cruz’s election; the groups announced a combined initial fundraising tally of \$31 million—or more than any 2012 presidential primary candidate other than the two nominees and Ron Paul raised.²⁰ The

treasurer for three of the four PACs, a friend of Cruz's, suggested that having more than one Super PAC would allow donors some choice in how they wanted their money to be spent; however, at the time the groups were established, all of the money came from one source, hedge fund investor Robert Mercer. Cruz's early entry into the race meant that he could no longer play a personal role in setting up these groups or speaking with donors, but the announcement so soon after his formal declaration of candidacy meant that he had likely reached a point where the financial benefits of running outweighed those of staying out of the race, and he could now turn his attention to more conventional fundraising.

One can read other candidates' announcements with similar fundraising concerns in mind; being a candidate invites media attention (which can aid candidates struggling to attract attention), but it can also invite scrutiny. Other early candidate announcements in 2016, such as those of Ben Carson, Carly Fiorina, and Mike Huckabee, gave these candidates a burst of attention that could translate into an initial burst of fundraising. For political insiders, however, early announcements may in years to come serve as a sign of weakness—as an indication that these candidates are forced to turn their attention to courting smaller donors.

It remains to be seen, however, how the 2020 Democratic presidential candidates will use Super PACs. Almost all of the Democratic candidates have criticized Super PACs and the *Citizens United* decision, and although the eventual general election nominee may well have a Super PAC working on his or her behalf, Democrats have been very different from the 2016 Republicans in their fundraising strategies. Some of the candidates who are incumbent members of the House or Senate have leadership PACs and have been able to transfer funds from their House or Senate campaign funds to their presidential campaigns, but as of May 2019, none had active Super PACs aiding their candidacies. Media coverage of the campaign has used fundraising numbers as one measure of competitiveness. Thus, candidates have instead emphasized small donations, and many of them have trumpeted the amount of money they raised during the days after they announced their candidacy as indicators of their support. Joe Biden, for instance, proudly announced on April 25, 2019, that his campaign had raised \$6.3 million on the first day after his announcement, and the campaign provided the media with statistics on the average size of the contribution.²¹ And Pete Buttigieg, largely unknown before his campaign began, was able to use his small donor fundraising numbers to persuade larger donors (particularly gay and lesbian donors) that his campaign was viable.²² The party has also sanctioned small donor fundraising by using it as a threshold for debate participation; candidates are required by the Democratic National Committee to raise money from 65,000 donors and have 200 donors in twenty states to be eligible to participate.²³

It should also be noted that a growing number of congressional candidates have, however, had Super PACs funded by friends, relatives, or other small combinations of wealthy supporters. In 2018, California House candidate Mike Levin received \$371,000 in support from a Super PAC established and entirely funded by liberal billionaire William Bloomfield, and Virginia House candidate Alison Friedman received \$162,000 in support from a Super PAC established by her relatives (see data from the Center for Responsive Politics). Candidates are certainly aware of the existence of these groups, but there is even less they can do to informally steer money their way than is the case for presidential candidates.

The organizational structure and fundraising techniques of Super PACs have changed radically across the past three elections, and they will no doubt continue to change in 2020 and beyond. The story told here suggests, however, that in order to understand political fundraising in upcoming elections, we will have to understand not just the ways in which candidates raise money but also the ways in which organizations that support candidates raise money.

Does Candidate Fundraising Still Matter?

Not that long ago, it was the norm for candidates to spend hours “dialing for dollars” in order to finance their campaigns. As we have seen in this chapter, many successful candidates can rely on clever social media campaigns to raise money, while others are fortunate to have wealthy benefactors who spend money on their behalf. In the post-*Citizens United* environment, does traditional fundraising still matter? There are many reasons to think that it does. When candidates court several dozen potential contributors, they are not just raising money—they are campaigning. If the potential contributors will have the opportunity to vote for (or against) the candidate in November, the pitch for contributions is functionally the same as the pitch for votes. Even if the contributors do not reside in his or her state or district, the fundraising pitch requires that the candidate make contact with a wide array of people. Information will be exchanged, the contributors will make their views on politics known, and the candidate will develop his or her campaigning skills. Even less personal means of soliciting money require that a campaign exercise skill in the “care and feeding” of donors. One might respond to such claims by noting that donors—even people who give small amounts—are not like regular voters. They tend, among other things, to be wealthier and more politically extreme than the average citizen. Yet they are more representative than are the wealthy funders of Super PACs, and those who give small contributions are more representative of the public than are those who give larger ones.

It is possible, as well, that in-person fundraising can distort candidates' sense of what voters want. When candidates only talk to PAC directors or wealthy donors, they may assume that such people's views are widely shared. In their research on the political activity of billionaires, political scientist Benjamin Page and his colleagues have found evidence that politicians overestimate the support of their constituents for deficit reduction and other matters that are priorities for the rich but not necessarily for everyone else.²⁴ A candidate who could rely on someone else to fund his or her efforts could spend time learning what voters think and sharing his or her views with them. This is a compelling argument, but one might respond that technology had begun to solve this problem in the early 2000s: online, small donor fundraising does not require that the candidate hobnob with donors; it can be a parallel effort.

Some postmortems on the 2012 elections made reference to some alleged triumphs for the candidate-centered fundraising model, or at least to some failures of Super PACs. It is certainly possible that the larger donor base for Barack Obama's campaign contributed to his victory over Mitt Romney. In addition, some read the poor win/loss ratio for large Super PACs such as American Crossroads as a sign that Super PAC fundraising and spending were not as efficient or effective as candidate fundraising. The 2016 and 2018 campaigns, however, showed that candidate fundraising may well have diminishing returns, and that Super PACs can be effective when they make late, targeted interventions in campaigns. In 2016, for instance, Super PAC donors gave up on Donald Trump following the publicizing of his *Access Hollywood* comments, but when Trump rebounded in the polls in late October, some of those donors, such as Joe Ricketts, quickly returned to spending money on behalf of Trump.²⁵

As Super PACs continue to develop new strategies, however, they will get better at spending money wisely. If existing groups don't do this, the people who give money to them will hold them accountable and will take their money elsewhere.

From Candidate-Centered to Donor-Centered Politics?

Many theories about campaign fundraising assume that American political candidates are self-starters—that candidates must begin their campaigns with a good list of potential contributors, and that they build outward from friends and family, to strategic investors in the campaign, and then to the general public.²⁶ There is still some truth to this, but the order of this pattern has been upended over the past few election cycles. Small donors play more of a role than they did before, and in 2018 we saw many instances of regular citizens working together to find candidates and causes to support.

However, most candidates must rely on brokers or interest groups in order to develop the tools to reach these small donors. In addition, the priorities of a small number of wealthy Super PAC donors can instantly make a campaign viable. Billionaires with a well-defined issue agenda, such as Michael Bloomberg, who has spent heavily in support of candidates who advocate for gun control, and Tom Steyer, who has supported candidates concerned about climate change, can make a candidate viable virtually on their own.

Innovations in fundraising are not merely a matter of taking advantage of new technology. It is easy to look at changes in communication techniques, data processing, or the U.S. media over the past few decades and map these onto changes in how candidates raise money. This process will certainly continue. What elections since 2010 show, however, is that the law, as it relates to political fundraising, is not static, nor is the enforcement of that law. Innovations in campaign fundraising are, and will continue to be, dependent on creative ways of understanding how one can push the boundaries of campaign finance law. This may strike some readers as an uninspiring way to think about political innovation, but it is hardly new. Fundraising on the “cutting edge” in contemporary politics requires that a candidate have the best technology staff and the best legal staff, and it requires that candidates continue to understand how best to appeal to all different types of donors.

NOTES

1. All primary election fundraising totals in this chapter are taken from data available on the Federal Election Commission website (www.fec.gov); breakdowns of donor types (in-state vs. out-of-state, small vs. large donors) are taken from the Center for Responsive Politics website (www.opensecrets.org).
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14. See Philip Bump, "How Many Hats Has Donald Trump Bought Anyway?" (*The Washington Post*, June 29, 2016). Accessed on April 29, 2019, from https://www.washingtonpost.com/news/the-fix/wp/2016/06/29/how-many-hats-has-donald-trump-bought-anyway/?utm_term=.6be0968451b6 on the cost of hats; and David Brennan, "Donald Trump Campaign Manager Says Nearly 1 Million MAGA Hats Sold, and \$45 Million Made" (*Newsweek*, April 29, 2019). Accessed on April 29, 2019, from <https://www.newsweek.com/donald-trump-campaign-maga-hats-donations-brad-parscale-2020-1408087> for estimates on sales.

15. Brennan, “Donald Trump Campaign Manager Says Nearly 1 Million MAGA Hats Sold.”
16. A recent Supreme Court decision, *McCutcheon v. FEC* (572 U.S. 185 [2014]), invalidated aggregate contribution limits. Donors still have a limit on what they can give to any one candidate, PAC, or party committee, but there is no longer a limit on what they can give in total.
17. See the Center for Responsive Politics summary of single-candidate PACs, at <https://www.opensecrets.org/outsidespending/summ.php?chrt=V&type=C> (accessed April 24, 2019).
18. This text appeared on the Seth Moulton website at the time of his 2020 presidential campaign.
19. “By the Numbers: EMILY’s List and the 2018 Midterms,” September 24, 2018. Accessed May 31, 2019, from <https://emilyslist.org/news/entry/by-the-numbers-emilys-list-the-2018-midterms>.
20. For detail on the Cruz Super PAC, see Nicholas Confessore, “Network of ‘Super PACs’ Says That It Has Raised \$31 Million for Ted Cruz Bid” (*The New York Times*, April 8, 2015), A20; for detail on 2012 candidate fundraising, see Robert G. Boatright, “Can Public Funding and *Citizens United* Coexist?” in *Corruption in the Contemporary World: Theory, Practice, and Hotspots*, ed. Jonathan Mendilow and Ilan Peleg (Lanham, MD: Rowman and Littlefield, 2014), 69–98.
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