I. Corporate Democracy

Over the last four decades, the median wage has barely budged. But the incomes of the richest 0.1% have soared by more than 300% and the incomes of the top 0.001% (the 2,300 richest Americans), by more than 600%. The net worth of the wealthiest 0.1% of Americans almost equals that of the bottom 90% combined.

This grotesque imbalance is undermining American democracy.

“The preferences of the average American appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy,” Martin Gilens of Princeton and Benjamin Page of Northwestern concluded a few years ago, after analyzing 1,799 policy issues that came before Congress. Lawmakers respond to the demands of wealthy individuals and moneyed business interests.

A. Democratic Institutions

1. Electoral process

2. Legislative process

3. Judicial process

4. Regulatory process

5. Free Press

B. Four power networks

1. Candidate Selection Process: guarantees that whoever wins the elections will represent the interests of those in power

1. Campaign financing (See Appendix I)

2. Anti-democratic exclusionary practices and legislation: exclude the "rabble" from the process to doubly guarantee the results will benefit corporations and the upper class

2. Special Interest Process

a. guarantees that legislation that is passed and resources that are allocated will benefit those in power: "Wealthfare" (See Appendix II)

b. guarantees that judicial appointments will be those whose decisions will benefit those in power: Citizens United (See Appendix III)

c. guarantees that appointments to regulatory agencies will be from the industry being regulated, so regulation will not be a burden on profit making. (FDA, EPA, Dept of Interior, Dept of Agriculture)

d. lobbying

i. Federal: $3+ billion

ii. State: $1 billion

ii. 11,195 They have their own street… K Street

<https://www.propublica.org/article/meet-hundreds-of-officials-trump-has-quietly-installed-across-government>

3. Policy Planning Process

a. think tanks, foundations and corporate interest groups develop legislation and policy.

b. Business Roundtable, American Legislative Exchange Council, Chamber of Commerce, Heritage Foundation, Project for a New American Century

4. Opinion Shaping Process

a. manufacture consent: maintain the culture of illusions that keeps citizens in the U.S. ignorant and passive

b. means: main stream corporate media

Appendix I

1. Campaign 2008: $4 + billion, 2012 $6.2 billion (All-time record!!)

2016 $6.9 (New All-time record)

a. presidential campaign 2012 $2.6 billion (All-time record!!)

b. presidential campaign 2016 $2.1 billion

c. 2016 Senate and House

a. Senate Top 10 $39 million to $175 million (Florida)

b. House Top 10 $19 million to $26 million (Florida D16)

c. Georgia District 6 $53 million

2. Types of contributions

a. Hard money: limited and regulated

b. “Super PACs”

c. 501©4s: non-profit charitable organizations that promote the social welfare!

d. Foundations, conventions, inaugurations, debates, fundraisers

Appendix II

"Wealthfare"

1. Tax legislation for the upper class

a. income tax

b. estate tax

c. "carried interest"

2. Corporate Tax Cuts

3. Direct Subsidies

a. research and development

b. agriculture

c. military-industrial complex

4. Indirect subsidies

5. Bailouts

Appendix III

Supreme Court and “money = speech

1. Buckley v Valeo: two important legal principles

a. speech = money: restrictions on political spending must

meet the same standards as restrictions on free speech (only if it is to

protect our vital national interests).

b. limited meaning of corruptions, quid pro quo, so it upheld FECA

restrictions on corporate donations to candidates, but said a candidate

could spend as much of her/his money as desired—can’t corrupt oneself.

2. First National Bank of Boston v Bellotti: protected political spending by corporations on state legislative initiatives

a. Mass had ban on corporations buying advocacy advertising on initiative

b. Court overturned it on grounds of public rights to be informed, to have access to more information was the basis of democracy

3. Citizens United v FEC

**Holding**: Political spending is a form of protected speech under the First Amendment, and the government may not keep corporations or unions from spending money to support or denounce individual candidates in elections. While corporations or unions may not give money directly to campaigns, they may seek to persuade the voting public through other means, including ads, especially where these ads were not broadcast.