

Testimony of Senator Bernard Sanders
Senate Committee on the Judiciary
Subcommittee on the Constitution, Civil Rights and Human Rights
Hearing on “Taking Back Our Democracy:
Responding to Citizens United and the Rise of Super PACs”
July 24, 2012

Mr. Chairman, thank you for convening a hearing on the enormously important issue of “Taking Back Our Democracy.” Unfortunately, that title exactly describes the challenge facing us today.

The history of this country has been the drive towards a more and more inclusive democracy—a democracy which would fulfill Abraham Lincoln’s beautiful phraseology at Gettysburg in which he described America as a nation “of the people by the people for the people.” Lincoln’s vision has endured throughout the ages, and many courageous Americans put their lives on the line defending that vision: “Of the people, by the people, for the people.”

We all know American democracy has not always lived up to this ideal. When this country was founded, only white male property owners over age 21 could vote. But people fought to change that and we became a more inclusive democracy. After the Civil War, we amended the Constitution to allow non-white men to vote. We became a more inclusive democracy. In 1920, after years of struggle and against enormous opposition, we finally ratified the Nineteenth Amendment, guaranteeing women the right to vote. We became a more inclusive democracy.

In 1965, under the leadership of Martin Luther King, Jr. and others, the great civil rights movement finally succeeded in outlawing racism at the ballot box and LBJ signed the Voting Rights Act. Black people in our country could not be denied the right to vote. We became a more inclusive democracy. One year after that, the Supreme Court ruled that the poll tax was unconstitutional, that people could not be denied the right to vote because they were low-income. We became a more inclusive democracy. In 1971, young people throughout the country said; “we are being drafted to go to Vietnam and get killed, but we don’t even have the right to vote.” The voting age was lowered to 18. We became a more inclusive democracy.

Mr. Chairman, the democratic foundations of our country are now facing the most severe attack, both economically and politically, that we have seen in the modern history of our country. Tragically, we are well on our way where America is moving toward an oligarchic form of government – where virtually all economic and political power rest with a handful of very wealthy families. This is a trend we must reverse.

Economically, the United States today has, by far, the most unequal distribution of wealth and income of any major country on earth and that inequality is worse today in America than at any time since the late 1920s.

Today, the wealthiest 400 individuals own more wealth than the bottom half of America - 150 million people.

Today, one family, the Walton family of Wal-Mart fame, with \$89 billion, own more wealth than the bottom 40 percent of America. One family owns more wealth than the bottom 40 percent.

Today, the top one percent own 40 percent of all wealth, while the bottom sixty percent owns less than 2 percent. Incredibly, the bottom 40 percent of all Americans own just 3/10 of one percent of the wealth of the country.

Between 1980 and 2005, 80 percent of all new income created in this country went to the top 1 percent. In 2010 alone, 93 percent of all new income went to the top 1 percent. This is not American democracy. This is American oligarchy.

That is what is going on economically in this country. A handful of billionaires own a significant part of the wealth of America and have enormous control over our economy. What the Supreme Court did in *Citizens United* said to these very same billionaires: “You own and control the economy, you own Wall Street, you own the coal companies, you own the oil companies. Now, for a very small percentage of your wealth, we’re going to give you the opportunity to own the United States government.” That is the essence of what *Citizens United* is all about.

Let’s be clear. Why should we be surprised that one family, worth \$50 billion, is prepared to spend \$400 million in this election to protect their interests? That’s a small investment for them and a good investment. But it is not only the Koch brothers.

Mr. Chairman, there are at least twenty-three billionaire families who have contributed at least \$250,000 each into the political process up to now;¹ my guess is that number is really much greater because many of these contributions are made in secret.

The constitutional amendment that Congressman Deutch and I have introduced, S. J. Res. 33, states the following:

- For-profit corporations are not people, and are not entitled to any rights under the Constitution.
- For-profit corporations are entities of the states, and are subject to regulation by the legislatures of the states, so long as the regulations do not limit the freedom of the press.
- For-profit corporations are prohibited from making contributions or expenditures in political campaigns.
- Congress and the states have the right to regulate and limit all political expenditures and contributions, including those made by a candidate.

¹ See Appendix I.

I'm proud to say the American people are making their voices heard on this issue—they are telling us loud and clear it is time to reverse the trend. Six states, including my home state of Vermont, have passed resolutions asking us to pass a constitutional amendment to overturn Citizens United. More than 200 local governments have done the same, including many in Vermont. I'm proud to sponsor one such amendment. My colleagues here, Sen. Baucus, Sen. Udall, and Congresswoman Edwards, all have good amendments, and I thank them for their hard work on this issue.

APPENDIX I

**America for Sale:
A Report on Billionaires Buying the
2012 Election**



**U.S. Senator Bernie Sanders (I-Vt.)
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Billionaires buying the 2012 elections have a combined \$146 billion in wealth, more than the bottom 42.5% of American households – nearly 50 million families.

- So far this year, 26 billionaires have donated more than \$61 million to super PACs, according to the Center for Responsive Politics. And, that's only what has been publically disclosed.
- This \$61 million does not include about \$100 million that Sheldon Adelson has said that he is willing to spend to defeat President Obama; or the \$400 million that the Koch brothers have pledged to spend during the 2012 election season.
- These 26 billionaires have a combined net worth of \$146 billion, which is more than the bottom 42.5 percent of American households (equal to nearly 50 million families in the United States).

(Sources: Federal Reserve's Survey of Consumer Finances published in June 2012; and the Forbes billionaire list of April 2012. Sylvia A. Allegretto, an economist at the University of California, Berkeley helped us gather the data from the Federal Reserve study to come up with these statistics.)

Here is a list of the billionaires:

1. Sheldon Adelson, owner of the Las Vegas Sands Casino, is worth nearly \$25 billion, making him the 14th wealthiest person in the world and the 7th richest person in America.

While median family income plummeted by nearly 40% from 2007-2010, Mr. Adelson has experienced a nearly eightfold increase in his wealth over the past three years (from \$3.4 billion to \$24.9 billion).

Forbes recently reported that Adelson is willing to spend a "limitless" amount of money or [more than \\$100 million](#) to help defeat President Obama in November.

While \$100 million sounds like a lot, it equals [the same percentage](#) of Adelson's wealth that [\\$300 to \\$400](#) does for the typical middle class family (with a net worth of about \$77,000).

Sheldon Adelson owns more wealth than the bottom 40.2% of American households or 47.2 million American families.

2. The Kochs (David, Charles, and William) are worth a combined \$54 billion, according to Forbes. They have pledged to spend about \$400 million during the 2012 election season.
3. Jim Walton is worth \$23.7 billion. He has donated \$300,000 to super PACs in 2012.

4. Harold Simmons is worth \$9 billion. He has donated \$15.2 million to super PACs this year.
5. Peter Thiel is worth \$1.5 billion. He has donated \$6.7 million to Super PACs this year.
6. Jerrold Perenchio is worth \$2.3 billion. He has donated \$2.6 million to super PACs this year.
7. Kenneth Griffin is worth \$3 billion and he has given \$2.08 million to super PACs in 2012.
8. James Simons is worth \$10.7 billion and he has given \$1.5 million to super Pacs this year.
9. Julian Robertson is worth \$2.5 billion and he has given \$1.25 million to super PACs this year.
10. Robert Rowling is worth \$4.8 billion and he has given \$1.1 million to super PACs.
11. John Paulson, the hedge fund manager who made his fortune betting that the sub-prime mortgage market would collapse, is worth \$12.5 billion. He has donated \$1 million to super PACs.
12. Richard and J.W. Marriott are worth a combined \$3.1 billion and they have donated \$2 million to super PACs this year.
13. James Davis is worth \$1.9 billion and he has given \$1 million to super PACs this year.
14. Harold Hamm is worth \$11 billion and he has given \$985,000 to super PACs this year.
15. Kenny Trout is worth more than \$1.2 billion and he has given \$900,000 to super PACs this year.
16. Louis Bacon is worth \$1.4 billion and he has given \$500,000 to super PACs this year.
17. Bruce Kovner is worth \$4.5 billion and he has given \$500,000 to super PACs this year.
18. Warren Stephens is worth \$2.7 billion and he has given \$500,000 to super PACs this year.

19. David Tepper is worth \$5.1 billion and he has given \$375,000 to super PACs this year.
20. Samuel Zell is worth \$4.9 billion and he has given \$270,000 to super PACs this year.
21. Leslie Wexner is worth \$4.3 billion and he has given \$250,000 to super PACs this year.
22. Charles Schwab is worth \$3.5 billion and he has given \$250,000 to super PACs this year.
23. Kelcy Warren is worth \$2.3 billion and he has given \$250,000 to super PACs this year.