



# Politics

## Moneyball Obama warms up to big cash

BY MICHAEL SCHERER

AT THE EMOTIONAL PEAK OF HIS 2012 campaign, Barack Obama offered a familiar challenge to voters. "If you buy into the cynicism that the change we fought for isn't possible, well, change will not happen," he told the cheering throng at the Democratic Convention in Charlotte, N.C. "Other voices will fill the void: lobbyists and special interests, the people with the \$10 million checks who are trying to buy this election."

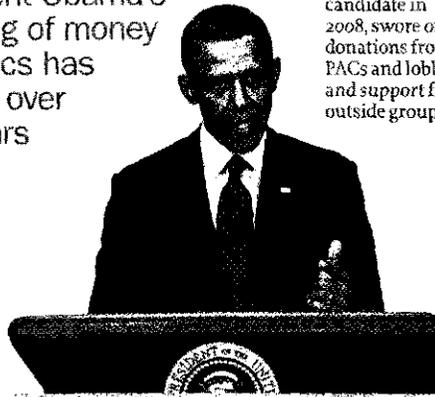
As rhetoric, it was nothing new. Obama has always cast himself as a people-powered politician fighting to wrest control from high-dollar donors playing an inside game. And his words fit the moment. In a break with tradition, Democrats pledged to cap convention donations at \$100,000, promptly disclose donors and bar corporate money. "This will be a different convention, for a different time," Michelle Obama announced. But when fundraising got hard, the rules were quietly changed.

Days before Obama took the stage, convention planners withdrew their promise to reveal donor details. Months later, in filings with the Federal Election Commission, the reason became clear: corporations had, in fact, helped pay. Among the donations was about \$10 million in the form of a loan settled after the election by **Duke Energy**, one of the nation's largest electric utilities and a big spender on federal lobbying. Jim Rogers, Duke Energy's CEO and a co-chair of the convention host committee, personally kicked in an additional \$100,000. The President had railed against \$10 million checks from a podium partly paid for with a \$10 million check.

Officials at Duke Energy and the White House say the donations weren't about winning favor with Obama. "There is not a direct link to access," said Duke spokesman David Scanzoni, who added that the utility sponsored the convention only to help promote the city of Charlotte. But White House records show that about a month after Rogers' first checks cleared

President Obama's handling of money in politics has shifted over the years

OBAMA, as a candidate in 2008, swore off donations from PACs and lobbyists and support from outside groups



1. Obama vowed to change the pay-to-play culture of politics

2009 Inauguration After winning the White House, he voluntarily barred lobbyist, PAC and corporate donations for his swearing-in celebration



4. Bigger checks start arriving ...

2012 Convention After initially promising a 2012 convention with no corporate funding and a cap on donations, Obama reversed course

\$100,000

from Jim Rogers, CEO of Duke Energy

\$10 MILLION

from Duke Energy



in 2011, he was among a select group of fundraisers invited to a state dinner at the White House in honor of Germany's Angela Merkel. Around the same time, there were other visits by Rogers, including White House holiday parties and a meeting (along with his lobbyists) to talk about coal-pollution regulations—invisits that the White House insists would have happened without the Charlotte donations.

This wasn't the only time the White House backtracked from a voluntary campaign-finance pledge. At Obama's 2009 Inauguration, the President barred corporate gifts, capped donations at \$50,000 and immediately disclosed them. For the 2013 Inauguration, however, he reversed course, taking corporate money, eliminating the cap and refusing quick disclosure. In the 2008 campaign, he swore off cooperation with outside groups raising unlimited cash to influence voters. In 2012 his top aides appeared at events for Priorities USA Action, a

super PAC raising money in checks as large as \$2 million to support his effort. "We can't allow for two sets of rules in this election," campaign manager Jim Messina said at the time. Many of the Priorities donors, who also gave to the Obama campaign, have also been invited to White House events.

Perhaps the biggest reversal is one that is about to happen. On March 13, former Obama staff members will invite top campaign donors to a summit in Washington, where they hope to raise millions for a new nonprofit organization, Organizing for Action (OFA), to continue the grassroots campaign machine of 2012, this time in support of Obama's second-term agenda. But unlike the campaign, which was limited to collecting \$2,500 checks, this new group will accept unlimited donations. Some access is likely to follow. Donors and OFA officials have discussed inviting Obama to appear at the group's events and meet with his top fundraisers.