

United States of America: corruption in the Senate and House of Representatives

- Notes for a brief case study of corruption in capitalist democracies, as part of Dr. Róbinson Rojas teaching in Development Planning Unit / University College London

United States: corruption in the U.S. Senate and House of Parliament

The Washington Post, Dec. 3, 2010.- House censures Rep. Charles Rangel (80-year-old former chairman of the powerful Ways and Means Committee)

Despite a concerted effort by supporters to downgrade Rangel's punishment to a reprimand, the House voted 333 to 79 for censure.

...the chamber approved the condemnation for **11 rules infractions that included 17 years of unpaid taxes on property in the Dominican Republic, more than \$500,000 in undisclosed financial assets and inappropriately raising millions of dollars for a New York City college from corporations with business before the Ways and Means Committee.**

“Rangel should know that however harmed he was by the censure, the entity that was really disgraced was Congress itself...

the House ethics committee exposed the woeful state of lawmakers' abilities to police their own.”

“The rules governing members' behavior were proven to be so lax as to be irrelevant. **The vast majority of transgressors are never punished.**”

More: [here](#)

United States: corruption in the U.S. Senate and House of Parliament

Nearly every member of the House Financial Services Committee, who in February 2009 oversaw hearings on how the \$700 billion of Troubled Assets Relief Program (TARP) bailout was being spent, received contributions associated with these financial institutions during the 2008 election cycle.

“You could say that the finance industry got their money’s worth by supporting members of Congress who were inclined to look the other way”, said Lawrence Jacobs, the director of the University of Minnesota’s Center for the Study of Politics and Governance

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In total, members of the Senate Committee of Banking, Housing and Urban Affairs, Senate Finance Committee and House Financial Services Committee received \$5.2 million from TARP recipients in the 2007-2008 election cycle. **President Obama collected at least \$4.3 million from employees at these companies for his presidential campaign.**

Investment bankers Bear Stearns, Goldman Sachs, Lehman Brothers, Merrill Lynch, Morgan Stanley, insurer American International Group, and mortgage giants Fannie Mae and Freddie Mac, have donated (since 2001) \$64.2 millions to congressional, presidential candidates and the Republican and Democratic parties. (**As senators, Barack Obama and John McCain received a combined total of \$ 3.1 million**)

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Thousands of corporations and special interest groups, playing off the old adage "don't put all your eggs in one basket," are spreading their political cash across the nation, from the U.S. Capitol to the smallest states' statehouses.

They may do so for a number of reasons, such as building strong relationships with decision-makers, attempting to influence votes or supporting philosophical positions such as lower taxes or expanded health care.

See <http://www.opensecrets.org>

STATE LEVEL:
\$3,004,561,474 was given to political campaigns during the 2007-2008 election cycle.

FEDERAL LEVEL:
\$2,831,853,653* was given to political campaigns during the 2007-2008 election cycle

GRAND TOTAL:
\$5,836,415,127

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In addition to campaign contributions to elected officials and candidates, companies, labour unions, and other organizations **spend billions of dollars each year to lobby Congress and federal agencies**. Some special interests retain lobbying firms, many of them located along Washington's legendary K Street; others have lobbyists working in-house. The list to the right shows lobbying expenditure during the period 1998 - 2009.

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Lobbying Client	Total
US Chamber of Commerce	\$527,473,180
American Medical Assn	\$212,602,500
General Electric	\$191,270,000
AARP	\$169,752,064
American Hospital Assn	\$168,880,431
Pharmaceutical Rsrch & Mfrs of America	\$161,638,400
AT&T Inc	\$151,040,816
Northrop Grumman	\$144,414,935
National Assn of Realtors	\$132,797,380
Exxon Mobil	\$131,786,942
Edison Electric Institute	\$131,305,999
Business Roundtable	\$129,870,000
Blue Cross/Blue Shield	\$128,818,703
Verizon Communications	\$128,444,841
Lockheed Martin	\$118,735,633
Boeing Co	\$115,398,310
General Motors	\$106,261,483
Southern Co	\$100,970,694
Freddie Mac	\$96,194,048 ₆

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Total Lobbying Spending	
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1998	\$1.44 Billion
1999	\$1.44 Billion
2000	\$1.56 Billion
2001	\$1.64 Billion
2002	\$1.82 Billion
2003	\$2.05 Billion
2004	\$2.18 Billion
2005	\$2.43 Billion
2006	\$2.62 Billion
2007	\$2.86 Billion
2008	\$3.30 Billion
2009	\$2.50 Billion

Year	Total Spent	Number of Lobbyists
2010	\$2,608,646,121	12,483
2009	\$2,518,701,542	13,227

Political Power Abuse in United States

Bribery, Graft, Extortion, Patronage, Kickbacks and Other Crimes

Sep 27, 2008 by [Martha R. Gore](#)

Political power abuse for personal gain and power by elected officials and appointees is as rampant today as it was during the 18th Century.

Abuse of political power by elected and appointed officials has a long history in the United States. Democrats and Republicans have been indicted, charged and gone to jail. Behind each act was a desire for self-enrichment at the expense of American taxpayers.

Read more at Suite101: [Political Power Abuse in America: Bribery, Graft, Extortion, Patronage, Kickbacks and Other Crimes](http://www.suite101.com/content/abuse-of-political-power-in-america-a70431#ixzz17Ha0SEEq) <http://www.suite101.com/content/abuse-of-political-power-in-america-a70431#ixzz17Ha0SEEq>

Political Power Abuse in United States

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The types of abuses include:

Bribery requires two participants: one to give the bribe, and one to take it. Bribes may be demanded in order for an official to do something he is already paid to do or to bypass laws and regulations.

Graft only requires that the official gains something of value, not part of his official pay, when doing his work. Most large “gifts” qualify as graft. For example, any gift over \$200 value made to the President of the United States is considered to be a gift to the Office of the Presidency and not to the President himself. The outgoing President must buy it if he wants to take it with him. Another example of graft is a politician using knowledge of zoning to purchase land which he knows is planned for development, before this is publicly known, and then selling it for a significant profit.

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Extortion and Robbery may take place when money is demanded to do something. It can also be demanded by corrupt officials who otherwise threaten to make illegitimate use of state force in order to inflict harm. This is similar to extortion by organized crime groups.

Patronage refers to favoring supporters, for example, with government employment. It can be seen as corruption if this means that incompetent persons, as a payment for supporting the regime, are selected for loyalty rather than ability.

Nepotism and Cronyism is favoring relatives (nepotism) or personal friends (cronyism). This may be combined with bribery, for example demanding that a business should employ a relative or an official controlling regulations affecting business.

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Embezzlement is outright theft of entrusted funds. It is a misappropriation of property.

Kickbacks are an officials share of misappropriate funds allocated from his or her organization to an organization involved in corrupt bidding. An example is that of a politician is in charge of choosing how to spend some public funds. He can give a contract to a company that isn't the best bidder or allocate more than they deserve. It is related to bid rigging, bidding, and anti-competitive practices.*

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