

THE NRCC MELTDOWN: AN INTRODUCTION

I haven't commented on the FBI investigation of the NRCC treasurer, Christopher Ward yet because, well, because this damn FISA bill is taking all my time.

Top House Republicans were told in recent days that a former employee of their campaign committee may have forged an official audit during the contentious 2006 election cycle and that they should brace for the possibility that an unfolding investigation could uncover financial improprieties stretching back several years, according to GOP sources briefed on the members-only discussions.

But let me make some initial points and then illustrate and then I'll do a follow-up post on just one example of what I suspect the FBI is investigating.

- Per the Politico, Christopher Ward has been doing the NRCC's books since 1993—that is, since the "Contract with America" cycle and since the Republicans started marching in neocon lockstep
- Per RawStory, Ward also worked for a finance firm that has done the books for a bunch of **other** GOP entities, including the Swift Boaters
- Per Politico, a number of Congressmen for whom Ward served as treasurer have

already announced their retirement

It just so happens that I just finished Allen Raymond's **How to Rig an Election** in preparation of the FDL book salon for tomorrow. So I read this passage—in which Raymond described his brainstorming for a new online political consulting firm—just as this scandal was breaking.

If all it took to get venture capital for a political dot-com was a shitty idea, hell, I could easily exceed the standard.

The first one I had was to develop an online currency exchange where the Republican national campaign committees, such as the RNC, and its affiliated state parties, could log in and trade hard money for soft and vice versa. When I ran the idea by Curt Anderson, he said, "What are you, fucking crazy? This is the stuff that's suppose to happen in the dark of night."

"Why shouldn't it be transparent?" I reasoned. "It all gets filed in FEC reports anyway."

"Allen, no one's going to buy it." He was right. The currency exchange that happened almost daily between the national Republican organizations and the state parties was the equivalent of Scarface turning drug cash into Treasury bonds. No one would want to be on record doing it.

If you've ever touched the financial side of political campaign or even a local party, you know that soft money—from PACs (including corporate PACs)—is really easy to raise. But you can only spend hard money on the real expenditures of campaigning, things like advertisements and offices and so on. So every

political entity struggles to find a way to turn soft money into hard money. And not long before Raymond was considering his little scheme, this process got a lot harder to do, because of the McCain-Feingold campaign finance reform.

Now, I'm not saying that Ward has been laundering soft money into hard (though I may say that soon). I'm just pointing out that the Republicans (and, certainly, a lot of Democrats), fairly openly acknowledge the practice of laundering such money.

Raymond acknowledges that all this stuff can be readily apparent in FEC records. I'll show in a follow-up post how quickly Christopher Ward's work begins to look sketchy.