



MEMORANDUM

Republican National Committee

Michael S. Steele
Chairman

TO: Members of the Republican National Committee

FROM: Michael S. Steele, Chairman

DATE: November 18, 2010

RE: RNC Fundraising and turnout operations

On behalf of a grateful party, I want to thank each of you for your efforts in making the 2010 elections the most remarkable turnaround for any party in American history: no party had ever suffered losses in successive cycles as catastrophic as the GOP did in 2006 and 2008 and came back to win a majority in the U.S. House or U.S. Senate in the next election. It had never been done. Yet we—all of us, together—did it, with the largest gain in House seats in modern times—Republicans had not won as many House seats en route to taking control from the Democrats since 1894. For good measure, among other historic gains, we claimed 54% of state legislative seats, giving us the most since 1928.

I wanted to review for your information how your efforts and your RNC were critical in making those historic gains possible.

In particular, I wanted to highlight two great RNC success stories—fundraising and get-out-the-vote operations. Also, with respect to our record turnout operations, I wanted provide further background on how the RNC helped achieve what was, by far, the greatest turnout by any party in any midterm election in U.S. history by translating the energy of grass roots conservatives into record turnout for GOP candidates.

As detailed in this memo, I am happy to report that our efforts were an overwhelming success: because of the surge in grass roots support for the GOP, over 44 million voters turned out to cast ballots for Republican candidates in 2010. That number is, by a huge margin, the highest midterm turnout for any party in any midterm election in U.S. history. Approximately 8.5 million more Republican voters went to the polls in 2010 than in the last midterm, a stunning 24% increase and the biggest jump in voter turnout in U.S. history for either party. By comparison, prior to 2010, GOP midterm turnout was essentially flat, or even down, for four successive elections. The vast surge of Republican voters was possible only by engaging citizens—overwhelmingly disaffected conservatives—who had not previously been part of the political process.

RNC 2010 Cycle Financial Performance

The RNC's fundraising in the 2010 cycle has been a clear, and readily quantifiable, success:

- ***The RNC has raised and spent more money in this cycle on behalf of Republican candidates—by far—than any other entity***, including both official GOP campaign committees and nominally independent groups that are not bound by the limitations that apply to the RNC regarding amounts or sources of donations, or disclosure of donors.
- The RNC ***smashed the record for most money collected*** in a midterm cycle by any political committee whose party did not control Congress or the White House. Though final totals are pending, the RNC's receipts already are ***over \$179 million, 37% MORE than*** the DNC in the 2006 cycle. By comparison, the other party federal committees, who performed spectacularly and ran exceptional operations this cycle, raised approximately 20% less than their Democratic counterparts' 2006 totals.
- The ***RNC has far exceeded*** the amount of hard money raised by the RNC in 1994, ***even after adjusting for inflation.***
- ***Well over 1,000,000 donors have given so far this year—far more*** than the last mid-term election year—with ***over 220,000 donations in September alone.***
- The RNC has gained ***over 685,000 new donors*** this cycle.
- The RNC reversed a precipitous decline of new donors in recent off years, ***nearly quadrupling*** the number of, and amounts raised from, new donors in 2009 compared to 2007. In the most recent election off years prior to 2009, the number of new donors to the RNC had dropped precipitously. In 2009, the RNC reversed that decline by cultivating new donors to provide a financial base for the party over the next generation. As a result, the RNC raised ***vastly more money*** from ***vastly more new donors*** at ***much less cost*** than in recent off years:

<u>Year</u>	<u>Number of New Donors</u>	<u>New Donor Donations</u>	<u>Prospecting Costs per New Donor</u>
2005	198,078	\$9,799,644	(\$5.75)
2007	93,649	\$4,770,666	(\$24.77)
2009	372,966	\$14,953,588	(\$6.17)

- The RNC's expanded donor base reflects the RNC's ***success in building an energized grass roots base*** and engaging small donors and new voters to an unprecedented extent: the average gift this cycle has been \$39.98.

RNC 2010 GOTV Performance

The RNC's turnout operation in 2010 was the most successful in history.

- Over 44 million voters turned out to cast ballots for Republican candidates for the U.S. House¹ in 2010. That number is, by a huge margin, the highest midterm turnout for any party in any midterm election in U.S. history.
- Republican GOTV efforts smashed multiple voter turnout records:
 - Approximately 8.5 million more Republican voters went to the polls in 2010 than in the last midterm election, a stunning 24% increase and the biggest jump in voter turnout—ever—in U.S. history for either party.
 - The 24% jump in Republican voter turnout from 2006 vastly exceeded typical turnout gains in successive midterm elections, which typically range in the low to mid-single digits. Prior to 2010, Republican turnout in midterm elections was essentially flat, or even down, for four successive elections.
 - Republican turnout in 2010 was a remarkable 19% higher than the previous GOP midterm record, set in 2002.
- The RNC played a critical role in driving record Republican turnout in 2010.
 - The RNC worked to establish and fund a record 360 Victory offices across the country with paid staff persons in the 2010 cycle, compared to just 154 Victory offices in 2008 and 140 in 2006. Moreover, the RNC established Victory offices earlier than in the past, further boosting GOTV efforts.
 - The RNC made over 45 million voter contacts in the 2010 cycle, far more than in previous elections, including presidential years as well as midterms.
 - Our “Fire Pelosi” RNC bus tour conducted hundreds of rallies and countless media events in 48 states in the weeks leading up to the election, energizing voters across the country.
- Karl Rove wrote in *The Wall Street Journal* shortly before the election that the maximum achievable gains, that is, “a net Republican pickup of 64 to 69 seats in the House”, would be possible only if we had an extremely effective GOTV effort. He was right: the RNC implemented a superlative turnout operation, and the maximum gains were achieved.

¹ Turnout for House races in the best GOTV metric because those races, unlike Senate, Governor, or state legislative contests, are held everywhere in the U.S.

These new voters did not materialize out of the ether. They overwhelmingly were disaffected conservatives who had become disgusted with the political process.

For Republicans to succeed, we needed to pull off the highly difficult task of encouraging them to become active politically, and to do so through—rather than in opposition to—the Republican party. The RNC led the way in ensuring that Tea Party activists and other grass roots conservatives supported Republicans, and not splinter into a third party movement. In turn, those voters accounted for the higher turnout that made the 2010 gains possible.

Attracting new voters, and convincing those voters to support Republicans, is the RNC's single most important achievement of this campaign. For that reason, it merits further discussion.

The 2006 and 2008 elections were stern rebukes from voters to the Republican party. Together, those elections were the worst consecutive Congressional elections for the GOP since the 1930s, and President Obama's share of the popular vote was the second highest for a Democrat since FDR.

Yet, crucially, the last two elections were a rejection of Republican candidates, not conservative principles—even in 2008, far more voters identified themselves as conservatives than liberals. However, those same self-identified conservatives had become wary of the Republican party. As a consequence, as Tea Party voters and other grass roots conservatives became more politically engaged in response to out-of-control spending by President Obama and the Democratic Congress, the risk of schism among conservative voters was very real, potentially imperiling the existence of the GOP as a major party.

That may seem far-fetched, but it has happened, and relatively recently, with the Progressive Conservative Party in Canada, which for much of that country's history had been their closest equivalent to the GOP. Voter disgust with that party's betrayal of conservative principles caused the party to collapse in the 1990s—within a decade, the number of Parliamentary seats the party held had dropped from 211 to *two*. Closer to home, conservative schisms led to Republican defeats in pivotal elections. Ross Perot certainly had a huge hand in George H. Bush's 1992 defeat, and Libertarian or Alaskan Independence Party candidacies almost certainly were responsible for the defeat of Slade Gorton in 2000, Conrad Burns in 2006, and Ted Stevens in 2008, among others.

Indeed, the Republican Party itself emerged in the wake of the collapse of the Whig party, when former Whigs, abolitionists, and others coalesced in a new coalition which arose in response to the proposed expansion of slavery into the western territories, a deal brokered by powerful Democrat Senator Stephen Douglas. An outraged Illinois lawyer, Abraham Lincoln, responded by running for Senate against Douglas under the banner of the nascent Republican party. In the ensuing Lincoln-Douglas debates, Abraham Lincoln articulated the GOP's founding principles—individual liberty, free enterprise, and a devotion to the Constitution—which the party continues to profess today.

The Republican party has succeeded when it has lived up to those ideals. But when it did not, outraged citizens, like Abraham Lincoln once did, rightly rose up to challenge established political leaders. The single most important achievement by the RNC over the last two years has been its response to that challenge.

From the outset of these grass roots movements, the RNC welcomed the energy and limited government principles of Tea Party voters and grass roots conservatives, and worked hard to ensure that their views found expression within the Republican party, and not in a potentially ruinous third party movement. The RNC was determined that the voters who spoke out in the August 2009 health care town hall meetings would overwhelmingly cast votes for Republicans in November 2010.

From the beginning, the RNC reached out to Tea Party activists and other grass roots conservatives to ensure that their voices were heard and their principles were honored. While President Obama and the Washington crowd treated the Tea Party with disdain or condescension, the RNC accorded them respect. The RNC also welcomed the grass roots candidacies of fresh thinkers like Pat Toomey, Marco Rubio, and others, deferring to voters, and not the political establishment, to choose their representatives. The battle of ideas has occurred, as it should, within the party. As a result, the party has been strengthened, and the grass roots have been revived and energized. Instead of fighting the party, these grass roots movements have dramatically boosted the GOP's ranks.

Because of the surge in grass roots support for the GOP, as noted, over 44 million voters turned out to cast ballots for Republican candidates in 2010, as noted, the highest midterm turnout for any party in any midterm election in U.S. history. Approximately 8.5 million more Republican voters went to the polls in 2010 than in the last midterm, a stunning 24% increase and the biggest jump in voter turnout U.S. history for either party. The vast surge of Republican voters was possible only by engaging citizens—largely disaffected conservatives—who had not previously been part of the political process.

The fact that those disaffected conservatives overwhelmingly chose to back Republican candidates was hardly a foregone conclusion. In fact, given the shambles the party was in at the end of 2008, circumstances were ripe for a new party to emerge. Encouraging those millions of disaffected conservative voters to become active Republicans was at the center of the RNC's turnout strategy.

The RNC has been, and will be, focused on a single goal: building an enduring majority party—from the grass roots up. The 2010 election is the first step, but only the first, towards achieving that goal.

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Again, congratulations on the Republican Party's historic victories in the 2010 elections, and thank you for all the hard work each of you have done to make those victories possible. Without your efforts, none of our success would have been possible.

If you have any questions or comments, please do not hesitate to contact me.