SHARING THE WEALTH

Member Contributions and the Exchange Theory of Party Influence in the U.S. House of Representatives

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For Clair, Cambria, and Ian

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Preface

Ever since my college days, I have been captivated by the subject of campaign finance. Given that the bulk of academic studies provide scant evidence at best for a general relationship between campaign contributions and votes, I began to wonder where one might look to find specific effects. After all, as recent events surrounding Tom DeLay, Duke Cunningham, William Jefferson, and others suggest, money does seem to influence some members of Congress some of the time. It seemed to me that the goal for scholars should be to find the conditions under which campaign finance matters might influence politicians rather than continuing a fruitless search for general effects.

While studying the Republican takeover of Congress in the 1994 elections, I was intrigued by Newt Gingrich's strategy for improving the success of Republicans in U.S. House elections. For years, Gingrich had worked to develop a cadre of well-qualified congressional candidates by supporting Republican candidates for state legislatures. Monetary support came in part through GOPAC, a Gingrich-sponsored leadership political action committee (leadership PAC), distinct from the campaign committee supporting Gingrich's reelection. In 1994, Gingrich's GOPAC supported a number of candidates for office, some who he had helped as state legislators, and others who were incumbent members of Congress. I was also struck by the allegiance of members of the House Republican Conference to their new leader. I wondered if there might be a connection between Gingrich's efforts to support the election of Republican candidates and the increased level of party discipline in the 104th Congress, and resolved to gain a better understanding of these leadership PACs.

I was amazed to learn that members of Congress have been making contributions to other members of Congress for years. Although the first leadership PAC was formed in 1978, politicians had been an important source of campaign funds for their parties and for their fellow-party members even before the Federal Election Campaign Act (FECA) gave us the ability to comprehensively track such contributions. The general idea seemed to be that members of

Congress made contributions to other members of Congress (and also to their political party) to help the party obtain its collective goals. In return, party leaders mobilized their resources to further the personal political ambitions of its members. I embarked on this study of member contributions to examine some of the potential ways in which politicians and parties make exchanges to advance their respective goals, particularly focusing on exchanges involving member contributions to other members and to their parties. I am certainly not the first scholar to examine the development of member contributions. A great deal of excellent work has been done by Eric S. Heberlig, Marc Hetherington, Kris Kanthak, Robin Kolodny, Bruce Larson, Michael Malbin, Clyde Wilcox, and others. I hope the high esteem in which I hold their work is evidenced here.

Rather than trying to comprehensively cover all possible effects of member-to-member and member-to-party contributions,[1] I have two goals in this book. First, I seek to establish a framework that explains why these contributions can have powerful effects on the organization and operation of Congress. This will focus on exchanges among members of Congress (including party leaders) that advance the goals of both individual members and their parties. I contend that member contributions constitute an important part of the currency in these exchanges. Specifically, I contend that these exchanges have become an important source of power for American political parties. As such, I seek to clearly establish the relationship of this exchange framework to existing theories of partisan influence in Congress.

Second, I wish to offer several empirical examples of the types of influences that these contributions may have. Certainly there are more effects than those that I specifically explore here. I will, of course, strive to discuss other possible effects, highlighting the empirical evidence supporting these additional consequences of member-to-member and member-to-party contributions. It is my hope that readers will not only find the evidence herein to be persuasive, but also that readers will work to continue documenting the influences of these contributions.

While it is not the primary mission of this book to make prescriptions regarding campaign finance law, given that the research here finds that member-to-member and member-to-party contributions have demonstrable implications, it is impossible to proceed without at least a passing discussion of the normative implications of these contributions. Several of the scholars just mentioned have discussed some of the normative issues arising from member contributions; their work and some of my own ideas are discussed toward the end of the book; readers will be able to form their own conclusions.

At this point, I must also thank a number of scholars who made helpful comments on various portions of this book: John H. Aldrich, Scott Basinger, Jamie L. Carson, Stanley Feldman, Jay Goodliffe, Eric S. Heberlig, Brad Jones, Kris Kanthak, Bruce Larson, Helmut Norpoth, David W. Rohde, and Jeff Yates. Josh Putnam provided valuable research assistance. Any errors are, of course, my own.

Chapter 1

Introduction

Over the last twenty-five years, a remarkable phenomenon has developed in the U.S. Congress. While individuals, interest groups, corporations, labor unions, and parties all contribute money to support congressional candidates, members of Congress are themselves increasingly active as *contributors* to candidates and to political parties. Members make these contributions from funds they have raised for their own reelection campaigns or from a political action committee (PAC) formed for the express purpose of raising and redistributing funds. Indeed, some of the ethics questions surrounding former Republican House Majority Leader Tom DeLay center on contributions from his Texas-based leadership PAC that were allegedly illegally channeled into the campaigns of several Texas candidates through the Texas Republican Party.

While many scholars have noted the rise of members as contributors (Baker 1989, Wilcox 1989, Wilcox and Genest 1991, Kolodny 1998, Bedlington and Malbin 2003, Heberlig and Larson 2005), much of their work focuses on describing the increase in the amount of contributions that members of Congress donate to their parties and to each other. While the increase in the amount of funds available through these channels may seem novel, it is ultimately unimportant unless the use of such funding has observable consequences. While the rise of members as contributors is well-documented, the political impact of these donations is not thoroughly explored. Could member contributions affect the way in which Congress works? Consider the following two illustrations:

Tom Latham (R) has represented Iowa's 4th District in the U.S. House since 1994. The 4th District is evenly divided between Republicans and Democrats, and is considered one of Iowa's most competitive districts. Furthermore, redistricting in the 2002 elections changed 50% of the district, making it ripe for a Democratic challenge. Because Latham's seat was targeted by Republican leaders so as to retain control of the House in 2004, PACs sponsored by incumbent Republicans donated about $200,000 to Latham's campaign. This activism on the part of party members had one obvious effect—Latham carried the district 54–46. However, a less obvious effect is in Latham's voting. Indeed,