The Effect of BCRA on the Redistribution of Campaign Cash By Federal Officeholders

Eric S. Heberlig
Department of Political Science
UNC Charlotte
9201 University Blvd
Charlotte, NC 28223
esheberl@email.uncc.edu

Bruce A. Larson
Department of Political Science, Box #406
Gettysburg College
300 North Washington Street
Gettysburg, PA 17325
blarson@gettysburg.edu

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Abstract

Scholars have paid significant attention to the increased party voting exhibited by members of Congress, the ideological polarization of the parties in Congress, and the increased powers given to party leaders to advance legislation. In this paper, we document the ways in which members of Congress also are increasingly acting collectively in the *electoral* arena by raising and redistributing campaign money to help their party, in ways that would not have been predicted 20 years ago. Examining member contributions by House members, Senators, and presidential candidates from 1996-2004, we pay special attention to the impact of the 2002 BCRA on incumbent redistribution efforts. Our findings our consistent with our expectation that the national parties would seek to offset the loss of soft money (banned by BCRA) by mobilizing greater sums of hard money contributions from federal officeholders.

Introduction

During the 1990s, congressional parties increasingly acted as political parties. That is, individually elected representatives acted in consistent, coordinated manners in order to achieve common objectives such as passing their party's legislative agenda and helping party candidates win election. Much attention has been given to the increased party loyalty exhibited by members of Congress in voting, the ideological polarization of the parties in Congress, and the increased powers given to party leaders to advance legislation (Rohde 1991). This paper documents the ways in which members of Congress also are increasingly acting collectively in the *electoral* arena by raising and redistributing money to help their party, in ways that would not have been predicted 20 years ago (Jacobson 1985-86; Mayhew 1974).

Wright (2000) argues that parties structure Congress to extract campaign contributions from private interests as much as they structure Congress to advance their policy agendas. Institutional structures traditionally helped the party retain its incumbents by helping individual members raise money to promote their own reelections. Today, members of Congress are increasingly redistributing their campaign money to party committees and candidates in order to maximize the number of legislative seats held by their party.

The increase in campaign funds redistributed by members occurred because partisan margins narrowed following the Republican takeover of the House and Senate in 1994 (Bedlington and Malbin 2003; Heberlig and Larson 2005a; Kolodny and Dwyre 1998). With majority control at stake in each election since 1994, incumbents are increasingly willing to respond to party leaders' coordination and mobilization efforts to assist their party's electoral activities.

The role of incumbents as campaign contributors is constrained by the broader campaign finance environment. Members of Congress face contribution rules that are similar to those that apply to other contributors. Members can give $1,000 per election to other candidates from their principal campaign account (PCC) and $5,000 per election to other candidates from a leadership PAC (LPAC). But incumbents enjoy one substantial advantage that other contributors lack. Federal Election Commission (FEC) regulations permit a federal candidate's PCC to transfer *unlimited* sums of unobligated hard money to any national party committee (11 CFR 113.2). In the most recent election cycles, numerous House and Senate incumbents have taken advantage of this rule and transferred six- and even seven-figure sums to the congressional campaign committees.

The Bipartisan Campaign Reform Act (BRCA) virtually guaranteed that the national party committees would look to congressional incumbents to step up their redistribution efforts. BCRA attempted to push big money out of the system by prohibiting the national parties and federal candidates from raising unlimited soft money contributions.[1] BCRA also sharply curtailed the ability of state and local parties to use unregulated money to finance activities targeting federal candidates (Dwyre and Kolodny 2003, 95-97; LaRaja 2003). With party soft money banned, the national committees would need to raise more hard money. But this would not be easy. While BCRA increased from $20,000 to $25,000 the amount an individual could contribute to a national party committee, limits on PAC contributions to the national parties remained unchanged at $15,000 per calendar year. For the national parties, incumbent war chests seemed the obvious place to look for fresh infusions of hard money. With increased limits on individual contributions likely to enhance incumbents' already sizable fundraising advantage, members of Congress would be in a particularly good position to help offset the loss of party soft money by increasing their hard money contributions to the congressional campaign committees and to competitive party candidates. This paper will examine how BCRA has changed incumbent contribution behavior.

Party Strength and Collective Electoral Goals: The U.S. House

For much of the 20th Century, power in Congress was dispersed among individual members and committees rather than centralized in the hands of party leaders. Congressional elections, moreover, were largely "candidate-centered." Candidates entered the electoral arena with minimal recruitment from parties, established their own campaign organizations, raised their own funds, and took issue positions that appealed to local voters regardless of the national party position. Once in Congress, members voted their district, provided services and pork barrel projects to constituents, accumulated seniority to gain power on committees, and used their incumbency and influence over policy to extract campaign contributions from interest groups with business before their committees. Members delegated little power to party leaders, lest the party push a policy agenda that would land them in trouble with voters back home. They cooperated with the party when doing so was politically safe but opposed the party when cooperating posed undue political risks. In short, in this period, the parties did little to advance members' careers, and members did little to advance their party's collective agenda.

Yet parties in Congress, especially in the House of Representatives, have not always had such limited powers over individual members. In the late 19th and early 20th centuries, local party leaders had substantial control over candidate nominations. In Washington, party leaders exerted powerful influence over committee assignments and committee leadership positions, as well as over the floor process. Cooper and Brady (1981) and Rohde (1991) argue that congressional party leaders have more power when parties in the electorate exhibit *intra*-party homogeneity and *inter*-party polarization. Under these circumstances, members of Congress endow party leaders with powers to facilitate and coordinate the passage of legislation favored by their party's adherents in the electorate. Rohde (1991) refers to such dynamics as "conditional party government," whereby party homogeneity and polarization are the conditions that propel parties, led by empowered congressional party leaders, into action.

The conditions for conditional party government have been present at the beginning of both the 20th and 21st Centuries. In both eras, members of Congress exhibited high levels of voting with their parties, and party leaders aggressively used their powers over floor scheduling to advance their parties' legislative agendas and to reward members who cooperate with the party. In both eras, party leaders also used their powers aggressively to extract electoral resources from party activists and officeholders.

The Evolution of Congressional Parties as Electoral Institutions

In the 19th Century, traditional party machines mobilized money and time from activists in exchange for jobs, contracts, or social benefits. Individuals desiring a government job paid the party for it. Unlike parties today, there was little or no policy content to the party agenda. Parties wanted power and doled out taxpayer-funded largesse to their supporters in order to get it (Banfield and Wilson 1963).

During this classic strong party era, parties not only required "dues" from patronage employees but from officeholders as well. Officeholders were often assessed a percentage of their salaries—commonly two to five percent (Merriam and Gosnell 1969, 396; Kent 1938, 121). Members of Congress were assessed between $1,000 and $5,000—less than governors but more than local officials (Kent 1938, 124). These payments, for the most part, went to state and local parties, not to the congressional campaign committees.

Although there were strong parties in Congress during this era, congressional parties did not operate as electoral machines. Representatives may have been part of state or local machines (Peters 1997, 88; Strahan 1998, 57), but the party caucuses in Congress at best supplemented local party electoral activity (Herrnson 1994, 46; Kolodny 1998, 66). Congressional party leaders' electoral involvement was limited to campaigning in members' districts and providing some fundraising assistance (Kolodny 1998, 46-7).

To be sure, the mobilization of incumbent campaign resources by the congressional parties is not unprecedented. The DCCC levied an assessment on its members for decades though did not enforce it (Caro 1983, 608; Overacker 1932, 101-102; Thayer 1973, 38). On the GOP side, the NRCC raised $100,000 at one point by asking all federal officeholders making more than $1,000 to contribute one percent of their incomes (Keller 1977, 243). During much of the 20th century, however, congressional party efforts to attract financial contributions from incumbents were exceptional. During the weak congressional party era from around 1910 to 1990, top party leaders saw it as their responsibility to raise campaign money to elect party candidates (Baker 1989; Wilcox 1989; 1990). But few rank-and-file members engaged seriously in the practice of redistributing campaign funds. Other than the top party leaders, members who shared their campaign resources tended to be policy entrepreneurs (such as Rep. Henry Waxman [D-Calif]) or ambitious members seeking leadership positions (Baker 1989).

The individual reelection interests of House incumbents have never co-existed easily with the collective electoral interests of congressional parties. In theory, the parties institutionalized the CCCs to maximize their number of seats—with majority control of the institution the ultimate goal. Yet in practice, the CCCs—acting as agents of incumbents—often spent money protecting incumbents rather than supporting challengers who would build the party's numbers (Jacobson 1985-86; Herrnson 1988; Kolodny 1998). This was partly a function of the Democratic Party's domination of Congress for much of the 20th Century. With little chance of a shift in party control, members had little incentive to give up their CCC money to help challengers. Other factors mattered as well. For example, with majority control at stake in the 1940 election, the DCCC was paralyzed by its liberal and conservative factions—each unwilling to risk party money going to support candidates from the other faction (Caro 1983, 608). In that sense, Rohde's conditional party government thesis may account for shifts in a party's ability to coordinate its *electoral* activities as well as its legislative activities.

By the 1980s, the CCCs were increasingly targeting campaign resources to competitive non-incumbents. Sorauf (1992, 114) attributes this change to the sharp increase in both CCC and incumbent receipts. Greater CCC receipts allowed the party campaign committees to play a larger role in non-incumbent contests; greater incumbent receipts made incumbents less nervous about having CCC funds diverted to non-incumbents.[2]

Yet while incumbents increasingly supported having CCC money go to non-incumbents, they would be much less willing to share their *own* campaign resources with the party and its candidates. Analyzing the 1982 elections, Jacobson (1985-86) observed that Democratic incumbents hoarded their excess campaign funds and ignored the Democratic Congressional Campaign Committee's (DCCC) appeals to assist the party's strapped challengers—preventing the party from capitalizing on favorable national partisan trends. Similarly, Kolodny and Dwyre (1998, 289) recount unsuccessful efforts by former NRCC chairman Guy Vander Jagt to persuade House GOP incumbents to contribute to the NRCC during his tenure in the 1980s and early 1990s.

Incumbent resistance to sharing their campaign dollars would lessen dramatically during the 1990s. In the House, both congressional campaign committees developed programs to encourage financial support from incumbents (Gimpel 1996; Larson 2004). The DCCC formally initiated the practice of soliciting contributions from incumbents during the 1991-92 electoral cycle, when campaign committee chair Vic Fazio (D-Calif.) levied a "suggested" dues of $5,000 for all Democratic incumbents (Sabato and Larson 2002). The NRCC launched its own program to induce incumbent financial support during the 1993-94 election cycle (Gimpel 1996, 10-11; Herrnson 1997, 108-9). Since then, House and Senate leaders of both parties have set "quotas" for members, ranging from $500,000 for Senate Republicans, to $250,000 for House Republican committee chairs, to $15,000 for House Democratic Party and committee leaders, to $5000 for freshmen House Democrats (Herrnson 2004, 93). Moreover, members now routinely give in excess of their quotas—including in several instances seven-figure contributions.[3]

House Institutions and Fundraising

Several factors account for the rise in incumbent generosity. Following decades of "committee government" in the House, the majority party House Democrats in the 1970s and 1980s created structures designed to coordinate passage of the party program. Democrats gave the Speaker a variety of new powers to control the legislative process, elected committee chairs rather than relying on seniority, and supported awarding seats on the prestige committees only to members who exhibited a respectable level of party loyalty on the floor (Rohde 1991; Sinclair 1995; Zelizer 2004). House Republicans made similar changes (Connolly and Pitney 1993; Rohde 1991). While House members could still win election with little assistance from parties and leaders, member goals of institutional influence and good public policy would now be achieved largely through the parties.

During the initial years of these galvanized congressional party structures, continued Democratic control of the House seemed all but certain. Consequently, House party leaders, acting as agents of members, used their new powers to induce party loyalty primarily in the *legislative* arena. This changed in the 1990s. When majority control of the House and Senate came up for grabs in 1994, and narrow partisan margins persisted for the next decade, House party leaders began using their powers to induce loyalty to the party's collective *electoral* as well as legislative goals. With seniority weakened in the awarding of committee positions, leaders emphasized other criteria, such as party fundraising, in promoting rank-and-file members (Brewer and Deering 2005). Indeed, recent evidence demonstrates that party leaders have increasingly using their influences over committee and party leadership appointments (Heberlig 2003; Heberlig, Hetherington and Larson 2004; Heberlig and Larson 2005b), as well as their control over the floor process (Pearson 2003; Hasecke and Mycoff 2005), to induce incumbents to share their campaign resources with the party and its candidates. Tools used by leaders to persuade members to toe the party line *legislatively* are now being used by leaders to induce members to support the party and its candidates *financially*.

Members, it seems clear, support these arrangements because they recognize that majority party control facilitates achievement of their individual goals. Members with institutional power goals, for example, can more readily achieve them in the majority party, since leadership positions in the majority are more powerful than leadership positions in the minority party. Majority control is also important to members' policy goals, since the majority party controls and structures the legislative process. Majority control even enhances members' individual reelections because majority party members are able to extract more corporate and trade PAC dollars than minority party members (Cox and Magar 1999; Rudolph 1999). With majority party control central to member goals, members recognize the role that strong leaders play in preventing free riding when it comes to supporting the party financially.

Redistribution by Senators and Presidential Candidates

Senators and presidential candidates face somewhat different incentive systems than House members for redistributing campaign money. Clearly, Senators would prefer to be in the majority party and as such have an incentive to cooperate electorally to help their party achieve control (Bianco 1999). The effect of majority status on senators' personal power is less than its effect on House members, however. Senate rules make it more difficult for the majority party to control the floor agenda to pass legislation sponsored by party members (Oleszek 2004; Sinclair 1997). Senate leaders also have fewer institutional powers and resources than House leaders with which to reward members who redistribute generously. Senate rules, for example, permit every senator a "prestige" committee assignment, and seniority plays a less substantial role in awarding committee assignments in the Senate than in the House (Smith and Lawrence 1997). Also, committee chairmanships tend to be less valuable in the Senate than in the House because there are more chairs to go around in the Senate (Aldrich and Rohde 2005; Ornstein, Peabody, and Rohde 1997) and because unrestrictive Senate floor rules afford power even to senators who don't hold chairs (Sinclair 1990; 1997). Finally, the Senate's individualism means that even the top party posts are likely to be less desirable than they are in the House, making such posts less valuable as selective incentives in the Senate. All of these features make majority party control *and* leadership positions less important in the Senate than in the House. This implies that, both before and after BCRA, senators will redistribute fewer campaign dollars than House members.

Presidential candidates would probably prefer to work with a Congress controlled by majorities of their own party (Jacobson, Kernell, and Lazarus 2004).[4] Moreover, the major-party presidential nominees can typically raise sums nationally that most congressional incumbents can only dream about. But like most candidates, presidential candidates tend to be more concerned with their own individual elections than with the party's collective fate. And unlike members of Congress, presidential candidates don't face party leaders armed with selective incentives to induce them to contribute to the party's collective good. Indeed, presidential candidates have often used national party committees to promote their own elections, and even incumbent presidents tend to take limited risks in using their prestige to help elect members of Congress during mid-term elections (Milkis 1998; Sabato and Larson 2002, 52-54). Still, with party organizations banned from raising soft money, presidential candidates would have a heightened interest in helping fund party committees, which aid presidential campaigns substantially and promote the party ticket as a whole (Corrado 1996).

There may be more useful ways for presidential candidates to assist their parties than by redistributing campaign funds directly, however. For example, because they have substantial visibility, presidential candidates can typically increase the draw by appearing at party and candidate fundraisers. Indeed, Jacobson, Kernell, and Lazarus (2004) demonstrate that President Clinton substantially augmented the fundraising success of candidates whose fundraisers he appeared at during the 2000 election cycle (though they also show that his efforts were inefficiently targeted to maximize House Democrat's collective electoral success). In recent elections, moreover, presidential candidates have organized joint fundraising committees to help their parties and fellow party candidates (Corrado 2000). Such committees allow their organizers to circumvent contribution limits by permitting them to raise money from donors who have already maxed out to the organizers' principal campaign accounts. (The organizing entities then divide the money raised by the joint fundraising committee.) Corrado (2000) notes that prior to 2000, joint fundraising committees were organized largely by party committees attempting to coordinate their fundraising efforts. Since 2000, however, candidates have increasingly created joint committees both with other candidates and party organizations.[5]

To sum up, candidates for different federal offices are likely to behave differently in how (and the extent to which) they help their parties financially because of the varying incentives facing them. Presidential candidates should be more likely to contribute to party organizations than to candidates, since party organizations play a substantial role in assisting the presidential campaigns while also promoting the party ticket. House members should also give generously to parties—particularly the House CCCs—because they enjoy a substantial advantage in serving in the majority party and because they face powerful party leaders who wield valuable institutional incentives to induce compliance. Such incentives are weaker and less defined in the Senate—which is likely to result in the redistribution of fewer campaign dollars among senators than among House members. All federal candidates, however, are likely to respond to BCRA by increasing the amount and proportion of their funds directed to federal party organizations (relative to candidates) in order to help their party replace prohibited soft money contributions. The increase in contributions is especially likely to come from their personal campaign committees (PCCs) because contributions from PCCs to national parties remain uncapped. Parties will seek to raise hard money efficiently, and that means pursuing reliable sources that can produce large amounts. Federal candidates fit both criteria: their capacity to give is limited only by their desire to give, and their desire to give can be monitored and shaped by party leaders in order to help the team's collective efforts.

Trends in the Redistribution of Funds

To examine the effect of BCRA on the redistribution of campaign funds by federal politicians, we gathered data on the 1996 through 2004 election cycles from the Federal Election Commission (FEC). Using these data, we analyze contributions from candidates' principal campaign committees (PCCs) and leadership political action committees (LPACs) both to other candidates' campaigns and to party organizations.

Total contributions by members of Congress grew dramatically between the 1996 and 2004 election cycle as party margins remained narrow and party leaders pressured members to contribute to the party's electoral efforts. Members of the House increased their contributions to candidates and party organizations from $27.3 million in 1996 to $73.6 million, an increase of more than 250%. Senators redistribute fewer dollars but increased their giving even more rapidly than House members, by nearly 350%, from $8.1 million in 1996 to $28 million in 2004. Contributions from presidential candidates do not follow the same pattern—or seemingly any pattern. While giving $67 million in 1996, they decreased their donations to $30 million in 2000 and $38.8 million in 2004.

The House of Representatives

To assess the effect of BCRA, we turn to detailed analysis of contributions by chamber. Figure 1 presents the contributions by House members. Figure 1 shows steady growth of all types of contributions, except contributions from LPACs to the party's House campaign committees (CCC), which remain relatively minimal compared to other types of contributions. Of greatest interest are the contributions from PCCs to CCCs. These contributions have increased more rapidly than contributions to candidates from

PCCs or LPACs. This is likely due to the fact that PCC to CCC contributions are unlimited, as described above. Furthermore, these contributions level off in 2002, then spike upward again in 2004 after the implementation of BCRA, which deprived parties of soft money and prompted them to seek new sources of hard money (preferably in large sums).

[Figure 1 about here.]

One would think that such a large increase in hard money contributions to the CCCs would impose substantial fundraising burdens on members of the House. It may. But the evidence displayed in Figure 7 shows that members of the House merely shifted the allocation of their party contributions from the 2002 election cycle. In 2002, House incumbents gave $45.4 million to local, state, and federal party organizations, with $24.5 million (54%) going to the CCCs. Their contributions to local, state, and federal party organizations actually declined slightly in 2004, to $41.6 million. At the same time, however, their giving to the CCCs increased to $37.4 million. The CCCs now consumed 90% of House members' contributions to party organizations. House members helped the CCCs replace lost soft money with hard money at the expense of state and local party organizations which had received this money in the past.

Figure 2 shows that the majority party Republicans were better able than minority Democrats to respond to the increased push to collect hard money following BCRA. Republicans increased their contributions to candidates and CCCs by 53% from 2002 to 2004, while Democrats increased their giving by 25%. The House majority party, of course, controls the policy making process through the committee system and the floor. Such control gives majority party members increased access to campaign contributions

(Cox and Magar 1999; Rudolph 1999) and thus a greater ability to redistribute campaign funds (Heberlig and Larson 2005a).

[Figures 2 and 3 about here.]

Most observers gave the Democrats little chance of regaining majority control of the House in the 2004 election cycle. There were a limited number of competitive districts, and the redistricting of Texas alone was expected to shift several seats to the Republicans, enough to offset any potential Democratic gains in the rest of the country (Magleby, Monson and Patterson 2005). Thus, party competition, which if anything became less intense than in recent years, is unlikely to account adequately for an increase in the number of members who engage in redistribution activity. Rather, if the number of members giving to the party and its candidates continued to increase in 2004, it would likely be in response to pressure from party leaders to help replace party soft money. Figure 3 shows that the percentage of House members who redistributed any campaign money did in fact continue to increase from 2002 to 2004, continuing the trend across the previous decade. The percentage of members contributing to the CCCs increased more dramatically than the percentage contributing to candidates, consistent with our expectation that the parties were especially active in seeking members' contributions. The increased proportion of members contributing shows that the larger dollar amounts contributed (Figure 1) are not merely the result of party and committee leaders contributing more, but of greater participation by the entire party caucuses.

Following BCRA, the story of redistribution activity is largely one of continuity. Contributions and the percentages of members contributing continued to climb as they had across the previous election cycles. The critical change that BCRA has likely induced is greater giving to the CCCs as the parties sought to replace soft money with large hard money contributions. Members of the House complied by shifting contributions from state and local party organizations to the CCCs.

The Senate

The redistribution of campaign funds by Senators, like their House colleagues, has increased steadily over the past decade as displayed in Figure 4. Senators traditionally have contributed the plurality of their funds to other candidates through LPACs. Though Senator's LPAC contributions increased apace in the 2004, they dramatically increased their contributions to the Senate CCCs through their PCCs. This spike in contributions to the CCCs mirrors the same increase in House contributions to CCCs. Though Senators, unlike House members, increased their giving to local and state party organizations from 2002 to 2004 ($2.7 million to $4.7 million, as shown in Figure 7), the proportion of their overall party contributions going to the CCCs increased from 58% to 71%—similar to trends among House members. Senators, however, appeared to shift PCC contributions away from candidates ($3.8 million in 2002 to $1.4 million in 2004) in order to increase their giving to CCCs. Like House members, Senators are increasingly taking advantage of their ability to give unlimited contributions from their PCCs to party committees, and in 2004, Senators gave generously to help their party's CCC replace soft money banned by BCRA.

[Figure 4 and 5 about here.]

More surprising is the fact that minority party Democrats redistributed more money than majority Republicans in 2004 as shown in Figure 5. This result is consistent with the Democratic Senatorial Campaign Committee (DSCC) unexpectedly raising and spending more than the National Republican Senatorial Committee (NRSC) during the 2004 election cycle (Currinder 2005; Magleby, Monson, and Patterson 2005). Democrats' efforts to expand their donor lists, as well as to mobilize contributions via the Internet, may have been more successful than similar efforts made by Republicans.

[Figures 6 and 7 about here.]

The participation rates of Senators, shown in Figure 6, also confirm the shift toward partisan giving following BCRA. Senators' participation rates had been level for several election cycles after 1998, with Senators preferring to contribute to other candidates over the CCCs by more than 20 points in most election cycles. In 2004, however, the proportion of Senators contributing to the CCCs jumped dramatically from 61% to 90%, surpassing the proportion who contributed to other candidates. Clearly, Senators received and complied with the message that the party committees needed their financial support in 2004.

An additional observation regarding participation rates is that a lower proportion of Senators than members of the House have traditionally contributed. Comparing participation rates of both chambers in Figures 3 and 6, a higher percentage of House members contributed to the CCCs throughout the decade, though Senators almost closed this gap in 2004. Similarly, House members have consistently contributed to other candidates at slightly higher rates than Senators. The proportion of House members contributing to candidates has steadily increased in each election cycle, while the proportion of Senators who contribute to candidates has remained stable since 1998. The typically higher levels of giving in the House suggests, as we noted earlier, the greater strength of House party leaders relative to Senate leaders and the greater value of majority party control to House members than to Senators.

Though Senators redistribute campaign funds less frequently than do House members, trends in participation are quite similar. From 1996-2004, members of both chambers increased their likelihood of giving as well as the dollar amounts they give. The 2004 election continued these trends. Similarly, members of both chambers gave more generously to CCCs in 2004 than in prior cycles, in part by giving more total dollars and in part by shifting allocations to CCCs from other party organizations or candidates. The CCCs needed hard money to replace the soft money banned by BCRA, and incumbents helped supply it.

Presidential candidates

Presidential candidates typically take on the role of party leader. But with no other party leaders, such as a Speaker or floor leader, to coordinate their activities for the collective good of the party and to provide incentives for pro-party behavior, presidential candidates are idiosyncratic in their use of funds to assist other candidates and party organizations. As Table 1 shows, many presidential candidates contribute nothing, as did incumbent George W. Bush in 2004. And neither did any of the losing candidates for the Democratic nomination. John Kerry was the only presidential candidate to redistribute campaign money in 2004, and he had a long history of giving to other candidates and party organizations through his Senate campaign account and LPAC. Kerry gave very generously ($38.8 million) in 2004, as did Republican Steve Forbes ($38 million) in 1996.

[Table 1 about here.]

Though the contributions of individual presidential candidates vary considerably, the amounts can be substantial. In all three presidential years, the contributions of a few presidential candidates were more substantial than the contributions of all 100 U.S. Senate incumbents. As the leaders of the party ticket, presidential candidates contributed the overwhelmingly majority of their funds—99.5%—to party organizations. By contrast, House members gave 77% of their contributions and Senators gave 64% of their contributions to party organizations across the five election cycles between 1996 and 2004.

Furthermore, presidential candidates may provide their most valuable assistance not by redistributing campaign funds directly but rather by appearing at candidate and party fundraisers and campaign rallies (Holbrook and McClurg 2005; Jacobson, Kernell, and Lazarus 2004). In 2004, moreover, Kerry and (especially) Bush, engaged in substantial joint fundraising activities that helped their parties. The Bush campaign, for example, used joint fundraising committees in 2004 to help channel substantial sums of campaign money into the campaign accounts of nearly 30 Republican House and Senate candidates.[6]

Conclusions

Congressional parties are now acting like political parties. Members of Congress are increasingly cooperating to elect fellow partisans by providing financial assistance to candidates and party committees. Moreover, rather than allocating money on their own, members are increasingly turning over campaign money to the party CCCs, which allocate funds to competitive campaigns (Damore and Hansford 1999; Herrnson 2004). Thus, member contribution activity is increasingly targeted at gaining or preserving majority control and the enhanced power that such control creates for all members of the party. Stronger congressional parties have led to more centralized efforts to coordinate and control party fundraising efforts among incumbents.

BCRA has intensified these trends. It did not reduce the flow of money into congressional campaigns. Rather, the parties raised more money than ever, and members of Congress redistributed more than ever to the parties. Parties had come to rely on unlimited soft money in the 1990s. With such funds banned by BCRA, the parties successfully exploited the ability of incumbents to help replace soft money with hard money. Members of Congress had increasingly redistributed campaign money as they responded to the pitched battle for majority control in 1990s. But BCRA gave them an additional reason to share their campaign wealth. The evidence we present shows a clear shift toward contributions to the CCCs by members of both the House and the Senate in 2004.

The importance of institutional structure in shaping the redistribution of campaign funds is clear as well. In the House, redistribution is more centralized than it is in the Senate: a higher proportion of House members than senators contribute to the CCCs, and House members contribute a greater percentage of their redistributed funds to the CCCs than do senators. Similarly, the fundraising advantages that accompany majority party control in the House provide majority party members with additional ability to respond to BCRA by raising and redistributing large sums of hard money. The impact of institutional structure is also evident in the different contribution behavior exhibited by congressional incumbents and presidential candidates. Members of Congress are pressured by party leaders, who wield substantial incentives to enforce compliance, to contribute to the party's collective good. Presidential candidates may be better off with a Congress controlled by fellow partisans, but there are no actors who can force them to work for such a goal. And for presidential candidates who do choose to advance their party's collective electoral interests, there are means of doing so that may well be more effective than making direct contributions. Such factors make redistribution activity among presidential candidates decidedly more idiosyncratic than among congressional incumbents.

The trends we analyze in this paper demonstrate that politicians are not the unwilling pawns of special interests attempting to "buy" access or votes. Rather, elected officials aggressively seek campaign money even as many interest groups and individuals are eager to provide it. Politicians adapt to the campaign finance regime of the time in order to secure the resources to achieve their goals. Traditionally, they sought to use campaign money to advance their own reelections and, in the case of a few members, to advance to more powerful positions within their institutions. Now elected officials increasingly seek campaign money not only to advance their own reelections but to help the party team increase its numbers and power as well. When officeholders' individual goals are contingent on the party's collective electoral fate, they have strong incentives to act as teams—rather than independent operators—in the electoral arena.

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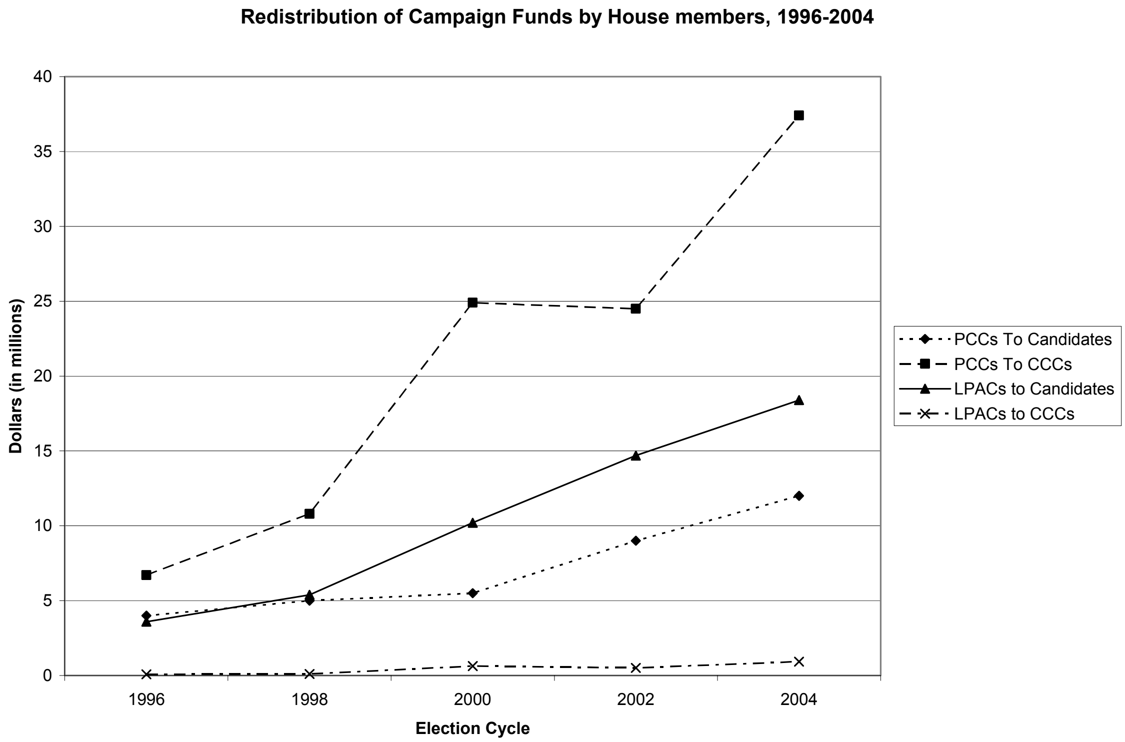
Table 1. Redistribution of Campaign Funds by Presidential Candidates, 1996-2004, by Party and Committee Type

	1996	2000	2004
Democrats			
PCCs to candidates	0	0	17,966
PCCs to parties	4,968,000	13,776,852	38,480,438
LPACs to candidates	81,700	29,000	352,942
LPACs to parties	0	35,042	15,000
Republicans			
PCCs to candidates	0	158,680	0
PCCs to parties	61,529,432*	16,083,224	0
LPACs to candidates	409,333	100	0
LPACs to parties	200	7,100	0

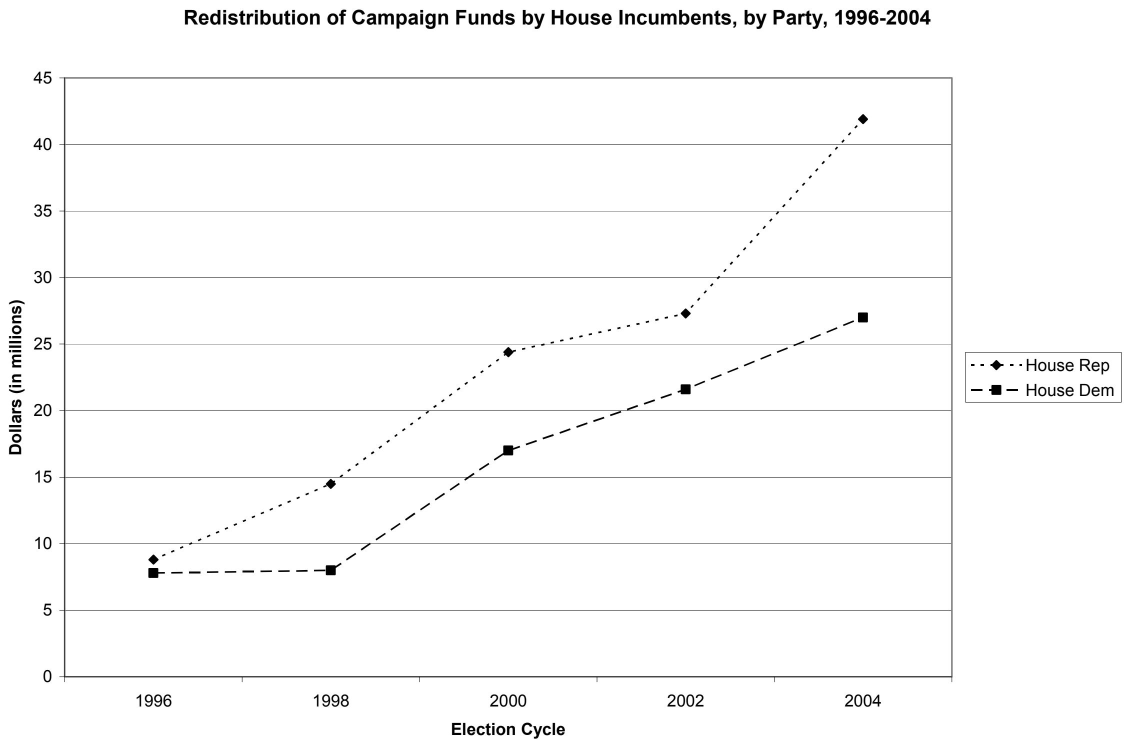
* Steve Forbes' campaign gave $38 Million to Republican Party organizations.

Figure 1.



Redistribution of Campaign Funds by House members, 1996-2004
40
35
30
25
20
15
10
5
0
Dollars (in millions)
1996
1998
2000
2002
2004
Election Cycle
PCCs To Candidates
PCCs To CCCs
LPACs to Candidates
LPACs to CCCs

Figure 2.



Redistribution of Campaign Funds by House Incumbents, by Party, 1996-2004
45
40
35
30
25
20
15
10
5
0
Dollars (in millions)
1996
1998
2000
2002
2004
Election Cycle
House Rep
House Dem

Figure 3.

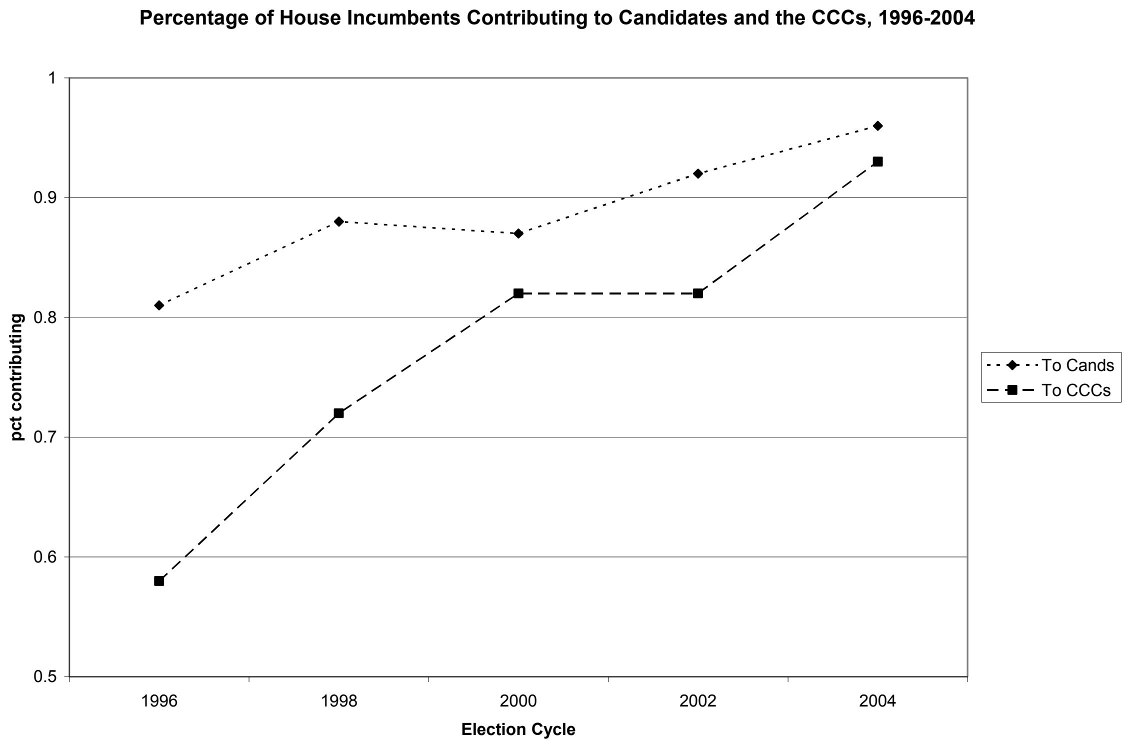
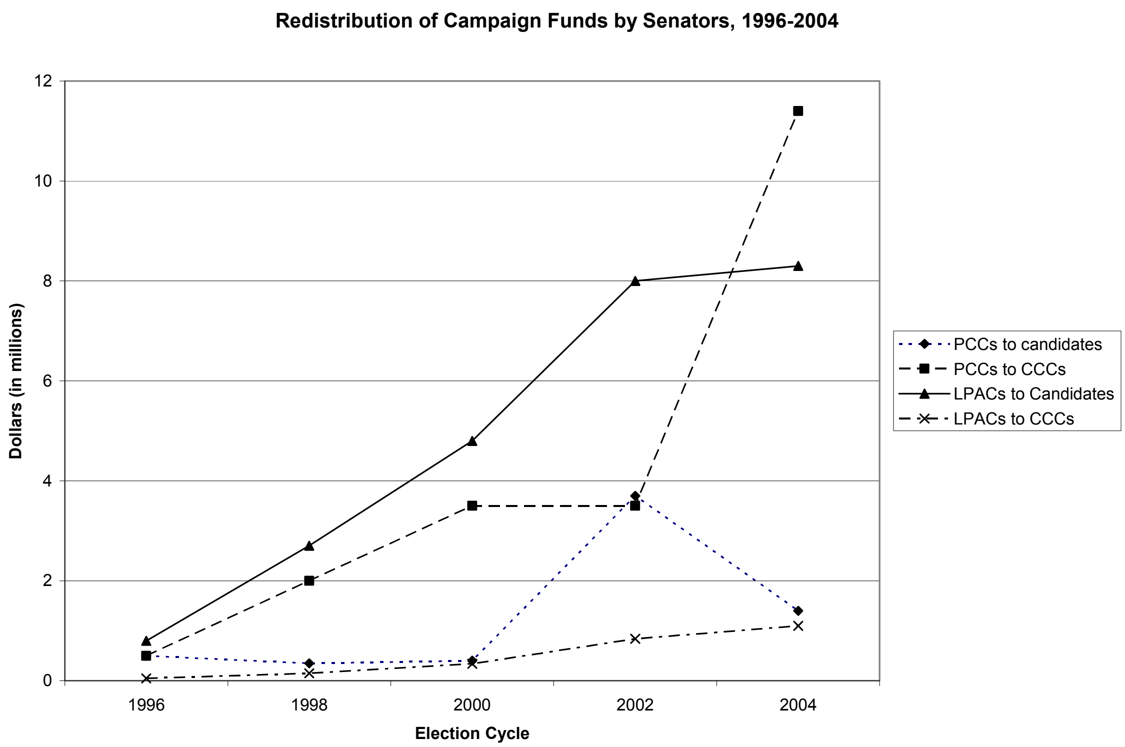
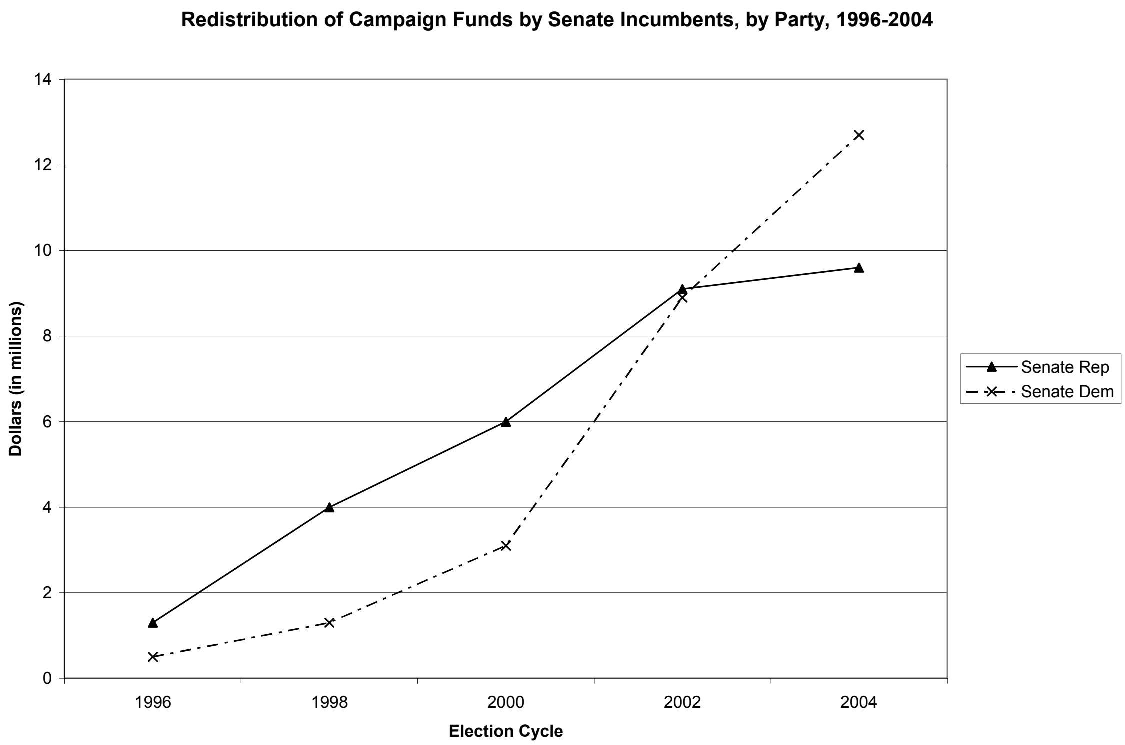

Percentage of House Incumbents Contributing to Candidates and the CCCs, 1996-2004
1
0.9
0.8
0.7
0.6
0.5
pct contributing
1996
1998
2000
2002
2004
Election Cycle
To Cands
To CCCs

Figure 4.



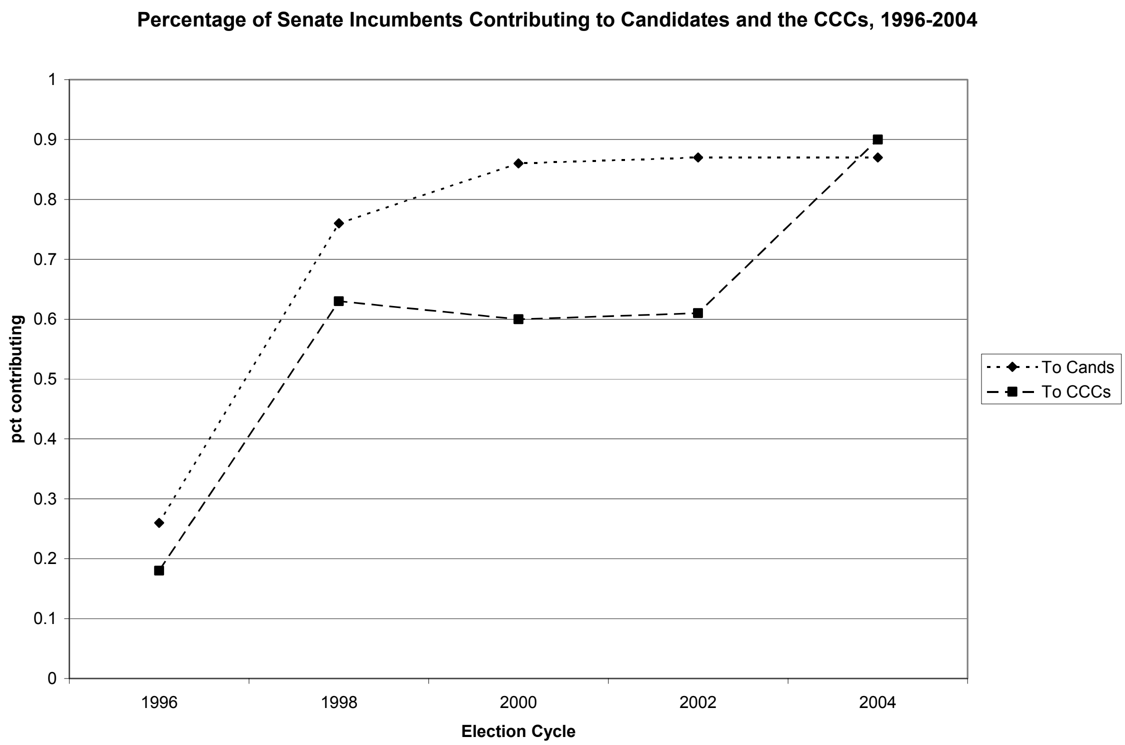
Redistribution of Campaign Funds by Senators, 1996-2004
Dollars (in millions)
0
2
4
6
8
10
12
1996
1998
2000
2002
2004
Election Cycle
PCCs to candidates
PCCs to CCCs
LPACs to Candidates
LPACs to CCCs

Figure 5.



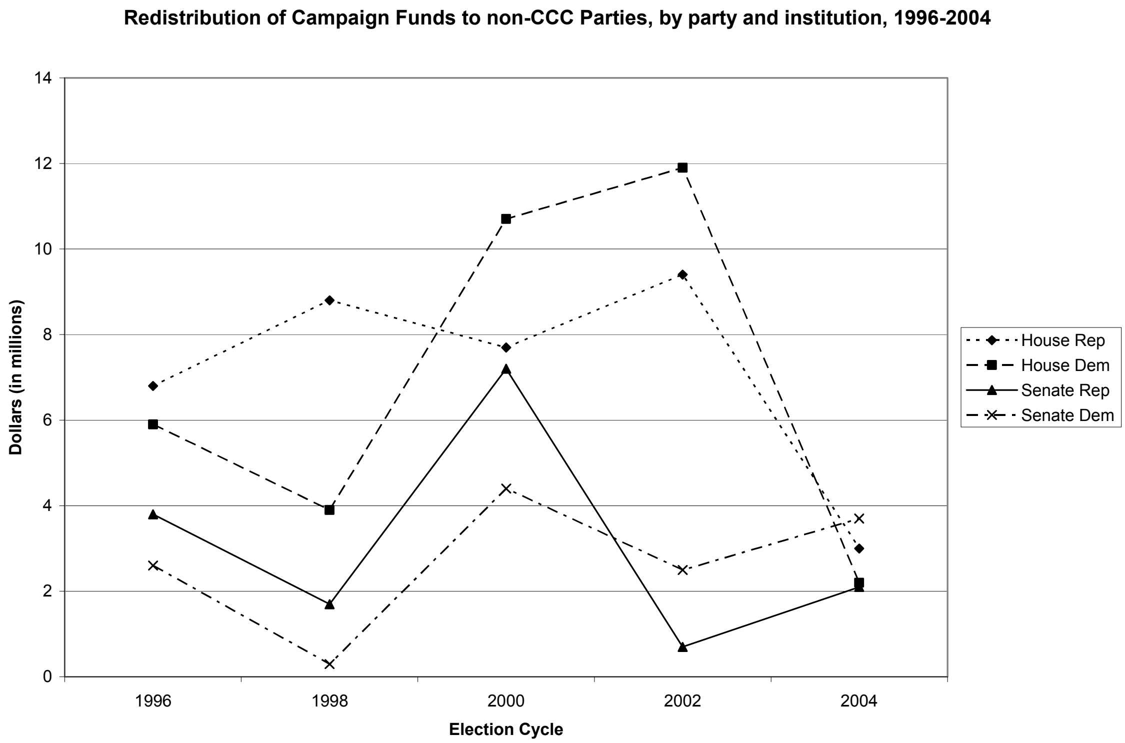
Redistribution of Campaign Funds by Senate Incumbents, by Party, 1996-2004
14
12
10
8
6
4
2
0
Dollars (in millions)
1996
1998
2000
2002
2004
Election Cycle
Senate Rep
Senate Dem

Figure 6.



Percentage of Senate Incumbents Contributing to Candidates and the CCCs, 1996-2004
1
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0
pct contributing
1996
1998
2000
2002
2004
Election Cycle
To Cands
To CCCs

Figure 7.


Redistribution of Campaign Funds to non-CCC Parties, by party and institution, 1996-2004
14
12
10
8
6
4
2
0
Dollars (in millions)
1996
1998
2000
2002
2004
Election Cycle
House Rep
House Dem
Senate Rep
Senate Dem

Notes

[1] Originally permitted by the FEC as a way for the parties to pay for the non-federal share of their generic party activities, soft money became a problem in the 1990s as parties raised six figure sums to run "issue" advertisements that—by carefully avoiding specific terms such as vote for or vote against—fell just short of the Supreme Court's test of express (or election) advocacy (Sabato and Larson 2002).

[2] It may have also helped that the parties were becoming more ideologically homogenous. With fewer conservatives in the House Democratic Party, for example, liberal House Democrats could worry less that DCCC money was going to ideological opponents within the party.

[3] In the 2003-04 election cycle, for example, Democratic Senators Chuck Schumer (D-NY) and Harry Reid (D-NV) each gave $2 million to the DSCC.

[4] Of course, unified government doesn't automatically work to a president's advantage (Mayhew 1991; Rohde 1991).As an example, it seems clear that the GOP takeover of Congress in 1994 saved Clinton's presidency.

[5] House and Senate candidates have also begun organizing joint fundraising committees. Corrado (2000) notes that in the 2000 elections, joint fundraising committees were especially prevalent among competitive Senate candidates and the party campaign committees.

[6] In contrast to 2004, in which the Bush campaign conducted its joint fundraising operations mostly with federal GOP *candidates*, its joint fundraising efforts in 2000 were conducted almost exclusively with state and local GOP party committees.