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Public Opinion and Campaign Finance
A Skeptical Look at Senator McCain's Claims

by David M. Primo

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Sen. John McCain of Arizona and other advocates of additional regulations on campaign finance argue that spending on elections has caused public cynicism about and mistrust of American government. They also believe that public opinion indicates that Congress should move immediately to pass new campaign finance regulations. This paper uses public opinion data to test both claims.

McCain and his allies are wrong on both counts. The data show that campaign spending could not have caused increases in public mistrust of government—indeed, rising soft money spending has been followed by increases (not decreases) in public trust in government—and that there is no statistical relationship over time between campaign spending and public trust in American government. The data also show that the public assigns a low priority to altering campaign finance regulations.

Both findings militate against the current attempt in Congress to pass the McCain-Feingold regulations on campaign fundraising. New regulations on campaign finance will not increase public trust in government because campaign spending did not cause public cynicism. Moreover, contrary to Senator McCain's opinion, the low priority given campaign finance regulations by the public suggests that the McCain-Feingold bill should be dealt with much later in the 107th Congress, after more pressing issues have been addressed.

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There is a weak link between decreased trust in government and campaign spending.

Introduction

In the 2000 race for the presidency, Sen. John McCain (R-Ariz.) promoted campaign finance "reform" as a partial solution to widespread citizen cynicism about politics. Al Gore promised that his first act as president would be to send campaign finance legislation to Congress. The mass media, which cover campaign finance feverishly and assume that money is the root of all political evils, report on new regulations with little of their usual skepticism. The appeal of such proposals is easy to understand. In an era of public cynicism about politics, new regulations promise new ways of doing business in Washington.

Campaign finance is now front and center on the congressional agenda. Sens. McCain and Russell Feingold (D-Wis.) will reintroduce their eponymous legislation in the 107th Congress.[1] They propose eliminating "party soft money," or contributions to national political parties that must be used for "party-building" activities like getting out the vote. The bill also promises to bring "issue advocacy" under federal campaign finance laws.[2] McCain has been quoted as saying that there will be "blood on the Senate floor" if the bill does not pass.[3]

McCain believes the public supports his efforts to pass new campaign finance laws: "I believe that the country wants this reform. There is no doubt about the explosion of soft money. There is no doubt that it has gridlocked us here in Washington and the message of the last election is that Americans do not want that."[4] In announcing his plans to introduce the legislation, McCain also noted that pollster John Zogby had briefed Republican senators about the broad public support for new regulations on campaign finance.[5]

Public opinion figures in the campaign finance debate in another way. Advocates of new regulations on fundraising argue that the unregulated aspects of the current system (soft money, issue advocacy) foster public cynicism about and mistrust of American government. Americans do lack confidence in Congress and the presidency specifically and in the federal government in general.[6] If the advocates were right, new restrictions on campaign finance might counteract this general trend in public opinion toward a mistrust of American government and public officials.

I contend that the advocates are wrong on both counts. Specifically I argue that

- there is a weak link between the decreased trust in government and campaign spending and that
- the public favors change in campaign finance laws but ranks it as an extremely low policy priority.

Trust in Government and Campaign Spending

Do campaign contributions corrupt legislators and "buy" elections? Discerning a clear relationship between campaign contributions and policy outcomes is an imposing task. There is conflicting statistical evidence regarding the effect of spending on campaign outcomes, and the evidence for a cause-and-effect relationship between donations and policy outcomes is muddled.[7]

Nonetheless, most advocates of reform intimate that quid pro quo corruption is the norm but stop short of directly making that claim. Others such as Senator Feingold do assert that "money talks" and refer to campaign contributions as "legalized bribery." In general, advocates of more regulation suggest that even the *appearance* of impropriety is enough to warrant additional regulation, since citizen distrust of government is connected to the belief that politicians are corrupt.[8] Consider Senator McCain's statement introducing his bill in 1998:

> Mr. President, no Washington pundit thought that the House would actually pass campaign finance reform, but it did. It was not

an easy fight. But those in favor of reform prevailed. I hope the majority in the Senate that favors reform will be able to prevail here. *A majority in the House passed reform because the American people demand it.* Members of the House recognized that the current system is awash in money, exploited loopholes, and publicly perceived corruption. It is a system that no Member of Congress should take pride in defending.

As I mentioned, Mr. President, yesterday was primary day in Arizona. Turnout was an all-time low, indicating another record-setting low turnout election day. *I have no doubt whatsoever that the way in which we finance our campaigns has in no small measure contributed to the abysmal health of our democracy.* The people's contempt—there is no more charitable way to describe it—for us and for the way in which we attain our privileged place in government cannot be sustained perpetually. We will someday pay a high price for our inattention to this problem. We will forfeit our ability to lead the country as we meet the complicated challenges confronting us at the end of this century because we have so badly squandered the public respect necessary to persuade the Nation to take the often difficult actions that are required to defend the Nation's interests.

Our ability to lead depends solely on the public's trust in us. Mr. President, *people do not trust us today. And that breach, that calamity, is what the supporters of campaign finance reform intend to repair.* I beg all of my colleagues to join in this effort and give our constituents a reason to again trust us, and to take pride in the institution we are so proud to serve.[9]

McCain is not the only senator to make unsupported claims. On the campaign finance section of his Web site, Sen. Fred Thompson (R-Tenn.) writes: "Americans have less and less faith in their government. One of the main reasons is that they are distrustful of the system we have in place to elect our political leaders."[10] On *Meet the Press* on January 7, 2001, Thompson reiterated the importance of getting campaign finance legislation on the agenda, because it could help restore confidence in the system:

> I think that President-elect Bush will work with McCain and others of us who think we ought to do something in this regard, that big money has gotten out of control and played too much of a role in American politics. . . . [F]or the first time, we have an opportunity of coming up with something that I think is good and will help restore a little bit of confidence of the American people in our system.[11]

Some journalists make similar claims. In her book on the corruption of American politics, Elizabeth Drew writes that the "dangerously low" trust in government has been caused in large part by "the enormous and ever-growing role of money in our political campaigns—with corruption now outpacing even that of the Nixon era."[12] She offers little in the way of actual evidence for such a claim.[13]

In all, reformers are quite confident that campaign finance is a major cause of the public's distaste for politics.[14] It turns out that those claims are overblown. Yes, citizens' trust in government is low,[15] and, yes, campaign spending has been increasing at a rapid clip. However, if we examine the time-series relationship between trust in government and overall spending shown in Figure 1, no relationship exists.

Before drawing any final conclusions, let's be precise about what the would-be reformers are claiming. They believe that increases in campaign spending have caused declining trust in government. To be the cause of

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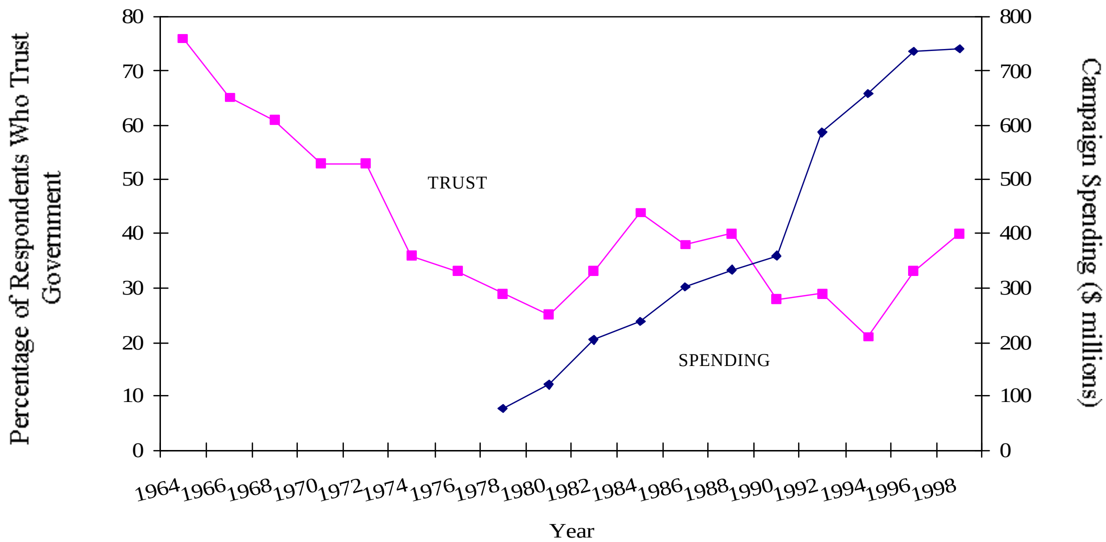
Figure 1
Trust in Government and Campaign Spending



Sources: For trust, National Election Studies database of the University of Michigan at Ann Arbor, 1964–98, http://www.umich.edu/~nes/nesguide/toptable/tab5a1.htm; for congressional campaign spending, Federal Election Commission press releases.

declining trust, campaign spending must exhibit *temporal precedence* (precede its effect), and there must be *concomitant covariation* between (concurrent changes in) campaign spending and trust. If the reformers are correct, trust in government should go down as campaign spending goes up. Statistically, the advocates of new regulations are asserting that an inverse correlation between campaign spending and trust in government exists; such correlations are measured on a scale of +1 to –1. If the reformers were completely correct, we would find a strong inverse correlation between spending and trust, indicated by a –1.0 coefficient of correlation. Anything more (i.e., anything closer to zero) than –1.0 is a weaker relationship. A moderate to strong negative relationship would be between –.6 and -.4.

Public opinion data show that citizens' trust in government dropped dramatically in the 1960s and early 1970s and then followed a somewhat varied path (Figure 1). Spending has been increasing steadily since data began being collected systematically after the creation of the Federal Election Commission.[16] These data show in two ways that rising campaign spending was not the cause of public mistrust of government.

First, the major drop in citizen trust took place before the run-up in spending. The latter could not have been the cause of growing mistrust of government. The claims by McCain and others fail the temporal precedence test.

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Second, the evidence shows only a minute relationship between trust and campaign spending. Since the early 1980s, citizen mistrust of government has risen and fallen, so we cannot say that, overall, mistrust has increased in the last two decades.[17] That indicates that rising campaign spending has not been associated with rising mistrust of government. In fact, a simple calculation of the correlation between spending in congressional races (adjusted for inflation to 1998 dollars) and trust in government puts the correlation at -.027. The relationship in statistical terms is very close to zero.

Cynicism about politics is clearly rooted in something far deeper than campaign contributions. A passing glance at Figure 1 indicates that public trust fell steadily between 1964 and 1980, a period that included the Vietnam War, Watergate, and the economic mistakes of the Carter years. That period also provided other clear examples of corruption, deceit, incompetence, and chicanery. The public responded to actual events, not some general sense that democracy had faltered. In any case, Senator McCain's assertion that campaign finance has driven mistrust of American politics over the past three decades is simply false.

If the data presented thus far are not convincing, consider a cross-sectional analysis of the answers to two questions from a 1997 survey commissioned by the Center for Responsive Politics, a nonpartisan group that examines the role of money in politics and has a bent toward additional campaign finance regulation.[18] When asked if they were satisfied with the political process, 59 percent of respondents said that they were not. Of those, only 14 percent said that the reason for their dissatisfaction was the perception that politicians are corrupt or that special interests "buy" outcomes. This suggests that less than 10 percent of the polled population directly linked their overall view of the system with money in politics.[19]

What about another link, between media coverage of campaign finance and the level of citizen trust? In the 1997 CRP survey cited above, 60 percent of Americans who heard at least some information about questionable fundraising were dissatisfied with the political process, compared with only 45 percent of those who had heard little or nothing, a statistically significant difference. At the very least, this relationship is more plausible. The media's fascination with money has grown in recent years, and the media's ability to help define what is important for the public is well-known. The real link between public opinion and campaign finance, then, may lie with the mass media's emphasis on campaign finance, rather than any significant concern on the public's part.

Does the Public Care about Campaign Finance Regulation?

That reformers are wrong about campaign finance and public trust does not mean that the public rejects changes in the law. Most polls show that the public desires changes to a "broken" system. Some polls even show significant support for limiting campaign expenditures, a clear violation of the First Amendment to the Constitution. If the public is so supportive of new regulations, why have McCain-Feingold and other proposals failed to become law?

One hypothesis that receives mixed support is that the public does not believe that reforms will change anything in Washington. In the 1997 CRP poll, 62 percent of respondents felt that laws could be effective in reducing the role of money in politics, but in a 2000 Gallup poll, 64 percent felt that changing campaign finance laws would do nothing to reduce the "power of special interests."[20] Those answers were, to a large degree, influenced by question wording, question placement, and other survey-design issues.

A more plausible hypothesis is that, outside the Beltway, the public does not care about the issue. Consider the data. When asked by the CRP if reform should be a top or high priority, most Americans (60 percent) answered in the affirmative. Yet they also agreed that a series of other policy areas was more important.[21] This suggests that campaign finance is a priority only after more important (i.e., higher-priority) issues have been addressed. In fact, in poll after poll, campaign finance is near the bottom of the list of important issues alongside world peace and homelessness.[22]

Predictably, some advocates of restrictions on campaign finance disagree. For example, Elizabeth Drew argues:

> Reform of our campaign finance system to get at the worst, most corrosive problem in our political system

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isn't a lost cause. The argument that "people don't care" doesn't stand up to scrutiny; it's a convenient ruse used by opponents of reform. Public support for campaign money reform has been growing. Again and again, polls show that when asked about it directly, they are strongly in favor of it, even if they do not list it as one of their top priorities. In a survey conducted in August 1998, voters in eight states were asked if they preferred major changes, minor changes, or no changes in the campaign finance system. In all eight states, including New York, North Carolina, Ohio, and even Mississippi (home of Trent Lott), pluralities called for changes. Majorities did so in New Hampshire and Indiana.[23]

Unfortunately, Drew does not provide citations for her specific claims about the eight states. Drew's statement implies, however, that in six of eight states less than a majority called for changes. Those numbers are low, and one wonders how they help her argument. She states in this paragraph that (1) the public views campaign money reform as a low priority (they "do not list it as one of their top priorities") and (2) that fewer than a majority in the surveys she studied favor reform. She then uses those facts to assert that opponents of reform are pulling the wool over the public's eyes by claiming that the public does not care about reform. Perhaps it depends on how one defines "care."

Why should policymakers care about the way citizens rank policy priorities? Policymakers should care about how they allocate their time and efforts on behalf of their constituents. The legislative agenda has limited space; giving some issues attention and time inevitably excludes other issues. Given this reality, the priority accorded an issue by citizens is important, since it tells policymakers whether an issue should take up valuable and scarce time on the legislative agenda. The attitude of the public on campaign finance reform generally seems to be, "Sure, we support changing campaign finance laws, but only once you've taken care of the big issues." In the current context, this suggests that the legislative priorities of the new administration should come before consideration of new campaign finance regulations.

On the issue of campaign finance, the public appears to be engaging in a collective yawn. Congress should take the hint and spend its time and resources on issues of greater public concern.

Conclusion

Americans argue about campaign finance in many ways. The Constitution and the First Amendment matter a great deal to these arguments,[24] and, of course, in a democracy the wishes of the public often inform policymaking. Supporters of McCain-Feingold and other efforts to enact new restrictions on campaign finance believe the public cares deeply about such changes. They also argue that increased campaign spending has made the public cynical about and mistrusting of politics.

Supporters of McCain-Feingold are wrong on both counts. The public does not care much about new campaign finance restrictions. The evidence clearly shows that increased campaign spending has not caused public mistrust of government.

Campaign finance arouses great passions among elites, but the public at large is not all that interested in the details of campaign finance legislation. The facts about public opinion presented here lead inexorably to this conclusion: On the issue of campaign finance, the public appears to be engaging in a collective yawn. Congress should take the hint and spend its time and resources on issues of greater public concern.[25]

Notes

1. Alison Mitchell, "McCain Challenges Bush, Promising Early Effort to Overhaul Campaign Finance," *New York Times*, January 5, 2001.

2. During elections, many groups raise and spend money advocating their positions on specific issues. Often those groups do not directly advocate the election or defeat of any candidate for

office. Issue advocacy enjoys the full protection of the First Amendment and cannot be regulated under the Federal Election Campaign Act.

3. Quoted in David Broder, "McCain in Waiting," *Washington Post,* August 3, 2000, p. A29.

4. "McCain, Feingold Plan to Introduce Campaign Finance Bill," January 4, 2001, http://www.cnn.com/2001/ALLPOLITICS/stories/01/04/mccain.campfinance/index.html.

5. Elizabeth Drew, "Campaign Finance Reform: The Comeback," *Washington Post,* January 15, 2001, p. A21.

6. On Congress and the presidency, see John R. Hibbing and Elizabeth Theiss-Morse, *Congress as Public Enemy: Public Attitudes toward American Political Institutions* (New York: Cambridge University Press, 1995), Figure 2.1, p. 32. Jonathan Rauch charts the well-known decline in public confidence in the federal government in *Government's End: Why Washington Stopped Working* (New York: Public Affairs, 1999), p. 11.

7. Two good reviews of the political science literature on this point are Frank J. Sorauf, *Inside Campaign Finance: Myths and Realities* (New Haven, Conn.: Yale University Press, 1992), pp. 161–90; and Bradley A. Smith, *Unfree Speech: The Folly of Campaign Finance Reform* (Princeton, N.J.: Princeton University Press, 2001), pp. 48–63. The academic literature is quite technical and revolves around an issue known as "endogeneity": the level of spending might both affect and be affected by the probability of winning a race. Similarly, donations to a campaign might both affect and be affected by the propensity of an elected official to vote with an interest group. One might think of it as a "chicken-and-egg" problem.

8. In fact, this belief has led to the enactment of ethics laws that, at the federal level, forbid a member of Congress to accept meals or gifts worth more than $100 in total from any one lobbyist in a given year. Executive branch officials cannot in general accept gifts worth more than $20. See http://profs.lp.findlaw.com/election/index.html for an overview of ethics laws.

9. *Congressional Record* 144, no. 18 (September 9, 1998): S 10060. Emphasis added.

10. http://www.senate.gov/~thompson/campref.html.

11. *Meet the Press,* January 7, 2001, NBC News transcript.

12. Elizabeth Drew, *The Corruption of American Politics: What Went Wrong and Why* (Woodstock, N.Y.: Overlook, 2000), p. viii. See also Darrell M. West, *Checkbook Democracy: How Money Corrupts Political Campaigns* (Boston: Northeastern University Press, 2000), who argues that the secrecy of donations for issue advocacy fuels "massive cynicism among all involved" (p. 273); and Miles S. Rapoport and Marc Caplan, "Championing Democracy Reforms" in *The New Majority: Toward a Popular Progressive Politics,* ed. Stanley B. Greenberg and Theda Skocpol (New Haven, Conn.: Yale University Press, 1997), who say, "Nothing has undermined the people's faith in the system more than the spectacle of well-heeled, influential special interests drowning out the voices of ordinary citizens" (p. 203). Later they write, "Perhaps most basically, campaign finance reforms can counter the alienation and cynicism that the public feels"(p. 207). Neither West nor Rapoport and Caplan back their assertions with data or analysis.

13. It is worth noting that several polls show that the news media are sometimes less trusted than the government. See http://www.pollingreport.com/institut.htm.

14. This assumption about trust and campaign finance has also spread to the federal bench. See *Landell v. Sorrell,* 118 F. Supp. 2d 459, 468–69 (2000). In this decision, Judge William K. Sessions of the U.S. District Court of Vermont adduces little hard evidence of a tie between public confidence and campaign contributions. He seems to rely on anecdotal observations from a state senator and a candidate from the Progressive Party: "They based their opinions both on personal experience with voters and what they perceived to be public response to media coverage of finance controversies such as the tobacco, slate quarry, and pharmaceutical incidents. . . ." He does cite public opinion data but offers no analysis of the relationship between responses to specific questions and a measure of public confidence or trust.

15. The National Election Studies database of the University of Michigan at Ann Arbor is a biennial survey of political attitudes and trends. Every two years, they ask, "How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time or only some of the time?" "Trust" is usually defined as answering "just about always" or "most of the time." See surveys for 1964–98, http://www.umich.edu/~nes/nesguide/toptable/tab5a1.htm.

16. The "spending" measure in Figure 1 is congressional election spending. It does not include party soft money. Reliable data on party soft money became available only after the Federal

Election Commission required their disclosure; only four (or five) data points exist on soft money, depending on whether one includes estimates for such spending in 2000. This is inadequate for analysis.

However, I ask the reader to focus for a moment solely on the public trust measure in Figure 1 and consider two turning points in the brief history of soft money. Party soft money arose from two liberalizations of the Federal Election Campaign Act in 1978 and 1979; party soft money expenditures increased thereafter. In 1995 and 1996, President Clinton and Vice President Gore raised significant sums of soft money leading to the "selling of the Lincoln bedroom" scandals and numerous investigations that lasted throughout the 1990s. Figure 1 shows, however, that public trust in government rose for about six years after the soft money liberalizations of 1978–79. Similarly, public trust in government increased throughout the period of the Clinton soft money controversies. This should be clear evidence that trust in government and soft money are hardly related in the way that reformers assert.

17. Similarly, Hibbing and Theiss-Morse conclude, "The clear message is that in the twenty years between 1975 and 1994, confidence in the three major institutions of the federal government moved neither up nor down" p. 33. Federal election law dates from 1971 and was amended in 1974 and 1979.

18. Princeton Survey Research Associates, Poll conducted for the Center for Responsive Politics. For further details, see http://www.opensecrets.org/pubs/survey/s1.htm, http://www.opensecrets.org/pubs/survey/s2.htm, and http://www.opensecrets.org/pubs/survey/ s3.htm.

19. This is a generous assessment. The responses that were coded "direct link" are tenuous at best.

20. Princeton Survey Research Associates; and Gallup Poll, October 6–9, 2000, Roper Center, University of Connecticut, Question ID USGALLUP.00OTB06,R25, Nexis.

21. Princeton Survey Research Associates.

22. In 2000 alone, when McCain put the issue front and center, there were several examples, including Harris Polls on October 19, 2000, September 8, 2000, July 7, 2000, June 8, 2000, and January 6, 2000; Fox News Opinion Dynamics Polls on August 9, 2000, May 10, 2000, and January 26, 2000; and ABC News–Washington Post Polls on February 3, 2000, and January 13, 2000. In an extensive search on the Lexis-Nexis database, I was unable to find any evidence that, when asked without prompting to name the one or two most important issues facing the country, more than 1–2 percent responded with "campaign finance reform." That is not surprising when viewed in isolation. It is surprising, however, when one considers that several of these polls were taken at the height of the "McCain phenomenon" in the Republican primaries.

23. Drew, p. 267.

24. See Bradley A. Smith, "Campaign Finance Regulation: Faulty Assumptions and Undemocratic Consequences," Cato Institute Policy Analysis no. 238, September 13, 1995; and Lillian R. BeVier, "Campaign Finance 'Reform' Proposals: A First Amendment Analysis," Cato Institute Policy Analysis no. 282, September 4, 1997.

25. A majority of Americans (53 percent) believe Senator McCain should delay introducing his bill so President Bush and Congress can address other priorities. See NBC/Wall Street Journal Poll conducted January 13–15, 2001, reported in "Washington Wire" *Wall Street Journal,* January 18, 2001, p. A1, and at http://interactive.wsj.com/documents/poll-20010119.html. The same poll finds that only 5 percent of the nation believes campaign finance reform should be the top priority for government.

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