
Support for Campaign Spending Limitations in the U. S. Senate: The Role of Party, Ideology and Electoral Security

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ABSTRACT: Recent media disclosures of American campaign funding raising practices in the 1996 election have renewed political interest in campaign finance reform. This paper examines senatorial support for the McCain/Feingold measure that would have established voluntary spending limits on senate candidates and banned unlimited campaign contributions through political party organizations. While party affiliation and senator ideology are very important in explaining support for the McCain/Feingold measure, various measures of electoral security are not significant. This is important because the public choice literature emphasizes that electoral security is the primary goal of legislators. Additionally, the electoral self-interest of legislators is probably much more accurately measured by the various electoral security measures used in this study than by the constituency measures typically employed in the public choice literature. Nevertheless, personal legislator electoral security is not a powerful explanatory factor.

Recent disclosures of campaign funding raising practices in the 1996 campaign have renewed political interest in campaign finance reform. Campaign finance is an important topic because the inequality in campaign contributions across both individuals and groups can mean that those individuals and groups able to give the

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most money to political campaigns are able to steer public policy in a different direction than would be the case with equal political access. Thus, campaign contributions effect the very heart of the democratic political process.

Generally, proposals for campaign finance reform have either favored greater governmental financing of political campaigns or have focused on limiting campaign spending and controlling the process by which money comes to candidates. Since there is insufficient political support for greater federal financing of political campaigns (*Congressional Quarterly Weekly Reports*, 1998, p. 465), attention at the federal level has focused on limiting campaign spending and controlling the avenues by which money is routed to candidates.

The public choice literature tends to see legislators as vote-maximizers whose highest priority is their own electoral security (Mayhew, 1975). The purpose of this paper is to apply public choice theory toward explaining senatorial voting behavior on the recent measure offered by Senators John McCain (R-Arizona) and Russell Feingold (D-Wisconsin) which would place voluntary limits on campaign spending and ban unlimited campaign contributions to political parties (*Congressional Quarterly Weekly Reports*, 1998, p. 516). Let us now use the public choice literature to develop an empirical model of factors likely to influence senators in voting on the McCain/Feingold measure.

EMPIRICAL MODEL THE EMPIRICAL MODEL TAKES THE FOLLOWING FUNCTIONAL FORM:

$$P_i = f(X_s, I_c, I_s) \quad (1)$$

where P_i is the probability that a senator from state i votes yes on the McCain/Feingold measure, X_s is a vector of electoral self-interest measures that suggest how re-election motivations might influence senatorial behavior, I_c is the ideological preference of the senator's electoral constituency, and I_s is the senator's ideology.¹

The dependent variable is the senator's stance on the McCain/Feingold measure. As the McCain/Feingold measure was successfully filibustered there was never a vote on the legislation itself. However, it is clear from the account of the vote to invoke cloture (hence ending the filibuster and permitting a vote on the McCain/Feingold measure) that the cloture vote was, in effect, a vote on the McCain/Feingold measure itself (*Congressional Quarterly Weekly Reports*, 1998, p. 467). The motion to invoke cloture on the McCain/Feingold measure was rejected 51-48 (a motion to invoke cloture requires 60 votes thus the motion was rejected even though a majority voted in favor of it). The dependent variable in equation (1) equals one if senator i votes in favor of invoking cloture on the McCain/Feingold measure and zero if the senator votes against invoking cloture. Senators' votes on the motion to invoke cloture on the McCain/Feingold measure are taken from *Congressional Quarterly Weekly Reports*, 1998, p. 516.

One series of factors that are likely to influence senatorial behavior on the McCain/Feingold measure concern the electoral self-interest of the senator. An electoral self-interest model of behavior on campaign finance legislation would stress how the proposed changes would influence the electoral security of the particular senator and/or the senator's political party. Studies of the impact of campaign expenditures typically find that challengers are more likely to gain through increased expenditures than incumbents (Jacobson, 1990; but for a contrary view see Green & Krasno, 1990). The less electorally secure the senator, the more vulnerable they are to a challenger. Typically, challengers are less well-known than incumbents (Jacobson, 1992, pp. 130–132). At low levels of campaign expenditures, each additional dollar helps less well-known candidates become better known and thus, more electable (Jacobson, 1992, pp. 130–132). However, since incumbents typically have a greater ability to raise campaign money than challengers (Goidel & Gross, 1996, p. 130), campaign spending limits tend to reduce the additional political benefits (e.g., more media, polling, etc.) that incumbents can often buy at higher levels of expenditure (Goidel & Gross, 1996, p. 144). Thus, even though the marginal benefit of expenditure is lower for incumbents than challengers, since incumbents typically can raise more money than challengers, a close election can mean that an incumbent may gain the margin of victory through vastly higher spending. Therefore, incumbents may desire to hold open the possibility of high campaign spending by not limiting campaign expenditures. The lower the electoral margin a senator was elected by, the more vulnerable to challenge they are. The more vulnerable to challenge an incumbent senator is, the more the incumbent stands to gain from being able to spend increased sums of money. Therefore, it seems reasonable to hypothesize that the lower the percent margin of victory the senator was last elected by, the less likely they will favor the McCain/Feingold measure. The percentage margin of victory is taken from *The Almanac of American Politics* (1998).

A second likely electoral-based effect on senatorial voting on campaign spending limitation is the senator's political party affiliation. Party affiliation could influence senators for several reasons. First, let us assume that, to the closest extent possible, senators want public policy to reflect their ideology. If so, all senators have a policy motive in having their party be the majority party: legislation closer to their preferred position is more likely to be enacted if the senator's party is in the majority (Poole & Rosenthal, 1997). Second, since the majority party is, by definition, winning more seats than the minority party under the current campaign finance laws, the majority party has less incentive to change the law. Conversely, the minority party may want to change the campaign finance laws in order to try to capture seats and become the majority party. Third, the party that has the greater ability to maximize campaign contributions relative to the opposition party under the current campaign finance system has less reason to limit the amount of money campaigns can raise. Typically, the majority party is able to raise more money than

it would if it were the minority party because potential opponents of the majority party will often contribute to incumbent members of the majority party rather than alienate incumbent majority party members by contributing to their opponent (Goidel & Gross, 1996). Since the Republican party is the majority party in both the House of Representatives and the Senate, it seems reasonable to expect that Democratic senators will be more likely to support the McCain/Feingold measure than Republican senators. Democratic senators are coded "1" while Republican senators are coded "0." Data on party affiliation are taken from *Congressional Quarterly Weekly Reports* (1998, p. 516).

A substantial body of congressional research indicates that a senator's constituency may influence how they vote (e.g., Miller & Stokes, 1963; Kingdon, 1973; Arnold, 1990). This is particularly true for high salience votes (Miller & Stokes, 1963). Since the McCain/Feingold measure received much media attention, constituency might be especially important on this legislation. Assuming for a moment that constituents view campaign finance reform as a public good" (i.e., as something that benefits the democratic form of government), as opposed to a "private good" (i.e., a means to enact the voter's preferred ideological policy preferences), then voters might punish senators for opposing the McCain/Feingold measure. As voters' memories decrease with time, legislators are more likely to follow constituent preferences the closer they are to re-election (Kuklinski, 1978). Accordingly, senators who face re-election in 1998 are hypothesized to be more likely to support the McCain/Feingold measure than senators who do not face re-election in 1998. Senators who face re-election in 1998 are coded "1" while senators who do not face re-election in 1998 are coded "0." Data on year of election are taken from the *Almanac of American Politics* (1998).

While constituent opinion on campaign finance reform might be monolithic, it is also quite conceivable that it could be ideological. Generally speaking, liberals are more supportive of social and economic egalitarianism than conservatives. For example, liberals are more supportive of inclusive social (e.g., gay rights, more lenient voting procedures) and economic egalitarianism (e.g., progressive taxation) than conservatives. Given liberalism's greater orientation toward egalitarianism than conservatism, it would seem plausible that liberals would place a higher value on minimizing the degree of monetary inequality between political candidates than conservatives. Therefore, it seems reasonable to hypothesize that the more liberal a senator's constituency the more likely the senator will vote in favor of the McCain/Feingold measure.

As previously discussed, the senator's likelihood of following the wishes of their constituency may depend on temporally how close the senator is to re-election (Kuklinski, 1978). Therefore, the impact of constituency ideology is tested both additively and interactively (i.e., a multiplicative term between being up for election in 1998 and constituent liberalism).

National public opinion polls, when disaggregated by state, typically have too few respondents for reliable statistical analysis. However, over the 1976-88 period, the CBS/New York Times Poll asked respondents their political party affiliation (Democrat, Independent, or Republican). Additionally, respondents were asked whether they would characterize their political views as liberal, moderate, or conservative.² Responses were coded as follows: liberal + 100, moderate 0, and conservative -100. A mean was calculated for each political party (i.e., Democrats, Independents, and Republicans) within each state.

Fenno's (1978) seminal study of congressmen interacting with their constituents indicates that a congressman is likely to view their electoral constituency as being that sub-set of their legal constituency who are likely to vote for the congressman. Voters in congressional elections are more likely to vote for their party's candidate than are voters who are members of the opposition party (Jacobson, 1992). Independent voters are often a battleground in congressional elections. Accordingly, the electoral constituency of a senator includes all voters except those in the opposition party. Therefore, the ideological preference of the electoral constituency of a Democratic (Republican) senator in state i is the sum of the mean ideological score of Democrats (Republicans) plus the mean ideological score of Independents in state i divided by 2. Higher scores denote greater liberalism. It is expected that the greater the degree of liberalism of the senator's electoral constituency, the more likely the senator is to vote in favor of limiting campaign contributions.

A third factor which is likely to influence a senator's position on the McCain/Feingold measure is the senator's political ideology (Bernstein, 1989; Kau & Rubin, 1993; Krehbiel, 1993; Poole & Rosenthal, 1997). Traditionally, economists and political scientists have measured a senator's political ideology by using interest group ratings (Jackson & Kingdon, 1992; Goff & Grier, 1993). This study uses the rating of the Americans for Democratic Action to measure a senator's political liberalism.³ The ADA score is the percentage of a senator's votes which were in accordance with the liberal interest group's position on various issues.⁴ It is hypothesized that the more liberal the senator (i.e., the higher the ADA rating) the more likely the senator will vote in favor of limiting campaign contributions. Senator ADA ratings were supplied by the Americans for Democratic Action.

EMPIRICAL RESULTS

Equation (1) is estimated using logit analysis because the dependent variable, the probability of voting in favor of the McCain/Feingold measure, is binary. The empirical results appear in Table 1.

With the exception of senator ideology, the results in Table 1 offer little support for the hypotheses. Regardless of which model is used, only senator ideology is both signed as hypothesized and statistically significant. However, the results for

Table 1. Logit Estimates of Senate Votes Cast for Cloture on the McCain/Feingold Bill

<i>Independent Variables</i>	<i>Dependent Variable Probability of Voting In Favor of Cloture</i>		
	(1)	(2)	(3)
Constant	-1.673 (4.302)	-3.963 (3.282)	-4.209 (1.326)
Victory Margin	.052 (.058)	.038 (.052)	.004 (.033)
Party	31.567 (3388119.0)	31.961 (6644027.0)	30.952 (2272922.0)
Facing Election	-5.214 (5.162)	-.105 (1.271)	--- ---
Sub-Const. Liberalism	.150 (.203)	.031 (.131)	--- ---
Facing Election x Sub. Cons. Lib.	-.231 (.226)	--- ---	-.006 (.052)
Senator ADA Rating	.104*** (.038)	.101*** (.037)	.098*** (.031)
Likelihood Ratio Index	.83	.83	.82

Note: Estimated standard errors are in parentheses (statistically significant at the *.10 level; **.05 level; ***.01 level; ****.001 level)

Table 2. Logit Estimates of Senate Votes Cast for Cloture on the McCain/Feingold Bill Among Republicans

<i>Independent Variables</i>	<i>Dependent Variable Probability of Voting In Favor of Cloture</i>		
	(1)	(2)	(3)
Constant	-1.673 (4.302)	-3.963 (3.282)	-4.209 (1.326)
Victory Margin	.052 (.058)	.038 (.052)	.004 (.033)
Facing Election	-5.214 (5.162)	-.105 (1.271)	--- ---
Sub-Const. Liberalism	.150 (.203)	.031 (.131)	--- ---
Facing Election x Sub. Cons. Lib.	-.231 (.226)	--- ---	-.006 (.052)
Senator ADA Rating	.104*** (.038)	.101*** (.037)	.098*** (.031)
Likelihood Ratio Index	.46	.43	.40

Note: Estimated standard errors are in parentheses (statistically significant at the *.10 level; **.05 level; ***.01 level; ****.001 level)

the effect of party affiliation are somewhat misleading. While the coefficient for political party affiliation is large and signed as hypothesized, it is not close to attaining statistical significance. Since all Democratic senators who voted favored ending the filibuster while only seven Republicans voted to end the filibuster, the statistical insignificance of political party affiliation in Table 1 is puzzling. The

reason political party affiliation does not attain statistical significance in Table 1 is that all observations in one category of an independent variable have the same score on the dependent variable (i.e., all Democrats who voted favored ending the filibuster). If this situation occurs, in effect, the model is not specified. There is a “flat” in the likelihood function.⁵ For this reason, the equations in Table 1 are re-estimated for Republican senators only.

As Table 2 shows, with the exception of party (which is omitted), both the coefficients and standard errors for all independent variables remain the same as in Table 1. Again, with the exception of senator ideology, none of the coefficients are both signed as hypothesized and statistically significant. However, comparing Tables 1 and 2 demonstrates the impact of party affiliation. Regardless of the model used, with party included in the equation the goodness of fit statistics, the likelihood ratio index scores, are a very high .83.⁶ Without party in the equation, the likelihood ratio index scores drop to the .43 level. Obviously, political party affiliation greatly increases the predictive accuracy of the model. Nevertheless, the .43 likelihood ratio index scores in Table 2 indicate that ideology, the only statistically significant independent variable, is an important factor in explaining voting by Republican senators on the McCain/Feingold measure.

CONCLUSION

The results from this study provide strong support for the notion that on legislation that could potentially alter the partisan balance in Congress, as well effect the likelihood that incumbents, regardless of party, will be re-elected, senators typically vote in a manner to strategically benefit their party. Most senators voted to maximize the chances of their party either remaining, or becoming, the majority party in Congress. Additionally, senator ideology is also an important predictor of senatorial voting on campaign finance reform. None of the indicators of individual senator electoral security were close to attaining statistical significance.⁷

These findings are both interesting and important because there is some tension between behaving in a manner that maximizes the benefit for a senator’s party versus what maximizes the individual senator’s chances for re-election. Since limiting campaign spending typically works to the advantage of challengers, Democratic senators face a cross-pressured situation: what may most help the Democratic party regain majority control in Congress (i.e., defeating incumbent Republicans) may harm their personal chances of re-election. While this may be true, no Democratic senator voted against the McCain/Feingold measure. For Republicans who were tempted by ideology to support campaign spending limitations, the strategic disincentives were even greater: what their ideology favored most likely hurt both their party and their own personal re-election chances. Thus, despite personal and possibly partisan disincentives, many senators chose to support campaign spending limitations. While the outcomes under campaign finance reform may be diffi-

cult to estimate with complete accuracy (Goidel & Gross, 1996), the personal electoral self-interest of the senator does not appear to be the sole thrust of senatorial behavior on the McCain/Feingold measure.

Krehbiel (1993) suggests that constituency measures are not necessary highly valid. Therefore, scholars often have great difficulty in estimating the effect of constituency on legislator behavior (Krehbiel, 1993). Voting in-step with a legislator's constituency is typically in the electoral self-interest of the legislator (Jacobson, 1992, pp. 139–141). However, the electoral self-interest of legislators is probably more accurately measured by the various electoral security measures used in this study than through the constituency measures employed in most studies of Congress. Nevertheless, legislator behavior is not strictly explained by personal legislator political benefit (Bernstein, 1989; Krehbiel, 1993; Kau & Rubin, 1993).

NOTES

1. It is a convention in the literature for constituent's ideological preferences (I_c) to appear in equation (1) even though it is a constituent interest. Consequently, all references to constituent interests in the text include constituency ideology.
2. The survey question is as follows: How do you describe your views on most political matters? Generally, do you think of yourself as liberal, moderate, or conservative? Using a longitudinal measure gives us a far larger number of respondents (141,294) than in a typical exit poll (approximately 15,000). Hence, the measure should be much more valid than could be obtained from a single survey. The data are reported in Erikson, Wright, and McGiver (1993, p. 40). The reliability between the 1976-82 and 1983-88 periods is an extremely high .976 (Erikson, Wright, & McGiver, 1993, p. 32).
3. Jackson and Kingdon (1992) argue that interest group ratings over-estimate the impact of ideology. Snyder (1992, pp. 332-333) indicates that rather than over-estimating the impact of ideology, the S-shaped distribution of interest group rating scores actually causes them to underestimate the impact of ideology. Following Snyder (1992, p. 341), I examined the relationship between Poole and Rosenthal (1997) measure of ideology and ADA scores. Typically, the Poole and Rosenthal "dominant" dimension scores correlate with ADA scores at approximately $-.90$. Thus, choice of an indicator makes little difference.
4. Since the 1998 ADA ratings are not currently available, this study uses the 1997 rating (all senators are the same for both years). This study makes two changes in the liberalism scores reported by the Americans for Democratic Action. Since the 1997 ADA ratings incorporated a vote on campaign finance reform, this vote was eliminated from the version of the 1997 ADA ratings. Additionally, to avoid penalizing members for failure to vote, ADA scores were re-calculated as the percentage of times the senator voted in the direction supported by the ADA on the votes on which the particular senator voted.
5. Personal communication with William H. Greene.
6. On the use of the likelihood ratio index as a measure of goodness of fit for logit models see Greene (1993, pp. 651–653).
7. Since one could conceive of political advantage as being defined by financial advantage as opposed to winning margin, all of the equations in Tables 1 and 2 were re-estimated including the per capita spending difference between the incumbent and their last challenger. The per capita spending difference was not close to attaining statistical significance in any equation. Addi-

tionally, it had virtually no effect on the statistical significance of any of the other independent variables.

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