Critics of American politics often say that spending on electoral campaigns harms our democracy. They charge that the money goes for cynical, negative, and misleading advertisements that alienate the public from politics and elections.

Political scientists have collected and analyzed data on the connection between campaign spending and civic life. The data bear on several questions at issue in campaign finance debates: Does campaign spending reduce public trust? Does it reduce levels of citizen involvement in or attention to campaigns? Does it lower citizens' knowledge of information relevant to their votes? Who benefits from campaign spending?

Studies indicate that campaign spending does not diminish trust, efficacy, and involvement, contrary to what critics charge. Moreover, spending increases public knowledge of the candidates, across essentially all groups in the population. Less spending on campaigns is not likely to increase public trust, involvement, or attention. Implicit or explicit spending limits reduce public knowledge during campaigns. Getting more money into campaigns should, on the whole, be beneficial to American democracy.
Introduction

For more than a decade, campaign finance has been a topic of national debate and, in 2002, legislation. Substantial scholarly and public discussion has focused on the contributions side of campaign finance: who contributes, how much, and with what effect on the making of public policy? An equally important but underdeveloped discussion examines candidate spending: what benefits for democracy, if any, flow from campaign spending?

Positions on the latter question in the public reform discussion have been clear. To one camp, campaign spending is political speech that deserves protection. More speech means more information, and more information produces an enlightened and active citizenry. Candidates and parties rationally use campaign spending to inform the public about candidates’ policy preferences. By contributing to the quality and quantity of public discourse and by making political elites accountable to the governed, campaign spending builds political community. Unlimited campaign spending is a boost for democracy.1

To the other camp, unlimited campaign spending undermines democratic values. Legislators spend inordinate time raising funds to create a bipartisan incumbent protection scheme that hobbles challengers and grants access and favors to contributors. Money is spent on cynical, negative, and misleading campaign advertisements. The public becomes skeptical or, even worse, apathetic and uninvolv ed, and campaign spending fails to enlighten or engage the public.2

Researchers have explored most of the contentious points raised in the public discussion of campaign contributions. Research on campaign spending, on the other hand, has been narrower than the public discussion, focusing largely on the extent to which campaign spending contributes to electoral victory. In this paper, I report on the results of several studies I conducted that examine the connection between campaign spending and civic life. In particular, those studies examine the connection between spending and public trust, perceptions of efficacy (the feeling that being involved in politics makes a difference), levels of involvement in and attention paid to campaigns, and electorally relevant knowledge—all key components of a vibrant political community.

Despite the concerns of reformers, campaign spending produces generally beneficial effects. Campaign spending makes an important contribution to key aspects of democratic life, such as public knowledge, and does not damage public trust or involvement.

The Effect of Campaign Spending on Public Trust and Involvement

The complaints about campaign spending are well-known. One frequent assertion is that high levels of spending alienate and disillusion the public. Does an individual’s direct experience with campaign spending affect his or her attitudes? Do large amounts of spending in their own districts turn off and disillusion potential voters? Campaign spending does not have the dire consequences for trust, efficacy, and involvement that were alleged by critics of campaign spending.

In a study of the 1994 and 1996 U.S. House elections, my coauthor and I examined whether the level of spending in the campaigns affected the public’s trust in government and the electoral process.3 In other words, are citizens living in congressional districts where campaign spending is high likely to be more cynical about politics and elections than citizens living in districts where spending is low? Merging the best available national election public opinion data (the National Election Studies, collected by the Interuniversity Consortium for Political and Social Research at the University of Michigan) with campaign spending data collected by the Federal Election Commission,
we performed a statistical analysis to determine whether campaign spending was linked to the level of public trust. The study controlled for more than a dozen other factors that might influence public trust; that way, we could be certain that we were isolating the effects of campaign spending from the effects of other possible factors.

The results indicated that campaign spending does not contribute to public cynicism. When respondents were asked how often they trusted the federal government to do what is right, their answers were unaffected by the level of candidate spending. The same result held when survey respondents were asked whether people like themselves had a say in what government does. Whether campaign spending was high or low, people were equally likely to indicate that they did have a say in what government does. Direct experience of high levels of spending does not increase citizens’ cynicism about government and politics.

On only one question did respondents display more cynicism when spending was high: when challengers spent a lot in 1994, survey respondents were more likely to say that the government wasted a lot of tax money. When incumbents spent more in 1994, however, respondents were more likely to give a trusting response, to say that government did not waste a lot of tax dollars. Those results are not surprising given the context of the 1994 elections. Republican challengers waged a particularly vigorous campaign stressing common themes across the country, and as they spent more, that effort bore some fruit in the public perception of taxes. Incumbents, mostly Democrats, were able to counteract that by spending more themselves.

We also found two instances in which more spending boosted trust. Increased incumbent spending in 1996 boosted public perceptions that government is run for the benefit of all rather than for big interests, and higher challenger spending in 1996 made it less likely that people believed that many people in the government are corrupt. Those two findings, neither of which held in 1994, are less important than the general pattern of the results: despite the assertions of critics of campaign finance, higher campaign spending does not generate distrust and cynicism.

Another charge related to the trust issue is that higher campaign spending tends to discourage citizen involvement in and attention to campaigns. For public involvement, we examined whether respondents in 1994 and 1996 said they cared about the election, discussed politics with friends and family, talked to others about voting for or against a specific candidate, and were interested in following the campaign. In only 2 instances (of a possible 10) did we find that spending diminished involvement, but, contrary to arguments made by critics of spending, it was higher challenger spending in 1994, not incumbent spending, that decreased the likelihood of caring about the election or discussing politics with friends and family.4 Again, the pattern of results is more important than the results in those two specific instances: in general, there is no statistically significant relationship between campaign spending and public involvement or attention. The criticism that large amounts of campaign spending dismay the public and discourage people from being interested in campaigns is incorrect.

Notably, the amount of incumbent spending had no significant effect on the public’s involvement or attention levels. The argument that citizens are turned off by high-spending campaigns simply does not hold up when those high-spending campaigns are in citizens’ own districts. Scholars have found this kind of result in many arenas: people are critical of Congress, but they tend to praise their own members of Congress; people say the nation’s education system is in crisis, but they generally rate their local schools highly; people say crime is spiraling out of control, but they say they feel relatively safe in their neighborhoods. Campaign spending apparently works much the same way: citizens may, almost by reflex, respond negatively when asked about campaign spending in the United States general-
ly, but when we look at how high levels of campaign spending in districts affect people in those districts, we find that high spending does not diminish their involvement or attention.

The Effect of Campaign Spending on Public Knowledge

Critics often deride campaigns as exercises in manipulation, but analysis of the effects of campaign spending suggests a more positive interpretation. Higher campaign spending produces more knowledge about candidates, whether measured by knowing the candidates' names, being able to place candidates on ideology or issue scales (the survey respondent is, for example, asked where he or she would place a candidate on a seven-point ideology scale if one end of the scale is labeled "extremely liberal" and the other "extremely conservative"), or confidence in the placement on the ideology scale. For 20 measures of knowledge, we found that there was a statistically significant relationship between spending and knowledge. On 18 of those measures, spending boosted knowledge; only on 2 did spending decrease knowledge. The effects of spending are overwhelmingly positive, and they are particularly strong for challengers. That is, both incumbent and challenger spending produces boosts in knowledge, and challenger spending is more likely to do so. Those tendencies were essentially linear, meaning that we did not see evidence that knowledge boosts would fade out at any particular spending level. The upshot is that setting a cap on spending by incumbents or challengers would likely produce a less informed, less knowledgeable electorate.

For example, we found that when challenger spending was at its mean level of about $230,000 in 1996, about 49 percent of respondents in the relevant districts could place the challenger on a seven-point ideology scale. At $500,000 of spending, the percentage rose to 66; and at $1,000,000, the percentage jumped to 85. The percentage of respondents certain that their placement was correct also jumped from 20 to 31 to 53 at these three challenger spending levels.

We found similar effects for specific issues. For example, if an incumbent spent around $210,000 in 1996, about 36 percent of the public in the district would be able to place the incumbent on an issue scale for abortion. If the incumbent spent $1,500,000, about 53 percent of the public would be able to locate the incumbent somewhere on the abortion issue scale. The same pattern holds for challengers. If a challenger spent around $210,000, about 13 percent of the public would be able to place that candidate on the abortion issue scale. At $1,500,000, however, the percentage jumps to 53, the same as for incumbents. We find similar results when looking at defense spending and government services and spending, the other issue scales available in the National Election Study.

Increased spending also affects whether respondents report likes or dislikes about the challenger and incumbent, again suggesting an information effect—as respondents learn more, they may find that there are things they do or do not like about a particular candidate, or they may find that some of the things that they thought were true about that candidate do not in fact appear to be so. That again suggests a boost in public knowledge.

One of the major concerns of critics of campaign spending is that candidates allowed to spend as much as they wish will misinform and confuse the public, perhaps even use campaign funds to create false impressions about their true stances on issues. We examined this charge directly in our study and found that it is not persuasive. By combining data on how an incumbent has voted on bills in Congress (roll-call votes) with the survey respondents' placement of the incumbent on an ideology scale, we can see how accurate people are in their placement of the incumbent. In other words, if a respondent places an incumbent toward the liberal end of the ideology scale, we can see
whether the incumbent's voting record has in fact been toward that end of the scale. In our study, we produce “loose,” “moderate,” and “strict” measures of accuracy, with each posing a more difficult threshold before considering an individual’s placement of the incumbent to be accurate.

The findings are encouraging. In 1996, the more incumbents spent, the more accurate respondents were about the incumbent’s ideology according to all three of our accuracy measures. If incumbents hypothetically spent $0 in running for reelection, about 23 percent of the public would be accurate about their ideological placement (using, for this example, the measure of “moderate accuracy” in the study). This level of accuracy results from familiarity with the incumbent from news reports during his or her term, as well as other cues such as the party label. Spending of $1,000,000 would lead to 49 percent of the public being accurate; spending of $1,500,000 would produce an accuracy rate of 63 percent. This is a strong, significant improvement in public accuracy. In 1994 incumbent spending increased accuracy according to our “moderate” measure. For the other measures, there was no statistically significant relationship: additional incumbent spending does not make respondents more accurate, but it does not “fool” the public and make respondents less accurate, either. In both years, challenger spending tended to decrease accuracy about the incumbent—the more challengers spend, the less sure the public is about what the incumbent stands for. The challenger in a competitive election wants voters to wonder how much they really know about the incumbent; campaign spending raises that question for voters. The effect of more spending, then, is a more reflective and aware electorate. As incumbent spending pushes respondents in one direction, challenger spending pushes them in another. In short, incumbent and challenger spending produces a more competitive election. Limiting spending would limit competitiveness.

These results are consistent with those of another study published in 1999. There, I examined whether incumbents could use campaign spending to distance themselves from the public image of their party or from their voting records. Could an incumbent run away from the party label and from his or her own voting record? Specifically, I investigated whether incumbents could create a more moderate image of themselves through the use of campaign spending. The results showed that incumbents could not spend their way to a more moderate image than their voting record would suggest. In fact, the more incumbents spent, the less likely respondents were to mistakenly place the incumbent in the ideological center.

Overall, spending does not make individuals less knowledgeable, despite what critics imply. Instead, we see substantial evidence of spending boosting awareness, recall, ability to perform campaign-related knowledge tasks, and respondent accuracy.

Campaign Spending and Political Inequality

One fear often voiced by critics of campaign spending is that such spending merely perpetuates the advantages of the already well-off. The logic is that candidates tend to cater their appeals to the relatively wealthy in society. The more money spent in campaigns, the argument goes, the larger the information gap between the well-off and the less-well-off. Moreover, some citizens will pay more attention to public affairs than will others, and candidates will target their attention to those individuals. High-attention citizens tend to have more education, higher income, and higher socioeconomic status in general. Again, the more candidates spend, the larger the gap that emerges between low-attention and high-attention citizens as candidates shower the attentive group with campaign appeals—or so the story goes. As indicated above, my research has found significant knowledge benefits from campaign spending. It would be alarming if those ben-
The benefits of campaign spending are broadly dispersed across advantaged and disadvantaged groups alike. The question of whether campaign spending disperses knowledge broadly across the population or to more narrowly targeted groups is tied to one of the most fundamental issues that has animated political science scholarship for decades: does a particular political practice enhance equality or foster inequality? This is simple, direct, and profoundly important to democratic theory.

My research suggests that, as with campaign spending in general, the story is a relatively positive one. In my study, I compared the effects of campaign spending for a series of group pairings, in which the first group would be considered relatively advantaged politically, economically, or socially and the second group would be considered relatively disadvantaged. The group pairs included political characteristics (for example, strong partisans vs. not strong partisans, contacted by party vs. not contacted by party, voters vs. nonvoters) and socioeconomic characteristics (for example, white vs. not white, family income in top 75 percent vs. family income in bottom 25 percent, attended at least some college vs. attended no college). I also created a cumulative measure of advantage and disadvantage that combined four group characteristics; the “cumulatively advantaged” are advantaged in at least three of these characteristics (high income, college education, voter).

I then examined several knowledge items relevant to House campaigns, such as recall of candidate names, placing candidates on ideology scales, and placing candidates on issue scales. Because much of the controversy in campaign spending research concerns the fate of challengers, I focused on the impact of challenger spending on knowledge about the challenger, comparing the impact for people in the advantaged groups with the impact for people in the disadvantaged groups.

The results show that the benefits of campaign spending are broadly dispersed across advantaged and disadvantaged groups alike. That is, as challengers spent more, members of both groups gained in knowledge. For example, with challenger spending at $225,000 in 1996, 57 percent of members of the “cumulatively advantaged” group could place the challenger on a seven-point liberal to conservative ideology scale. Forty-seven percent of non-cumulatively advantaged (“disadvantaged”) individuals could do the same. If challenger spending increases to $650,000, the percentages are 78 and 69 for the two groups, respectively. With spending at $1.3 million, the percentages leap to 94 and 90, respectively. This example shows that increased spending produces real increases in the knowledge of both the relatively advantaged and the relatively disadvantaged. Moreover, the disadvantaged make real gains on the advantaged. At $225,000, the ratio between the percentage of the disadvantaged (47 percent) and the percentage of the advantaged (57 percent) able to place a challenger on the ideology scale is .82 (in other words, the ratio of 47 percent to 57 percent is .82). At $650,000, the ratio is .88. At $1.3 million, it is .96. At that level of spending, the gap in knowledge between the two socially disparate groups has nearly evaporated.

To take another example, at $225,000 of challenger spending in 1996, 18 percent of the cumulatively advantaged could place the challenger on a seven-point issue scale for government services and spending; 13 percent of the disadvantaged could do so. The ratio of the two is .72. At $650,000, the percentages increase to 35 and 26, respectively, with a ratio of .74. At $1.3 million, the percentages are 67 and 58, respectively, with a ratio of .87. Again, the more money spent, the more both groups are able to perform this task. The more the challenger spends, the closer the ratio of the percentage of people in each group that can place the challenger on the scale. And this example shows that there is clearly room for even more gains in knowledge as spending exceeds $1.3 million.

What both of these examples show is that limiting challenger spending to $225,000, or
$650,000, or even $1.3 million would have a negative consequence in terms of public knowledge and that the consequence would spread across social, political, and economic groups. Many other examples can be drawn from the research to make the same point: When more money is spent, relatively advantaged groups do gain the benefit of more knowledge, but, particularly critical for democratic elections, so do relatively disadvantaged groups. Increased knowledge about the candidates does not disproportionately flow to privileged sectors of society, bypassing less privileged sectors. Campaign spending has the effect (through campaign ads, contacts, and other organizational activity) of dispersing knowledge broadly across the public, to relatively disadvantaged as well as advantaged groups. The more that is spent, the more equal groups become in their knowledge levels. Low levels of spending, therefore, lock in inequality of knowledge between groups. Campaign spending, rather than strengthening and entrenching political inequality, is a democratizing force.

Involvement and “Negative” Politics

Skeptics allege that high-spending campaigns often reduce voter participation by encouraging candidates to rely on “negative” ads. Political science research, however, tends to dispute that point. Most studies have concluded that negative ads do not demobilize, and may to some extent even mobilize, the public. The authors of a meta-analysis of more than 50 published articles bearing on the topic report that they “uncovered little evidence to warrant the fears of those who believe that electoral participation is imperiled by the increasingly widespread use of negative political advertisements.”

My research, based on the 1998 U.S. House campaigns, concurs. Performing analyses similar to those described above for 1994 and 1996, but also including spending by political parties and special interest groups and advocacy organizations as well as candidates, my coauthor and I found that more money spent on positive ads, negative ads, or ads that contrast candidates in some way typically does not affect the levels of public trust, efficacy, or election involvement.

A related fear has been that expensive campaigns are necessarily more “negative” in tone. That does not appear to be the case. The correlation between spending on negative ads and total ad spending was .12 in 1998 and statistically insignificant. That takes into account not only candidate spending but spending by groups and parties also. The public will see more ads of all types in expensive campaigns. On the flip side, negative ads will be present whether campaign spending is low or high.

Last, we found that more money spent on contrast ads—which combine positive and negative appeals—significantly boosted public knowledge; positive ads more modestly boosted knowledge. In sum, even if we analyze spending on particular kinds of advertising, rather than spending overall, we find that high levels of campaign spending produce generally positive effects.

Conclusion

Political scientists have long thought that, in terms of competitive elections, low levels of spending can be problematic. Ordinarily, of course, incumbents have the spending advantage. Congressional incumbents are often quite good at what they do. They have name recognition; they know how to use the media; they know how to work on issues that are of interest in the district; they take positions that are generally popular in the district; and they know how to get things done for the district and for individual constituents. Challengers frequently need to spend more than incumbents to overcome those nonfinancial advantages of incumbency. Challengers allowed to spend freely might well topple incumbents, especially where incumbents are weak and unpopular. When

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an incumbent is weak, of course, money will tend to flow into the challenger’s campaign more readily. Restricting that inflow makes the job of displacing the incumbent that much more difficult.

Campaign spending has been not only a source of complaints about the reelection of incumbents; it has also become a surrogate for a wide range of problems in the political system. Despite the volume of the public debate, there has been little academic research focusing directly on the impact of campaign spending on public trust, efficacy, involvement, and knowledge. These are questions about our civic life that are broader than the issue of who wins and who loses elections. The series of studies reported in this paper is a sustained attempt to track those linkages at the national level. The findings of those studies show that campaign spending enhances the quality of democracy and leads to a vibrant political community. Spending does not diminish trust, efficacy, and involvement, contrary to critics’ charges. Moreover, spending increases public knowledge about the candidates, across essentially all groups in the population, whether “advantaged” or “disadvantaged.” The policy implication of these findings is that low levels of campaign spending are not likely to increase public trust, involvement, or attention, but they will tend to diminish public knowledge. Spending limits, whether explicit or implicit, mean a reduction in the level of public knowledge during campaigns. Getting more money into campaigns should, on the whole, be beneficial, and there is a range of methods—which would appeal differently to people of different ideological persuasions—by which those additional resources could enter the campaign finance system. Campaign spending benefits democracy.

Notes

1. For a representative sampling of this position, see the readings in Part Four of Political Money: Deregulating American Politics, Selected Writings on Campaign Finance Reform, ed. Annelise Anderson (Stanford, Calif.: Hoover Institution Press, 2000).


3. John J. Coleman and Paul F. Manna, “Congressional Campaign Spending and the Quality of Democracy,” Journal of Politics 62, no. 3 (2000): 757–89. Campaign spending is not only about spending on advertisements: “Campaign spending purchases a campaign organization that in many different ways communicates with the public. The quality of campaign staff, the extensiveness of the organization, and the multiple connections between an organization and the media and interest groups can all affect the public’s reception of campaign information, and most if not all of these factors are reflected in a candidate’s overall campaign spending amount” (p. 764).

4. We examined incumbent and challenger spending for each of five survey items for a total of 10 possible relationships between campaign spending and public involvement.

5. Technically, each respondent in these districts has a .49 probability of being able to place the challenger on the seven-point ideology scale.

6. We relied on the incumbent’s roll-call votes, not campaign pronouncements, to measure his or her actual ideological position. Because challengers, in most cases, do not have a voting record, we were unable to conduct similar accuracy tests for them. As mentioned previously, however, higher challenger spending does improve public knowledge about the challenger.


8. Regarding respondent accuracy, the Coleman and Manna study found that 13 of 15 spending coefficients were significant for 1994 (revised to take into account the party label of the challenger) and 1996. My 1999 article, looking at accuracy and inaccuracy in a somewhat different manner (mistaken placements in the ideological center), finds 8 of 8 spending coefficients significant. Thus, across two studies, with two different ways of looking at accuracy, I find significant coefficients in 21 of 23 instances. The pattern is that incumbent spending improves accuracy about the incumbent’s ideology—incumbents do not run from their record. Challenger spending, on the other hand, may reduce accuracy. That is not surprising. A challenger might focus the public’s attention on a particular part of the incumbent’s record that he or she believes is important (whether for strategic, ideological, moral,
political, or other reasons), and the public's increased attention to this part of the record might reduce awareness of and accuracy about other parts. Also, a challenger is introducing his or her own issues into the campaign mix, thus redirecting public attention from the incumbent's record to the challenger's stances and proposals; this could have the effect of reducing accuracy about the incumbent's record. Both of these factors would tend to make the challenger a more competitive candidate.


12. Our measure of trust combines survey respondents' answers to questions about how often they trust the government to do what is right, how much governments wastes tax money, whether government is run for big interests or the benefit of all, how many people in government are corrupt, and whether the United States is headed in the right direction. The efficacy scale includes whether respondents feel that people like them have a say in government, whether public officials care what people like them think, whether government pays attention when making decisions, and whether elections make government pay attention. Election involvement includes caring about the House election outcome, discussing politics with friends and family, talking to others about candidates, whether the respondent expresses interest in following the campaigns, and whether voting can make a difference.

13. I am speaking here of general tendencies rather than what will happen in each and every election.