Campaign Finance Reform- Deja Vu All Over Again
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It wasn't exactly a defining moment in American political history. There was no Rose Garden ceremony to celebrate the occasion. No nice pens to hand out at the signing. In fact, there was no one at the signing, at least not the sponsors of the heavily touted campaign finance reform measure sent to President Bush by Congress last month.

Bush himself left town almost immediately to raise money for his friend Lindsey Graham, who's running for the U.S. Senate in South Carolina, an irony not lost on the nation's press corps. John McCain, the best-known congressional sponsor, received a call from a nice young man at the White House, as he graciously put it, to tell him the president had signed the legislation.

Such was the end of the first substantial federal campaign legislation since the ill-fated Watergate reforms of the 1970s. It wasn't an auspicious augury--but it may turn out to have been a prophetic one. The new reforms--beneath a surface gloss--look a lot like the old failed Watergate reforms. And that's not good news.

The Watergate era reforms themselves were virtually stillborn. The Supreme Court struck down some of their leading provisions as unconstitutional limitations on free speech. Congress itself fashioned the coup de grace by opening loopholes for unregulated money--a.k.a. soft money to be raised and spent by campaigners. Soft money soon flooded into the system in amounts that destroyed the intent of the legislation to limit and regulate the monies used to elect candidates to federal office.

Sadly, the new reforms are likely to be as ineffective as those from the Watergate era. Like the 1970s reforms, they may paper over the problems for a while, but they do not even begin to address the underlying fundamental issues in campaign finance. Nor are these issues and the dilemma these issues pose even very well understood.

Traditionally, the problem of campaign finance is conceived as a legal and ethical one: How do we keep politicians and their supporters from abusing the system? The abuse is variously described as raising too much money, raising it from the wrong sources, or spending too much of it. If this really was the problem, we could solve it with relative ease.

But bad laws and sleazy politicians are not the real problem here, and, because that never gets acknowledged, we keep trying to solve the wrong problem. So what is the real problem? Well it's certainly money. That part of it the reformers have gotten right.

But the nature of the problem is not controlling the supply of cash as most campaign finance laws try to do. It's meeting the demand for cash, more specifically meeting the money demands of the political process while still maintaining a competitive electoral system. That's the real problem. The rest merely serves as a side show to the main attraction.
And oh how we love the details. Much of campaign finance reform is about the details—reporting this, disclosing that, filing this form, and so forth. And the devil is very much in those details, which misses the point entirely. The real solution to campaign finance reform lies not in the details, but in our denial that the campaign system requires money—lots and lots of it.

Let's be clear about this. Politics, meaning campaigns and elections, is the heart of the democratic process. If we didn't have elections with serious candidates, defining their differences, democracy would be severely diminished. And the elections and the campaigns that precede them and define these differences cost money.

Once, vigorous political parties, with wide access to patronage and committed partisans, "subsidized" these costs. But today's weak parties no longer have these resources. Contemporary campaigns must increasingly rely on mass media, especially TV, and they are astronomically expensive.

Consider just one example from a recent Pennsylvania's gubernatorial election: Eight years ago (1994) 10 Democratic and Republican candidates spent a record $42 million on their primary and general elections. This year no one will be too surprised if the spending of the three top gubernatorial candidates tops $50 million.

It is perhaps an unpalatable truth, but truth it is: Money is key to political power in the United States. The political market is symbiotically tied to the economic market. Cash powers both. And access to cash is what separates winners and losers—in the economic sphere as well as the political realm.

But this fundamental lesson is not one that Congress has yet learned. Instead, when legislators set out to achieve reform, they forget that politics in a market economy has everything to do with the market place itself. In the context of contemporary campaign finance reform this usually means exploiting the loopholes, which explains the paradox that the harder legislators work to make the campaign system "better", the worse the system gets. Campaign finance reform ends up just producing more and better loopholes.

Public financing may be the best solution. Neighboring New Jersey has it, and it was credited with almost producing a major upset in a gubernatorial election a few years ago. And nationally almost everyone praises the one aspect of the post-Watergate reforms that worked—the public financing of presidential elections.

Public financing won't solve the First Amendment problem with the ban on soft money that exists in the new legislation. Plug up one hole and another will surely open, and through the loopholes campaign coffers will be filled. But public financing will accomplish one major plus for electoral competition. It will give challengers an opportunity to make their case before the voters, something not possible for many at the moment. Now that's real campaign finance reform.

Unfortunately, neither Congress nor our own state legislature has shown much interest in public financing. And in fairness to them the public has not cared much or pressed for it. In fact, the reaction by the public to taxpayer funding, while mostly indifference, has bordered on outright hostility at times.

Those who genuinely care about competitive elections, however, should devote the lion's share of their attention convincing the public of the efficacy of a level playing field; it's a goal worth pursuing.
For decades now the public has been taught that money in politics is not the root of the evil, but the evil itself. That's patent sophistry, but as long as we continue to believe it, real campaign finance reform will continue to elude us. Like Bill Murray's character in the movie Groundhog Day, we seem to be caught in an endless pattern of futile repetition and frustration. But Yogi Berra probably would have summed it up best. It's all just deja vu all over again.

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