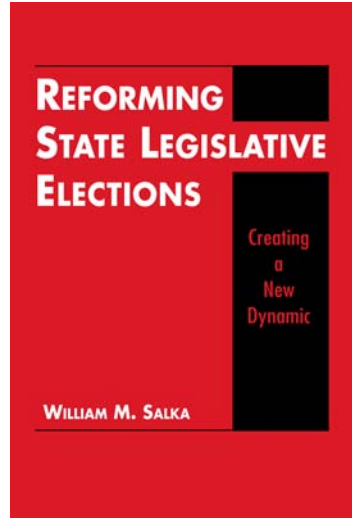


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Reforming State Legislative Elections: Creating a New Dynamic

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1

Introduction: Legislative Elections in the States

In 2006, California's thirty-fourth state senate district was home to one of the most expensive state legislative campaigns in US history. In this race, Democrat Lou Correa narrowly defeated Republican Lynn Daucher by a margin of 1.4 percent of the vote. Correa had served three terms in the state assembly before he was forced out by term limits in 2004. He then won a seat on the Orange County Board of Supervisors and awaited the upcoming senate election. Daucher had also served three terms in the assembly and was forced to vacate her seat in 2006, also because of term limits. Both candidates, then, were professional politicians hoping to win the open senate seat and remain in the state legislature. To win the senate seat, Correa spent \$3,059,405 on his campaign. Daucher actually outspent Correa, with \$3,536,150. California's thirty-fourth state senate district race in 2006, then, pitted two veteran members of the assembly who could never again serve in that chamber because of term limits. The two combined to spend more than \$6 million in the campaign to fill the state senate seat, the previous occupant of which had himself been forced to leave because of term limits.

While spending \$6 million in a single legislative campaign may seem excessive to many people, this was not the most expensive legislative race in US history. That honor is held by another California state senate race, the Fifth District in 2004. In this race, incumbent Michael Michado, a Democrat, was able to fend off Gary Podesto, his Republican challenger who was also the mayor of the town of Stockton. Each candidate spent just under \$4.5 million, combining to spend a total of \$8,787,017 in the race. Michado ended up winning by a margin of 4.4 percent, allowing him to serve only that second term before term limits forced him out. As these examples show, the amounts spent on some legislative campaigns are quite high, especially in California. Increasing campaign costs are not unique to

California, because many states have seen the costs of their legislative campaigns rise dramatically since the early 1980s (Moncrief 1998). One could speculate that increased legislative professionalism or ever-growing district populations are contributing to rising campaign costs. It might also be that donors are willing to contribute such large sums of money because they hope to improve the competitiveness of their preferred candidates, or because they are hoping that their contributions will buy them access to the candidates who win the election. Despite the importance of this issue, there have been few attempts to empirically investigate why campaign costs are rising in so many states or what might be done to control them.

An equally important issue is the competitiveness of those campaigns. Here again, there seems to be a problem. Legislative races in states like Arkansas and Massachusetts are particularly uncompetitive. In legislative elections held in Arkansas between 2002 and 2006, a full 65 percent of all candidates were unopposed, meaning one candidate was simply handed the seat without any opposition. In Massachusetts during the same time period, the average margin of victory was over 71 percent. This meant that winning candidates in legislative races received an average of almost 86 percent of the vote, while losing candidates were able to muster only an average of 14 percent of the vote. Again, speculation may lead to the conclusions that these states have uncompetitive campaigns because one political party is dominant in each state or because legislative districts are intentionally drawn to be uncompetitive. It could also be that some legislatures have institutional structures that confer substantial electoral advantages on their members, thereby, making it extremely difficult to unseat those members. As with campaign spending, more systematic study is needed if we are to understand the features within each state that influence the level of competition to their legislatures.

These extreme examples of very excessive campaigns and uncompetitive elections suggest that there could be a problem with democracy in the states, an idea that has been raised in both the academic and popular presses. *Democracy* will be defined here as a system of government in which citizens are able to hold their elected officials accountable through periodic elections. Democracies that work well allow citizens to express their support or dissatisfaction with representatives and government in each election. Voters should be able to reelect the officials who have represented the interests of a majority of their constituents and to replace the politicians who are not responsive to their constituents. The system is not performing well, however, if one side can consistently outspend the other, producing one uncompetitive race after another and leaving little means for voters to affect the outcome. This lack of competition and democratic accountability can lead citizens to become cynical and feel alienated, and to withdraw from the political process, believing there is little they can do to influence their government.

This book will examine why some state legislatures have more-competitive electoral systems, in terms of campaign funding and electoral results, while others seem to be caught in the downward spiral of increasing campaign costs and uncompetitive elections. The analysis that follows is based on three assumptions. First, campaign spending should be controlled to reduce the influence of money on politics and increase the ability of all candidates to run more effective campaigns, regardless of their ability to raise campaign money. Second, more-competitive elections are desirable, since they increase the ability of citizens to punish unresponsive representatives by voting them out of office. Finally, in an effort to improve the performance of their electoral systems, states should enact reforms as needed to control campaign costs and increase competition. Thus, this book is primarily an investigation into why states differ in how expensive and electorally competitive their campaigns are. If we are able to explain why campaigns are cheaper or more competitive in some states, we may also begin to understand what other states might do to improve their own legislative elections.

Specifically, the analysis that follows will identify the factors that influence campaign spending and competition across the states, and will develop broader theories to explain why some states are performing better in these areas than are others. Empirical evidence presented below shows that several factors influence campaign spending and competition in legislative elections. A number of these factors, such as a state's region or political culture, are unchangeable and not subject to reform. Other factors, such as legislative professionalism and campaign finance regulations, can be changed in an effort to improve legislative elections. A broader theory, introduced below, will suggest that the value of the seats in each legislative chamber is a key determinant of both campaign spending and competition, even while the latter two features are unrelated to each other. Generally, chambers with more valuable seats, primarily in terms of the ability of legislators to influence government policy, tend to have more-expensive and less-competitive campaigns. This theory, and the findings produced by statistical analysis, will be used to develop a set of reform options for states that wish to control the cost or increase the competition of their legislative campaigns, or both.

The Importance of Democratic Elections

Democratic elections are those that offer voters a choice between at least two credible candidates, each with a legitimate chance of winning the office. Although a number of features in the US political system create problems in this realm—such as a lack of party discipline, which tends to produce vague, candidate-centered campaigns—the minimum required for democratic elections would seem to be elections where legitimate candi-

dates are able to raise comparable amounts of money and run competitive campaigns. Democratic elections are a central component of representative democracy, yet there is a perception in the states that democracy is failing. This failure is particularly acute with regard to representation in state legislatures. Indeed, popular perceptions suggest that campaign spending for legislative races has gotten out of control, allowing entrenched incumbents to virtually own their seats. Campaign costs are exploding in a number of states, and many believe that this excessive spending is being used either to buy seats in the legislature outright, or to buy influence over members of the legislature once in office. There is also a concern that legislative races lack any real competition, with incumbents winning election after election in districts drawn intentionally to favor them or their party.

Thus, there is a very real concern among observers in both the academic and popular presses that the health of democracy in the states is in trouble (Morehouse and Jewell 2004). In light of this perceived crisis in the states, a number of reforms have been offered in the hope of making state elections more democratic. While reforms like campaign finance regulations and term limits have been imposed in a number of states, little systematic study has been conducted to determine whether they are producing their intended results.

The issues of campaign spending and electoral competition in state elections are enormously important to both the study and functioning of US democracy. Uncompetitive legislative elections, whether in terms of high campaign costs or electorally uncompetitive districts, pose a number of problems for governance in the states. High campaign costs may create an insurmountable barrier for candidates wishing to run for office, preventing the introduction of fresh perspectives in the capital. Uncompetitive legislative districts may also discourage challengers from running against incumbents. Without the prospect of a credible challenger who has a real chance of winning, incumbents may be less responsive to constituents. The absence of strong challengers may also reduce accountability, incumbents realizing they are virtually assured of reelection no matter how they perform while in office. One study found that legislative incumbents are becoming as safe as congressional incumbents, largely because of the professionalism reforms in most state legislatures that enhance the name recognition of incumbents and increase the amount of money they are able to raise for their campaigns (Salmore and Salmore 1996).

This insulation of legislators from the voters and reduced accountability to constituents is the likely source of much of the alienation felt by many in the United States in the early twenty-first century. Southwell (2008) has documented a steady increase in alienation among US voters since the 1960s, with polls showing an increasing number of citizens losing confidence in political leaders and government institutions. If elections are

uncompetitive in terms of campaign spending and election returns, then the average voter is led to believe there is little she or he can do to influence state government. If this belief becomes more common, many citizens may become cynical, simply throwing up their hands and disengaging from state politics. In fact, in a 2003 national Harris Poll, 54 percent of respondents indicated that they felt “the people running this country don’t really care what happens to (them)” (Harris Interactive 2003). Further, in another national poll conducted in 2006, 68 percent of respondents indicated they were more apt to vote for a candidate who supported redrawing congressional districts to make them more competitive (Democracy Corps 2006). Finally, 77 percent of respondents in a national poll indicated they felt some form of campaign finance reform was needed (NBC News 1997).

In light of these problems, a study that explores why legislative elections seem to function well in some states but not in others seems important. Such analysis will allow us to develop an explanation of why this variation exists, and identify reforms states can implement to improve the performance of their legislative elections. Before we begin that examination, however, we should take a closer look at the role of money and competition in state politics.

Campaign Money and Competitive Elections

Campaign spending must constitute a significant part of any examination into democracy in the United States. Much of the public’s perception that there is a problem with government in the early 2000s stems from the belief that money is corrupting politics by putting elected officials under the control of wealthy contributors. If government officials are focused on doing favors for those who give the most, the wants and needs of average citizens may be largely ignored. In fact, Malcolm Jewell and William Cassie, writing the conclusion to, at this writing, the most comprehensive study of campaign spending in legislative elections, note that

in a democracy, representatives should be accountable to the voters, but if incumbents are almost always reelected because they can raise much more money than challengers, accountability may be more myth than reality. If candidates are heavily dependent on special interests and their political action committees to raise enough money to win, those who are elected may be more accountable to these interests than to most of the constituents in their districts. (Jewell and Cassie 1998, 210)

While this may be the public perception, the authors note that the reality is more complex. In fact, most studies on the topic of campaign spending and electoral outcomes at the individual level make clear the difficulty in

determining whether spending drives competition, or whether levels of competition determine how much is spent. While this question will be addressed in later chapters, what is clear is that campaign spending has been increasing in many states since the early 1980s. In fact, Gary Moncrief (1998) found spending increased on average by 70 percent across fourteen states from 1986 to 1994, though there was variation across states and not all states experienced significant increases. Past research has also demonstrated that the influence of campaign spending is not equal, because whereas incumbents tend to raise more money, challengers are generally able to win more votes with the money they spend (Jacobson 2008; Snyder 1990; Fiorina 1989).

While campaign spending is an important component of any electoral system, the competitiveness of the actual legislative races is crucial to democratic legitimacy. Here again there seems to be a problem. Despite considerable variation in electoral competition across the states, there is a general sense that legislative elections have become or continue to be uncompetitive (see, for example, Squire 2000; Weber, Tucker, and Brace 1991). Driving this lack of competition seems to be a large proportion of “safe” legislative districts, where the incumbent or dominant party wins with a sufficiently high percentage of the vote to make winning future elections in that district likely. These safe seats are usually uncompetitive because of voter demographics, typically containing a majority of voters that favor one party over the other. The safety of these districts is compounded by the substantial reelection advantages held by incumbents. Chief among these benefits of holding office is familiarity among the voters. This translates into name recognition, which is an important cue for many voters when deciding whom to support on Election Day.

In 1994, the last election before the National Conference of State Legislatures stopped reporting these data, the average incumbent reelection rate across all states was 92 percent for state senate chambers and 90 percent for state assemblies (National Conference of State Legislatures 1996). Nine senates and one assembly had 100 percent incumbent reelection rates, while only six chambers had reelection rates below 80 percent, the lowest being the Missouri Senate with 69 percent. Jewell (1994) found similar results for legislative elections from 1978 to 1988. These numbers from across the states indicate that legislative incumbents are very likely to win their reelection bids, regardless of the state they are in.

Importance of Electoral Competition

Evidence presented in the scholarly literature suggests that legislative elections are uncompetitive and becoming more so. Sarah Morehouse and

Malcolm Jewell (2004) found that in the five election cycles from 1988 to 1996, a full one-third of all legislative elections were uncontested. An earlier study of lower chamber elections in twenty states from 1950 to 1986 found that almost all states saw a decline in the number of competitive elections and contested seats (Weber et al. 1991).

In his book on electoral reform in the states, Todd Donovan (2008) suggests that a number of changes over the past several decades have led to a decline in citizen interest and participation in politics. Donovan argues that the decline in electoral competition has made government less responsive to voters, while creating polarized political parties. With the vast majority of legislative districts considered safe, it has become more difficult to unseat entrenched incumbents or change partisan control of the legislature in response to changes in the mood of the electorate. Voters may go to the polls seeking to express their dissatisfaction with government by voting against those in power, but without a substantial shift in voting patterns within these safe districts, little is likely to change in terms of which party controls government and what policies are produced. This may leave many voters with a sense of alienation or diminished political efficacy, their believing that no matter what their views, they simply cannot influence government with the inputs available to them.

Further, campaign activities in less-competitive districts tend to be more limited, with candidates campaigning less and making fewer efforts to engage citizens (Huckfeldt et al. 2007; Cox and Munger 1989; Jacobson and Kernell 1983). The probable winner, usually the incumbent, is often able to coast to victory with minimal effort to mobilize supporters. Challengers, however, who need to connect with voters to spread their message and generate support, typically are unable to raise sufficient money to run an effective campaign that can reach voters (Jacobson 2008). Previous studies suggest that competitive elections lead to higher turnout (Cox and Munger 1989) and that higher levels of campaign spending can effectively increase citizen engagement (Huckfeldt et al. 2007). In many cases, however, unequal levels of fund-raising and uncompetitive campaigns mean voters hear little about either candidate during the election cycle and arrive at the polls on election day with little knowledge of the race or either candidate's platform.¹

Donovan (2008) also argues that safe seats produce polarization among the parties (see also Abramowitz, Alexander, and Gunning 2006). When legislators are elected to seats where voters routinely support one party over the other, they are more insulated, free to deviate from the positions of the median voters in their district. The protection these safe districts provide has moved the Democratic and Republican parties further out on the ideological spectrum, producing more-liberal or more-conservative candidates and elected officials. In these safe seats, then, the only real electoral threat

to an incumbent may come, not in the general election, but from a primary opponent. When a candidate's general election success is pretty much assured, the candidate need not worry about appealing to moderate voters on the other side of the ideological spectrum. Those voters are not needed to win the general election. The candidate may, however, need to be concerned about a primary challenge, where voters are typically more ideologically extreme. To stave off such a challenge, incumbents in these safe districts may adopt more ideologically extreme platforms, keeping the party activists happy while doing little to harm their general election prospects. This polarization has occurred even while national polls indicate that a plurality of US voters view themselves as moderates (Donovan 2008). Thus, it seems that the preponderance of uncompetitive legislative seats in the United States means that many voters are faced with a choice between two candidates who are not particularly representative of their views, yet only one of those candidates has any real chance of winning the election.

Overall, then, Donovan (2008) suggests that uncompetitive elections and polarization between the parties have contributed to decreased levels of political engagement among citizens, producing historically low levels of voter turnout and high levels of cynicism and alienation. The obvious solution, therefore, is to make elections more competitive, both in terms of campaign spending and electoral outcomes. Such changes might force candidates and parties to be more responsive to the citizens they serve.

Races with vigorous electoral competition are desirable because they are more likely to attract attention to the campaigns and issue positions of the candidates, while providing voters with a legitimate choice on Election Day (Canon 1993). Conversely, races in which incumbents are unopposed, or face only token opposition, draw little attention and may reduce voters' faith in their democratic system and the very governments to which they are electing representatives. This issue is particularly important with regard to state legislatures, where elections and elected representatives receive less scrutiny than their counterparts at the national level. Through devolution, or the return of policy responsibility to the states from the federal government, state legislatures are consistently given more and more responsibility over issues that affect the lives of US citizens on a daily basis. Thus, the need for accountability of those in state government has increased. While some individual voters may want their favored incumbents to be secure in their reelection, these safe incumbents may be less apt to address substantive issues or have their records scrutinized in the absence of strong challengers and competitive campaigns.

The issue of competition in state legislatures is important in light of previous studies that seem to indicate legislators may behave differently when not faced with electoral competition (Herrick, Moore, and Hibbing 1994; Canon 1993; Ragsdale and Cook 1987). Joseph Schlesinger (1966)

suggested that the promise of a strong opponent in the future motivates politicians to act more in the interest of their constituents, serving as a vital check on government. If, however, incumbents believe they will face no or only token opposition in future elections, they may be less attentive to constituent preferences. Canon's (1993) examination of US House elections indicated that incumbents in electorally safe districts may be less apt to address substantive issues and that their records are certainly less likely to face scrutiny during campaigns, thereby giving voters little information about their performance in office.

Another issue deals with voter mobilization. The greater number and smaller geographic scope of legislative races means those races receive less coverage from the news media, relative to statewide or congressional races. The absence of this free advertising means the candidates must work harder, and often spend more money, to get their message out and mobilize voters to go to the polls for them. If, however, candidates can easily coast to victory in uncompetitive safe seats, then legislative campaigns are likely to be more lackluster, doing little to inform and engage voters. In fact, previous work has found that more-competitive races do produce more active campaigns, which serve to increase voter turnout (Cox and Munger 1989).

Uncompetitive races may create problems beyond lowering voter turnout. While the primary objective of political campaigns is to convince voters to support one candidate over the others, a secondary objective might be to educate citizens about political issues of the day and their related policy responses. Thus, campaigns can also have an educative effect, serving to inform voters about the issues that face their state governments. Given that most citizens receive only limited information about the role and activities of their state government, legislative campaigns could provide a crucial linkage between citizens and that government. The campaigns could be used as a venue to educate voters about complex issues like education funding or transportation policy. Legislative campaigns seem best suited for this task, since they tend to rely on face-to-face contact between candidates and voters, more so than do higher level gubernatorial or congressional elections, which are more apt to rely on sound bites and media advertising. If, however, legislative campaigns are one-sided or nonexistent because one candidate faces only token opposition, then the opportunity for educating the public is lost.

A number of studies have also suggested that competitive elections increase the policy responsiveness of elected officials (Griffin 2006; Barrilleaux, Holbrook, and Langer 2002; Barrilleaux 1997). Policy responsiveness is measured as the connection between member behavior in office and the ideological position of the average voter in their district. Legislators who win office in more-competitive elections tend to introduce bills and vote in a manner that more closely matches the median voter's ideology in

that district. Representatives from electorally safe districts, on the other hand, can deviate further from the constituent preferences with less threat of losing the next election. One study showed that state electorates do reward or punish legislative parties based on their responsiveness to shifts in public opinion, most often leading legislators to adopt more moderate positions once in office (Erikson, Wright, and McIver 1993). However, for voters to be able to influence the behavior of their elected representatives, they must live in a relatively competitive district, where the incumbent's reelection is not a foregone conclusion.

In light of the above discussion, few would argue in favor of having more-expensive political campaigns or less-competitive elections. Despite evidence that there may be a positive association between higher levels of campaign spending and citizen engagement, when there is parity in the amounts raised by both candidates, many believe that excessive campaign costs and uncompetitive elections are signs that democracy in the states is broken, or at least ailing. This book addresses these issues but begins with three assumptions, briefly mentioned above. First, many US citizens believe that excessive campaign contributions, which culminate in high levels of campaign spending, represent corruption in government, with money being used to purchase influence. Further, studies have shown that those already in office are able to raise substantially more money than the candidates who challenge them. The higher the campaign costs, the more money that challengers must raise to run effective campaigns, making it more difficult for those challengers to be competitive. The first assumption, then, is that less-expensive campaigns benefit democracy in the states by reducing the influence of money in politics and leveling the playing field to allow all candidates to compete on a more even plane. When both candidates have sufficient resources to communicate with voters, legislative campaigns may be used as a platform for a broader discussion of the problems the state faces and the options available to address those problems.

The second assumption that underlies this study is that more-competitive elections are desirable. Electoral competition is a fundamental principle of republican democracy, and competitive elections are necessary to hold elected officials accountable. The prospect of electoral competition may influence the behavior of legislators, forcing them to be more responsive to the constituents they serve. The third assumption is that if states can implement reforms to control campaign costs and increase electoral competition, they should. If excessive campaign costs and uncompetitive elections are producing polarized political parties and unresponsive elected officials, which in turn are fostering alienation and cynicism among citizens, then states should pursue whatever reforms might help control campaign costs and increase electoral competition.² Exploring just what the states can do to improve their legislative elections is the focus of much of the work that follows.

What Can Be Done?

In light of problems with campaign spending and electoral competition in the states, this book will examine these topics with an eye toward possible solutions. As will be demonstrated in the next chapter, there is considerable variation across the states in terms of the amounts of money raised for legislative campaigns and the levels of electoral competition in those campaigns. Despite the popular perception that democracy is on the decline in all states, comparative analysis indicates that some states are performing better in terms of controlling campaign costs or promoting competitive elections, or both. This study will explore why those states are doing better than the rest, again with the assumption that lower campaign costs and more-competitive elections are signs of healthier democracies. Particular attention will be given to those characteristics that could be altered in an effort to improve legislative elections, in the hope of creating a list of potential reforms.

In an attempt to explain variation across the states on campaign spending and competition, a number of factors will be examined. A primary topic to be explored throughout this book is the relationship between campaign spending and electoral competition at the chamber level. Based on the information presented in this investigation, an effort will be made to develop a broader theory to explain not only the variance in campaign expenditures and competition across the states but also how those features are related to one another. In this regard, it appears that changes begun in the 1950s, which were primarily designed to increase the policymaking capacity of state legislatures, have also led to increased campaign costs and decreased electoral competition. Reforms intended to professionalize legislatures and expand their institutional capacities often produced substantial benefits in terms of the ability of the legislative branch to balance the influence of the governor and other executive branch actors, while also improving the ability of state governments to respond to increasingly complex policy problems. It seems, however, that efforts to increase legislative professionalism specifically and other efforts to enhance the value of a legislature's seats in general have also contributed to the electoral problems many states face in the early 2000s. As will be demonstrated below, the variables that raise the value of a legislative seat also appear to raise costs and lower competition. Taken together, these reforms seem to have reduced the democratic accountability of the legislative chambers where they went the furthest.

This finding has significant implications for the democratic health of state governments. The analysis below will show that the states where legislatures are the most professional, and therefore have the greatest ability to influence government policy, also tend to have the least competitive elections. Conversely, those states with citizen legislatures, chambers that are less equipped to initiate policy and balance the power of the executive

branch tend to have the most competitive elections. This essentially means that states where legislators have the most influence tend to be the same states where voters are least able to use elections to hold those legislators accountable. On the opposite end, voters seem most able to control their state governments by voting their legislators out of office in those states where legislators have the least amount of influence over government policy.

The problem may be even worse with regard to campaign spending. There is evidence that campaign costs have been increasing in many states, making it more expensive for all candidates to run credible campaigns. When examining campaign costs across the states, it is important to investigate what this money is purchasing. Two competing theories will be discussed in the next chapter, with each providing opposing answers to this question. One theory predicts that campaign spending will tend to be highest in states with the most competitive elections, suggesting that campaign contributions are made in an effort to influence the outcome of those elections. Evidence in support of this theory could pose some problems for the democratic health of a state, especially if the candidates with the most money are buying their seats. However, such a finding could also be associated with more positive outcomes. Campaign donors could be contributing to candidates who have a legitimate chance of winning. In these cases, campaign contributions may be enhancing the democratic process by providing sufficient funds to all legitimate candidates so they may run more-competitive campaigns. Given the persistent influence of money in politics, it might be best if campaign contributions were at least used to enhance electoral competition.

Unfortunately, however, the analysis that follows suggests that an opposing theory is more accurate. This theory predicts that the states with the most expensive legislative campaigns are not those with the most competitive elections, but rather those states in which legislators have the most influence over public policy. This theory, then, predicts that campaign money is contributed not in an effort to influence the competitiveness of elections, but rather to buy access to the most influential legislators. The subsequent chapters provide evidence that states with more-competitive elections do not tend to have more-expensive campaigns. In fact, there appears to be no relationship at all between competition and spending at that aggregate level.

The factors that do seem to influence spending across the states are again the level of legislative professionalism and other variables that determine the value of the legislative seats in each chamber. If one accepts the assumption that some legislative seats are more valuable than others—in part because legislators in those seats have a greater ability to influence government policy—then we might conclude that campaign money seems to be buying access to government officials. This theory suggests that con-

tributions are based on a calculation of how much the candidate will be able to help the contributor by influencing government policy, should that candidate end up in office. Thus, candidates for legislatures that have more influence over government policy seem to be able to raise more money, as contributors are likely to view their donations as wise investments to gain access to legislators in future sessions. Expensive campaigns may, then, be the largest problem in those states where the legislature has more influence.

In an effort to sort out the determinants of both campaign spending and competition in legislative elections, a number of independent variables are examined. These variables are broadly divided into two categories. The first category contains those variables that are fixed, and not subject to reform. For example, demographic features of each state, such as population size, are expected to influence both spending and competition, yet there is not much a state can do to influence the size of its population. The second category, however, contains those variables that are changeable and can be manipulated by states seeking reforms. These variables include traditional reforms such as term limits or campaign finance regulations, but also other characteristics like legislative professionalism and the prevalence of alternative-party candidates. The common element among these factors is that they could be changed through relatively simple statutory or constitutional reforms in each state, or, where allowed, through ballot initiatives. Throughout the study, particular attention will be given to the variables in this latter category, in an effort both to examine the effectiveness of reform efforts already implemented in some states and to provide possible reform ideas to any state seeking to improve its performance in the areas of campaign spending or electoral competition, or both. Whether the potential reforms suggested by this study are likely to be adopted by the states is another issue, however. This issue will be addressed in the final chapter.

A Note on the Data

The primary focus of the book will be levels of campaign spending and electoral competition in state legislatures. Thus, the unit of analysis is each legislative chamber, not individual races. While considerable research has explored the determinants of campaign spending and competition at the individual level, little is known about these determinants at the aggregate, or chamber, level. This dearth of comparative research is perplexing, given that any reforms intended to improve legislative elections would need to be directed at legislatures as institutions, or the processes used to elect members to those institutions, more so than individual races. In fact, two leading scholars in the field of legislative politics began their book with a call for more comparative research across legislative chambers (Squire and Hamm 2005). As

such, this research takes a comparative approach to understanding how states may reform their legislative elections to improve their performance.

Level of Analysis

The use of legislative chambers as the unit of analysis marks a significant departure from past studies. Much is known about the determinants of campaign spending and competition in individual races from these individual-level studies, and that work is useful in shaping the models and developing the theory used here (Hogan 2003; Squire 2000; Jacobson 2008; Van Dunk and Weber 1997; Weber et al. 1991; Fiorina 1989). Studies focused at the individual level, however, have more limited utility when seeking to explain variation in spending and competition across legislative chambers, and when investigating possible reforms aimed at improving legislative elections. If one is interested in understanding why spending and competition vary across legislative chambers, the most productive place to look is at the chamber level.

The aggregate-level data used in this study build on previous work at the individual level, but move the literature a step forward by seeking to explain the larger chamber-level forces that shape spending and competition in individual races. For example, we know from individual-level studies that stronger challengers make for more-competitive races, in terms of both spending and election returns (Jacobson 2008; Hogan 2004; Cassie and Breaux 1998; Levitt and Wolfram 1997; Fiorina 1989). However, those individual studies are limited in their ability to explain the broader institutional and electoral features that may encourage strong candidates to run for legislative office in a particular state in the first place. A study that explores the differences across chambers allows for a more specific examination of these aggregate features and their influence on spending and competition. Examination of these aggregate features will allow the creation of a list of recommendations that may assist states seeking to reform their legislative elections.

Further, when the objective is to investigate ways for states to improve their legislative elections, it is possible that theory developed at the individual level does not apply at the aggregate level. Thus, the use of chamber-level data seems necessary, since generalizations drawn from individual-level theory in an effort to explain aggregate behavior may be problematic. For example, previous research on individual-level races has found that more-competitive races tend to be more expensive. Based on these findings, can we then claim that campaign spending will be higher in states where legislative elections are generally more competitive? This is a testable hypothesis, but one that is best tested using aggregate data. In fact, the analysis below will show that states with more-competitive campaigns *do*

not tend to have the most expensive elections, illustrating the dangers of simply using the findings of individual-level studies to develop theory at the aggregate level. Therefore, an additional advantage of using aggregate data is the ability to develop new theoretical explanations that are applicable directly to the states and are not simply generalized from individual-level studies. Overall, then, while providing a deeper explanation of the factors that influence spending and competition across the states, the analysis will also produce a list of possible reforms that should be of interest to practitioners.

Measuring Campaign Spending

Campaign spending will be measured in two ways: the average amount of money raised by all general-election candidates in a given election cycle and the average amount raised per constituent by each candidate in an election cycle. The total amounts are used in the first variable because it is the overall amounts of money raised, not the amount relative to district size, that constituents are most apt to be concerned about. Therefore, the amounts candidates are actually raising to fund their campaigns are likely to influence public perceptions the most. The second measure is used because much of the variance in spending across states can be attributed to the number of constituents in each chamber's legislative districts (Hogan 2000). Candidates in districts with large constituencies need to spend more money to effectively reach those constituents. Largely gone are the days when candidates relied on party volunteers and personal contact in these large districts, where candidates or their surrogates could canvas a district and meet voters in person. Instead, candidates from populous districts must purchase media and other advertising if they are to effectively connect with voters. These differences in district populations are controlled for by calculating the amount of money each candidate raises per constituent.

It should be noted that the data used in this study measure the amount of campaign money raised by general election candidates, not what is actually spent. The amounts of money raised may actually be the preferable measure, since voters are more likely to hear about the amounts of money that candidates raised, and be concerned about whom that money is coming from. Also, given that all states require candidates to report campaign contributions, while a number do not require reports for expenditures, using contributions allows a uniform measure of campaign spending across all states. Finally, contributions would seem to be a good proxy for campaign spending, because it is unlikely that a substantial number of candidates in any given state would expend the time and energy necessary to raise amounts of campaign funds substantially beyond that needed to run an effective campaign.³ For these reasons, measuring the costs of legislative

campaigns as the amount of money raised by each candidate is preferable to measuring the amount spent.

Measuring Competition

Electoral competition, the second concept of interest, is measured using a modified version of Thomas Holbrook and Emily Van Dunk's (1993) district-level index. While discussed in greater detail in Chapter 2, this index consists of four components, each measuring a different dimension of competition. The four components are the average vote share of the winning candidates in each chamber, the average margin of victory between the two highest vote getters in each chamber, the percentage of safe seats in each chamber, and the percentage of unopposed races in each chamber. These figures are themselves averaged and subtracted from 100 to produce one measure of competition per chamber.

This study examines campaign expenditures and competition in legislative elections in forty-nine states from 2001 to 2007. Louisiana was omitted from the study due to the unique primary system used there, where any candidate who wins a majority of the vote in the nonpartisan primary election automatically wins the seat and does not run in the general election. The amount of campaign money raised is calculated for the 2002, 2004, and 2006 election cycles. Totals from each cycle are averaged to produce one amount per chamber. Competition for most states is calculated for elections held in 2002, 2004, and 2006. However, some states, such as New Jersey, hold elections in odd-numbered years and have four-year terms, requiring the use of 2001 and 2007. For all subsequent analysis, index scores are averaged across the elections included in the study, producing one score for each chamber. In some cases that will be noted, chamber scores are averaged to produce a competition score for each state, to allow for comparisons of legislatures as institutions across the states. This study also examines multiple elections to produce a better picture of campaign expenditures and electoral competition in each chamber. Using more than one election should control for any effects of concurrent statewide or presidential versus midterm elections and any changes in economic or political conditions that may influence any single election. Further, most states completed their legislative redistricting prior to the 2001 or 2002 elections, making those years a good starting point for the data.

Plan for the Book

This project has multiple objectives. Chief among them is an attempt to develop broad theoretical explanations of why states differ in campaign

expenditures and competition. Why is it so expensive to run for the legislature in California, where state senate candidates spend, on average, half a million dollars in races that a majority of them end up losing? Why is California so different from a state like North Dakota, where candidates can run and win a legislative campaign for little more than many in the United States spend on their monthly mortgage? Similar variation is seen in terms of competition. Why do virtually all incumbent legislators in Minnesota face opponents in each election, while over 65 percent of the races in a state like Arkansas go uncontested? Why are 90 percent of the legislative seats in Massachusetts considered electorally safe, while more than half of all legislative districts in a number of states are considered competitive?

Essentially, the level of democracy is not the same across all states. Some states have less-expensive campaigns while others have more-competitive elections. The question is why. Is this fair? Should citizens in one state have a legitimate choice of legislative candidates in each election, while those in another state have no other option than to vote for the unopposed incumbent? What does this say about the equality of democracy for citizens across the United States? Given that each state has the same basic constitutional arrangements, there are clearly other factors differing among the states that are producing this variation.

Many answers to these questions have been bandied about in the popular press and by those interested in state politics. However, few efforts have been made to systematically investigate these issues. Empirically testing these hypotheses is another primary objective of this study. Using data on campaign funding and electoral competition, the study will begin by examining what factors influence campaign spending levels and electoral competition across the states. This analysis will identify which variables are associated with different levels of spending and competition, in the hope of explaining much of the variance that is found in both measures.

Based on the information gained by this investigation, an effort will be made to develop a broader theory to explain the association, or lack thereof, between campaign spending and competition at the chamber level. Here, competing theories will be examined. One theory suggests spending will be higher in states with more-competitive elections, while the other predicts that campaign costs are driven primarily by the amount of influence legislators in a particular state.

Finally, a list of options will be created for use by reformers seeking to control campaign spending or increase competition in their own states. A set of recommendations will be developed that is based on the analysis in the following chapters. While more detail will be provided below, the recommendations will essentially entail strengthening the regulation of campaign spending and implementing reforms aimed at offsetting the deleterious effects of more-professional legislatures (i.e., those legislatures filled with

career politicians who have sufficient office resources to assist their campaign efforts). The tradeoffs and the implications of many of the reforms discussed throughout the book will also be addressed in the final chapter.

Chapter 2 of this project investigates the influence of campaign spending and electoral competition on politics more broadly, and examines whether the two concepts are related to each other. Chapter 3 looks specifically at campaign spending, identifying the factors that influence spending levels across the states and indicating which characteristics might prove most useful to reformers concerned with high campaign costs. Chapter 4 repeats the analysis in Chapter 3, but with a focus on electoral competition instead of campaign spending. Finally, Chapter 5 pulls together all that has been covered and reviews the options available to reformers. It concludes with a discussion on the issue that is central to all political discussions, the tradeoffs between the benefits and costs of each reform.

Notes

1. These studies also provide a counterargument to reformers, one suggesting that higher levels of campaign spending may have a positive impact on elections by engaging citizens and increasing turnout.

2. Cynics may argue that equal funding and more-competitive elections will serve only to enhance some of the problems of electoral politics in the United States. Specifically, candidates may use their campaign money to run superficial advertisements about themselves or negative advertisements against their opponents. Similarly, more-competitive elections may lead legislators to focus on less substantive legislative work and spend more time pandering to constituents, delivering money to their districts or introducing trivial, though attention-grabbing, bills. While this outcome is possible, reforming legislative elections in the hope of improving democracy in the states seems preferable to maintaining the status quo.

3. There is evidence that some candidates do raise substantial campaign war chests as a strategy to deter challengers, thereby raising more money than they will likely need to fund their campaigns. Such cases should not detract from using the amount raised as the measure of campaign funding in this study, since the important aspect is perceptions about the amounts of money involved in politics.