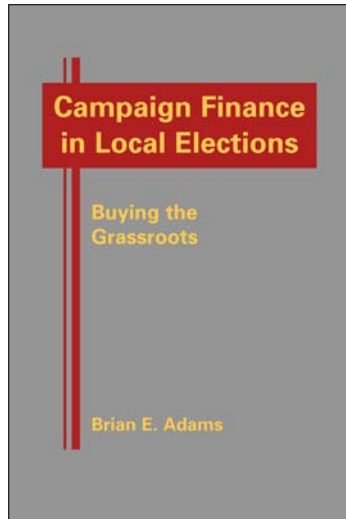


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Campaign Finance in Local Elections: Buying the Grassroots

Brian E. Adams

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1

Local Elections, Campaign Finance, and the Health of American Democracy

Over the past two decades research on state and federal campaign finance has flourished. The development of contribution and expenditure databases has allowed researchers to ask questions about the role and impact of money in elections that previously went unasked. As a consequence, our knowledge of campaign finance has grown exponentially, although there are still many important questions that cannot be addressed with the data currently available. Largely absent from this project is research on local elections. Timothy Krebs (1998; 2001; 2005a; 2005b; Krebs and Pelissero 2001) has written articles on campaign finance in Chicago and Los Angeles, and a handful of other scholars have contributed works on different cities (Lieske 1989; Fleischmann and Stein 1998; Fuchs, Adler and Mitchell 2000). There have also been reports prepared by city governments highlighting campaign finance trends (New York City Campaign Finance Board 1994; 1998; 2002; 2004; 2006; Los Angeles City Ethics Commission 2006). Despite this research, our knowledge of local campaign finance pales in comparison to that on the federal and state levels, largely a result of a paucity of data.

The lack of research has left a void in our understanding of the role money plays in local elections. Local governments are not simply smaller versions of state and national governments, but rather have their own unique institutions and processes (for example nonpartisan elections and at-large legislative seats). These institutional differences, plus varying policy contexts, may translate into different campaign finance dynamics. Further, local elections have their own role in the larger scheme of American democracy. Localities' smaller size (both geographically and population-wise¹) creates the potential for widespread citizen participation, and thus are often touted as the level of

government where “average citizens” can get most directly involved in electoral campaigns as volunteers, contributors, or candidates. Given the distance between the federal government and the public at large, local governments are frequently seen as an important element of American democracy that provides a link between citizens and government. For these reasons, we cannot make assumptions about campaign finance dynamics on the local level based on studies at the state and national level. Not only may we find varying patterns, but they may have different implications for our understanding of American democracy.

This book examines whether the campaign finance system—how candidates raise and spend funds—undermines the democratic character of municipal elections. Does the influence of money in electoral campaigns limit the capacity of citizens to freely choose their local officials? Do fundraising demands on candidates restrict who is able to mount competitive campaigns for municipal office? Do powerful, established interests dominate the contributor pool, crowding out the public’s voice? I explore these questions using a dataset of campaign contributions to candidates in eleven cities across multiple elections (described in Chapter 2).

Local Elections, Campaign Finance and Democracy

Elections and Urban Politics

Stone (1989, 6) argues that two basic facts of the political economy of cities are that the governments are popularly controlled and that businesses are held in private hands. The interplay of these institutional arrangements provides the context to the regime dynamics that Stone and others have documented (Elkin 1985; 1987; Stone 1989; Imbroscio 1998; Dowding 2001; Mossberger and Stoker 2001). These facts are also the central characteristics of municipal elections. They are a cornerstone of popular control of government, allowing citizens to influence the actions of their representatives by installing or removing them from office. At the same time, the owners of capital can influence electoral outcomes through campaign finance. Candidates for local office need to assemble both a coalition of voters as well as a coalition of financial backers (Krebs and Pelissero 2001), and thus elections are shaped by the interplay of votes and money. Regime theory highlights questions regarding the relative influence of campaign contributions versus votes: how much influence do campaign contributors have over electoral results vis-à-vis voters?

One reason for studying campaign finance is to examine whether candidates' need to raise funds undermines the popular control of government that is supposed to result from electoral contestation. Elections are, of course, a central part of any democratic system, allowing the public to hold representatives accountable, providing a means through which citizens can exercise control over public policy, and promoting governmental responsiveness. Do campaign dynamics undermine these processes by limiting competition, restricting accessibility, or creating biases? The vote is viewed by some scholars as a critical resource held by "average citizens" that can counter other resources held by elites (e.g. Dahl 1961). If elections are run in such a way as to minimize the influence of the vote, it could have significant implications for our understanding of the democratic character of local political systems.

The issue of popular control of city governments is important because, as front-line service providers, cities make critical decisions that affect citizens directly. Some scholars have argued that holding power within cities is a "hollow prize" due to constraints on municipal power, especially state restrictions on the power to tax, reliance on federal grants-in-aid, and market imperatives. This argument may hold some weight in declining cities that are caught in a vise of diminishing revenues and increasing needs, but most cities most of the time have a measure of power and influence. Cities have substantial budgets and perform basic functions such as providing for public safety and creating land use regulations. Market forces may restrict feasible policy options for cities (Peterson 1981), but they still make important decisions regarding the expenditure of public funds within the confines of market parameters. Given this power, who wins elections has consequences for city residents.

Local Elections in a Federal Context

Beyond enhancing our understanding of democratic accountability in urban politics, municipal elections are also important to study as they relate to the American electoral system more generally. Local elections, because they occur in the smallest jurisdictions in the American political system, can potentially provide a counterweight to the biases and shortcomings of federal elections. Many scholars and commentators have documented the influence of interest groups and wealthy campaign contributors in federal elections (e.g., Clawson, Neustadt and Weller 1998; Green 2002; Kobrak 2002; Lewis 2004). Federal elections are also criticized for lacking competition, with incumbents holding safe seats

that insulate them from public pressure. These dynamics becomes less of a threat to American democracy, however, if local elections do not exhibit the same patterns. The influence of large campaign contributions on the federal level is less problematic if candidates for federal office rise through a local governmental system where they do not need to play the money game. At least getting to the “big dance” would not require connections to wealthy individuals and established interests, even if once there candidates need to solicit their services. It is not necessary that every election in a democracy be a “grassroots” affair with minimal influence from elites, but *some* of them do need to be free of domination by the wealthy and accessible to non-elites.² The same goes for competitiveness: even if most congressional districts are non-competitive, if candidates must prove their mettle to win lower office at least there is a weeding out process that improves the quality of congressional candidates. The role of local elections in promoting a pluralistic electoral system is a critical one, as it is the venue where the influence of wealthy elites and established interest groups might be diminished and where non-elites are able to participate fully as volunteers and candidates.

In many respects, elites will always dominate federal elections; the stakes are so high and the country is so large that presidential and congressional elections will never be grassroots affairs; it is even difficult to imagine what a “grassroots” presidential campaign would look like. But this problem could be mitigated if elections at lower levels of government were accessible to non-elites. At least the pipeline of candidates feeding into federal elections would be open to non-elites and citizens could cut their political teeth in these races. Specifically, there are three attributes that local elections should have to counter negative trends in federal elections: accessibility, competitiveness, and widespread participation by non-elites. If local elections were to exhibit these characteristics, they would counterbalance some of the problems displayed by federal elections. This mitigation is important for protecting the health of American democracy. Democratic theorists have argued that political inequalities are acceptable in a democratic system as long as resources are dispersed widely (Dahl 1961) or different resources are valuable across social spheres (Walzer 1983). Democracy is threatened, on the other hand, when resources are consolidated. Local elections can serve as a venue where different kinds of resources are needed and different types of candidates can succeed, enhancing the pluralistic nature of the American political system and limiting the problems caused by biases and inequalities in national politics.

One benefit that local governments bring to American democracy rests on their greater capacity than state or federal governments³ to foster citizen participation as a result of smaller geographic and population size. Many political theorists have argued that small size is necessary for widespread citizen participation in politics (Dahl 1967; Barber 1984; Frug 1999; O'Leary 2006). Smallness allows citizens to attend and speak at public meetings, communicate directly with elected officials, and engage other participants in face-to-face conversation, activities that are limited in large jurisdictions. Even though voting is unaffected by size, many other forms of participation are made more difficult or more costly as jurisdictions get larger. The empirical research on the influence of size on political participation supports this conclusion. Studies of non-electoral participation have generally found that citizen involvement decreases when cities grow in size (Oliver 1999; 2000; 2001; Rose 2002). The strongest evidence is contained in Bryan's (2004) study of New England town hall meetings which showed that meeting turnout decreased as town size increased. Studies examining the effects of size on electoral turnout, however, have found that size has minimal impact compared to other factors (Hajnal and Lewis 2003; Kelleher and Lowery 2004; Caren 2007). These findings make sense theoretically, as we should not expect voting to be heavily influenced by jurisdiction size given that the process of voting itself is unaffected by the number of voters.⁴

As the smallest units in the American political system, local governments are often considered to be "closest" to the people. Grodzins (1966) identified different ways that "closeness" can be understood.⁵ Local governments could be closer to the people through the provision of services directly to citizens, leading to more influence over their lives. They may also be closer because they maximize citizens' opportunities to participate in politics. Unlike higher tiers, citizen can get directly involved in the governance of localities through various forms of non-electoral participation. A third meaning of closeness rests on the idea of policy responsiveness: local governments are closer because they are more responsive to citizen desires. This could be a result of greater participation, but could also be a function of elected officials having a greater knowledge and understanding of local opinions and conditions.

Grodzins is critical of all of these applications of "closeness;" empirically local governments do not fare well on any of these measures. For example, turnout in local elections is often lower than national contests, and the federal government provides many services directly to citizens that have a profound impact on their lives (e.g. Social Security). Despite its widespread use, the vague and imprecise concept

of closeness is not a valuable way to conceptualize the contribution of local government to the American political system. In the context of local elections, a better way to think about their role is in terms of participatory capacity. Given the size of the electoral districts and the relatively small number of voters and money spent, local elections have the capacity to allow for more direct citizen involvement in all facets of elections. This would include volunteering for candidates, contributing funds, and running for office. This does not make local governments “close” to citizens in some general sense, but it is potentially one of the ways that they are differentiated from elections at higher tiers.

One of the oldest strands in theorizing about local government posits that local governments are training grounds for democratic citizenship. John Stuart Mill (1951 [1861]) considered local governmental institutions to be “schools of political capacity” where citizens could learn how government operates. By engaging in politics on the local level, citizens can learn firsthand of issues, as opposed to national politics where citizens’ primary role is to elect representatives. The capacity to get directly involved in politics, as opposed to delegating responsibilities to representatives, is why Mill considered local institutions to be the “chief instrument” of the political education of citizens. Alexis de Tocqueville (2003 [1835], 335) also lauded township government as a place where citizens can gain political skills and knowledge. As more recent research has demonstrated, civic skills are an important component to political engagement (Verba, Brady and Scholzman 1995), and thus learning about politics and developing civic skills on the local level is likely to translate into greater participation in politics generally.

The chief reason for why localities are a better venue for developing democratic citizens is that participants are able to engage politics in a deeper way locally. Citizens can engage in a wide range of participatory acts at all levels of government. They can write letters to both their member of Congress and city councilmember, they can protest at the state capitol as well as city hall, and they can circulate petitions on both national and local issues. But performing specific participatory acts does not necessarily lead to political learning. A citizen can attend a protest and chant slogans without learning anything about the issue, and spouting opinions in a letter to your Congressman will not be all that enlightening. What citizens can do on a local level that cannot typically be done at higher tiers is to engage in political strategizing and to be directly involved in policy making. When citizens participate locally, they frequently do not just engage in isolated political acts; they also develop strategies with fellow citizens and engage in policy discussions

with elected officials (Adams 2007a). They are able to do this because fewer resources are needed locally and they can use their social networks to better effect. Even if the activities are the same, citizens can insert themselves deeper into the political process locally, and thus gain more knowledge and understanding of democratic politics. This type of activity is what provides the beneficial democratic training identified by Mill and Tocqueville.

One of the best ways to acquire the type of political learning described by Mill and Tocqueville is for citizens to run for office themselves. There are over 85,000 local governments in the United States with almost 500,000 elected positions, one for every 450 adults (U.S. Census Bureau 1992).⁶ This creates ample opportunities for citizens to seek a local office and provides a means through which citizens can engage directly in the governance of their local communities. The smaller scale and limited power of local governments allows citizens without extensive political experience to seek and hold local office. It also creates “stepping stones” for citizens to move up into higher office, if their political ambitions prompt them to do so (Schlesinger 1966; Francis and Kenny 2000). Serving on a school board or a town council is a way to get their feet wet politically and can be used as a springboard to higher office.⁷ Holding local office benefits the aspiring politician by increasing name recognition, helping develop valuable political networks, and assisting with fundraising efforts. So, not only can citizens develop their political skills and enhance their knowledge of democratic governance, they can also acquire other politically valuable resources they can use in bids for higher office. This provides a path for non-elites to gain political power.

For Tocqueville, townships provided more than just a venue where citizens can develop civic skills and learn about politics: they also developed an appreciation for freedom, democracy, and self-governance. He cited the robust townships in New England as one of the reasons for the maintenance of freedom in the early Republic:

... [T]he strength of the free nation resides in the township. Town institutions are to freedom what primary schools are to knowledge: they bring it within people's reach and give men the enjoyment and habit of using it for peaceful ends. Without town institutions a nation can establish a free government but has not the spirit of freedom itself (Tocqueville 2003 [1835], 73).

For similar reasons, Thomas Jefferson, towards the end of his life, promoted dividing the country into wards small enough where citizens

could get directly involved in governance. By “making every citizen an acting member of the government,” Jefferson believed the ward system would promote attachment to the country as well as allowing for a good measure of self-governance (Jefferson 1999 [1816], 213; also see Syed 1966; Arendt 1963, 248-255). These arguments rest on the questionable assumption that citizens will have a positive experience participating in local politics; negative experiences could create conflict and disillusionment with democratic governance. Whether participation in local government leads to a greater attachment to the country and a greater appreciation for democratic norms has not been empirically explored in the literature.⁸

Advocates of greater citizen involvement in politics often look to the local level as a venue where citizens can engage in self-governance and deliberation. A central component of Benjamin Barber’s (1984, 267-73) plan to promote “strong democracy” was the creation of neighborhood assemblies where citizens would have the capacity to participate directly in policy deliberation. Even though Barber also proposed reforms to enhance involvement in national politics, he saw local participation as a “basic building block of democratic societies” (Barber 1984, 267).⁹ Civic republicans also see the value of local participation. Michael Sandel (1996, 349-50), for example, conceptualizes self-governance as “rooted in a particular place” and argues for the importance of local identities. Berry, Portney and Thomson (1993) argue that neighborhood associations can add to citizens’ political knowledge, problem-solving skills, and sense of political efficacy, and thus are a valuable reform that can enhance democratic practice. Even if they do not explicitly promote stronger local government per se, most proposals by communitarians also embody an important role for local participation (e.g. Bellah et al. 1991). None of these scholars promote radical decentralization or the elimination of large governments. They recognize the necessity of national government, and the impracticality of widespread local decision making, but also acknowledge a critical role for local participation in a democratic system. The bulk of political power may not reside in local government, but a robust and active local political system is critical as a foundation for a participatory democratic society.

Theorists promoting deliberative democracy also rely on a robust local arena to accomplish their goals. Even though some events, such as Jim Fishkin’s (1991; 1995; Fishkin and Farrar 2005) deliberative opinion polls, can be carried out on either a local or national scale, most efforts at deliberation take place in a specific locale and draw from a local population. Even if the issue is national in scope, for example

American foreign policy, the forums are rooted in a local political context. A good example of this dynamic are National Issues Forums, which promote deliberation on policy issues by bringing together citizens (self-selected) in two-hour forums. The issues are usually national, but the forums rely on local networks to bring people to the event, and follow-up occurs in a local context (Melville, Willingham and Dedrick 2005). Further, the most effective means of promoting deliberation is to do so on local issues, where citizens cannot only discuss issues but also act upon them (Leighninger 2006). To attain the benefits that deliberative theorists desire, such as widespread participation in politics and political learning, forums need to be local. Even efforts to allow groups of thousands of citizens to deliberate still need to be “local” in the sense that citizens need to be gathered in one place to deliberate (for example, see Lukensmeyer, Goldman and Brigham 2005). Because of this limit, most deliberative experiments have been implemented on the local level (Levine, Fung and Gastil 2005, 275-6).

Not all scholars agree that promoting citizen participation and engagement is a worthwhile social goal. Minimalists like Schumpeter (1942) argue that as long as elections are free, fair, and present voters with a substantive choice, they serve their democratic functions (also see Przeworski 1999). For these scholars, elites inherently dominate politics, an acceptable state of affairs as long as there is some measure of popular control of government through elections. If one reduces democracy to competition between elites for the public’s vote, then the differences between local governance and its state and federal counterparts become irrelevant; voters can just as easily pick representatives on the national as the local level. Consequently, local governance has no specific democratic function, their primary role being to promote administrative efficiency (although they would still need to operate as an accountability mechanism). In a similar vein, Paul Peterson (1981) argues that the most important local issue—the promotion of economic growth—is not amenable to widespread citizen involvement, and the contribution local governments make is economic, not democratic; cities’ *raison d’être* is to promote economic growth.

Here is not the place to engage in an extensive discussion of the merits of minimalist versus participatory approaches to democracy.¹⁰ This book contributes to the debate by empirically examining the contribution of city elections to a participatory political system: do they contribute to the goals of enhanced citizen participation and involvement in government? Answering this question can shed light on the debate between participatory democrats and minimalists. If local governments

fail to perform the functions enumerated above, some basic assumptions of participatory democratic theory can be called into question; without a robust local governance system, it is difficult to imagine a well-functioning participatory democracy. The examination of municipal campaign finance in this book adds to the assessment of the feasibility of participatory democracy, even though the debate between participatory democrats and minimalists will not be addressed directly.

In addition to being an accountability mechanism for popular control of municipal governments, then, local elections potentially contribute to American democracy by providing a venue where non-elites can develop political skills, learn about politics and policy-making, and engage in political activities. Citizens can participate on the state and federal levels, but their opportunities increase exponentially as we move to smaller governments. By volunteering, running for office and engaging in other activities beyond voting, citizens can develop civic skills, gain knowledge of the political system, and acquire democratic norms. Even though the electoral realm is not the only venue that allows for citizen involvement (and one could make an argument that non-electoral participation is more important in this regard), analyzing whether they generate the benefits described above is an important task for scholars.

Competitiveness, Accessibility, and Participation Bias in Municipal Elections

This book explores whether campaign finance undermines the democratic qualities of municipal elections by focusing on three key attributes: accessibility, competitiveness and participation by non-elites. Campaign finance could also undermine democracy by corrupting elected officials: relying on donors for campaign funds could lead to unsavory relationships or prompt officeholders to engage in quid pro quos. Whether campaign contributions lead officeholders to change their behavior, however, is a notoriously difficult question to answer: determining whether an elected official voted a certain way on a piece of legislation because of a campaign contribution or genuine conviction is not possible in most cases.¹¹ Given the difficulty of knowing whether campaign contributions corrupt local officials, I put that concern aside and instead focus on the impact of campaign finance on electoral dynamics, examining whether the process through which candidates raise and spend money limits accessibility, dampens competitiveness, and increases biases.

Accessibility

Non-elites—those who are not especially wealthy and do not have extensive political experience—should be able to mount competitive campaigns for local office, particularly for city council seats that are frequently starting points for political careers.¹² I refer to the capacity of non-elites to run for office as “electoral accessibility.” The analysis in Chapters 3, 4, and 5 indicates that raising money is necessary to run for municipal office. A lack of voter interest and sparse media coverage forces candidates to pay for advertising, preventing those without funds from mounting competitive campaigns. There were few candidates who were able to win a council seat without raising tens of thousands of dollars in smaller electoral districts or hundreds of thousands of dollars in larger ones. The need to raise money creates a significant barrier to candidate entry, and many non-elites are unable to raise sufficient funds to be competitive. Gross and Goidel’s (2003) comment that money is a necessary but not sufficient condition to run for office is an apt description of city elections. There is no simplistic correlation between the amount a candidate raises and their electoral fortunes: the best financed candidates did not always win. However, there were no “dark horse” candidates that were able to win with minimal campaign funds.

The necessity of raising campaign funds limits electoral accessibility. Non-elites can (and do) make successful bids for mayor and city council, but their capacity to do so is limited unless they have wealthy friends, expendable personal wealth, or support from established interests. Even well-known candidates with wide social networks may not be able to raise sufficient funds to mount a competitive campaign without support from interest groups or wealthy donors. Critics of the current campaign finance system argue that the amount of money needed to run for office prevents all but a handful of wealthy or politically well-connected individuals from running. This is not quite accurate when applied to city elections: since the amount of money needed is less, some non-elites can find ways to raise the necessary funds (as discussed in Chapter 5, this is especially true in cities with small council districts). Even though the campaign finance barrier is not insurmountable, it is high enough so that most candidates will not be able to primarily rely on their social networks for funding. The inability of non-elites to acquire sufficient funds from their social networks is the principal means through which campaign finance demands limit accessibility.

The campaign finance barrier, and the resulting limit on electoral accessibility, inhibits the ability of city elections from acting as an entry

point for non-elites into politics. As mentioned above, one way citizens can get involved in politics is to run and hold local office, using it as a stepping stone to higher office (or other political activity). But for citizens who are unable to overcome the campaign finance barrier, this avenue is closed. Even though there are other ways citizens can begin political careers, holding local office is an effective way that is not open to individuals without access to campaign funds. Further, campaign finance reforms, such as the partial public financing programs discussed in Chapter 8, only have a minor impact on the extent of the campaign finance barrier. Thus, the need to raise and spend money does present a formidable barrier to citizens beginning a political career via municipal office, and consequently has deleterious effects on the capacity of the local arena to promote access to political power.

Competitiveness

State and federal legislative races are generally non-competitive with high incumbent re-election rates (Gelman and King 1990; Cox and Katz 1996), a pattern that also holds for city elections, as described in Chapter 3. City council incumbents almost always win re-election and rarely face serious opposition. Mayoral incumbents also have high re-election rates, although they typically face more opposition than councilmembers. The lack of competition in incumbent-challenger races results from the many advantages incumbents enjoy such as name recognition, a history of constituency service, and free media attention. Campaign finance also contributes to their advantages: incumbent councilmembers and mayors raise significantly larger sums than their opponents, creating an uphill battle for any potential challenger. Open seat races, on the other hand, usually boast of abundant competitive candidates and are decided by narrow margins. In most cities open seat elections are free-for-alls where voters are presented with a myriad of options, often three to six well-funded candidates. This is true regardless of whether the open seat is the result of a retiring incumbent, an unexpected death, or term limits. It is also true for both council and mayoral elections. Occasionally an open council seat will have one dominant candidate, but for the most part they are highly competitive.

One of the central goals of campaign finance reform is to prompt more competitive elections, an issue discussed in Chapters 7 and 8. The evidence suggests that contribution limits and public funding do little to reduce incumbency advantage. Contribution limits have a minor impact on reducing amounts raised by candidates, but it is not enough to significantly alter patterns of competitiveness or reduce incumbent-

challenger fundraising ratios. Further, public financing does not prompt more candidates to run, especially when it comes to challenging an incumbent. Most public funds are expended in open seat races and have the effect of increasing the ability of those candidates to communicate with voters. Public funds are much less frequently used by challengers taking on incumbents. Even though campaign finance reforms in the cities under study do not amount to an “incumbency protection act” as is often alleged (e.g. Smith 2001), they are not effective at promoting more competitive elections.

The lack of competition in incumbent/challenger races inhibits the ability of municipal elections to promote citizen engagement as well as potentially reducing accountability. Without vigorously fought contests, voters will be uninterested and may not participate by voting, volunteering, or contributing money. Lacking competition, elections are unlikely to foster the type of participation that can create a learning environment for citizens, as they will not learn much if they are not involved. Hard-fought electoral contests are a positive mobilizing force, piquing citizens’ interest and prompting candidates to seek volunteers and contributors. Further, if incumbent officeholders do not face serious opposition when they stand for re-election, they have fewer incentives to be responsive to their constituents. This study will not directly assess whether local officials are less responsive because they face minimal competition, but the lack of competition does diminish one of the means through which citizens can hold officials accountable.

Participation Bias

Who gives to municipal candidates? Chapter 6 addresses this issue from two perspectives. The first part of the chapter examines aggregate levels of giving. No one group dominates fundraising in any of the eleven cities, unless one considers the “business community” as a unified group (a very questionable supposition). Many different sectors of the business community are active in campaign finance and, contrary to the predictions of growth machine theorists (e.g. Logan and Molotch 1987), real estate interests do not dominate (even though they are very active). Non-business interests, such as unions, retirees and homemakers, also donate to municipal candidates but give less than the business community in the aggregate. Despite the diversity of the contributor pool there is a distinct bias towards the wealthy and business. The most active groups are individuals in high-income occupations (such as corporate executives) and businesses with an interest in city policy. We can characterize the contributor pool as being pluralistic but skewed;

despite the lack of domination by one group, not all groups are proportionately represented.

The second part of Chapter 6 examines contributions from the candidate's perspective by exploring the fundraising coalitions they assemble. Candidate fundraising coalitions tended to reflect both the diversity and the biases in the contributor pool as a whole. Most viable contenders drew on a variety of different groups for funds, with few "single interest" candidates. There was also little differentiation between aspirants for the same office: even though some relied more heavily on unions, the real estate industry, or other groups, coalitions were not that different from one candidate to the next. Further, there were few "grassroots" candidates whose donors were primarily non-elites; even those who raised modest amounts relied on the wealthy and business interests to fund their campaigns. Few candidates assembled a coalition of primarily non-business interests, a conclusion that even applies to candidates backed by organized labor.

Surprisingly, the biases in the contributor pool are similar to those found on the state and federal levels; we might have expected to find fewer biases towards elites because average contribution sizes and average amounts raised by candidates are smaller. Biases in the contributor pool indicate that one of the avenues of participating in city elections—financially supporting candidates—is disproportionately utilized by elites. The relative lack of activity by non-elites shows how city elections are not funded through grassroots activity of non-elites, and thus do not match the conception of local elections as venues for strong citizen involvement. Of course, contributing money is just one form of participation among many, but given the importance of money (as demonstrated in Chapters 3 and 4), the biases in the contributor pool is a poor showing for city elections. These biases sever one of the links between constituents and elected officials, as one way that constituents creates ties with elected officials is to financially support their campaigns. Receiving contributions from non-constituents, or an unrepresentative group of constituents, creates incentives for elected officials to focus their energies on issues of importance to that group rather than what the majority of their constituents desire.

Campaign Finance and the Limits of Local Democracy

Local elections have an important role to play in American democracy. Beyond being a central accountability mechanism for popular control of local governments, they are a venue where citizens can get directly involved in politics and a means through which they can develop civic

skills and political knowledge. State and federal elections often lack these qualities, as jurisdiction size and the cost of running limits citizens' involvement. Citizens can vote in these elections, but other forms of participation that would lead to civic learning or accumulation of political influence are, in practice, limited (although still possible). The shortcomings of state and federal elections can be countered by a more open and inclusive local electoral system. The city elections in this study, however, exhibit many of the same characteristics as their state and national counterparts. They are not a counterweight to problem-ridden federal elections; rather they are for the most part smaller versions. Money plays an important role in city elections, limiting their "grassroots" character, creating biases towards elites, and inhibiting the participation of non-elites. The evidence points to the conclusion that the campaign finance system does limit the democratic capacity of city elections.

Existing campaign finance rules and regulations are unable to address the problems caused by the influence of money. The eleven cities in the study vary in the extent of their regulation of campaign finance, from Chicago which is close to a "disclosure only" model to New York and Los Angeles which have extensive public financing programs. I already mentioned that campaign finance reforms have only modest impact on competitiveness and campaign spending. The assessment of whether reforms meet their other objectives is equally pessimistic. For example, public funding does not prompt candidates to have a more democratic funding base or prevent interest groups from spending money on campaigns and continuing their influence. Reforms have been unable to enhance the democratic characteristics of city elections. In Chapter 9, I conclude by arguing that the best ways to address the role of money is not through campaign finance regulations per se, but through other reforms that will reduce the amount of funds that candidates need.

Notes

1. Of course, some cities are quite populous. New York City, for example, has more residents than many states. The argument presented here relies on the fact that on average cities are smaller than states, and that in any given state the cities are smaller than the state as a whole (e.g., New York City may be larger than many states, but it is smaller than New York State).

2. "Non-elites" refers to citizens who are not wealthy and not well-connected politically.

3. State and federal governments will collectively be referred to as “higher tiers.”

4. We could theorize that perhaps turnout would be higher in smaller jurisdictions because one vote carries more weight, creating greater incentives for citizens to vote. But the research on local turnout, as well as our understanding of the reasons for why citizens vote, does not support this theory.

5. Grodzins identifies six meanings of “closeness,” but most of his discussion, and our discussion here, focuses on the three most common uses of the term.

6. This includes cities, counties, towns, school districts, and special districts.

7. Research on candidate recruitment frequently uses prior office held as a key measure of candidate quality (e.g. Squire and Smith 1996). The literature examining the political careers of female candidates also uses prior office held as an explanatory variable (Lawless and Fox 2005; Sanbonmatsu 2006; Deckman 2007).

8. The social capital literature has addressed this issue to some extent, but the focus of most of those studies is the connection between belonging to associations and attitudes towards government rather than the influence of other forms of political participation (e.g. Putnam 2000; Warren 2001).

9. Along these lines, Hannah Arendt (1963), in her study of revolutions, saw local councils as being the foundation for the maintenance of freedom after a revolution, as they allowed citizens to directly participate in political activity.

10. For an examination of the debate see Mueller (1999) and Berry, Portney, and Thomson (1993).

11. For a discussion of the methodological problems entailed in determining the policy impact of campaign contributions, see Roscoe and Jennings (2005). Some scholars have tried various statistical techniques to separate out the influence of contributions from ideology. For examples see Neustadtl (1990), Davis (1993), Fleisher (1993), Dow and Endersby (1994), Wawro (2001), and Fellowes and Wolf (2004). The approaches employed in these studies cannot be reproduced on a local level due to a lack of necessary data.

12. This argument does not hold for mayoral elections in large cities, such as New York and Los Angeles.