

# ALLEGHENY COLLEGE

## POLITICAL SCIENCE 610 SENIOR PROJECT

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The Effects of Campaign Spending on Gubernatorial Elections

Department *of* Political Science



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Submitted to the Department of Political Science of Allegheny College in partial fulfillment of the requirements for the degree of Bachelor of Arts.

*I hereby recognize and pledge to fulfill my responsibilities as defined in the Honor Code and to maintain the integrity of both myself and the College community as a whole.*

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Approved by:

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### **Acknowledgments**

#### To my teammates,

You all mean the world to me. Thank you for reminding me not to take myself so seriously. I have been so lucky to spend my four years of college with such a loving and accepting group of women. You will forever be the people I want at every game of One Night Ultimate Werewolf and I fully expect Norma's legacy and beauty to be carried on by every single class that follows. Keep the sidelines hype, play with fire, and break records. LYLAS

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## Introduction

### Abstract

Campaign finance has been an important part of elections since campaigns began. Spending money to get more votes has been a common thread through virtually every election in U.S. politics. In a capitalist world in which money means power, it is unfortunate that money also means political power. Shown in previous studies, more money typically means higher rates of election. In this study, I will be analyzing the spending data of the 2018 Midterm Gubernatorial Elections' on the part of the top candidates to find a common relationship between dollars spent and points won and to test how much this rule truly applies. My main objective is to examine and discuss the prevalence of money in politics and how it affects election outcomes in a political climate that is increasingly corporation and wealth minded.

**Keywords** |Gubernatorial Election | Campaign Spending | Crowdfunding | Out-Party | In-Party |

### Context

Campaign finance had been a widely discussed topic as of late. There are many issues regarding the topic including the Citizens United (CU) decision and increased legislative decisions that benefit corporations and the wealthiest people of the United States. With the recent legislation from the Trump Administration slashing taxes for the wealthiest citizens, we know this is incredibly problematic and frankly, harmful to our democracy as a whole. As we have seen in the past, trickle down economics does not work. The theory is that if the wealthiest population can gain more wealth, they will create more wealth for the less fortunate citizens. This simply was not the case. Giving wealthy people more money just made them more wealthy.

They hoard this capital, creating nest eggs for their children and rarely give any to the very people who create the wealth for them. This ties into campaign finance as these wealthy business owners use their own salaries and corporations to fund campaigns for the candidates with whom they agree. By hoarding all of this money, they can essentially give large donations to whoever they want, withholding the money they could give to their employees, which then prevents the freedom of the workers to use their money to donate to campaigns they wish to see win. Now, this theory is very focused, but similar situations can play out in vastly different ways.

Campaigns are now largely funded by wealthy donors and Political Action Committees (PACs). Over the past few decades, we have seen a massive increase in campaign spending and the contribution on the part of PACs, nonprofits, and wealthy Americans. This has led to legislative decisions that seem to be beneficial to the most affluent citizens in our country. As discussed, this is an economic model we know does not work as it has already been put into place before. Now, we cannot assume that these legislative measures are put into place to please the very people and organizations that are funding the campaigns of the people making these decisions. Though we cannot assume this is the only reason, there seems to be some strong correlation here that offers some hints to government corruption in that legislation tends to follow the money.

Campaign funding has an obvious tie to governor elections, but we also need to consider the impacts of funding in these elections. Governor seats are one of the highest offices that can claim they represent every single one of their constituents. As discussed in Margaret Ferguson and Jay Barth's article titled *Governors in the Legislative Arena: The Importance of Personality in Shaping Success*, governors offer the unique opportunity of "unaltered" and "diverse" public policy. It is increasingly difficult to find a political official who considers the ideologies of every

single constituent. Though we cannot assume that all governors act this way, studies have shown that they do typically act in the interest of all of their constituents. Ferguson and Barth also shortly discuss the separation of federal and state governments and the declaration from governors regarding their commitment to representing their citizens rather than following every order of the federal government. It is important to focus on these seats because of all that they do. From offering diverse public policy and putting their state first to state budgets, governors are not just a face for the state, but they are active and effective politicians who fight for the rights of their state and citizens.

Local government has a large impact on everyday life; including city laws and state legislation, local governance affects more in our lives than people think. Commonly, people feel that their representatives (both national and state) are out of touch and out of reach. Additionally, it is common knowledge that money and campaign funding are very important parts of being a player in the political game. A significant problem that arises from the massive amounts of money needed to be successful is that it has started to bar the everyday American from getting into politics as it is a competitive, social sphere of elites. These elites already have extensive access to not only their own funds but the deep pockets of other wealthy people willing to spend large sums on progressing their own interests. There are numerous studies conducted on National Congressional elections regarding campaign spending and the effects dollar amounts have on election results, but little to no data on gubernatorial races comparable to studies conducted on national legislative branch elections. I am interested in continuing the discussion that already exists regarding campaign finance and how it affects elections, but I want to include Governor elections in the conversation as well. Eventually, I will want this data and discussion to be considered when attempting to answer the question, “how does money contribute to the election

of politicians at the state level?” Due to the fact that the data and research on Congressional elections are endless, it will be incredibly important to include the related topic that is gubernatorial elections. By delving into Governor races, we not only have the opportunity to view this data from a different perspective, but we can also grow the knowledge and challenge the assumptions we have made about campaign spending as an institution. My research will contribute to the conversation as Governor races are not typically discussed and by including this data we can paint a clearer picture as to what candidates need to spend to win elections and how money plays into politics. Though Governorships do not have an effect nor voice in national policy-making that outweighs the “regular” voter, it is still a litmus test that will show how campaign spending can shape elections in gubernatorial races and how money can affect states through the election of governors.

## Literature

### Introduction

Money is an important part of the election process. There is a good amount of data in the political science world on how people raise incredible amounts of money as well as the ways in which they spend it. Additionally, in the political science field, we are more than aware of how often research regarding spending effects and where spending becomes marginal are often ignored by candidates. We know little about *why* candidates seem to ignore these studies and first-hand experience, but we do know that marginal returns on campaign spending exist, though those ceilings vary. The literature regarding gubernatorial election spending agrees that the effects of campaign spending across state and national races seem to line up. In this section, the discussion among previous studies will continue to reaffirm the existence of marginal returns as well as the importance of spending in elections.

### Importance of Local Politics and Governorships

When it comes to political knowledge, everyone can easily name the President of the United States or a well-known politician like Beto O'Rourke or Ted Cruz, but citizens rarely know who their governor is, let alone more local elected officials. In the long run, local politics (as big as state officials) are just as important, if not more than national politics. Governors are the top of the command chain in their state and can make or break policy in their respective states. They do not work for the President of the United States, but they do affect and oversee a good amount of policy that impacts many citizens' lives every day. They are the head of the executive branch for their own government and do not have to follow all federal legislation

(though it is strongly recommended), virtually putting them on the same level as Presidents.

From schools to prisons and even infrastructure, Governors decide how to divvy up the budget across their state, have a significant role in policy making, and the power to appoint many state representatives like judges. This could mean offering free college tuition to qualifying students like New York or turning around California's deficit to a budget surplus in just eight years like California's former Governor, Jerry Brown. The very education of your child or access to healthcare could be protected or terminated by governors, yet people do not take the time to know nor understand their platforms and initiatives fully. Governor elections are an incredibly important aspect of our political citizenship as they virtually have every aspect of our day to day lives in their legislative hands.

The party in power obviously has an effect on the state's legislation and budget, but how much can one governor change a state in their term? Campaigning to get elected can get extremely expensive. Parties in power can create "war chests" of sorts to fend off challengers. Additionally, challenging parties and candidates have the ability to outspend incumbents/opponents. Multiple studies, which we will discuss later, state that outspending your opponent gives you a better chance at winning, but how does that translate into real statistics at the state level? How can money affect the outcome of elections? I will attempt to answer these questions through data analysis and discussion throughout my research.

There are many benefits to holding the governor office in a state. The obvious being control of the state's legislation and progressing parties' political agendas, but other benefits of holding governor seats in states are said to include situations like close presidential elections in races. In Richard Powell's 2004 article titled "The Strategic Importance of State-Level Factors in Presidential Elections," he discusses various benefits of held governor seats in presidential races.

The most important factor gained from his article includes the idea that holding governor seats can help parties progress their candidates in these races in that they have the unique power to mobilize voters, use their status as an important citizen of their state to gain media coverage that can be used to promote the platforms and candidates of their parties, and help funding efforts through promotion of these candidates (R. Powell, 2004). His article was largely aimed to challenge conventional wisdom and cited Alan Abramowitz's study titled "Gubernatorial Influence in Presidential Elections: Fact or Myth." Abramowitz also aimed to challenge conventional wisdom about how governorships affect presidential elections citing the fact that these ideas had never been subject to any real statistical research. In this section, I will also aim to deny and/or reaffirm conventional wisdom as we commonly rely on these predispositions to guide our research but rarely question them. This section will discuss the statistical benefits of holding governor seats.

In terms of election efforts for presidential candidates on the part of governors, the benefits are "marginal or nonexistent," (Abramowitz, 2002). There is no statistical evidence that governors can persuade voters to either show up to vote for presidents nor to vote for the president for whom they endorse. Since this is the case, why do parties spend so much on governor elections? Simply holding governor seats progresses their political agenda. Overtime elections have been moved to the midterm cycles to avoid any effects from political climate around presidential elections. For example, if a candidate was deeply disliked and/or an incumbent president was not supported, these feelings may translate into how voters feel about parties in power at the governor level in voters' states. The actual benefits of holding governor seats according to the National Governors Association (NGA) are as follows: state budgets, enactment of state legislation, confirmation of judicial and legislative players in their states,

legislative oversight, veto power, appointment power, executive orders, and emergency powers, (NGA, 2018). By holding all of these powers at the state level, parties have the ability to control state happenings. From defunding the arts in schools to the power to declare executive orders to move states to work to shrink their carbon footprint, parties have a good amount of pulling power at the state level. Even more so than a single congressperson in power.

Though governors do not necessarily have a say in national politics, there are many benefits to holding this office. Not only does the elected person have the powers listed above, but the party to which they belong has power over state politics. Parties are far-reaching and due to the division of powers between the federal government and states, once a party has someone in power, they can essentially control the legislation within whatever state they control. By holding a governor seat, parties and their members have control of the happenings, budget, legislation, and executive orders within the state. If they want to defund/fund something, they will and that can have large impacts on national feelings toward congressional legislation. In conclusion, though people may not feel governors are very important political players, they are the head of the executive branch in their states, something we can compare to the “president” of a state. They are extremely important and necessary to run the state effectively and hold national legislation accountable in their respective states.

## **Fundraising**

Fundraising is an integral part of being a legitimate and successful political player. To be successful, you must utilize the correct tools and people to best fund your campaign. There are two main forms of fundraising, interest group contributions, and crowdfunding. The term “crowdfunding” as an umbrella term that includes both small donations from everyday people to

large donations from the wealthiest population. Since the Citizens United decision, corporations have increasingly donated more every year to political campaigns and parties that support their agendas most. For example, the Oil & Gas PAC receives donations from companies like Exxon, Koch Industries, and Chevron. The Oil & Gas PAC then funnels the money to candidates whom they deem most fit to make decisions in their interest or who have shown support for the industry in the past. Some candidates have committed their campaigns to only receiving money from crowdfunding alone. A good example of this would Bernie Sanders and his campaign for President in the 2016 election. He proved he was able to raise enough money to be competitive in the race while not accepting money from big spenders like Super PACs. Campaigns that mirror Bernie's could be just as viable and give the voters more voice than campaigns that raise millions, sometimes billions from PACs alone. A question people have been asking is "do campaign contributions from PACs, corporations, and wealthy people matter just as much as donations from the average person?" Though there must be more research on that topic specifically, we have seen in recent years that, to some representatives (specifically the party holding the majority of Congress as of October 2018) that the wealthiest people of America are the highest priority on the agenda.

The time representatives spend fundraising is also a significant factor in the representation of their constituents. In Lynda Powell's *The Influence of Campaign Contributions in State Legislatures: The Effects of Institutions and Politics* there is a chapter that specifically poses representatives' time fundraising versus the time spent representing. In Chapter 4 titled "Time Legislators Devote to Fundraising" she specifically touches on the objective idea of time lost as well as politicians' feelings toward that subject. Politicians have expressed that the time they devote to fundraising prevents them from representing their constituents. Additionally, they

have expressed that the time spent fundraising is a significant reason politicians are retiring, (p. 78, L. Powell). Legislators make time for the act of fundraising and will do it until there is no longer a benefit. For example, if they spend x amount of time to raise money for their campaigns and they are spending more money than they are raising, it is no longer beneficial. Having that in mind, is there a circumstance in which raising funds is no longer beneficial if PACs and donors are always donating. Additionally, this raises a question about our representative democracy, if our legislators are devoting so much time to raise funds for future campaigns while they are supposed to be representing, are they actually doing their job and representing? What does that mean for our democracy? Additionally, legislators who are fundraising for themselves are typically running for reelection or a higher office. In the former situation, as stated before, these legislators are spending a good amount of time dedicating themselves to future campaigns for the same office when statistically, their spending for reelection has no positive nor negative effect of reelection instead of representing which does objectively have an effect. So in that situation, why are legislators focusing on something that does not affect their seat when representing their constituents does. In the latter, they are using their time to raise funds for their future campaigns for higher offices. Rarely, do legislators run for a “lower level” office, (p. 82, L. Powell). Just like the former situation, these legislators are spending the time they should be doing their job, fundraising instead.

In conclusion, there is far too much time dedicated to fundraising instead of representation. Proper representation is a factor in representation and if constituents do not feel their elected official is doing the job they were hired for, they will no longer hold that office no matter how much money they spend. Something that should be researched further is *why*

legislators choose to fundraise for campaigns that have absolutely no effect on their reelection. Why not use this money for the party or for another candidate who they want to be elected?

### **Campaign Spending and Election**

Every election cycle we see candidates spending more and more on campaigning. Congressional elections in 2016 spent just as much as Presidential campaigns in 2004. Year after year, spending increases, but what is the payoff? The payoff is a contribution to the strategies created by parties in power to stay in power. Spending in no way contributes to strengthening our democracy but prevents challengers from getting in the game as well as gives access almost exclusively to those who contribute, (L. Powell, 2012; Coleman & Manna, 2000).

Generally, it is known that money is a large part of politics. It is needed for campaigns, travel, ads, etc. A generally accepted idea is that the more money you have raised/can spend, the more likely you are to be elected. This idea was supported by the findings of Philip Bump of The Atlantic. He conducted a study in 2013 on campaign spending and election rates. He found that across the board, the more you spend, the more likely you are to be elected. He took a microscope to close races and saw this effect was heightened. More dollars spent lead to more points won by. Bump then looked at incumbent and challenger elections. He saw that this effect not only stood for open seats but for seats that had an incumbent running for reelection. The more challengers spent than the incumbents, the more they won, (Bump, 2013). This supports and proves the idea that politics is about money and spending and has created a world that is incredibly elitist.

An argument for unlimited amounts of spending is in favor of using the funding to educate voters on policy platforms and other positive information. This an idealistic view of

people, especially those who are trying to compete against another person for the same job. As discussed by Coleman and Manna in *Congressional Campaign Spending and the Quality of Democracy* this spending is largely used for “cynical, negative, and misleading campaign advertisements.” They then go on to discuss how the public views politics and politicians in an environment in which they only see and hear negative advertisements saying, “the public becomes distrusting, or worse, apathetic and uninvolved... The rational politician cares little for the impact of his or her action on the quality of American democracy, but mightily about winning the next election,” (Coleman & Manna, 2000). This proves the argument supporting unlimited spending wrong as we *rarely* see spending used for good, informative campaigning. Even when their research was conducted in 2000, negative ads were a popular form of campaigning, but in today’s political climate, negative ads are becoming more and more prevalent as people fight harder and spend more for election victories. Campaigns are no longer about educating about your platform positively, but showing your competition in a negative light.

This all ties into how money can affect campaign success. As previous studies like Gary Jacobson’s 2006 article, *Measuring Campaign Spending Effects in U.S. House Elections*, Steven Levitt’s 1994 study, *Using Repeat Challengers to Estimate the Effect of Campaign Spending on Election Outcomes in the U.S. House*, and Philip Bump’s study have stated there is a positive relationship between total spent by candidates and their election rates. Additionally, campaigns give candidates name recognition which has a positive effect on election rates, (Kam & Zechmeister, 2013). Thus, we can assume that more spending leads to more ads that will give candidates a more recognizable name and increase their chances of winning an election. When it comes to incumbent elections, it is widely agreed in the Political Science community that when

an incumbent spends more, they feel they are at an electoral weakness. Incumbent governors are at an advantage because they have a unique and powerful access to their state's media coverage time. Though they will automatically gain name recognition simply by holding the office previously, they want to up their chances at reelection by outspending their opponents with election "war chests." If winning an election is as easy as outspending an opponent to gain the most name recognition, the wealthiest campaigns just need to make it to election day. Additionally, this means campaigns that are funded the most are more likely to be funded by partisan PACs and the wealthiest population will win meaning we can assume that legislation that supports these groups will be rolled out, forgetting the rest of the population that voted. The only solution suggested for the issue would be spending/fundraising caps and/or exclusive use of public funding already offered to every candidate.

### **Previous Studies on Gubernatorial Elections**

Though most research is conducted on congressional and presidential elections, there is still a good amount of data on the topic. They cover a wide range of variables like presidential approval ratings and their effects on state elections, incumbent approval ratings, and even campaign spending, (Partin 2002; King 2001; Hogan 2013). These previous studies are essential to note as my results will be affected by the results of their studies as well.

In Randall Partin's 2002 research titled *Assessing the Impact of Campaign Spending in Governors' Races*, he discusses the importance of noting presidential approval ratings in the year of the election of governors. As most gubernatorial elections take place in midterm elections, their results reflect the national feelings toward the Presidential Administration. He went on to state that we would be able to see this easily by paying attention to out-party and in-party

election. If Presidents had a low approval rating in the year of a midterm election, this would translate into an increase in out-party candidate election as they are removed from the president and the party to which the president belongs. On the other hand, if the president received higher approval ratings, we would see an increase in in-party candidate elections in midterm cycles, (Partin, 2002). In both Partin's 2002 study and King's 2001 study, Presidential approval ratings had a statistically significant effect on gubernatorial outcomes. King and Partin conducted research on different elections as well which makes this data even more important in concluding that gubernatorial elections are, in essence, a test to see where the country stands regarding the current administration. Because I am only researching the 2018 midterm elections, Donald Trump's approval ratings will be important to include in my discussion as it could affect the outcome of governor elections.

The next subject that is important to note is the approval ratings of incumbent governors running for reelection. In a 2001 study conducted by James King, he found that voters partake in what he called "retrospective voting." This means that people are voting on their feelings regarding *results* rather than the actual happenings and legislation that created the results. I will not be able to dissect every single election and factor in retrospective voter theories, but it is important to keep this in mind when analyzing my data.

The most important subject that has been studied in the past is campaign spending in gubernatorial elections. As this is exactly what I am conducting on the 2018 midterm elections, it was necessary that I keep these results in mind when creating my own hypothesis and analyzing data. The most significant findings were that of Randall Partin's *Assessing the Impact of Campaign Spending in Governors' Races*, (2002). As discussed, Partin found significant data regarding presidential approval rating as well as in-party votes. Moreover, once he factored in

campaign spending, all other factors had lessened effects while campaign spending was statistically significant. These findings guide how I will be conducting my research as all other findings became less significant once campaign spending was a factor. This proves that campaign spending has more effects on election results than all other factors Partin tested.

In conclusion, in gubernatorial elections, there are many factors in play. Presidential approval ratings, retrospective voting, in and out-party candidates, and incumbent approval ratings are significant, but once campaign spending is added to the mix, they become marginal as spending is the most significant data. This means that while voters keep those influences in mind, the dollars candidates spend on winning their votes are something they cannot get away from. With the money spent on campaigns comes name recognition through advertisements, large campaigns, and more knowledge on platforms. Campaign spending is the single most important element of campaigning as other things fall to the side.

### **Conclusion of Literature**

As we have seen, there are many factors that affect election results. Presidential approval ratings, incumbent effectiveness, and dollars spent are all important elements of can make or break a candidate's election fate. With the addition of how governors can influence constituents' lives, gubernatorial elections are arguably some of the most important elections in which citizens should participate. Though the literature I have discussed is a relatively comprehensive guide to how we can assume the data will play out, these studies were conducted in a much different political time on both national and gubernatorial elections over a long period of time.

Additionally, all of the studies minus Philip Bump's were conducted prior to the Citizens United

decision (CU) in 2010. CU has an impact that we have already seen in the exponential growth in campaign spending, but we also do not know the true, long-term effects yet.

There are a few holes in the current literature. Most studies are conducted on congressional elections simply because they get more national attention throughout their term. The Political Science community could always use more data, but especially on gubernatorial elections. We know how important governors are and how much they can affect citizens' lives so we should give these elections more attention. One of the most important rules of research is that you must diversify your data to get more meaningful results. We could discuss how money affects elections all we want, but if we are not looking at several levels of government elections then we are limiting our theories.

Future research could also compare pre-CU elections to post-CU elections to see the true impacts of the Citizens United decision. As we have seen, money has a large effect on elections and if we consider the contribution of corporate and PAC money to campaigns within the restraints of the CU timeline then we can see how it has truly affected election results.

## **Methods**

For my research, I will be utilizing the campaign finance data available to the public on the website FollowtheMoney.org. I am specifically analyzing the spending data from all 36 gubernatorial midterm elections for State Governor that took place in 2018. I will plot the data and find the line of best fit by plotting dollars spent on the y-axis and points won on the x-axis among other relationships. I will organize each election alphabetically by state and code results with party colors and victors along with their total campaign spending, differences between candidates, points earned, population, total spent, and dollars spent for each vote. Most

calculations will be done through the spreadsheet itself by using algorithms between cells and along columns to gather the data necessary to find possible ratios. I chose to utilize these methods as I have at least 72 candidates and the ability to see the commonalities between dollars-spent and the point differences between the top candidates is heightened as I can use mathematical functions like averages, differences, etc. to find correlations.

Within my data I will be testing for various correlations between variables. The relationships I am focusing on are dollars spent and points won by both of the election victors and losers, spending difference and point margin, vote margin and dollars spent per vote in the margin, and other relationships within incumbent elections.

Due to the varying campaign finance laws in every state and the existence of corporate money in politics, I am choosing to use exclusively money spent by the campaigns themselves instead of PACs and other various political groups spending for the candidates. I am interested in seeing how individual campaigns spend their money and how that affects their election rates which is why I chose this specific data instead of looking at all of the money spent *for* their campaigns. Though I know it would be beneficial to look at corporate dollars in elections, I felt that it would be a more accurate data representation by excluding outside spending as the data on the dollars spent is incredibly difficult to get as a large amount of money is funneled through 501(c) non-profit groups that do not have to disclose their donors. By only focusing on money spent by the campaign, this controls for the vastly different campaign finance laws in the states.

Though I feel this is the best way to find the correlation between dollars-spent and point differences, I will not be able to factor in an equation that accounts for the ineffectiveness of incumbents that could affect their reelection chances regardless of amount spent, but I can make assumptions based on approval ratings leading up to election day. Additionally, because my

research is only on one election cycle, I will only be able to find a common ratio for the time period across a single cycle instead of general elections. If a ratio does exist and it is similar to Philip Bump's research this data absolutely has something to say about campaign spending and election results as his research was conducted during a different time in politics. As I cannot account for *every* reason a candidate is elected, I will keep many things in mind (like presidential approval rating and incumbent effectiveness) when interpreting data and discussing my findings.

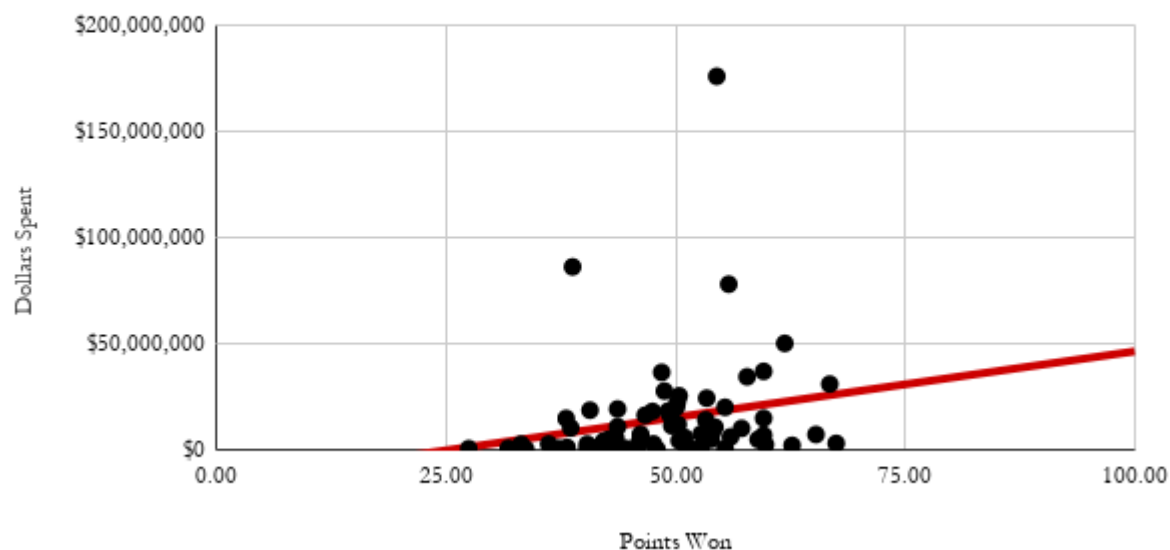
## **Hypothesis**

With the knowledge that already exists thanks to previous research conducted on congressional races, I predict that I will find similar results regarding spending and election results. In Bump's study, he found four main commonalities: candidates spent more money in close races, generally, the more money that candidates spent compared to their opponents the more points they won by, in close races he saw that this effect regarding spending and point differences were heightened, most incumbents who lost were outspent. I expect to find results comparable to Bump's 2013 as well as Jacobson, Levitt, and Zechmeister and Kam's respective research. Although congressional races are typically more popular nationally, thus making their names more recognizable, more voters will see their name and know their platform regardless of the office for which they are running which we did not see much of in 2018 gubernatorial elections. Through my research, I will look to reaffirm these findings and offer additional areas on which future research should focus.

## Data and Analysis: Money Spent and Points Won

### Points Won vs. Dollars Spent

Figure 1

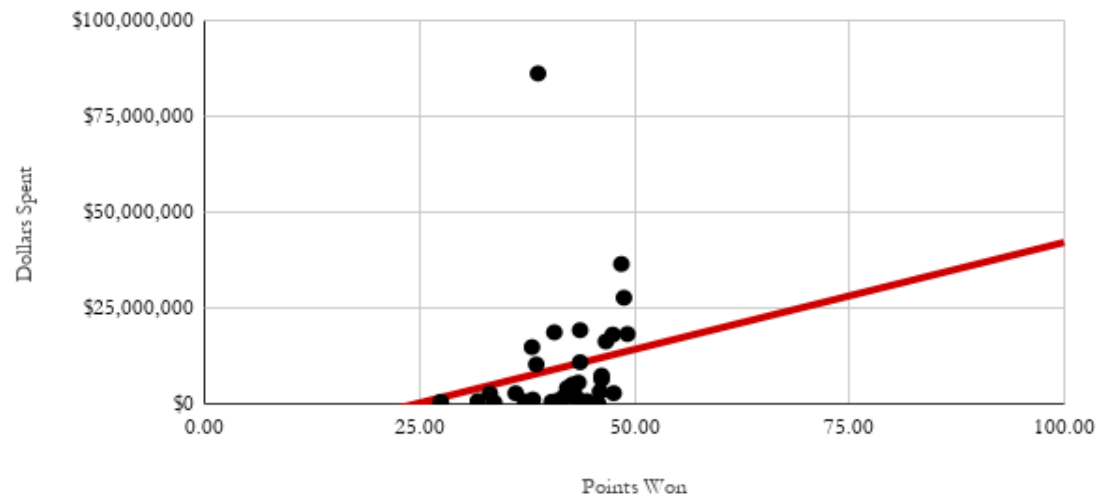


(Figure 1: the relationship between total spent and points won)

This finding aligns with previous research and supports the theory that money has an influence in politics. It now creates a likeness between national and local politics in the sense that we see similar practices and results within the realm of campaign spending. The correlation between the first level (dollars spent and points won) further drives the point that money seems to have an influence in election outcomes. After reviewing these findings, I went on to run relationships within the loser group (Figure 2) and the victor group (Figure 3) to see if there was a more focused effect within these relationships. I was mostly interested in seeing if there was a stronger relationship within either group.

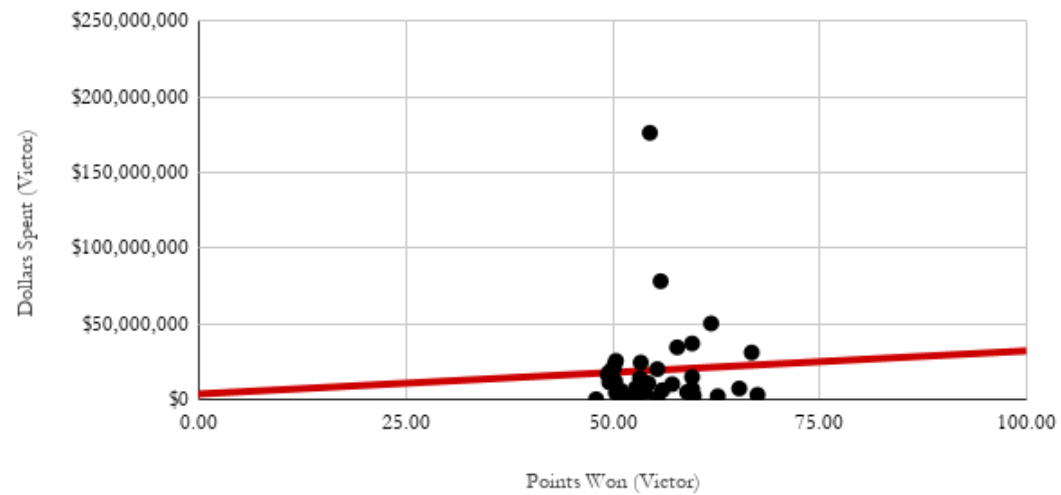
### Election Losers: Points and Dollars Spent

Figure 2



### Election Victors: Points and Dollars Spent

Figure 3



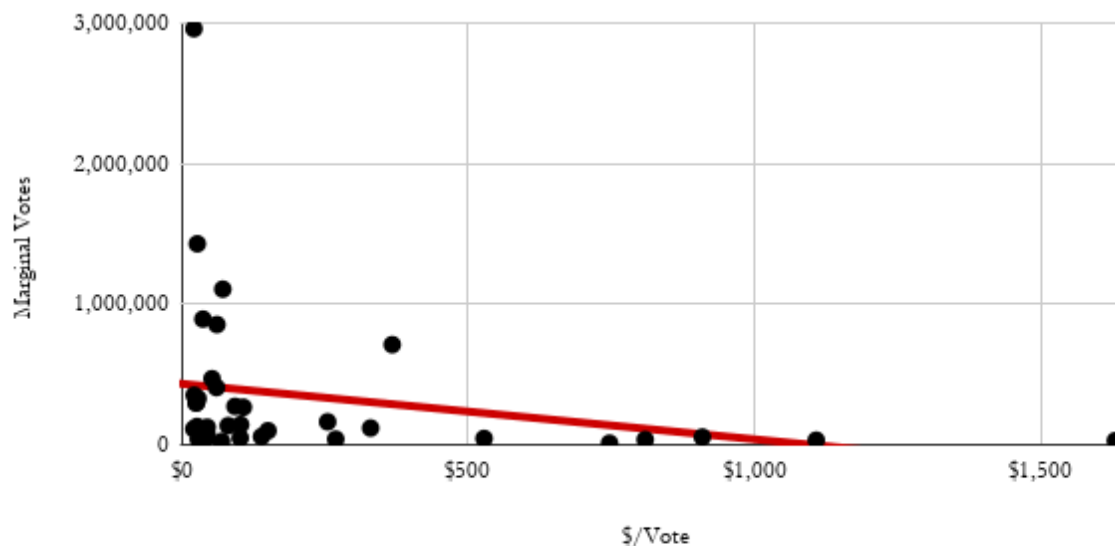
(Figure 2 and Figure 3: the relationship between dollars spent and points won within the winning and losing groups of candidates)

We see in both figures that the slope of the line of best fit varies. In Figure 2 it seems that there is a stronger relationship between dollars spent and points won within the losing group. Though these candidates did not win elections, we can assume that there is a strong correlation between the money they spent and the votes they received. As seen in Philip Bump's study, the effects of spending in elections were heightened in close elections. If we look at Figure 2 through that lens, this absolutely supports his findings. The closer the data gets to the 50% range, the closer we get to more statistically competitive races and the more candidates are spending. Additionally, in Figure 3 we can see that there may be less of an effect from the money they spent. There are many factors that go into election results, but we can also assume, thanks to previous studies, that there may be a cap on how much you spend and the effect it can have on your results. Furthermore, there is little to no chance that someone will be winning 100% of the electorate so naturally, there will have to be some sort of cap to how much you spend and how many points you win.

To test further likeness to studies conducted on national elections, I reviewed the relationships between vote margin and total spent (Figure 4). We see that it shows a negative relationship between dollars spent per marginal vote and the vote margin. This aligns with Philip Bump's study as well. At the top left is California's Gavin Newsom, winning by 2,966,488 votes at \$29/marginal vote. Furthermore, at the bottom right we see Wisconsin's Tony Evers, Scott Walker's incumbent challenger, who won at a high cost (\$1630) in a low margin (29,396 votes). The data in the graph suggests that the smaller the margin, the more expensive each vote costs. Figure 4's findings are important to consider as it supports my hypothesis that money positively affects election results.

## Marginal Votes vs \$/Vote

Figure 4



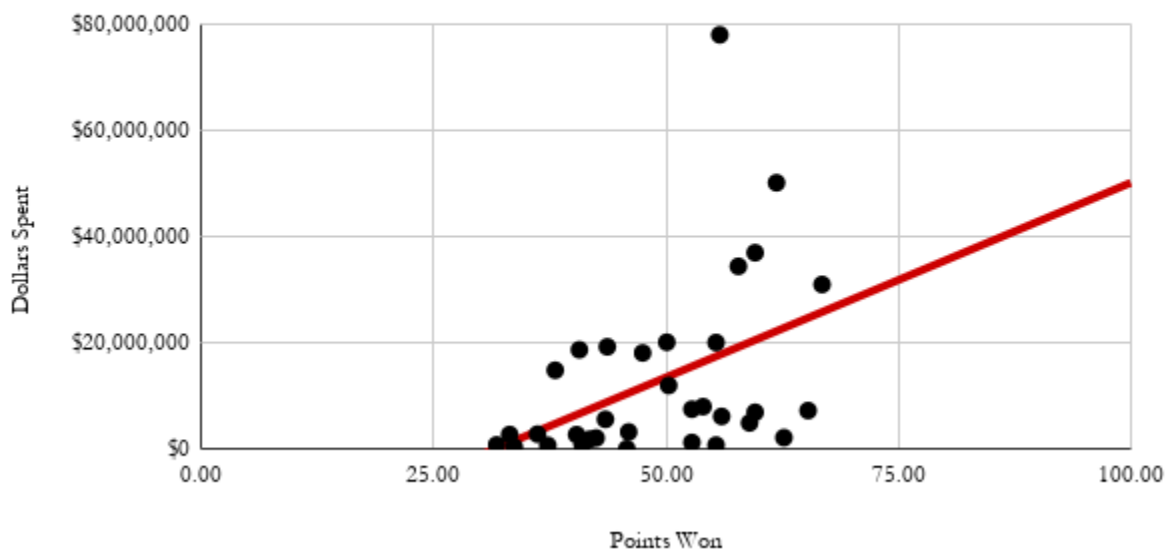
(Figure 4: the relationship between vote margin and the amount spent on each marginal vote)

Furthermore, at the bottom right we see Wisconsin's Tony Evers, Scott Walker's incumbent challenger, who won at a high cost (\$1630) in a low margin (29,396 votes). The data in the graph suggests that the smaller the margin, the more expensive each vote costs. Figure 4's findings are important to consider as it supports my hypothesis that money positively affects election results and could make elections "more competitive."

Finally, I went on to analyze these effects in the 18 elections with an incumbent candidate. Figures 5, 6, 7, and 8 show the various impacts money had in the elections.

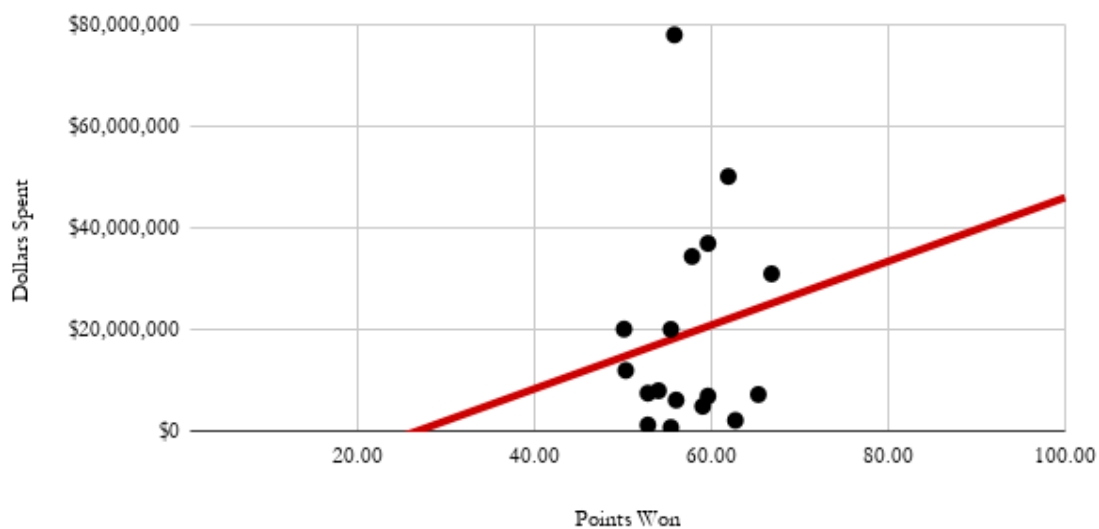
### Incumbent Elections: Dollars Spent and Points Won

Figure 5



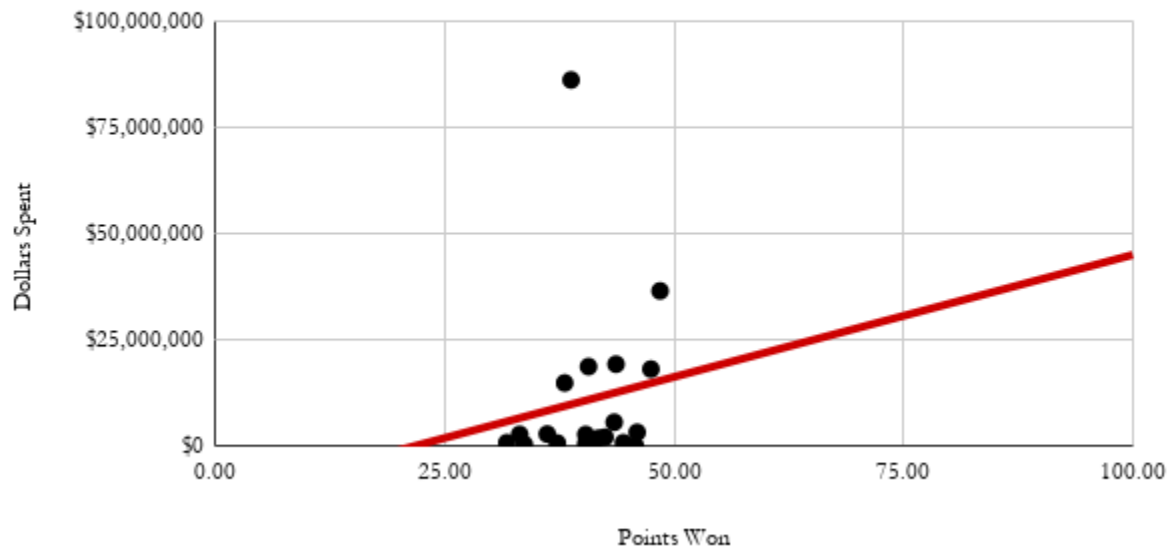
### Incumbent Victors: Dollars Spent and Points Won

Figure 6



### Incumbent Losers: Dollars Spent vs Points Won

Figure 7

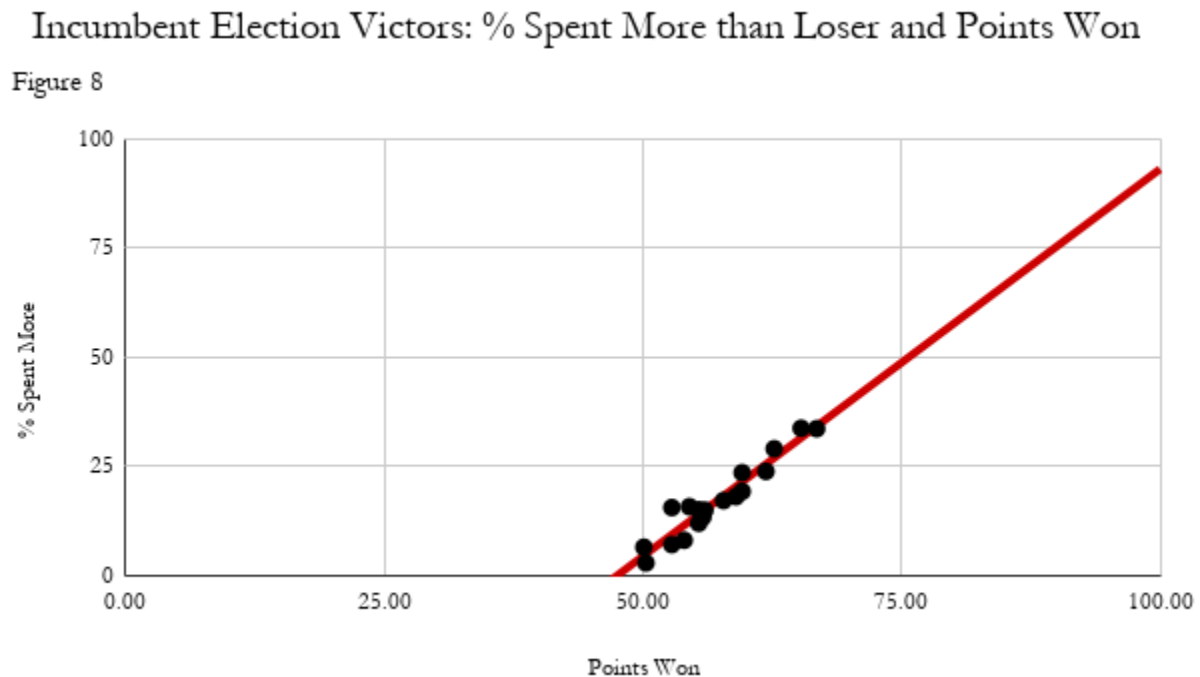


(Figures 5, 6, and 7: the relationship between dollars spent and points won in all incumbent elections as well as within the victor group and losing group.)

Figure 5 shows the correlation between dollars spent and points won in all 18 incumbent elections. Since it was previously plotted with the rest of the data, we knew that it was going to follow similar trend lines, but we are interested in how closely. If we compare all of the incumbent races to the whole data range, we see that the trend line has a steeper slope. While further research can include more data to get a more accurate representation, we see in this graph that not only were the incumbent races closer, but the effect of money was heightened. This

aligns perfectly with Bump's findings as he suggested the effects of money were heightened in closer races. Moreover, the incumbent races are where we saw the most campaign spending.

Figures 6 and 7 show the relationship between dollars spent and points won in either the victor group (Figure 6) or the loser group (Figure 7). In both graphs it appears that the trend line has the same slope, but we can tell the victors visibly spent more on their campaigns than their opponents. Unlike Figures 2 and 3, the effects are not heightened in the loser group, but rather they are fairly the same in the incumbent elections.



(Figure 8: the relationship between points won and the % the incumbent election victor spent more than their opponent)

Figure 8 owns the most significant findings, showing the correlation between the percent the victor outspent their opponent and the points they won. The finding suggests there is a very

strong correlation between the percent difference in dollars spent and how many points the incumbent victors received. It continues to reaffirm previous studies, proving even further that spending has a positive effect on election rates.

### **Discussion and Conclusion**

In almost every election, save six of them, the victor outspent their opponent. We already know how outspending your opponent can affect your election results, but what does this say about those six elections? One of the six was an incumbent election in Iowa. Not only should we consider the name recognition gained by already holding the office, but we also need to look at the approval rating of the incumbent governor. Soon after election, she had an approval rating of 59%, (Des Moines Register, 2019). It is safe to assume considering her approval rating that though she was outspent, she was an effective governor and the citizens of Iowa wanted to keep her in office or did not feel that they needed a new person in that office.

For the other five elections in which the victors were outspent, we should also consider the average voting outcomes of elections as typically voters will not vote for an out-party candidate. Georgia is a red state that voted for a red candidate, Brian Kemp. There are many possibilities for why people voted for Brian Kemp over Stacey Abrams - D. For a very safe red state like Georgia, it would be a very rare occurrence that the state would vote blue. Additionally, racism/sexism and/or a combination of both can help to explain these results. Women in politics are hard to come by, but women of color make up a smaller percentage of the elected officials in the U.S. There is a likely chance that people did not trust Abrams as a candidate because of her gender identity or even the color of her skin, especially in a southern

state. Though Abrams outspent Kemp, his election was no surprise as he represents what Georgia wants in a politician, a white male.

The next states, Nevada and Wisconsin, are both typically blue states who voted for a blue candidate though they were outspent. Nevada, as Georgia was no surprise as constituents voted as expected. Wisconsin was a special circumstance. The cost of the votes in the margin exponentially more expensive than almost all other items of data which leads us to assume that Scott Walker (R- Incumbent) and Tony Evers (D) felt it was going to be a close election. With a 1.1 point difference and 29,396 votes in the margin, it was a very close election, but why did people vote for Tony Evers over their incumbent? The approval rating of an incumbent around election time could give an accurate perspective. Scott Walker's approval rating was floating around 40% and he is considered one of the ten most disliked governors in the United States, (DeFour, 2018). Though Walker spent 76.3% more than Evers, his constituents did not approve of his job enough to keep him in office.

Kansas was also a very special circumstance. The election of Laura Kelly - D was a decision that put an end to a republican trifecta. On paper, the republican candidate, Kris Kobach, was a likely pick for Kansans in 2018. He had the experience, he had the party nomination, he had the vote demographics, but what did he lack? Kelly had the endorsements of Former Governor Bill Graves - R, Former Governor Mike Hayden - R, and Former Senator Nancy Kassebaum - R, (Ballotpedia, 2018). The endorsements across party lines may be what gave Kelly the upper hand in the election. The three former elected officials could have easily endorsed a member of their own party, but they endorsed her, an out-party candidate. These endorsements likely helped Kelly gain credibility with the republican voters of her state which then led to her election.

The last state we will discuss is Florida. It had the smallest difference in dollars spent and the smallest point difference at .4%. Though Ron Desantis - R was technically outspent by Andrew Gillum - D, it was by a mere \$83,324 compared to the total of \$36,423,980 between both candidates. In a race that close, there is not much explanation to how it ended up the way it did. We could assume candidate preferences based on the geography of the state to explain why more people did not vote for Gillum. Polls and interviews would be the best course of action to interpret the election in detail.

In all other cases, the victor outspent their opponent. It is important to note that on top of this, all incumbent challenger outspent the incumbents. The data has supported previous research and current theories regarding campaign finance and how it may affect elections.

While I would like to include more data in future research, my research is start and continues the conversation about campaign spending and its impacts on elections.

As I expected, campaign spending had a positive relationship with points-won across the board. As Bump, Jacobson, Levitt, and Zechmeister and Kam all found that campaign spending had a positive relationship with election results, my research reaffirms this. Future research could include more election cycles at the state level and could look at other factors that could also have an effect on election results.

Finally, what does this mean for our democracy? As discussed earlier, money has power and money also translates into political power. The existence of money in politics is highly problematic as seen in previous research. Since the CU decision, corporations have been able to contribute more and more to political campaigns and over the years, we have seen more interest in corporations and the wealthiest citizens within our legislations. With tax breaks for both corporations and those wealthy citizens, we see some relationship between *who* is funding

campaigns and who gets legislation in their interest. Though we obviously cannot jump to conclusions and say that there is straight up government corruption, but we can discuss the relationship between funding campaigns and what that means in terms of legislative interest. If we continue to allow unlimited campaign donations and we continue not to hold 501(c)s accountable in terms of dark money donations and disclosure, we will see more dark money, election of the wealthiest campaigns, and more legislation supporting corporations and the wealthiest citizens. In short, if we do not do something about money in politics, we will continue to be victim to the wants of the wealthiest population and the legislative decisions of their political puppets.

### Bibliography

Abramowitz, A. (2002). Gubernatorial Influence in Presidential Elections: Fact or Myth. *PS: Political Science and Politics*, 35(4), 701-703. Retrieved from <http://www.jstor.org/stable/1554813>

This article is useful for my literature review. I am using it in my discussion that challenges conventional wisdom as his study did just that. Previously, studies have used the idea that governors can affect presidential elections, but Abramowitz sought to challenge that. His findings stated that the effects were “marginal or nonexistent.” which is

Bump, P. (2013, November 18). Does More Campaign Money Actually Buy More Votes: An Investigation. Retrieved from <https://www.theatlantic.com/politics/archive/2013/11/does-more-campaign-money-actually-buy-more-votes-investigation/355154/>

This article is about how campaign spending can affect your election rate. This study found that in all races, the more you outspent your opponent, the more the point difference was. Moreover, when looking at close elections, that effect was seen even more. Simply outspending your opponent in a close race could get you elected. This is important for my research as this supports and proves the idea that money is essential to be a competitive player in the political sphere. Additionally, it shows data that incumbents who lost were outraised by their challengers. This tells us that money does buy votes. These findings prove that politics is a sphere for elites and people with good connections (also elites, unfortunately).

Coleman, J., & Manna, P. (2000). Congressional Campaign Spending and the Quality of Democracy. *The Journal of Politics*, 62(3), 757-789. Retrieved from <http://www.jstor.org/stable/2647959>

This article is a good discussion regarding campaign spending, information spreading, and how it affects democracy. It is useful for my research as I am very interested in fundraising in terms of who it comes from and how this money is spent. An important stance Coleman and Manna take is that the unlimited amount of spending on campaigns is bad for democracy. They argue that the time representatives spend on campaigning in no way contributes to their actual representing and just creates an “incumbent strategy scheme” that protects the seats of legislators, prevents challengers from being competitive, and “grants access and favors” to those who contribute. I feel this essay will be beneficial for my research as it supports my hypothesis that spending and fundraising are detrimental to democracy.

Hogan, R. (2013). Campaign Spending and Voter Participation in State Legislative Elections. *Social Science Quarterly*, 94(3), 840-864. Retrieved from <http://www.jstor.org/stable/42864163>

This research is important for my literature review as it studies the impacts of campaign spending on voter participation. Hogan found that campaign spending had a positive impact on voter participation. Additionally, challenger spending had a heightened effect compared to incumbent spending. This plays into my research as it studies the effects money has in elections and discusses various impacts of spending by incumbents and challengers.

How Popular Is Donald Trump? (2019, March 04). Retrieved from <https://projects.fivethirtyeight.com/trump-approval-ratings/>

Krumholz, S. (2013). Campaign Cash and Corruption: Money in Politics, Post-Citizens

United. *Social Research*, 80(4), 1119-1134. Retrieved from

<http://www.jstor.org/stable/24385653>

Krumholz' research is about the change in campaign spending for both presidential and midterm elections between the years of 1998 and 2012. Her research is very important for my comp because I can build on her findings regarding campaign spending. I felt that I could use her figures to compare national spending, individual spending, and rate of elections won based on what candidates spent. I will be adding three election cycles to her research. These additions will not only contribute to her research but will be able to paint a better picture for my research.

Ferguson, M., & Barth, J. (2002). Governors in the Legislative Arena: The Importance of Personality in Shaping Success. *Political Psychology*, 23(4), 787-808. Retrieved from

<http://www.jstor.org/stable/3792367>

Followthemoney.org. (2018). *Home - FollowTheMoney.org*. [online] Available at:

<http://www.followthemoney.org/> [Accessed 15 Oct. 2018].

This site will be where I find a large amount of my data. It has a comprehensive list of races, candidates, money spent on campaigns, etc. They update the information as it is reported so I will be able to use the most accurate, updated information to draw conclusions and follow/find trends. With this website, I have the ability to search for information in very specific fields. I can look at the state overview, individual districts, state legislatures, lobbying expenditures, independent spending, and lobbyist links all the way back to the 2000s. This may be one of the most useful resources for my research as I can input the information reported and hopefully find trends in visual representations.

Jacobson, G. (2006). Measuring Campaign Spending Effects in U.S. House Elections. In Brady H. & Johnston R. (Eds.), *Capturing Campaign Effects* (pp. 199-220). Ann Arbor: University of Michigan Press. Retrieved from <http://www.jstor.org/stable/10.3998/mpub.132252.11>

Kam, C., & Zechmeister, E. (2013). Name Recognition and Candidate Support. *American Journal of Political Science*, 57(4), 971-986. Retrieved from <http://www.jstor.org/stable/23496668>

King, J. (2001). Incumbent Popularity and Vote Choice in Gubernatorial Elections. *The Journal of Politics*, 63(2), 585-597. Retrieved from <http://www.jstor.org/stable/2691766>

King's research studied the relationship between in-party elections and approval ratings of incumbents. King found that voters were more likely to vote in-party if they had a positive feeling about the current governor.

Levitt, S. (1994). Using Repeat Challengers to Estimate the Effect of Campaign Spending on Election Outcomes in the U.S. House. *Journal of Political Economy*, 102(4), 777-798. Retrieved from <http://www.jstor.org/stable/2138764>

Levitt's research was interested in repeat challengers. So in election A, person x and person y face each other. In election B, person x and person y face each other again. What do the outcomes of these elections say about spending? He found that contrary to previous studies stating that spending had a large and positive impact on election results, his study showed a small positive impact. What is important is that it was still positive. This article is important for me as it also brings into question conventional wisdom regarding campaign spending and how much of an impact it really has.

Partin, R. (2002). Assessing the Impact of Campaign Spending in Governors' Races. *Political Research Quarterly*, 55(1), 213-233. doi:10.2307/3088072

Partin studied the relationship between campaign spending and governor elections. He found that spending had a heightened effect at the governor level. This is important for my research as it is one of the few studies that attempts to view campaign spending through the lense of governor elections. This research supports my hypothesis.

Patterson, S. (1982). Campaign Spending in Contests for Governor. *The Western Political Quarterly*, 35(4), 457-477. doi:10.2307/447335

POWELL, L. (2012). The Time Legislators Devote to Fundraising. In *The Influence of Campaign Contributions in State Legislatures: The Effects of Institutions and Politics* (pp. 78-105). Ann Arbor: University of Michigan Press. Retrieved from <http://www.jstor.org/stable/10.3998/mpub.2454352.10>

I chose this excerpt from a chapter titled “The Time Legislators Devote to Fundraising” because it is important to consider the time elected officials spend on fundraising instead of representing their constituents. This is important to my research because I am interested in seeing how money in politics takes democracy away from the people of the United States. I will be using this piece to discuss the idea that representatives spend almost all of their time trying to fundraise and very little of it representing. It supports my hypothesis that money in politics diminishes the value of the use of the term “democracy” in the United States because it prevents these representatives from doing their job.

Powell, R. (2004). The Strategic Importance of State-Level Factors in Presidential Elections. *Publius*, 34(3), 115-130. Retrieved from <http://www.jstor.org/stable/20184913>

This article will be useful in my literature review as it adds to the discussion of importance of governor seats and how they can affect other elections. Powell studies how local factors can affect presidential elections. The most important finding I am drawing from this article is his discussion on how governors can hurt or help election desires.

Tuition-Free Degree Program: The Excelsior Scholarship. (2018, December 19). Retrieved from <https://www.ny.gov/programs/tuition-free-degree-program-excelsior-scholarship>

DeFour, M., & Wisconsin State Journal. (2018, July 25). Poll finds Scott Walker job approval still among 10 worst in country. Retrieved from [https://madison.com/wsj/news/local/govt-and-politics/poll-finds-scott-walker-job-approval-still-among-worst-in/article\\_cfe6f342-49a8-5a30-aff-dc8c05d01ef1.html](https://madison.com/wsj/news/local/govt-and-politics/poll-finds-scott-walker-job-approval-still-among-worst-in/article_cfe6f342-49a8-5a30-aff-dc8c05d01ef1.html)