

Political Gridlock, Corporate Influence and Campaign Finance

Adam Bonica

Department of Political Science
Stanford University

**SEIPR Policy Forum:
Money, Politics and The Economy**

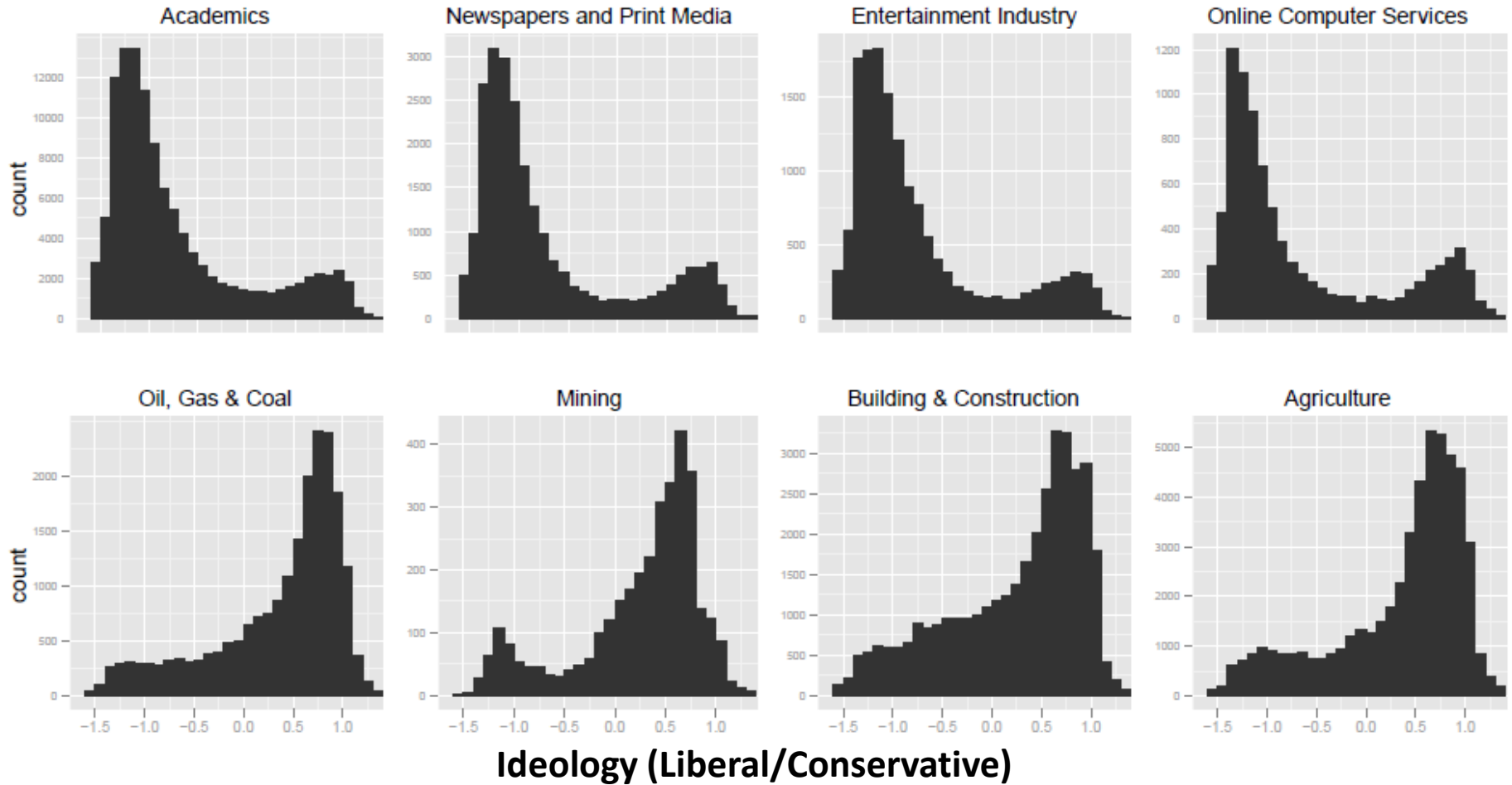
Outline

1. Introduce new tools for studying money in politics
2. Ideological mapping of the economy
3. Avenues of influence, political gridlock, and campaign finance reform

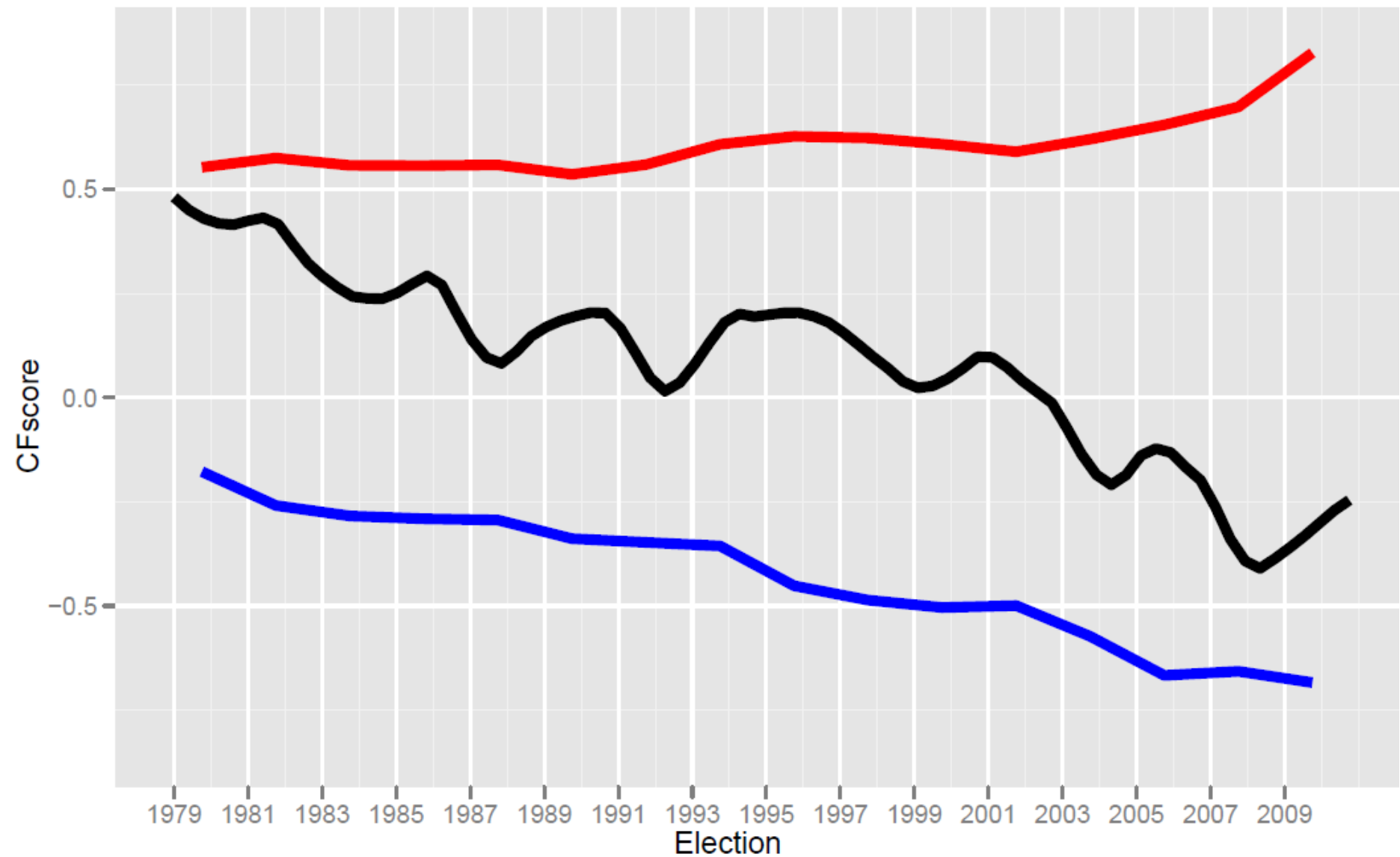
Measuring Political Ideology from Campaign Finance Records

- Campaign Finance Database
 - 85M+ records from 1979-Present
 - Encompasses state and federal elections
 - 10,561 federal candidates
 - 40,160 state candidates
 - 6,203 campaign committees
 - Identity resolution
 - 11.1 Million individual donors (3.1 million of which have given to two or more candidates)
- Spatial Model of Giving
 - Contributors as expert raters of candidate ideology
 - Statistical model recovers positions along a “latent” ideological dimension

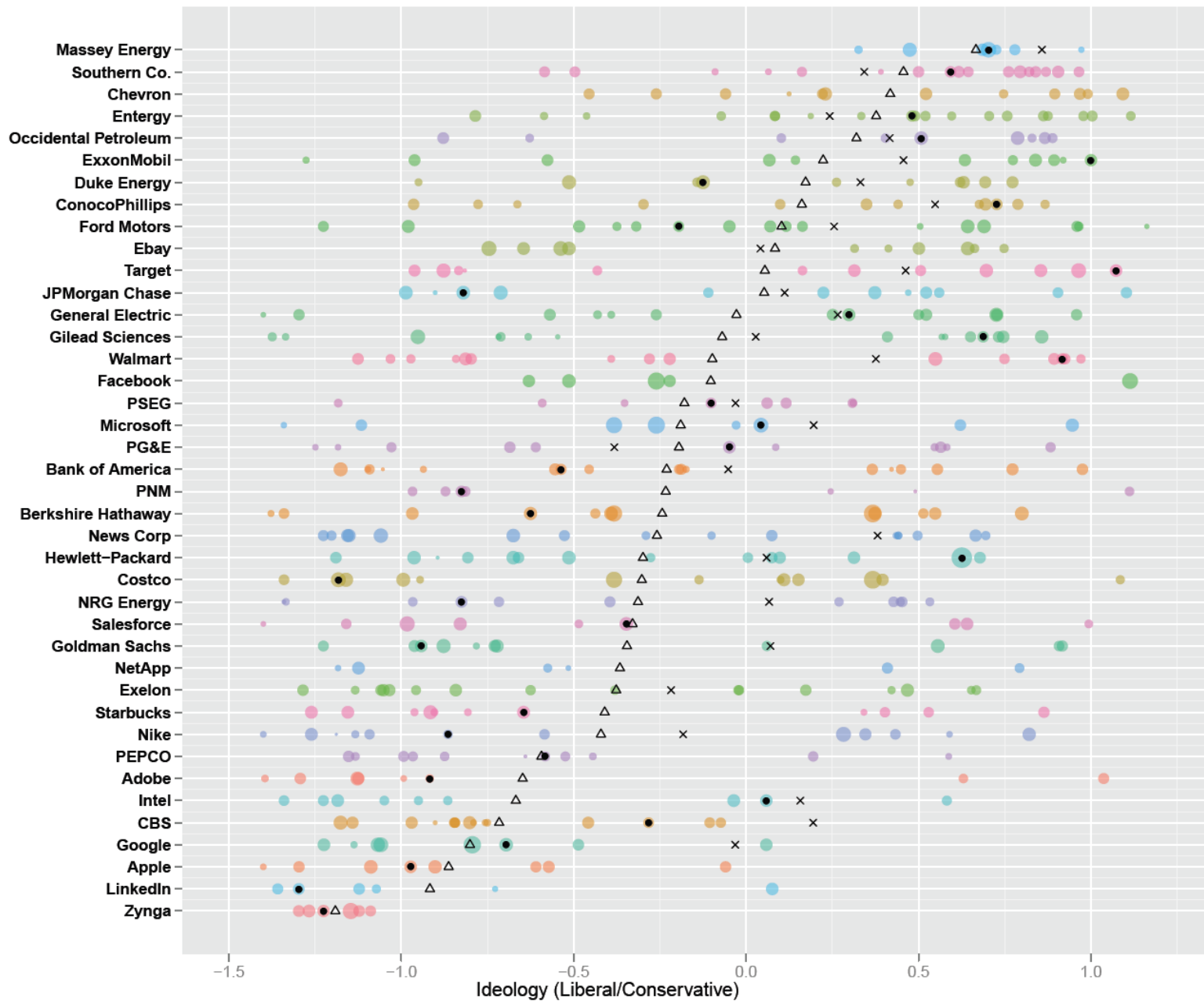
The Bigger Sort



Dow Jones Ideological Average



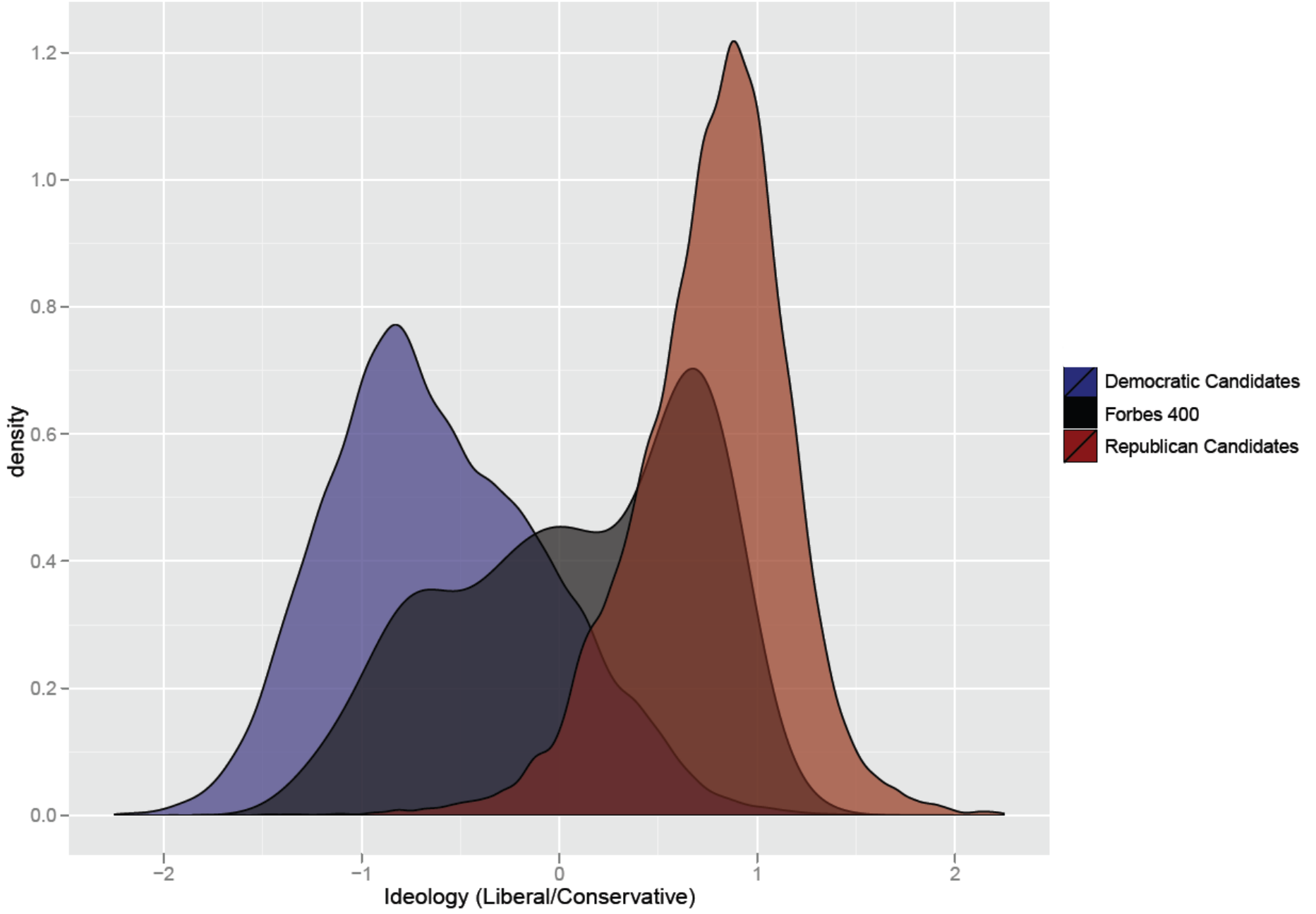
Corporate Board Member Ideology



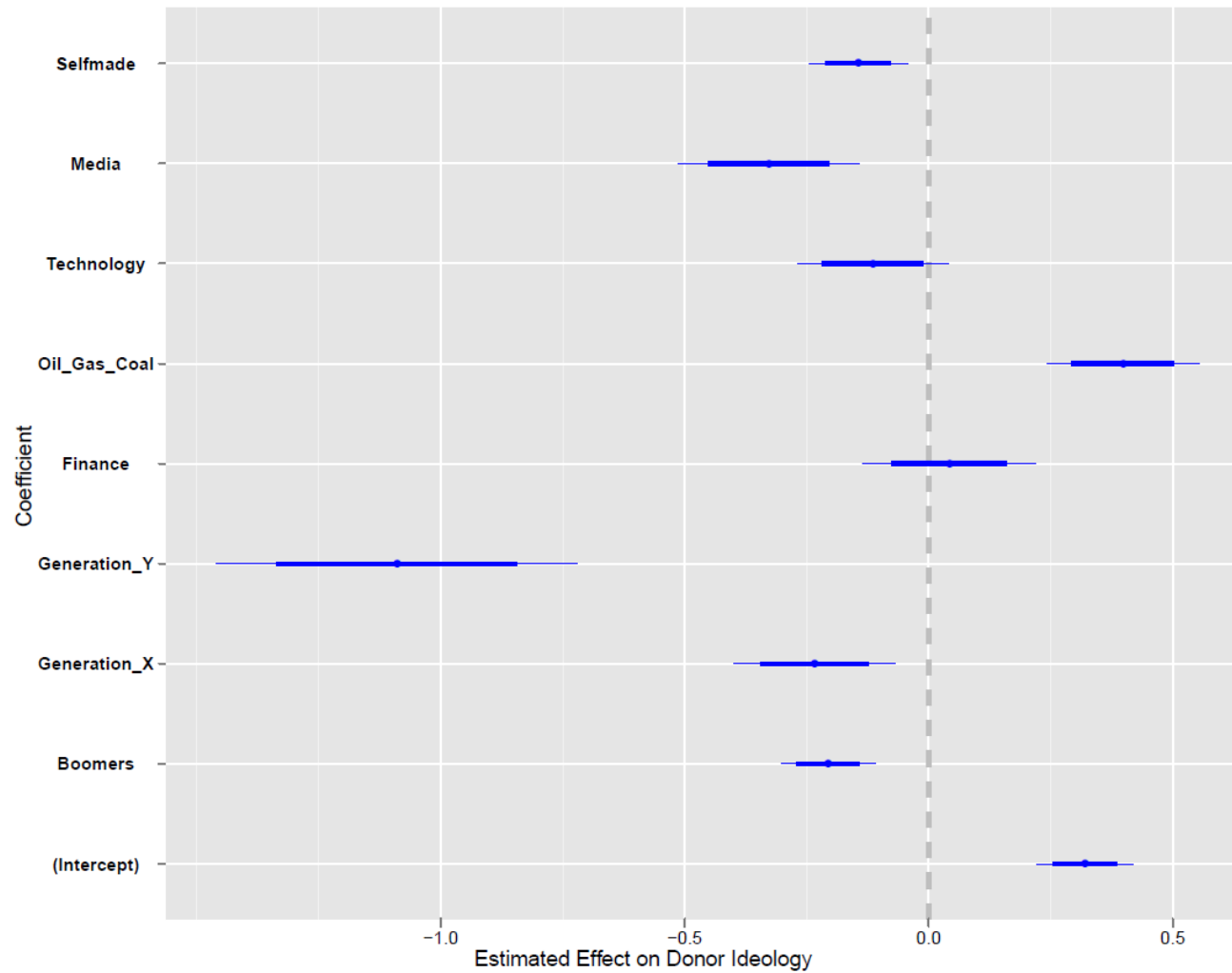
Contribution statistics of members of Forbes 400

- Made campaign contributions: 377
- Total amount donated: \$458.7M
 - Mean: \$1.21M
 - Median: \$355,100

Forbes 400



Dependent Variable: Political Ideology

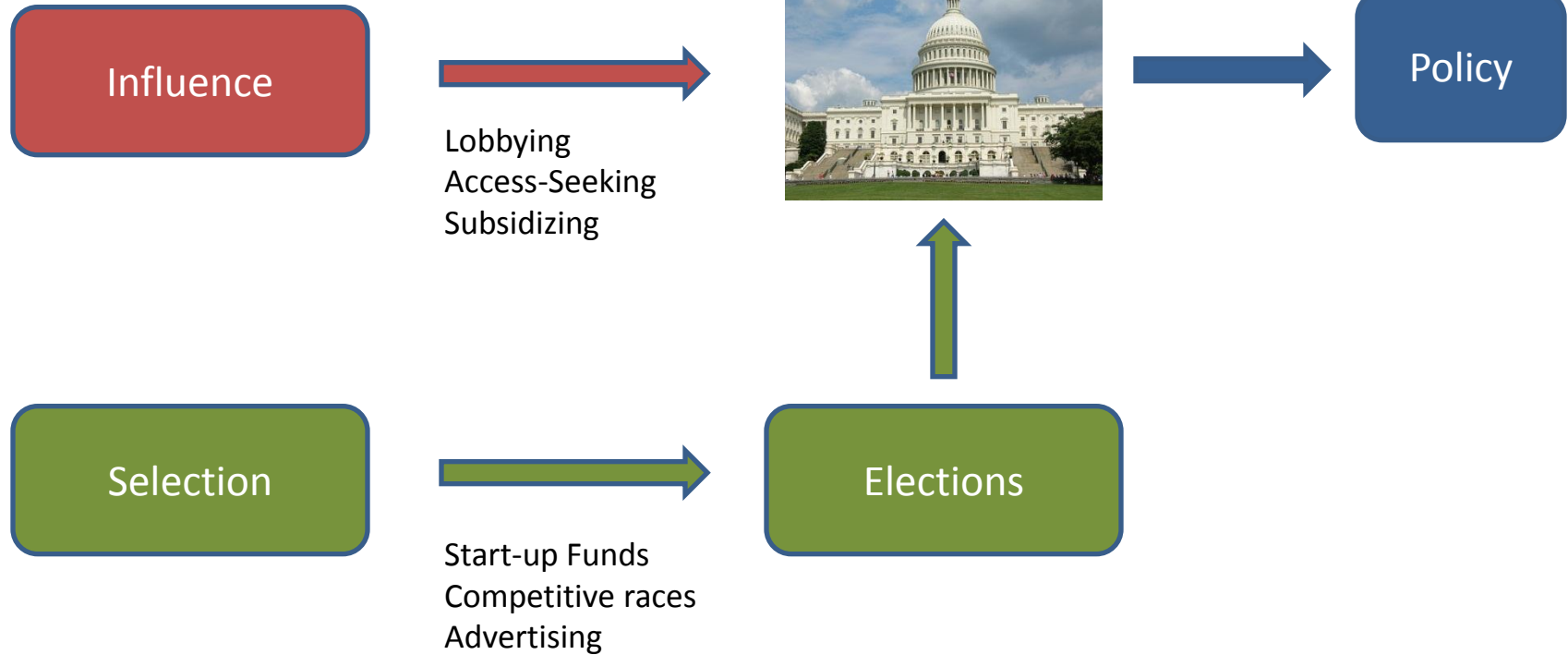


- Regression highlights
 - Self-made billions are one average more liberal
 - Strong generational effects
 - Ideology varies by industry

The Debt Ceiling Crisis

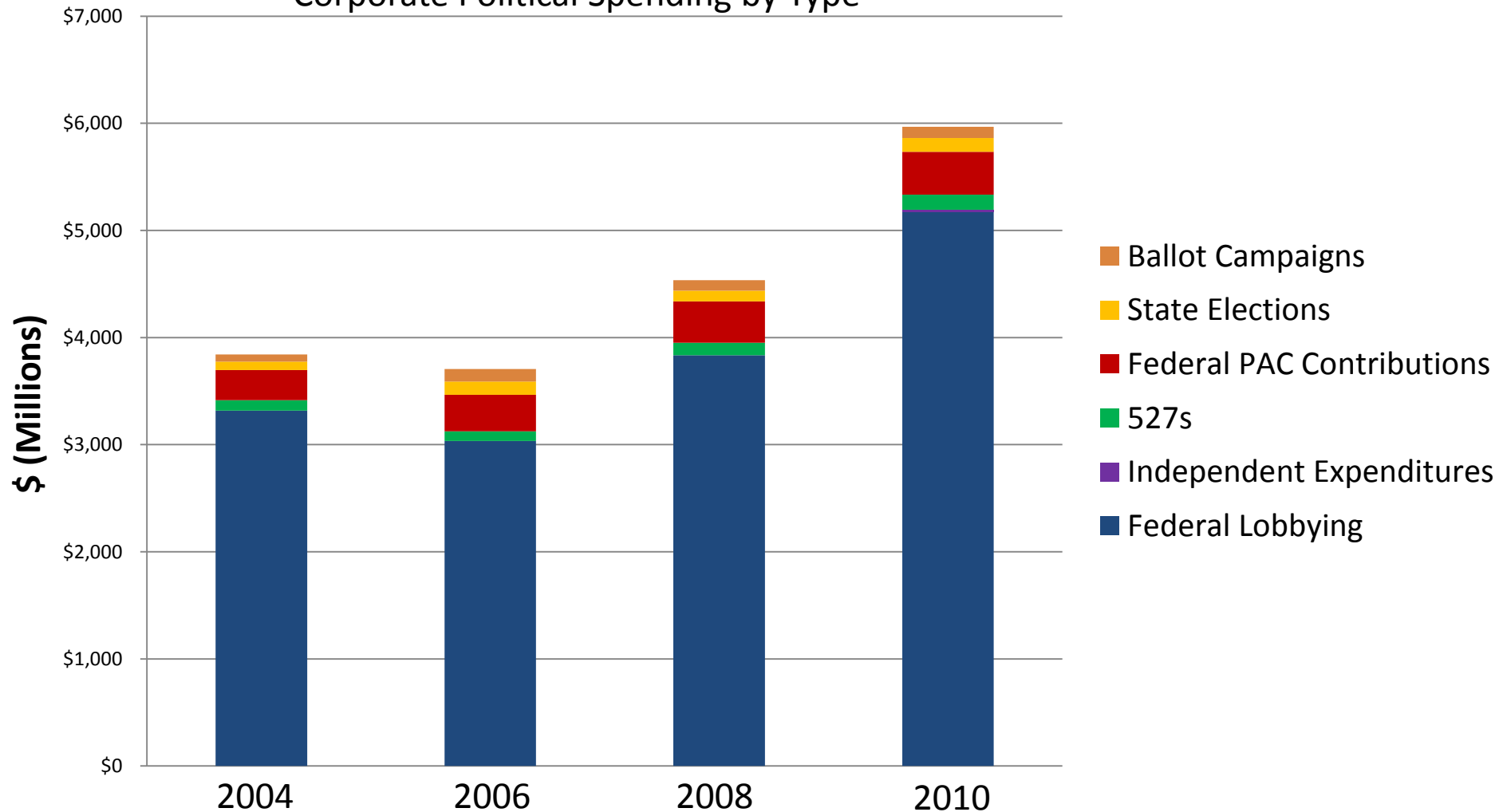


Avenues to Influence



How do Corporations Spend on Politics?

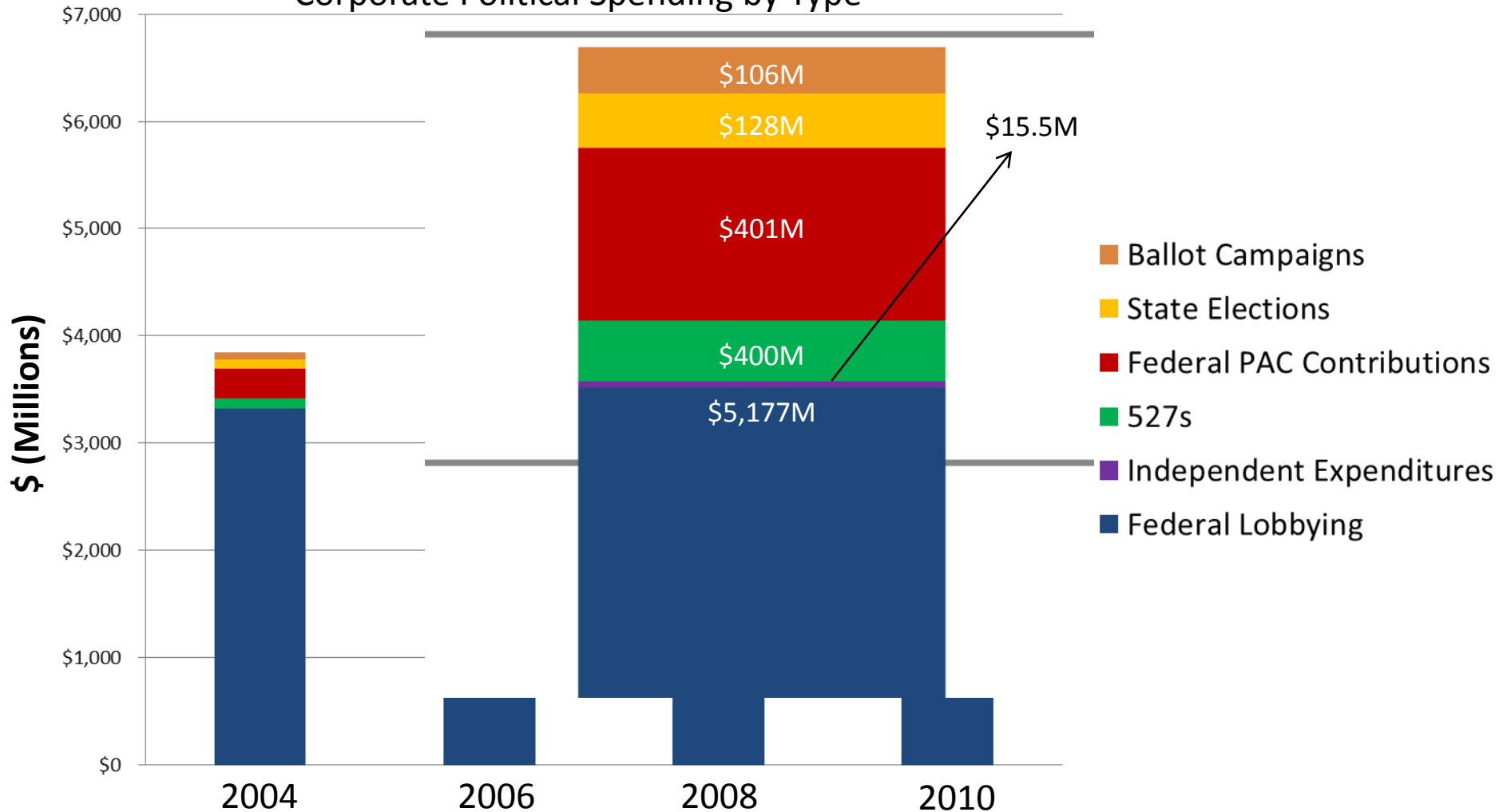
Corporate Political Spending by Type



— Corporations spend much more on lobbying than all other types of political activity combined.

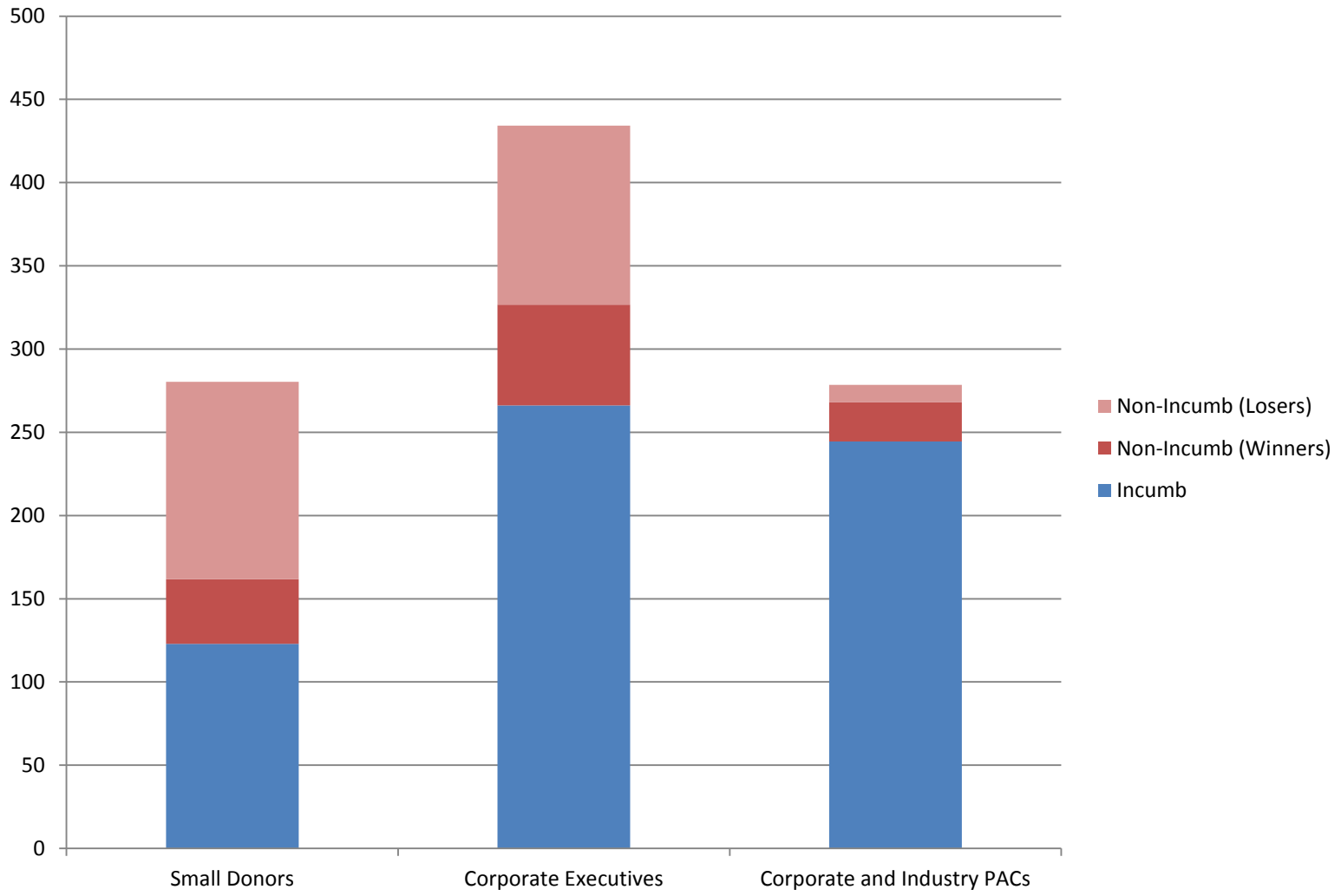
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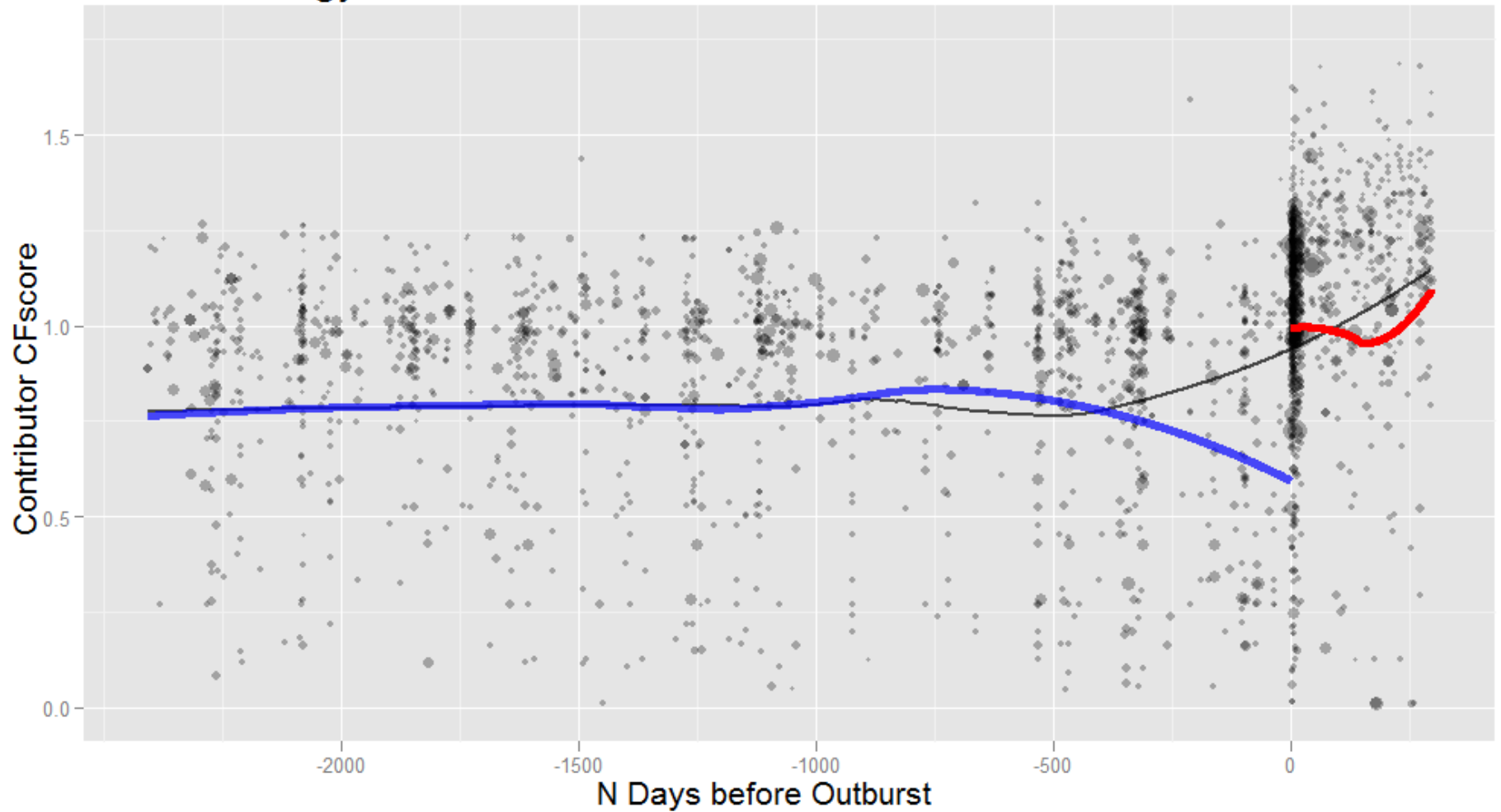
Donations to the House (2010 election cycle)

Joe Wilson: Heckle and Prosper



Joe Wilson: Heckle and Prosper

Ideology of Joe Wilson's Donors Before and After Outburst

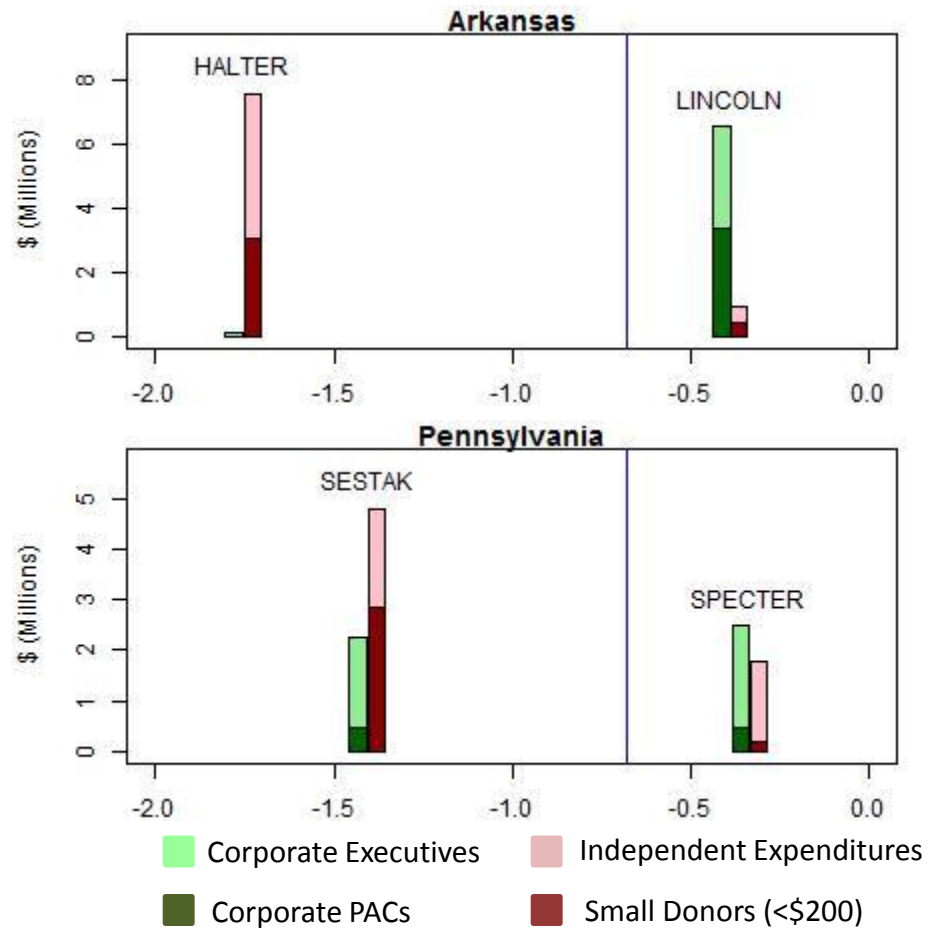


Fight! Fight! Fight!

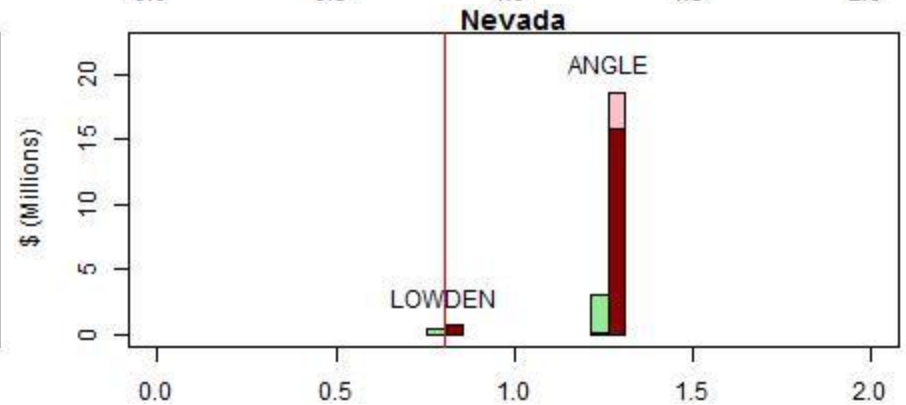
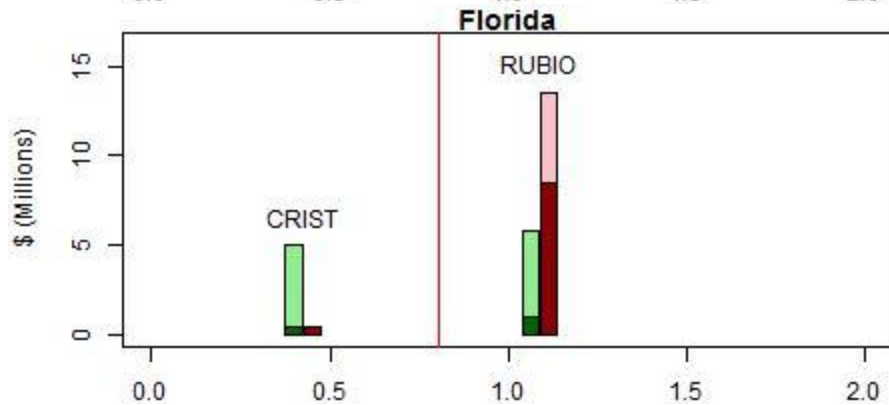
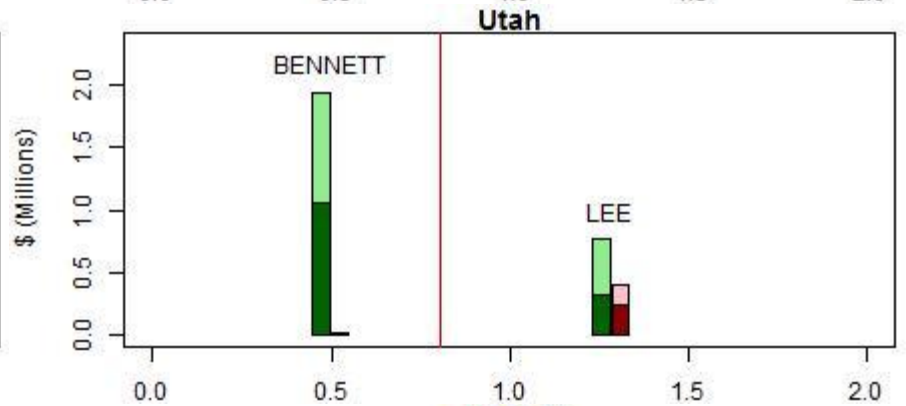
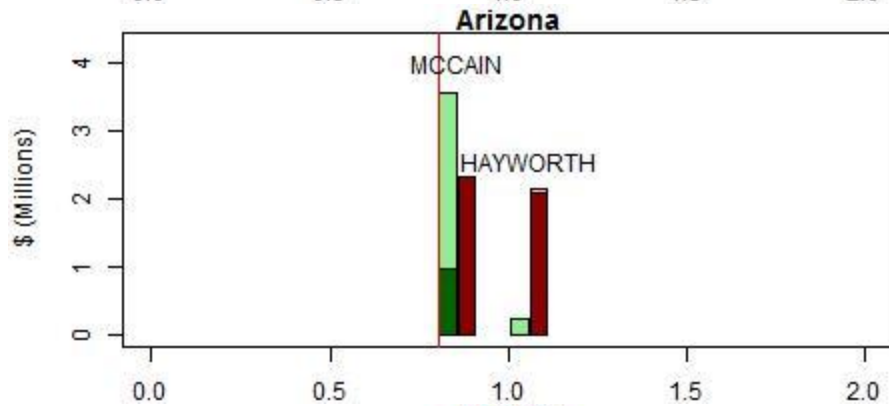
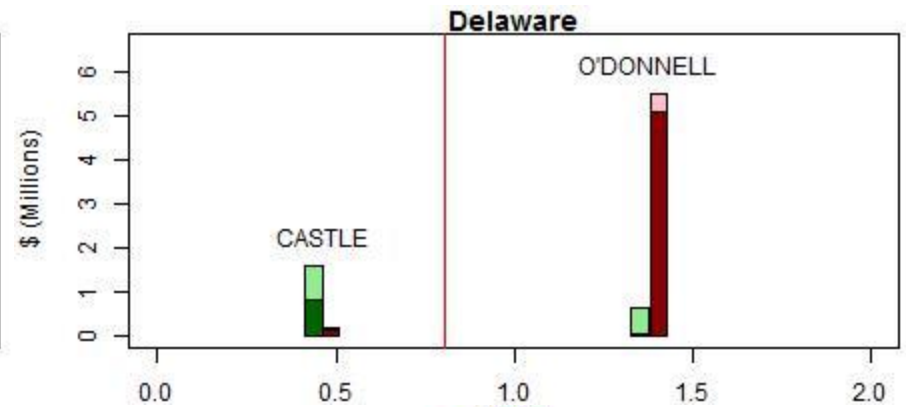
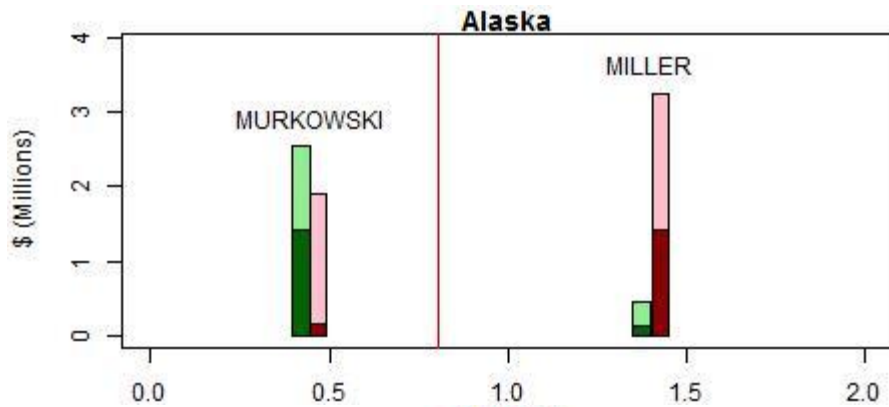
Top Fundraising Pages

| Title & Author | Donors | Total Raised |
|--|--------|----------------|
| stop the Republican war on working fa... Progressive Change Campaign Committee... | 38,536 | \$909,880.08 |
| Orange to Blue 2012 Kos | 30,866 | \$940,771.05 |
| Support the Wisconsin Recall MoveOn.org Political Action | 30,253 | \$988,662.72 |
| help the PCCC keep fighting for bold ... PCCC | 29,496 | \$826,847.63 |
| help Elizabeth Warren fight against W... Progressive Change Campaign Committee... | 29,412 | \$778,327.37 |
| the official PCCC Wisconsin Recall ca... Progressive Change Campaign Committee | 29,190 | \$546,747.29 |
| our TV ad to recall Wisconsin Republi... PCCC Recall Committee & DFA Wisconsin | 28,256 | \$656,822.84 |
| Orange to Blue Daily Kos | 25,620 | \$2,408,451.17 |
| Recall Scott Walker Scott Walker Recall Campaign | 21,295 | \$722,690.32 |
| Fight back in Wisconsin Democracy for America | 19,712 | \$457,733.90 |

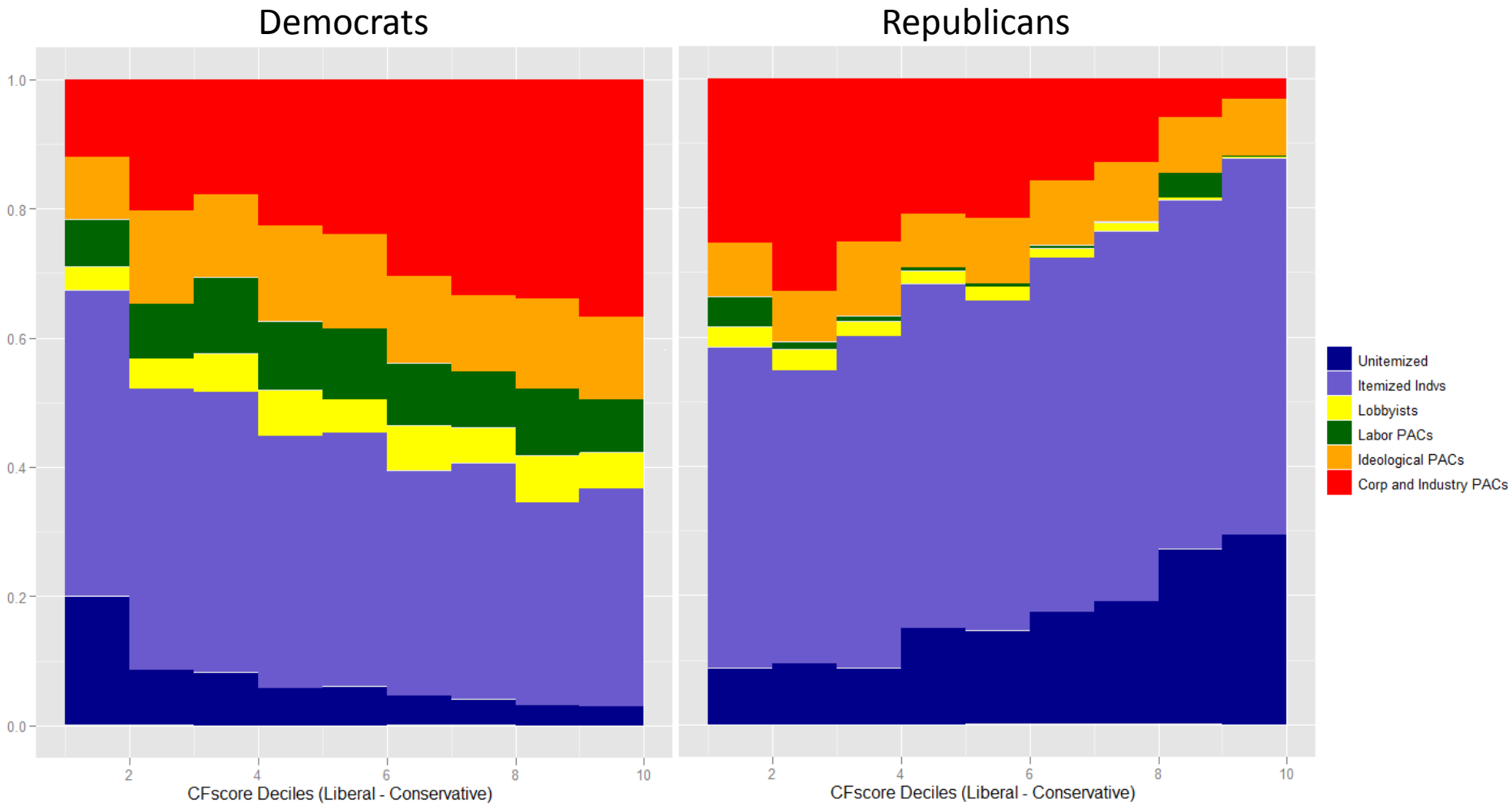
The Partisan Purge



The Partisan Purge

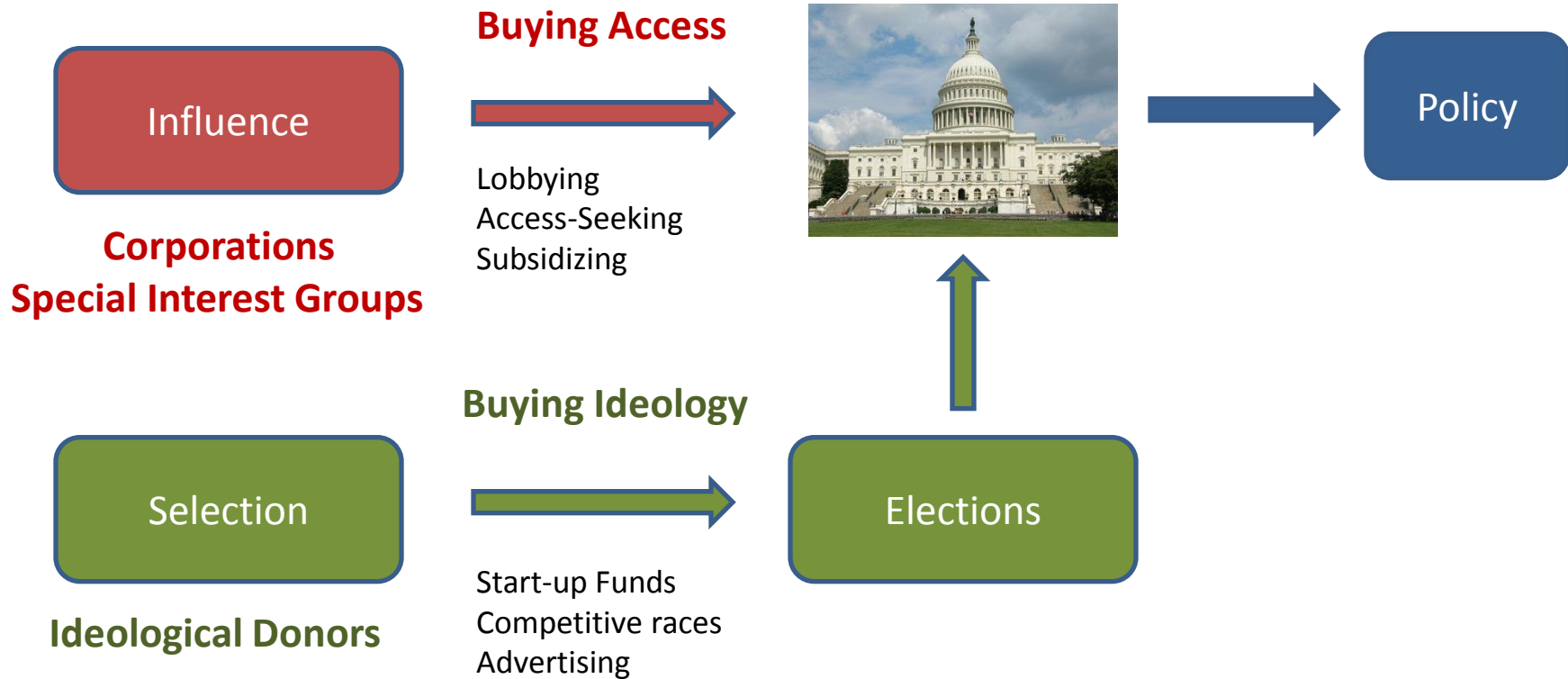


Fundraising Sources by Ideology



Breakdown of funds to candidates to extreme and center wings of the party?

Avenues to Influence



What does this mean for campaign finance reform?