

Does the Gift Keep on Giving? House Leadership PAC Donations before and after Majority Status

John H. Aldrich, Duke University

Andrew O. Ballard, Duke University

Joshua Y. Lerner, Northwestern University

David W. Rohde, Duke University

Party leaders face a significant trade-off financing races when the party is out of power: while they care about gaining control of the House, they do not know how willing a potential representative will be to work with and for the party once elected. Leadership political action committee (LPAC) contributions are a major mechanism of leadership control over the financing of congressional campaigns, with the hope of influencing the future behavior of candidates. We study differences between contributions of the LPACs for leaders of both parties conditional on majority status. We find that both majority and minority party leaders prioritize winning elections and ideological homogeneity in their donations, but that these trends are largely contingent on overall electoral conditions. In their contributions, majority party leaders pay more attention to ideological cohesion than minority party leaders, while minority party leaders are more interested in gaining seats in the House than majority party leaders.

In recent decades, there has been a rise in the importance of parties in Congress and—of special relevance here—massive increases in campaign fund-raising and spending in the House of Representatives. This heightened importance of fund-raising and of party loyalty to electoral success means members' personal electoral prospects have never been so closely intertwined with the electoral success of the party. Members of Congress (MCs) have increasingly worked via the party to elect party-friendly candidates (Dwyre et al. 2006; Heberlig and Larson 2012), especially through intraparty giving behaviors such as encouraging members to give to their peers strategically, hoping to maximize the number of seats won (Jacobson 2013). Many of these intraparty donations come from leadership political action committee (LPAC) contributions, which are a mechanism for party control via financing Congressional elections.

Parties face competing objectives in choosing which candidates to channel money to and how much to give them. On

the one hand, parties want to win elections and control the House. On the other hand, parties care about the ideological cohesion of their members, and ideological diversity in the party makes exerting control over members difficult. Parties must make inferences about how the goals of specific members of Congress intersect with those of the party when deciding whether to give campaign contributions to members via LPACs.

In this article, we examine how tensions among the goals of MCs and parties manifest in intraparty campaign finance decisions. Specifically, we investigate how majority status affects the patterns of campaign donations from the LPACs of the party leadership to the party's candidates. We find that both majority and minority party leaders make contributions to foster ideological homogeneity within the party and to win as many elections as possible. However, winning elections is more important for the minority than for the majority, and ideological homogeneity

John Aldrich (aldrich@duke.edu) is Pfizer-Pratt University Professor of Political Science at Duke University, Durham, NC 27708. Andrew Ballard (andrew.ballard@duke.edu) is a PhD candidate in political science at Duke University, Durham, NC 27708. Joshua Lerner (joshlerner1@northwestern.edu) is postdoctoral research fellow at Northwestern Pritzker School of Law, Chicago, IL 60611. David Rohde (rohde@duke.edu) is Ernestine Friedl Professor of Political Science at Duke University, Durham, NC 27708.

Data and supporting materials necessary to reproduce the numerical results in the paper are available in the *JOP* Dataverse (<https://dataverse.harvard.edu/dataverse/jop>). An online appendix with supplementary material is available at <http://dx.doi.org/10.1086/692736>.

The Journal of Politics, volume 79, number 4. Published online August 4, 2017. <http://dx.doi.org/10.1086/692736>
© 2017 by the Southern Political Science Association. All rights reserved. 0022-3816/2017/7904-0025\$10.00

1449

is stressed more when in the majority than when in the minority.

BACKGROUND

As political parties gained power inside the House in recent decades, they greatly expanded their campaign finance operations. Parties can give money directly to candidates, spend it themselves, or encourage intraparty giving for the sake of the party's electoral chances (e.g., safe incumbents giving to more vulnerable ones; Jacobson 2013). Parties cannot spend large sums on a candidate directly, but they can do so by funneling intraparty funds to support it; in some races, the independent expenditures by parties have exceeded the total spending by the candidates.

Leadership PACs are created by politicians but are separate from their personal campaign committees. LPACs were originally intended to advance the leadership interests of those who create them, but rank-and-file members may also have LPACs. LPACs have increasingly been used to channel money between MCs. One consequence is that they are often used as a form of party control; party leaders who donate from their LPACs expect recipients of their largess to toe the party line (Currinder 2003).¹

Scholars of intraparty campaign finance have focused less on the implications of majority status than on increases in campaign finance spending (e.g., Heberlig and Larson 2005), candidate ambition (e.g., Currinder 2003), or spending patterns in a single election cycle (e.g., Wilcox 1989). Here we focus on how party leaders donate to members' campaigns as a function of majority status, a heretofore unstudied but important aspect of legislative behavior.

THEORY

A crucial decision for parties in financing elections is to decide to whom to give financial support. That choice is shaped by multiple motivations and by context. We assume that both parties want to be the majority party because majority status has consequences for governance and for political advantage. Majority control is a gateway to many things of value, such as significant procedural advantages (Cox and McCubbins 2007; Jenkins and Monroe 2012), enhanced fund-raising opportunities (Cox and Magar 1999), and policy making. In contrast, because the House is a majoritarian institution, the minority party has little power to further their policy goals or achieve

other aims. In addition, because members care about policy (due both to their own preferences and those of constituents), leaders would prefer to elect candidates whose views enhance the homogeneity of policy preferences in the party.

Thus, we expect that each party will care about winning seats and about the policy views of winning candidates. But the relative importance of these motives will vary depending on majority status. In most cases, it is more difficult for the minority party to attain the majority than for the current majority party to maintain that status. As a result, minority party leaders will place greater emphasis on winning seats, with less concern for the ideological tilt of winners. But because incumbents are difficult to defeat and majority control rarely shifts, the leaders of the majority have the leeway to prioritize support for candidates whose positions will comfortably fit within the majority, facilitating the majority's exercise of power. Strategic parties that seek to win elections will funnel intraparty funds to candidates in tighter elections; indeed, much of the giving between MCs is directed from members in safe districts to those in vulnerable districts (Jacobson 2013). While this should be broadly true for both parties, the drive to attain a majority should make contributing based on winning elections more prevalent for the minority party.

As a result, our hypotheses are that (1) majority and minority LPACs will prioritize giving to candidates in competitive elections and to ideologically like-minded candidates, (2) minority LPACs should give more to candidates in competitive elections than majority LPACs, hoping to unseat as many out-party incumbents as possible, and (3) while "only" needing to hold on to their current seats to maintain their majority status, majority LPACs are freer to trade off a little more in favor of policy targeting and should give to a more ideologically homogeneous group of candidates than those in the minority party.

METHODS

For our analysis, we use Federal Election Commission (FEC) data cataloging all donations made to and from LPACs in House general elections (2006–12). Ideology will be measured via CFscores, created by Adam Bonica (2013). Our dependent variable is the amount donated to a campaign by LPACs of party leadership in a given cycle.²

To test our hypotheses, we use three main independent variables (IVs): (1) How much the candidate's ideology differs

1. While LPACs represent an important piece of campaign finance, party leaders can also fund-raise for their members by helping to direct party congressional committee funding allocations, contributing money from their personal campaign committees, creating joint fund-raising committees with members, and more.

2. For our analysis, we consider the following positions to be party leaders: Speaker of the House, Majority/Minority Floor Leaders, and Majority/Minority Whips.

from the party (the absolute value of the difference between each candidate’s CFscore and the party median CFscore),³ (2) electability—how close the race is projected to be, according to the House Race Ratings (HRR),⁴ and (3) whether the candidate’s party is in the majority.

The total amount contributed to a given candidate by party leaders is a nonnegative integer variable that is non-normal, count-based, and overdispersed. As such, we use a negative binomial mixed effects model for our estimations.⁵ We use random effects for our ideology and electability measures based on majority status⁶ and include covariates as fixed effects in our models:⁷ (1) Whether the candidate is the incumbent; (2) whether the candidate is a Republican; (3) whether the candidate’s party was expected to gain seats in the House during that cycle, to control for cycle-specific heterogeneity (also from the Rothenberg Report);⁸ and (4) a count of the number of seats the majority party would have to lose in order to relinquish majority status—the majority margin.⁹

3. Model results do not substantively change when this independent variable is instead computed as the absolute value of the difference between each candidate’s CFscore and the party *mean* CFscore, nor do they change when DW-NOMINATE scores are used instead of CFscores. Tables including these results may be found in the appendix, available online.

4. The Rothenberg Report’s HRR rates relatively close races as (1) “Pure Toss-Up,” (2) “Toss-Up/Lean” Democrat or Republican, (3) “Lean” Democrat/Republican, or (4) “Favored” Democrat/Republican, and gives no rating to safe races. We denote all races not rated in the report as “Safe” races and create a numeric variable with values 1 = “Pure Toss-Up” or “Toss-Up/Lean,” 2 = “Lean” or “Favored,” and 3 = “Safe.” We group the variables in this way because there are large jumps in the probability that the incumbent wins between each of these groupings; more information on this can be found in the appendix.

5. Our DV has many 0s, which may imply the suitability of a zero-inflated or other such mixture model. We performed these analyses, but the results were substantively the same as a nonmixture model and more difficult to interpret. We present those analyses in the appendix.

6. Conditional standard errors cannot be computed if multiple random effects depend on the same variable (majority status in this case). So we estimate the random effects for ideology and electability in separate models, while also using a fixed effect for the other in the same model.

7. To help ensure our mixed effects models converge, we rescaled our ordinal and continuous IVs (CFscore distance, majority margin, and HRR) to be centered on 0.

8. We also estimated models using Cook’s PVI as a measure of district partisanship in addition to the HRR. However, PVI and HRR are highly correlated ($r = 0.72$), so we report models using just HRR in the text because HRR is a better measure of cycle-specific race competitiveness than PVI. There were no substantive changes when including PVI, and these results can be found in the appendix.

9. We define the majority margin as the number of seats held by the majority party minus 217, such that if at least that number of seats were lost, the majority party would become the minority party. In each election cycle, the majority margin is smaller than the number of competitive House elections.

RESULTS

Our results are presented in table 1; each main IV is highly significant ($p < .01$) and in the expected direction. The covariates are also generally consistent in both models. Party

Table 1. Effects of Ideology and Electability on Party Leader LPAC Contributions

	Dependent Variable: Party Leadership Contributions	
Fixed Effects	(1)	(2)
House rating	-.591*	
	(.011)	
CFscore – median (party CFscore)		-.472*
		(.014)
Expected gain	-.198*	-.193*
	(.023)	(.023)
Incumbent	.268*	.267*
	(.011)	(.011)
Republican	.091*	.041
	(.023)	(.023)
Majority margin	.395*	.413*
	(.011)	(.011)
(Intercept)	13.547*	10.075*
	(.758)	(.076)
Random Effects		
(CFscore distance majority)	-.442*	
	(.001)	
(CFscore distance minority)	-.484*	
	(.001)	
(House rating majority)		-.433*
		(.008)
(House rating minority)		-.718*
		(.008)
Observations	2,160	2,160
AIC	102,220.80	102,027.30
BIC	102,277.60	102,084.10
Neg. log likelihood	-51,100.40	-51,003.70

Note. Standard errors are in parentheses. AIC = Akaike information criterion; BIC = Bayesian information criterion.
* $p < .01$.

leaders donate less to candidates when the party is expected to gain seats in the House, perhaps to spread funds to a larger number of candidates. Incumbents receive more from party leaders than do challengers. Candidates receive more when the margin of the majority party is greater, perhaps driven by the resource advantage that the majority party enjoys. Republicans candidates seem to receive slightly more than Democrats, although this is the one relationship that is not statistically significant in both models.

The fixed effects for our main independent variables in each model are consistent with our expectations of ideological and electable giving. House members who are in less competitive contests receive fewer funds from party leadership, as do candidates whose CFscore is farther from the

median party CFscore. These patterns are in line with our predictions and suggest that party leaders use their funds to support candidates who (1) are more likely to support the party's agenda and (2) may face more difficult elections.

The mixed effects in table 1 confirm these trends, as candidates who are running in safe races and those whose ideology is more divergent from their party receive fewer total contributions from party leaders. To assess the effect of ideology and electability, conditional on majority status, we examine predicted contributions from party leaders to candidates over the range of (1) ideological difference from the party and (2) the competitiveness of each race, holding all other variables at their median values. Figure 1 reports these predicted contributions. Panel 1 documents our finding of

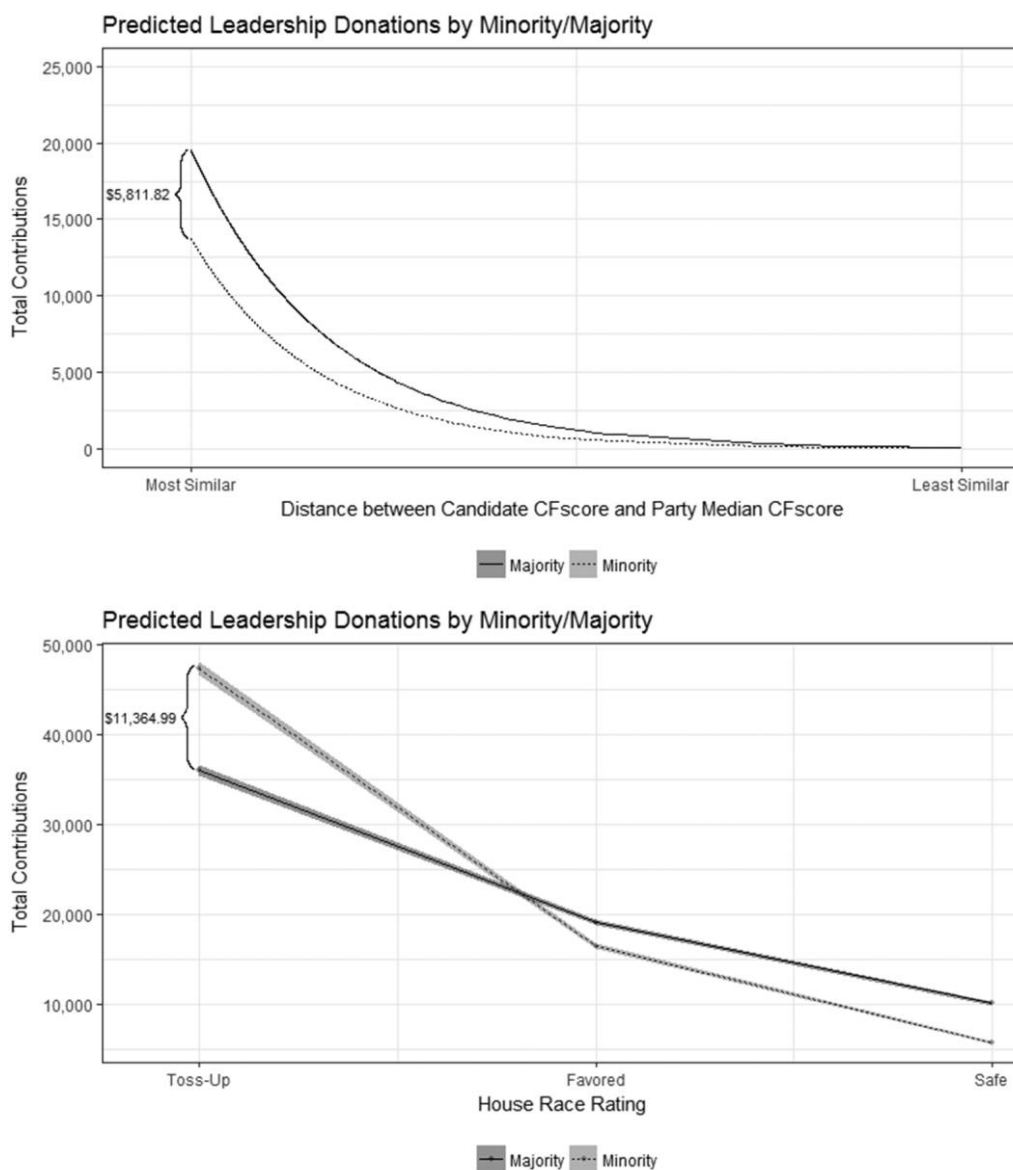


Figure 1. Predicted leadership giving for ideology and electability by majority status

broad ideological giving. Regardless of majority status, predicted total contributions from party leaders decrease as the difference between the candidate's CFscore and the party median CFscore increases. However, party leaders in the majority party are predicted to contribute $\$5,812 \pm \193 more to the candidates who are most ideologically similar to the party than are minority party leaders. While the predicted contributions to candidates from both majority and minority party leaders level off as candidates become less like their parties, party leaders in the majority party seem to prioritize ideological cohesion in their giving behavior more than minority party leaders.

As we can see from the second panel of figure 1, candidates in safer elections receive less money from party leaders regardless of majority status. Nevertheless, minority party leaders are predicted to contribute $\$11,365 \pm \$2,597$ more to candidates in the most contested elections than majority party leaders. Thus, minority party leaders are more sensitive to chances of winning seats than are majority party leaders and therefore funnel more of their funds to those in the most contested elections, where the likelihood of an electoral upset is highest.

The first and third quartiles of our dependent variable are \$0 and \$25,000, respectively. This suggests that the differences in predicted contributions between majority and minority party leaders shown in figure 1 are substantively important.

DISCUSSION

Our results point to two broad patterns of intraparty LPAC giving behavior. First, party leaders make donations to their colleagues in order both to win elections and to foster ideological homogeneity, regardless of majority status. Second, the extent to which ideological versus seat-maximizing giving matters to parties is conditional upon majority status. That is, when trying to attain a majority, electoral concerns drive contributions behavior more so than when in the majority. Yet, ideological concerns are more important in the majority than when in the minority.

These findings are consistent with how we expect tension between the multiple motivations of parties to manifest. Winning elections and attaining a majority in the House allows parties to enact their policy goals, and should take precedence over ideological giving. When in power, parties have the lux-

ury of further consolidating their power by channeling funds to ideologically like-minded candidates.

These trends speak directly to the pattern of party polarization in Congress. Frequent cycles of new majorities, as we saw between 2006 and 2012, will serve to drive out ideologically more moderate and extremist incumbents and replace them with candidates who better embody the policy goals of increasingly homogenous and disparate parties. Party leadership plays a central role in the reinforcement of ideological polarization.

ACKNOWLEDGMENTS

We would like to thank Gary Jacobson, Daniel Magleby, and Jason Roberts, as well as the editor and four anonymous reviewers, for their insightful comments that improved this article.

REFERENCES

- Bonica, Adam. 2013. "Mapping the Ideological Marketplace." *American Journal of Political Science* 58 (2): 367–86.
- Cox, Gary, and Eric Magar. 1999. "How Much Is Majority Status in the US Congress Worth?" *American Political Science Review* 93 (3): 299–310.
- Cox, Gary, and Mathew McCubbins. 2007. *Legislative Leviathan: Party Government in the House*. Cambridge: Cambridge University Press.
- Currinder, Marian. 2003. "Leadership PAC Contribution Strategies and House Member Ambitions." *Legislative Studies Quarterly* 28 (4): 551–77.
- Dwyre, Diana, Eric Heberlig, Robin Kolodny, and Bruce Larson. 2006. "Committees and Candidates: National Party Finance after BCRA." In John Green, Daniel Coffey, and David Cohen, eds., *The State of the Parties*. Lanham: Rowman & Littlefield, 95–112.
- Heberlig, Eric, and Bruce Larson. 2005. "Redistributing Campaign Funds by US House Members: The Spiraling Costs of the Permanent Campaign." *Legislative Studies Quarterly* 30 (4): 597–624.
- Heberlig, Eric, and Bruce Larson. 2012. *Congressional Parties, Institutional Ambition, and the Financing of Majority Control*. Ann Arbor: University of Michigan Press.
- Jacobson, Gary. 2013. "Partisanship, Money, and Competition: Elections and the Transformation of Congress since the 1970s." In Lawrence Dodd and Bruce Oppenheimer, eds., *Congress Reconsidered*. 10th ed. Washington, DC: CQ Press, 116–44.
- Jenkins, Jeffery, and Nathan Monroe. 2012. "Buying Negative Agenda Control in the US House." *American Journal of Political Science* 56 (4): 897–912.
- Wilcox, Clyde. 1989. "Share the Wealth: Contributions by Congressional Incumbents to the Campaigns of Other Candidates." *American Politics Quarterly* 17 (4): 386–408.