

POLITICAL POLARIZATION (AND MONEY) 245**Table 1:** Committee expenditures for 2016 election cycle in millions of dollars

Democratic Party		Republican Party	
Dem. National Cmte.	\$372	Repub. National Cmte.	\$343
Dem. Congressional Campaign Cmte.	\$221	Nat'l Repub. Congressional Cmte.	\$171
Dem. Senatorial Campaign Cmte.	\$178	Nat'l Repub. Senatorial Cmte.	\$138

Nonparty organizations continue to outpace the contributions of political party committees. Political party committees are legally required to be registered with the FEC or another authorizing body at the state, district, or local level.

Political party committees are permitted to contribute directly to candidates, subject to limitations, and they are permitted to make coordinated expenditures to help nominees during elections. National political party committees can contribute independent expenditures without limitation. Independent expenditures are made not in direct cooperation with a candidate, but on behalf of advocating for the election of the candidate. The McCain–Feingold Act regulations on soft money apply to these types of expenditures and limitations. Nonparty organizations, PACs, and super-PACs have emerged to account for the gap resulting from soft-money restrictions. Super-PACs are not permitted to contribute directly to political parties; instead, they are permitted to give limited amounts of money to political party committees.

Despite limitations on certain types of expenditures (e.g., parties can use only certain money to expressly support the election or defeat of a candidate), unregulated and undisclosed monies can be used to influence elections. This money, for example, can be used to bankroll issue advocacy campaigns, voter guides, and voter mobilization programs (Mann and Corrado 2014).

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Further Reading

- La Raja, Raymond J. 2008. *Small Change: Money, Political Parties, and Campaign Finance Reform*. Ann Arbor: University of Michigan Press.
- Mann, Thomas E., and Anthony Corrado. 2014. "Party Polarization and Campaign Finance." Center for Effective Public Management at Brookings. Accessed February 1, 2017. https://www.brookings.edu/wp-content/uploads/2016/06/Mann-and-Corrado_Party-Polarization-and-Campaign-Finance.pdf.
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Over the last 40 years, partisan polarization in American politics has increased sharply. Using measures of legislator ideology based on roll call votes, scholars

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have compellingly demonstrated that members of both Congress and the state legislatures are more divided along party lines than at any time since World War II. While there is much debate about the exact causes and consequences of polarization, money plays a compelling role in the story.

At the broadest level, some academics have argued that the growing economic inequality of the past few decades has been a key factor driving partisan polarization. High levels of immigration have led to a higher proportion of poor non-citizens among the population. Since these people cannot vote, this has reduced demand for policies that promote income redistribution and has facilitated the two parties' strategic movement away from the center—Republicans toward lower redistribution and Democrats toward an increased emphasis on identity politics. At the same time, increased income inequality allows individuals at the top of the income distribution to devote more time and resources to supporting ideologically extreme candidates and policies. Furthermore, when these legislators cannot pass their preferred legislation, the U.S. system of checks and balances enables a minority of liberals or conservatives to block policies they oppose, causing gridlock. And since many redistributive policies are income-based but not indexed to inflation, the preservation of the status quo (e.g., no rise in the minimum wage actually means a lower minimum wage in real terms) serves to exacerbate inequality further, propelling the cycle forward.

Money also plays a role in driving polarization through its effect on party organizations and candidate selection via campaign finance regulations. Because candidates with more money have a higher chance of winning elections, campaign fundraising is a constant and all-consuming demand on parties and candidates. Concerns about corruption and special interest capture of party organizations led to a wave of campaign finance restrictions in recent decades, limiting parties' ability to raise and spend money in elections. While these restrictions appear to have done little to reduce the influence of money in elections, they have contributed to increased polarization. Since party organizations emphasize the pragmatic goal of winning elections in order to govern, they exert a moderating influence on the various factions in a party's coalition by aggregating diverse interests and advancing candidates and policies tailored to win the most votes from the general public. With donations to and spending by parties severely restricted, money has instead flowed into different channels to influence elections—namely, to outside groups and to candidates directly. This has amplified the role of narrowly focused and ideologically extreme individuals, activists, and groups in both candidate selection and policy promotion.

In this candidate-centered fundraising model, a similar dynamic plays out among contributors. Candidates have two main sources for the direct contributions needed to wage elections: individuals and interest groups, specifically political action committees (PACs). Individuals and PACs give for different reasons, however. Individuals give primarily to candidates who are similar to them ideologically. Furthermore, people who are more ideologically extreme are more likely to donate money than average voters or even than politically active party loyalists. PACs, on the other hand, are primarily concerned with getting access to members

who sit on key committees in order to introduce and pass legislation that advances a group's interests. Thus, PACS are motivated to give to candidates with a proven track record of winning and governing, so they favor giving to incumbents, often of both parties. Taking advantage of differences in campaign finance laws across the states, scholars have shown that changing the level of campaign contribution limits can have either a polarizing or a moderating effect on the supply of legislators who win office. Raising the contribution limits for donations by individuals (or lowering the limits for PACs) provides an advantage to more ideologically extreme candidates, who rely on individual donations for most of their campaign money. Conversely, when limits on PACs are raised (or individual limits are tightened), more moderate candidates who rely on PAC contributions are able to raise more money and are more likely to win office.

Research on the moderating role of both party and PAC contributions on candidate selection thus leads to a counterintuitive and controversial policy recommendation: Eliminate or severely reduce campaign finance restrictions on parties and groups. Strengthening the influence of pragmatic organizations interested in access to power over ideological purists in the candidate selection process may help to blunt the sharp polarization of our current politics.

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Further Reading

- Barber, Michael J. 2015. "Ideological Donors, Contribution Limits, and the Polarization of American Legislatures." *Journal of Politics* 78 (1): 296–310. doi:10.1086/683453.
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- McCarty, Nolan M., Keith T. Poole, and Howard Rosenthal. 2016. *Polarized America: The Dance of Ideology and Unequal Riches*. 2nd ed. Cambridge, MA: MIT Press.
- Sides, John, and Daniel J. Hopkins, eds. 2015. *Political Polarization in American Politics*. New York: Bloomsbury Academic.

POLL TAXES

The use of poll taxes was one of the most direct ways that money influenced American politics, because it placed a financial cost on people's ability to be involved in the political process. In the simplest terms, a *poll tax* is imposed when the government requires citizens to pay a fee before they are allowed to exercise their right to vote. As it did with all taxes, the government would often use the revenue for important public services like education. However, these tax requirements were especially problematic for poor people—and they definitely lowered the number of people who turned out to vote, because some voters simply could not afford the expense.

The history of poll taxes in the United States began after the Civil War and the ratification of the Fifteenth Amendment to the U.S. Constitution. The amendment guaranteed all citizens the right to vote regardless of their race, their skin color, or if they were former slaves or indentured servants. In the late 19th century, several states passed laws that tried to restrict voting rights in a variety of ways,