spent and contributed one-half of all PAC money in 1972, they spent less than one-fifth and contributed one-fourth of all PAC money in 1982. They were surpassed as the biggest spending category in 1976 and as the biggest contributing group in 1978. Labor PACs are the most Democratic in their orientation, among all the types of PACs. Finally, despite the overshadowing of labor PACs in the aggregate, they remain a potent financial force through the activities of a relatively small number of large PACs; labor PACs accounted for more than half of the top 20 contributors in every election since 1972.

The non-connected PACs have exhibited the largest percentage growth in number since 1976. They doubled their level of expenditures from 1978 to 1980, making them the biggest spending category of PAC in the 1980 election, and they increased their expenditures by another 68 percent in 1982, far surpassing the expenditures of any other category in that election. Their success in fundraising has been highlighted by several especially large ideological PACs within their ranks. The two largest spenders among PACs have been unaffiliated in the 1976, 1978, 1980 and 1982 elections (the top three in the first three elections); their spending levels have been dramatically higher than those of most other PACs. While they have achieved prominence for their spending levels, the non-connected group has achieved little distinction among contributors to Federal candidates. Their contribution levels have been low in the aggregate, and few of the giant spenders have recorded very high levels of direct contributions to candidates. Finally, this group was until 1982 the most Republican in its orientation and has consistently been the least incumbent-oriented among the categories; it is, in fact, the only grouping that gives less than half of its money to incumbents. This latter fact was only barely so for 1982, and it was only one factor among several that may portend changes in the way non-connected PACs behave in the aggregate (e.g., more money in direct contributions, more liberal groups playing an active role, etc.).

Corporate PACs today constitute 44 percent of all PACs and have exhibited the largest numerical growth since 1976. They spent 23 percent of all PAC money in 1982, up from just one-tenth in 1976, and they contributed one-third of all PAC money in 1982, nearly three times what they contributed in 1978. As of 1982, they were the most heavily Republican in their orientation, a fact which influenced their stronger support of incumbents than in previous elections. Their strength lies in a large number of relatively small PACs, the reverse of labor's situation.

In terms of its growth and its spending patterns, the trade/membership/health category has exhibited less pronounced trends than have the other three groupings. It was the third highest spending group and the second highest contributing group in 1982, it has a stronger bias toward incumbents than any non-labor group (in 1982, it was even stronger than labor's), and it is significantly less Republican-oriented than the corporate group. Its growth in numbers and spending has been steady, yet impressive.

The final observation concerns the contribution-to-expenditure ratio among PACs. As noted earlier, some 42-50 percent of PAC expenditures have taken the form of direct contributions to Federal candidates since 1972--a somewhat less than 1 to 2 ratio. The ratio more nearly approximates the 1:2 level among labor PACs, corporate PACs, and the trade/membership/health PACs. The contribution-to-expenditure ratio for the non-connected grouping was only 1 to 6 in the 1982 election (although this compares with a 1 to 8 ratio in 1980), with large amounts of money spent on such things as fundraising and independent expenditures. The spending patterns of the non-connected PACs have thus pulled the aggregate PAC community away from the 1 to 2 ratio and have, in fact, skewed the spending data for all PACs.

III: REASONS FOR PAC GROWTH SINCE THE 1970s

Having examined at length the proliferation of PACs and their increased levels of financial activity, one is in a better position to comprehend the reasons for these developments. The numbers and the dollars presented in this chapter represent not only the effects of PAC growth, but a cause thereof, as well. The proliferation of PACs and the widespread attention accorded it by the media have undoubtedly provided impetus for their further growth and proliferation. With each interest group's successful experience in establishing a separate segregated fund, within the context of the FECA, the road has been paved for other PACs to follow. The fact that so few groups took advantage of the PAC option in the early 1970s was probably indicative of their reluctance to test the legality of various PAC-related practices. Those groups that did form PACs set precedents in the field and, in turn, acted as catalysts for congressional amendments to the FECA which eliminated existing ambiguities and restraints. Thus, the continuing increase in PAC numbers and dollars is attributable, in part, to the ripple effect of the increase itself.

This self-generating effect accounts for only part of PAC growth, and it does not begin to explain the initial, large waves of new PACs in 1975 and 1976. Rather, two different areas might be explored to approach an explanation of the rise of PACs: the legislative and administrative decisions described in Chapter Two and the circumstances affecting the political process in general.

Chapter Two discussed the barriers to PAC formation which were eliminated with the passage or issuance of each successive legislative, judicial, or administrative action. These included the original sanction for PACs provided in the 1971 FECA, the elimination of the presumed ban on PAC establishment by government contractors in the 1974 Amendments, the permission granted

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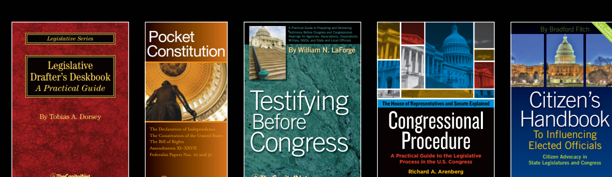

corporations to solicit employees for PAC donations in the FEC's 1975 SUN PAC Advisory Opinion, the constitutional legitimacy accorded separate segregated funds in the Supreme Court's 1976 Buckley v. Valeo decision, and the 1976 FECA Amendment's guidelines for solicitation by corporate and labor PACs and its express authorization for the formation of PACs by trade and other organizations. Each of these contributed to an environment more hospitable to political action committees.

Several provisions of the campaign finance laws merit special mention for their contribution to the overall PAC spiral. First, the introduction of public funding of Presidential campaigns in the 1976 elections deemphasized the role of private (including group) money in such races, leaving PACs to channel even more money to congressional races. While private contributions are sought during Presidential primaries for matching fund purposes, PACs have exhibited a reluctance to become deeply involved in elections during these early stages. Whatever PAC money has been forthcoming to Presidential contenders (only three percent of all PAC donations to Federal candidates in 1980) has been given in the primaries since 1976; candidates accepting Federal funds in the general election (as did all major candidates in 1976 and 1980) are barred from taking any private contributions. This political reality has undoubtedly had an impact on the growth of PAC money entering the congressional arena, although it may do little to explain the overall growth in PAC numbers or dollars.

Another major feature of the FECA which has, by all accounts, affected PAC growth has been the $1000 limitation on contributions by individuals to Federal candidates. Coupled with the strict disclosure requirements of the 1971 Act, the limitation apparently spurred wealthy donors, particularly those affiliated with the business sector, to seek other avenues for political giving, particularly through coalitions with like-minded individuals. This theory is especially helpful in explaining the surge in business PACs, the leaders among all PACs in contributions to candidates. The transference of business money from individual givers to PACs is described by Professor Edwin Epstein:

> . . . until the campaign financing laws were reformed in the 1970s to impose strict limitations on individual donations and to provide for effective public disclosure of the sources of funds, there was little need for business PACs; money from business-related sources could legally enter the electoral arena, almost undetected, in almost unlimited amounts in the form of individual contributions by wealthy persons affiliated with corporations and other business organizations. 137/

The view that PAC growth constitutes the substitution of one form of large contributor for another is echoed in the work of another PAC observer, Michael Malbin, who wrote:

> The growth in PACs since 1974 has been matched by a decline in the importance of large contributions from individuals. Because corporate PACs are increasing faster than any other PACs, and because large individual contributions in the past tended to come disproportionately from business interests, the rise of one and decline of the other seem roughly to cancel each other out. Instead of saying the law has failed to achieve its purpose of curbing the power of the "special interests," we should say--at least with respect to business interests--that the law has achieved the goal of transforming the character of business participation in politics from the undisclosed and sometimes seedy form it took before 1974 to the more institutionalized and accountable form we see today. 138/

This theory, of course, is based on the overall trends in political giving, and an objective judgment as to its validity is handicapped by the lack of adequate, accurate disclosure records prior to 1974. It is known that large donations were sharply curbed by the 1974 FECA Amendments and that business

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137/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 111.

138/ Malbin, Michael J. Of Mountains and Molehills: PACs, Campaigns, and Public Policy. In his Parties, Interest Groups, and Campaign Finance Laws, p. 152.

PAC growth since 1976 has been one of, if not the, most striking aspects of the PAC statistics presented in Chapter Three. There is generally assumed to be a correlation between these two developments.

Although this theory is difficult to substantiate when viewed from the individual giver's perspective, it is bolstered nonetheless by the differential in the maximum contribution one may make to a candidate ($1000) versus to a multicandidate committee ($5000). While the intent in allowing the higher limit for donations to PACs was likely related to the lesser opportunity for gaining undue influence by contributing to an intermediary, the law allows wealthy individuals to maximize their political giving by contributing to a multicandidate PAC of like philosophy rather than a particular candidate. The donor understands, of course, that only part, if any, of that donation may reach the favored candidate by giving to the PAC. The wealthy giver's spending decisions must also take into account the overall $25,000 limit on all political contributions by an individual, providing perhaps a further incentive to maximize his potential for influence with each contribution.

The third major feature of the FECA which has affected PAC growth is closely related to the second. The same provision of the FECA which imposes the $1000 limit on individual contributions to candidates places a $5000 limit on contributions by multicandidate committees [2 U.S.C. 441a]. Furthermore, there is no aggregate limit on the amount a PAC can give in a calendar year, such as the $25,000 limit affecting individuals. By according a greater latitude to the multicandidate PAC than to the individual, the FECA has thus provided stronger incentives for candidates to seek funds from the former than from the latter. This view parallels the findings of the Harvard University Institute of Politics in its analysis of the FECA's impact:

> In effect, the current law forces candidates to turn to corporate and labor PACs as well as to their personal bank accounts for the needed funds no longer available through the parties and from individual contributors. At the same time, the limits on amounts individuals can contribute directly to candidates have served primarily to divert money into channels of organized giving. 139/

Particularly given the time-consuming nature of fundraising, it is easier to raise large amounts of money by directing appeals to PACs. This is especially true for House candidates, whose races are generally not as well suited to direct-mail efforts as are Senate races, thus, perhaps, a further explanation for the greater reliance of House candidates on PAC money than their Senate counterparts. By making PACs more attractive to candidates as a source of funding, the FECA has added yet another incentive to their proliferation. The higher limit on PAC contributions is among the more important factors in the growth of PACs in recent years.

The second area which offers explanations for PAC growth is the political landscape in general. One finds that PACs have stepped in to fill a void created by the declining fortunes of the two major party organizations. One also finds that proliferation of PACs has mirrored a general trend toward fragmentation of the political system. One must also consider the increasing role government has played in the lives of its citizens and the competition for the distribution of the Nation's economic resources, thus providing further incentives for political organizing to affect governmental decisions.

The political parties have traditionally served as arbiters of competing interests in the process of welding coalitions united by certain underlying principles. The parties provided candidates with a general platform on which to run and with the financial and other resources necessary for a campaign;

139/ U.S. Congress. House of Representatives. Committee on House Administration. An Analysis of the Impact of the FECA, p. 6.

the parties in turn exercised strong control over the recruitment of candidates and commanded a high degree of loyalty to the party issue positions among their officeholders.

Most observers contend that the party organizations have declined since the 1950s and are no longer able to influence to the same degree as in the past those candidates who become elected officials. Some, like David Broder, insist that this is largely the result of candidates bypassing the party structure to wage more independent campaigns; the successful experiences with such campaigns resulted in the atrophying of the party organizations and, concomitantly, a lessened ability to provide necessary resources for future campaigns. 140/ The organizational decline paralleled a weakening of party loyalties among voters, as evidenced by survey research data on party identification trends and the increased incidence of voters crossing party lines in selecting their preferred candidates. 141/

The weakening of the power of party organizations and the party loyalties among voters created a vaccuum which, in a sense, generated the need for new organizations to provide financial and technical assistance to candidates and issues around which candidates could rally voters. The evidence indicates that to some extent PACs have proved to be such substitutes for these party functions. Regardless of how one interprets the data in Tables 6 and 7, it is clear that PACs do play a greater role in campaign funding today than do the parties.

The experiences of the Republican Party in the 1980 and 1982 elections

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140/ Broder, David. Let 100 Single-Issue Groups Bloom--The Pains They Cause May Push Politicians Back to the Parties. The Washington Post, Jan. 7, 1979: C1-2.

141/ Samuelson, Robert J. Fragmentation and Uncertainty Litter the Political Landscape. National Journal, v. 11, Oct. 20, 1979: 1731.

have raised questions as to the continued validity of the party deterioration theory. The impressive fundraising record of the three principal national committees of the Republican Party in 1980 (when net receipts totaled $111 million) and 1982 (when the three GOP committees raised a net of $190.5 million, in contrast with $28.4 million by the Democratic counterparts) was a tangible indication that at least one of the two major parties had gone some distance in improving its ability to assist its candidates financially; this financial assistance included direct contributions, coordinated party expenditures, and campaign assistance in such technical skills as polling and media advertising. 142/ The high degree of cohesion among Republican Members of Congress on the Reagan budget and tax programs during 1981 may be further indication of a renaissance in the GOP's prestige and organizational strength. (The issues affecting perceived party decline and the causes thereof will be discussed further in Chapter Four.)

The growth of PACs can also be viewed as yet another reflection of the general fragmentation of American society and its political system which has been perceived since the 1950s. Kevin Phillips wrote in 1978 of the "Balkanization" of American society, in which:

> Small loyalties are replacing larger ones. Small outlooks are also replacing larger ones. 143/

Phillips saw the "political and social decomposition" of America aggravated by such events as the Vietnam War and the end of Pax Americana, the failure of the Great Society, the end of energy abundance, and Watergate and the public's loss of confidence in its political institutions.

142/ Cohen, Richard E. Democrats Take a Leaf from the GOP Book With Early Campaign Financing Start. National Journal, v. 13, May 23, 1981: 923.

143/ Phillips, Kevin. The Balkanization of America. Harper's, May 1978: 38.

> . . . the breakdown of these unities, hopes, and glories has been enough to send Americans . . . scrambling after a variety of lesser combinations and self-identifications: ethnicities, regions, selfish economic interests, sects, and neighborhoods. 144/

Other observers differ as to the causes of fragmentation and whether or not it represents the harmful phenomenon which Phillips believed it did. One must also be cautious not to mistake current political and social trends for the merely contemporary manifestations of the heterogeneity traditionally a part of the United States.

The evidence of splintering and fragmentation in the political system is readily observable. For example, Congress has experienced an extraordinary growth since 1970 of informal groups seeking to influence the policy-making process within that institution. Such groups, commonly known as caucuses, are not recognized in the House or Senate Rules and are not line-item appropriations. They are formed by like-minded Members who desire the development of common policy approaches to shared policy concerns. 145/

Only three informal groups existed in 1970: the Democratic Study Group, the House Wednesday Group, and the bicameral Members of Congress for Peace Through Law. By 1984, more than ninety informal groups were in existence, including such groups as the Congressional Rural Caucus, Jewelry Manufacturing Coalition, Solar Coalition, Senate Steel Caucus, Textile Caucus, Mushroom Caucus, Pro-Life Caucus, and Automobile Task Force. 146/ These caucuses can

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144/ Ibid.

145/ U.S. Library of Congress. Congressional Research Service. Formal and Informal Congressional Groups [by Paul Rundquist]. Report 78-172, October 30, 1978. p. 16-17.

146/ U.S. Library of Congress. Congressional Research Service. Caucuses and Legislative Service Organizations: An Informational Directory [by Sula P. Richardson]. Issue Brief No. IB 83193, Jan. 6, 1984.

be characterized by their narrowly-focused agendas or bases of support, and, particularly among the new informal groups, "the major emphasis . . . has been a single issue orientation which underscores economic and regional shared interests over partisan considerations." 147/

Just as the proliferation of narrowly-focused congressional caucuses represents the institutionalization of the multitude of loyalties and interests which exist in the United States today, so do PACs constitute one more form of institutionalized representation for America's divergent interests. Their growth in number and influence can thus be viewed as a reflection of what appears to be the higher degree of social, political, and economic heterogeneity of the American people today. When viewed in such an overall context, the PAC phenomenon of the 1970s and 1980s seems hardly surprising.

Finally, the issue of increased government regulation is often suggested as a catalyst for PAC growth. The theory holds that the more governmental decisions are perceived as having an impact on peoples' lives, the more politicized people become, in order to help shape the outcome of policy decisions. This view, as it relates to government regulation of business, was well expressed by a representative of the Business-Industry Political Action Committee (BIPAC):

> It was not the Federal Election Campaign Act and the Federal Election Commission that promoted the PAC movement; it was every other law and every other regulatory body that began intruding into the business of business. A clear pattern emerges when reviewing who does and who does not have a PAC--the more regulated an industry and the more obvious an industry is as a congressional target, the more likely it is to have a political action committee within the associations or within the companies that make up that industry. As the government moves closer and closer to partnership

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147/ U.S. Library of Congress, Formal and Informal Groups, p. 2.

> with an industry, the result of that liaison is a PAC, mothered by industry but unmistakably sired by government. 148/

Apart from the value judgment associated with government regulation, the essential argument is both widely-accepted and logical. The business-related examples cited by the BIPAC spokesperson could be expanded considerably by looking at the proliferation of PACs organized around such social issues as abortion and gun control. Some may see the principal flaw in the above quotation as the discounting of the impact of the FECA itself on the growth of PACs. Government regulation of and involvement in peoples' lives and businesses is not just a phenomenon of the 1970s; certainly the active involvement of government has been a growing trend since at least the New Deal era of the 1930s. While government regulation is not solely responsible for today's growth of PACs, it is nonetheless an important cause that cannot be divorced from the issue of PAC proliferation.

148/ Budde, Bernadette A. Business Political Action Committees. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 11.

CHAPTER FOUR: ISSUES SURROUNDING THE PAC ROLE IN THE POLITICAL SYSTEM

This chapter focuses on the impact which PACs have had and are continuing to have on the political system. We learned in the previous chapter that, since 1972, PACs have steadily and enormously increased both their numbers and the amounts of money available for political spending and that they are playing an increasingly important role in the financing of congressional elections. How the PAC phenomenon with its infusion of many millions of dollars into our election campaigns has affected the political system overall and the various segments and values thereof has been a matter of sharp controversy in recent years.

The debate over PACs has revolved around the issue of whether or not interest groups have developed too much power over the policy-making process, to the detriment of other sectors of society and to the Nation as a whole. While that is the central question, other issues have inevitably become entangled in the ongoing debate. Such factors as who has benefitted or who is likely to benefit from the growth of PACs have tended to color the perceptions of proponents and opponents of political action committees.

This chapter offers a discussion of the major component issues in the debate over PACs: the role of interest groups in society and whether or not they exert too much power today, how PACs have affected the position of the political parties, how PACs have affected the role of the individual in the electoral process, the effect of PACs on Congress, the level of funding for modern election campaigns, the effect of PACs on the balance of power between the business and labor sectors, and the relation of PACs to the notion of political accountabity. For each component issue, the views of PAC proponents and opponents will be discussed and analyzed.

I. THE ROLE OF SPECIAL INTERESTS

The debate over PACs essentially corresponds to the view one takes of the role of interest groups in the political system, whether or not the power exerted by interest groups today is detrimental to the national good. Opponents of PACs assert that the sum total of special interests do not always add up to the national interest, while defenders insist that the national interest inevitably emerges out of the conflict between the special interests.

PAC opponents argue that the special interests have become too powerful in recent years (the PAC being a vehicle for wielding that power) and that this is making it increasingly difficult to forge cohesive national policy. They see interest groups as having become increasingly strident and unyielding, particularly those advancing single, "litmus" issues. The end result of their input into the political system, opponents say, has been to undermine the spirit of compromise and flexibility which is essential in a democracy and to paralyze the Congress. In the words of Common Cause's Fred Wertheimer:

> The PACs stand out as one of the major causes of the growing fragmentation of our political system and also of the increasing difficulty we experience in our attempts to reach national consensus. They are a key factor in the growth in America of the special-interest state. 148/

Although PAC critics acknowledge the legitimate role interest groups and PACs, as their agents, have to play in the political system, they argue that they

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148/ Wertheimer, Fred. Commentary. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 199.

must be kept in check, lest the integrity of the system be threatened. It is their contention that the large amounts of money which PACs have introduced into the process over the past decade and the increased candidate reliance on PAC money have signaled the upsetting of the balance between organized interest groups and the rest of society.

The defenders of PACs insist that they are not a monolithic force and that they represent a wide spectrum of political philosophies. Rather than expressing alarm at the proliferation of PACs, they see it as a healthy development which contributes to a vigorous democracy. Proponents adopt the Madisonian view, as expressed in Federalist No. 10, that the way to prevent a tyranny of factions is to allow them to flourish and multiply so that no one faction could so dominate others as to eliminate incentives for compromise with other sectors of the society; they believe that the diverse economic interests present in America today manifest such a system. 149/

PAC supporters contend that the sharp increases in PAC spending largely reflect a transformation in the methods which corporations formerly used to influence election outcomes. They note that corporate PAC contributions have replaced the "large contributions from corporate 'fat cats,' 'double-envelope' individual contributions collected and bound together in an outside envelope with a corporation's return address, and illegal in-kind corporate contributions." 150/ The goal of the FECA, Michael Malbin observes, was not to end the role of business in politics, but to transform it. And, as further evidence of the transformed nature of campaign financing, he cites the decreased share of large individual contributions among House candidate receipts between 1972 and 1978.

149/ Malbin, Of Mountains and Molehills, p. 215-216.

150/ Ibid., p. 156.

> Because most of the large contributions traditionally have come from business interests, this drop seems more than adequate to account for the proportionate growth of PACs. 151/

Thus, PAC defenders downplay the statistics (which critics underscore) on PAC spending. They believe that so long as the money comes from voluntary contributions, subject to disclosure laws and limitations, there is little reason for concern.

Finally, PAC supporters object to the frequent pejorative connotation of the term "special interest" and the juxtaposition of it with another value-laden term, "public interest." They hold the view that all factions which advocate specific government policy objectives are, in fact, special interests, and that no one group has any more claim to the role of defender of the public interest than any other group.

Both the critics and the defenders of PACs make some valid points and some which raise legitimate questions. Both sides claim to support the role of interest groups in society while recognizing the need for some balance, lest they become overly powerful. The critics believe that this balance has already been upset by PACs, while defenders claim that PACs do not exert a disproportionate influence. The question may be addressed to supporters as to what level of PAC funding might cause them concern: if not the 20 percent of House and Senate receipts in 1978 or the nearly 27 percent in 1982, what level of PAC spending as a proportion of candidate spending would signal too great a role by interest groups?

PAC defenders are correct in their observation that, to some extent, what is occuring is a transformation of the way in which business-oriented money is

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151/ Ibid., p. 156

contributed. Because of the absence of complete, thorough disclosure requirements prior to 1972, it is impossible to determine whether this accounts for most of the PAC growth or is merely one factor among many.

It is also true that PACs are representative of modern-day pluralism, in which a wide-range of interest groups compete to win friends and influence policies. They are not a monolithic force. However, they constitute the vehicles of organized interests, those persons and groups who are sufficiently educated and involved in the system so as to have an impact on policies. The concern expressed by critics may be based, in part, on the comparison of the organized interest groups with those sectors of society unable or insufficiently aware or motivated to be politically involved. At the root of this concern is the question of whether equal access to government is possible for those sectors of the population which are unable to raise large amounts of money; thus, PACs are seen as furthering an imbalance in access to the policy-making process. A further misgiving of critics, as will be discussed later, is the accumulation of too much power by particular industries or sectors of society, which PACs may play an important role in helping them acquire.

PAC defenders make a valid protest to the pejorative use of the term "special interest." What actually separates a special interest group from the so-called public interest group, they assert, is the primarily economic agenda or focus which characterizes the former (corporations, unions, trade associations) and the more ideological nature of the latter's agenda or focus. What may explain the pejorative connotation given the term "special interests" is the perception that their motivation is essentially greed, in contrast with the "nobler" motivation of commitment to an ideology or set of non-economic principles.

Finally, with regard to the principal threat which critics feel PACs constitute, the perception of fragmented and paralyzed government may be both fleeting and in the eyes of the beholder. Interest groups were widely criticized for the obstacles they placed in the path of a national energy policy during the Carter administration; PAC money was seen by some as a root cause of the ability of omnipotent interest groups to thwart the national interest. This can be contrasted with the success encountered by the Reagan administration in winning passage of its far-reaching tax and budget programs in the 97th Congress, this despite the pressures from interest groups which had a strong stake in the outcome and whose PACs had, by 1981, become an even more important component in the funding of congressional campaigns than they were in the late 1970s. This suggests that if other segments of the power structure are performing their functions well, the influence of interest groups will be kept in check. Thus, what some perceived as governmental paralysis just a few years ago may have had less to do with interest group strength than with insufficient power wielded by other forces. Rather than the stand-off some perceived earlier, the 1981 experience may have raised an entirely different spectre--the disproportionate influence which some saw as being successfully wielded by interest groups which stood to gain from the outcome.

II. PAC IMPACT ON THE POLITICAL PARTIES

One issue often raised by critics is that PACs have contributed to the declining power of the political parties. The theory holds that by offering new sources of financial and logistical support to candidates, while the parties' ability to provide such support has lessened, the PACs have rendered the parties increasingly impotent in performing their traditional role as agents of compromise and reconciliation. Party ties have become less important to elected officials, who owe their victories less to parties than to interest groups. The parties are thus less able to act as intermediaries between interest group demands and public officials, contributing to the overloading of the policy-making process and resulting in the fragmentation discussed above. There is a reciprocal nature to this theory, in that PACs are seen as owing their growth, in part, to weakened parties and that that growth, in turn, has contributed to the further erosion of party strength.

Most scholars, however, appear to adopt the view that while "PACs are getting stronger and the parties are getting weaker . . . the directions are coincidental for the most part." 152/ Political scientist David Adamany asserts:

> The forces ravaging American parties were set in motion long before the recent emergence of PACs. 153/

Adamany attributes party decline essentially to a "media-oriented middle-class electorate" having become more interested in issues and candidates and less interested in parties. 154/ As his fellow political scientist, Austin Ranney, noted, "anything that increases the role of TV in national campaigns diminishes the role of the parties." 155/ While television is widely viewed as one contributor to weakening of party ties and, hence, power, such other developments as internal party reforms, a proliferation of primaries, and public financing

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152/ Kayden, Xandra. Campaign Finance: The Impact on Parties and PACs. In An Analysis of the Impact of the FECA, p. 97.

153/ Adamany, David. PACs and the Democratic Financing of Politics. In Political Action Committees and Campaign Finance: Symposium, p. 593.

154/ Ibid.

155/ Ranney, Austin. The Political Parties: Reform and Decline. In Anthony King (ed.). The New American Political System. Washington, American Enterprise Institute for Public Policy Research, 1978. p. 244.

of Presidential election campaigns are often mentioned as other important factors. 156/ It can be argued that these factors have had a direct role in the growth of PACs, as well.

Frank Sorauf is another political scientist who tends to downplay the role of PACs in the declining fortunes of the political parties. "At most," he says, "PACs have only nudged the parties' downward slide." 157/ He views PACs as a major partner in a new coalition of political forces in America, one in which the parties are largely excluded. He nonetheless suggests one way in which PACs have likely worked to the detriment of the interests of the parties.

> The ability of PACs to raise increasing amounts of campaign money supports legislative candidates in their reliance on new campaign technology and expertise. Very simply, PAC contributions help candidates retain the costly services of opinion pollers, campaign consultants, and the media itself. It is, in effect, possible to "rent" a political party surrogate, but the price is dear. PAC money fosters the extension of personalism in campaign politics and supports the freedom of candidates from reliance on party organizations, resources, and, even at times, the party label. 158/

The availability of the large amounts of money necessary to wage modern, media-oriented campaigns is widely viewed as the principal strength of political action committees, and to the extent that modern campaigns promote a candidate-oriented system, the political parties may well suffer. In this crucial respect, PACs can be seen as indirectly contributing to party atrophy.

A final charge by PAC critics which pertains to political parties is that

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156/ Kayden, Campaign Finance: The Impact on Parties and PACs, p. 97.

157/ Sorauf, Frank J. Political Parties and Political Action Committes: Two Life Cycles. In Political Action Committees and Campaign Finance: Symposium. p. 454.

158/ Ibid. p. 455.

PACs are drawing money away from the parties. There is support for this view from former Republican National Committee Chairman Bill Brock who said that PACs have the potential for drawing support from the party because of the tendency of Republican businessmen who might normally be expected to contribute to the party to say that they have "already given at the office." 159/

Although PACs and parties may indeed be competing for money, we are reminded that the principal appeal of the parties to candidates traditionally has been their provision of nonfinancial resources. 160/ Adamany observes that parties were not good providers of campaign money long before PACs became a growing force.

> Parties have provided funds only inadequately, fitfully, and unevenly in the whole of the post-war period. The continuing decline of party financing is surely not due to the rise of PACs, although the converse may be true. 161/

Thus, even if one sees PACs as attracting contributions which might otherwise go to the parties, it is not clear that providing money to candidates is the principal means by which parties induce loyalty among their candidates and elected officials. It should also be noted that the FECA, despite criticism that it has played a role in party decline, in fact encourages contributions to political parties by imposing a $20,000 limit on individual contributions to the national committees of the parties, in contrast with the $1,000 limit on contributions to candidates and the $5,000 limit on contributions to multicandidate committees.

One additional observation may be appropriate with respect to the issue of

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159/ Kayden, Campaign Finance: The Impact on Parties and PACs, p. 86.

160/ Sorauf, Political Parties and Political Action Committees: Two Life Cycles. p. 451.

161/ Adamany, PACs and the Democratic Financing of Politics, p. 593-594.

political party decline. In line with other comments made in this report, all such theories may be proven invalid if the Republican successes in the 1980 elections, combined with the signs of party cohesion in the 97th Congress and the phenomenal GOP fundraising record in recent years, continue unabated. Party decline may suddenly be seen as being reversed.

III. THE ROLE OF INDIVIDUALS IN THE POLITICAL PROCESS

Supporters of political action committees claim that they perform a beneficial function by promoting greater citizen involvement in the electoral process. It is said that, rather than constituting amorphous "special interests," PACs are made up of millions of people and that they are the one vehicle for influencing the making of public policy open to those who do not have large amounts of money to contribute. The opponents of PACs insist that individuals are being crowded out of the campaign finance process by the organized interest groups, operating through their PACs. They see the average citizen less likely to contribute money both out of frustration over his inability to compete with large sums of money which PACs can spend and out of cynicism over the perceived dominance of special interests over the policy-making process.

In the absence of comprehensive, reliable information on the internal operations of PACs, it is difficult to draw conclusions about the accuracy of the above assertions on the extent to which PACs promote greater involvement in the political process. Nonetheless, there is some evidence that lends support to that proposition. A 1980 post-election survey by the University of Michigan's Survey Research Center found that a higher percentage of individuals polled claimed that they had contributed to a PAC than had contributed to either a candidate or a political party. The question was asked:

> E12. Now what about political action groups such as groups sponsored by a union or a business, or issue groups like the National Rifle Association or the National Organization of Women. Did you give money this election year to a political action group or any other group that supported or opposed particular candidates in the election?

The response was 6.7 percent affirmative and 92.5 percent negative. This compared with 5.9 percent who reported contributing to a candidate (at any level) and 3.6 percent who said they had contributed to a political party. 162/

One caveat that should be added to this data relates to the phrasing of the question on PACs. The National Rifle Association and the National Organization for Women are not political action committees, although they both sponsor PACs. People who gave money to issue groups like NOW may have thought they were giving to a PAC; clearly there was a misunderstanding about the nature of the organization even on the part of those who wrote the survey. Furthermore, there are people who give money to the sponsoring organization who do not also give to their PAC. This may have contributed to the higher percentage for PACs than for candidates or parties. A second caveat regarding the Michigan data is that it is not possible to determine to what extent those who gave to PACs and to candidates were largely the same group of people. This data nonetheless provides an indication that PACs are attracting a significant level of contributors.

There is also some evidence, although here again data is limited, that PACs get most of their money in small donations, thus implying a broad, democratic base of support. One study shows that of all PACs in 1976 with receipts of more than $100,000, 87 percent of their receipts were from

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162/ Center for Political Studies. Institute for Social Research. Center for Political Studies. American National Election Study, 1980. Traditional Time Series. Codebook.

contributions of $100 or less. As might be expected, this result was skewed by labor PACs, which got 96 percent of their money in donations of $100 or less; the percentage for corporate PACs was 66 percent and for all other PACs, 82.5 percent. 163/

The average size of contributions to PACs is a much-disputed matter, particularly regarding those to corporate PACs. One labor union study found the average donation to a corporate PAC was $200; another study, this by the business-oriented Public Affairs Council, found the figure for corporate PACs to be under $125. 164/ Clearly, there exists a tendency for proponents of (business) PACs to maximize the appearance of small giving, whereas critics of PACs may downplay any such evidence.

Regardless of the evidence showing large numbers of relatively small contributions to PACs, critics contend that participation in many cases is brought about as a result of perceived pressure by corporate managers. Despite the prohibition on coercion under the FECA, reports persist that a subtle, unstated pressure does exist, particularly within corporations. As the Wall Street Journal wrote in a 1980 article:

> Some middle and senior managers at the 900 or more companies with the so-called PACs . . . are increasingly feeling pressured to cough up part of their paychecks to support "our way of life," as one solicitation letter puts it.
>
> "I know it isn't mandatory to give," says an employee of a Litton Industries unit. "But the word around the water cooler is that if you don't give or if you give less than the amount expected based on your salary, you're liable to be called in for a pep talk from the divisional president." 165/

163/ Adamany, PACs and the Democratic Financing of Politics, p. 590.

164/ Discussion. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 226-227.

165/ Sansweet, Stephen J. Political-Action Units At Firms Are Assailed by Some Over Tactics. Wall Street Journal, July 24, 1980: 1, 12.

Critics point to comments like the one by Justin Dart, chairman of Dart Industries, who said in 1978, regarding his practice of writing letters to his executives soliciting donations to the company's PAC, "If they don't give, they get a sell." 166/

Corporate PAC spokesmen insist that coercion is a rare occurrence, at most, and that such charges really are indicative of attempts by business adversaries to discredit them. For the most part, they contend that they are "100% serious about avoiding pressure." 167/ The following solicitation letter from a corporation chairman is seen by business executive Clark MacGregor as indicative of the great lengths corporations go to avoid any sign of coercion:

> I hope you will decide to take part in this program, but there is absolutely no pressure on you to do so. Whether or not you take part is up to you and will have no bearing on your present position or future with our company. There will be neither rewards nor reprisals whatever your decision. Should anyone even imply anything to the contrary, I ask that you immediately bring this to my personal attention. 168/

Critics respond, with some justification, that employees may feel pressure, regardless of what is actually said to them. As described by Common Cause senior vice president Fred Wertheimer:

> There's implicit pressure in the system to begin with. When you have people working their way up the ladder and their boss asks for contributions to the PAC, many will conclude that this an expected activity. 169/

Conversely, unspoken, subtle pressure is the most difficult to prove.

166/ Ulman, Neil. Companies Organize Employees and Holders Into a Political Force. Wall Street Journal, August 15, 1978: 1, 18.

167/ Sansweet, Political-Action Units At Firms Are Assailed.

168/ MacGregor, Clark. Commentary. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 207.

169/ Sansweet, Political-Action Units At Firms Are Assailed.

Although the issue of perceived coercion may be too nebulous to enable an objective finding on its existence, PAC defenders claim that such practices are not unique to business, as such criticism has extended to labor unions, as well. In response to a 1979 suit by the International Association of Machinists alleging coercion among corporate PACs in their fundraising, the corporations asserted that that union's own practices exhibited the same patterns which they saw as indicative of coercion by the corporations. 170/ A more neutral observer, Edwin Epstein, maintains that, "upper-level business and labor officials still face subtle peer pressures and psychological arm-twisting." 171/

A final issue with implications for the role of the individual in the political process is the nationalization of campaign financing, which is seen as being fostered by PACs. "Because money is readily transferable," writes David Adamany, "PACs nationalize funding sources. They collect ample treasuries in small individual gifts from many locales, centralize those funds in the hands of institutional officers, and then make large contributions in strategically important races anywhere in the country." 172/ This trend toward nationalization is increasingly discerned by observers as a major effect of the PAC phenomenon, and it is a cause of some consternation among local politicians. Consider the frustration voiced by one State party chairman over the "outside money" coming into his State:

> Sixty percent of the money in the State is from outside the State--on both sides. There's no eliminating the influence of the special interest. Out-of-state special interest groups

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170/ Ibid.

171/ Ibid.

172/ Adamany, PACs and the Democratic Financing of Politics, p. 596.

> are working as a coalition--not a conspiracy--just a oneness of purpose and they're looking for like-minded candidates. These conservative or liberal PACs can get together and in a small State they can really make a dent in a campaign. Yet the guy in the State who lives there can only contribute $1,000. 173/

As candidates receive greater shares of their funding from outside of their jurisdictions, one link between the elected official and those he represents may tend to disintegrate. Again, to quote Adamany:

> These nationally centralized institutions thus compete with local constituents, including those who supply political resources, for the attention of public officials. In this competition, nationally centralized institutions are increasingly at an advantage because the money they proffer is readily convertible into technologies that are ever more effective in modern campaigns. 174/

With increasing nationalization, the role of the individual will tend to become overshadowed in the process.

In summary, there is reason to believe that PACs both promote and hinder the role of the individual citizen in the political process. By offering a new, issue-oriented vehicle through which to become involved, PACs appear to be bringing more people into the process. Subtle pressure may play a role in some of the PAC giving, but it is likely that this accounts for only a small portion of the money donated. Furthermore, PAC supporters correctly note that individual contributions still constitute the single largest component of campaign receipts for congressional candidates, notwithstanding arguments about individuals being crowded out of the process.

173/ Kayden, Campaign Finance: The Impact on Parties and PACs, p. 96.

174/ Adamany, PACs and the Democratic Financing of Politics, p. 596.

Based on interviews conducted with PAC managers, the Harvard study on the FECA's impact concluded that the encouragement of political participation by its membership is a major and sincerely-held goal of those who establish PACs.

> There are two obvious objectives often cited by PACs: To see candidates elected to office who represent their views . . . ; and to encourage participation by their membership as part of their civic responsibility. The latter objective should not be underrated as a factor because it appears to be very much in the mind of many of those interviewed. Education always has been a major emphasis of labor's, and many business PACs are not run by people with either strong ideological views or much political experience. 175/
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> * * *
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> As one business executive put it, "Giving is a way of getting citizens to participate, the PAC is a conduit. Our philosophical premise is that financial support is as important as voting." Labor leaders would say the same thing. 176/

Two serious concerns are raised by PAC critics as they affect the individual's role. One, as discussed above, is the association of PACs with the trend toward nationalization of campaign funding sources. This could serve to diminish the importance of the average citizen as constitutent, in the electoral system. The other is the disadvantage individual contributors face vis-a-vis PACs in that while "private individuals may . . . have policy outcomes in mind when they make contributions . . . these are rarely linked to an organized lobbying effort." 177/ If one views the process of influencing public policy as a two-step process involving campaign contributions before the election and organized lobbying efforts afterwards, the tendency of PACs to be linked with lobbying arms of parent organizations implies potentially greater clout for a PAC than for an individual in a given instance.

175/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 111.

176/ Ibid., p. 103.

177/ U.S. Congress, An Analysis of the Impact of the FECA, p. 5.

IV. IMPACT OF PACs ON THE CONGRESS

Perhaps the most fundamental issues at stake in the debate over PACs concern the effect PAC spending has had on the Congress, given the congressional role as chief policy-making body in the United States and the concentration of PAC resources in congressional elections. Those alarmed by PAC growth see the ability of Congress to act decisively impeded by the pressures of the special interests, which they feel are emboldened by their financial largesse. And they express concern that PAC money has created a climate wherein the interests of the PAC receive special consideration, or are perceived by the public as such, when the legislator decides his position on a relevant vote. They are answered by others who insist that PAC money follows issue positions, and not the other way around, and that the competing pressures on Congress are an inherent part of our governmental process. In addition, a third issue affecting Congress is the extent to which PAC money helps to lock incumbents into office; this issue causes concern among both defenders and critics of PACs. Each of these three issues will be discussed in this section.

A. Paralysis of the Policy-Making Process

One of the fears most often voiced by PAC critics is that PACs aid the interests they represent in gaining a stranglehold on the legislative process, leaving each Member beholden to conflicting and unyielding pressures and making compromise more difficult. This perspective was best characterized by Representative David Obey in 1979, during his defense of the Obey-Railsback amendment to limit PACs (to be discussed in the final chapter). After commenting on the decline of the political parties as mediating structures for competing interests, Obey proceeded to mention the following other causes of the perceived legislative paralysis:

> When we add to that the pressure of single-issue groups who want to judge this place and judge us individually only on the basis of how we perform on their own single issue, and to blazes with what we do on anything else, we have a situation in which the ability of the House to perform is at best marginal.
>
> When you add to that the ability of all these groups to now begin to inject large and ever increasing amounts of dollars into each of our campaigns and into the campaigns of our opponents, you have a prescription for making the Federal Government one giant isometric exercise, because you gradually freeze the wheels in this place because you have such tremendous pressure being put on this place, it is pulling this place apart on every single issue you can name. We almost lose our ability to put together a majority 178/

As discussed in Section I of this chapter, the perception of governmental paralysis may be just that--a perception; even to the extent that it is real, it may be only a temporary condition. The defenders of PACs tend to see them as merely the modern-day vehicles of America's traditional pluralistic politics. The discomfort they cause legislators is not only inherent in the system but may produce desirable results, as well. By "keeping the heat" on legislators, the interest groups serve to remind them of their role as representatives who may ignore the wishes of the voters only at their own ultimate peril. The complaints by some Members of undue pressure from PACs may be viewed by PAC supporters as indicative of discomfort over being forced to confront controversial issues which they would rather ignore. Thus, the perception of paralysis in the Congress and the values associated with it are not easily reconciled.

178/ Obey, David. Federal Election Campaign Act of 1971 Amendments. Remarks in the House. Congressional Record, v. 125, October 17, 1979: 28644-28645.

B. Linkage Between PAC Money and Legislative Votes

The debate over whether PAC money influences legislators' votes or whether it merely rewards votes of sympathetic Members is the single most controversial element of the entire PAC phenomenon. It is also the one which is most difficult to evaluate objectively; neither perspective is right and neither is wrong. At most, we can hope to understand the basic perspectives of the critics and the defenders on this important issue.

The Harvard study on the impact of the FECA declared:

> . . . PAC money is interested money. While those who run political action committees may not be successful in accomplishing their legislative designs, it is clear that they do have specific agendas for public laws. 179/

Concerning this observation, there appears to be no dispute. The point of divergence lies in the perception by some but not others that, through PAC contributions, interest groups gain sufficient leverage to influence legislative votes that they might not otherwise have had and which gives them an unfair advantage over those with less or no money to spend.

There can be discerned in the attitudes of PAC opponents a hierarchy or spectrum of perceived obligation as it pertains to this issue. Any or all of these views are likely to be held by PAC critics. At one level, they may point to examples in which specific congressional votes appeared to have been overly influenced by campaign contributions from PACs. (Common Cause is perhaps the most prominent advocate of this viewpoint, which it promotes through its many studies attempting to correlate key votes or committee assignments with PAC giving.) At the next level, the argument is advanced that a feeling of obligation tends to be created by PAC contributions and, whether or not a

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179/ U.S. Congress, An Analysis of the Impact of the FECA, p. 4-5.

legislator alters his or her vote on a given matter as a result, he has been placed in an awkward position. The next level of argument is that even if no quid pro quo relationship is established, the cumulative effect of all the PAC money is to make it more difficult for Members to place the national interest above some special interest. Finally, even if the correlation between money and votes is ambiguous or nonexistent, the public perception of such a connection jeopardizes the appearance of their representatives' objectivity and thus damages the credibility of the entire Congress. In this case, the appearance of impropriety may be as damaging as the reality.

What most concerns those who are skeptical of PAC power is the ability of interest groups to join forces on particular issues, thus overwhelming the opposition. Representative Obey described this tendency as follows:

> . . . the interests of PAC contributors frequently coincide, such as when an issue affects business as a whole or an entire industry and all of the companies and labor unions in that industry.
>
> When that occurs, when a large number of groups which have made substantial contributions to Members are all lobbying on the same side of an issue, the pressure generated from those aggregate contributions is enormous and warps the process. It is if they had made a single, extremely large contribution. 180/

Thus, while the aggregate spending of PACs is of concern largely because of the general appearance of impropriety or influence peddling, the ability of PACs to concentrate and target their resources causes concern over the actuality of such practices.

Defenders of PACs adopt the view that because interest groups are not inherently evil or corrupt, neither are their contributions to candidates inherently corrupting or sinister tools. With the concept of access being a

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180/ Obey, Federal Election Campaign Act of 1971 Amendments, p. 28632.

fundamental element of representative democracy, there is nothing alarming about their seeking to maximize their access to their elected representatives. While PAC supporters acknowledge that it is possible for a particular group to gain undue influence over Members, it is a rare occurrence, given the diversity of interests competing with one another and the disclosure laws which serve as a restraint against unseemly practices. These two factors are seen as sufficient to protect the public interest against the accumulation of too much power by any one group or sector.

PAC proponents assert that PAC contributions are generally given to candidates who are basically sympathetic with that group's philosophy; therefore, it is logical for a high correlation to exist between PAC giving and Members' votes. Representative Mendel Davis explained this pattern in his floor statement opposing the Obey-Railsback Amendment:

> I think maybe we get contributions because of the way we vote, maybe for free enterprise, maybe because we are pro-labor, or maybe because we address specific issues. But to say that just because we have taken money, we are casting votes in the interest of that money, I think, is unsound. 181/

Thus, the money is seen primarily as an effect of Members' issue positions rather than as a cause of them.

PAC defenders view campaign contributions as only one of many tools used by interest groups in their efforts to influence public policy. As Michael Malbin observes:

181/ Davis, Mendel. Federal Election Campaign Act of 1971 Amendments. In Remarks to the House. Congressional Record, v. 125, Oct. 17, 1979: 28656.

> Just as members do not depend on any one set of groups for significant portions of their campaign funds, neither do the most successful groups rely on contributions as the basis of anything more than a small part of their overall lobbying strategies. 182/

The factors which determine a Member's vote on a given issue are too complex to be systematically prioritized by observers. Hence, those who are supportive of PACs claim that campaign donations play no greater role in a Member's vote than do newspaper editorials, organized lobbying, constituent mail, or a host of other factors.

Critics often charge that PAC contributions constitute investments in prospective Members of Congress. This appears to be an accurate observation, leaving aside the question of whether or not the investment should be viewed in a cynical manner. At the very least, PACs hope to gain access to Members, to help ensure a fair hearing of their concerns. Beyond that, the strategies of the various PACs diverge, with some emphasizing the need to reward proven friends and to keep them in office and others embarking on a so-called "risk-taking" policy in order to elect new friends to Congress.

C. PACs as Protectors of Incumbents

As was demonstrated in Chapter Three, PACs have a strong bias toward congressional incumbents, and this bias has increased since 1972. In 1982, more than two-thirds of PAC money was contributed to incumbent House and Senate Members. Among the categories of PACs in 1982, labor PACs gave 58 percent of their money to incumbents, trade/membership/health groups

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182/ Malbin, Of Mountains and Molehills, p. 177.

76 percent, and corporate PACs 75 percent; even the non-connected PACs gave more of their money to incumbents than to any other type of candidate (48 percent). Furthermore, incumbents have received an increasingly larger share of their funds from PACs, rising from 17 percent of House receipts in 1972 to nearly 37 percent in 1982; this level far exceeded that for challengers and open-seat contenders. Many observers, critics and defenders of PACs alike, find the incumbency bias disturbing, although their reasons vary.

PAC critics tend to see the support for incumbents as confirmation of their theory that PACs seek to buy influence and, by giving to incumbents--who generally do not need as much money as their opponents to wage a credible campaign--they are maximizing their chances to win that access. Many PAC supporters favor a more aggressive strategy for PACs, urging them to back candidates more on the basis of issue compatability than on the safer course of contributing to those most likely to win--the incumbents, at least in the case of House candidates; by giving up the cautious, passive approach, PACs would risk alienating incumbents in favor of winning potentially stronger friends among their challengers. This advice, reflected in the words of Ronald Reagan in 1978 (see page 123), is particularly directed at corporate and trade PACs which are seen as too willing to support Democratic incumbents than to support their philosophical interests by backing their Republican challengers (although this has changed somewhat in recent years).

Regardless of one's general attitudes about PACs, there is the concern that the competitiveness of our elections is diminished by the perceived enormous advantages incumbents have over their opponents. When PAC financial support is added to an incumbent's perquisites of office and higher visibility (as compared with non-incumbents), the challenger, generally underfinanced to begin with, may be overwhelmed by his incumbent opponent and, thus, be unable to compete effectively.

Two factors may mitigate the perceived PAC bias toward incumbents. First, insofar as corporate PACs--the largest single category of PACs--are concerned, they have shown a greater willingness in recent elections to support candidates on the basis of philosophical compatability, regardless of incumbency status. Second, Malbin asserts that, if one factors in the variables of competitiveness of a congressional election and number of candidates in a given category, the apparent disproportionate share of PAC money distributed to incumbents is diminished. He explains:

> . . . since most challengers have little realistic chance of winning against most House incumbents in any given year, and since most people are reluctant to "waste" money on a candidate who has no chance of winning, it distorts the picture to talk about the receipts of all incumbents versus all challengers. A much clearer picture can be obtained by controlling for both party and competitiveness. Second, percentage of candidates in a given category: it should be obvious that if safe incumbents represent about 40 percent of all House general election candidates (as they do) and if they receive about 40 percent of all nonparty PAC contributions to general election candidates (as they do), one cannot use the 40 percent contribution figure to claim that PACs favor safe incumbents disproportionately. 183/

Although Malbin's figures do lessen the appearance of incumbency bias, one finds in other of his data that competitive incumbents received 23 percent of PAC money compared with only 13 percent to competitive challengers. 184/ Once again, there is evidence of the PAC bias in favor of incumbents.

183/ Ibid., p. 157.

184/ Ibid., p. 160-161.

V. THE BUSINESS-LABOR BALANCE OF POWER

The issue of how the PAC phenomenon has affected the strategic positions in society of the business and labor sectors is one that is raised repeatedly. The perception of how each has either benefitted or suffered has a bearing on how many people generally feel about PACs; it might be argued that, whether spoken or not, it is at the heart of the entire PAC debate.

At the outset of this discussion, it should be noted that the concern over the balance of power between business and labor presupposes that that split reflects the pivotal focus of power relationships in the United States. As demonstrated in recent years in such issues as defense spending, trade policy, environmental regulation, maritime legislation, trucking legislation, and nuclear power, the convergence of business and labor policy positions may call into question the relevance of that dichotomy to today's politics. 185/ Because so much of the PAC debate has been influenced by the business versus labor contest, however, it does warrant exploration here, bearing in mind that other perspectives may ultimately prove to be of greater utility.

While labor PACs once dominated the field, since 1974 they have been greatly and increasingly overshadowed by corporate, trade, and other PACs; one-third of all PACs in 1974 were sponsored by labor unions, but, by 1984, labor constituted fewer than one-ninth of all PACs. In contrast, corporate PACs grew in number from only 89 in 1974 to 1,536 in 1984 and today make up 44 percent of all PACs in existence. Furthermore, labor PAC contributions to congressional candidates accounted for one-half of all such contributions in 1974 but only one-fourth in 1982. Corporate PAC contributions, which nearly

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185/ Wertheimer, Fred. Commentary. In Malbin, Parties, Interest Groups and Campaign Finance Laws, p. 199-200.

equaled labor giving in 1978, surpassed labor's aggregate contributions by 35 percent in 1982. One-third of all PAC contributions in 1982 came from the corporate sector.

While these data depict a rather bleak picture for labor vis-a-vis its traditional corporate rival (and not without justification), there are other factors which work to labor's advantage. Their adversaries in the corporate community are quick to point out the large sums of money expended by labor on internal communications and other political activities; these expenditures are seen as keeping labor in a more competitive position than the aggregate data reflects.

The estimation by spokesmen for the business and labor sectors of each other's strengths can be seen as part of the propaganda battle which ensues between them. As observed by the Harvard study on the FECA's impact:

> Each side assumes the other has more power, more influence, and each side sees itself as appealing to positive values such as the civic pride that comes from participation. 186/

It is possible and desirable to assess some of the strengths and weaknesses of business and labor as it affects their respective abilities to influence electoral politics.

Clearly, the most impressive advantage possessed by the business sector is reflected in the numbers of its PACs and the potential for even greater proliferation in the future. As observed by Edwin Epstein:

> The figures suggest that whereas growth opportunities are limited on the labor side, the potential for corporate and

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186/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 103.

other business PAC formation and expansion is virtually unlimited. 187/

One labor official estimated that there were more than 4 million businesses in the United States (with 186,547 employing more than 50 people), as compared with 60,000 local unions. 188/ Furthermore, only 20 percent of the 3,700 corporations with assets over $100 million had set up PACs by 1978, and only 3.4 percent of the 23,800 with assets between $10 and $100 million had PACs that year; these data point to ample room for further proliferation. 189/ Because of the growth in numbers, corporate PAC giving in the aggregate has increased at an impressive rate, tripling its contributions to congressional candidates in 1982 over its 1978 level, ranking first (for the second year in a row) among all PAC categories. As corporate PACs grow in number, their ability to spend will increase accordingly.

The business advantage in overall spending capability is greatly increased if one views the trade/membership/health PACs largely in the context of the business sector. There is considerable agreement that most of these groups do, in fact, exhibit an essentially pro-business orientation. As noted in the first section of Chapter Three, Epstein makes the conservative estimate that one-half of the PACs in the FEC's trade/membership/health category can be considered representative of the business community. Thus, adding the dollar figures for this category to those in the corporate grouping shows organized

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187/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 138.

188/ Jessup, David. Can Political Influence Be Democratized? A Labor Perspective. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 32.

189/ Tumin, Jonathan. How to Bury Liberals. The New Republic, v. 182, May 24, 1980: 14.

labor increasingly overwhelmed by the business sector in its ability to give to candidates. Along these lines, the Harvard study observed:

> If one excludes, for the purpose of this discussion, membership associations, and considers only those trade associations with corporate members, it seems clear that business has increased its arsenal by doubling the number of avenues through which it can participate. It is not unlikely, for instance, for a trade association PAC to support a candidate, for the corporations which belong to the association to contribute, and for the executives who work in the corporation to make donations on their own behalf. 190/

The same study, however, reported the contention of trade association executives that there is a difference between representing an industry and representing a corporation; they note that trade groups often ally themselves with labor on policy matters. 191/ How one views the general policy orientation of the trade PACs is a determining factor in one's perception of the magnitude of business' spending advantage over labor.

Labor PACs, although fewer in number than their corporate counterparts, are generally larger in size and tend to make larger individual contributions. The lists of the largest PAC contributors presented in Chapter Three revealed that between 10 and 12 of the top 20 were labor PACs in every election since 1972. (This, of course, contrasted with labor's dwindling position among the largest PAC spenders in those elections.) And, despite the fact that corporate PACs outnumbered labor PACs by 4 to 1 in 1982, their aggregate contributions to congressional candidates were only 35 percent higher than labor's. That labor contributions comprised as much as one-fourth of all PAC giving in 1982, in the face of other indications of waning strength, bore testimony to organized labor's still considerable political and financial skills.

190/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 104.

191/ Ibid.

If corporations have the numbers in terms of their PACs, labor has the numbers in terms its membership base--one-fourth of the Nation's work force. It is this base to which the unions direct their ostensibly non-partisan voter registration and get-out-the-vote drives, which, in accordance with the FECA [2 U.S.C. 441b(2)(B)], may be conducted with general treasury funds (corporations have the same rights in this area). By targeting these appeals to individuals whose presumed political philosophies are in concert with those of organized labor, the unions have a potentially important vehicle for political impact.

Beyond the non-partisan drives are the internal communications which, under the FECA [2 U.S.C. 441b(2)(A)], are allowed between unions and their members and families and between corporations and their stockholders and executives and families. These communications may be political and partisan in nature, and their costs are paid out of the general treasuries of the unions and corporations. For the unions, with their enormous membership, these partisan communications represent an invaluable tool, comprising such tactics as mailings, phone banks, door-to-door canvassing, leaflets at factories, and rallies. In the words of AFL-CIO COPE's David Jessup:

> Labor leaders are justifiably proud of this effort and do not demur when columnists or conservative journalists exaggerate its cost. Labor's strength does indeed rest with its membership communications. 192/

The combined value of the registration and get-out-the-vote drives, the partisan communications to the membership, and other goods and services provided to campaigns by unions is potentially enormous. (None of these expenditures

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192/ Jessup, Can Political Influence Be Democratized?, p. 32.

is subject to contribution limits, although internal communication costs above $2,000 must be reported to the FEC.) Malbin estimated that organized labor spent $11 million on such activities on behalf of the Carter-Mondale ticket in 1976, one-half of the amount Carter was given in Federal funds with which to run his entire campaign. 193/ The cost of these activities by labor in 1978 was estimated by Epstein at nearly $20 million, 194/ and in 1980 by Alexander at $15 million. 195/ While labor may justifiably point to the business sector's organizational network and its numerous journals and in-house publications with which it can disseminate partisan, political information, there is little reason to believe that the business community is nearly as adept or successful as labor in using such methods. 196/ Internal communications are perhaps the most important single device labor has to keep itself competitive with business.

Although labor has the membership base, it clearly needs it even more as labor's political spending is increasingly overshadowed by that of the business sector. And while union members are seen as operating in an environment that has traditionally been conducive to political activity (by themselves and their families), corporations have a potential elite pool of better educated individuals who might bring to bear even greater political skills if they chose to become involved. 197/ If one sees money as business' principal

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193/ Malbin, Michael J. Labor, Business and Money--A Post-Election Analysis. National Journal, v. 9, March 19, 1977: 412.

194/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 125.

195/ Alexander, Herbert E. Financing the 1980 Election. Lexington, D.C. Heath & Co., 1983. p. 114.

196/ Jessup, Can Political Influence Be Democratized?, p. 32.

197/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 103, 109.

political capital and the membership base as labor's, the greater momentum now may lie with business; the trend toward more corporate giving is clearer at this point than toward increasing cohesion in labor's membership base.

VI. PACs AND POLITICAL ACCOUNTABILITY

Indications that PACs are increasingly engaging in campaign activities independently of either candidates or parties have resulted in charges that PACs are serving to weaken the accountability deemed necessary in the political system. As used herein, "accountability" relates to the process under which candidates assume responsibility for the campaigns waged in their behalf and by which the candidates must answer to the voters on election day for those campaigns and tactics. Although independent expenditures may be made by individuals and groups, as well as political committees and PACs, it is the PACs that have used them most heavily and in a highly visible manner. As such, the terms "political action committee" and "independent expenditure" have become linked in the eyes of many.

The FECA [2 U.S.C. 431 (17)] defines "independent expenditure" as:

> . . . . an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agency of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

In contrast with contributions from individuals or groups directly to candidates, independent expenditures may not be limited by law; this was a major component of the Supreme Court's ruling in Buckley v. Valeo, 424 U.S. 1 (1976). Not being subject to limitations, they constitute a major loophole for those wishing to influence elections beyond the scope allowed them under the FECA.

Some $2 million was spent independently in 1976 and $317,455 in 1978. 198/ In 1980, the level of independent expenditures jumped dramatically--$16.1 million. 199/ Of particular relevance here is that some $14 million was spent independently by PACs, representing 12 percent of all PAC spending in 1980 and equaling about one-fourth of the amount PACs contributed to all Federal candidates. 200/ The vast majority of these independent expenditures were made by so-called "New Right," non-connected PACs, although 1980 also saw some prominent trade PACs, such as the AMA's PAC and the Realtors PAC, enter the field. In 1982, independent spending in congressional elections amounted to $5.75 million, more than double the $2.3 million spent independently in the congressional races of 1980. Once again, PACs dominated the independent expenditure activities (over 90 percent of the money was spent by PACs), with one group--NCPAC--spending more than half the total ($3.2 million). And while conservative groups again accounted for the bulk of the spending, some liberal groups and trade associations were also among the top independent spenders. 201/

The controversy over independent expenditures was brought to focus in 1980 around advertisements which NCPAC ran against several incumbent Democratic Senators. These ads were considered by many observers to be inflamatory and their accuracy was challenged in some cases. Although they were intended to benefit the campaigns of the incumbent Senators' opponents, there was

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198/ U.S. Federal Election Commission. FEC Releases Information on Independent Expenditures (press release): October 9, 1980.

199/ U.S. Federal Election Commission. FEC Study Shows Independent Expenditures Top $16 Million (press release): Nov. 29, 1981.

200/ U.S. Federal Election Commission. FEC Releases Final Summary Data on PAC Giving (press release): August 4, 1981.

201/ U.S. Federal Election Commission. FEC Issues Final Report on 1981-82 Independent Expenditures (press release): Oct. 14, 1983.

disagreement within the campaign organizations of those opponents whether or not such ads would prove beneficial; some candidates requested that NCPAC discontinue its advertisements, fearing a backlash effect among voters. In fact, there remains doubt over the effectiveness of the advertisements; NCPAC, pointing to the victories of many of the incumbents' opponents, insisted that their use had been vindicated.

The NCPAC ads and those of some other groups resulted in editorials and, ultimately, comments from leaders of both political parties decrying the trend toward independent expenditures, mainly on the ground that they involve spending by individuals and groups which are not accountable to the electorate and which may not accurately reflect candidates' views. Even former Republican National Chairman Richard Richards, whose party's candidates were the intended beneficiaries of most of the independent expenditures in 1980, declared about independent spending PACs: "They create all kinds of mischief. They're not responsible to anyone." 202/

By 1982, independent expenditures had been publicized enough that they became an issue in the campaigns of many intended targets and beneficiaries, with many of the former seeking to capitalize on the negative publicity their detractors had received and with many of the latter prominently disavowing these activities. In any case, the election results appeared to vindicate most of the prominent targets of the negative advertisements, unlike in 1980.

As discussed in Chapter Three, independent expenditures represent a logical political tool for non-connected PACs, which, usually not being linked to organized lobbying efforts, may be less interested in gaining access on Capitol Hill (and less concerned about alienating Members) than in changing

202/ Cannon, Lou. GOP Chief Decries the Independent Efforts To Target Democrats on 'Single Issues.' Washington Post, April 28, 1981: A3.

the philosophical make-up of the Congress as a whole. Some argue that non-connected PACs and independent expenditures undercut the notion of a responsible, accountable political system. Both represent legitimate and constitutionally-protected activities, and it can be argued that they promote expression of diverse and hitherto ignored viewpoints in Washington; some would suggest that, if they serve to disrupt the established political forces and power structure, they are performing a beneficial function.

The future of the independent expenditure method is uncertain. Although they were perceived as successful in 1980, they were seen as either ineffective or, worse, having backfired, in 1982. 203/ Nonetheless, the non-connected groups have again announced plans for such activities in 1984. What may be more interesting from the standpoint of political accountability is the activity of the AMA and the Realtors in 1982, which spent a combined total of more than $400,000 in independent expenditures--all of it in positive, rather than negative, campaigns. 204/ By emphasizing this approach, it is possible that the experiences of the two largest trade PACs will help popularize this device among those PACs which are sponsored by other organizations (i.e., ones which lobby Congress and, hence, have a reputation to uphold in the political community). This will provide further evidence as to whether independent expenditures are inherently destructive of political accountability. 205/

203/ Alexander, Herbert E. Financing Politics: Money, Elections, and Political Reform (3rd ed.). Washington, Congressional Quarterly. 1984. p. 147.

204/ U.S. Federal Election Commission. FEC Issues Final Report on 1981-82 Independent Spending (press release): Oct. 14, 1983.

205/ For a more thorough discussion of the independent expenditure issue, see: U.S. Library of Congress. Congressional Research Service. The Evolution of and Issues Surrounding Independent Expenditures in Election Campaigns [by Joseph E. Cantor]. Report 82-87, May 5, 1982. 78 p.

VII. THE LEVEL OF MONEY IN POLITICS

A final issue is one that perhaps underlies the entire PAC controversy. Elections have become increasingly expensive, with an estimated $1 billion spent on elections at all levels combined in the United States in 1980, double the amount spent four years earlier. 206/ The costs of elections have, in fact, risen faster than the rate of inflation, with the costs of such campaign-related activities as media advertising, direct-mail fundraising, and air travel contributing heavily to the sharp increases. 207/ The cost of running for elective office has thus become increasingly expensive.

The large amounts of money being spent on campaigns have caused concern essentially over the fear that it is distorting our democratic system by making the possession of and/or access to large sums of money a prerequisite for running for public office. As stated earlier, this fear is tied to the larger concern that the ever-increasing sums of money needed for election campaigns may be, in effect, curtailing the access to the process by large sectors of the electorate. By raising large amounts of political money, PACs are viewed as the new leader in the trend toward more expensive elections. The skepticism which many perceive among the electorate over the large amounts of money spent in elections is seen as proof, in and of itself, of money's corrosive effect on politics.

The cynical view of money in politics and the high costs of campaigning were disputed by the Harvard study, which concluded that:

206/ Election Tab: A Billion Dollars, and Rising. U.S. News & World Report, v. 89, December 15, 1980: 32.

207/ Clymer, Adam. Inflation and a Limit on Contributions Strain Presidential Hopefuls' Budget. New York Times, February 4, 1980: A14.

> there is nothing intrinsically wrong with campaign contributions and expenditures. Adequate campaign funds are essential to competitive congressional elections. The essence of an election campaign is to provide voters with a choice among alternative candidates. This process requires the communication to voters of some minimum quantity of information about the contestants. In contemporary America, providing that information to the voters costs substantial amounts of money.
>
> Every study based on the information available since 1972 has shown that most campaigns have too little, not too much money. 208/

Placing the amount spent on elections in the context of the total expenditures by government at all levels, Dr. Herbert Alexander has written:

> In fiscal year 1980, government at all levels--national, state, county, and municipal--spent a total of $958,757,000,000 in taxpayer money. The $1,203,000,000 spent on election campaigns, whose outcomes determined who will make decisions on, among other things, how such enormous sums of tax money are spent, amounts to only about one-tenth of 1 percent of that total. 209/

Furthermore, Alexander noted that the Nation's leading advertiser, Procter and Gamble Company, spent $649 million in advertising its products in 1980, far more than the $514 million he estimated in costs of electing the national government that year. 210/ Alexander's view appears to prevail today among political scientists, that the high cost of campaigns, while perhaps unfortunate, is not disproportionate to the costs of other goods and services available today.

208/ U.S. Congress, An Analysis of the Impact of the FECA, p. 1.

209/ Alexander, Herbert E. Financing the 1980 Election. Lexington, D.C. Heath and Company, 1983. p. 1.

210/ Ibid.

CHAPTER FIVE: CONGRESS' RESPONSE TO PACs AND THE PROGNOSIS FOR THE FUTURE

In view of the rapid growth and proliferation of PACs in recent years, a number of suggestions for curbing PACs have been made, both in and out of Congress. This chapter will discuss recent legislative initiatives in the area and will analyze some of the current proposals for curtailing the role of PACs. Part I describes bills introduced in the 95th Congress through the First Session of the 98th Congress, with a focus on the 96th Congress' Obey-Railsback amendment. Part II offers an evaluation of the major PAC-related proposals currently under discussion in Congress, the media, and the political and academic communities. Finally, Part III will conclude with a brief discussion and some observations regarding scenarios for the future of PACs.

I. LEGISLATION TO LIMIT PACs IN THE 95TH THROUGH 98TH CONGRESSES

A. 95th Congress Legislation

Six bills in the 95th Congress proposed various forms of PAC limitation measures. An outright ban on PAC contributions was proposed in H.R. 6132, introduced by Representative John Erlenborn on April 6, 1977; identical bills were later introduced: H.R. 7005 on May 9, 1977, by Representatives Erlenborn, M. Caldwell Butler, James Collins, John Duncan, Millicent Fenwick, Tom Hagedorn, William Ketchum, Albert Quie, and C.W. Bill Young; and H.R. 7585 on June 2, 1977, by Representative Richard Schulze. These bills banned contributions by nonparty political committees to any Federal candidate or any other political committee, except to official party committees; they also imposed a $5,000 limit on what a national, State, or local party committee could give to a Federal candidate.

A ban on PAC contributions was also proposed in two bills introduced by Representative James A.S. Leach: H.R. 7966 on June 22, 1977, and H.R. 8092 on June 29, 1977. In addition to proposing public funding of congressional elections, Leach's bills prohibited all contributions by nonparty political committees and limited congressional candidates to accepting only contributions from party committees and from individuals residing in a candidate's own district (State), the latter in amounts of $500 or less. In restricting contributions to within a candidate's State or district, Leach was apparently influenced by the argument (discussed in Chapter Four) that campaign funding sources have become increasingly nationalized, with potential damage to the ties between a Member and his constituents.

Whereas none of the above measures received any action in the 95th Congress, a proposal to reduce the limit on PAC contributions was the subject of a floor vote in the Senate in the first session, and a similar proposal made it through a House committee in the second session, while failing on a floor vote. The Senate vote occurred during debate on S. 926, a bill to extend public financing to Senate election campaigns. On August 3, 1977, an amendment was offered by Senator Adlai Stevenson to reduce the contribution limit for multicandidate committees--both party and non-party committees--from $5,000 to $3,000 (the initial version of the amendment lowered it to $1,000, before it was modified). 211/ Stevenson's expressed rationale was to bring the

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211/ Public Financing of Senate Elections. Debate and Vote in the Senate. Congressional Record, v. 123, Aug. 3, 1977: 26304.

limit on PACs and parties more into line with that on individual contributions, thus giving the former a less favored status over the latter. Senator Charles Mathias offered an amendment to Stevenson's amendment to lower the limit for affiliated PACs but to leave intact the $5,000 limit for non-connected PACs, on the ground that the latter were financially handicapped already by having to bear the administration and fundraising costs of the organization. 212/ The Mathias amendment was tabled by voice vote, after which the Stevenson amendment was tabled by a vote of 63-33. 213/

In the second half of the 95th Congress, H.R. 11315, introduced by Representative Frank Thompson on March 6, 1978, was reported from the House Administration Committee on March 16, 1978, by a vote of 16-9. 214/ Although it largely consisted of noncontroversial amendments to the FECA, the bill became embroiled in a highly partisan controversy over the inclusion of provisions reducing the amounts which party and nonparty committees could contribute. 215/ With regard to the latter, the bill, as reported, reduced from $5,000 to $2,500 the amount which nonparty multicandidate committees could give to either Federal candidates or to other political committees. Furthermore, it reduced from $15,000 to $10,000 the amount such committees

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212/ Ibid., p. 26306.

213/ Ibid., p. 26308.

214/ U.S. Congress. House of Representatives. Committee on House Administration. Federal Election Campaign Act Amendments of 1978; report together with minority, supplemental, and additional views to accompany H.R. 13315, 95th Cong., 2nd Sess. Washington, U.S. Govt. Print. Off., 1978. 123 p. (95th Congress, 2nd Session. House. Report no. 95-982)

215/ Public Financing, Campaign Spending Bills. Congressional Quarterly Almanac, 1978. Washington, Congressional Quarterly, Inc., 1979. v. 34, p. 769-773.

could give to the national committees of political parties. An attempt to delete these provisions failed by a 9-13 vote within the Committee. 216/ The bill also included a provision to tighten the prerequisites for multicandidate status by a political committee, adding the additional requirement that contributions in amounts of at least $500 be given to five Federal candidates (the introduction of the dollar amounts intended to "curb the creation of bogus PACs designed to aid only one candidate"). 217/

By the time the Committee's bill reached the House floor, the controversy surrounding it had been heightened by the announced intentions of supporters to offer an amendment to institute public funding of congressional elections. Thus, the focus of debate was on the open rule for consideration of H.R. 11315, which had been reported by the Rules Committee. In a brief but heated debate on March 21, 1978, the House rejected the open rule--H. Res. 1093--by a vote of 198-209. 218/ This killed not only the prospects for public financing but the bill itself, with its PAC and party limitation provisions.

B. 96th Congress Legislation

Five bills were introduced in the 96th Congress which sought to limit the opportunities for influence by political action committees. Two proposed a flat prohibition on PAC contributions to Federal candidates. S. 714, introduced by Senator Adlai Stevenson on March 21, 1979, banned contributions to Federal candidates by any political committee which received donations from at least

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216/ Ibid., p. 771.

217/ Ibid.

218/ Providing for Consideration of H.R. 11315, Federal Election Campaign Act Amendments of 1978. Debate and Vote in the House. Congressional Record, v. 124, Mar. 21, 1978: 7880.

50 individuals and which was not a candidate's authorized committee; this would have applied to all multicandidate PACs and those PACs which had as many as 50 contributors but did not meet the other criteria for multicandidate status. An interesting feature of this bill was its explicit declaration of purpose, one which can be be viewed as the motivating force behind most of the PAC limitation bills:

> Sec. 2. The Congress finds and declares that--
>
> (a) the proliferation of multicandidate political committees has resulted in a massive increase in the amount and proportion of funds contributed by such entities to candidates for election to Federal offices;
>
> (b) such contributions create at least the appearance of disproportionate influence stemming from the dependence of candidates upon large campaign contributions from entities with special interests;
>
> (c) it is inappropriate for such artificial legal entities, which are not permitted to vote for candidates for Federal office, to make political contributions to, or for the use of, such candidates; and
>
> (d) it is an appropriate exercise of the authority of the Congress to eliminate the reality or appearance of improper influence upon its decisions by limiting the privilege of making contributions to candidates for election to Federal office to individuals generally.

H.R. 5081, introduced by Representatives Erlenborn and Thomas Railsback on August 2, 1979, was identical to the Erlenborn bills in the 95th Congress (prohibiting contributions by nonparty political committees to Federal candidates and other political committees, while allowing them to contribute to official party committees).

Three bills in the 96th Congress sought to curtail PACs by lowering the limit on how much they could contribute to Federal candidates, rather than prohibiting the contributions entirely. H.R. 4768, introduced by Representative Joseph Minish on July 12, 1979, proposed a lowering of the contribution limit for multicandidate committees from $5,000 to $1,000--thus placing them on the same level as other political committees (such as non-multicandidate PACs) and individuals. (Of course, individuals would have the additional restraint of the overall $25,000 limit on all political contributions.)

On August 3, 1979, Senators Edward Kennedy, Robert Stafford, and Paul Tsongas introduced S. 1700, which lowered the limit on multicandidate committee contributions only to Senate candidates (leaving a decision regarding House candidates to that body). The bill placed a $5,000 aggregate limit on PAC contributions to a candidate in both a general and primary election (or special and primary election), in contrast with the existing $5,000 limitation per election. It allowed a higher limit--$7,500--for candidates involved in a runoff election, as well, while specifying that no more than $5,500 could be contributed in one phase of the election cycle.

The only PAC-related bill to be acted upon during the 96th Congress was H.R. 4970, the Campaign Contribution Reform Act of 1979, which passed the House in amendment-form but was not acted upon by the Senate. The Obey-Railsback bill, as it came to be known, was the principal focus in the 96th Congress of those seeking to curtail the influence of PACs. It has remained the hallmark of such efforts to date, and it has set the tone for the debate over PACs which has ensued.

H.R. 4970 was introduced on July 26, 1979, by Representatives Railsback and David Obey and co-sponsored by more than 120 other House Members. In its initial form, it proposed lowering the limit on nonparty, multicandidate committee contributions to any candidate from $5,000 per election to $5,000 overall; the $5,000 would apply to primary and general elections, but would be raised to $7,500 if a candidate was involved in a runoff, as well ($5,000 was the most that could be given in any one election, however). The second major feature was an aggregate limit of $50,000 on the amount a House candidate could accept from all PACs in an election cycle. Finally, the bill imposed a

30-day limit on the extension of credit (of more than $1,000) to House candidates by campaign consultants and other political vendors; this was aimed at curtailing the influence of media and direct-mail specialists.

On October 17, 1979, the bill was offered as an amendment to S. 832, the authorization for the Federal Election Commission (already passed by the Senate). 219/ An amendment was offered to this amendment which was designed to improve its chances for passage by the House. It raised the proposed limit from $5,000 to $6,000 (retaining the $5,000 per election limit) and raised the limit on elections involving a runoff from $7,500 to $9,000. It also raised the aggregate limit on all PAC contributions from $50,000 to $70,000, and to $85,000 when the candidate faces a runoff election. Finally, it declared that all contributions delivered by a PAC to a candidate, including earmarked donations, would be counted against the PAC's contribution limit; this was intended to prevent evasion of the contribution limit. This amendment to the amendment had the support of the sponsors of Obey-Railsback, and it was adopted by voice vote. 220/

Before proceeding to the final passage of the Obey-Railsback amendment, several additional amendments were attached to it, including: a ban on the extension of credit to candidates by direct-mail firms, raising from 30 to 60 days the proposed limit on credit extension by campaign consultants, and a $35,000 limit on the amount of campaign contributions a House candidate could use to repay his own loans to his campaign. In its final form, the Obey-Railsback Amendment included these provisions, plus the $6,000 limit on PAC

219/ Federal Election Campaign Act of 1971 Amendments. Debate and Vote in the House. Congressional Record, v. 125, Oct. 17, 1979: 28644.

220/ Ibid., p. 28651.

contributions ($9,000 with runoff) and the $70,000 aggregate limit on PAC contributions ($85,000 in cases of runoff elections).

The debate over Obey-Railsback essentially involved the issues discussed in Chapter Four, although there was a qualitative difference in the thrust of arguments among supporters than among opponents of the amendment. Opponents largely centered their arguments on what they saw as the harmful consequences of specific features of the bill and appeared less inclined to address the overriding contention of the amendment's supporters that the relation between interest group money and politics was having a corrosive effect on the political system. In contrast, supporters based their positions primarily on that underlying issue and spent less of their time rebutting the specific flaws raised by amendment opponents. This difference in tone is exemplified in the excerpted floor statements of Representative Leach (in support) and Representative Bill Frenzel (in opposition). Leach focused on the damage to the system which he saw resulting from too much PAC money:

> The most effective way for a candidate to achieve support in a bid for legislative office is to isolate every identifiable group--especially moneyed groups--and announce support for the group's vested interest. Unfortunately, going along with the most powerful interest groups inevitably leads either to the proliferation of Federal programs or to the weakening of the tax structure. Fiscal balance and equitability are impossible to maintain after lawmakers, that is, the successful candidates, have committed themselves in advance to support specific tax advantages or Government programs favoring those having made generous campaign contributions. America may be a society of individuals, but power groupings--not individuals--are represented in legislative bodies where money is a key determinant of election outcomes.
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> A government of the people, by the people, and for the people cannot be a government where influence is purchasable through large, private campaign contributions. The subordination of individual rights to indiscriminate moneyed influence is the subordination of representative democracy to institutional oligarchy. 221/

221/ Ibid., p. 28637.

Opponents took issue with the premise that support for particular positions followed financial contributions and that we have arrived at a point where interest group money is indeed dominating the process. Frenzel addressed his remarks to the harm he saw resulting from the passage of the amendment, with the underlying assertion that supporters were motivated by a desire to keep the political balance tilted toward their own philosophies and interests.

> Here is what the sponsors are trying to hide:
>
> First. This is an incumbent protection bill. All the sophistry in the world cannot hide that fact. Sure, incumbents receive more but they do not need it. They already have the recognition challengers cannot live without. With limits on contributions set at a time when campaigns cost one-third as much as today, challengers cannot make a viable campaign without PACs.
>
> The reason incumbents have waited this long to smash PACs down is because only now are they beginning to favor challengers. This incumbents' protection bill is a sure sign of that.
>
> Second. It is a rich person's protection bill. The rich, protected by the Constitution, can spend unlimited personal funds despite a clumsy, unconstitutional attempt in Obey-Railsback. Because individual contributions are limited to $1,000, PACs are the only defense against rich candidates. Those who contribute a large share to their own campaigns will surely want to vote for it.
>
> Third. It is a big labor protection bill. It restricts all PACs equally, and leaves labor's enormous special loopholes to communicate and to run registration and get-out-the-vote drives, all of which can be done with dues money collected involuntarily.
>
> Fourth. It is a bill to protect the people from knowing very much about candidates or issues. But, not to worry, it will only stifle those campaigns that are close, or have contested primaries. Only where there is real competition, which we used to think was the life's blood of our political system, will this bill have effect. The sponsors are incumbents. Incumbents do not like competition.
>
> Fifth. But worst of all, its an antiparticipation bill. Hundreds of thousands of thoughtful Americans, not satisfied with parties, turned off on politicians, find political expression by contributing through a reference group. It may be a union, a corporation, a professional association, or an ideological group. Whatever it is, they have some confidence in it. Yes, PACs are growing because people like them. They find PACs a convenient way to participate in the political processes of this Nation. They give to PACs for some reasons in the same way as people give to campaigns directly. So let us throw them out, say the Obey-Railsback sponsors. Let us stifle participation. Let us keep politics for the elite--just for us insiders. 222/

222/ Ibid., p. 28628.

Supporters responded to these points by noting that PAC money goes overwhelmingly to incumbents, thereby stifling competition, that labor PACs give larger contributions than do corporate PACs, and would therefore be hurt by the reduced PAC limit, and that rather than enhancing the individual's role in the process, PACs are overshadowing him.

Following debate, the House passed the amended version of the Obey-Railsback amendment by a vote of 217-198. 223/ Democrats split 188-74 in favor of the amendment, while Republicans split 29 in favor and 124 against it. After an unsuccessful vote to recommit the amendment to the House Administration Committee, the House approved S. 832 by a voice vote, requesting a conference with the Senate. 224/

No further legislative action was taken on the S. 832 or the Obey-Railsback Amendment. A threatened filibuster kept the measure from being considered in the Senate during the 96th Congress. 225/

C. 97th Congress Legislation

Seven PAC limitation bills were proposed in the 97th Congress. On January 5, 1981, Senator Robert Byrd introduced S. 9, which was identical to the Obey-Railsback amendment, as passed by the House in 1979. (It applied only to House elections.) On July 8, 1981, Representatives Dan Glickman, James Leach, and Mike Synar introduced H.R. 4070, which combined some features of the Obey-Railsback bill with others not previously proposed in Congress. Designed to

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223/ Ibid., p. 28659-28660.

224/ Ibid., p. 28661.

225/ Buchanan, Christopher. Obey-Railsback Plan Stalled in the Senate By Threat of Filibuster. Congressional Quarterly Weekly Report, v. 38, Jan. 5, 1980: 33.

reduce the influence of PACs while enhancing the role of the individual and of the political parties, it included the following features:

--an overall limit on how much House and Senate candidates can accept from from multicandidate PACs--$75,000 for House candidates (and an additional $25,000 in case of a runoff) and between $75,000 and $500,000, depending on the size of the State, for Senate candidates (with an additional $25,000 or $12,500 times the number of congressional districts, the higher figure, in the case of a runoff); $500,000 would remain the outside limit for Senate candidates, in any case;

--an increase in the limit on individual contributions to congressional candidates from $1,000 to $2,500;

--an increase in the maximum allowable tax credit for political contributions from $50 to $100 for single returns and from $100 to $200 for joint returns; and

--the establishment of a separate tax credit for contributions to political party committees--50 percent of the contribution amount, with a maximum of $100 for single returns and $200 for joint returns.

H.R. 4070 differed from all previous PAC limitation bills in that it neither prohibited such contributions nor reduced the limit on PAC contributions. It did retain the overall limit on aggregate PAC giving contained in Obey-Railsback, and it extended this limit to Senate races, as well. Rather than reduce the PAC contribution limit, H.R. 4070 sought to enhance the individual's position by raising the individual contribution limit and by raising the maximum allowable tax credit. Finally, it sought to encourage giving to the parties directly through the establishment of a separate tax credit solely for such contributions.

Introduced by Rep. James Howard on March 10, 1982, H.R. 5793 included all the features of the Glickman-Leach-Synar bill (H.R. 4070) except for the increase in the contribution limit. H.R. 5450, proposed by Rep. Joseph Minish on Feb. 3, 1982, would lower the limit on multicandidate committee contributions from $5,000 to $1,000. On April 1, 1982, Rep. Andrew Jacobs introduced H.R. 6047, a House public funding bill that included a provision prohibiting candidates who accept public funds from receiving PAC donations.

On August 12, 1982, Representative Philip Sharp introduced H.R. 6988, which lowered the contribution limit for multicandidate committees from $5,000 to $2,500 and placed a ceiling on PAC receipts by general election candidates of $75,000 for the House and the greater of $75,000 or $37,500 times the number of districts in the State, up to $500,000, for the Senate. Finally, Representative Obey introduced H.R. 7277, a public funding bill for House general elections, on October 1, 1982; it included a limit on PAC receipts of $90,000 per election cycle (with an additional $90,000 allowed if there were a special election, as well).

The subject of political action committees received some attention at hearings held by the Senate Rules and Administration Committee in the first session of the 97th Congress. Although the focus of the hearings was the administration of the Federal Election Campaign Act, several witnesses devoted their comments to the role of PACs, both pro and con. 226/ Two days of hearings were also held by the House Administration Committee Task Force on

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226/ U.S. Congress. Senate. Committee on Rules and Administration. Application and Administration of the Federal Election Campaign Act of 1971, As Amended. Hearings on S. 1550, S. 1766, and S. 1851, 97th Cong., 1st Sess., Nov. 20 and 24, 1981. Washington, U.S. Govt. Print. Off., 1982. 369 p.

Elections in the second session of the 97th Congress. 227/ While the second day was largely devoted to the subject of independent expenditures, the role of PACs was a main focal point on the first day, as representatives of PACs and of "public interest" groups joined Members of Congress in testifying on both sides of the PAC debate. No legislation resulted from these hearings.

D. 98th Congress Legislation

The first session of the 98th Congress probably saw more legislative activity--in terms of the number of proposed bills and days of committee hearings--on behalf of campaign finance reform than in any Congress since the post-Watergate period of the mid-1970s. In the wake of sharply rising campaign costs and PAC contributions and widespread attention thereto in the media, calls for reform of the campaign finance laws became more pronounced by the start of 1983--both within the Congress and without. As a reflection of this, nearly 50 bills were introduced in 1983 and 12 days of Senate and House hearings occurred on the subject of amending the campaign finance laws.

Seventeen of the campaign finance bills focused wholly or in part on restricting the role of PACs in the financing of campaigns. Two of these--S. 911 (Senator Lawton Chiles; March 23, 1983) and H.R. 2876 (Representative Paul Simon; May 3, 1983)--called for the creation of a study commission to make recommendations for changes in the role of PACs in financing campaigns. In their statement of findings, these identical bills declared the sense of the Congress that

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227/ U.S. Congress. House. Committee on House Administration. Task Force on Elections. Contribution Limitations and Independent Expenditures. Hearings; 97th Cong., 2nd Sess. Washington, U.S. Govt. Print. Off., 1982. 437 p.

> . . . the unprecedented growth in the amount of contributions to Federal election campaigns by nonparty multicandidate political action committees, and in the ratio which such contributions bear to total contributions to such campaigns--
> (A) represents a threat to the integrity and purity of the electoral process;
> (B) undermines the concept of equal political participation which is the foundation of American democracy;
> (C) erodes the ability of elected officials to represent the general public interest rather than special interests; and
> (D) exercises a coercive influence on the legislative process.

Although these bills deferred a decision on the nature of the changes, they did not disguise their intentions to limit the role of PACs.

Three bills proposed lowering the contribution limit for nonparty multicandidate committees from $5,000 to $1,000. These included H.R. 640 (Representative Joseph Minish; January 6, 1983), H.R. 1799 (Representative James McNulty; March 2, 1983), and H.R. 4157 (Representative James Howard; October 19, 1983). One bill--H.R. 1893--prohibited PAC contributions outright, in conjunction with a plan for public subsidies for media advertising (Representative Andrew Jacobs; March 3, 1983); this was the same proposal Jacobs had introduced in each of the previous Congresses.

One of the major innovations in campaign finance reform was H.R. 3737 (Representative Matthew McHugh; August 2, 1983), which proposed eliminating the application of the current tax credit to contributions to PACs. This was done in conjunction with a proposal for a 100 percent credit for contributions to House and Senate candidates in one's own State and a separate 50 percent credit for contributions to political parties; thus, contributions by individuals to their Senators and Representatives and to political parties were encouraged, while contributions to PACs would not be encouraged through indirect public subsidy.

Eight of the PAC limitation bills sought to achieve that objective through caps on PAC receipts (on an election cycle basis--primary and general election combined, with provision for additional receipts in the case of a special election). Invariably these were part of reform packages, which might include public funding, increased incentives for individual and political party giving, and/or spending limits. They are listed here in order of their introduction, with brief comments about each:

1) S. 151 (Senator William Proxmire; January 26, 1983)--includes a PAC receipts limit for Senate candidates of 30 percent of the bill's spending limit for that State; it provides for Federal matching funds in general elections along with an expenditure limit of $600,000 plus five cents per eligible voter;

2) H.R. 2005 (Representative George Brown; March 9, 1983)--includes a $90,000 PAC receipts limit for House candidates, along with Federal subsidies for postal costs in conjunction with agreeing to abide by expenditure limits;

3) H.R. 2490 (Representative David Obey et al.; April 12, 1983)--includes a $90,000 PAC receipts limit for House candidates, along with a matching fund system and expenditure limits in the general election; this was the major PAC reform bill for most of the first session;

4) H.R. 2959 (Representative Lee Hamilton; May 10, 1983)--includes a PAC receipts limit of $90,000 for House candidates and the greater of $200,000 or $40,000 per congressional district (with a maximum of $600,000) for Senate candidates, along with increases in individual and party contribution limits and party coordinated expenditure limits;

5) H.R. 3262 (Representative Mike Synar; June 8, 1983)--includes a PAC receipts limit of $75,000 for House candidates ($100,000 if they are challenged in both the primary and general election) and the greater of $75,000 or $25,000 per congressional district (with a maximum of $500,000) for Senate candidates, along with an increase in the individual contribution limit;

6) S. 1433 (Senator David Boren; June 8, 1983)--identical to H.R. 3262;

7) H.R. 3610 (Representative Tom Lantos; July 20, 1983)--includes a PAC receipts limit of $75,000 for House candidates and the greater of $75,000 or $37,500 per congressional district (with a maximum of $500,000) for Senate candidates, along with an increase in the individual contribution limit and a doubling of the maximum tax credit for political contributions; and

8) H.R. 4428 (Representative David Obey et al.; November 21, 1983)--the revised focus for the PAC reform movement in the 98th Congress; it includes a $90,000 PAC receipts limit for House candidates (indexed for inflation), along with a new 100 percent tax credit for contributions to House candidates who agree to abide by specified campaign and personal expenditure limits.

Senator Warren Rudman introduced another bill--S. 1185 (May 2, 1983)--which contained a provision similar to that engendered in the eight bills discussed above. Rather than limiting PAC receipts, the bill places a limit on the amount of PAC contributions which may be spent, specifically the greater of 25 cents per eligible voter or 20 percent of overall expenditures. The bill also provides for a similar limit (but with a higher maximum amount) for party committees and increased individual contribution limits.

Finally, Representative James Courter introduced one of the more unusual PAC limitation bills. His H.R. 1379 (February 10, 1983) would establish a blind trust through which PACs may contribute to congressional candidates. The money would be funneled through the Federal Election Commission, which would, in turn, distribute it to candidates designated by the PACs. No one would be permitted to disclose the amounts of the contributions, but the aggregate contributions of specific PACs, the names of the PACs giving to each candidate, and the aggregate PAC receipts by each candidate would be disclosed publicly. By preventing disclosure of the specific amounts given by a PAC to a candidate, the bill seeks to correct the perception that PAC money buys votes of Members of Congress.

Apart from the seventeen bills discussed above were many others which sought to make adjustments in the campaign finance laws, through changing contribution limits or tax credits, boosting the potential role for political parties, and other methods with other goals. Most of these nearly 50 bills came under discussion during two sets of hearings during 1983. The Senate Rules and Administration Committee held hearings on January 26-27 and May 17 on a broad range of campaign finance issues and on September 29 on the subject of media issues in the electoral process. 228/ The House Administration Committee Task Force on Elections held hearings on June 9, 16, 21, and 23, July 8, August 22 and 23, and October 12 on such campaign finance topics as PACs, the role of parties, the cost of campaigns, and the role of media advertising. 229/ By the end of 1983, after twelve days of committee hearings, Congress appeared no closer to consensus about the nature of the problems, much less about their solution, than at the beginning of the year.

228/ U.S. Senate. Committee on Rules and Administration. Campaign Finance Reform Proposals of 1983. Hearings, 98th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1984. 783 p.

229/ U.S. House. Committee on House Administration. Task Force on Elections. Campaign Finance Reform. Hearings, 98th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1984. 837 p.

II. CURRENT PROPOSALS TO LIMIT PAC INFLUENCE

The major current proposals intended to reduce the influence of political action committees can be organized around four basic themes: those which directly reduce the influence of individual PACs, those which reduce the level of candidate dependence on all PACs, those which indirectly attempt to reduce PAC influence by enhancing the financial power of other fundraising components, and those which seek to eliminate most forms of private contributions through public financing of elections. This section offers a discussion of the strengths and weaknesses of the key proposals within these four clusters.

A. Reduce PAC Contribution Limits

As was seen in the first section of this chapter, it has been proposed that the limit on multicandidate PAC contributions be lowered from $5,000 to either $3,000 or $1,000, or that such contributions be banned entirely. The common thread in all of these suggestions is the attempt to reduce the potential for undue influence by any one PAC; in addition, the proposals to lower the limit appear to be motivated by a desire to make PAC donations more in line with the limits on individual contributors (certainly the proposal for a $1,000 limit would do precisely that) and thus make PAC contributions less valuable vis-a-vis those of individual citizens. The concept of a limit on contributions finds support in the *Buckley* v. *Valeo* ruling. This passage confines itself to the $1,000 individual limit but may be applied as well as to limts on group contributions:

> It is unnecessary to look beyond the Act's primary purpose--to limit the actuality and appearance of corruption resulting from large individual financial contributions--in order to find a constitutionally sufficient justification for the $1000 contribution limitation . . . . To the extent that large contributions are given to secure political quid pro quos from current and potential office holders, the integrity of

> our system of representative democracy is undermined . . . . Of almost equal concern as the danger of actual quid pro quo arrangements is the impact of the appearance of corruption stemming from public awareness of the opportunities for abuse inherent in a regime of large individual financial contributions. 230/

Thus, the appearance or actuality of quid pro quo relationships between donor and recipient are seen as justification for contribution limits. Clearly, the setting of more restrictive limits on what a PAC can give would create obstacles to its gaining what may be perceived as a disproportionate level of influence through its financial contributions.

Three problems might be raised with regard to the reduction of the PAC limit or the outright ban on PAC giving. First, inflation has made the $5,000 limit imposed in 1974 a less meaningful boundary between proper and improper levels of political influence. It might be suggested that the inflation factor alone has obviated any perceived need to reduce the limit as a means of reducing the accumulation of too much power by any group. (Using the implicit price deflators for gross national product in the 1984 Economic Report of the President, one finds that $5,000 in 1974 would be the equivalent of only $2,668 in 1983 dollars.)

A second potential problem with the imposition of further limits on PAC contributions might be constitutional objections. In the Buckley case, the Supreme Court suggested that, although contribution limits were theoretically a justifiable instrument of public policy, they could pose problems depending upon the exact levels of contributing allowed:

> Given the important role of contributions in financing political campaigns, contribution restrictions could have a severe impact on political dialogue if the limitations prevented candidates and political committees from amassing the resources necessary for effective advocacy. 231/

230/ 424 U.S.1 (1976), at 26.

231/ Ibid., at 21.

With regard to imposing a lower limit on PAC contributions (e.g., $3,000 or $1,000), a CRS legal analysis in 1979 stated:

> While the proposal would render the limit which is applicable to separate segregated funds <u>more</u> restrictive of pertinent First Amendment freedoms than the limits upheld in <u>Buckley</u> which formerly applied to separate segregated funds, the newer limit might still not be <u>too</u> restrictive. That is, it might yet be justified by the relevant counterbalancing governmental interest (i.e., the prevention of both actual and apparent <u>quid pro quo</u> arrangements between donors and recipients of campaign contributions). Unfortunately, the <u>Buckley</u> decision provides little guidance in this connection. 232/

If the reduced PAC limit might raise constitutional questions, the proposed ban on PAC contributions would likely raise even more such objections. The same CRS study declared:

> Demonstrably restrictive of both political expression and political association, the proposed ban could survive First Amendment scrutiny only if justified by a sufficiently strong and directly served governmental interest. Inasmuch as a total ban is necessarily more restrictive than a mere limit on amount, it seems clear that the requisite governmental interest would have to be one which would not be satisfied by the imposition of a limit. That is so since in the case of so-called "fundamental" rights generally (and First Amendment rights in particular) a pertinent governmental interest justifies only the least restrictive option. Consequently, the governmental interest isolated in the <u>Buckley</u> case as sufficient to justify amount limits on contributions (i.e., an interest in preventing actual and apparent <u>quid pro quo</u> arrangements between donors and recipients of campaign contributions) would not suffice to justify the proposed ban. No suitable governmental interest seems immediately apparent. 233/

Potential constitutional questions aside, there is a third problem inherent in lowering the PAC limits, one which may have become sufficient to squelch further consideration of such proposals. The perceived likelihood

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232/ U.S. Library of Congress. Congressional Research Service. Restricting "PAC" Involvement in Federal-Office Political Campaigns: Some Constitutional Consideration [by Robert B. Burdette]. May 25, 1979. p. 3.

233/ Ibid., p. 6-7.

that the imposition of further restraints on PACs would lead to other, less controllable, forms of PAC activity has been increasingly recognized as valid even by those seeking to limit PAC influence; indeed, it has given pause to many PAC opponents who have advocated this approach.

Opponents of Obey-Railsback had charged that a lower PAC limit would result in PACs seeking other avenues for spending, specifically a proliferation of PACs within an industry and the increased use of independent expenditures. This charge was supported by the Harvard study, which stated:

> . . . . the study group considered the most probable results of reducing legislatively the amount of money which PACs can contribute to political candidates. That change will merely divert, but not stem, the flow of money. Proliferation of political action committees, perfectly legal cooperation among PACs, and a rapid expansion in independent expenditures by PACs are the clearly predictable consequences. 234/

Whereas there exist certain restraints on proliferation of PACs within a company or union (limiting all affiliated PACs to a single contribution limit), independent expenditures apparently cannot be capped, in accordance with the Buckley decision. The incidence of PACs engaging in independent expenditure campaigns increased dramatically during recent elections, and many of their organizers flatly asserted that they were driven to such forms of spending by what they saw as the unduly restrictive limits on direct PAC contributions for ($5,000). Many went so far as to pledge continued and expanded use of the independent expenditure route, in view of that limitation. 235/ Thus, the threat of greater levels of independent expenditures as a direct result of limitations on direct candidate contributions by PACs appears to have already been realized, to some extent.

234/ U.S. Congress, An Analysis of the Impact of the FECA, p. 5.

235/ Dionne, E.J., Jr. Campaign Spending Battle. New York Times, Aug. 8, 1980. p. A15.

The possibility of lowering the limit even further is increasingly seen by opponents of PACs as likely to be counterproductive to their ultimate goal of reducing PAC influence. The fact that such a proposal was not included in the major PAC reform bills of the most recent Congresses (H.R. 4070 in the 97th and H.R. 2490 and H.R. 4428 in the 98th) may be seen as indicative of such a realization. If, however, one equates potential for influence only with direct candidate contributions (as opposed to independent efforts), one may be more likely to accept such a risk in imposing tighter limits on PAC giving. Three bills in the 98th Congress (H.R. 640, H.R. 1799, and H.R. 4157) would lower the PAC limit--to $1,000.

B. Reducing Candidate Dependence on PACs

The goal of reducing the level of candidate dependence on PAC money is behind the proposal to impose an aggregate limit on the amount of PAC contributions a candidate may accept. No such limit exists today, and proposals for such a limit vary. The Obey-Railsback bill suggested a $70,000 limit on House candidates ($85,000 if they faced a runoff) and did not make a recommendation for Senate candidates. The bills in the 98th Congress propose either $75,000 (H.R. 3262, S. 1433, H.R. 3610) or $90,000 (H.R. 2005, H.R. 2490, H.R. 4428, H.R. 2959) for House candidates, with H.R. 3262/S. 1433 allowing an additional $25,000 if there is opposition in the primary and general election and with H.R. 4428 indexing the figure for inflation. Those bills affecting Senate PAC receipts place a cap in accordance with the size of the State. One bill--S. 151-- places a flat limit of 30 percent of the concomitant spending limit, but this limit is based on the voting age population of the State; the others allowed a choice of the greater of some minimum amount ($75,000 in H.R. 3262, S. 1433, and H.R. 3610 and $200,000 in

H.R. 2959) or a certain amount per congressional district in the State ($25,000 in H.R. 3262 and S. 1433, $37,500 in H.R. 3610, and $40,000 in H.R. 2959), with a maximum level of $500,000 in all but H.R. 2959, which allowed up to $600,000. In addition to limiting the degree to which candidates could fund their campaigns with PAC money, these proposals would have the additional goal of "restricting the influence by many PACs acting in concert." 236/

Two principal objections are raised to the aggregate limit on PAC donations, one political, the other constitutional. Of a political nature is the charge, as articulated by Representative Frenzel during the debate over Obey-Railsback, that this proposal would pose an undue burden to challengers of incumbent Members, thus impairing the competitiveness of the contest:

> . . . . limiting the amount of moneys candidates can receive and therefore spend drastically hurts the chances of challengers of both parties without having much of an impact on incumbents. 237/

Supporters of the aggregate limit might respond that challengers would still be free to seek out funding from other sources.

The constitutional questions raised by the aggregate limit may present more of an obstacle to its enactment. These were addressed in an analysis by University of Illinois law professor John Nowak (his references to a $50,000 limit were based on the initial limit proposed in Obey-Railsback):

> This restriction is of dubious constitutional status, at best. The $50,000 limitation may be seen as effectively imposing a ceiling on total campaign contributions and candidate expenditures.
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> In Buckley v. Valeo the Supreme Court found that contributions to candidates might be reasonably limited in order to fight both the reality and appearance of improper influence

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236/ Adamany, PACs and the Democratic Financing of Politics, p. 599.

237/ Federal Election Campaign Act of 1971 Amendments. Debate and Vote in the House. 28631.

> by large contributors, but that a ceiling on candidate spending was a constitutionally invalid attempt to restrict speech activities in political campaigns . . . .
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> The proposed law may reduce the role that some political action committees may play in a given election, but it will not further a government interest relating to the "reality or appearance of improper influence stemming from the dependence of candidates on large campaign contributions," which was the only basis accepted by the Supreme Court in Buckley for restraining political contributions.
>
> This bill may be seen as imposing an effective ceiling on campaign spending because, as a practical matter, it will limit the amount of money that can come into a congressional campaign. 238/

Supporters of the limit, like Fred Wertheimer of Common Cause, insist that it will not limit the free speech rights of candidates, noting the Buckley decision's assertion that the effect of contribution limits was "merely to require candidates . . . to raise funds from a greater number of persons" rather than reduce the amount of political spending. 239/

Beyond the issue of whether the aggregate limit would constitute a ceiling on candidate spending is the debate over whether it would infringe on the rights of association of individuals. The Nowak study observed:

> . . . . the bill goes beyond the mere limitation of campaign contributions and directly restrains associational freedom.
>
> To examine that problem one needs only to hypothesize the situation where a congressional candidate has received $50,000 from political action committees when another committee comes on the scene that wishes to donate money to the candidate. Under H.R. 4970 that "extra" political committee would be prohibited from giving even $1.00 to the candidate and all of the persons whose interests are represented by that associational entity are denied the ability to contribute to the candidate. 240/

238/ Nowak, John. Constitutional Ramifications of the Obey-Railsback Bill. In Extension of remarks of Guy Vander Jagt. Congressional Record, v. 125, September 25, 1979: 26229.

239/ Wertheimer, Fred. The PAC Phenomenon in American Politics. In Political Action Committees and Campaign Finance: Symposium , p. 625.

240/ Nowak, Constitutional Ramifications of the Obey-Railsback Bill, p. 26229.

This argument would no doubt be answered by supporters of the limit by noting that individuals associated with PACs have other outlets for political expression, such as through financial contributions directly to candidates. As David Adamany observed, PACs also have other outlets available to them:

> The case for sustaining such a limit is strengthened because PAC speech is not cut off by such a ceiling: a PAC which could not contribute within the limit could still make its views known through direct independent expenditures. 241/

Certainly, there is room for discussion over the constitutionality of the aggregate limit on PACs. Such questions may or may not serve to prevent further consideration of this proposal; the Obey-Railsback amendment passed the House in the face of such objection. Furthermore, the PAC receipts limit has emerged as the most popular remedy suggested by PAC critics in the Congress.

C. Enhancing the Role of Other Participants in the Political Process

The third general approach to curbing PAC influence revolves around additional incentives for participation by individuals and political parties as a means of counterbalancing the role played by PACs in the funding of political campaigns. As reflected in a number of specific proposals, it is based on an acceptance of the continued growth and strength of PACs and the belief that further direct limitations on PAC financial giving will inevitably lead to further attempts by PACs to evade the limits through various loopholes in the campaign finance laws. By strengthening the positions of individuals and parties to bear the funding costs of election campaigns, these proposals seek to curb PACs in an indirect, rather than direct, manner; in this way, they are distinguished from the proposals outlined above.

241/ Adamany, PACs and the Democratic Financing of Politics, p. 600.

One of the most widely suggested proposals is to raise the limit on individual contributions from $1,000 to some higher amount. In the 98th Congress, the doubling of the individual limit was proposed in Senator Gorton's S. 732 and Senator Humphrey's S. 810 (the latter indexed all limits to account for inflation). A $2,500 limit was suggested in Representative Synar's H.R. 3262 and Senator Boren's S. 1433 (for House and Senate candidates), in Representative Lantos' H.R. 3610 (for House candidates), and in Senator Rudman's S. 1185 (for all candidates). Representative Corcoran proposed a $3,000 figure in H.R. 2976, and Representative Hamilton's H.R. 2959 set the figure at $3,500. The Harvard study noted that the $1,000 contribution limit was set in 1974 and had been rendered a less significant figure by inflation. It declared:

> Inflation alone dictates raising the limit to $1,500 for the 1980 campaign. 242/

In announcing its support for raising the individual limit, a bipartisan group of former Presidential campaign finance officers convened under the auspices of the Citizens' Research Foundation suggested that the limit might be indexed for inflation and rounded to the nearest $500 (this to avoid some confusion resulting from a simple indexing formula). 243/

Beyond the inflation factor, it is suggested that as the individual limit is raised to more closely approximate the current $5,000 PAC limit, it would establish individuals and PACs on a more equal footing. The presumption is, first, that individuals would be more likely to contribute to a candidate

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242/ U.S. Congress, An Analysis of the Impact of the FECA, p. 3.

243/ Citizens' Research Foundation. Amending the Federal Election Campaign Act: A Statement of Recommendations by Former Presidential Campaign Finance Officers, June 1, 1981. p. 2.

than a PAC if they had more leeway to do so (they can currently give as much as $5,000 to a multicandidate PAC) and, second, that candidates would be more inclined to give priority to raising money from individuals than from PACs if they could raise as much money with as few a number of solicitations. Little other than supposition has been offered to support the former suggestion. The vast majority of individual contributions to both candidates and PACs fall well below the current limits, thus detracting from the theory that large numbers of individuals are being stifled by those limits and that they would give directly to candidates if given a more flexible upper limit. The principal incentive to give to a PAC--the added weight attached to a specific policy goal through the collective resources of like-minded individuals--would appear to remain unaffected by raising the individual limit. When viewed from the candidate's perspective, however, it does appear that such an increase would further the goal of lessening candidate dependence on PAC money. Therein lies the principal merit to this argument and the likely reason behind the increasing popularity of the proposal.

Another proposal advanced to encourage individuals to play a greater role is to remove the aggregate $25,000 a year limitation on all political contributions. This was endorsed by the conference of former Presidential campaign officers, which included persons across both partisan and ideological lines, thus adding to the weight carried by its recommendations. 244/ In addition to the fact that abolishing the limit would accord the individual citizen more opportunity to contribute money, it may be further argued that the average citizen is placed at a disadvantage by the aggregate limit, in view of there being no such limitation on political giving by PACs and other

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244/ Ibid.

funding sources. Thus far in the 98th Congress, there have been no proposals to abolish the aggregate limit, but proposals to raise it include Senator Rudman's S. 1185 (to $30,000), Senator Humphrey's S. 810 (to $48,900, as indexed for inflation since 1974), Senator Gorton's S. 732, and Representative Corcoran's H.R. 2976 (to $50,000).

The drawback to the suggestions of raising the individual limit and abolishing the aggregate limit lies in the potential for upsetting the desirable balance within the political system between allowing and encouraging access and impeding the accumulation of a disproportionate degree of influence by any one individual or interest. It is undoubtedly an understatement to suggest that this balance is difficult to gauge, given its subjective nature which lends itself to differing perspectives. It is also quite possible, as many have charged, that in their attempt to eliminate the large contributors of the past, the sponsors of the Federal Election Campaign Act and its amendments have helped to provide the impetus for the PACs of today, thus replacing one type of "fat cats" with another, allegedly more pernicious type.

One may view the laws governing the electoral process as an amorphous mechanism in which all its parts are related, perhaps imperceptibly, and under which every bit of tinkering in one sector may have profound ramifications for other sectors. In establishing a policy goal, the possible consequences for other goals must be considered. If the goal is the reduction of the level of influence which may accrue to large campaign contributors, one must consider how specific proposals may affect such other cherished policy goals as encouraging citizen participation, promoting the integrity of the political process, etc. Conversely, if the goal is to allow greater opportunities for citizens to participate in the process through financial contributions, one may have to consider how this can be accomplished without tilting the balance so far in that direction that it impedes the original goals which motivated the policymakers in imposing limits. The question here would be: can the limits be raised or abolished without opening the door to large contributions of a sufficient number so as to lead to the public cynicism which led to the restraints in the first place? This delicate balancing act is a fundamental part of such policy changes.

Still other proposals designed to encourage individual giving focus on the tax laws. Currently, individuals may receive a 50 percent tax credit for political contributions, up to a maximum credit of $50 (or $100 on joint returns). 245/ Proposals to increase the maximum credit in the 98th Congress include H.R. 3610 (Representative Lantos), which doubles it to $100 ($200 on joint returns); H.R. 2976 (Representative Corcoran), which quadruples it to $200 ($400); and H.R. 3172 (Representative McCollum), which increases it tenfold to $500 ($1000). Several other bills in the 98th Congress offer a 100 percent credit for individual contributions to House (and Senate) candidates, in the hope that the prospect of a full return of the donation will be a major incentive to wider participation in the funding process. Such a credit is proposed in Representative Pease's H.R. 2833, which allows a maximum credit of $10 ($20) for contributions to House and Senate candidates in the donor's home State; the existing credit would remain unaffected. Only contributions to home state candidates are eligible for the 100 percent in Representative McHugh's H.R. 3737, as well; the maximum credit, however, is $50 ($100), and the existing credit is eliminated for contributions to out-of-state, State and local, and Presidential candidates and to PACs and newsletter funds (a separate

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245/ 26 U.S.C. 41(a), (b)(1), 218(a), (b)(1).

credit is set up for donations to political parties). A different approach is taken in H.R. 4428 (Representative Obey), which provides the credit only for contributions to House candidates who agree to abide by a $240,000 spending limit (with a maximum of $20,000 in personal funds). The maximum credit would be $100 ($200) per candidate and $200 ($400) for all qualified House candidates. The limitations of these proposals might lie, first, in the additional revenue losses for the Federal Government and, second, in the fact that the existing credits are used by only around four percent of taxpayers, not indicative of an overwhelming degree of participation. Of course, a broadened credit (such as the 100 percent approach) would presumably increase the participation level.

The tax laws are also the focus of some suggestions intended to strengthen the political parties. The proposal for a separate tax credit for contributions to official political party committees included in H.R. 3737 (98th Congress) is representative of other proposals advanced in recent years. By creating a separate credit, with such generous terms as proposed in H.R. 3737 (50 percent of the value of contributions, up to $50 for single returns and $100 on joint returns), it is expected that more people would choose to make direct donations to the parties. As with increasing the current credit, the question might be raised as to whether these credits would be used largely by relatively elite, affluent individuals who have sufficient interest in politics to contribute even without the incentive of a tax saving.

With regard to the various proposals described in this subsection, it might be noted that many of them are made increasingly popular by the convergence of other, perhaps differing, policy goals. Whereas, for example, the raising of the individual limit on contributions is recently being advanced by those who see it as a means to reduce PAC influence, the same proposal has been espoused for a number of years by those who are philosophically opposed to governmental regulation of the political process. When the inflation argument advanced in academic circles is factored in, one sees a consensus building out of a variety of policy goals. Similar consensus may well be building toward strengthening the parties' fundraising abilities, although such consensus is not at all present in such other suggestions as abolishing or substantially raising the aggregate $25,000 limit.

D. Public Funding of Congressional Elections

Probably the most severe measure designed to limit PAC influence is the proposal for public funding of congressional elections. In 1956, when the first bill proposing public funding of Federal elections was introduced in Congress (S. 3242, 84th Cong.), it declared:

> Free and untrammeled representation of the public is possible only when men and women in high office are not indebted to special interests for financial donations. 246/

Public funding legislation has been proposed in virtually every Congress since that time, and the desire to eliminate the perceived disproportionate influence of "special interests" has been one of the overriding goals expressed by the sponsors in almost every case.

One recent proposal for public funding was H.R. 3436, introduced in the 97th Congress by Representative Matthew McHugh and 23 cosponsors. In his statement on the bill, which would establish a matching fund system for the financing of House and Senate primary and general election campaigns, McHugh stated:

246/ Neuberger, Richard. Federal Campaign Contributions to Relieve Officeholders of Private Obligations. Congressional Record, v. 102, February 20, 1956: 2855.

> First, public financing works, and it works for both primary and general elections as has been demonstrated by the 1976 and 1980 Presidential campaigns;
>
> Second, one of the unintended consequences of its success has been to substantially increase the flow of special interest contributions into House and Senate election campaigns; and
>
> Third, as the expenses associated with running for Congress increase, the influence of those special interests will also grow, and the confidence of the American people in our election process will continue to erode. 247/

Public funding supporters believe that only by ending the system of private financing of elections will the opportunities for gaining undue power by particular interests through their campaign donations be seriously curtailed. As a practical matter, some may support other plans to limit PACs directly (such as Obey-Railsback), while ultimately retaining hope for the enactment of public funding as a more fundamental solution to what they see as money's corrosive influence on politics.

Oppposition to public funding of elections is just as deep-rooted as is support for it. Opponents point to such factors as the high cost to the taxpayers (particularly in a time of budgetary cutbacks), the perceived dangers inherent in incumbent Members of Congress drafting the rules governing the campaign funding of their opponents, and the difficulties in drafting an equitable system as drawbacks to the public financing idea. Perhaps more basic is their belief that such a system would hamper the participation of individuals that is desired in a democracy. As noted by the Senate Select Committee on Presidential Campaign Activities (the Watergate Committee) in its final report:

247/ McHugh, Matthew F. Congressional Campaign Financing Act of 1981. Congressional Record [daily ed.] v. 127, May 5, 1981: E 2124.

> The committee's opposition is based like Jefferson's upon the fundamental need to protect the voluntary right of citizens to express themselves politically as guaranteed by the first amendment. 248/

Some public financing foes have gone beyond their opposition to extending the system to congressional candidates and have called for the repeal of the existing Presidential funding system, as exemplified in former Representative McDonald's and Senator Goldwater's proposals in the 98th Congress (H.R. 3234 and S. 1684). It is interesting that supporters of public financing for congressional elections see the increase in PAC contributions to congressional candidates as one outgrowth of the current Presidential system, which they presumably favor. They insist that inequities are bound to result from having different policies on private contributions for Presidential and for congressional elections. Rather than abolish the former, they support extending a similar system to the latter.

Even supporters of public funding for congressional elections acknowledge the unfavorable climate for passage of such legislation in the immediate future. Previous Congresses, particularly in the post-Watergate period of the mid-1970s, had devoted considerable attention to public funding of congressional elections; the Senate passed such proposals twice in the 93rd Congress, and the House appeared close to passage of similar ones on several occasions. By the 96th Congress, supporters were unable to get a bill (H.R. 1) reported from the House Administration Committee, despite some 155 co-sponsors of it.

Only two bills (H.R. 3436, H.R. 6047) were introduced in the 97th Congress which proposed a public funding system for congressional elections, with only

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248/ U.S. Congress. Senate. Select Committee on Presidential Campaign Activities. Final Report pursuant to S. Res. 60, February 7, 1973. Washington, U.S. Govt. Print. Off., 1974. (93rd Cong., 2nd Sess. Senate. Report no. 93-981) p. 573.

23 co-sponsors of the major one--H.R. 3436. While this had represented a considerable decline in the number of bills and co-sponsors in previous Congresses, the number of such proposals rose to six in the 98th Congress with as many as 130 cosponsors on one of them (H.R. 2490). One proposal (H.R. 2005; Representative Brown) provides for reduced mailing costs for House candidates who abide by certain spending limits; another (H.R. 1893; Representative Jacobs) provides for Federal subsidies of media costs for House candidates; and the other four provide matching funds to general election candidates--two for House candidates (Representative Obey's H.R. 2490 and Representative Green's H.R. 3812) and two for Senate candidates (Senator Dixon's S. 85 and Senator Proxmire's S. 151). Although direct public funding appeared to be a lively prospect at the start of the 98th Congress, supporters of the key proposal--H.R. 2490--shifted to the indirect approach of the 100 percent tax credit through H.R. 4428 at the close of the first session; this reflected a tactical change, in view of the continued strong opposition to direct public subsidies.

It is possible that the apparent decline in congressional interest reflects a similar decline in public support for the concept. A 1975 Harris Poll found that the public favored by a 51-37 percent plurality "having all federal elections financed out of public funds with strictly enforced limits"; by 1982, 43 percent expressed approval, while 53 percent opposed the idea. 249/ While this opposition is reaffirmed in a March 1982 Civic Service, Inc., survey, 250/ an August 1982 Gallup Poll found 55 percent agreeing that it is

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249/ Public Financing of Federal Elections Opposed by Most Americans. The Harris Survey (press release): Jan. 10, 1983.

250/ Attitudes Toward Public Financing: A Nationwide Public Opinion Survey. Civic Service, Inc. March 1982.

a good idea for "the Federal government to provide a fixed amount of money for the election campaigns of candidates for Congress and that all private contributions from other sources be prohibited"; 31 percent said it is a poor idea. 251/ While the poll results appear to be in conflict, there does seem to be a perception among supporters as well as opponents that there does not exist a public groundswell in favor of the idea at this time. If an increase in support for public financing is viewed as a reaction to revelations of real or apparent impropriety (e.g., Watergate), it is possible that it will take some future public scandal to reverse what appears to be a general leveling off (if not decline) in public and congressional support for such a proposal.

251/ Americans Vote "Yes" for Electoral Reform. The Gallup Report. No. 209. February 1983.

III. Prognosis for the Future of PACs

In view of the many variables affecting PAC growth, most observers are reluctant to make predictions regarding future increases in their aggregate level of activity, financial and otherwise. The question often asked concerns whether we have seen most of the PAC growth already or whether there is likely to be an even more accelerated growth in the future. This final section will explore some of the scenarios which have been suggested relevant to this question, with an eye toward retroactively validating or invalidating certain forecasts. There is no expectation, however, that definitive answers can emerge from this discussion.

A conference sponsored by the American Enterprise Institute for Public Policy Research in the fall of 1979 set the stage for much of the dialogue which has ensued on the subject of PACs and their present and future role in the political system. Of particular relevance are the papers delivered by Michael Malbin and Edwin Epstein, which, in their different perspectives on how significant PAC growth had been, appeared to frame the dispute on how large a role they might be expected to play in the future. With the elections of 1980 and 1982 having transpired since that conference, we now have some additional measure of the validity of the scenarios suggested in those two papers.

Malbin viewed the PAC phenomenon as neither "a mountain nor a molehill," asserting that while PACs had grown since 1974, they were not "on a growth curve wildly disproportionate to the growth of campaign costs as a whole." 252/

252/ Malbin, Of Mountains and Molehills: PACs, Campaigns and Public Policy, p. 153.

> Taken as a whole, PACs increased in number and became more important to the electoral process between 1974 and 1976, but--despite the picture given by most analysts--they were no more important proportionately in 1978 than they were in 1976. 253/

Essentially, Malbin saw much of the increase in PAC spending as a reflection of a transformation in the way business interests gave money to political campaigns, rather than the introduction of large new, previously untapped sources of funding; this interpretation, explored earlier in this report, has been labeled the "old wine in new bottles" theory. Malbin's arguments, examined cumulatively, seemed to suggest that PAC growth would level off, if it had not already at that point, once campaign contributors fully adjusted to the new modus operandi for political giving.

Epstein's conclusions could be characterized by his comment that:

> PAC operations in 1976 and 1978 reveal only the tip of a possible iceberg--clearly for corporations and other business-related groups, but to some extent even in the case of labor. 254/

On one level, the campaign finance data for the 1980 elections gives an important boost to Epstein's views vis-a-vis Malbin's. More than one year before November 1980, Epstein suggested:

> In the campaign of 1980, there could be over a thousand corporate PACs operating with aggregate receipts of $25-30 million and contributions of $15-18 million. 255/

As Chapter Three revealed, there were 1204 corporate PACs in existence at the end of 1980, such PACs spent $31.4 million and their contributions to congressional candidates alone amounted to $19.2 million. In every respect, Epstein's prediction was exceeded in 1980 (and since), and it is noted that

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253/ Ibid., p. 152.

254/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 143.

255/ Ibid., p. 144.

Epstein's views were at the time considered to be associated with the "alarmist" camp regarding the whole PAC question.

Furthermore, while Malbin correctly noted that PAC contributions were no higher in 1978 than in 1976 proportionate to other sources of campaign funding, the same could hardly be said of the increase from 1978 to 1980; the percentage of PAC contributions among the overall receipts of congressional election candidates who competed in general elections jumped from 20 percent to more than 25 percent in those two years, the sharpest such jump in the six-election period covered in this report.

Most observers have focused on the corporate sector as the key to future aggregate PAC growth. The Harvard study commented:

> Whatever the motivation of corporate PACs within their corporations may be, however, it is nonetheless true that their numbers will continue to increase. 256/

In addition to the prospect for new PACs being established, Epstein noted that "most corporate PACs that are already functioning have ample opportunity to increase the size and scope of their operations." 257/

These expectations regarding corporate PACs appear to contrast with the expressed views of some of the key spokespersons for the corporate PAC community. Clark MacGregor is one such spokesman who commented:

> I think that 50 percent of the corporate iceberg is already above water in PACs. I seriously question whether the future will witness anything like the rapid growth in corporate PACs of the last three or four years . . . . From now on additional corporate PACs will be few and far between in contrast to their rapid proliferation since 1976 . . . . I would bet that the next five years will

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256/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 208.

257/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 144.

> not see--inflation discounted--a doubling of the aggregate amount contributed voluntarily by individuals to their corporations' PACs. 258/

Don Kendall, a consultant for BIPAC, also took issue with the projections of continued enormous growth for corporate PACs:

> There is potential for growth, but many of those working in corporate public affairs believe the period of rapid growth is over. They predict a more moderate growth for corporate PACs in the next few years. 259/

Kendall noted that PACs in general were likely to continue to proliferate in the coming decade, in the absence of the enactment of sharply restrictive legislation. 260/

One additional comment from the business perspective is worthy of mention here because it differentiates between the financial aspect of corporate PACs and other facets of their activities. Lee Ann Elliott (currently serving on the Federal Election Commission) suggested that the principal focus thus far in the "early stages of development" of corporate PACs has been on "generating and increasing contributions to the PAC." 261/ She asserted that the continued successes of corporate PACs would depend upon how seriously they devoted attention to their other stated goal--the education and involvement of their contributors in PAC operations and the political process. All of these

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258/ MacGregor, Clark. Commentary. In Malbin, Parties, Interest Groups, and Campaign Finance Laws, p. 208.

259/ Kendall, Don R. Corporate PACs: Step-by-Step Formation and Troublefree Operation. Campaigns and Elections, v. 1, Spring 1980: 16.

260/ Ibid., p. 19.

261/ Elliott, Lee Ann. Political Action Committees--Precincts of the '80's. In Political Action Committees and Campaign Finance: Symposium, p. 552-553.

spokespersons saw continued growth of corporate PACs, although not at the same rate of growth as hitherto experienced and perhaps focusing on forms of political action other than financial ones. The data presented in Chapter Three supports the view that corporate PACs would proliferate at a slower rate since 1980 than before, although both their increase in numbers and money raised, spent and contributed has been quite impressive.

While most observers have focused on the corporate sector in their assessments of future PAC growth, the overall picture may be greatly affected by the nonconnected grouping, as well. Not only have the non-connected PACs exceeded even the corporate PACs in rate of proliferation since 1977 (when the former was broken out into a separate category by the FEC), but they registered the largest, recent aggregate dollar increases in overall expenditures of any other grouping. Their enormous growth in 1980 and 1982 (to first place in expenditures) may well be indicative of large future growth among the unaffiliated PACs, although once again the "wild card" nature of this category of PAC adds to the difficulty of future prognoses.

Epstein has isolated two factors which have resulted from the PAC growth of recent years which are likely to play a major role in future PAC growth: the institutionalization of electoral activity (particularly in the business community) and the legitimacy which PACs have attained as vehicles for political activity. 262/ These factors provide a valuable framework through which one can assess the likelihood of future PAC proliferation and growth.

In terms of the institutionalization factor, Epstein writes:

> While in the past the raising and spending of funds were largely ad hoc, informal, and unsystematic activities,

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262/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 146.

> today such efforts have become institutionalized within companies and are in the hands of staff professionals (usually in public affairs positions) who serve on an ongoing basis as the organizational focal point for electoral activities. PACs are therefore visible to office holders, prospective candidates, and party officials--as well as to each other--and have become ports of call for office seekers and fund raisers, as well as mechanisms for more effective coordination of business groups. In summary, PACs allow corporations and business-related associations to organize and institutionalize their electoral activities in a highly efficient way. 263/

Epstein sees such institutionalization within the corporations occurring through such devices as the automatic payroll deduction to encourage contributions to the PAC, nonpartisan registration and get-out-the-vote drives, and greater reliance on internal communications among management and stockholders; in such ways, corporations will be mirroring the activities which have in the past realized impressive gains for organized labor. 264/

Equally important, according to Epstein, has been the legitimization of political activity "both within firms and in the greater community":

> Electoral politics, so to speak, has come out of the corporate closet and is now recognized as a legal and appropriate activity for business. Such enhanced status, together with a defined legal mechanism for such activity--the PAC--makes it possible for companies (1) to encourage political participation among corporate personnel (who might otherwise be reluctant); (2) to encourage other firms to increase their electoral involvement by establishing PACs, thereby "keeping up with the Joneses"; and (3) in general, to undertake political activity with a heightened sense of rectitude and purpose. 265/

While Epstein views the new legitimacy as a result of the campaign finance laws of the 1970s, one finds mixed signs in the political environment as to

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263/ Ibid., p. 146.

264/ Ibid., p. 144.

265/ Ibid., p. 146.

their continued legitimacy with the electorate. When asked whether business and labor PACs constituted a good or a bad influence on politics and government, a 64-27 percent plurality of Americans told a 1982 Harris Survey that labor PACs were a bad influence and a 71-20 percent plurality said big company PACs were a bad influence 266/; two years earlier, the same question had elicited a response of 49-35 percent "good influence" for both labor and business PACs. 267/ This shift in public opinion against PACs (at least those of organized labor and the business community) may well be the result of the considerable attention in the media in the past couple of years on the role of PAC money in the electoral process, which PAC supporters have asserted has been largely slanted against them.

Examining this issue from a different perspective, another recent opinion poll offered evidence of the fragmentation of Americans into narrowly-focused groups and causes, as was discussed in the section dealing with the reasons for PAC growth. This 1981 Gallup Poll found widescale public membership in and support of the kinds of interest groups which are forming PACs today:

> Special-interest politics is commonly thought to comprise small, well-organized groups which wield disproportionately great influence on the Congress and hence on the policies of the federal government.
>
> Contrary to this belief, the Gallup Poll recently found that as many as 20 million Americans are members of special-interest organizations, and another 20 million have given money to these groups during the past year.
>
> These projections may understate public participation in groups formed to defend or promote single-issue interests, since the survey covered only a selected list of 16 types of groups.

266/ Americans Call Heavy Campaign Spending a "Serious Problem." The Harris Survey (press release): Jan. 3, 1983.

267/ Limit on Political Action Committee Campaign Contributions Favored. ABC News-Harris Survey (press release): Apr. 3, 1980.

> For the United States as a whole, the survey found that 13 percent of the adult population claimed membership in one or more of these groups while 23 percent said they had given money. About one-fourth of the public (26 percent) reported donations or membership or both. In addition, 39 percent said they would like to become members of one or more of these organizations. 268/

To the extent that PACs are a reflection of the same trends which are leading so many Americans to join and contribute to interest groups, one finds support in the political environment for the growth of PACs.

As Epstein noted with regard to corporate PACs:

> Political legitimacy coupled with institutionalization of politics within the organizational framework no doubt will lead to increased and more effective corporate political action. 269/

The same institutionalization process and the legitimacy now accorded PACs no doubt extends beyond just corporate PACs and indicates a hospitable climate for the future growth of PACs in general.

This prognosis, however, is not without qualifications. Several factors can be discerned which will likely have a bearing on the future of PACs, with the potential for curbing the kind of growth now foreseen. Each of these bears brief mention here.

First, the decline in the percentage rate of PAC proliferation since 1980 has been notable, from 21 percent a year before 1980 to 16 percent in 1982 and just 4 1/2 percent in 1983. As was said in the accompanying analysis, it may well be the beginning of a leveling off of new PAC growth.

Second, as the Harvard study observed:

268/ Broad Public Participation Found in 'Special-Interest' Politics. The Gallup Poll [press release]: August 16, 1981.

269/ Epstein, Business and Labor Under the Federal Election Campaign Act of 1971, p. 146.

> To a large extent, all PACs are dependent on the issues of the day for their growth and activity. The more adverse the circumstances for a corporation, union, industry, interest or segment of society, the more likely it will seek redress through active participation in electoral politics. 270/

Governmental policies which lead to less regulation could reduce the incentives of hitherto regulated sectors to form PACs. By the same token, such policies could well lead to an increase in PACs by groups which favor greater government regulation.

Third, the political climate will invariably affect the growth of political action committees. As evidence above pointed to the legitimacy accorded PACs today, such a hospitable environment could be altered in the future. Opinion poll results already show a decline in support for business and labor PACs, as mentioned above. Such occurrences as the revelation of major improprieties resulting from PAC campaign donations could work to sour the public tolerance of interest groups and their influence on policy-making. Such developments, of course, cannot be foreseen at any given time.

Fourth, the role PACs will play is hinged on the roles played by other participants in the political process. If the political parties were to play a stronger role in the funding of campaigns, for example, the need for PAC money will likely be lessened and, in turn, their raison d'etre will be undercut. The strength of the Republican Party's fundraising effort in recent elections is one tangible indication of such a development at this time.

Fifth, and finally, the future of PACs is invariably linked to future decisions by the Congress which affect the "rules of the game." Some decisions could have a bearing on other participants in the process, as was mentioned

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270/ Kayden, The Impact of the FECA on the Growth and Evolution of Political Action Committees, p. 107

above or as would be the case if the limits on individual contributions were sharply raised. Congress could also act to reduce incentives for individuals to give to PACs, by disallowing tax credits for such donations. Congress has the power to write the rules for solicitation of contributions by PACs. The Harvard study noted:

> Should the trade associations win the right to solicit contributions with greater ease, not only will their numbers increase, but so too, potentially, will their capacity to participate in electoral politics 271/

These and other actions would obviously have a great impact.

Whether or not PAC growth to date is merely a "tip of the iceberg" will take considerable time to determine. The short term outlook, however, in the words of one observer, is for "more of the same." 272/

271/ Ibid., p. 108.

272/ Phillips, Kevin. Introduction. Political Action for Business: The PAC Handbook. Washington, Fraser Associates, 1981. p. 4.

JC:db/mb/dl/ln

APPENDIX A: FEC FORM 1

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1. (a) Name of Committee (in Full) ☐ Check if name or address is changed.	2. Date
(b) Address (Number and Street)	3. FEC Identification Number
(c) City, State and ZIP Code	4. Is this an amended Statement? ☐ YES ☐ NO

5. TYPE OF COMMITTEE (check one):

☐ (a) This committee is a principal campaign committee. (Complete the candidate information below.)

☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District

☐ (c) This committee supports/opposes only one candidate ______ (name of candidate) and is NOT an authorized committee.

☐ (d) This committee is a ______ (National, State or subordinate) committee of the ______ (Democratic, Republican, etc.) Party.

☐ (e) This committee is a separate segregated fund.

☐ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. **Custodian of Records:** Identify by name, address (phone number – optional) and position, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position

8. **Treasurer:** List the name and address (phone number – optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address and ZIP Code	Title or Position

9. **Banks or Other Depositories:** List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer	SIGNATURE OF TREASURER	Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

FEC FORM 1 (3/80)

APPENDIX B: FEC FORM 3X

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

1. Name of Committee (in Full)

Address (Number and Street)

City, State and ZIP Code

☐ Check if address is different than previously reported.

2. FEC Identification Number

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on ________ (date)

4. TYPE OF REPORT (check appropriate boxes)

(a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Monthly Report for ________
☐ Twelfth day report preceding ________ (Type of Election) election on ________ in the State of ________
☐ Thirtieth day report following the General Election on ________ in the State of ________
☐ Termination Report

(b) Is this Report an Amendment? ☐ YES ☐ NO

SUMMARY	Column A This Period	Column B Calendar Year-to-Date
5. Covering Period ________ Through ________		
6. (a) Cash on Hand January 1, 19__		$
(b) Cash on Hand at Beginning of Reporting Period	$	
(c) Total Receipts (from Line 18)	$	$
(d) Subtotal (add lines 6(b) and 6(c) for Column A and lines 6(a) and 6(c) for Column B)	$	$
7. Total Disbursements (from Line 28)	$	$
8. Cash on Hand at Close of Reporting Period (subtract line 7 from 6(d))	$	$
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

For further information, contact:

Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

____
Type or Print Name of Treasurer

________________________ ____________
SIGNATURE OF TREASURER Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (in Full)	Report Covering the Period: From: To:	
	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
I. RECEIPTS		
11. CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(Memo Entry Unitemized $)		
(b) Political Party Committees		
(c) Other Political Committees		
(d) TOTAL CONTRIBUTIONS (other than loans) (add 11a, 11b and 11c)		
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES		
13. ALL LOANS RECEIVED		
14. LOAN REPAYMENTS RECEIVED		
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates; etc.)		
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		
17. OTHER RECEIPTS (Dividends, Interest, etc.)		
18. TOTAL RECEIPTS (Add 11d, 12, 13, 14, 15, 16 and 17)		
II. DISBURSEMENTS		
19. OPERATING EXPENDITURES		
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES		
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES		
22. INDEPENDENT EXPENDITURES (Use Schedule E)		
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. §441a(d)) (Use Schedule F)		
24. LOAN REPAYMENTS MADE		
25. LOANS MADE		
26. REFUNDS OF CONTRIBUTIONS TO:		
(a) Individuals/Persons Other Than Political Committees		
(b) Political Party Committees		
(c) Other Political Committees		
(d) TOTAL CONTRIBUTION REFUNDS (add 26a, 26b and 26c)		
27. OTHER DISBURSEMENTS		
28. TOTAL DISBURSEMENTS (Add Lines 19, 20, 21, 22, 23, 24, 25, 26d and 27)		
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES		
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11d		
30. TOTAL CONTRIBUTION REFUNDS from Line 26d		
31. NET CONTRIBUTIONS (other than loans) (subtract Line 30 from Line 29)		
32. TOTAL OPERATING EXPENDITURES from Line 19		
33. OFFSETS TO OPERATING EXPENDITURES from Line 15		
34. NET OPERATING EXPENDITURES (subtract Line 33 from Line 32)		

Page ____ of ____ for
LINE NUMBER ______
(Use separate schedule(s) for each category of the Detailed Summary Page)

SCHEDULE A

ITEMIZED RECEIPTS

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Aggregate Year-to-Date—$		
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			

Page ____ of ____ for
LINE NUMBER ______
(Use separate schedule(s) for each category of the Detailed Summary Page)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.
Name of Committee (in Full)

Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			

SCHEDULE C
(Revised 3/80)

Page ____ of ____ for
LINE NUMBER ____
(Use separate schedules for each numbered line)

LOANS

Name of Committee (in Full)

A. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Election: ☐ Primary ☐ General ☐ Other (specify):			

Terms: Date Incurred ____________ Date Due ____________ Interest Rate ______%(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Election: ☐ Primary ☐ General ☐ Other (specify):			

Terms: Date Incurred ____________ Date Due ____________ Interest Rate ______%(apr) ☐ Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: $

SUBTOTALS This Period This Page (optional)	
TOTALS This Period (last page in this line only)	

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page ____ of ____ for
LINE NUMBER ____
(Use separate schedules for each numbered line)

Name of Committee (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				

1) SUBTOTALS This Period This Page (optional)	
2) TOTAL This Period (last page this line only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE E

ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

Page ____ of ____ Pages

Name of Committee (in Full)			I.D. No.	
Full Name, Mailing Address & ZIP Code of Each Payee	Purpose of Expenditure	Date (month, day, year)	Amount	Name of Federal Candidate supported or opposed by the expenditure & office sought
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose

(a) SUBTOTAL of Itemized Independent Expenditures . . . . . $ ________

(b) SUBTOTAL of Unitemized Independent Expenditures . . . . . $ ________

(c) TOTAL Independent Expenditures . . . . . $ ________

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

________________ Signature ________ Date

Subscribed and sworn to before me this ________ day of ________, 19____

My Commission expires

________________ NOTARY PUBLIC

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U.S. Congress. Senate. Select Committee on Presidential Campaign Activities. The final report of the Select Committee on Presidential Campaign Activities, pursuant to S. Res. 60, Feb. 7, 1973: a resolution to establish a select committee of the Senate to investigate and study illegal or improper campaign activities in the Presidential election of 1972. Washington, U.S. Govt. Print. Off., 1974. 1250 p. (93d Congress, 2d session. Senate. Report no. 93-981) KF31.5.P7 1974

TRENDS AND STATISTICS ON PAC ACTIVITY BY ELECTION CYCLE

(Includes citations for books, articles, and monographs which provide data and assessments of PAC activity and spending as they applied to particular points in specific election cycles. Some assessments were based on provisional data, but all accounts provide a glimpse of overall trends during this period).

PRE-1970

Alexander, Herbert E. Financing the 1960 election. Princeton, Citizens' Research Foundation, 1964. 108 p. (Citizens' Research Foundation. Study no. 5)
Statistical data and narrative on the financing of the 1960 national election, including details on interest group activity.

Alexander, Herbert E. Financing the 1964 election. Princeton, Citizens' Research Foundation, 1966. 137 p. (Citizens' Research Foundation. Study no. 9)
Statistical data and narrative on the financing of the 1964 national elections, including details on interest group activity.

----- Financing the 1968 election. Lexington, Mass. Heath Lexington Books, 1971. 355 p. JK1991.A683 1971
Statistical data and narrative on the financing of the 1968 national elections, including details on interest group activity.

1972

Alexander, Herbert E. Financing the 1972 election. Lexington, Mass., D.C. Heath, 1976. 771 p. JK1991.A684
Statistical data and narrative on the financing of the 1972 national elections, including details on interest group activity.

Common Cause. Campaign Finance Monitoring Project. 1972 Federal campaign finances, interest groups, and political parties. Washington, 1974. 3 v. JK1991.C655 1974
Statistics on interest group contributions to congressional candidates in 1972.

1974

Common Cause. Campaign finance monitoring project. 1974 congressional campaign finances. Volume 5: interest groups and political parties. (various paging)
Statistics on interest group contributions to congressional candidates in 1974.

1976

Alexander, Herbert E. Financing the 1976 election. Washington, Congressional Quarterly, 1979. 871p. JK1991.A6798
Statistical data and narrative on the financing of the 1976 national elections, including details on interest group activity.

Cohen, Richard E. There's a special interest in the congressional campaigns this year. National journal, v. 8, Oct. 23, 1976: 1514-1520. JK.N28, v.8
Reports on the increasing role of special interest groups in the 1976 congressional elections due to the growth in the number of political action committees of business and trade associations, expanded activities of conservative PACs, wider dissemination of rating of Members' voting records.

Common Cause. Campaign Finance Monitoring Project. 1976 Federal campaign finances. Washington, 1977. 3v. JK1991.C655 1977
Statistics on interest group contributions to congressional candidates in 1976.

Freed, Bruce F. Companies moving to set up political units. Congressional quarterly weekly report, v. 34. Jan. 10, 1976: 46-49. JK1.C15, v. 34
Describes how, under a provision of the 1974 Federal election campaign act, corporations are establishing political action committees to solicit money from stockholders and employees for campaign contributions.

Malbin, Michael J. Corporate PAC-backers chart a trail through Congress. National journal, v. 8, Apr. 10, 1976: 470-475. JK1.N28, v. 8
Reports on the proliferation of corporate political action committees under the Federal Election Campaign Act.

----- Labor, business and money--a post-election analysis. National journal, v. 9, Mar. 19, 1977: 412-417. JK1.N28, v. 9.
"Organized labor clearly knew what it was doing when it supported efforts in 1974 and 1976 to revise the campaign finance law. The one sure result of the changes was to increase labor's relative influence on the electoral process, particularly in presidential races."

U.S. Federal Election Commission. Corporate-related political committees; receipts and expenditures, 1976 campaign. Washington, U.S. Govt. Print. Off., 1977. 82 p. (U.S. Federal Election Commission. Disclosure series, no. 8)
Data on corporate PAC spending and receipts during the 1976 election.

----- Labor-related political committees; receipts and expenditures, 1976 campaign. Washington, U.S. Govt. Print. Off., 1976. 65 p. (U.S. Federal Election Commission. Disclosure series, no. 10)
Data on labor PAC spending and receipts during the 1976 election.

----- 1976 House of Representatives campaigns; receipts and expenditures. Washington, 1977. 113 p. (U.S. Federal Election Commission. Disclosure series, no. 9)
Data on House candidates spending and receipts during the 1976 election.

----- 1976 Senatorial campaigns; receipts and expenditures. Washington, 1977. 17 p. (U.S. Federal Election Commission. Disclosure series,no. 6)
Data on Senate candidate spendings and receipts in the 1976 election.

<u>1978</u>

Cook, Rhodes. Political action committee spending soared in 1978. Congressional quarterly weekly report, v. 37, June 2, 1979: 1043-1045. JK1.C15, v. 37

Discusses the extent of financial contributions made to political campaigns by political action committees. "According to a recently completed report by the Federal Election Commission (FEC), PACs contributed $35.1 million to federal candidates during the 1978 election cycle--the period between Jan. 1, 1977, and Dec. 31, 1978. That was nearly triple the $12.5 million in PAC contributions in 1974 and more than 50 percent above the 1976 level of $22.6 million."

Felton, John, and Charles E. Hucker. Business groups gave GOP a late windfall. Congressional quarterly weekly report, v. 36, Nov. 11, 1978: 3260-3262. JK1.C15, v. 36

Asserts that "last-minute injections of cash by corporate and trade association political action committees (PACs) boosted the campaigns of Republican congressional candidates this fall. The business PACs--some participating in their first campaign--apparently set aside at least a third of their budgets for contributions to many Republicans and some moderate Democrats in the final weeks before the Nov. 7 elections. Labor unions, which have run PAC-type committees for years, followed tradition in giving almost all their money to Democrats."

Glen, Maxwell. At the wire, corporate PACs come through for the GOP. National journal, v. 11, Feb. 3, 1979: 174-177. JK1.N28, v. 11

"With a month to go in last year's congressional election, the growing number of corporate political action committees were giving practically as much money to Democrats as Republicans. But in October, corporate PAC contributions went overwhelmingly to Republicans, with the result that GOP candidates received 61 percent of all corporate PAC funds through Oct. 23. That trend is likely to fuel efforts in the Democratic Congress to enact public financing of congressional election campaigns."

Hucker, Charles W. Corporate political action committees are less oriented to Republicans than expected. Congressional quarterly weekly report, v. 36, Apr. 8, 1978: 849-854. JK1.C15, v. 36

Reviews the legal foundation, growth, fundraising methods, and giving patterns of corporate PACs.

----- Organized labor takes a hard look at whom it will support this fall. Congressional quarterly weekly report, v. 36, Jan. 28, 1978: 193-198. JK1.C15, v. 36

Examines the status of organized labor as a political force in the 1978 elections.

Kirschten, Dick. Corporate PACs--the GOP's ace in the hole? National journal, v. 10, Nov. 25, 1978: 1899-1902. JK1.N28, v. 10

"This full picture won't be known until the final reports on 1978 campaign giving are in later this year, but the preliminary figures show corporate political action committees, formed for the purpose of making selective campaign gifts, are having a substantial impact on congressional politics. There are now 776 such corporate PACs--up from 450 only two years ago--and they donated $14.2 million through Sept. 30, compared with $6.8 million for all of 1976."

Perham, John C. Big year for company political action. Dunn's Review, v. 111, Mar. 1978: 100-102, 105. HF1.D8, v. 111

"Corporate political action committees are growing in numbers and know how as they gear up for the 1978 races."

Ulman, Neil. Companies organize employees and holders into a political force. Wall Street journal, Aug. 15, 1978: 1, 18. HG1.W26

Discusses the then-burgeoning development of corporate PACs as a political force.

U.S. Federal Election Commission. FEC reports on financial activity, 1977-1978; final report: party and non-party political committees. Washington, 1980. 4 v.

Final data on PAC (and party) contributions, spending, and receipts during the 1977-78 election cycle.

1980

Alexander, Herbert E. Financing the 1980 election. Lexington, Mass., Lexington Books, 1983. 524 p.

Chapter 8--"Sources of funds: groups and individuals"--reviews PAC activity and issues in 1980.

Cohen, Richard E. Congressional democrats beware--here come the corporate PACs. National journal, v. 12, Aug. 9, 1980: 1304-1308. JK1.N28, v. 12

"Corporate political action committees have raised more money than labor PACs and are gunning for Democratic incumbents who face strong GOP challengers."

Corporate PACs: a major break with traditional policy. Dunn's review, v. 115, Feb. 1980: 23, 26. HF1.D8, v. 115

"While corporate political action committees (PACs) are expected to exert considerable clout in the 1980 elections through their contributions to candidates, it is only very recently that the election laws have allowed U.S. companies to give money to political campaigns at all. . . A new era began in 1974 when Congress finally decided to allow corporations, as well as unions, to create PACs and established the Federal Election Commission to oversee the activities of all PACs. The status of the PACs was further clarified by changes in the election laws in 1976."

Glen, Maxwell. The PACs are back, richer and wiser, to finance the 1980 elections. National journal, v. 11, Nov. 2, 1979: 1982-1984
JK1.N28, v. 11

"A year before the 1980 elections, political action committees (PACs) are already busy selecting the candidates who will receive their financial contributions--and the candidates are looking for friendly PACs. But the PACs are choosy: they like to contribute only to candidates who agree with them and face clearly less desirable opponents. They also try to support winners."

Landauer, Jerry. Hedging political bets, firms give to liberals in positions of power. Wall Street journal, Oct. 13, 1980: 1, 12. HG1.W26

Discusses the tendency of corporate PACs to contribute to congressional candidates more on the basis of their incumbency status than on their political philosophies.

Lanouette, William J. PAC gifts to Presidential candidates include some political surprises. National journal, v. 12, Aug. 9, 1980: 1309-1311.
JK1.N28, v. 12

Examines the impact of political action committee campaign contributions on the outcome of the 1980 Presidential primaries.

Light, Larry. Democrats may lose edge in contributions from PACs. Congressional quarterly weekly report, v. 38, Nov. 22, 1980: 3405-3409. JK1.C15, v. 38

"Democratic congressional candidates traditionally have received the lion's share of the campaign funds doled out by political action committees (PACs). But this year may be different. A Congressional Quarterly study of the financial reports of 10 large PACs shows that committees representing businesses have stepped up their giving to Republican candidates."

Perham, John C. PACs: the new zest of the corporate. Dun's Review, v. 115, Feb. 1980: 50-52. HF1.D8, v. 115

Asserts that "business-sponsored political action committees should rack up their greatest impact to date in this year's primaries and general elections" because of their increased wealth and numbers.

Tarrance, V. Lance, Jr. Negative campaigns and negative votes: the 1980 elections. Washington, Free Congress Research and Education Foundation, 1982. 36 p.

"Utilized only in the smallest of scales previous to 1980, it is likely that future elections at the congressional and U.S. Senate levels will witness a greater usage of negative theme campaigns as a result of a strong increase in the numbers and abilities of single interest groups and their access to campaign-related technology. The emergence of this form of campaigning on a large scale represents a new chapter in political campaigns."

U.S. Federal Election Commission. FEC releases final PAC report for 1979-80 election cycle (press release): Feb. 21, 1982. 10 p.
Press release gives final summary data on PAC receipts, expenditures and contributions in the 1980 elections.

----- FEC releases final statistics on 1979-80 congressional races (press release): Mar. 7, 1982. 7 p.
Press release gives final summary data on House and Senate candidate spending and sources of funding in the 1980 elections.

----- FEC reports on financial activity, 1979-80; final report: party and non-party political committees. Washington, 1982. 4 v.
Final data on PAC and party contributions, spending, and receipts in the 1979-80 election cycle.

----- FEC reports on financial activity, 1979-80; final report: U.S. Senate and House campaigns. Washington, 1982. 472 p.
Final data on House and Senate candidate receipts and expenditures during the 1979-80 election cycle.

1982

Bonafede, Dom. Some things don't change--cost of 1982 congressional races higher than ever. National journal, v. 14, Oct. 30, 1982: 1832-1836.
Reviews the campaign finance aspect of the 1982 elections, focusing on overall campaign costs and PAC activity.

Clymer, Adam. Labor intensifies 1982 campaigning. New York times, Sept. 7, 1982: A1, 17.
Monitors increased political activities by large labor unions in 1982, as measured by their financial activity.

Cohen, Richard E. Giving till it hurts: 1982 campaign prompts new look at financing races. National journal, v. 14, Dec. 18, 1982: 2144-2153.
"As congressional campaign spending mounts, so does debate over reforms to cut back the influence of special interests. Our analysis is supplemented by the latest data on contributions in all 1982 Senate races and 39 high-cost House races."

----- Business, conservative PACs--bigger yet, but their influence may be waning. National journal, v. 14, Aug. 7, 1982: 1368-1373.
"With GOP-leaning PACs leading the way, political action committees will provide perhaps a fourth of all funds spent by congressional candidates this year."

Glen, Maxwell. Labor trying to bring its rebellious members back to the Democratic fold. National journal, v. 14, Oct. 30, 1982: 1837-1840.
Organized labor's major effort in the congressional elections is identifying and bringing out what it is confident will be a strong Democratic vote on Nov. 2."

Glen, Maxwell and James K. Popkin. Liberal PACs learning it won't be easy to stem the conservative tide. National journal, v. 14, Mar. 20, 1982: 500-501.
"By most predictions, the liberal political action committees will be outspent to a large degree in 1982 by the conservative PACs. By 1984, they may do better."

Keller, Bill. Organized labor's vital signs show waning political clout; but numbers don't tell all. Congressional quarterly weekly report, v. 40, Aug. 28, 1982: 2111-2118.
A review of the political strengths and weaknesses of organized labor in 1982.

Rothenberg, Stuart, and Richard R. Roldan. Business PACs and ideology: a study of contributions in the 1982 elections. Washington, Free Congress Research and Education Foundation, 1983. 49 p.
"Our data indicate that it is a mistake to assume automatically that conservative candidates benefit from contributions by business-related political action committees . . . (and) that there are significant differences in PAC contribution patterns among corporate and trade association PACs, even among those PACs in the same industrial sector."

Sabato, Larry. Parties, PACs, and independent groups. In Mann, Thomas E., and Norman J. Ornstein. The American elections of 1982. Washington, American Enterprise Institute, 1983. p. 72-110.
A review of the role played by PACs and political parties in the 1982 elections, with emphasis on ideological PACs and the strategies of the various groups.

Taylor, Paul. For business PACs this year, suitable targets are in short supply. Washington post, July 27, 1982: A6.
A review of business PAC activity in the 1982 elections, in the aggregate and by specific industries.

U.S. Federal Election Commission. FEC publishes final 1981-82 PAC study (press release): Nov. 29, 1983. 10 p.
Final summary data on PAC financial activity in the 1982 elections.

----- FEC releases final report on 1981-82 congressional elections (press release): Dec. 2, 1983. 6 p.
Final summary on House and Senate candidates' financial activity in the 1982 elections.

----- FEC reports on financial activity, 1981-82; final report: party and non-party political committees. Washington, 1983. 4 v.
Final data on PAC and party contributions, spending and receipts during the 1981-82 election cycle.

----- FEC reports on financial activity, 1981-82; final report: U.S. Senate and House campaigns. Washington, 1983. 348 p.
Final FEC data on House and Senate candidate receipts and expenditures during the 1981-82 election cycle.

PROFILES ON SPECIFIC PACs OR GROUPINGS OF PACs

(These citations are for accounts of individuals PACs or categories thereof, at a given point in time)

AGC PAC's political voice for the construction industry. Constructor, v. 62, July 1980: 42-53.
Describes the bipartisan political action committee affiliated with Associated General Contractors of America whose goals are "to elect a Congress that will be responsive to the needs of the construction industry." Includes a section on "The Role of PACs in Elections Today," by Robbi Kimball, a message from AGC PAC chairman Ben Hogan, and a list of contributions made to House and Senate candidates from June 14, 1978-June 13, 1980.

Anson, Robert Sam. The American Petroleum Institute: it's both stronger and weaker than it seems. Common cause, v. 6, Oct. 1980: 24-29.
Examines the manner in which the petroleum industry's lobby has operated since the onset of the energy crisis. "It is a far cry from the days when the industry could dismiss its critics with the wave of a hand, or the signing of a campaign check."

Bankers' political action committee: one honest and effective way to participate. ABA banking journal, v. 72, Apr. 1980: 76-79.
HG1501.B6, v. 72
Discusses the Bank PAC and its 1980 fund-raising drive. The purpose of this political action committee "under the federal election laws, is to enable bankers at the grass-roots level to make financial contributions at the national level, legally, effectively, and conveniently, to those candidates who are most likely to affect the banking community."

Bannon, Brad. NCPAC in the 80s: action v. reaction. Campaigns & elections, v. 3, winter 1983: 36-43.
Finds that for the 1982 congressional elections, the National Conservative Political Action Committee "employed the same high profile and long-term tactics that it used in most states in 1980 and, by going this route, incurred the same kind of backlash. High visibility negative campaigns may help NCPAC raise money, but they do not constitute effective political strategy."

----- NCPAC's role in the 1980 Senate elections. Campaigns and elections, v. 3, spring 1982: 43-46.
Maintains that the initial negative media campaigns against incumbent Senate Democrats by the National Conservative Political Action Committee made a strong impact because of the ads' timeliness, but that "as NCPAC continued its attacks into 1980, the ongoing assaults nullified earlier gains. . . . A look at NCPAC's 1981 activities suggests that it may be running into the same difficulties that it encountered in the 1980 campaign."

Berlow, Alan, and Laura B. Weiss. Energy PACs: potential power in elections. Congressional quarterly weekly report, v. 37, Nov. 3, 1979: 2455-2461. JK1.C15, v. 37

Examines the diversity and rapid growth of 133 political action committees that are affiliated with corporations, trade associations or private investors having substantial oil and gas interests and evaluates their role in future elections. Includes a chart on PAC contributions in 1978 Senate contests and a listing of these PACs with their corporate affilitation, date organized, energy interest, and total contributions to Senate and House campaigns from 1977 through September 1979.

Clymer, Adam. Conservative political committee evokes both fear and adoration. New York times, May 31, 1981: 1, 26. Newsp.

A profile on the most controversial ideological PAC during the 1980 elections--NCPAC--one which continues to serve as a precedent-setter for other such groups.

Conservative evangelical Christians in politics. New York times, Aug. 17, 1980, p. 1, 52; Aug. 18, p. B7; Aug. 19, p. D17; Aug. 20, p. B22. Newsp.

Describes the growing network of conservative evangelical Christian leaders who are "organizing to arouse a particular electorate, to shape the ways it views issues, to register its members to vote, to give it a common language and means of communication, to use it to influence law and policy at state and national levels, to raise funds to support certain candidates and to select and train other candidates for public office."

Cook, Rhodes. Presidential hopefuls funnel contributions to safe races. Congressional quarterly weekly report, v. 40, Aug. 21, 1982: 2074-2075.

A profile of two prospective Presidential candidates' PACs (Kennedy's and Mondale's).

Cottin, Jonathan. Washington pressures: BIPAC seeks to elect pro-business members to Congress. National journal, v. 2, July 18, 1970: 1525-1531. JK1.N28, v. 2

An in-depth look at one of the earliest business-oriented PACs, describing its organization, its methods and its goals. Provides a useful background on a major forerunner of today's PACs.

Dalton, James G. Political action committees: reshaping the U.S. electoral/legislative scene. Professional engineer, v. 50, Sept. 1980: 10-13.

Reviews the efforts of the National Society of Professional Engineers' PAC in the 1980 congressional elections.

Davis, L. J. Conservatism in America. Harper's magazine, v. 231, Oct. 1980: 21-26. AP2.H3, v. 231

Examines the beliefs and activities of conservative activists Paul Weyrich, Howard Phillips, Terry Dolan, and Richard Viguerie and the organizations they lead. "Like the Old Right, the New Right consists of a small, tight-knit group of true believers."

Demkovich, Linda E. AMA--reports of its death have been greatly exaggerated. National journal, v. 11, Dec. 1, 1979: 2017-2022. JK1.N28, v. 11

"Despite some evidence that its influence has diminished in recent years, the American Medical Association remains a power on the Washington scene. It played a key role in the defeat of President Carter's hospital cost containment bill and--in part because of the campaign contributions by its political arm, the American Medical Political Action Committee (AMPAC)--is respected on Capitol Hill. Its influence may be primarily negative, but that's fine with the AMA."

Energy PACs--a quiet explosion. In common, v. 10, summer 1979: 22-26. JK1.I63, v. 10

"Large campaign contributions from oil and gas industry executives have been a long-standing tradition in the U.S. political process. Now these energy interests are moving into a new influence game, that of political action committees (PACs). The explosion in the number of energy PACs has been a quiet one, unnoticed by most observers. But its potential impact on U.S. energy policy is enormous."

Epstein, Edwin M. PACs and the modern political process. Prepared for delivery at a conference on the impact of the modern corporation, sponsored by the center for law and economic studies, Columbia University School of Law, The Henry Chauncey Conference Center, Princeton, Nov. 12-13, 1982. 131 p.

". . . an examination of the role and impact of corporate political action committees on electoral politics, particularly at the federal level."

Erickson, Jack. The Democrats: rebuilding with support groups. Campaigns and elections, v. 3, spring 1982: 4-14.

"Reviews the Big Ten of the new PACs, think-tanks and public interest groups that Democrats have formed to counterbalance those of the Republicans and The New Right. They support and help liberal candidates right down to the mayoral level."

Feldstein, Paul J., and Glenn A. Melnick. Political contributions by health PACs to the 96th Congress. Inquiry (Chicago), v. 19, winter 1982: 283-294.

Concludes "that health PACs, regardless of size, support candidates having ideologies similar to the health PAC members' interests. Another finding is that a congressman on a House committee or subcommittee with jurisdiction over health issues is more likely to be supported. Support for incumbents in the House is also related to the incumbents's ideology. Ideology also appears to be a good predictor of a congressman's votes on health issues."

Fialka, John J. Jewish groups increase campaign donations, target them precisely. Wall Street journal, Aug. 3, 1983: 1, 13.
"During the last congressional election, Jews used over 30 separate political-action committees to give favored candidates $1.67 million, more than in any prior election."

----- and Tim Carrington. Walls Street's firms broaden gift lists for Congress members. Wall Street journal, Oct. 17, 1983: 1, 27.
Reviews political contribution activities by Wall Street executives and their firms' PACs in the 1982 elections.

Glen, Maxwell. Liberal political action committees borrow a page from the conservatives. National journal, v. 13, July 4, 1981: 1197-1200.
JK1.N28, v. 13
"Last year, conservative political action committees (PACs) helped swing the White House and the Senate into the Republican column. Now liberals are adopting some of the conservatives' own tactics."

Graves, Florence. The power brokers. Common Cause, v. 7, Feb. 1981: 13-20.
Discusses the National Association of Realtors political action committee and examines that association's political goals in California.

Handler, Edward, and John R. Mulkern. Business in politics: campaign strategies of corporate political action committees. Lexington, Mass., Lexington Books, 1982. 128 p.

Hogan, Bill, and Diane Kiesel. Southern PACs: "Interested" money. Atlanta magazine, v. 22, Feb. 1983: 46-49, 63-67.
"The list of political action committees in the Southeast reads like a corporate 'who's who'. More than three-quarters of the region's Fortune 500 companies have dealt themselves into the game."

Holley, Joe, and Geoffrey Rips. Tracking the chemical lobby. Texas observer, v. 75, May 6, 1983: 1, 4-9.
Describes the Texas Chemical Council as a "rough beast plodding through the Capitol, leaving in its wake angry environmentalists and labor advocates, thwarted lawmakers and public interest groups."

Holloway, Harry. Interest groups in the post partisan era: the political machine of the AFL-CIO. Political science quarterly, v. 94, spring 1979: 117-133. H1.P8, v. 94
Describes the tools used by COPE in its electoral activities and examines the connection between these and the AFL-CIO's lobbying arm.

Hunter, William A. The new right: a growing force in state politics. Washington, Conference on Alternative state and local policies, 1980. 106 p.

Partial contents--The New Right's action strategy--The issues of the New Right--A look at the New Right organizations in state politics: National Conservative Political Action Committee (NCPAC); National Right to Work Committee (RTWC); American Legislative Exchange Council (ALEC)--New Right in state politics: ten case studies.

Jubak, Jim. Stumping for the environment: the "green vote" has clout this year as never before. Environmental action, v. 14, Oct./Nov. 1982: 9-13.

Describes a "wave of environmental activism . . . up against tremendous odds in an election awash in special interest money." Gives specific examples of environmentalist support of political candidates.

Kalin, Alan B. The right of ideological nonassociation. California law review, v. 66, July 1978: 767-808. LAW

Comment reviews case law dealing with compelled support of political activity and sets forth the contrasting approaches of two recent Supreme Court decisions. Argues for broad construction of a right of ideological nonassociation. Considers government interests which might justify infringement of such a right and outlines application of such a right to government financing of elections.

Kamber, Victor S. PAC counsel. Campaigns and elections, v. 2, fall 1981: 46-48.

"Discusses the importance of organized labor's political action committees, and suggests ways for the political candidate to approach them."

Katskee, Melvin R. Political action committees: should national banks stay away? Banking law journal, v. 96, Sept. 1979. 738-745. LAW

"Federal law prohibits national bank contributions and expenditures in connection with federal elections and state general elections. But to what extent are national banks prohibited from setting up political action committees, funded by individual voluntary contributions, to support candidates for federal and state offices? Does the law permit bank loans to political parties, committees, or candidates? May bank PACs solicit contributions from bank employees? The author answers these and many other questions by placing the 1976 Amendments to the Federal Election Campaign Act against wide variety of political activity that national banks may be presently engaged in or contemplating."

Keller, Bill. In a bull market for arms, weapons industry lobbyists push products, not policy. Congressional quarterly weekly report, v. 38, Oct. 25, 1980: 3201-3206. JK1.C15, v. 38

Examines the lobbying activities and influence of defense contractors. "The consensus among those who handle defense legislation is that the industry's influence is probably marginal compared to other factors that shape defense spending." Includes a separate discussion (p. 3204) of the spending practices of defense company political action committees.

----- "New Right" wants credit for Democrats' Nov. 4 losses but GOP, others don't agree. Congressional quarterly weekly report, v. 38, Nov. 15, 1980: 3372-3373. JK1.C15, v. 38

A post-election analysis of the role of the New Right PACs in the 1980 election outcomes.

La Mere, Joanne. PACs: channel for corporate action. Industrial development, v. 148, July-Aug. 1979: 22-26. HC107.A13I32, v. 148

In the first of two articles, a corporate government affairs manager asserts that "companies can employ the same product marketing and research techniques to elect a reasonable and intelligent Congress." Describes the growth and operation of corporate political action committees (PACs) and discusses some employee and corporate skepticism about PACs. In the second article, executive director of the business round table states that "grassroots and political action programs play an integral part in determining legislative action while encouraging active individual participation in the electoral process."

Larson, Reed. Right to work battles big labor's $3-billion kitty. Human events, v. 40, Sept. 13, 1980: 14-15, 17, 19, 21, 23-25. D45.H8, v. 40

Interview with "Reed Larson, head of the National Right to Work Committee and arch-foe of forced unionism and compulsory union dues used for political purposes, who looks back on R-T-W's past activities and foresees a major blow to Big Labor's clout if the Helms-Dickinson bill curbing the use of union funds for political campaigns is passed by Congress."

Light, Larry. New liberal money groups compete for campaign funds. Congressional quarterly weekly report, v. 39, Oct. 3, 1981: 1905-1908

Reports on the five newly established liberal or democratic political action committees--the Progressive Political Action Committee, Independent Action, Democrats for the '80s, Fund for a Democratic Majority, and Committee for the Future of America--which are "hoping to raise money by frightening liberal givers with the specter of New Right domination."

MacWilliams, Matthew. Introducing the new filthy five. Environmental action, v. 12, May 1981: 10-16. HC110.E5E496, v. 12

"After months of investigative research into 1980 congressional campaign contributions by some of the nation's worst polluters, Environmental Action has released the names of the new Filthy Five. The five corporations--the Weyerhaeuser Co., Dow Chemical. Occidental Petroleum, Amoco Oil and Republic Steel--spent a total of $1,031,190 to elect their friends to office. These corporations are the target of Environmental Action's campaign to clean up Congress."

NCPAC, New York, WNET/Thirteen, 1981. 10 p. The MacNeil-Lehrer Report, Aug. 6, 1981.

Rep. Thomas Downey, GOP chairman Richard Richards, Theodore Sorensen, and NCPAC Chairman Terry Dolan discuss NCPAC's operations, particularly its use of negative independent expenditures.

Nelson, Nels E. Union dues and political spending. Labor law journal, v. 28, Feb. 1977: 109-119. K12.A2, v.28

Article examines the legal context of labor union political spending and recent case law on labor union dues rebates to those members who object to the political activities of their union.

O'Reilly, Jane. No thunder from the right. Time, v. 120, Nov. 15, 1982: 36.

Assesses the relative failure of the New Right's political agenda in 1982, in contrast with its heralded successes in 1980.

Pressman, Steven. Physicians' lobbying machine showing some signs of wear. Congressional quarterly weekly report, v. 42, Jan. 7, 1984: 15-19.

Assesses the influence of the AMA on Capitol Hill, with attention given to its political action arm--AMPAC.

The Regulation of union political activity: majority and minority rights and remedies. University of Pennsylvania law review, v. 126, Dec. 1977: 386-424. K25.N69, v. 126

Comment analyzes section 112 of the Federal Election Campaign Act amendments of 1976, regulating union political activity and Federal elections. The discussion considers the history of union political activity, constitutional questions in the regulation of union activity, the dilemma of dissidents, and remedies for statutory violations by unions.

Republican National Political Action Committee. Financial support by organized labor to House and Senate candidates in 1976. PAC brief, v. 1, Dec. 1977: whole issue.

Shaw, Robert D., Jr. Direct-mail pleas raise thousands for fundraisers, little for cause. Miami herald, Mar. 30, 1981: 1A, 4A. Newsp.

Discusses the role of direct-mail in the fundraising operations of New Right PACs, arguing that this activity consumed the great bulk of the money spent by these groups in the 1980 elections.

----- New Right gave candidates little. Miami herald, Mar. 29, 1981: 1A, 20A.

An examination of the financial activities by the New Right PACs in the 1980 elections.

Timberg, Robert. The PAC business. Baltimore Sun, July 11, 1982: A6-A7; July 12: 1, A6; July 13: 1, A4; July 14: 1, A11, July 15: 1, A12; July 16 16: 1, A8-A9; July 17, 1, A4-A5; July 25: 1, A5.

Series contains profiles on the inner workings of several ideological, nonconnected PACs. Titles include:

-- "The Political Money Machines: Fat, Fancy, Free of Curbs"
-- "NCPAC Means Business for Friends on the Right"
-- "Insiders in NCPAC Operate Group Like a Family Business"
-- "Liberal PROPAC Set Up to Counteract Groups on Right"
-- "Anti-Abortion PAC Sticks to Fund-Raising"
-- "PACs, Principles and Profits: This Activist is a One-Man Band"
-- "Anti-Abortion PAC Gives Aid Where it Isn't Wanted"
-- "New Liberal PAC Follows Old Financial Game Rules"

Trost, Cathy. Occidental Petroleum flexes its political muscles. Business and society review, no. 43, fall 1982: 46-49.

"The combination of Occidental's PAC donations with corporate contributions on a private level only serve to strengthen Occidental's already-strong power base in Washington, where the company's influential lobbyists . . . complement the social and business diplomacy of eighty-three-year-old Chairman of the Board Armand Hammer."

Tumin, Jonathan. How to bury liberals. New republic, v. 182, May 24, 1980: 13-15. AP2.N624, v. 182

"The enormous increase in the number of corporate and trade PACs represents two major threats to liberal policies and politicians: first, through sheer numbers, conservative PACs are now greatly outspending labor union PACs, often endangering liberal Democrats in Congress; and second, these donations are jeopardizing pro-consumer legislation across a whole range of issues."

Wagner, Susan. The political action committee: a new way for publishers to make their voices heard. Publishers weekly, v. 209, Mar. 8, 1976: 36-38. Z1219.P28, v. 209

Outlines concerns facing publishers, such as copyright, postal rates and freedom of information and describes the lobbying activities of the Committee set up for publishers to support candidates and to make their feelings known on the Hill.

HOW PACs WORK

(Primarily, these citations are to guides on setting up a PAC or which offer some description of how PACs operate; some are articles which explore the inner workings of PAC operations)

American Institute of Certified Public Accountants. Federal election campaign guide task force. Compliance with Federal election campaign requirements: a guide for candidates. New York, 1980. 192 p. KF4920.A95 1980

Appendix 5 summarizes laws on PACs and chapter 5 describes tax considerations for PACs and others.

Anderson, Gary. Political action committees: attaining technical sophistication. Campaigns and elections, v. 4, summer 1983: 28-34.

Executive director of the Texas Medical Political Action Committee (TEXPAC) describes that organization as a model for professional association PAC development.

Chamber of Commerce of the United States of America. Public Affairs Dept. Corporate political action committee guidelines. Washington, 1982. 1 v. (various pagings) KF4886.G84

"This document is designed to provide corporations, trade and professional associations, and chambers of commerce with a reference source for organizing, operating, and conducting the activities of a politial action committee in accordance with both the Federal election laws and regulations and the Federal tax laws, regulations, and rulings."

Hamburger, Tom. How to fleece the PACs. Washington Monthly, v. 15, July-Aug. 1983: 27-31.

Finds that most political action committees "were paying less attention to philosophy. Some regularly contributed to members of certain congressional committees. Some focused on candidates in close races. But the most common criterion, particularly for corporate and industry PACs, was what (David) Strauss calls 'winnability.'" In fact, "the most infallible trick is to wait to fork over the money until the workings of chance have finished, and one candidate or another has actually won."

Handler, Edward, and John Mulkern. The governance of corporate PACs. Prepared for delivery at the 1982 annual meeting of the American political science association, Denver, Sept. 2-5, 1982.

This paper represents an effort to bring empirical knowledge to bear on the controversy about the organizational character of corporate PACs and their relationship to corporate leadership. It examines the composition and structure of the committees that run the organizations, and their decision-making. It then explores the extent of participation and influence of CEOs and of contributor constituencies in the affairs of PACs.

Herndon, James F. Access, record, and competition as influences on interest group contributions to congressional campaigns. Journal of Politics, v. 44, Nov. 1982: 996-1019.

Concludes from interviews with representatives of four business political action committees and four labor PACs that the business groups emphasize support for incumbents (which suggests a strategy of seeking access), while the labor groups emphasize party affiliation (a strategy of record-stressing). "Business groups, satisfied (at least not terribly dissatified) with the makeup of Congress, could be expected to emphasize legislative activity, whereas labor, somewhat unhappy with the membership of Congress, could be expected to place more emphasis on electoral activity."

Hershey, Robert D., Jr. $22,000 divided by four dozen races equals a busy day for one committee. New York times, Oct. 13, 1982: B5.
An inside look at the decision-making process on candidate selection in one corporate PAC.

Hunt, Albert R. An inside look at politicians hustling PACs. Wall Street journal, Oct. 1, 1982: 33, 37.
"What emerges are some shameless campaign solicitations, underscoring the need of politicians of both parties to rely more and more on special-interest money."

Kendall, Don R. Corporate PACs: step-by-step formation and troublefree operation. Campaigns and elections, v. 1, spring 1980: 14-20.
JK1976.C33, v. 1
An overview of what PACs are and how they are formed, focusing on the corporate sector.

Light, Larry. The game of PAC targeting: friends, foes and guesswork. Congressional quarterly weekly report, v. 39, Nov. 21, 1981: 2267-2270.
Examines how political action committees target their funds for Congressional candidates.

The PAC handbook: political action for business. Washington, Fraser Associates, 1981. 363 p. JK467.P33 1981
A "how-to" Guide for those interested in establishing a PAC, including case studies, legal guidelines, and strategies for the future. It emphasizes corporate and trade PACs.

PACs: how to back the 'right' candidates. Engineering news-record, v. 201, Nov. 2, 1978: 24-25, 27. TA1.E6, v. 201
"Whether it was situs picketing or labor law reform or higher taxes on foreign-earned income--or maybe just closer look at recent changes in the federal election law--the result is this: construction, like business in general, is getting into politics. A growing number of construction companies and trade associations are following labor's lead--they've stopped talking about political action and started taking it through political action committees (PACs)." Includes a list of construction corporate political action committees.

Sansweet, Stephen J. Political-action units at firms are assailed by some over tactics. Wall Street journal, July 24, 1980: 1, 12.
HG1.W26
Discusses the issue of alleged coercion of corporate employees for PAC contributions, based on interviews with managers, employees, and outside observers.

Schwartz, Thomas J., and Vigo G. Nielsen, Jr. The corporation in politics 1982: PACs, lobbying laws, and public officials. New York, Practising Law Institute, 1982. 529 p. (corporate law and practice course handbook series no. 385)

Partial contents--Contribution and expenditure limitations under the Federal Election Campaign Act of 1981, as amended, by V. Nielsen, Jr.--Contributions and expenditures by national, state, and local political party committees, by C. Darr--Restrictions on political contributions and expenditures by business corporations, by B. Vandegrift--House and Senate rules relating to gifts and honoraria, by G. Frampton, Jr.--Political activity by national banks and Federal contractors, by T. Schwarz and A. Straus.--Corporate political action committees and trustee plans, by J. Baran--Active corporate participation in elections, by C. Darr--Registration and reporting for a political action committee and other non-candidate committees, by V. Nielsen, Jr.--Political activity by trade associations under the Federal Election Campaign Act, by T. Schwarz and A. Straus--Solicitation of voluntary contributions by membership organizations, cooperatives, and corporations without capital stock, by T. Schwarz and A. Straus--Federal regulation of lobbying and ethics in government acts, by K. Guido, Jr.--Federal taxation of corporate political activity; by L. Ator, Jr.--FEC compliance and enforcement, by C. Steele and N. Litchfield.

Sorauf, Frank J. Accountability in political action committees: who's in charge? Prepared for delivery at the 1982 annual meeting of the American Politial Science Association, Denver, Sept. 2-5, 1982. 38 p.

Explores the questions: "Who runs the PACs, to whom do they answer, and what ultimate political accounting must they make? If not by legisltion, then by what other mechanisms of control are they held to our standards of political ethics and accountability."

Timberg, Robert, and Grant Williams. PACs could allow foreign role in elections. Baltimore sun, Aug. 29, 1982: 1, A14.

"Foreign corporations, including some in which foreign governments control large portions of stock, have direct links to numerous political action committees in the United States through American subsidiaries they own wholly or in part.

These PACs exist despite a federal law that prohibits foreign involvement in the American political process at all levels--local, state or federal."

U.S. Federal Election Commission. Campaign guide for corporations and labor organizations. Washington, U.S. Govt. Print. Off., 1982. 56 p.

A layman's guide to the FECA's rules for setting up and operating a corporate or labor (or other affiliated) PAC, in full compliance with the law's reporting and disclsoure requirements.

U.S. Federal Election Commission. Campaign guide for nonconnected committees. Washington, U.S. Govt. Print. Off., 1983. 52 p.
A layman's guide to the FECA's rules for setting up and operating an unaffiliated PAC, in full compliance with the law's reporting and disclosure requirements.

----- Regulations. Washington, 1983. 278 p. KF4885.A33 1983
Regulations for compliance with the Federal Election Campaign Act of 1971, as amended.

THE IMPACT OF PAC CONTRIBUTIONS

(These citations offer various perspectives on the connection between PAC contributions and outcome of policy decisions; these mostly focus on particular PACs or issues)

Are Congressmen for sale to business? Business and society review, summer 1980: 10-14. HD60.5.U5B855
"It is widely estimated that business and trade associations, through lawful political action committees (PACs), will give approximately $30 million to congressional and presidential candidates this year. And this figure does not include donations by wealthy individuals, nor the huge sums given to state and local candidates."

Cargogate. Ripon forum, v. 13, Aug. 15, 1977: 1-18. JK2351.R55, v. 13
Charges that the Carter administration's proposed cargo preference legislation is a return favor for merchant marine support and that this link is being kept from public scrutiny. Includes copies of memos to the President on options concerning cargo preference legislation.

Cash politics. Wall Street journal, July 26, 1982: 1, 13; July 29: 1, 10; Aug. 2: 1, 13.
Three part series examines the influence of political action committee funds on congressional decisions. Titles include:
-- "Special Interest Money Increasingly Influences What Congress Enacts,"
-- "How Realtors PAC Rewards Office Seekers Helpful to the Industry," and
-- "A Liberal Congressman Turns Conservative; Did PAC Gifts Do It?"

Chappell, Henry W., Jr. Campaign contributions and voting on the cargo preference bill: a comparison of simultaneous models. Public choice, v. 36, 1981: 301-312. JA1.P77, v. 36
Correlates congressional voting on the Energy Transportation Security Act, a 1977 House bill which would have required that 9.5% of America's oil imports be carried on U.S. built and operated ships, with campaign contributions from three maritime union political action committees--the National Maritime Union, the Marine Engineers, and the Seafarers. The author finds "unavoidably ambiguous" results for his hypothesis that interest group contributions influence legislative voting.

Common Cause. A Common Cause guide to money, power, and politics in the 97th Congress. Washington, 1981. 239 p.
"Lists all campaign contributions from PACs to some of the most important and powerful government decisionmakers in Washington--the Democratic and Republican leadership in Congress and House and Senate Committee Chairmen."

----- House Agriculture Committee members facing key vote to limit dairy price supports received more than $350,000 from dairy industry PACs in last two elections. Washington, 1981. 5, 1 p.
Presents statistics on campaign contributions received by House Agriculture Committee members from the three major dairy political action committees. The committee is considering a measure to freeze automatic dairy price support increases.

----- How money talks in Congress: a Common Cause study of the impact of money on congressional decision-making. Washington, 1978. 111 p.
JK1991.C655 1978
This study is "intended to demonstrate the various ways in which political contributions, financial holdings, honoraria, outside earnings and lobbying expenditures affect congressional decisions that have an impact on the lives of all Americans."

----- More than $1 million in political contributions pays off in key legislative victory. Washington, 1979. 5, 10 p.
Argues that the $1.1 million contributed to 1978 congressional candidates by the National Association of Realtors' political action committee was a factor in the June 7 House vote eliminating from the 1979 Housing and Community Development Act the power of the Department of Housing and Urban Development to issue cease-and-desist orders where there was reasonable cause to believe that fraudulent sales techniques had been used, in violation of the Interstate Land Sales Full Disclosure Act.

Green, Mark. Political Pac-Man. New republic, v. 187, Dec. 13, 1982: 18-21, 24-25.
Expresses alarm at the link between political action committee contributions to candidates and PAC lobbying of Members of Congress. "According to studies by Public Citizen's Congress Watch and Common Cause, PAC contributions invariably correlate with legislative results. When specific economic interests invest substantial amounts in many members before key votes, the dividends roll in."

Green, Mark, and Jack Newfield. Who owns Congress. Washington post magazine, June 8, 1980: 10-19, 21. Newsp.

From examination of political action committee contributions, alleges that many Members of Congress are under the influence of particular business interests--the oil, banking, defense, nuclear power, tobacco, insurance, shipping, trucking, airline, and automobile industries, and the medical, gun, and anti-FTC lobbies. Includes a discussion (p. 16) of spending by union PACs, by Spencer Rich.

Handel, Ted. What PACs do. Public power, v. 41, Mar.-Apr. 1983: 40-42, 44, 46.

Defends political action committees from the charge that they exert an unhealthy influence on the legislative process. "The fact that candidates receive PAC money and when elected support these legislative interests does not necessarily mean they are tainted. They also may be voting for their own belief and constituents' interests. If PACs do not have the sinister influence ascribed to them, what does a group gain by having one? Access."

Huck, Susan L. M. Buying Congress. American opinion, v. 21, July-Aug. 1978: 7, 9-16, 129, 131-132. AP2.04732, v. 21

Charges that labor unions and "various Leftist political organizations" in effect "buy" sympathetic Members of Congress with huge campaign contributions.

Kosterlitz, Julie. At the mercy of the highest bidder. Common Cause, v. 8, Aug. 1982: 8-20.

Warns of the growing influence in congressional elections and deliberations of political action committees, which "have gotten to be big business in the nation's Capital. And, since the bulk of PAC dollars go to incumbents, PACs have a powerful built-in constituency against reform--Members of Congress themselves. PACs' growth and apparent success is sending a message to the nation that, increasingly, ours is a government of, by and for the special interests."

McMenamin, Michael, and Walter McNamara. Milking the public; how the dairy lobby buys friends and favors in Carter's Washington. Inquiry (San Francisco), v. 1, Nov. 13, 1978: 9-13. E839.5.I5, v. 1

Authors discuss the operation of the dairy lobby in Washington asserting that "you don't find the dairy lobby driving tractors or herding animals through the streets of Washington . When dairy farmers want another subsidy from the federal government, they go to Capitol Hill quietly and smoothly, with well-paid lobbyists and lawyers carrying briefcases full of money. Next to the American Medical Association, the dairy lobby gave more campaign contributions to House and Senate candidates in 1976 than any other interest group--over 1.3 million dollars."

Public Citizen, inc. Congress watch. Nader study links oil contributions to pro-oil House vote. Washington, 1979. 2, 10, 2 p.
"95% of U.S. Representatives who received more than $2500 from oil industry 'political action committees' voted on June 28, 1979, for an industry-favored version of the windfall profits tax, according to a study done by Public Citizen's Congress Watch, a consumer advocacy group affiliated with Ralph Nader."

----- The power of the PACs: campaign contributions from car dealers to congressional co-sponsors of resolutions to veto the FTC's used car rule. Washington, 1981. 6, 6 p.
Presents statistics on campaign contributions given by the National Automobile Dealers Association's PAC to senators and members of Congress cosponsoring the congressional veto resolution to disapprove the proposed Federal Trade Commission rule requiring used car dealers to list all warranties and known defects.

Robinson, Gail. Many happy returns. Environmental action, v. 12, Dec. 1980: 28-32. HC110.B5E496, v. 12
Expresses skepticism that the Reagan administration will promote environmental protection and analyzes the impact of the 1980 congressional elections on environmental causes in the 97th Congress. Includes separate discussions on the outcome of antinuclear referenda in western states (p. 29) and on the effort to have congressional candidates reject contributions from the political action committees of the "Filthy Five"--corporations which are allegedly major polluters (p. 31).

Roeder, Edward. Catalyzing favorable reactions: a look at chemical industry PACs. Sierra, v. 66, Mar.-Apr. 1981: 23-26. F868.S5S476, v. 66
Discusses the impact of chemical industry political action committee funds on legislation and elections.

----- Lubricating Congress. Sierra, v. 65, Mar.-Apr. 1980: 6-8, 10-11. F868.S5S476, v. 65
"A shocking analysis of how Big Oil buys votes--and influence. How can we have independent legislators when so many are on the payroll?"

Running with the PACs: how political action committees win friends and influence elections. Time, Oct. 25, 1982: 20-26.
"Today the power of PACs threatens to undermine America's system of representative democracy."

Sedacca, Sandra. Dirty money . . . dirty air? A Common Cause study of political action committee contributions to House and Senate Committees reviewing the clean air act. Washington, 1981. 14 p.
Finds that members of the Senate Environment and Public Works Committee and the House Energy and Commerce Subcommittee on Health and Environment, with jurisdiction over the reauthorization of the expiring Clean Air Act, received almost $1.15 million in 1980 campaign contributions from the political action committees of seven industries--automobiles, chemicals, forest products, metals and mining, oil and gas, steel, and electric utilities--affected by provisions of the law.

Take $2,000 and call me in the morning: A Common Cause Study of American Medical Association political action committee contributions. Washington, Common Cause, 1983. 1 v. (various pagings).
"Examines AMA PAC giving for the past three congressional election cycles--from January 1, 1977 through November 22, 1982--in order to provide a picture of the cumulative impact PAC contributions can have in creating obligations for Members of Congress."

INDEPENDENT EXPENDITURES

(Citations to some of the discussions of this form of campaign spending and how it overlaps with PAC activity)

Glen, Maxwell. Free spenders--the 'other' campaign for Reagan chooses its targets. National journal, v. 12, Sept. 13, 1980: 1512-1515.
JK1.N28, v. 12
Describes the independent expenditure plans and activities of conservative groups seeking to advance Ronald Reagan's candidacy for President in 1980.

----- How to get around the campaign spending limits. National journal, v. 11, June 23, 1979: 1044-1046. JK1.N28, v. 11
Anticipates the increasing incidence of independent spending, particularly by PACs, as a means of influencing elections.

----- Independent spenders are gearing up, and Reagan and GOP stand to benefit. Congressional quarterly weekly report, v. 15, Dec. 17, 1983: 2627-2631.
"More money than ever is expected to be spent independently of candidates in 1984, and Democratic and liberal groups lag well behind Republicans in their plans."

Independent political committees and the Federal election laws. University of Pennsylvania law review, v. 129. Apr. 1981: 955--993.
"Comment examines, in the context of presidential general election campaigns, the issues arising from" the Supreme Court's holding in Buckley v. Valeo, that limits imposed on independent campaign expenditures by the Federal Election Campaign Act were illegal, while upholding "the limitations on contributions." Considers implications of this revised treatment of independent expenditures.

Kayden, Xandra. Campaign under siege: reflections on one senator's defeat. New York University review of law and social change, v. 10, no. 1, 1980-1981: 67-79.
Political scientist reviews the response to the advertising of the independent National Conservative Political Action Committee presented by a losing incumbent in the 1980 election, as an illustration of "the counter-strategies candidates are forced to develop in response to the negative spending tactics of special interest groups."

Light, Larry. Independent Reagan groups have shaved spending plans. Congressional quarterly weekly report, v. 38, Oct. 18, 1980: 3152-3153. JK1.C15, v. 38

"Last summer, five groups announced media efforts totaling up to $70 million to aid the GOP presidential nominee. Now the organizations project overall spending of slightly less than $15 million."

----- Surge in independent campaign spending. Congressional quarterly weekly report, v. 38, June 14, 1980: 1635-1639. JK1.C15, v. 38

Provides background on the independent spending phenomenon and its increasing popularity among PACs, particularly ideological ones.

Public Citizen. New Right exploits campaign loophole (press release): May 1981.

Reports on independent expenditures by individuals and groups (e.g., PACs) in 1980, arriving at a total of $16.1 million.

U.S. Federal Election Commission. FEC issues final report on 1981-82 independent spending (press release): Oct. 14, 1983. 6 p.

Final summary data on independent expenditures in the 1982 elections.

U.S. Library of Congress. Congressional Research Service. Independent expenditures in political campaigns--A discussion of constitutional constraints. Elizabeth Yadlosky. Washington, 1982. 23 p. (Report no. 82-83S)

Examines legal and constitutional aspects of independent expenditures.

----- The evolution of and issues surrounding independent expenditures in election campaigns. Joseph E. Cantor. Washington, 1982. 78 p. (Report 82-87 GOV)

Reviews the history and legal bases of independent expenditures, and examines their use through the 1980 elections and the debate surrounding them.

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