

Inaction will doom hope of campaign-finance reform

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Opinion

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WASHINGTON — We are so accustomed to arguing about the decisions politicians make that we often forget about the importance of non-decisions.

“Non-decision making” is a wonderful concept introduced many years ago by the political scientists Peter Bachrach and Morton Baratz, who spoke of how demands for change “can be suffocated before they are even voiced.”

Americans are on the verge of making a non-decision about how we pay for presidential campaigns. If Congress does nothing, a system that succeeded in limiting the impact of special interest money on elections for our highest office will collapse.

Opponents of campaign finance reform love to claim that the money-in-politics problem is insoluble. But the public financing of presidential campaigns, instituted in response to the Watergate scandals of the early 1970s, was that rare reform that accomplished exactly what it was supposed to achieve.

“I see this presidential financing system as one of the few things you can turn to and say: this was well conceived and it actually worked,” said Sen. Russ Feingold, D-Wis., who is leading the effort to save the system.

At its core, public financing works because it is based on incentives, not compulsion. As the system stands now, presidential candidates who agree to limit their spending during the primaries — the limit was roughly \$45 million in 2004 — receive matching public funds for contributions of up to \$250.

In a general election, candidates receive a flat amount — about \$75 million in 2004 — in exchange for not raising any private money. Candidates are thus put on a level playing field and the political system is protected from some of the corruptions the chase for campaign dollars can entail.

The plan worked splendidly through most of the 1980s — conservatives take note: Ronald Reagan and the movement he led prospered under the system, and the presidential big-money scandals of the Watergate years did not reappear.

But inevitably, the system has fallen victim to inflation (the spending limits are now too low) and the multiplication of loopholes, some created by flawed decisions from the Federal Election Commission.

In 2000, George W. Bush refused the federal funds during the Republican primaries because he knew he could raise and spend far more money than the system permitted. In 2004, both Bush and Democrat John Kerry rejected public funds in the primary period, during which they raised about \$500 million.

It's only a matter of time before antiquated limits force presidential candidates to forget about public funds all together. Big blocks of money, which already have too much influence on Congress (do the recent scandals leave much doubt about that?), would now play a major role in presidential elections, too.

It doesn't have to happen. Feingold, along with veteran House reformers Chris Shays, R-Conn., and Marty Meehan, D-Mass., has introduced a bill to update the system and make it relevant to today's prices and politics.

The changes they propose are both practical and innovative. To create strong incentives for small money donors, the bill would establish a 4-1 match for all individual contributions of \$200 or less in the primary period. To take into account how the presidential primaries actually work (candidates need to spend far more in the decisive early primaries than in later primaries), state-by-state limits on spending are scrapped. The primary spending limit would be raised to \$150 million, while candidates would receive a flat \$100 million for the fall election.

The proposal takes into account contingencies the old system didn't cover. For example, spending limits would be raised for a candidate being massively outspent by an opponent who rejected the system's restrictions.

Market economists have instructed us on the importance of incentives. For roughly 30 years, the presidential election system created strong inducements so candidates could avoid some of the worst aspects of the money chase and still run competitively.

And the relatively modest costs of public financing are a form of taxpayer insurance: With presidential candidates protected from some of the exigencies of fundraising, citizens can have a greater sense of security that their chief executive, who presides over a \$2.7 trillion federal budget, will not have his choices influenced by major givers.

Many of the worst mistakes in politics are sins of omission. If Congress does nothing, we risk returning to the rules of the pre-Watergate years and a much higher risk of scandal. Feingold, Shays and Meehan have issued a timely warning. Their colleagues should pay attention before a successful reform falls to pieces.