Did Money Buy Republican Success?

Anna Harvey*

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Abstract

This paper uses the Supreme Court’s ruling in *Buckley v. Valeo* (1976) to identify the causal impact of money in elections. Estimates consistently suggest that the *Buckley*-induced removal of state limits on campaign spending led to increased Republican voteshares, increased Republican candidate entry, and decreased Democratic candidate entry in state legislative and gubernatorial elections in states affected by the ruling, and to both increased Republican House voteshares and the election of more conservative freshman Republican House incumbents in states both affected by the ruling and holding concurrent federal and state elections. These findings may provide a causal underpinning for the observed correlations between increased campaign spending, increased Republican electoral success, and increased Republican conservatism since the mid-1970s.

*Professor of Politics, Department of Politics, New York University, 19 West 4th Street, New York, NY 10012; Email: anna.harvey@nyu.edu.
1 Introduction

Since the mid-1970s the U.S. has seen a dramatic increase in the conservatism of congressional Republicans, an increase largely due to an influx of increasingly conservative Republican freshmen. Congressional Democrats have moved only gradually to the left over the same period (see Figures ?? and ??). These phenomena have been widely noted yet remain largely unexplained (Barber and McCarty 2015, although see Voorheis et al 2015).

![Figure 1: DW-NOMINATE Party Means](image1.png)

![Figure 2: Inter-Election Change in District-Level House DW-NOMINATE Scores](image2.png)

Despite relatively strong theory predicting electoral returns to moderation (Downs 1957), Republican House candidates began to attract more electoral support as they became more conservative in the mid-1970s. As the proportion of moderate House Republicans began a sustained decline with the cohort elected in the 1976 elections, the Republican share of the national House popular vote began a period of relatively sustained growth, reaching a 64-year high in 2010. We do not observe the same negative correlation between the proportion of moderate House Democrats and the Democratic share of the House popular vote (see Figures ?? and ??). The apparent correlation in the aggregate between increasing Republican extremism and increasing Republican electoral success, and the absence of this correlation for Democrats, also remain unexplained.
A currently prominent story is that, in approximately the mid-1970s, increasingly wealthy donors began to use increasingly large sums of money to buy the election of increasingly conservative Republican representatives, largely in order to protect donor wealth (Mayer 2016; also see Lessig 2011, Feddersen and Gul 2014). It is true that the flow of money into federal campaigns has increased dramatically since the mid-1970s (see Figure ?? in the Appendix). However, efforts to identify causal relationships between campaign money and outcomes have suffered from significant identification problems (Hall 2015).

This paper uses the Supreme Court’s ruling in *Buckley v. Valeo* (1976) to identify the causal impact of the removal of state campaign spending limits on Republican electoral success and Republican extremism in the mid-1970s. In *Buckley*, the Court struck *inter alia* the limits on campaign spending in federal elections that had been enacted in the Federal Election Campaign Act Amendments of 1974. Because the 1974 amendments were challenged immediately after they became effective in January 1975, and because the Court’s ruling in *Buckley* was issued in January 1976, the campaign spending limits never took effect for federal elections. Yet because the ruling in *Buckley* was based on a sweeping First Amendment argument, the ruling also struck statutes in 26 states limiting campaign spending in state legislative and gubernatorial races. As of the 1976 state legislative and
gubernatorial elections, these spending caps were no longer in effect.

The effects of Buckley’s ruling are analyzed here using both conventional difference in differences (DD) designs and Coarsened Exact Matching (CEM) on pretreatment levels of and trends in Republican electoral success and Republican extremism. The results suggest that the Buckley-induced removal of state limits on campaign spending led to increased Republican voteshares in state legislative and gubernatorial elections, and to increased Republican candidate entry and decreased Democratic candidate entry in state legislative elections. Subsetting the data indicates that Buckley’s effects on candidate entry were of the largest magnitude in districts won by the opposing party in the previous election, a finding consistent with the greater insulation of incumbents from the effects of changes in campaign spending restrictions. Results are robust to the exclusion of Southern states, to the restriction of the sample to only those states whose laws regulating campaign spending restrictions remained unchanged between 1950 and 1976, to the inclusion of indicators for the pretreatment presence of other state-level campaign finance statutes, and to the use of 1978 rather than 1976 as the first post-ruling election.

Further, CEM analyses of county-level returns for House elections indicate that Buckley had no effect on Republican voteshares in federal elections held in states with no concurrent state elections, but had effects of comparable magnitude to those observed for state elections in federal elections held concurrently with state elections. OLS and CEM analyses of changes in House DW-NOMINATE scores for those districts electing freshman incumbents in 1976 indicate that Buckley’s ruling appears to have led to the election of relatively more conservative freshman Republican House incumbents in the states both affected by the ruling and holding concurrent federal and state elections, and that the Buckley-induced rightward moves for Republican House freshmen in the treated/concurrent states were larger than the rightward moves made by Democratic House freshmen in the same states. These findings are robust to the exclusion of Southern states, and to pre-ruling placebo tests. The paper
concludes with a discussion of the possible relevance of the findings to the more general correlations between increased campaign spending, increased Republican electoral success, and increased Republican extremism during the same time period.

2 Identifying the Causal Impact of Money in Elections

The claim of interest here is that the net effect of money in elections is to move outcomes in a more conservative direction (Lessig 2011, Feddersen and Gul 2014, Mayer 2016). This claim has two components. The first is the hypothesis that, in a right-skewed income distribution, we would expect the median donor to favor less redistribution, relative to the median voter, and therefore to disproportionately support less-redistributive candidates (Feddersen and Gul 2014). Further, as the income distribution shifts to the right, we would expect the median donor to support candidates who are even more conservative, relative to the position of the median voter (Ibid). These hypotheses, while plausible, cannot be tested directly.

The second component to the claim is the hypothesis that campaigns can affect electoral outcomes. For this hypothesis there is empirical support. For example, we know from both experimental and quasi-experimental evidence that campaigns can have significant effects on turnout (Green, McGrath, and Aronow 2013, Enos and Fowler 2016). Radio and television ads have also been shown experimentally to have short-term effects on voters’ preferences (Gerber et al 2011). Greater access to campaign money by more conservative candidates may then enable relatively more effective efforts to increase the turnout of more conservative voters, and/or to shift the short-term preferences of voters in a more conservative direction.

unidentified, however; candidates’ fundraising and spending choices are almost certainly endogenous to their likely electoral success. Some studies have attempted to use the variation in state-level campaign finance laws in an effort to achieve identification (Besley and Case 2003, Stratmann 2006, Stratmann and Aparicio-Castillo 2006, La Raja and Schaffner 2014, Hall 2015, Barber 2016). However, these findings are vulnerable to the endogeneity of campaign finance laws to state-level covariates. Recent experimental work on the effects of money in elections shows great promise, yet findings are as yet relatively limited in scope (Panagopolous and Green 2008, Kalla and Broockman 2016).

This paper uses the Supreme Court’s ruling in *Buckley v. Valeo* (1976), repealing *inter alia* 26 state statutes restricting campaign spending in state elections, to achieve identification.

3 *Buckley v. Valeo* (1976)

The Federal Election Campaign Act of 1971, as amended in 1974, *inter alia* limited general and primary campaign expenditures by candidates for federal office to various specified amounts, depending upon the office sought. In *Buckley v. Valeo*, 424 U.S. 1, decided on January 30, 1976, the Supreme Court ruled that "the First Amendment requires the invalidation of the Act’s...ceilings on over-all campaign expenditures, since those provisions place substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate" (424 U.S. 3). Because the 1974 FECA amendments had not become effective until January 1975, the campaign spending limits never took effect for federal elections.

But the sweeping First Amendment ruling in *Buckley* did impact the campaign spending ceilings for state legislative and gubernatorial races on the books in 26 states in 1976, rendering these ceilings invalid for the 1976 state election cycle. Table ?? reports the states
that had mandatory expenditure limits in 1976 and the date of the first election in which each statute took effect (with 1950 being the first year for which data is available). Figure ?? in the Appendix maps a reduced form of the pattern of enactment and repeal of campaign spending limits.

Table 1: States With Mandatory Expenditure Limits in 1976

<table>
<thead>
<tr>
<th>State</th>
<th>Date statute/s enacted</th>
</tr>
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<tbody>
<tr>
<td>Maine</td>
<td>1972</td>
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<tr>
<td>Vermont</td>
<td>1970</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>1950</td>
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<tr>
<td>Massachusetts</td>
<td>1950</td>
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<td>New York</td>
<td>1950</td>
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<td>New Jersey</td>
<td>1950</td>
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<tr>
<td>Ohio</td>
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<tr>
<td>Indiana</td>
<td>1950</td>
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<tr>
<td>Michigan</td>
<td>1950</td>
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<tr>
<td>Wisconsin</td>
<td>1950</td>
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<td>Iowa</td>
<td>1950</td>
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<td>Kansas</td>
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<td>Minnesota</td>
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<tr>
<td>North Dakota</td>
<td>1950</td>
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<tr>
<td>South Dakota</td>
<td>1950</td>
</tr>
<tr>
<td>Montana</td>
<td>1950</td>
</tr>
<tr>
<td>Wyoming</td>
<td>1950</td>
</tr>
<tr>
<td>Utah</td>
<td>1974</td>
</tr>
<tr>
<td>Oregon</td>
<td>1950</td>
</tr>
<tr>
<td>Maryland</td>
<td>1950</td>
</tr>
<tr>
<td>Florida</td>
<td>1972</td>
</tr>
<tr>
<td>Alabama</td>
<td>1950</td>
</tr>
<tr>
<td>Mississippi</td>
<td>1970</td>
</tr>
<tr>
<td>Missouri</td>
<td>1950</td>
</tr>
</tbody>
</table>

Source: Primo and Milyo (2006)

*Buckley’s* repeal of these state-level spending restrictions created a natural experiment. States with spending limits were forced to repeal them without having chosen to do so voluntarily. The ruling thus offers the opportunity, in a perhaps narrow yet identified context, to test the hypothesis that the net effect of money in elections is to move outcomes in a more conservative direction. Did the repeal of state-level campaign spending restrictions, by presumably increasing the relative availability of campaign funds for more conservative candidates, increase relative Republican electoral success and relative Republican candidate entry, and decrease relative Democratic candidate entry, in state legislative and gubernatorial
elections affected by the ruling? Moreover, did these effects spill over into concurrent House elections, and did the spillover effects include a relative increase in the conservatism of freshman Republican House incumbents in those states affected by the ruling?

The focus here is on these reduced form questions, rather than on the flow of money that presumably mediated between the restrictions’ repeal and electoral outcomes, because of the difficulties inherent in identifying the causal impact of campaign money. Disclosure of money in state elections is uneven, and those few states with thorough disclosure in the 1970s do not have digitized records available for this period (Spencer and Wood 2014). Perhaps more importantly, even if these records were fully available, we would still be unable to make inferences from them. Money can affect electoral outcomes from the sidelines, without ever being contributed and/or spent; the mere knowledge that state campaigns could spend without limit after Buckley may have affected outcomes (Fox and Rothenberg 2011). Conversely, the fact that money is raised and spent does not imply an effect on outcomes (Hall 2015).

Empirically, it is the case that in a variety of contexts the Republican Party has appeared to benefit disproportionately from campaign money. In the earliest election cycles for which we have more detailed data, Republican House candidates exhibit a consistent advantage in raising donor funds, relative to Democratic House candidates, and the Republican party committees consistently raise more funds than the Democratic party committees (see Figures ?? and ?? in the Appendix). Cooper, Gulen and Ovtchinnikov (2010) likewise found that between 1979 and 2004, corporations donated more money to Republican candidates in federal elections, relative to donations to Democratic candidates, while Klumpp, Mialon, and Williams (2014) found that Republican Super PACs raised about 50% more, and spent about 100% more, than Democratic Super PACS in the 2010 and 2012 federal elections. Besley and Case (2003) found that state statutes restricting corporate campaign contributions were

\footnote{For a similar approach see Klumpp, Mialon, and Williams (2014).}
positively associated with the Democratic seat share in both chambers of state legislatures between 1950 and 2000. Klumpp, Mialon, and Williams (2014) found that Citizens United (2010), striking bans on corporate and union independent expenditures, was associated with increases in the probabilities that Republican incumbents ran for reelection and that Republican candidates won office in state lower house legislative elections between 2000 and 2012. Klumpp et al (2014) also found decreases in the probability that Democratic candidates contested races in state lower house legislative elections between 2000 and 2012. Hall (2015) found that corporations disproportionately donated to the Republican party in state legislative races from 1990-2012, and that state statutes prohibiting corporate contributions during this period were associated with higher Democratic seat shares in state legislatures.

We also know that the flow of money into federal campaigns has increased dramatically since the mid-1970s. Average campaign spending in House races has risen in every year since 1974, the first year for which data are readily available. This increase in campaign spending is positively correlated both with the increase in the Republican share of the House popular vote, and with the increase in the conservatism of Republican House incumbents (see Figure ?? in the Appendix). It is worth emphasizing, however, that drawing inferences from spending, or from voluntarily enacted state statutes regulating spending, is suspect for the reasons discussed above.

4 State Legislative and Gubernatorial Elections

4.1 Data

District-level Republican shares of the two-party vote in state legislative elections and county-level Republican shares of the two-party vote in gubernatorial elections (both scaled to lie between 0 and 1) are here used as measures of net Republican electoral success in state elections. Republican voteshares are presumably endogenous to the particular candidates
contesting any given race (Hall and Snyder 2015). Yet candidate entry may itself have been
endogenous to restrictions on campaign spending. If Republican candidates in state elec-
tions stood to benefit disproportionately from unrestricted campaign spending after Buckley,
then the lifting of restrictions on such spending may have led to increased Republican and
decreased Democratic candidate entry. District-level Republican and Democratic candidate
entry in state legislative elections, measured as dummy variables equal to 1 if there is a
Republican (Democratic) candidate contesting a race, are also analyzed independently as
measures of Republican electoral success.

State legislative election data are available at the district level from Klarner et al (2013).
Because of the possibility of redistricting, the sample is limited to the period between 1972
and 1981, inclusive. Nebraska is dropped because of its nonpartisan unicameralism. Races
not held in single member districts are also dropped. Gubernatorial election data for even
numbered years from 1972 through 1980 are available at the county level from ICPSR Study
13.

Figures ??-??, and Table ?? in the Appendix, report averaged outcome data by year
and treatment status for the 1972, 1974 and 1976 elections. On every measure, Republicans
experienced gains in the 1976 state legislative and gubernatorial elections held in the treated

candidates

2 In the remaining panel, all states other than Alabama, Maryland, and Mississippi held lower chamber
elections every two years during the period of interest, with only Kentucky and Virginia holding their biennial
elections, and Mississippi holding its quadrennial elections, in odd-numbered years. All states other than
Alabama, Maryland, Mississippi, Michigan, Kansas, South Carolina, Minnesota, New Jersey, Virginia, and
Hawaii also held upper chamber elections every two years during the period of interest, with only Kentucky
holding its biennial elections, and Mississippi, New Jersey, and Virginia holding their quadrennial elections,
in odd-numbered years. Legislative election data are not available for both pre- and post-treatment for
Louisiana.

3 States holding gubernatorial elections every two years in even-numbered years during this time frame
are New Hampshire, Rhode Island, Vermont, and Arkansas. States holding gubernatorial elections every
four years starting in 1972 are Delaware, Illinois, Indiana, Missouri, North Dakota, Louisiana, North Car-
olina, West Virginia, Montana, Utah, and Washington. States holding gubernatorial elections every four
years starting in 1974 are Connecticut, Maine, Massachusetts, New York, Pennsylvania, Michigan, Ohio,
Wisconsin, Iowa, Kansas, Nebraska, South Dakota, Alabama, Florida, Georgia, South Carolina, Texas,
Maryland, Oklahoma, Tennessee, Arizona, Colorado, Idaho, Nevada, New Mexico, Wyoming, California,
Oregon, Alaska, and Hawaii. Gubernatorial election data are not available for New Jersey, Virginia, or
Kentucky, and are not available for both pre- and post-treatment elections for Minnesota and Mississippi.
states, relative to those held in the control states. In state legislative elections, illustrated in Figure ??, the average Republican voteshare remained unchanged between 1974 and 1976 in the control states. But in the treated states, the average Republican voteshare increased by almost 5 percentage points. In gubernatorial elections, illustrated in Figure ??, the average Republican voteshare also remained unchanged between 1974 and 1976 in the control states, but increased by almost 4 percentage points in the treated states. Republican candidate entry in state legislative elections, illustrated in Figure ??, decreased by 3 percentage points between 1974 and 1976 in the control states, but increased by 5 percentage points in the treated states. Democratic candidate entry in state legislative elections, illustrated in Figure ??, remained unchanged between 1974 and 1976 in the control states, but decreased by 3 percentage points in the treated states.

Figures ??-?? also suggest that states that had enacted campaign spending limits were not trending in a more pro-Republican direction prior to Buckley, relative to states that had not enacted spending limits. In fact, in the state elections held just prior to Buckley, Republicans appear to have either been losing electoral support faster in the treated states, relative to the control states (Republican legislative voteshares and Democratic legislative candidate entry), or were losing electoral support at the same rate in the treated states as in the control states (Republican gubernatorial voteshares and Republican legislative candidate entry).\footnote{Independently of these trends, Republicans experienced higher average levels of pretreatment electoral success in states that had enacted campaign spending limits, relative to states that had not. This may be because most of the state campaign spending limits in force in the treated states prior to the ruling in Buckley were enacted prior to the 1950s, during a period in which the racial/regional dimension of conflict in American politics was both important and on which the Republican party was located to the left of the Democratic party (McCarty et al 2006). States enacting campaign spending limits during this period may have been those with greater support for the Republican party’s more liberal position on this dimension. As noted in the text, it would be inappropriate to make inferences about the effects of campaign spending limits from the voluntary enactment of state statutes during the pretreatment period.}
The raw data, however, control neither for variation in state, district, race, and/or year-specific covariates, nor for state and/or district-specific pretreatment trends. The analyses below attempt to address these issues.

### 4.2 Difference in Differences (DD) Analysis

The DD design, which uses the full span of years from 1972-1981, addresses the issue of national-level trends that might have affected Republican electoral success in state legislative and gubernatorial races in the 1970s.
The outcomes of interest are district-level Republican voteshares in state legislative elections, county-level voteshares in gubernatorial elections, Republican candidate entry (0/1) in state legislative elections, and Democratic candidate entry (0/1) in state legislative elections. These outcomes are assumed to be generated by the following equation, which is defined by district/county \( i \) in state \( s \) during election year \( t \):

\[
Voteshare/Entry_{ist} = \beta [Spending Limit_s \times Post-Buckley_t] + \alpha_{is} + \mu_t + \varphi_s t + \varepsilon_{ist}, \tag{1}
\]

\( \text{Spending Limit}_s \) is a dummy variable equal to 1 if state \( s \) had a spending limit in place before the Court’s ruling in Buckley; \( Post-Buckley_t \) is a dummy variable equal to 1 if the election year is 1976 or later. District/county fixed effects \( \alpha_{is} \) (which subsume state fixed effects) are included to address the fixed differences in levels of Republican electoral support across both states and districts/counties (as evident in Figures ??-?? and Table ?? in the Appendix). Election year fixed effects \( \mu_t \) are included to absorb election year-specific partisan shocks unrelated to Buckley.

Figures ??-?? appear to suggest that, on average, the treated states were not trending in a more Republican-friendly direction prior to treatment, relative to control states. However, it is also the case that control and treated states do not appear to have had parallel pre-treatment trends. In order to address the issue of non-parallel pre-treatment trends, Equation ?? includes state-specific linear time trends \( \varphi_s t \). \( \varepsilon_{ist} \) is the error term. All models are estimated using OLS with robust standard errors clustered on states.

The coefficient on the interaction term \( Spending Limit_s \times Post-Buckley_t \) estimates the average within-district/county post-treatment change in Republican electoral success in treated states, relative to that in control states. Figure ?? reports these coefficients for the four outcomes of interest, along with 95% confidence intervals. The raw differences evident in Figures ??-?? largely survive the DD analysis. After including district/county and year-
specific fixed effects and state-specific time trends, both Republican state legislative and Republican gubernatorial voteshares are on average 3 percentage points higher in treated states post-treatment, relative to control states post-treatment. Republican state legislative candidates were on average 8 percentage points more likely to contest races in the treated states post-treatment, relative to the control states post treatment. Finally, Democratic state legislative candidates were on average 1 percentage point less likely to contest races in the treated states post-treatment, relative to the control states post treatment, although this estimate is not distinguishable from zero at conventional significance levels.

![Graph](image)

**Figure 9: Republican Electoral Success in State Elections 1972-1981**

Pooling districts typically won by the Republican party with those typically won by the Democratic party may be obscuring effects on candidate entry. With their institutional means of promoting their candidacies, incumbents are likely to be less sensitive to changes in campaign spending regulations (Benoit and Marsh 2008). We would expect to see Buckley’s
largest effects on candidate entry in state legislative districts typically won by the opposing party.

Figure ?? subsets state legislative races by the identity of the typical winning party during the pre-treatment period, grouping state legislative districts wherein the Democratic party won at least one pretreatment election and districts wherein the Democratic party won no pretreatment elections. All models include district and year-specific fixed effects and state-specific time trends; coefficients on the interaction term are reported with 95% confidence intervals.

Figure ?? suggests that Buckley’s effect on Republican candidate entry was in fact largest in state legislative districts won at least once by the Democratic party during the pretreatment period, while its effect on Democratic candidate entry was largest in state legislative districts always won by the Republican party during the pretreatment period. Republican candidate entry is 9 percentage points higher in the treated states post-treatment in state legislative districts won at least once by the Democratic party during the pretreatment period, and is 5 percentage points higher in the treated states post-treatment in state legislative districts always won by the Republican party during the pretreatment period. Democratic candidate entry is 6 percentage points lower in the treated states post-treatment in state legislative districts always won by the Republican party during the pretreatment period, and is essentially unchanged in state legislative districts won at least once by the Democratic party during the pretreatment period.

The DD estimates indicate that the raw differences in voteshares across control and treatment states observed in Figures ??-?? survive a more demanding econometric analysis largely intact, with the caveat that Buckley’s effects on Democratic candidate entry appear to be limited to districts won by the Republican party during the pre-ruling period.

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*Other strategies for subsetting the data produce similar results.*
OLS DD estimates of the change in state legislative candidate entry in treated states post-treatment. Robust standard errors clustered on states. All models include district fixed effects, year fixed effects, and state-specific linear time trends. "D Wins Pretreat" (N = 15168) includes those state legislative districts wherein the Democratic party won at least one pretreatment election; "R Wins Pretreat" (N = 6393) includes those state legislative districts wherein the Democratic party won no pretreatment elections.

Figure 10: Candidate Entry in State Legislative Elections (Subsetted), 1972-1981

4.3 Coarsened Exact Matching (CEM)

Equation ?? includes state-specific linear time trends in order to address the issue of non-parallel pre-treatment trends. However, this strategy allows for the inclusion of districts or counties in both the treatment and control groups that are sufficiently anomalous in their pre-treatment trends as to have no clear counterparts in the corresponding group. Pruning these anomalous districts/counties from the sample can improve estimates of causal effects (Ho et al 2007, Iacus et al 2011, Dimmery 2015).

Pre-processing is implemented on the cross-section of 2646 state legislative districts for which we have voteshare and candidate entry data for both the 1974 and the 1976 elections, and on the cross-section of 2681 counties for which we have gubernatorial voteshare data for the 1972 and 1976 elections, or for the 1974 and 1978 elections. 1360 of these 2646 state
legislative districts, and 1190 of these 2681 counties, are in the treated states (those with spending limits struck by *Buckley*).

Table ?? in the Appendix reports on the pre-treatment similarities between the treated and control districts or counties in these two samples, reporting balance statistics for both the full cross-sections and the cross-sections resulting from pruning using Coarsened Exact Matching (CEM) on pretreatment levels of and trends in Republican electoral success. For state legislative elections, pre-processing using CEM was performed on the following district-level variables: average Republican state legislative voteshares for 1972 and 1974, change in Republican state legislative voteshares between 1972 and 1974, average Republican state legislative candidate entry for 1972 and 1974, change in Republican state legislative candidate entry between 1972 and 1974, average Democratic state legislative candidate entry for 1972 and 1974, and change in Democratic state legislative candidate entry between 1972 and 1974. For counties, pre-processing using CEM was performed on average Republican gubernatorial voteshares between 1972 and 1974, and change in Republican gubernatorial voteshares between 1970 and 1974 or 1968 and 1972, depending on a state’s election cycle.[6]

For the CEM analyses the dependent variables from Equation ?? are transformed into first differences. For state legislative elections, the dependent variables are the district-level changes in Republican voteshares, Republican candidate entry, and Democratic entry between the 1974 and 1976 elections. For gubernatorial elections, the dependent variable is the county-level change in Republican voteshares between either 1976 and 1972, or 1978 and 1974. These differenced outcomes are assumed to be generated by the following equation:

$$\Delta Voteshare/Entry_{is} = \beta Spending Limit_{is} + \gamma X_i + \varepsilon_{is}$$

[6]For both cross-sections, Sturge’s rule was used to coarsen or bin these variables, but results are robust to other coarsening strategies, including Scott’s rule, the Freedman-Diaconis rule, and Shimazaki-Shinomoto’s rule. Only observations with non-missing values for all variables were included in the CEM analyses.
\( \gamma X_i \) represents the set (or a subset) of the district- or county-level pre-treatment variables used to prune the two samples. Equation ?? is estimated using OLS with weights derived from Coarsened Exact Matching on all pre-treatment variables reported in Table ?? in the Appendix.

Figures ?? and ?? report estimates of the coefficients on Spending Limit, from Equation ??, along with 95% confidence intervals, using the samples of state legislative districts and counties pruned by CEM. Estimates of Buckley’s effect are comparable to those reported in Figure ??.

CEM-pruned OLS estimates of the relative change in Republican voteshares in treated states post-treatment. ’Pretreat” models include levels of and trends in pre-treatment voteshares; ”Pretreat All” models include all pre-treatment variables as controls. Legislative district N = 2613; gubernatorial county N = 2474.

Figure 11: Change in Republican Voteshares in State Elections, CEM Estimates

Republican voteshares in state legislative districts rose by approximately 1 percentage point between 1974 and 1976 in states affected by Buckley, relative to states not affected by the ruling. County-level Republican voteshares in gubernatorial elections rose by approximately 5 percentage points between the periods of 1972-1976 and 1974-1978 in states affected by Buckley, relative to states not affected by the ruling. Republican candidate entry in state
legislative elections increased by approximately 4 percentage points between 1974 and 1976 in states affected by *Buckley*, relative to states not affected by the ruling. Finally, Democratic candidate entry in state legislative elections decreased by 2 percentage points between 1974 and 1976 in states affected by *Buckley*, relative to states not affected by the ruling.

![Graph showing changes in candidate entry](image)

CEM-pruned OLS estimates of the relative change in state legislative candidate entry in treated states post-treatment. "Pretreat" models include levels of and trends in pre-treatment Republican/Democratic candidate entry; "Pretreat All" models include all pre-treatment variables as controls. N = 2613.

Figure 12: Change in Candidate Entry in State Legislative Elections, CEM Estimates

Figure ?? reports estimates of *Buckley*'s effect on legislative candidate entry, with 95% confidence intervals, using samples subsetted by the winning party in 1974, and pruned by CEM implemented separately on each subsample, using the six pretreatment variables used to prune the full sample. 

The estimates are again qualitatively similar to those reported in Figure ???. As in Figure ??, we see that there is a larger effect of *Buckley* on Republican candidate entry in districts.

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7In the subsample of those 941 districts won by the Republican party in 1974, the unmatched $L_1$ is .20; after pruning 8 control and 13 treated districts using Sturge’s rule to bin the matching variables, the $L_1$ statistic is reduced to .12. In the subsample of those 1722 districts won by the Democratic party in 1974, the unmatched $L_1$ is .29; after pruning 11 control and 14 treated districts using Sturge’s rule to bin the matching variables, the $L_1$ statistic is reduced to .17.
won by the Democratic party in 1974, relative to districts won by the Republican party; in the former districts Republican candidate entry increases by 8 percentage points in 1976 in treated districts, relative to control districts; in the latter districts Republican candidate entry increases by only 1 percentage point in treated districts, relative to control districts.

CEM-pruned estimates of the change in state legislative candidate entry in treated states post-treatment, for the subsamples of districts won in 1974 by the Democratic party (N = 1697) or the Republican party (N = 920). All models include all pretreatment matching variables as controls.

Figure 13: Change in Candidate Entry in State Legislative Elections, Subsetted, CEM Estimates

Also as in Figure ??, there is a larger effect of Buckley on Democratic candidate entry in districts won by the Republican party in 1974, relative to districts won by the Democratic party; in the former districts Democratic candidate entry decreases by 5 percentage points in 1976 in treated districts, relative to control districts; in the latter districts, there is insufficient variation in Democratic candidate entry to be able to estimate the model (virtually all such districts saw Democratic candidate entry in 1976).
4.4 Robustness

We can challenge these estimates in several ways. First, states that enacted campaign spending caps were more likely to be drawn from the non-Southern states; control states were more likely to be drawn from the Southern states (defining the South as the 11 former Confederate states). With Jimmy Carter on the top of the Democratic ticket in 1976, voters in Southern states may have been less likely to vote Republican down the ticket; this might produce the findings reported above. Figure ?? in the Appendix replicates Figure ??, excluding the 11 former Confederate states. Results are generally similar to those reported in Figure ??, although Buckley’s effect on state legislative voteshares, while remaining positive, is now indistinguishable from zero.

Second, we can further address the possibility that 1976 was an anomalous election by using 1978 as the first post-ruling election. Figure ?? in the Appendix replicates Figure ??, using the changes between the 1974 and 1978 elections as the quantities of interest. Results are generally similar to those reported in Figure ??; although Buckley’s estimated effects on legislative and gubernatorial voteshares are smaller than those reported in Figure ??, they remain significant at conventional levels.

Third, restricting the sample to only those states whose statutes regulating campaign expenditure limits remained unchanged from the start of data availability in 1950 to the Court’s ruling in Buckley can partially address the possibility that states may have responded to partisan electoral trends by changing their statutes. Figure ?? in the Appendix replicates ?? using this reduced sample. Results remain largely unchanged.

Finally, adding indicators for the pretreatment presence of other state-level campaign finance statutes addresses one possible source of omitted variable bias. Figure ?? in the Appendix replicates ??, controlling for the presence in 1974 of state statutes mandating

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8The states included in this reduced sample are those shaded blue (treated) and white (control) in Figure ?? in the Appendix.
disclosure, restricting individual donations to candidates, and restricting corporate and union donations to candidates. Again, estimates are qualitatively similar to those reported without these controls.

5 U.S. House Elections

5.1 County-Level Voteshares in House Elections

Buckley’s strike of state statutes restricting campaign spending had no direct effect on federal elections. But it may have had indirect spillover effects, if increased spending by Republican candidates in state legislative and gubernatorial elections in the treated states increased pro-Republican turnout and/or short-term voter preferences in federal elections being held concurrently with state elections.

The possibility of spillover effects in those federal elections held concurrently with state elections offers an opportunity to further probe the possibility that the findings reported above were simply the result of differing trends in voter preferences, trends unrelated to the Supreme Court’s ruling in Buckley v. Valeo. If this were the case, presumably we would see similar patterns in Republican electoral success across treated and control states even in those federal elections held in states with no concurrent state legislative or gubernatorial elections. Conversely, if the findings reported above were in fact the product of Buckley’s ruling, we would expect to see effects in federal elections similar to those observed for state elections only in those states holding concurrent state and federal elections, and not in those states with no concurrent state legislative or gubernatorial elections.10

Figure ?? reports average county-level voteshares in House elections, using only the set

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9 No states had public funding provisions for state elections in effect prior to 1976.
10 The concurrence of state electoral calendars with federal electoral calendars is almost perfectly uncorrelated with treatment status (r = .01 for concurrent federal/legislative elections and r = .02 for concurrent federal/legislative/gubernatorial elections).
of states not holding concurrent state legislative or gubernatorial elections in 1976.\footnote{These states are New Jersey, Maryland, Kentucky, Virginia, and Alabama. The analogous sample for Senate elections is not reported due to small sample size.} There is no apparent evidence of an effect of 	extit{Buckley} in these elections, analogous to that observed in state legislative and gubernatorial elections. If anything, Republican voteshares decrease more in this set of treated states after 	extit{Buckley}, relative to this set of control states; the average Republican voteshare increased by 12 percentage points between 1974 and 1976 in the control states, but increased by only 2 percentage points in the treated states.

![Figure 14: Average County-Level Republican House Voteshare States With No Concurrent 1976 State Elections](image)

Figure ?? reports average county-level voteshares in House elections using only the set of states holding concurrent state legislative and gubernatorial elections in 1976, and Figure ?? reports average county-level House voteshares using the full sample of states, defining a treated state as one having both a state campaign spending limit struck by 	extit{Buckley} and concurrent state legislative and gubernatorial elections in 1976.\footnote{States holding state legislative and gubernatorial elections concurrently with federal elections in 1976 are: New Hampshire, Rhode Island, Vermont, Delaware, Illinois, Indiana, Missouri, North Dakota, Arkansas, Louisiana, North Carolina, West Virginia, Montana, Utah, and Washington.} In neither figure is there evidence of a pre-ruling pro-Republican trend in voteshares in the treated states, relative to
the control states. However, we see apparent evidence of a small effect of *Buckley* analogous to that observed in state legislative and gubernatorial elections. In the sample of states holding concurrent legislative and gubernatorial elections, the average Republican vote share increased by 4 percentage points between 1974 and 1976 in the control states, but increased by 5.5 percentage points in the treated states. In the full sample of states, the average Republican vote share increased by 3 percentage points between 1974 and 1976 in the control states, but again increased by 5.5 percentage points in the treated states.

![Figure 15: Average County-Level Republican House Vote Share Control States](image1)

![Figure 16: Average County-Level Republican House Vote Share Treatment States](image2)

Figure 15: Average County-Level Republican House Vote Share
States With Concurrent 1976 State Elections

Figure 16: Average County-Level Republican House Vote Share
All States

Figure ?? reports CEM-pruned estimates of the coefficients on *Spending Limit*s from Equation ??, along with 95% confidence intervals, using the sample of counties for which we have vote share data for the 1972, 1974 and 1976 House elections. The dependent variable is the change in county-level Republican House vote shares between 1974 and 1976. The coefficient in black is estimated using only the sample of states not holding concurrent state legislative or gubernatorial elections in 1976. This sample of 365 counties is preprocessed using CEM on the average levels of and changes in county-level Republican House vote shares in 1972 and 1974.\(^{13}\) There is no evidence of increased Republican vote shares in the treated states post-treatment, relative to the control states post-treatment. Instead, as was seen in

\(^{13}\)The unmatched \(L_1\) is .42; after pruning 33 control and 9 treated counties using Sturge’s rule to bin the matching variables, the \(L_1\) statistic is reduced to .24.
Figure ??, Republican voteshares actually decrease more in the treated states post-treatment, relative to the control states post-treatment.

CEM-pruned OLS estimates of the relative changes in county-level House Republican voteshares in treated states post-treatment. All models include all pretreatment matching variables as controls.

Figure 17: Change in County-Level Republican House Voteshares
CEM Estimates

The coefficient in red is estimated using only the sample of states holding concurrent state legislative and gubernatorial elections in 1976. This sample of 811 counties was also preprocessed using CEM on the average levels of and changes in county-level Republican House voteshares in 1972 and 1974. Here we see increased Republican voteshares in the treated states post-treatment, relative to the control states post-treatment; first differences in county-level Republican House voteshares between 1974 and 1976 are 5 percentage points larger in the treated states, relative to the control states.

Finally, the coefficient in green is estimated using the full sample of counties, where treatment is defined as a county’s location in a state that a) had a limit on campaign spend-

\[ L_1 \text{ statistic is reduced to .28.} \]
ing struck by the Court’s ruling in *Buckley* and b) held state legislative and gubernatorial elections in 1976. This sample of 2934 counties was again preprocessed using CEM on the average levels of and changes in county-level Republican House voteshares in 1972 and 1974.\(^{15}\) Here again we see increased Republican voteshares post-treatment, relative to all other states post-treatment. First differences in county-level Republican House voteshares between 1974 and 1976 are 4 percentage points higher in the treated states holding concurrent elections in 1976, relative to all other states. Figure ?? in the Appendix replicates Figure ?? using only the sample of nonsouthern states; results are nearly identical with the exception that, for the nonsouthern states, there is no difference in House Republican voteshares between the control and treated states for those states with no concurrent state and federal elections.

### 5.2 House DW-NOMINATE Scores

The voteshare evidence is consistent with the hypothesis that *Buckley’s* repeal of state-level campaign spending limits benefitted not only Republican candidates running in state legislative and gubernatorial elections in the repeal states, but also Republican candidates running in those federal elections being held concurrently with state elections in the repeal states. In the repeal states with concurrent federal elections, relative increases in Republican spending in state elections may have generated relative increases in pro-Republican turnout and/or short-term voter preferences, increases that may have benefitted all Republican candidates on the ballot in those states.

The remaining hypothesis of interest is that the increased ability to spend in the repeal states may have generated more conservative policy positions among post-treatment Republican state candidates vying for the support of newly relevant conservative donors.\(^{16}\) We lack

\(^{15}\) The unmatched \(L_1\) is .51; after pruning 1032 control counties using Sturge’s rule to bin the matching variables, the \(L_1\) statistic is reduced to .28.

\(^{16}\) Democratic candidates in the repeal states may have also moved to the right, relative to Democratic candidates in the control states, but should have moved less to the right than Republican candidates in these states (Feddersen and Gul 2014).
the estimates of state legislators’ preferences for this period that would allow us to estimate *Buckley*’s effect on same. However, given the apparent spillover effects in concurrently held federal elections, we can estimate this effect on Republican House candidates. If Republican state legislative and gubernatorial candidates moved to the right in the treated states post-treatment, and were using donor funds to generate voter turnout and/or short-term preferences for their more conservative candidacies, these more conservative electorates may have induced Republican House candidates to also move to the right in those treated states with post-treatment concurrent federal elections.

Because we obtain little information from congressional districts wherein an incumbent retained his or her seat in the 1976 elections, we restrict our attention to the 73 districts sending freshman incumbents to the 95th Congresses. While this sample is too small to permit isolation of states with either no concurrent state elections, or both concurrent gubernatorial and legislative elections, we can look at changes in the DW-NOMINATE scores of districts that elected freshman incumbents in the 1976 elections and that were located in either a) states that had a limit on campaign spending struck by the Court’s ruling in *Buckley* and held state legislative and gubernatorial elections in 1976 (Treated/Concurrent States) or b) or all other states (Control States).

Figure ?? reports average DW-NOMINATE scores for the 73 districts that elected freshman House incumbents in the 1976 elections. Districts in the treated/ concurrent states that elected freshmen in the 1976 House elections were not trending in a more conservative direction prior to *Buckley*, relative to the analogous districts in the control states; districts in the treated/concurrent states saw their incumbents become on average .07 DW-NOMINATE points more liberal between the 93d and 94th Congresses, while districts in the control states saw their incumbents become on average only .02 DW-NOMINATE points more liberal over

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17 DW-NOMINATE scores assume a fixed ideal point that can vary only as a linear function of time over the course of a member’s entire congressional career.
the same period. But those districts electing freshmen in the 1976 House elections in the treated/concurrent states saw their incumbents become on average .25 DW-NOMINATE points more conservative between the 94th and 95th Congresses, while the analogous districts in the control states saw their incumbents become on average only .03 DW-NOMINATE points more conservative over the same period.

![Average DW-NOMINATE Score](image)

Figure 18: Districts Electing Freshmen Incumbents in 1976 House Elections

Although the samples are small, Figures ?? and ?? separate these districts by the party of the freshman House incumbents elected in the 1976 elections. Both Democratic and Republican freshmen elected in the 1976 elections in the treated/concurrent states moved their districts on average in a more conservative direction, relative to freshmen in the control states. However, Republican freshmen in the treated/concurrent states moved their districts more to the right, relative to Republican freshmen in the control states, than did Democratic freshmen in the treated/concurrent states, relative to Democratic freshmen in the control states. Those districts in the control states electing Democratic freshmen in the 1976 House elections saw their incumbents become on average .06 DW-NOMINATE points more liberal
between the 94th and 95th Congresses, while the analogous districts in the treated/concurrent states saw their incumbents become on average .09 DW-NOMINATE points more conservative, for a treatment effect of .15. But those districts in the control states electing Republican freshmen in the 1976 House elections saw their incumbents become on average .25 DW-NOMINATE points more conservative between the 94th and 95th Congresses, while the analogous districts in the treated/concurrent states saw their incumbents become on average .5 DW-NOMINATE points more conservative, for a treatment effect of .25. In neither figure is there much evidence of a pre-ruling conservative trend in the treated/concurrent states, relative to the control states.

Figure 19: Districts Electing Freshman Democrats in 1976 House Elections

Figure 20: Districts Electing Freshman Republicans in 1976 House Elections

Figure ?? reports OLS and CEM-pruned OLS estimates of the coefficients on Spending Limit, from Equation ??, along with 90% confidence intervals, where Spending Limit is equal to 1 for those districts located in states that both had a limit on campaign spending struck by the Court’s ruling in Buckley and held state legislative and gubernatorial elections in 1976, using the sample of House districts that both sent freshman incumbents to the 95th House, and for which we have House DW-NOMINATE scores from the 94th and 95th Congresses. The coefficients plotted in black report estimates for all districts electing freshman incumbents in the 1976 elections; the coefficients plotted in blue report estimates for districts electing
Democratic freshman incumbents in the 1976 elections; the coefficients plotted in red report estimates for districts electing Republican freshman incumbents in the 1976 elections. All CEM estimates were preprocessed using Sturge’s rule on the average levels of and changes in districts’ DW-NOMINATE scores in the 93d and 94th Congresses.\footnote{The unmatched $L_1$ for the full sample of 73 districts is .48; after pruning 25 control districts the $L_1$ statistic is reduced to .1. The unmatched $L_1$ for the sample of 51 districts electing Democratic freshmen in 1976 is .57; after pruning 25 control districts the $L_1$ statistic is reduced to 0. The unmatched $L_1$ for the sample of 22 districts electing Republican freshmen in 1976 is .5; after pruning 10 control districts the $L_1$ statistic is reduced to .17.}

![Graph showing estimated changes in DW-NOMINATE scores between 94th and 95th Congresses](image)

OLS and CEM-pruned OLS estimates of the relative changes in district-level House DW-NOMINATE scores between the 94th and 95th Congresses, for all districts electing freshmen incumbents in the 1976 elections, for districts electing Democratic freshmen in the 1976 elections, and for districts electing Republican freshmen in the 1976 elections. All models include all pre-treatment matching variables as controls.

Figure 21: Estimated Changes in DW-NOMINATE Scores Between 94th and 95th Congresses
Districts Electing Freshman Incumbents in 1976 House Elections

Both the OLS and the CEM-pruned OLS estimates tell the same story. In the treated states holding concurrent state legislative and gubernatorial elections in 1976, freshman incumbents elected in that year’s House elections moved their districts further to the right than did their counterpart freshman incumbents elected in the control states, with an estimated relative rightward move of approximately 9% of the DW-NOMINATE space. Republican
freshman incumbents in the treated/concurrent states moved their districts even further to the right, relative to their Republican freshman counterparts in the control states, with an estimated relative rightward move of approximately 11% of the DW-NOMINATE space, than did their Democratic freshman colleagues in the treated/concurrent states, relative to their Democratic freshman counterparts in the control states, with an estimated relative rightward move of approximately 4% of the DW-NOMINATE space.

5.3 Robustness

We can challenge the results reported in Figure ?? in two ways. First, we can exclude Southern states, on the theory noted earlier that the presence of Jimmy Carter at the top of the ticket may be a confounder. Figure ?? in the Appendix replicates Figure ?? after excluding the Southern states; results are nearly identical to those reported for the full sample.

Second, we can conduct a pre-ruling placebo test, assuming a placebo Buckley v. Valeo ruling took place between the 1972 and 1974 congressional elections. If we see estimates similar to those reported in Figure ??, we can assume that the latter estimates were not in fact the result of the Court’s ruling in January 1976, but instead were simply the continuation of pre-ruling trends. Figure ?? in the Appendix replicates Figure ?? using the sample of House districts that both sent freshman incumbents to the 94th House, and for which we have House DW-NOMINATE scores from the 93d and 94th Congresses. Treatment is defined as those states with both state-level campaign spending restrictions in 1974 and legislative or gubernatorial elections held concurrently with federal elections in 1974. The coefficients plotted in black report estimates for all districts electing freshman incumbents in the 1974 elections; the coefficients plotted in blue report estimates for districts electing Democratic freshman incumbents in the 1974 elections; the coefficients plotted in red report estimates for districts electing Republican freshman incumbents in the 1974 elections. All CEM estimates
were preprocessed using Sturge’s rule on the average levels of and changes in districts’ DW-NOMINATE scores in the 92d and 93d Congresses. There is no evidence of a pre-ruling conservative shift in DW-NOMINATE scores in the treated states, relative to the control states.

6 Discussion

As illustrated in Figure ?? in the Appendix, between 1974 and 2012 there are evident positive correlations between average campaign spending by House incumbents, the House Republican national popular voteshare, and the average House Republican DW-NOMINATE score. As House campaign spending increased, so too did both votes for House Republican candidates and the estimated conservatism of House Republican incumbents.

The question is whether these correlations are causal. Estimating the causal impact of campaign spending is notoriously plagued by multiple problems of endogeneity, leading to a host of contradictory findings (Hall 2015).

The Supreme Court’s ruling in *Buckley v. Valeo* (1976) offers an opportunity to identify the causal impact of increases in campaign spending in states whose restrictions on campaign spending in state races were incidentally struck by the Court’s ruling on the constitutionality of the Federal Election Campaign Act Amendments of 1974. Although we don’t know by how much campaign spending in state legislative and gubernatorial elections actually increased in these states post-ruling, it does appear to be the case that the ruling benefitted Republican candidates in these elections. Republican voteshares in treated states increased by 1-3 percentage points in post-ruling state legislative elections and by 3-5 percentage points in post-ruling gubernatorial elections, relative to control states, depending on the model used. Republican state legislative candidate entry in treated states increased by 4-8 percentage points and Democratic candidate entry decreased by 1-3 percentage points in
post-ruling state legislative elections, relative to control states, depending on the model used, with larger effects on candidate entry observed in districts previously won by the opposing party.

The inference of a causal association between these post-ruling increases in measures of Republican electoral success in the treated states and the ruling itself is supported by the fact that we observe increases of similar magnitude in county-level Republican House voteshares in 1976 only in those treated states holding concurrent state legislative and gubernatorial elections. In states not holding concurrent state elections in 1976, there is no evidence of increased Republican House voteshares in the treated states, relative to the control states. Instead, the former actually experience decreases in post-ruling Republican voteshares, relative to the latter.

Finally, we also observe that freshman Republican House incumbents elected in the 1976 elections in those states both affected by Buckley and holding concurrent state legislative and gubernatorial elections moved their districts more to the right than did the freshman Republicans elected in all other states. Although all Republican freshmen moved their districts to the right on average in the 1976 House elections, Republican freshmen elected in the former states moved their districts approximately twice as far to the right as did the Republican freshmen elected in the control states. They also moved their districts almost 3 times further to the right than did Democratic freshmen elected in the treated/concurrent states.

These findings, which are robust to a number of alternative specifications, and which are derived from a relatively narrow yet arguably well-identified empirical context, suggest that, in a right-skewed income distribution, increased money in elections may lead to both increased electoral success and increased extremism among the candidates of the more conservative party. The findings suggest the need to pursue further investigation of the hypothesis that money shifts electoral outcomes in a net conservative direction.
Blue = states that enacted spending limits prior to 1950 and did not change them prior to 1976, green = states that enacted spending limits between 1950 and 1976, gray = states that had spending limits at some point between 1950 and 1976 but repealed them before *Buckley*, white = states that had no spending limits between 1950 and 1976.

Figure 22: States Enacting Mandatory Expenditure Limits
Source: Primo and Milyo (2006)
Figure 23: National Republican House Voteshare, Mean House Incumbent Spending, and Mean House Republican DW-NOMINATE Scores
Sources: ICPSR (2013), Center for Responsive Politics (2015)

Figure 24: Avg Funds Raised by House Candidates
Source: Bonica (2013)

Figure 25: Party Hard Money Fundraising Totals
Source: Center for Responsive Politics (2015)
Table 2: Descriptive Statistics

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<td>.49</td>
<td>1728</td>
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<td>2290</td>
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<td>1779</td>
<td>.42</td>
<td>2149</td>
<td>.09***</td>
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</table>

| **Average Republican Gubernatorial Voteshare** |                |     |                |     |            |
| 1972                         | .42            | 696 | .51            | 640 | .09***     |
| 1974                         | .35            | 1133| .46            | 934 | .10***     |
| 1976                         | .35            | 443 | .49            | 450 | .14***     |

| **Average Republican Legislative Candidate Entry** |                |     |                |     |            |
| 1972                         | .72            | 1992| .82            | 1939| .11***     |
| 1974                         | .68            | 1869| .78            | 2304| .10***     |
| 1976                         | .65            | 1947| .83            | 2166| .18***     |

| **Average Democratic Legislative Candidate Entry** |                |     |                |     |            |
| 1972                         | .97            | 1992| .84            | 1939| .13***     |
| 1974                         | .97            | 1869| .96            | 2304| .01**      |
| 1976                         | .97            | 1947| .93            | 2166| .04***     |

State legislative/gubernatorial outcomes are averaged across all state legislative districts/counties reporting non-missing data in specified years.

* p<.10, ** p<.05, *** p<.01.
Table 3: CEM Balance Statistics

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CEM performed using Sturge’s rule on all variables. The overall \( L_1 \) statistics measure the distance or lack of overlap between the multidimensional distributions of these variables across the treatment and control groups, within each cross-section (Iacus et al 2011). For example, before pruning, the overall \( L_1 \) for the sample of state legislative districts is .30, indicating that only 70% of the two multidimensional distributions overlap. After pruning, the overall \( L_1 \) is reduced to .19, indicating that 81% of the distributions overlap, with a loss of 9 treated and 24 control districts.
OLS DD estimates of the change in Republican electoral success in non-Southern treated states post-treatment. All models include district/county fixed effects, year fixed effects, and state-specific linear time trends.

Figure 26: Republican Electoral Success in Non-Southern State Elections 1972-1981
CEM-pruned OLS estimates of the relative change in Republican voteshares in treated states post-treatment, using 1978 as first post-treatment election. "Pretreat" models include levels of and trends in pre-treatment voteshares; "Pretreat All" models include all pre-treatment variables as controls.

Figure 27: Change in Republican VOTEShares in 1978 and 1974 State Elections, CEM Estimates
CEM-pruned OLS estimates of the change in Republican electoral success in state elections in treated states post-treatment, using only those states whose laws regulating campaign expenditure limits remained unchanged between 1950 and 1976. All results are from OLS regressions using weights derived from Coarsened Exact Matching on average Republican vote share 1972-1974 and change in Republican vote share 1972-1974 (state legislative vote share, N = 1927); average Republican vote share 1972-1974 and change in Republican vote share 1968-1972 or 1970-1974 (gubernatorial vote share; N = 1929); average Republican/Democratic legislative candidate entry 1972-1974 and change in Republican/Democratic legislative candidate entry 1972-1974 (candidate entry; N = 2104).

Figure 28: Change in Republican Electoral Success in State Elections, CEM Estimates, States With Campaign Spending Statutes Unchanged Since 1950
CEM-pruned OLS estimates of the change in Republican electoral success in state elections in treated states post-treatment, controlling for the presence in 1974 of statutes requiring disclosure, restricting individual contributions to candidates, and restricting corporate and union contributions to candidates. All results are from OLS regressions using weights derived from Coarsened Exact Matching on all pre-treatment variables reported in Table 2?. Legislative district N = 2613; gubernatorial county N = 2474.

Figure 29: Change in Republican Electoral Success in State Elections, CEM Estimates, Controlling for Pretreatment Presence of Other Campaign Finance Statutes
CEM-pruned OLS estimates of the relative changes in county-level House Republican voteshares in treated states post-treatment. All models include all pretreatment matching variables as controls. Southern states are excluded.

Figure 30: Change in Nonsouthern County-Level Republican House Voteshares
CEM Estimates
OLS and CEM-pruned OLS estimates of the relative changes in district-level House DW-NOMINATE scores between the 94th and 95th Congresses, for all nonsouthern districts electing freshmen incumbents in the 1976 elections, for nonsouthern districts electing Democratic freshmen in the 1976 elections, and for nonsouthern districts electing Republican freshmen in the 1976 elections. All models include all pre-treatment matching variables as controls.

Figure 31: Estimated Changes in DW-NOMINATE Scores Between 94th and 95th Congresses Nonsouthern Districts Electing Freshman Incumbents in 1976 House Elections
OLS and CEM-pruned OLS estimates of the relative changes in district-level House DW-NOMINATE scores between the 93d and 94th Congresses, for all districts electing freshmen incumbents in the 1974 elections, for districts electing Democratic freshmen in the 1974 elections, and for districts electing Republican freshmen in the 1974 elections. All models include all pre-treatment matching variables as controls.

Figure 32: Estimated Changes in DW-NOMINATE Scores Between 93d and 94th Congresses
Districts Electing Freshman Incumbents in 1974 House Elections