TOO MUCH CAMPAIGN FUNDS 'REFORM' CAN HURT
By Stephen E. Gottlieb
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Each revelation of the misuse of money by lobbyists and politicians accentuates the desire to limit the amount anyone can contribute to political campaigns. After Watergate, Congress broke new ground with extensive limitations on what people could spend or contribute in politics. Now New York State and New York City are talking about new limitations on campaign contributions. It is an effort to equalize politics, a kind of one-person, one-dollar dream of politics. Unfortunately it backfires.

Reform intended to reduce the influence of wealth can have the opposite result. Contributions from "ordinary" people are simply too small to fund a campaign. In fact, small contributions of $25 or even more cost more money to solicit than they produce in campaign funds. Candidates with large working-class constituencies have long depended on a small number of wealthy givers.

Campaign laws that wipe out the extraordinary contributions of wealthy individuals who support the political goals of working people actually reduce the influence of most Americans in politics. By contrast, candidates with many supporters who can afford to give the legal limit - for example, $1,000 to a federal candidate - may be relatively unscathed by "reform" legislation. It appears that national campaign "reform" has benefitted the wealthy at the expense of the working classes.

Because the zeal for campaign "reform" has eliminated truly sizable contributions from wealthier donors, the rest of us have become dependent on PACs to fund campaigns. Without the wealthier donors, reliance on PACs is inescapable. Cut out the PACs and there's no campaign. One reason why there's a lot of interest in public funding is the desire to eliminate PACs and their apparently disproportionate influence on the process.

Unfortunately, public funding compounds the problems. Formulas for giving candidates funds in the primary process generally involve some form of matching contributions that the candidates have received from other sources. The effort to favor ordinary Americans has led to provisions that only match contributions up to some limit, for example $250 in federal campaigns. But that limit should be high enough to produce funds sufficient to undertake a campaign, indeed sufficient to pay for the fund-raising. Moreover, $250 is far beyond what most people can contribute to a campaign.

In the general election there is a tremendous temptation to hold down the amount of funding provided by the public. But there is an insidious factor operating here. Incumbents don't need as much money as their challengers because officeholders start with significant advantages. The government pays for their staffs and mailings. They also receive more press coverage and have official opportunities to do favors for their constituents.

By pegging public funding a little bit low, challengers may not be able to get their story across
to the public. Peg it low enough and the public won't even recognize their names. As New York officials now consider public funding for state offices, it is important to make sure that they be wary of the level of funding.

Political finance legislation affects who can say what by manipulating which candidates will have the money. By reducing the money some candidates will have, it reduces the political debate.

The point of the First Amendment, which protects the freedoms of speech and the press, is that the people have the right to decide for themselves how to express their political views. Now, incumbents in federal races can use election finance laws to manipulate who wins - which is precisely what the First Amendment was intended to avoid. In political debate, the First Amendment counsels, "Hands off."

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