Look Who’s Not Coming To Washington

Qualified Candidates Shut Out by Big Money

U.S. PIRG Education Fund
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Acknowledgements

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Executive Summary

Large contributions made by a small fraction of Americans unduly influence who can run for office and who wins elections in the United States. Without personal wealth or access to networks of wealthy contributors, many qualified and credible candidates are locked out of contention for federal office—often before voters have the opportunity to register their preferences.

Money was as important to candidates in the most recent congressional elections it has ever been. U.S. PIRG and Center for Responsive Politics analysis of Federal Election Commission (FEC) campaign finance data for the 2002 election cycle reveals the following:

- Campaign fundraising continues to increase at a rate greater than inflation.
- 93.4% of general election candidates for Congress who spent the most money won their races.
- 83% of itemized individual contributions to candidates, parties and PACs (hard and soft money) were made by donors who contributed at least $1,000 in aggregate.
- 0.11% of the voting age population of the United States made a contribution of $1,000 or more.
- Many candidates for Congress in 2002 were unable to compete with campaigns backed by wealthy interests.

A survey of federal candidates who dropped out of races, lost primaries, or lost general elections reaffirms this data. The candidates profiled in this report cite money as a primary reason why they lost or pulled out of their races entirely. Many of the unsuccessful candidates profiled are at least as credible and qualified as the eventual winners. What they lack is something altogether different—personal wealth, access to networks of wealthy donors, or positions that appeal to large contributors.

Several candidates made powerful statements about the state of our democracy and campaign finance system:

- “We’ve established a system that is fueled by who can afford to run and fueled by money. If you don’t have money or can’t raise large sums of money, you can’t run for federal office and increasingly you can’t run for any office.” Robin Britt, former North Carolina Congressman (page 31)
- “The lesson I’ve learned out of this is that we’ve ended up with a process that is not healthy for democracy…The only people who can consider running in our current system are people who are independently wealthy or partners in a business that will underwrite them or the front for some special interest group. You shrink your pool of available candidates to a very small group of people.” Michael Armour, former College President (page 36)
- “Democracy is in crisis in the United States…These aren’t elections, they’re resource contests where you scare people off so you don’t have to run a campaign.” Bart Haggin, Chair of Washington Conservation Voters (page 40)
- “Most of our congressional seats are up for sale to the highest bidder…You’ve got to say and do the right thing to get money.” Tommy Robinson, former Arkansas Congressman (page 13)
“When candidates get big money from one percent of donors, they are obligated to consider the donors’ point of view more than the voters point of view...Voters are turned off by big money candidates and people who will fight for the common person don’t have the money to get their message out.” Peter Mathews, College Professor (page 13)

“It is impossible to do grassroots campaigns that have any chance of being effective against well-funded campaigns.” Jim Patterson, former Mayor of Fresno (page 14)

“I was walking down the street in my hometown of Middletown and another African-American came up to me and said ‘I heard you speak, I want to help you, dives into her purse and pulled out $2 in change. She believed in me enough to give me that money, but she didn’t understand that even if everyone in town gave me $2 in change, that’s not going to get you there.” Gary Collins, Attorney (page 15)

“I thought if you had the energy to get out and be among the people and do grassroots campaigning that you could compensate for the lack of money. But you still have to hit that floor amount of money...We’re rapidly approaching the point where only wealthy people will be in office.” Ben Allen, Georgia State Legislator (page 17)

“Successful candidates need to put 90% of their effort on fundraising, not meeting with constituents, trying to learn the issues. That ill-serves the country.” Chuck Pardue, Georgia Attorney (page 18)

“The number one thing I’ve noticed over the last 15-20 years in politics is that in the earlier years it was about how your ideas fare; now the only thing you read about in the papers is who raised the most money, and everybody thinks that the candidate who raises the most money wins.” Carlos Nolla, Kansas Attorney (page 23)

“If you look at my schedule, my campaign was manacled to a desk, calling people for money...it took away from get-out-the-vote and field and talking about issues—what campaigns should be about. You really had to fight for time to read and be an informed candidate because the consultants say ‘spend all day calling for money—don’t do anything else ever.” Sean Faircloth, Maine State Legislator (page 25)
Introduction

In the Gettysburg Address, Abraham Lincoln spoke of “government of the people, by the people, and for the people.” Thomas Jefferson throughout his many writings professed an ultimate faith in public virtue and opinion.

The essence of maintaining government “of the people” and preserving the power of public opinion to rule is that ordinary citizens, and not an elite segment of society, have the opportunity to govern.

In the United States, the interests, perspectives, and talents of its citizens are as diverse as the country’s racial and religious makeup. It follows that in order to fulfill the promise of Lincoln and Jefferson, we should have public servants on every level who are rich and poor, black and white, doctors and laborers.

However, a quick glance at the makeup of our national legislature reveals that this is not the case. Nearly 43% of incoming first year members of Congress are millionaires.1 More than half of the Senate and 39% of the House are lawyers.2

We must ask ourselves why this is the case. Part of the answer may rest in how we finance our campaigns. Any aspiring candidate knows that in our modern political landscape the first question (s)he must ask him or herself when contemplating a campaign for federal office is “How much money can I raise?” This question translates roughly to “Do I have personal wealth or do I have access to a network of wealthy donors that can finance my campaign?”

As we discovered while reaching out to dozens of candidates for this report, those that cannot answer yes to either of these questions face a difficult choice. Many persevere, facing an uphill battle to mobilize support from average Americans in the face of towering financial disadvantage. The overwhelming majority of candidates who choose this course are unsuccessful. They lose their primaries to candidates favored by the party or special interests, or they make it to the general election only to face an incumbent with an insurmountable war chest.

A far greater—and immeasurable—number of potential candidates simply make the rational decision not to try. Average Americans are turning away from our political process in droves. Not only are people not voting, but they are not running for office because many perceive the effort as a futile gesture.

Analyses of money in politics often focus on quid pro quo corruption in which a donor literally buys access and influence with a decision maker. Looking through this lens, however, reveals only part of the story. This report focuses on the often hidden impact of money much earlier in the process—when candidates are sitting in quiet living rooms contemplating campaigns. Because the biggest fundraisers almost always win their campaigns, and because a large percentage of candidate money is contributed by a small slice of wealthy donors, candidates who are unable to mobilize support from this donor pool are rarely able to compete.

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2 www.yourcongress.com
The Influence of Big Money in Politics

Campaign fundraising continues to rise faster than inflation.

Many politicians and campaign finance experts have cited the need to keep pace with inflation in supporting increases in campaign contribution limits. However, the evidence shows that campaign fundraising and spending has consistently outpaced increases in the consumer price index (CPI). Previous U.S. PIRG research reported that candidate fundraising increased 425 percent between 1978 and 2000, compared to 170 percent inflation during the same period. Despite 2000 being a record year for fundraising, candidate fundraising and spending continued to outpace inflation in the most recent election cycle, increasing 7.5% compared with 5% inflation.3

Money was a key factor in determining the outcome of the 2002 Congressional elections.

The 2002 election cycle confirms a strong trend in modern American politics. Money is a key determinant in who wins elections. Ninety percent of the candidates who raised the most money won their 2002 congressional primary elections. 93.4% of the candidates who spent the most money won their 2002 general election contests for House and Senate seats.4

Large donors dominated the 2002 Congressional elections.

The fact that the candidate who raises the most money almost always wins his or her race might not be noteworthy if candidates were raising most of their money from average citizens. If this were the case, a candidate’s fundraising would function as a proxy for his or her level of support in the community. It would therefore follow that those with more grassroots support would win most elections.

However, Center for Responsive Politics’ analysis of the most recent Federal Elections Commission (FEC) campaign finance data reveals that most candidates for federal office depend upon the support of relatively few individuals who can afford to give substantially to their campaigns. In fact, 83% of total itemized individual contributions to 2002 congressional candidates, parties and political action committees (PACs) came from individuals who contributed at least $1,000 in aggregate.5

Furthermore, very few Americans make large political contributions. According to Center for Responsive Politics, 236,552 donors contributed $1,000 or more to candidates, parties and PACs during the

3 The Bureau of Labor Statistics reports that $1.00 in 2000 has $1.05 in buying power today. According to the Center for Responsive Politics, congressional candidate fundraising increased from $882,808,035 in 2000 to 949,304,397 in 2002.
4 U.S. PIRG analysis of Center for Responsive Politics data, www.opensecrets.org
5 “Big Time Donors Small in Number,” Center for Responsive Politics. December 11, 2002. Note: This statistic is not analogous to previous statistics in U.S. PIRG reports which have documented the percentage of contributions made at the $1,000 level. This new statistic, developed by CRP, focuses on donors rather than contributions—and is therefore a better indicator of the dominance of a small number of large contributors. This figure also includes both hard and soft money contributions. See http://www.opensecrets.org/overview/DonorDemographics.asp?cycle=2002
2002 election cycle. This represents only 0.11% of the voting age population. Only 0.28% of the adult population made an itemized contribution (greater than or equal to $200) at all.

If, as noted above, money is a key factor in determining election outcomes, then a small number of Americans responsible for a large percentage of candidate money enjoy disproportionate influence over who runs for office and who wins elections in the United States.

These large donors are not representative of the American population as a whole. According to a nationwide survey funded by the Joyce Foundation during the 1996 congressional elections, 95% of those who gave contributions of at least $200 were white; 80% were male; 50% were more than 60 years of age; and 81% had annual incomes greater than $100,000. This stood in stark contrast to the general population at the time, where 17% were non-white, 51% were women, 12.8% were over 60, and only 4.6% declared an income of more than $100,000 on their tax returns. The study also found that 65% of these donors were affiliated with a business organization. Because this segment of society does not reflect the United States population as a whole, its interests may be distinct from those of society at large.

**Big money eliminated many qualified candidates before voters had the chance to consider them.**

The numbers reveal that candidates that are out-fundraised and outspent usually lose their election contests. These candidates, for better or worse, have had at least a nominal opportunity to go before the voters. However, the need to raise huge war chests eliminates many candidates from the process before voters have an opportunity to record their preferences.

Several federal candidates in the 2002 elections dropped out of races or were otherwise denied the opportunity to run this year because of fundraising concerns:

**Gary Collins** dropped out of the second district Democratic primary in Connecticut. Mr. Collins is an attorney and instructor at UConn School of Law. He sits on the board of directors of the Middlesex County YMCA, is a member of the Executive Committee of the Middlesex County NAACP, and is an elected member of the Middletown Democratic Town Committee. Collins says that “money is the issue that hangs over you like an immense cloud every single day.” (see page 15)

**Bill Grassie** dropped out of the third district Republican primary in Kansas. Mr. Grassie is an executive at the largest company in the district, a community business leader and the Chairman of the Finance Committee of the Johnson County Republican Party. He dropped out because each of his opponents put in at least $100,000 of their own money. “That took me out of the game,” he says, “because I was not prepared to do the same.” (see page 22)

**Gail Crook** was denied the Democratic nomination for Senate in Virginia because she could not raise $1 million. In addition to an MBA, Ms. Crook boasts 34 years of public service at the national level, including serving at the budget offices at the Air Force and Department of Defense. (see page 38)

Other candidates profiled have indicated that they would not run again because of fundraising concerns:

**Mike Francisco** is a 1967 U.S. Air Force Academy graduate and a Vietnam veteran
who was awarded the Air Force Cross and Purple Heart awards. He lost the first district Republican primary in Florida. Mr. Francisco reports that he “probably will never run again because I’m practical enough to realize that I can’t raise the money to make a viable run…Between two elections, I’m $90,000 in the hole. I’d be stupid to do that again.” (see page 17)

**Norman Jackman** lost the second district Democratic primary in New Hampshire. Mr. Jackman is a Harvard Law School graduate who spent six years as an anti-trust lawyer at the Federal Trade Commission and more than 20 years as a trial lawyer. He will not consider running for office again—mainly because of money. “I would run if I didn’t have to raise money,” says Mr. Jackman. “Campaigning is not easy…I would do it again because I believe in the issues, but not if I had to raise money.” (see page 17)

**Jim Klauber** is an attorney and military veteran who lost the third district Republican primary in South Carolina. Klauber says, “I won’t consider running again because I’ve got a huge debt that I’ll probably carry for the rest of my life. It broke me financially.” (see page 34)

Finally, many candidates reported knowing people that will not run for Congress because of the burdens of fundraising:

**Peter Mathews** is the Chairman of the Cypress College Political Science Department. He lost the 37th district Democratic primary in California and says “Some highly qualified people would love to serve, but don’t even have a chance to try because they can’t raise the money or they don’t want to compromise their principles by taking money from special interests. I know fellow professors who would be great public servants, but wouldn’t even think of running.” (see page 13)

**Dan Lykins** is an attorney and former treasurer of the Kansas Democratic Party. He lost the second district general election and says “I’ve been trying to get people to run for 30 years. Some of the really good people tell me ‘I’ve got a family to support; I can’t afford to.’ Teachers say they can’t afford time off from their jobs and they know they’ll have a difficult time raising money. It’s the wealthy people or people that have wealthy people backing them that you see involved in politics…We give up some great Congressmen because of our system.” (see page 17)

**Ched Jennings** is an attorney who dropped out of the third district Democratic primary in Kentucky. He says, “You could not list on your hand five people in the county who want to make a race for Congress because of the money, even though there are 20-30 people I know who would make great Congressmen.” (see page 28)

**Increased individual contribution limits will give large donors more power.**

In March of 2002, Congress passed the Bipartisan Campaign Reform Act (BCRA). This bill was aimed at reducing the influence of the largest individual and special interest donors by placing new restrictions on “soft money,” or unlimited contributions to political parties and outside expenditures made by corporations, unions, interest groups, and wealthy individuals.

BCRA also doubled the amount that individuals are permitted to give directly to federal candidates, from $1,000 per election to $2,000 per election, or $4,000 per election cycle. Previous U.S. PIRG research indicates that this change will likely give the small fraction of Americans that are maximum donors even greater control over who runs for office and who wins elections in the United States.

In March of 2001, U.S. PIRG analyzed campaign contribution data for the 2000 election cycle presented by the Center for Responsive Politics. With $1,000 limits in
place, 46% of all itemized individual contributions to federal candidates during the 2000 election cycle came at or above $1,000. Assuming only half of all $1,000 donors were to double their contributions in response to increased limits, we found that maximum donors' share of all contributions would increase nearly 10% to 55% of all individual itemized contributions. If all $1,000 donors were to take full advantage of the doubled limits, our analysis found that these maximum donors could represent fully 63% of all itemized individual contributions to federal candidates. In this scenario, the proportion of money raised from “small” donors giving less than $200 would decrease from 30% to as low as 21%.

These figures likely would differ slightly for the 2002 election cycle. Specific numbers aside, it is clear that the recently doubled individual contribution limits will give more power and influence to the 0.11% of Americans in a position to take advantage of the higher caps.

Notes:

a) Donors were permitted to contribute $1,000 for the primary election and another $1,000 for the general election to the same candidate; therefore some contributions are greater than $1,000.

b) This 46% statistic is different from the 83% of total hard and soft money contributions that came from donors giving at least $1,000 in aggregate cited on page 7 (see footnote number 5).
Conclusion

Our analysis has shown that the candidate who raised the most money won his or her 2002 congressional election contest an overwhelming majority of the time. Furthermore, a large portion of the money raised by congressional candidates is contributed by a tiny fraction of the American public. This segment of society does not reflect the United States population as a whole, and its interests may be distinct from those of society at large. Finally, we have demonstrated anecdotally that many candidates lose general or primary elections, drop out of races, or decide never to run in the first place because of the role of money in federal politics.

Those of us that strive for the Jeffersonian and Lincolnian ideal of “government of the people, by the people, and for the people” must ask ourselves if we’ve gone too far astray. As we move further into the new millennium, we should search for reforms that will bring us closer to a working representative democracy in which average citizens have a realistic chance to hold federal office.
Candidate Profiles:
Qualified Candidates Shut Out by Big Money

Notes: Fundraising data for primary races were obtained from pre-primary reports filed with the Federal Election Commission; data for general election races were obtained from post-general election reports where available, and pre-general reports if no post-general report is yet available. All reports are available online at the Federal Election Commission website. Numbers are rounded to the nearest $1000 or higher.

Statements made by candidates have not been checked for accuracy and reflect their opinions only.

ALABAMA

Susan Parker, State Auditor
Democratic Nominee for Senator

Susan Parker has a PhD in management, 25 years of experience in education, and is the state auditor of Alabama. Insiders discouraged her from running for the U.S. Senate because she would be facing an incumbent with $3 million in the bank and did not have personal resources to finance a campaign. She ran in part to “prove that it was not all about the money” and won her primary in spite of being outspent approximately 10-to-one.

However, in the general election, Ms. Parker discovered that in fact “it is a lot about the money.” In spite of generating more than 3,000 contributions and raising more than $1 million, Senator Jeff Sessions’ fundraising overwhelmed her. She believes that she lost the race because of her fundraising disadvantage. “He was able to communicate in his paid advertising that his record as a Senator was one that was for the average Alabamian, and because I didn’t have the money I was not able to dispute that,” said Ms. Parker.

Ms. Parker reports that she will only run for office again if she “thought there was an opportunity to be competitive financially.” She recommends public financing of campaigns.

Incumbent Jeff Sessions defeated Susan Parker for reelection 58.6% to 39.9%. He raised more than $6 million and spent more than $5.5 million, out-spending Ms. Parker more than five-to-one.

ARIZONA

Alan Everett, Mayor of Sedona
Lost 1st District Republican Primary

Alan Everett holds an MBA and has served two terms as the Mayor of Sedona. When a new district was created surrounding his hometown, he decided to run for Congress. Republican state party leaders encourage Mr. Everett to run, but he found himself running against Rick Renzi, a wealthy opponent who put approximately $600,000 of his own money into the race. Mr. Everett put $80,000 of his own money into his campaign, but could not match his opponent and lost the five-way primary to Renzi.
“Frankly, I was just overwhelmed,” said Everett. “In the last two weeks of the campaign, my opponent sent mail every day. I was running 10 radio ads per day and he was running 25.” He was not able to match Mr. Renzi’s expenditures in part because “the people in rural Arizona think $25 or $50 is a big contribution.”

Mr. Everett does not expect to run for federal office again. “The fundraising is really difficult,” he says, “People told me at the beginning and I’m not willing to work on it constantly.”

Rick Renzi outspent Everett approximately four-to-one, winning the primary with 24.6% of the vote to Everett’s 15.4%. Renzi went on to win the general election, spending more than $785,000 according to his pre-general report filed with the FEC.

ARKANSAS

Tommy Robinson, Former Congressman
Republican Nominee for 1st District

Tommy Robinson is a former three-term member of Congress from Arkansas as well as a former sheriff and chief of police. He feels that he lost the race to represent the first district because of his lack of fundraising. “In retrospect,” he says, “I never had a chance; I had $100,000 and he had $1.5 million.”

Robinson attributes his fundraising troubles to Arkansas’ tight Senate race and to the fact that he was not favored by political action committees. “I got $20 and $25 contributions…from farmers that were struggling…[my opponent] got the max from PACs. I got basically no PAC money.”

Mr. Robinson feels that “most of our congressional seats are up for sale to the highest bidder. Special interest groups can pump hundreds of thousands of dollars into the process and money controls who gets elected…If you stand for certain principles, you’re subjecting yourself to being outspent by opposing interests. You’ve got to say and do the right thing to get money.”

Robinson suggests spending limits to curb the influence of money.

Incumbent Marion Berry raised more than $1.1 million and spent more than $1.3 million in defeating Robinson 67% to 33% in the general election.

CALIFORNIA

Peter Mathews, College Professor
Lost 37th District Democratic Primary

Peter Mathews is the Chairman of the Cypress College Political Science Department and a part time instructor at Cal State. He received 80% of the vote for the San Mateo County Planning Commission by going door to door and has founded Rescue Education California, a non-profit organization that has been in existence for nine years.

Professor Mathews decided to run for office to put some of the critical theories he teaches into practice and to create more opportunity for “people who’ve been left out of the system.” He is primarily concerned with education and health care and has been inspired by the late Senator Paul Wellstone.

In spite of being outspent more than six-to-one by incumbent Juanita Millander-McDonald, Professor Mathews received 22% of the vote in the 33rd district Democratic primary. He ran a grassroots campaign which featured spaghetti dinners with $5 contributions. Ultimately, he feels that money was the decisive factor in the race.
“You need money (or free airtime) to get known,” says Professor Mathews. “The lack of funding was the reason I lost. It’s the way to get on the media. Since we don’t have free airtime, you have to buy your way on or do mass targeted mailings. This is extremely expensive.”

Professor Mathews believes that most politicians support the special interests that put them in office and that our system is “a losing proposition for the working class…My opponents don’t really care about going for the little people for contributions and when they get the office they can’t fight for the little people…When candidates get big money from one percent of donors, they are obligated to consider the donors’ point of view more than the voters point of view. Tax cuts for the rich as opposed to increasing education funding are a good example.”

Mathews continued by saying that he “targeted the little people because I want them back and I want them to back me. I was told by party leaders not to waste time with the little people, to raise money from larger contributors. But that’s not working; it’s driving people out of the system and lowering participation…voters are alienated because very few candidates are addressing the real issues for them. These people give us glossy brochures and ads, but don’t speak to our issues. Voters are turned off by big money candidates, and people who will fight for the common person don’t have the money to get their message out.”

Professor Mathews supports free airtime for candidates and full public financing to level the playing field. He believes he would have won the primary with these reforms in place and probably will not run again without public financing. “Some highly qualified people would love to serve, but don’t even have a chance to try because they can’t raise the money or they don’t want to compromise their principles by taking money from special interests,” he says. “I know fellow professors who would be great public servants, but wouldn’t even think of running.”

Peter Mathews raised approximately $23,000 and received 22.1% of the vote. Incumbent Juanita Millander-McDonald raised more than $140,000 for the primary and went on to raise more than $263,000 to win the general election.

Jim Patterson, Former Mayor of Fresno
Lost 21st District Republican Primary

At 55 years old, Jim Patterson was the Mayor of Fresno for eight years and has owned and operated radio stations for 30 years. He has wanted to serve in Congress for years and decided to run when a new congressional district was formed around Fresno. As a former mayor and a conservative Republican believing in limited government, he received a lot of local support for his run.

Mr. Patterson raised approximately $275,000 for his race, but came up nearly $200,000 shy of his opponent Devin Nunes’ total, narrowly losing the primary 33% to 37%. He believes that his opponent’s association with a powerful incumbent enabled him to raise the extra cash. Patterson feels that being outspent was an important factor—although not the only factor—in his loss and calls his race “a classic case of the effect of money.”

“In the last 10 days of the race, we got clobbered by an awful lot of stuff in the mailbox and on TV and radio,” said Mr. Patterson. “It is impossible to do grassroots campaigns that have any chance of being effective against well-funded campaigns.”

Although he feels that many campaign finance remedies are worse than the ailments, Mr. Patterson supports more immediate disclosure and term limits.
because “we have created a self-perpetuating governing class.”

Jim Patterson raised just more than $275,000 and received 33% of the vote in a three-way primary. Devin Nunes won the primary with 37% of the vote, raising $443,000. Nunes went on to win the general election, raising a total of more than $900,000.

COLORADO

Dave Thomas, District Attorney
Lost 7th District Democratic Primary

Dave Thomas has served in Governor Roemer’s cabinet and been in public office for 17 years, including 10 years as the Jefferson County District Attorney. He decided to run for office because he loves public service and felt he could serve his community.

Mike Feeley raised nearly one quarter million dollars for the primary race; Mr. Thomas feels that this was a significant reason for his loss. “I was outspent by about $100,000, and this allowed my opponent to be on TV and out-mail me.”

Mr. Thomas feels that our current campaign finance system “turns all of us into beggars” and supports public financing of campaigns and lowering contribution limits. “I think that the fact that a candidate spends four to eight hours per day asking for money is a sad commentary on elections.”

Dave Thomas raised $118,000 and received 43.6% of the vote against Mike Feeley, who won the primary with 56.4% of the vote while raising $248,000. Feeley lost the general election to Bob Beauprez, who out-raised him $1.39 million to $1.05 million.

CONNECTICUT

Gary Collins, Attorney
Dropped out of 2nd District Democratic Primary

Gary Collins is an attorney with the firm Day, Barry, and Howard. He is also an instructor at UConn School of Law, sits on the board of directors of the Middlesex County YMCA, is a member of the Executive Committee of the Middlesex County NAACP, and is an elected member of the Middletown Democratic Town Committee.

Mr. Collins says that he did not go to law school to “fight over big corporations’ money,” deciding to run for office as a way to merge his personal and professional interests. He was encouraged to run by people in the Democratic party, but dropped out of the race because he “was going to have to run a very low-budget campaign and be outspent” in a less favorable environment due to redistricting.

“None of the [party people who told me to run] had a proper appreciation for the role of money in the process,” says Mr. Collins. “They never told me about it. I had worked on campaigns, but had never been around the money. I knew policy, but I didn’t know the politics of the money, which drove everything. No one was willing to write about my campaign until I raised six digits, even though I was the same person before as after.”

“Money is the issue that hangs over you like an immense cloud every single day,” he continued. “How am I going to raise $3-4000 every day?…raising money dominated my time such that on a lot of days…I would head to a town meeting to talk to people about their concerns and I didn’t even have time to read the newspaper before. It takes you away from what you’re supposed to be doing.”
Mr. Collins told one story he said summed up his entire campaign. “I was walking down the street in my hometown of Middletown and another African-American came up to me and said ‘I heard you speak, I want to help you, dives into her purse and pulled out $2 in change. She believed in me enough to want to give me that money, but she didn’t understand that even if everyone in town gave me $2 in change, that’s not going to get you there.”

Mr. Collins supports public financing of campaigns and opposes the recent increase in individual contribution limits (from $1,000 to $2,000 per election). “I’m concerned about people donating the $5 and $10, and their voice only becomes weaker,” he says. “Someone who’s donated $20 or $25 will not be able to give $2,000. Someone who donates $1,000, whose interests are generally inconsistent with the $20 donors, will only have more power.”

Joe Courtney won the second district Democratic primary, but lost the general election to incumbent Robert Simmons. Courtney was out-raised by more than $500,000 ($1.95 million to $1.4 million).

Phil Steele, Civil Rights Attorney
Republican Nominee in 1st District

Phil Steele has been a teacher and is currently a civil rights attorney. He decided to run for office because of his passion for public affairs and because he was inspired by the events of 9/11.

Although he believes his background is well-suited for holding office, he does not think candidates should be limited by profession. “Whether you’re a bricklayer or a scientist,” he says, “it shouldn’t matter.” What’s important is the “ability to understand and articulate problems.”

The Chairman of the Republican Town Committee in Manchester discouraged Mr. Steele from running due to the makeup of the district. In spite of this, Steele believes he would have won if he could have reached everyone in the district. “However,” he says, “there are a lot of people who are almost impossible to reach. You can reach a lot of these people with money and advertising…I shook 35,000 hands; if I could have had my message on TV, it would have made a huge difference.”

Ultimately, Mr. Steele says that “this is a lousy way to play the game. Electing people to office who can raise the most money is a recipe for mediocre government.”

Mr. Steele supports banning contributions by corporations and PACs, providing public financing and free TV time to candidates, and overturning the 1976 Buckley v. Valeo decision which equates money with speech. “Just because you have more money doesn’t mean you should have a louder voice,” he said.

Mr. Steele received 33% of the general election vote, losing to incumbent John Larson, who raised more than $500,000. Mr. Steele did not report raising any money to the FEC.

DELAWARE

Ray Clatworthy, Businessman
Republican Nominee for Senate

Ray Clatworthy is a small businessman and Marine Corps veteran who cites his “real world experience” and the fact that he is “not a politician” as qualifications for holding federal office.

He feels he lost to Senator Biden because of the impact of incumbency and because
“[Biden] was able to put on about five times as many commercials and we weren’t able to get our message out.”

He will consider running again and says that money “will play into the mix among other things” when he makes his decision.

Ray Clatworthy raised $1.9 million and received 41% of the vote against incumbent Senator Joe Biden, who raised $3.9 million. Ironically, Senator Biden supports a constitutional amendment to limit spending, whereas Mr. Clatworthy does not.

Mike Francisco, Consultant
Lost 1st District Republican Primary

Mike Francisco is a 1967 U.S. Air Force Academy graduate and a Vietnam veteran who was awarded the Air Force Cross and Purple Heart awards. He is currently a consultant who is active in the VFW, NRA, and other community organizations.

Mr. Francisco ran for Congress to serve his country and advocate his conservative ideology. He believes that lack of funds is the central reason for his primary loss. “I raised about $90,000 and spent $30,000 of my own money,” he said. “I couldn’t afford to do mailings or get on TV. You can’t run a race with less than ¼ million dollars.”

He found fundraising difficult. “The principal problem,” Mr. Francisco says, “is that if you are not the incumbent, you are a low probability. People with money won’t give, and there were those who said they couldn’t give money because it would hurt their business due to disloyalty to the existing congressman.” He reports that personal friends were afraid to contribute due to this factor.

Mr. Francisco feels that our current campaign finance system discourages good candidates from running and “lowers the quality of people who run for office.” He reports that he “probably will never run again because I’m practical enough to realize that I can’t raise the money to make a viable run...Between two elections, I’m $90,000 in the hole. I’d be stupid to do that again. Knowing that you need $250,000 and there’s no way I can raise that kind of money, I can’t run.”

Francisco supports more disclosure in our campaign finance system. He opposes the recent doubling of hard money contribution limits because he feels it helps incumbents.

Ben Allen, State Legislator
Lost 12th District Democratic Primary

Ben Allen, a graduate of the University of Georgia School of Law, has worked as an attorney and a teacher at local Augusta colleges. Allen is a member of the Board of Trustees at Augusta State University and has been in the state legislature since 1995. Rep. Allen has wanted to run for Congress since he was 12 years old and went to law school to prepare for public service.

Rep. Allen ended up putting up about 90% of the money for his campaign from his own pocket. “I live modestly and this is what I knew I wanted to do. I’m 49 years old and I
prepared for this run for my entire adult life trying to position myself to have the funds and the qualifications to be in Congress. I made a lot of sacrifices and took on a lot of debt.”

He was out-raised by more than four-to-one and lost the primary in a run-off with to Charles “Champ” Walker. Allen believes that “there is a floor amount of money that you must have in order to run” and that he never reached that floor. Although he fundraised actively, many people would not contribute because his opponent’s father is the state Senate majority leader.

Ultimately, Rep. Allen says he “was surprised how difficult it was without money. I thought if you had the energy to get out and be among the people and do grassroots campaigning that you could compensate for the lack of money. But, you still have to hit that floor amount of money.”

Allen feels that “we need to de-emphasize the need for money in order to run for office. We’re rapidly approaching a point where only wealthy people will be in office….I don’t see an average working person running for Congress and winning. There are a lot of people with good ideas who possess the qualifications, but will not be able to be in office because they don’t have the money.”

Rep. Allen supports free TV and radio time for candidates as well as more debates. He says that money “will be the ultimate factor in deciding whether or not” he runs again for federal office. “I would not run unless I had the floor amount that is necessary to win by December 2003.”

Rep. Allen raised only $5,300 for the primary and contributed $20,000 of his own money. Although he was outspent by more than $200,000, he made it to a run-off with eventual winner Champ Walker. By the end of the run-off, Walker had outspent Allen by more than $300,000 and received 54.2% of the vote to Allen’s 45.8%. Walker went on to spend more than $1 million through the general election, but lost to Max Burns, who raised approximately $850,000 and spent about $750,000.

Chuck Pardue, Attorney
Lost 12th District Democratic Primary

Chuck Pardue, 53, is a Vietnam veteran, graduate of the University of Tennessee Law School, former Army Judge Advocate General (JAG), and retired U.S. Army Lt. Colonel. In addition to running a private law practice, he is currently president of the Aiken-Augusta Federal Bar Association and has long been active in the Georgia Democratic Party.

Mr. Pardue believes that “money was a big factor” in his loss to Champ Walker in the Democratic primary. “I had all the major endorsements—Sierra Club, AFL-CIO, Atlanta Journal-Constitution, gun clubs—and the winner had no major endorsements. His money and tremendous TV buying and spending money on getting the vote out” made the difference. “After I got all those endorsements, I really thought I was in it, but I got blown away by the media blitz.”

“The guy who won missed half the debates,” Pardue continued. “His was a TV driven campaign. The Republicans did a good job smearing him in the general election. He had a criminal record and was inexperienced...Because of money, our weakest candidate became our candidate.”

Mr. Pardue feels that our campaign finance system discourages good candidates from running for office because “successful candidates need to put 90% of their effort on fundraising, not meeting with constituents, trying to learn the issues. That ill-serves the country. The only people candidates come
in contact with are contributors, and most contributors have some ax to grind.”

Pardue favors public financing and free TV time for candidates. “I would be in favor of making it illegal to make any contributions. All you’re doing is trying to buy influence. Say you’re a Congressman and you have two calls come in. One is a lady who needs help with her social security benefits and one is a $2,000 donor, which call will he take? That is a distortion of our democracy. I was self-funded because I hated making fundraising calls.”

Chuck Pardue raised slightly more than $38,000 and spent $120,000 in his primary bid. He received 10.6% of the vote and missed the eventual run-off, which featured Champ Walker and Ben Allen (see above).

HAWAII

James Donovan, CPA
Lost 2nd District Republican Primary

James Donovan is a certified public accountant (CPA) and a member of Republicans for Environmental Protection. As a baseball umpire, he stresses his ability to make good decisions under pressure. He decided to run for Congress to contribute to re-writing tax law and push to protect Hawaii’s coastline.

He feels that his loss to Bob McDermott was attributable to his opponent’s greater name recognition and feels that money played a significant role in the race. “People generally felt that the incumbent [Patsy Mink] was unbeatable,” said Donovan. “Even the [Republican] party…didn’t put any money in…[My opponent] had greater resources because of his Honolulu connections…a neighbor island candidate has to incur tremendous costs to get around the district.”

James Donovan raised only $2,225 for the primary but received 19.5% of the vote. Bob McDermott raised $64,000 and received 49.5%. Due to the passing of election winner Rep. Patsy Mink, McDermott will now participate in a January 4th special election.

IDAHO

Betty Richardson, Attorney
Democratic Nominee for 1st District

In 1993, Betty Richardson was the first woman confirmed as Idaho’s U.S. Attorney. She is also the Chairwoman of the Idaho Industrial Commission and chaired her County Democratic Party for much of the 1980s. She decided to run for Congress because she felt that the incumbent did not represent her or many people in the district and believed that voters deserve a choice. “Good government,” she says “isn’t a spectator sport.”

Although associates cautioned her that her campaign would be an uphill climb, Ms. Richardson secured the endorsements of the Idaho Spokesman and Statesman newspapers as a self-described “long shot challenger.” She feels that lack of name recognition and an inability to hold the incumbent accountable contributed to her defeat. “A big part comes down to advertising,” she says. “He outspent me about two-to-one. This imbalance hurt us.”

“We raised almost ½ million dollars…mostly from individuals and approximately 85% in-state. We had about 3,000 individual contributions, many of them less than $25…That was a remarkable level of grassroots support.”

Richardson believes that incumbents’ “extraordinary advantage with PACs” is a
significant problem with our current campaign finance system. She supports a constitutional amendment for term limits and public funding of campaigns. Richardson applauds the Federal Election Commission’s recent decision to allow candidates to receive a salary from their campaign, but opposes the recent doubling of individual contribution limits. “$1,000 is fairly substantial. Most of my contributors weren’t in a position to give even $1,000, while most of my opponents’ $1,000 contributors could afford to give $2,000.”

Ms. Richardson would consider running for federal office again, but says that fundraising will be a concern. “My candidacy was very serious,” she says. “I was a credible candidate and raised the money without national parties and consultants; but if you want to knock off an incumbent, you really have to be in the $1 million range, so I’d need to see a lot more support before I make that commitment again.”

Betty Richardson received 39% of the vote, while raising only $55,000. Incumbent Butch Otter won the general election with 59%, having raised nearly $900,000.

ILLINOIS

Nancy Kaszak, Attorney
Lost 5th District Democratic Primary

Nancy Kaszak raised more than $630,000 for the primary and received 40% of the vote. She was defeated by Rahm Emanuel, who received 50% of the vote, raising $1.4 million. Emanuel went on to raise $2.6 million through the general election and cruised to an easy victory.
INDIANA

William Alexa, State Senator
Lost 2nd District Democratic Primary

Senator Bill Alexa has been in the state Senate since 1988, where he has focused on law enforcement, health care, and domestic violence. He was inspired to run for Congress by the creation of a new district, 20% of which overlaps with his state Senate district.

He feels the reason he lost the primary is “money, absolutely. One of my opponents was on TV every day three weeks before the primary, spending over $100,000.”

Alexa says that “the most distasteful part of the whole campaign was fundraising.” He reports spending “five to six hours per day, four to five days per week just on fundraising calls.” He says that the biggest problem with our campaign finance system is “the cost of campaigns, primarily TV.”

Senator Alexa suggests that since the “airwaves belong to the people, not the TV stations, they have the obligation to provide equal free time to candidates.” He believes that the wealthy candidate provision in the recent federal campaign finance legislation (that systematically raises contribution limits for candidates facing a self-financed opponent) “makes absolutely no sense at all. I don’t know many people who can give $1,000, let alone $4,000.”

Bill Alexa raised slightly more than $100,000 for his primary. He was defeated by Jill Long Thompson, who raised $300,000. Thompson went on to raise and spend $1.4 million in the general election, where she lost to Chris Chocola, who raised $1.5 million and spent $1.6 million.

IOWA

Dave Nagle, Former Congressman
Lost 1st District Democratic Primary

Dave Nagle is a former three-term member of Congress, Iowa Democratic Party Chair, and Democratic Congressional Campaign Committee (DCCC) board member.

Mr. Nagle feels that money is the “sole criteria” in influencing election outcomes and believes that he lost the primary because the “DCCC spent about $300,000 on behalf of my opponent…We were up 15 points [in the polls] with 10 days to go and the DCCC did seven individual mailings district-wide and a ton of phone banking from out of state phone banks and they successfully cut off our chances for financial support.”

Nagle feels that our system is “money dominated. I’ve been successful and unsuccessful and there’s no question that one of the biggest determining factors is the financial resources a candidate has available to them. It is the single biggest factor.”

Nagle favors public financing of campaigns because “any system short of public financing will bring unintended consequences. Until you equalize financial resources as much as the Constitution permits, money will still be the dominating influence…If candidates were equally funded, then everyone except incumbents would have a better chance.”

Dave Nagle raised $49,000 for the primary and received 38% of the vote. Ann Hutchinson won the primary, raising nearly $175,000. She eventually raised $845,000 through the general election, but was defeated by incumbent Jim Nussle, who raised more than $1.3 million and spent more than $1.4 million.
Bill Grassie, Executive
Dropped out of 3rd District Republican Primary

Bill Grassie is an executive at the largest company in the third district, a community business leader and the Chairman of the Finance Committee of the Johnson County Republican Party. He ran for Congress to promote sound government and because there was a Democratic incumbent in a largely Republican district.

Mr. Grassie dropped out of the race because each of his opponents put in at least $100,000 of their own money. “On the first quarter report, we were all about equal raising money, with about $30-40,000 each; but each of my opponents was able to put in $100,000 plus of their own money. That took me out of the game because I was not prepared to do the same…With the knowledge that it was going to be hard for anyone to raise money, it would be too tough to make that up…My goal was to raise $100-150,000 early on, which would make me viable enough for folks looking for the horse to bet on. As soon as I got behind in the race, it was clear my only bargaining chip was gone.”

Mr. Grassie favors banning soft money, removing influence from PACs and raising individual contribution limits. He would change reporting requirements for personal spending or cap personal spending at some percentage of what a candidate raises.

Adam Taff edged out Jeffrey Colyer for the Republican nomination in the 3rd District, despite being out-raised nearly two-to-one. Taff went on to raise nearly $1 million through the general election, but lost to incumbent Dennis Moore, who raised $1.8 million.

Dan Lykins, Attorney
Democratic Nominee for 2nd District

As the former treasurer of the Kansas Democratic Party, Dan Lykins ran for Congress because no one else would. “If I did not run,” he says, “[Jim] Ryun would have had no opposition; that’s not good for democracy.”

Mr. Lykins feels he lost because he was “badly outspent in a Republican area.” Although Republicans hold a significant advantage in terms of registered voters, Lykins felt he had a chance because of the number of independents in the district. Ultimately, though, his opponent’s financial advantage was too much to overcome.

“He was on TV all the time,” said Lykins. “I got good free press coverage, went to 26 counties, 35 newspapers and the Kansas City Star endorsed me” but had trouble raising money. “The unions supported me, but didn’t give me a dime because they thought I wasn’t going to win.”

While his average contribution was approximately $100, Lykins says his opponent received many $1,000 and PAC contributions. “He got money from Enron, WorldCom and Tyco because his voting record is extremely pro-business…He voted to help the big insurance companies, the huge corporations—and that’s where he got most of his money. They paid him back for it.”

In the end, says Lykins “we sell our souls to the highest bidder. I worked on Robert Kennedy’s presidential campaign in 1968. He was only able to do what he was doing because he was a multi-millionaire. Even back then I was thinking there’s got to be a better way to elect our officials; but instead of getting better, it’s gotten worse.”
Lykins supports public financing, spending limits and forcing TV stations to charge the lowest possible price to political candidates. He says that he would love to run again, even though he knows it’ll be difficult. “I know I’ll have money problems and it’ll be a miracle to win, but it’s good for democracy to have a choice.”

However, Lykins feels that for the most part our system discourages good people from running. “I’ve been trying to get people to run for 30 years,” he says. “Some of the really good people tell me ‘I’ve got a family to support; I can’t afford to.’ Teachers say they can’t afford time off from their jobs and they know they’ll have a difficult time raising money. It’s the wealthy people or people that have wealthy people backing them that you see involved in politics…We give up some great Congressmen because of our system.”

Dan Lykins received 38% of the vote against incumbent Jim Ryun despite being out-raised nearly 15-to-one ($406,000 to $28,000).

Carlos Nolla, Attorney
Democratic Nominee for 4th District

Carlos Nolla is a Wichita attorney who lost to incumbent Todd Tiahrt in 2000 after being out-raised by a two-to-one margin. Nolla embarked on a rematch with Tiahrt this year because he didn’t want to give up after one loss and because he feels that “what we need is ideas in Washington and not interests…Too much money is driving interests, and good ideas are usurped by powerful private corporate interests.”

Nolla feels that a main reason for his loss was that his campaign was taken over by professional consultants. “The bottom line is that as a candidate you are forced to constantly do nothing but raise money and do outreach. When you do outreach you learn something from the people…the consultants didn’t want to listen to the constituency…Even within their own campaign, the candidate is out of the loop—all I do is raise money and they’ll take care of the rest.”

Nolla believes that money has taken over campaigns and that the problem is getting worse. “In the last six to eight years, money has become everything,” he says. “This election was much worse than my last election.”

Nolla says that fundraising is always difficult as a challenger. “A lot of mine were small contributions because I’m reaching out to a constituency that’s disenfranchised. If you’ve got big money, and you have a lot of people who can give big money, it makes it a lot easier.

Mr. Nolla is unsure about whether he would run again for office. “If you interview every candidate who has raised over $250,000 for federal office, they’ll tell you that they didn’t like fundraising at first, but they learned to hate it. What stops people from taking a second bite at the apple is fundraising. The only thing that kept me going was that people had already given me money and time, and if I don’t put in the effort to raise more, then I’ve stolen from those people. My mind’s not closed to running again; but there’s a difference between being a saint and a martyr.”

He believes that our campaign finance system is increasingly discouraging good candidates from running. “The number one thing I’ve noticed over the last 15-20 years in politics is that in the earlier years it was about how your ideas fare; now the only thing you read about in the papers is who raised the most money, and everybody thinks that the candidate who raises the most money wins. An incumbent with a huge war chest keeps good people from jumping in. It discourages people from even going out and voting…over time we have less and less people willing to challenge.”
Mr. Nolla supports spending caps to make campaigns more about ideas and less about money.

Carlos Nolla raised $568,000 for the general election and received 37% of the vote. Incumbent Todd Tiahrt raised $850,000 and won with 61%.

KENTUCKY

Ched Jennings, Attorney
Dropped out of 3rd District Democratic Primary

Ched Jennings is a Louisville attorney who dropped out of the 2000 primary against State Representative Eleanor Jordan because he could not keep up with her fundraising. Mr. Jennings ran again this year and dropped out of the third district Democratic primary because his consultants told him he would win the first round, but would “wake up after the primary, have no money and have to raise $1.5 million against the incumbent.”

“You have to have money to be competitive,” says Mr. Jennings. “I personally think the closer you can take elections to the people and the more time you can spend with folks directly, the better off the system is. There’s nothing better than talking to voters to find out what’s on their mind. We were concentrating on talking with voters, but we hadn’t gotten to door-to-door. The fundraising time takes away from that. I was spending 5-6 hours a day in a room making the hard calls.”

Jennings feels that “it’s repugnant to see as much money spent on these races” and believes that this prevents quality candidates from running. “You could not list on your hand five people in the county who want to make a race for Congress because of the money, even though there are 20-30 people I know who would make great Congressmen; but it’s a tough hill to climb.”

Jennings recommends spending limits and full disclosure.

Jack Conway won the Democratic primary and raised $1.4 million for the general election, where he lost to incumbent Ann Northup, who raised just under $3 million.

LOUISIANA

John Milkovich, Attorney
Democratic Nominee for 5th District

John Milkovich is an attorney with 17 years experience in state and federal court. He owns his own law firm and is active in church and community affairs, including working with homeless people, juvenile offenders, prison inmates, and inner city children.

He ran for office because it was “something that God put in my heart.” He feels that “the ultimate reason [that he lost] is that it wasn’t God’s timing for us to win. On a practical level, we did not have the amount of money the incumbent had to communicate our message through the mass media—TV, radio, print.”

Milkovich found fundraising difficult “when you’re not a special interest candidate. The whole thing in a nutshell is that candidates who go to Washington and pander to powerful special interests have tremendous financial resources available to them, whereas candidates who are in it to represent the people are relying on contributions from friends, family, small
Mr. Milkovich wishes that TV stations would cover campaigns with more integrity. He supports overall caps on spending or fundraising and considers public financing a possible solution.

*John Milkovich raised $24,500 and received 26% of the vote, losing the general election to incumbent Jim McCrery, who raised more than $900,000.*

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**MAINE**

**Sean Faircloth, State Representative**

Lost 2nd District Democratic Primary

Sean Faircloth is a State Representative and former assistant Attorney General. He ran for Congress because he believes in public service. He sees money as a prime reason for his loss.

Representative Faircloth says he raised most of his money in contributions significantly less than $500 with basically no PAC money. “I raised the most money from individual Democrats in Maine. I had the grassroots support...[but money] has a huge impact and effect. If you took only individual contributions and left out PAC and bundling contributions, you would have seen a different result.”

Faircloth finds the importance of fundraising “corrosive. If you look at my schedule, my campaign was manacled to a desk, calling people for money...it took away from get-out-the-vote and field and talking about issues—what campaigns should be about. You really had to fight for time to read and be an informed candidate because the consultants say ‘spend all day calling for money—don’t do anything else ever.’”

*Rep. Faircloth feels that “the nature of the system is immensely corrupt and it goes back to Buckley vs. Valeo, which wrongly decided that money is speech....Money is not speech, money is the decibel level of speech. You get shouted out unless you’re out there scrambling for money and intelligent, reasonable debate is drowned out.”*

Faircloth supports free media for candidates and public financing and says “fundraising will definitely play a role in me thinking about running again. There’s nothing like the experience of from morning until late into the night devoting all your time to calling people and asking for money.”

*Sean Faircloth finished third in a six-way primary with 20% of the vote, raising $235,000. The winner, Michael Michaud, garnered 31% of the vote and raised more than $300,000. Michaud eventually raised $1.1 million through the general election and defeated Kevin Raye, who had raised just under $900,000.*

**Dick Campbell, Former State Legislator**

Lost 2nd District Republican Primary

Dick Campbell was a leader in the state legislature for eight years and a professional contractor for 30 years. He ran against the incumbent in 2000 and decided to run again because he is “a real person with a real job in a small state that needs real representation, not politicians who stand for nothing and do nothing when they get elected.”

Up against Senator Snowe’s chief of staff and a staffer of Bill Cohen, Campbell believes he lost because he did not have the Washington influence and could not raise the kind of money that his opponents did. He
calls money “the leading factor” in the campaign.

“The Snowe camp raised a lot of money from the liberal lobby in Washington. The Cohen camp went to the ‘good ol’ boys’ in Bangor. I was left to raise money from the normal people. I had a lot of grassroots support and in-kind support, but I didn’t have the financial capability to do TV ads...I was naïve in thinking that we could do it the old fashioned way.”

Campbell feels that “the fact that it takes so much money to run discourages candidates...the system is being usurped by people spending their own money.” He would run again only if he has enough money.

Mr. Campbell supports spending limits and lower contribution limits. He does not support the recent doubling of individual contribution limits. “In Maine,” he says, “there aren’t that many people who can give $1,000. The lobbyists will now give twice as much.” He is generally opposed to public financing, but says that Maine’s Clean Elections system “seems to be working better. There isn’t the advantage to the insider, so if people work hard they can compete with the insider.”

Campbell finished last in a four-way primary while raising $124,000. The winner, Kevin Raye, raised $245,000. Raye raised nearly $900,000 through the general election, but lost to Michael Michaud, who raised $1.1 million.

MASSACHUSETTS

Matt Kinnaman, Businessman and Former Teacher
Republican Nominee in 1st District

Matt Kinnaman is a businessman and former teacher with a master’s degree in political science. He decided to run for office because he feels that “it’s better to have a representative who’s not a professional politician; who’s not beholden to PAC money for one third of his funding; who’s worked in business and the non-profit arena; who’s not independently wealthy...People often think that the qualifications for elected office should include previous elected office. The framers were able to see that that would not enliven self government.”

Kinnaman believes he lost the race because of money. “If I distill it all to one reason, it’s money,” he says. “We were shut out on TV by about a quarter million to zero...I believe I had him beat on the issues. To the extent we were able to connect with the voters, we could have won.”

Mr. Kinnaman says “running as a grassroots candidate the first time out, money is going to be more difficult to raise. We had no professional consultants or political veterans and no bankroll and no name ID. This was truly a citizen campaign. A lot of people getting involved with politics for the first time.”

Kinnaman will consider running again, but cites fundraising as a concern.

Matt Kinnaman raised $163,000 and received 32% of the vote in losing to incumbent John Olver, who raised more than $500,000.

MICHIGAN

Dale Shugars, State Senator
Lost 6th District Republican Primary

Dale Shugars is a certified public accountant who has been a state representative and senator for 12 years and a city councilor for seven years. He ran for
Congress because he did not approve of the incumbent’s voting record and because the grassroots encouraged him.

“I don’t like flying and being in DC isn’t a top priority in my personal life,” said Shugars. “But I feel so strongly about some issues like traditional family values, the second amendment, the Enron bankruptcies, etc.” Senator Shugars believes he lost because he was vastly outspent.

“Money had a lot to do with it,” says Shugars. “We started out pretty good [in terms of fundraising], but [Fred Upton] was able to get groups to bet on the likely winner…We probably had more individual contributions than he did and more contributions in the district. He had more PAC contributions and money outside the district. We raised a lot of small contributions…our average contribution was a lot smaller than his. My strength is that I’m a grassroots public servant. I’ve been successful on the city council, etc. because I represent everybody and our fundraising shows that…If people had known that [my opponent] had taken so much money from outside the district and from PACs, it would have changed the dynamic.”

Shugars may run again to highlight the issues. “Even though we lost,” he says, “we accomplished a lot. [Upton] started changing his voting because he heard we were going to run…It holds him accountable. I think he’ll be a better voter now because we ran. Knowing the same outcome, I’d run again.”

Dale Shugars raised $84,000 and earned 32% of the primary vote. Fred Upton raised $900,000 in winning the primary and spent $1.3 million to win the general election.

MONTANA

Steve Kelly, Artist, Businessman
Democratic Nominee for At Large Congressional Seat

Steve Kelly is an artist, a small business owner, and a self-described “Jeffersonian kind of guy” and “average Montanan.” He says, “I’m a regular citizen; ordinary people should be able to make change in a democratic system.” He chose to run for office because he feels there is too much money in politics and that we have a “bought and sold” political system.

“We’re a poor state,” says Kelly, “so I fit right in. What doesn’t fit in is our congressional delegation. We’ve created a royalty of our elected representatives, which doesn’t help them represent those who make $23,500 per year.”

Mr. Kelly believes he lost because of a lack of name recognition. “I took the entire time to get two-thirds of the people to know who I was. You need to get your name known. Half the people that are eligible don’t vote. I need to get students and poor people to vote in order to win…I raised some money the old fashioned way, asking Montanans to support my campaign.” Kelly says his average contribution was $20-$50, which fits well with Montana’s $100 limit for state-level contributions.

Kelly considers the biggest problem with our campaign finance system to be PAC money. “To me, it’s blatant corruption and special interest domination.”

Steve Kelly received 33% of the vote in the general election, even though he was out-raised approximately 60-to-one by incumbent Dennis Rehberg ($1 million to $16,000).
NEVADA

Barry Bilbray, Small Business Owner
Lost 3rd District Republican Primary

Barry Bilbray owns a small towing company in Laughlin, Nevada. His family includes Democratic and Republican former members of Congress. He decided to run because he feels that it is impossible to stop the dumping of nuclear waste at Yucca Mountain and wants to negotiate compensation for the people of Nevada.

In spite of running a grassroots campaign, Bilbray says his loss came down to money. “I didn’t walk every house. Next year I’ll start again and I’ll walk every house.”

Bilbray says he had trouble fundraising because he “didn’t want any money from anyone who had anything to do with corporations...We have five corporations that manipulate the electoral process in the state. We’re never going to clean up corporate corruption if we don’t stop the manipulation of our electoral process.”

His opponent, on the other hand, “spent 10 times more on his campaign manager than I did on my campaign.”

Bilbray says our campaign finance system “eliminates the little person that could actually represent us real well; the person who hasn’t been in politics for 20 years.” He believes we should eliminate corporate PACs and provided free airtime to qualified candidates.

Barry Bilbray raised $13,000 and garnered 16.7% of the vote in the primary. Jon Porter raised $1.3 million to win the primary and $1.7 million to win the general election.

NEW HAMPSHIRE

Norman Jackman, Retired Lawyer
Lost 2nd District Democratic Primary

Norman Jackman is a Harvard Law School graduate who spent six years as an anti-trust lawyer at the Federal Trade Commission and more than 20 years as a trial lawyer. He has wanted to run for office for 40 years, but could never afford it until recently. In his first run for public office, Jackman did not attempt to raise any money for his campaign. Instead he traveled throughout the district meeting people and espousing his views. He lost in the primary, but received 31% of the vote.

This year he tried again and decided to raise money. He lost in the primary to Katrina Swett, whose father and husband have both been in the U.S. Congress. Jackman attributes his loss to his opponent’s name recognition and the “belief that all of the money she raised was essential in order to make a run for Congress against the incumbent.”

When describing the role of money in his race, Jackman laments “it’s overwhelming even when it’s not spent. The moment [my opponent] comes into the race, she’s assumed to be able to raise $1 million; party people believed she was the only one who could make a credible run, so they withheld money from me.”

Jackman believes that the influence of money on campaigns has become “intolerable.” He says “the public isn’t getting their money’s worth when the people they hire spend their time raising money.”

Mr. Jackman will not consider running for office again—mainly because of the money. “I would run if I didn’t have to raise money.”
Campaigning is not easy. My busiest day I had four hours of sleep, driving to four radio stations, an editorial board meeting, talking to reporters, and making a 100 mile drive to deliver a five minute speech, finally getting home at 11:30. I would do it again because I believe in the issues, but not if I had to raise money.

Mr. Jackman feels that the need to raise money discourages other good candidates from running as well. “It’s a huge impediment for someone like me to have to spend months of my time raising money, all to pay for TV ads or telephone calling. I’ve been told by many people that I’d make a hell of a congressman; but there’s no chance I’ll go for it again. I could have done twice the campaigning if I didn’t have to raise money.”

Norman Jackman raised $76,000 and spent $113,000 in his bid for the Democratic nomination. Katrina Swett won the primary while raising $767,000. She eventually lost the general election to incumbent Charlie Bass, despite out-raising him $1.5 million to $900,000.

NEW JERSEY

Diane Allen, State Senator
Lost Republican Senate Primary

Diane Allen is a former Emmy Award-winning reporter, news anchor, and member of the New Jersey General Assembly who has been a New Jersey state senator since 1998. While in the Senate, she has been Majority Whip and Deputy Republican Conference Leader. She decided to run for Congress when she listened to President Bush’s State of the Union address and decided that he needed someone from New Jersey who would stand with him on the issues. She was encouraged in her bid by women and moderate Republicans.

Allen reports that “there were 4 million reasons that I lost the primary,” referring to the more than $4 million dollars (most of which was his own money) that her opponent Doug Forrester spent against her. “I was endorsed by the New York Times, the Philadelphia Inquirer, the Star Ledger, every paper… I was ahead in virtually every poll until about five to six weeks out,” she says. “By then his amazingly intense spending started to catch up. He outspent me eight-to-one.”

Having raised more than $500,000 in four months, Senator Allen feels that her own efforts were successful, but that the race was skewed by Mr. Forrester’s personal wealth. She believes that personal contributions to campaigns should be limited in the same way as other individual contributions. “I don’t see why we allow people to put in their own money. It skews elections and means that we’re only being represented by the wealthy, and I don’t think this leads to good government.”

Sen. Allen will consider running for federal office again, but says that fundraising concerns will play a role in her decisions. She also feels that our system discourages good candidates from running. “When people spoke to me about what happened, they said ‘I would never run because of what happened to you.’”

According to reports filed directly after New Jersey’s June primary, Senator Allen raised $511,320 and spent $566,765 on her campaign. Doug Forrester spent more than $4 million on the race. In spite of the nearly eight-to-one spending disparity, Allen garnered 36.9% of the vote to Forrester’s 44.4%. Mr. Forrester lost to former Senator Frank Lautenberg in the general election.
NEW MEXICO

Leo Martinez, Restaurateur
Lost 2nd District Republican Primary

Leo Martinez is the 59-year-old son of Mexican laborers. He has been a small business owner for much of his life, and currently owns a Mexican restaurant. He also serves as a Lincoln County Commissioner.

Mr. Martinez was disappointed when, despite President Bush’s open courting of Hispanics, he received no encouragement from the Republican party. Instead, he says he “thought we could grassroots it. We did well for what we had. If you look at the percentage of the money, it probably represented the vote that I got. If we had had the money to put on TV ads, we probably would have done alright…If you are rich, you can buy yourself a seat. My opponents put in a lot of their own money…They had TV ads every five minutes.”

Martinez said that fundraising was difficult all around, which made his opponents’ personal wealth critical. “We got money from hot dog cook-offs, but this is big time…You’ve got to know the people who’ve got money…I’m sure the others had trouble too because they gave their campaigns a few hundred thousand dollars.”

Mr. Martinez supports public funding of campaigns. He says that he will not run again unless “someone comes up with $500,000” and believes that others feel the same way. “Those who are smarter than me will say if I don’t have $500,000 I’m not running. You’ve got the dream and the idea and you want to do the right thing, but money doesn’t always make you right.”

Leo Martinez raised $18,000 and received 7% of the vote in a five-way primary that was won by Steve Pearce, who raised $118,000. Pearce went on to raise $1.4 million and defeat John Smith in the general election, out-raising Smith approximately two-to-one.

NORTH CAROLINA

Elaine Marshall, Secretary of State
Lost Democratic Senate Primary

Elaine Marshall is the current Secretary of State of North Carolina and has been a state senator. She entered the race for U.S. Senate before Senator Helms announced his retirement because she likes the legislative branch.

Ms. Marshall believes she lost partially because of money and partially because the party establishment backed her opponent. She says “you have to have money to buy advertising.” Marshall’s opponent, Erskine Bowles, was able to mobilize the party establishment and put in a significant amount of his own money.

Marshall believes her fundraising suffered in part because “women historically are not big givers…I had a lot more grassroots folks who are unable to give the maximum amount. Women don’t look at it as an investment in the future.”

Marshall supports public financing and free media. She will consider running again, but says “you can’t get into a single race without fundraising being a concern…I certainly spent 50% of my time [fundraising] and some weeks more.”

Elaine Marshall raised $629,000 for her primary bid, finishing third in a nine-way race.
with 15% of the vote. Erskine Bowles raised $4.2 million, winning the primary. Bowles went on to spend $12.7 million through the general election, but lost to Elizabeth Dole, who spent $13.4 million.

Robin Britt, Former Congressman
Lost 13th District Democratic Primary

Robin Britt has been a Naval officer for 23 years, a tax lawyer, and has served in the U.S. House of Representatives. While in Congress, Mr. Britt served on a select committee on hunger and got interested in children’s issues. After leaving the House, he started a non-profit organization called “Project Uplift” in Greensboro to fight child poverty. He was the Secretary of Human Services under Governor Hunt, started the award-winning Smart Start program, and now heads a large non-profit organization.

Mr. Britt does not think that money was the deciding factor in his race, although he admits “the resources were a factor.” However, he thinks that this makes his race the exception because “in 90% of races [money] is a deciding factor. You either have to have money on your own or have to have the means to raise substantial sums of money. House races now cost about $1 million and Senate races are into the millions. Who can afford to spend millions of dollars? We’ve established a system that is fueled by who can afford to run and fueled by money. If you don’t have money or can’t raise large sums of money, you can’t run for federal office and increasingly you can’t run for any office.”

Britt believes that his average contribution was smaller than his opponent’s. “We worked to raise both small and large contributions. Our campaign was intentionally grassroots—went door-to-door to the people. That’s the way you come to know your district and what people are thinking about, their concerns, their needs. Our campaign intentionally was about how you reconnect the body politic to the political process. The greatest difference I found now from ‘86 is that people are really turned off by politics and it’s reflected in turnout. The problem with money is that TV determines most elections and it has degenerated into negative advertising. It now always boils down to choosing the lesser of two evils. That’s a pretty unhappy situation for democracy. Even when the candidates themselves are outstanding, somehow you get into this morass of negative advertising and the voting public thinks it’s the lesser of two evils.”

About the recent doubling of individual contribution limits, Mr. Britt says “if you look at inflation, it’s probably similar. But $2,000 is a lot of money for somebody. There are not a lot of Americans—including myself—who can ante up a $2,000 contribution. I’ve never made one in my life. [The increase] still goes towards the well-heeled.”

Britt believes that our current campaign finance system discourages good candidates from running and recommends public financing.

Robin Britt raised $193,000, finishing second in a six-way primary with 24% of the vote. Brad Miller raised more than $350,000 for the primary and won the general election, eventually raising nearly $900,000.
NORTH DAKOTA

Rick Clayburgh, State Tax Commissioner
Republican Nominee for 1st District

As tax commissioner, Rick Clayburgh is currently a statewide elected official. He decided to run for Congress to continue his commitment to public service.

Clayburgh feels that money played a role in his loss to the Democratic incumbent. “In the last 10 days,” he says, “we were probably outspent six-to-one. That’s when a lot of the voters were making up their mind…This was the closest race in North Dakota since 1970 and momentum was on our side in the last two to three weeks, but the last minute spending slowed us down.”

Mr. Clayburgh says he ran a grassroots campaign focused on raising money from within the state. “My average contribution was about $150 and we had about 4,400 contributions from within North Dakota,” he says.

However, Clayburgh feels he was done in by the phenomenal cost of modern campaigns. “The overall cost of campaigning is crazy,” he lamented. “We spent on my side (including party money) about $1.8 million. The Democrats spent $3.5-$4 million.”

As an incumbent, his opponent was able to raise a lot of money from Washington. In fact, Clayburgh estimates that his opponent raised “93-94% of his money outside of North Dakota.”

Rick Clayburgh was out-raised $1.8 million to $1 million in narrowly losing to incumbent Earl Pomeroy (48% to 52%) in the general election.

PENNSYLVANIA

Dave Bahr, Federal Service Worker
Lost 9th District Republican Primary

Dave Bahr has served in federal service for 33 years, the last eight years in the senior executive service. He is the civilian executive commander of the Army’s largest logistics service and has interacted with Congress and testified on the Hill in this capacity.

Mr. Bahr decided to run for office because he has been affiliated with the Hill for most of his years in government and saw an opportunity when Bud Schuster retired.

When asked why he lost his primary, Bahr says, “there are three reasons: money, money, and money…I was outspent something like 50-to-one in the primary. [Bill Schuster] raised over $1 million and spent almost all of it.”

Bahr also feels that he started too late and found it “difficult to get the grassroots organization developed in a short period of time.”

Mr. Bahr suggests limiting the campaign season and providing public funding for campaigns. “Now, you get elected once and start running again,” he says.

Dave Bahr received 7% of the primary vote. His financial reports are not available through FEC. Bill Schuster, son of the recently retired Congressman Bud Schuster, raised more than $300,000 for the primary and went on to win the general election.

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RHODE ISLAND

Michael Battles, Consultant
Lost 1st District Republican Primary

Michael Battles is a principal in an international business risk consultancy. He is a West Point graduate who has served seven years in the Army, including Special Operations work.

Mr. Battles decided to run for office because he believes in the “honor and nobility of public service, and it got under [his] skin to see politicians more interested in their own power than their constituents.”

“If you’re not part of the solution,” he says, “you’re part of the problem. I couldn’t sit idly by and watch blatant abuses of power and position. If not me, then who?” He was encouraged to run by former Congressman Ron Makely and deputy U.S. Attorney General Zach Chafee.

In spite of having Rudy Guiliani and Senator John McCain lined up to support him in the general election, Battles believes he lost the primary because “I got outspent eight-to-one…the vast majority of my contributions came from in-state and under $200; [my opponent] raised most of his money out of state…We ran out of money two weeks before the primary. [The winner] sent seven mailings in 11 days to all the registered Republicans and conservative Independents…It was a classic example of he who shouts the loudest wins.”

Battles says that he will campaign again, but calls fundraising “the most miserable part of running for office. It was far more daunting than I thought it would be…It cost me $45,000 of my own savings plus seven months with no paycheck to run.”

Mr. Battles likes the idea of public financing, although he is unsure about implementation. He supports limiting contributions from outside the district, saying if “you can’t vote for someone, you can’t contribute to them.”

Michael Battles raised just less than $250,000 while garnering 33% of the vote and losing to David Rogers by less than 500 votes in a three-way primary. Rogers raised slightly less than $775,000 for the primary. He went on to raise $1.5 million and spend $1.7 million in the general election, but lost to incumbent Patrick Kennedy, who raised $2.5 million.

SOUTH CAROLINA

Van Jenerette, College Instructor
Lost 1st District Republican Primary

Van Jenerette teaches college-level political science. He is an Army veteran who has been an officer and served in combat, and he has been a congressional aide.

Jenerette says he knew his candidacy “was a long shot the whole time because the newspapers tend to focus only on how much candidates have in their war chest. When the singular focus of a candidate’s ability to win is focused on this, it’s a very uphill battle.”

Mr. Jenerette limited himself to $100 contributions because he “didn’t want people to own access to me. I was against someone who only contributed $100 competing [for access with me] with someone who contributes much more.” His lack of money, though, ultimately doomed his campaign.

“I was able to travel and meet a lot of people. But of the ones you can’t meet, the best way
is direct mail. I had the best brochures going because we were able to use our own expertise. But you’re talking $10-$20,000 to reach just the registered voters.”

Jenerette describes the contrast with his opponents. “One was the chairman of Ways and Means in the state house and independently wealthy; he had a lot of friends with deep pockets. Once a candidate gets money, it has a snowball effect. At $100 a time, it takes me 10 contributions to make up for every one they had.”

In the end, says Jenerette, “what you end up with is whoever seems to have the best access to money, which also means they have the most strings attached to them, ends up being the person who goes to Washington.”

Mr. Jenerette believes that our current system discourages average people from running for office. “When I stand in front of my classroom,” he says, “I’m not standing in front of people who could run for national office except for very few exceptions, and I think it should be the opposite. With few exceptions, everybody should be able to run for office.” He does not agree that media scrutiny is the main reason that people do not run. “Most people could stand up to that scrutiny, but the one single barrier that stands in the way of good candidates getting to Washington is money.”

Jenerette suggests creating a third legislative body that is limited to people who do not earn more than the national mean income. “Then you’d get average people able to run for office and you’d end up with a government that reflects the people.” He also believes the post office should provide one free mailing to all candidates.

Jim Klauber, Attorney
Lost 3rd District Republican Primary in a Run-off

Jim Klauber is an attorney, a licensed securities broker and a 17-year military veteran. He was in the state legislature for a decade and ran for Congress because it is something he always wanted to do.

Klauber believes he lost partly because of his vote to take the confederate flag off the state capitol building and the power of the Christian Coalition. However, he says that “money [was] first and foremost.” “My opponent,” he says, “was exceptionally wealthy and I came from a middle class family. I didn’t have the monetary connections he did…His contributions were over $500, mine were probably $250 or less. I didn’t have a lot of $1,000 contributions; I had a lot of $50 and $100 contributions.”

Klauber says that he was endorsed by “every major newspaper in the district” but that his opponent was able to overwhelm him in the final weeks of the campaign. “The polling numbers were very tight until about three weeks before the election,” Klauber says. “[My opponent] mailed out about 40,000 VHS cassettes to the hard core GOP electorate…[and] began to run TV commercials during the last three weeks.”

Klauber believes our system discourages good candidates because “you have to be wealthy to [run]….I won’t consider running again because I’ve got a huge debt that I’ll probably carry for the rest of my life. It broke me financially.”

Mr. Klauber believes that the practice of receiving money for the primary and general election at once—before you are legally
allowed to use it—distorts fundraising numbers and should be illegal.

Jim Klauber forced a run-off with J. Gresham Barrett, which Barrett won 65% to 35%. In reports filed just prior to the run-off, Klauber reported raising $175,000 and Barrett reported $367,000. Barrett went on to win the general election, raising a total of $829,000.

Mr. Wolfe vehemently opposes the recent doubling of the individual contribution limits—of which Congressman Wamp was the prime sponsor. The increase in limits, says Wolfe “really empowers the people that can give $2,000, most of whom can give $4,000. [Wamp’s] capital gains and tax policies benefit those people. They don’t [give] because they like him or his family. People in the top 1% don’t make sentimental decisions, they make hard-headed rational decisions. [Politicians like my opponent] won’t give people a minimum wage increase, but they’ll index their own campaign contributions for inflation. They get to raise more money if they face a wealthy challenger—if that’s not incumbent protection, I don’t know what is.”

Wolfe believes that challengers are discouraged in the current system because “they have to mortgage themselves before they can do anything. They come in with a lien on them.” He says that he will not run again unless he can “raise adequate money earlier in the election cycle…The moral of this last campaign is that in order to be an effective candidate, I’m going to have to raise more money earlier.”

Mr. Wolfe recommends tax credits for small political contributions which “would encourage grassroots smaller contributions” and public funding of campaigns. “For about 25-50 cents per citizen,” he says, “there could be a fund set up” that would provide candidates with the resources to be competitive.

Jay Wolfe garnered 34% of the vote against incumbent Zach Wamp. Wolfe lists $35,000 on his October quarterly report (the last available). Congressman Wamp lists $614,000 on his October report and $748,000 on his post-general report.
Michael Armour is a retired Captain in the Naval Reserve with a specialty in intelligence. He holds a PhD in European History with a specialty in diplomacy and has been a college president and university dean. He decided to run for office because he always felt that he would take a few years of his life to work in public service.

Armour says he lost the primary because of funding. He believes he could have forced a run-off, but says the winner—who had been Phil Gramm’s campaign manager and was largely self-financed—"hit with a major media blitz in the last 10 days and I didn’t have the money to respond."

In a race that covers 11 counties, money makes a big difference, says Armour, because “you’ve got to rely on media. The lesson I’ve learned out of this is that we’ve ended up with a process that is not healthy for democracy."

“The only people who can consider running” in our current system, says Armour, “are people who are independently wealthy or partners in a business that will underwrite them or the front for some special interest group. You shrink your pool of available candidates to a very small group of people.”

Mr. Armour has not ruled out another campaign, but says “obviously money would be a concern.”

Michael Armour raised $69,000 and received 16.6% of the primary vote. Jeb Hensarling raised $251,000 for the primary and went on to win the general election, raising $1.7 million.

Tom Caiazzo is a political science professor at Collin County Community College in Plano, Texas. He decided to run for office to “raise issues that the party was neglecting and bring forth new ideas and energy to the position.” While Dr. Caiazzo accepted no PAC money and focused on grassroots campaigning, he cites lack of money as a major reason for his loss.

“I elected to run a grassroots campaign for Congress,” said Caiazzo. “I sought to engage—and raise funds from—average Texans. Therefore I did not hold expensive fundraisers or seek many $1,000 checks. Instead I held simple BBQ and dinner parties. I received only six $1,000 checks, compared with my opponent’s 119.”

“My opponent’s huge fundraising advantage,” continued Caiazzo, “allowed him to boost his already sizable name recognition, communicate a clear message, and drown out my attempts to communicate with the public. He was able to accomplish this primarily through television and radio advertisements. Whereas [my opponent] was on major radio and television stations/frequencies at least fifty times, I ran only one radio ad and one television ad, which was played no more than 10 times. The incumbent also had a plethora of money to flood primary voters with attractive mail-outs and flyers; some primary voters received four in the final week of the campaign.”

Dr. Caiazzo is opposed to the recent doubling of individual contribution limits. “Because many of Mr. Johnson’s campaign contributions came at the existing limit,” he says, “it is reasonable to assume that the increased contribution limits…would have
enabled my opponent to significantly increase his fundraising. Because few of my contributors could afford to contribute even the current limit, the increased limits would not have had a significant impact on my fundraising ability.”

Further, Dr. Caiazzo says that “fundraising concerns generally—and the increases in federal contribution limits contained in BCRA specifically—will play an important role in my decision about whether to run for federal office in the future. The higher contribution limits will make it even more difficult for me to run a grassroots campaign geared towards average Texans and run competitively against a candidate who raises big money from wealthy individuals and special interests.”

Dr. Caiazzo raised approximately $12,000 and received 15.7% of the vote in the Republican primary. He was defeated by incumbent Sam Johnson, who raised nearly $500,000. Congressman Johnson went on to win the general election.

Victor Morales, Schoolteacher
Lost Democratic Senate Primary in a Run-off

Victor Morales has been a teacher of government for 22 years and a city councilman. He was the Democratic nominee for Senator in 1996 and secured 44% of the vote against Phil Gramm despite being vastly outspent. Morales raised approximately $900,000 in the last four months of this campaign, 87% of which he estimates came in contributions less than $100. In 1998, he ran against Congressman Pete Sessions and again received 44% of the vote. Mr. Morales ran again this year, facing Dallas Mayor Ron Kirk, and forced a run-off despite being outspent by more than $1 million.

“I knew from the beginning,” said Morales, “that the biggest issue would be money. The first state representative I spoke to, his first question was ‘how much money do you have; how much money can you raise?’ He didn’t ask about my experience or how I stood on the issues, etc.”

In spite of his lack of financial resources, Morales made a name for himself by traveling around the state in a pickup truck and running a grassroots campaign. “My campaign and my fundraising were geared towards lower and middle income families,” says Morales. “At the beginning, I would simply ask folks to contribute $15 to fill my truck with gas. For the 2002 campaign, I received only $8,000 in contributions at or above $1,000.”

“In the end,” Morales reports, “Senator Gramm’s, Representative Sessions’, and Ron Kirk’s war chests were simply too much to overcome.”

Morales suggests providing free media to candidates. He applauds the Federal Election Commission’s recent decision to allow candidates to use campaign funds to cover personal expenses, but he opposes the recent doubling of individual contribution limits.

“I believe the increased contribution limits will further alienate my supporters, specifically those that contribute in small amounts,” says Morales. “The same people that gave $1,000 will give $2,000. This only allows the rich and powerful to have more say. It does nothing to inspire others to participate in the political process.”

“During my 1996 campaign,” he continues, “I ran into two of my former students walking out of the post office. They said ‘Mr. Morales, we’re so proud of you. When we see you on TV, we say—that’s our government teacher. We were going to send you $25 each, but we didn’t because we thought ‘what’s $25, he needs millions.’”
Mr. Morales says he will “consider running again in order to rectify the wrongs I perceive with the system...However, the fundraising considerations are overwhelming.”

Victor Morales lost a run-off to Ron Kirk, 40% to 60%. Morales reported raising $18,000 in his pre-runoff report, and Kirk reported $2.5 million. Kirk went on to raise $8.5 million through the general election, but lost to John Cornyn, who raised $9.2 million.

VERMONT

Bill Meub, Attorney
Republican Nominee for At-Large Seat

Bill Meub is an attorney who owns his own law firm and has argued before the Vermont Supreme Court. He decided to run for Congress because he felt that Vermont needed a different representative than incumbent Bernie Sanders.

Meub believes he lost in part because he lacked “brand ID. It takes an awful lot of money to change who people have voted for in the past,” he says. According to Meub, his fundraising was hurt by Sanders’ war chest, which provided an air of invincibility. “Because he had such a financial edge at the beginning,” said Meub, “many people said he couldn’t be beaten, so they didn’t want to contribute to my race.”

Meub claims that Sanders raised a lot of money from PACs and out of state. “My contributions averaged about $110 because I only got three PAC contributions,” says Meub. “An occasional $1,000 check; the rest were small.”

Mr. Meub would consider running again—but only if he has enough money and there is an open seat. “I would make sure that I had gotten commitments or pledges from key individuals to raise enough money, because without that it’s a waste of time. I would not run again against an incumbent because of the money factor...Until we change financing, we’ll never know how many good people are out there who aren’t running.”

Meub supports free TV for candidates, term limits, and requiring at least 50% of a candidate’s money to be raised from within the district.

William Meub raised $156,000 for his race against incumbent Bernie Sanders and received 32% of the vote. Congressman Sanders raised $611,000 in addition to funds carried over from previous election cycles.

VIRGINIA

Gail Crook, Retired Air Force Veteran
Write-in Candidate for Senate

In addition to an MBA, Gail Crook boasts 34 years of public service at the national level, including serving with the budget offices at the Air Force and Department of Defense. She decided to run for office because as a parent she feels a strong responsibility to improve schools and preserve the environment for future generations.

She was dissatisfied with incumbent John Warner and first volunteered to work for a candidate who would oppose him. When she discovered there was no Democratic candidate, she decided to run herself. Crook went to the executive director of the Democratic Party in Richmond and
expressed interest. Party officials told her that if she were to run, they would not offer her any resources except as required by law.

Crook says the Steering Committee told her “that I needed to have at least $1 million in the bank (really $2-3 million) by May 31st in order to be viewed by the Democratic Party as a viable candidate to oppose Senator Warner...The Chairman of the Central Committee in the presence of the Executive Director refused to accept my [filing fee and documents] and confirmed the Steering Committee’s [position]...I sent out 1-2000 solicitation letters and got support from my family. I got a decent response with an average $200 donation, but it wasn’t enough so I wasn’t able to secure the nomination.”

Democrats never officially nominated a candidate, and Warner ran opposed only by minor parties and Crook’s write-in campaign.

Crook calls our political system “a closed system” and suggests $100 contribution limits and a ban on corporate contributions to increase participation. She is deeply opposed to the recent increases in contribution limits. “Given that most of my contributors could not afford to give at the [then] $1,000 limit, the increased caps would not have benefited my candidacy,” she said. “Not only would the increased limits have hurt my ability to compete as a write-in candidate, but they would have put me even farther away from earning the Democratic nomination.”

Gail Crook reported raising $6,300 and spending $16,000 in her October quarterly report (the most recent available from the FEC). Senator John Warner raised $3 million to win the general election.

WASHINGTON

Heidi Behrens-Benedict, Interior Designer, Small Business Owner
Democratic Nominee for 8th District

Heidi Behrens-Benedict is the principal in a small interior design firm in the Puget Sound region. This was her third time running for Congress against Jennifer Dunn. She ran for the first time in 1998 after receiving dozens of phone calls in response to a letter to the editor she wrote about children being killed in Springfield, Oregon. She looked at Dunn’s record on gun issues and decided to challenge her.

“Everybody discouraged me,” Benedict says. “But I think we need way more people just like me—with a real life, real jobs, real families who can take those same concerns and understandings to Washington. I’m exactly the kind of person that Thomas Jefferson had in mind—except I’m a woman...When our representatives go to a vote, they walk through a gauntlet of people in $2,000 suits. They’re not working for us; our reps are working for them. We don’t have the access; they have the access.”

Benedict feels that money is the reason she lost to Dunn in a district that was carried by fellow Democrats President Clinton and Senators Murray and Cantwell. “It’s always difficult as a challenger to raise money, especially when donors see that you’re on your own...If your college has never gone to the Rose Bowl, you’re going to have a more difficult time recruiting than if you’ve been there six out of ten times...The party only puts resources into a small number of races; they cast their net too narrowly.”
According to Benedict, Dunn was able to capitalize on her incumbency. “Raising money is like shooting fish in a barrel if you call up the mining industry and you know they’ll send you money.”

While Benedict tried to run a grassroots campaign, she says that Dunn on the other hand, “didn’t go out and campaign—her money did her work for her.”

Ms. Benedict feels that the biggest problem with our current campaign finance system is that “it’s almost impossible for a citizen to run for public office unless you’re independently wealthy…I’ve been living on my savings account; not that many people can do that. As a result, we are injured as a country.”

Benedict suggests public financing and limiting the campaign season. She will likely run again because “you don’t have to win to accomplish something. [Dunn] had to moderate her voting record because I was running against her.”

Heidi Behrens-Benedict raised $75,000 and earned 37% of the vote against incumbent Jennifer Dunn, who raised $1.8 million.

Haggin feels that money played a role in his loss to incumbent George Nethercutt because his opponent was able to get his message out through TV, direct mail, signs, posters and billboards, which “[Haggin] couldn’t match.”

“Most of [Nethercutt’s] contributions were in the $500 and up category,” says Haggin. “Most of mine were in the $50-$100 range. He had a lot of PAC contributions and a lot of rich people giving $2,000 per family member because he represents them. One percent of the population contributes 98% of the campaign contributions, so of course that’s who they represent.”

Mr. Haggin feels that “the system is broken. Democracy is in crisis in the United States. Unlimited expenditures is a terrible deterrent from opposition…These aren’t elections, they’re resource contests where you scare people off so you don’t have to run a campaign.”

Haggin supports full and timely disclosure and public financing of elections, which, he says, “would be a big help to give people the idea that it isn’t a stacked deck and an auctioning off of offices on EBAY.”

Bart Haggin raised $36,000 and received 32% of the vote against incumbent George Nethercutt, who raised $925,000.

WEST VIRGINIA

Margaret Workman, Attorney
Lost 2nd District Democratic Primary

The first woman elected statewide in the history of West Virginia, Margaret Workman earned a spot on the West Virginia Supreme Court of Appeals in 1988, where she served for 11 years,
including two as chief justice.

While she says the male-dominated West Virginia Democratic Party did not give her any particular encouragement for her run for Congress, she enjoyed the support of EMILY’s List and the DCCC.

She says she lost because “my opponent spent about $12 million over two races and outspent me 10-to-one in the primary.” He used this money to fund “TV, TV, TV, constant mailings.” She said she had trouble raising money because as a moderate Democrat, she was “not in the chamber of commerce or labor camps.” Ultimately, Ms. Workman reports, despite a personal investment of $500,000, “I had to spend so much time calling to raise money that I didn’t have time to campaign.” Her opponent was able to put in an even more substantial amount of his own money. “When you’re self-funded,” says Workman, “it frees you up to campaign.”

Ms. Workman says she knows “a lot of people who would run if it wasn’t for the money” and that she would consider running again, but that “fundraising concerns would be a big reason why I would think twice. I lost about $500,000 of my own money.”

Workman favors spending limits and public financing.

Margaret Workman raised $318,000 and loaned herself an additional $500,000 in losing narrowly to Jim Humphreys. Humphreys raised just $105,000, but loaned himself $1.4 million for the primary and then another $8 million, ultimately losing the general election to incumbent Shelly Moore Capito, who raised $2.6 million.

**Wisconsin**

Nathaniel Stampley, Pastor

Lost 4th District Democratic Primary

Nathaniel Stampley is a pastor with a doctorate in ministry and a former county supervisor. He has traveled through Europe and Africa and regularly visits jails, state and federal prisons through his work. He decided to run for Congress because there has never been an African-American Congressman from Wisconsin; he feels that “the delegation should reflect the diversity of the state.”

Dr. Stampley believes he lost because he raised only $13,000 while running against an 18-year incumbent with $1 million in the bank. “It boils down to having enough funds to get your message out over the media outlets,” he says.

Stampley says his average contribution “was probably in the $25 to $50 range. I had two $1,000 contributions and about four for $500. My opponent has inroads with unions, PACs and lobbyists. I was unable to tap into those resources because I’m a newcomer.”

Dr. Stampley believes that our campaign finance system makes it difficult for African-Americans to mount a campaign for office. “There are no African-American U.S. Senators and only 39 out of 435 in Congress. Something is wrong with this picture. If you don’t have adequate funds, there are roadblocks. There are many African-Americans who are more fiscally stable than I am that chose not to run. Many blacks don’t run because they have to overcome the money hurdle. The good old boys network is designed to stay intact.”
Stampley believes that “special interest groups influence campaigns to a large degree;” he recommends lowering contribution limits and requiring in-district contributions to level the playing field.

Nathaniel Stampley raised $7,000 and garnered 28.3% of the vote against incumbent Jerry Kleczka. Congressman Kleczka raised $459,000 in the primary and went on to win the general election, raising $566,000.

**WYOMING**

**Ron Akin, Retired Air Force Veteran**  
*Democratic Nominee for 1st District*

Ron Akin is a retired Air Force Chief Master Sergeant with nearly 30 years of military service. A lifelong Republican, Akin decided to run for Congress as a Democrat because Wyoming “is dominated by the Republican party. I was a Republican for 28 years,” he says, “but there’s a one party system here; they literally own the state. I’ve never lived in a state where there was such one party control.”

Akin feels that he lost because his late start and lack of organization hurt his fundraising. There’s “no doubt that money influences outcomes,” he says, “it all boils down to organization…The Congresswoman only won her home county by one vote. That was the only county in the state where we were organized. We couldn’t replicate that in other parts of the state because of a shortage of money.”

About his own fundraising, he argues that “the ones that can give you money probably won’t; the ones that want to give don’t have the money. You get little old ladies giving $10, $25 checks.”

Akin feels that to improve our campaign finance system “we’ve got to get the corporate money out…Get PACs out. So many of them are industry related—oil and gas, mining.”

Mr. Akin says he may run again, but “fundraising concerns always play a role...unless I can raise the kind of money I need to raise, I’ll be tilting at windmills again.”

Ron Akin received 36% of the vote against incumbent Barbara Cubin while reporting raising just $5260 on his pre-general report. Congresswoman Cubin raised nearly $600,000.
Methodology

Candidate Surveys

Survey Technique. Report author Adam Lioz conducted all candidate surveys via telephone during November and December 2002. The report author selected candidates to research and interview based upon their qualifications, credibility, and fundraising circumstances. Candidates were asked the questions listed below and whenever possible were not told the purpose of the survey until it was complete; some candidates asked the purpose of the questions up front and they were answered honestly.

Survey Questions. The candidates profiled in this report were asked the following questions:

1. Why did you decide to run for office?
2. Did anyone in particular encourage you to run or discourage you from running?
3. What are your qualifications for holding federal office?
4. Why do you think you lost the primary/general? <or> Why did you drop out of the race?
5. Do you think that money influences election outcomes?
6. Did money play a significant role in your race?
7. Please describe the role of money and fundraising in your race.
8. Did you have any difficulties fundraising?
9. Why do you think your opponent was able to raise significantly more money than you?
10. Do you have any specific stories or examples that illustrate your fundraising challenges?
11. What was the size of your average contribution, and how did this compare with your opponent’s average contribution?
12. Are there problems with our current system of financing campaigns? If so, what?
13. What solutions would you suggest?
14. Currently, individuals are allowed to give $1,000 to a candidate for federal office. Starting with the next election cycle, this limit will increase to $2,000. Is this increase a good idea?
15. Would you consider running for federal office again? Will fundraising concerns play a role in this decision?
16. Does our campaign finance system discourage good candidates from running?

Do you feel you’d have a better chance of winning office under a different campaign finance system?