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HAS THE U.S. CAMPAIGN FINANCE SYSTEM COLLAPSED?

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## Rolling in the Dough: The Continued Surge in Individual Contributions to Presidential Candidates and Party Committees

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# Rolling in the Dough: The Continued Surge in Individual Contributions to Presidential Candidates and Party Committees\*

David B. Magleby

## Abstract

The dramatic growth in the numbers of individuals contributing to presidential candidates and the surge in total amounts being contributed has generated substantial media attention in the 2008 presidential election. Individuals are giving more, in part, because the 2002 Bipartisan Campaign Reform Act (BCRA) raised contribution limits and encouraged “max-out” donors to contribute to party committees as well. This study compares individual contributions to presidential candidates and party committees in 1999, the year prior to the last pre-BCRA presidential election, and in the years prior to post-BCRA presidential elections.

**KEYWORDS:** BCRA, fundraising, individual contributions, party contributions, candidate contributions

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During the debate over passage of the Bipartisan Campaign Reform Act (BCRA) in 2002, and in the litigation which followed, there was widespread speculation about the impact of forcing presidential candidates and national party committees to rely on limited contributions from individual donors. In previous elections, unlimited “soft money” donations to parties, allowed under the Federal Election Campaign Act (FECA as amended in 1974) only for the support of general party activities, had been used to benefit specific candidates. When BCRA banned all soft money donations to parties, politicians and analysts alike worried that the end of soft money would seriously hamper electioneering. Instead, a growing number of individual donors, particularly small donors, are bolstering the election process as never before. This paper discusses how candidates and parties have adapted to BCRA, as shown in donation receipts from election cycles before and after the legislation took effect.

Early predictions about BCRA’s impact ranged from dismal to bright. Political scientist Sidney Milkis warned, “BCRA threatens the reinvigoration of national parties and the revitalization of America’s federal democracy” (2003, 43). Another commentator described BCRA as a “suicide bill for the Democrats” (Gitell 2003, 106). But not all commentators on BCRA were pessimists about the ability of presidential candidates and party committees to function in a world without soft money. As Jonathan Krasno and Frank Sorauf argued, “Certainly, BCRA’s implementation will decrease the amount of money available to state and local party organizations in the short turn, but that loss will stimulate them to broaden their base of contributors and raise more hard money. Belt tightening will also force them to use their money more efficiently and effectively” (2003, 57).

In practice, the parties have adapted well to BCRA. National party committees made a final push in 2002 to acquire as much soft money as possible, which leaves as no surprise that the Senate and House party committees raised less in 2004 than in 2002 (Magleby and Monson 2004, 274–276; Kolodny and Dwyre 2006, 184). However, the Republican National Committee and the Democratic National Committee raised more hard money alone in 2004 than they had in both soft and hard money contributions combined in 2002 (Kolodny and Dwyre, 183–184).

BCRA doubled what individuals could contribute to candidates from \$2,000 per election cycle (\$1,000 in the nomination phase and \$1,000 in the general election) to \$4,000 in 2004, again evenly divided between the nomination and general election phases. BCRA also indexed these limits for inflation, such that in 2008 the maximum an individual can give a candidate during the cycle is \$4,600. BCRA also increased the aggregate limit for an individual giving to candidates, party committees, and political action committees (PACs) in a two-year election cycle from \$25,000 to \$95,000. Indexed for inflation, the combined donation limit in 2008 is \$108,200. Of this amount only \$42,700 can go to candidates, leaving

\$65,500 to be divided among PACs and national, state, and local parties. Of those funds, a maximum of \$10,000 may be given to any one state or local party committee, a maximum of \$28,500 to any one national party committee, and a maximum of \$5,000 to any one PAC, with total PAC donations not exceeding \$40,000 (Center for Responsive Politics 2007).

By building in a fraction of the aggregate limit that could only go to political parties, the BCRA reformers created an incentive for donors to include party committees in their election cycle contribution allocations. What has been the actual experience of presidential candidates and party committees in raising money from individual donors under these new BCRA contribution limits?

The scope of this study is to compare individual contributions to presidential candidates and party committees in the year prior to the 2000, 2004 and 2008 presidential elections. This limited scope is necessitated by the timing of this publication. But there is widespread agreement in the literature on the importance of fundraising in what some have called the “money primary” that occurs in the years prior to the year of the presidential caucuses, primaries, and general election (Goff 2004). Since most candidates who do poorly in early states, particularly Iowa and New Hampshire, quickly withdraw, the importance of raising and spending money in those early states cannot be overemphasized. This is especially true as the momentum generated from early wins spurs additional funds and media attention to sustain a campaign, while early losses can cause a campaign to dry up rapidly (Magleby and Mayer 2008, 147–149). This has been especially true in 2008, in which early losses eroded the comfortable national polling leads of Hillary Clinton and Rudy Giuliani.

#### **INDIVIDUAL DONORS TO PRESIDENTIAL CANDIDATES: 1997–99, 2001–03, AND 2005–07**

Table 1 provides the total amounts raised by candidates through the year prior to the election year for the 2000, 2004 and 2008 presidential elections. The 2000 presidential election was the last held under the contribution limits of the Federal Election Campaign Act (FECA). Individuals could contribute a maximum of \$2,000 to a candidate in the cycle (primary and general election), had an aggregate cycle hard money limit of \$25,000 per year to candidates and party committees, and could give unlimited amounts to the party committees. Under FECA, candidates participating in the partial public financing of the nomination phase could expect that contributions from individuals of up to \$250 would be matched.

**Table 1**  
**Candidate Receipts from Individuals by Quarter**  
**in the Year Before the Election**

<i>Candidate</i>	<i>Prior to Quarter 1</i>	<i>Quarter 1</i>	<i>Quarter 2</i>	<i>Quarter 3</i>	<i>Quarter 4</i>	<i>Total as of Quarter 4</i>
<b>1997–99</b>						
<b>Democrats</b>						
Bradley	\$88,983	\$4,275,688	\$7,338,870	\$7,254,590	\$8,265,266	\$27,223,397
Gore	\$0	\$8,881,976	\$8,573,060	\$6,635,923	\$3,752,902	\$27,843,861
All Dems	\$88,983	\$13,319,685	\$16,551,427	\$14,489,671	\$12,666,785	\$57,116,551
<b>Republicans</b>						
Bush	\$0	\$7,474,082	\$28,666,461	\$19,520,775	\$9,729,605	\$65,390,923
Forbes	\$0	\$16,538	\$2,695,741	\$1,518,056	\$1,017,271	\$5,247,606
McCain	\$0	\$1,678,335	\$2,405,672	\$2,943,546	\$6,177,784	\$13,205,337
All Reps	\$0	\$14,112,330	\$44,349,465	\$29,999,712	\$20,461,236	\$108,922,743
<b>2001–03</b>						
<b>Democrats</b>						
Clark	\$0	\$0	\$0	\$3,484,109	\$10,177,447	\$13,661,556
Dean	\$201,960	\$2,731,302	\$7,574,917	\$14,762,373	\$15,650,903	\$40,921,455
Edwards	\$0	\$7,403,936	\$4,465,110	\$2,071,961	\$1,745,640	\$15,686,646
Kerry	\$495,398	\$6,956,448	\$5,832,429	\$3,873,040	\$2,248,683	\$19,405,997
All Dems	\$3,623,774	\$25,672,433	\$30,954,508	\$31,297,815	\$37,346,483	\$128,895,013
<b>Republicans</b>						
Bush	\$0	\$0	\$33,681,050	\$48,717,340	\$46,385,885	\$128,784,275
All Reps	\$0	\$0	\$33,681,050	\$48,717,340	\$46,385,885	\$128,784,275
<b>2005–07</b>						
<b>Democrats</b>						
Clinton	\$0	\$25,805,109	\$26,709,804	\$27,017,911	\$26,538,792	\$106,071,617
Edwards	\$0	\$14,021,284	\$9,036,908	\$7,092,914	\$4,834,761	\$34,985,868
Obama	\$0	\$25,665,688	\$32,921,935	\$20,650,853	\$22,846,503	\$102,084,979
All Dems	\$37,230	\$77,867,543	\$63,151,311	\$54,846,650	\$58,240,118	\$254,142,852
<b>Republicans</b>						
Giuliani	\$114,312	\$15,822,025	\$17,391,048	\$11,430,278	\$14,031,552	\$58,789,214
Huckabee	\$0	\$526,957	\$748,399	\$1,029,062	\$6,625,134	\$8,929,552
McCain	\$650,386	\$12,701,057	\$11,187,073	\$5,641,745	\$6,781,807	\$36,962,068
Paul	\$0	\$638,389	\$2,364,428	\$5,226,602	\$19,917,241	\$28,146,661
Romney	\$0	\$20,596,399	\$14,161,040	\$9,727,578	\$9,027,461	\$53,512,478
All Reps	\$774,637	\$53,650,097	\$42,368,438	\$45,851,118	\$64,678,763	\$207,323,053

Source: Data compiled from Federal Election Commission electronic filings, <<http://www.fec.gov>>.

George W. Bush in his 2000 race was the first non-self-financed candidate seeking a major party nomination to not participate in the FECA presidential nomination matching fund provision for the caucuses and primaries. All other announced candidates in 2000 accepted matching funds except for the largely self-financed Steve Forbes. In the 1997–99 period, Bush built a now legendary fundraising operation with individual donors, many of whom gave the maximum allowable. His approach relied heavily on personal contacts and a system of hierarchal contributors called the “Pioneers,” a group of 226 business executives,

political leaders, lawyers, and lobbyists, who raised \$100,000 or more each in \$1,000 increments. They raised about one fourth of Bush's total funds (Green and Bigelow 2002, 59).

In the 2001–03 period, former Vermont governor Howard Dean, who raised less than half as much as John Edwards or John Kerry in the first quarter of 2003, saw his contributions outpace his opponents' thereafter and ended up with more than twice as much money raised from individuals as any of the Democratic candidates.

George W. Bush's reelection campaign by year's end 2003 matched in receipts those of all of his Democratic opponents combined. Bush enlarged his hierarchical contributor program, adding "Rangers" (fundraisers who raised at least \$200,000) and "Super Rangers" (Rangers who raised an additional \$300,000 for the Republican National Committee), to his \$100,000-level Pioneers. Bush again relied on large individual donors, with 61 percent of his primary season receipts coming from maximum-donation, or "max-out," donors; though maximum-level donations made up just 17 percent of his receipts in the "bridge" period between primary season and the general election contest (Green 2006, 103).

Bush's general election opponents in 2000 and 2004 also had similar fundraising structures, with status ascribed to the aggregate amounts raised. Al Gore had his "Board of Directors"; John Kerry, "Trustees," "Vice Chairs," and "Co-Chairs." The primary stage of the 2004 cycle was essentially a large-donor game.

Contributions from individuals increased dramatically in 2007 as compared to 1999 and 2003. Three candidates raised more in the first quarter of 2007 than was raised by any candidate in a first quarter in a prior year. Hillary Clinton, Barack Obama, and Mitt Romney all raised in excess of \$20 million from individuals in the first quarter, and while Romney's receipts from individuals dipped in the second and subsequent quarters, Clinton and Obama raised more money from individuals in the second quarter than they had in the first. A surprise to many was the late surge in individual contributions to Texas Republican Congressman Ron Paul, who raised \$19.9 million in the fourth quarter of 2007—the second-most successful quarter by any Republican in 2007. (Mitt Romney had raised \$20.6 million in the first quarter of 2007.) Cumulative receipts for Obama and Clinton exceeded \$100 million by the end of 2007. By standards of prior cycles in fundraising from individuals, Giuliani (\$58.8 million), Romney (\$53.5 million), McCain (\$37 million), Edwards (\$35 million), and Paul (\$28.1 million) all raised more in the year before the presidential election than any candidate in either party had in the two prior elections except for Bush in 1999 and Dean in 2003.

### SMALLER INDIVIDUAL CONTRIBUTIONS AND THE INCREASING ROLE OF THE INTERNET

The John McCain campaign in 1999 and 2000 made some early use of the Internet as a mode of raising money, pulling in a modest but pioneering \$5 million to \$6 million online (Green and Bigelow, 63). In 2003, having seen the impact the Internet was having for interest groups like MoveOn.Org and others, the Howard Dean campaign made online donations a primary source of funds. About half of Dean's \$51 million raised came over the Internet, with over one million unique donors—a remarkable number of participants, just reached and touted this cycle by Barack Obama. Dean's campaign manager, Joe Trippi, characterized Internet fundraising as “the opening salvo in a revolution” (Patterson 2006, 81).

An important development in 2008, and one deserving of further study, is the expanded use of the Internet in contributions. Media stories indicate that candidates' use of the Internet for soliciting contributions has been more effective for all the major 2008 candidates than for those in 2004, but Internet-derived contributions appear most important in the financing of Obama, Edwards, and Paul (Davies 2008).

While individuals can make contributions at any level up to the legal maximum via the Internet, this method appears to be more frequently used by donors making contributions under \$200. A \$200 threshold is also used by the Federal Election Commission to track what are called “unitemized contributions.” Table 2 presents the amounts raised by each candidate in unitemized contributions, as well as the proportion of their total receipts raised in this manner through 2007.

The Democrats, and especially Obama, had remarkable success through 2007 in raising money in amounts of under \$200 from individuals. Obama raised more from small individual contributions in 2007 than Bill Bradley, Gore, Edwards, or Kerry had raised from individuals contributing at any level at the same point in the 2000 and 2004 cycles. This is a fair comparison because these small unitemized contributions were not directly impacted by BCRA. Candidates are not required to specify their methods for raising money, but the Obama campaign has released its numbers for January 2008: \$36 million in total, with \$28 million of that coming online (Luo 2008). Republican Ron Paul also saw remarkable success relative to all other candidates except Obama in his fundraising from individuals giving \$200 or less to candidates. Through 2007, Paul raised over \$17 million in unitemized contributions, which accounted for 61 percent of all the money he raised through 2007.



**Table 2**  
**Individual Donors' Unitemized Contributions to 2008 Presidential**  
**Candidates, with Proportion of These Donations in Candidate's Total**  
**Receipts, through 2007**

<i>Candidate</i>	<i>Donations of \$200 or Less</i>	<i>Unitemized as % of Total</i>
Clinton	\$11,370,741	14%
Obama	\$31,099,525	32%
Edwards	\$11,372,287	36%
Romney	\$6,424,464	12%
Giuliani	\$4,058,720	8%
McCain	\$8,465,225	25%
Paul	\$17,140,999	61%
Huckabee	\$3,159,803	35%

Source: Campaign Finance Institute, "Presidential Fundraising in 2007 Doubles 2003," press release, February 11, 2008. At <<http://www.cfinst.org/pr/prRelease.aspx?ReleaseID=179>>, accessed March 10, 2008.

The Internet has afforded candidates new tactics in the race for funds. Social networking sites like Facebook.com and MySpace.com allow candidates to connect with and organize more voters, especially young voters; more importantly, these sites provide free, simple, and effective tools that allow supporters to organize themselves. Independent sites like UltiMitt.org and ActBlue.com have brought money and volunteers to the candidates. Additionally, media posting sites like YouTube.com and Flickr.com give opposition researchers and imaginative supporters a platform to pillory or praise candidates. For example, as of this printing, hip-hop artist will.i.am's Obama-supporting music video "Yes We Can," has received over 12 million views on YouTube.com alone. But the Internet's greatest strength may be how it allows nearly instantaneous communication with supporters. For instance, when conservative pundit Ann Coulter criticized John Edwards in a speech, his campaign immediately posted the offensive video prominently on its website and sent out an email appealing for \$100,000 in "Coulter Cash." The campaign raised \$300,000 from the incident (*Frontrunner* 2007).

Recent press reports, some not confirmed by candidates, indicate that the surge in individual contributions to McCain, Clinton, and Obama has continued into 2008. During January, Obama is reported to have raised \$36 million compared to Clinton's near \$14 million and McCain's \$12 million (Luo and Zelleny 2008). In February, Clinton raised another \$35 million, but Obama topped

that with an estimated \$50 million (Luo and Zelleny). The Obama February total exceeded the prior record for individual contributions to a candidate in any month—a record previously held by Kerry, who raised \$44 million in March 2004. However, by March 2004 Kerry had already secured the nomination, something Obama had not done in February 2007 (Luo and Zelleny). The Clinton campaign reported that \$30 million of its \$35 million raised in February, or more than 85 percent, “had come in over the Internet or in other small donations.”

Individuals wanting to give the maximum allowable could give \$2,300 for the nomination phase of the 2008 election. Table 3 provides the amount raised by each candidate from individuals giving \$2,300, as well as the proportion of the candidate’s total receipts raised from these max-out donations through 2007.

**Table 3**  
**Total of Individual Contributions At the Maximum Allowable, with**  
**Proportion of These Donations in Candidate’s Total Receipts, through 2007**

<i>Candidate</i>	<i>Donations of \$2300</i>	<i>Maximum Donations as % of Total</i>
Clinton	\$42,291,540	50%
Obama	\$32,024,536	33%
Edwards	\$7,292,010	23%
Romney	\$22,920,441	44%
Giuliani	\$27,854,488	53%
McCain	\$11,936,412	35%
Paul	\$2,157,695	8%
Huckabee	\$2,512,434	28%

Source: Campaign Finance Institute, “Presidential Fundraising in 2007 Doubles 2003,” press release, February 11, 2008. At <<http://www.cfinst.org/pr/prRelease.aspx?ReleaseID=179>>, accessed March 10, 2008.

Hillary Clinton’s campaign through 2007 relied much more heavily on individuals contributing the maximum allowable. Half of the money she raised from individuals in this period came from max-out donors. Rudy Giuliani was the only candidate in this period to raise a higher proportion of his money from this type of donor, raising an impressive \$27.9 million from these donors alone. While Obama far outdistanced all other candidates in money raised from donors contributing under \$200, he raised slightly more money from donors at or near the maximum allowable (\$32 million) than from donors making contributions under \$200 (\$31.1 million). In short, Obama drew substantially from donors at all levels, unlike Paul, who drew heavily from donors making smaller contributions, or Clinton or Guiliani, who relied heavily on max-out contributors.

While small contributions have increased tremendously in this election cycle, they make up only a slightly larger part of the fundraising pie for most candidates. Large donations have also increased, led again by large-donor hierarchies. In late 2007, Public Citizen and the Campaign Finance Institute estimated that bundlers, such as members of Hillary Clinton's "Hillraisers" and Obama's "National Finance Committee," had raised about 40 percent of these candidates' money (Weissman and Lincoln 2007, 2). Since so much of the funding in 2008 has come online and through small donations, it is likely that bundlers' relative contribution (and, some would argue, relevance) has decreased in recent months (Horowitz 2008).

#### INDIVIDUAL CONTRIBUTIONS TO PARTY COMMITTEES

Over the same three presidential election cycles, have there been similar changes in the patterns of individual contributions to political party committees? BCRA's incentive for individuals wishing to contribute the maximum allowable to give to the party committees seems to be aiding fundraising after all. Table 4 provides the receipts for each of the six national party committees: the Democratic National Committee (DNC), the Republican National Committee (RNC), the National Republican Senatorial Committee (NRSC), the Democratic Senatorial Campaign Committee (DSCC), the Democratic Congressional Campaign Committee (DCCC) and the National Republican Congressional Committee (NRCC).

**Table 4**  
**Cumulative Individual Contributions to Party Committees, 1999, 2003, 2007**

1999	DNC	DSCC	DCCC	RNC	NRSC	NRCC
Jan	no report	\$402,705	\$383,597	\$4,377,841	\$1,221,135	no report
Feb	no report	1,315,039	996,500	8,293,508	2,714,773	no report
Mar	no report	2,018,211	2,099,043	12,075,510	3,951,438	no report
Apr	no report	2,563,879	2,913,639	15,538,322	4,799,039	no report
May	no report	3,484,821	3,621,852	18,431,846	5,658,490	no report
June	13,795,384	4,203,525	4,645,676	21,940,913	6,714,759	12,601,048
July	no report	4,954,501	no report	25,384,544	7,733,205	no report
Aug	no report	5,504,981	no report	28,561,093	9,066,036	no report
Sep	no report	5,978,022	no report	31,643,643	10,198,397	no report
Oct	no report	6,516,239	no report	34,189,070	11,288,551	no report
Nov	no report	7,082,985	no report	37,000,968	12,330,290	no report
Dec	24,334,318	7,930,492	9,772,564*	41,888,677	13,626,413	25,580,066

2003	DNC	DSCC	DCCC	RNC	NRSC	NRCC
Jan	\$2,089,979	\$413,562	\$492,333	\$11,390,893	\$1,083,772	\$5,817,767
Feb	4,623,773	1,067,312	1,221,234	20,909,106	2,786,656	13,558,101
Mar	7,855,876	3,258,717	3,483,814	29,214,587	4,760,530	20,163,119
Apr	10,162,326	4,185,385	4,549,765	36,780,201	7,480,930	28,018,358
May	12,702,115	5,136,098	5,837,995	46,409,983	10,147,392	35,072,264
June	17,397,134	7,791,394	8,158,596	54,494,171	12,158,764	40,893,945
July	20,459,167	9,135,477	9,417,966	62,263,825	13,823,158	46,268,694
Aug	24,575,638	10,378,797	10,706,827	68,240,967	15,621,021	49,999,513
Sep	29,440,455	12,745,160	12,489,133	76,417,225	17,703,501	54,280,307
Oct	34,020,881	13,434,378	14,149,646	83,901,088	19,326,628	58,270,377
Nov	36,973,673	14,852,174	15,835,294	88,557,820	20,718,552	61,149,317
Dec	41,603,527	17,421,597	18,907,904	105,159,694	22,207,607	65,560,862

2007	DNC	DSCC	DCCC	RNC	NRSC	NRCC
Jan	\$5,151,167	\$1,205,440	\$1,175,282	\$10,353,011	\$631,921	\$2,466,549
Feb	9,381,254	3,110,771	4,725,943	17,091,412	2,120,975	5,287,917
Mar	14,517,932	10,209,333	12,059,929	24,285,182	4,369,081	10,104,947
Apr	18,374,880	14,490,332	13,808,301	31,485,777	6,212,293	12,624,036
May	23,120,937	18,530,706	16,960,974	37,858,654	9,118,934	16,352,435
June	27,059,769	25,606,018	23,606,926	44,139,952	11,920,934	20,718,498
July	30,339,326	28,075,063	26,499,001	49,757,516	13,988,371	22,969,400
Aug	33,967,639	30,061,784	29,459,611	54,529,190	16,232,557	25,390,389
Sep	36,887,237	33,954,873	34,632,386	60,171,770	18,328,649	27,046,432
Oct	41,254,254	36,550,858	37,463,787	68,205,242	21,026,506	29,597,931
Nov	45,167,903	40,370,288	40,620,956	73,456,962	23,096,615	31,553,171
Dec	48,564,557	44,856,597	43,827,045	82,009,995	25,638,925	34,092,998

\* Includes \$4,005,874 from the Democratic Congressional Campaign Committee—Contributions

Source: Data compiled from Federal Election Commission electronic filings, <http://www.fec.gov>

In terms of individual “hard money” contributions to party committees in 1999, all three Republican committees raised more money from individuals than their Democratic counterparts. The hard money gap was less for the DSCC compared to the NRSC, but it was very large for both the DCCC and DNC. All party committees saw dramatic growth in individual contributions between 1999 and 2003. By 2007, the DSCC and DCCC raised more money from individuals than their equivalent GOP committees. A remarkable turnaround from 1999.

As noted, BCRA increased the maximum amount an individual could contribute to party committees. To what extent have party committees tapped into this source of funds? Have party committees seen the same surge in small, unitemized contributions in the last two presidential election cycles? To explore these questions we contrast in Table 5 the money raised from individuals giving

the maximum permitted with the level of unitemized contributions in 2002, the last election conducted under the rules of the FECA, and in the 2004 and 2006 elections, the first elections held under BCRA. Table 5 looks at total 2-year cycle contributions, unlike Tables 1–4 which report data only on the year or years before the year of the election.

Looking only at total contributions from individuals, the Democratic National Committee made dramatic gains in 2004, to surpass the RNC in total contributions from individuals. The DNC raised just under \$357 million from individuals, compared to the RNC's \$350 million. The RNC did better among max-out donors than the DNC in 2004, but the DNC outperformed the RNC in unitemized donors, \$166 million compared to \$157 million. Contrary to the speculation of some prior to the implementation of BCRA, the soft money ban did not "short-circuit the efforts . . . to revitalize political parties" (Milkis 43).

Looking at the same time period for the DSCC, the change is even more dramatic. In 2002 the DSCC raised only about half as much money from individuals as the NRSC did. In 2004 individual contributions to the DSCC climbed to near-parity with the NRSC, then far surpassed the NRSC in 2006. Max-out donors have been important to the DSCC over time and were a large part of the committee's success in 2004 and 2006. But the DSCC has also made major strides in small unitemized contributions. In 2007, the NRCC actually fell behind the DCCC in individual contributions, and early signs suggest that it will again surpass the NRCC in fundraising from individuals in 2008 (O'Connor 2008). Our studies of competitive contests for Congress in 2004 and 2006 also found substantial amounts of money being contributed by individuals to candidates in those races (see Magleby, Monson, and Patterson 2005, 36–41; Magleby and Patterson 2008, 24).

**Table 5**  
**Sources of Receipts for National Party Committees, 2002–06**

	DNC			RNC		
	2002	2004	2006	2002	2004	2006
Total Receipts	\$67,497,257	\$394,411,997	\$130,821,232	\$170,099,094	\$392,413,393	\$243,007,131
Total Contributions from Individuals	\$55,623,021	\$356,975,734	\$117,948,743	\$157,825,892	\$350,368,907	\$213,453,376
Unitemized*	\$37,820,051	\$165,774,626	\$73,197,298	\$102,927,710	\$157,091,853	\$112,849,192
Unitemized as % of Total from Individuals	67.99%	46.44%	62.06%	65.22%	44.84%	52.87%
Contributions at the Maximum Permitted**	\$680,000	\$43,350,000	\$3,756,200	\$2,980,000	\$60,850,000	\$801,000
Maximum Donations as % of Individual Total	1.22%	12.14%	2.87%	1.89%	17.37%	0.38%
Contributions from Federal Candidates	\$55,113	\$24,063,496	\$1,099,873	\$160,250	\$26,678,514	\$1,274,385
Contributions from PACs	\$1,099,514	\$3,038,036	\$1,490,203	\$703,084	\$2,970,840	\$2,169,356
Transfers from State or other National Parties	\$6,560,050	\$378,869	\$466,738	\$3,522,399	\$4,655,873	\$4,556,649

	DSCC			NRSC		
	2002	2004	2006	2002	2004	2006
Total Receipts	\$48,391,653	\$88,655,573	\$121,376,959	\$59,161,387	\$78,980,487	\$88,812,386
Total Contributions from Individuals	\$20,168,297	\$57,756,029	\$87,232,426	\$41,533,725	\$60,811,444	\$65,214,270
Unitemized*	\$9,723,282	\$21,179,393	\$24,506,860	\$20,231,352	\$29,998,982	\$24,525,559
Unitemized as % of Total from Individuals	48.21%	36.67%	28.09%	48.71%	49.33%	37.61%
Contributions at the Maximum Permitted**	\$2,020,000	\$12,175,000	\$10,016,700	\$320,000	\$6,125,000	\$2,132,600
Maximum Donations as % of Individual Total	10.02%	21.08%	11.48%	0.77%	10.07%	3.27%
Contributions from Federal Candidates	\$1,820,984	\$14,637,708	\$11,817,188	\$1,621,321	\$3,846,670	\$4,657,000
Contributions from PACs	\$4,707,156	\$6,281,744	\$7,911,614	\$4,206,101	\$7,714,233	\$8,699,844
Transfers from State or other National Parties	\$7,100,082	\$8,166	\$1,066,159	\$6,580,615	\$501,961	\$5,042,400

	DCCC			NRCC		
	2002	2004	2006	2002	2004	2006
Total Receipts	\$46,436,093	\$93,168,931	\$139,891,645	\$123,615,586	\$185,719,489	\$179,549,131
Total Contributions from Individuals	\$19,393,788	\$50,690,882	\$83,158,357	\$79,175,374	\$145,858,047	\$112,066,248
Unitemized*	\$11,201,482	\$25,141,719	\$32,013,707	\$39,673,242	\$49,789,260	\$42,369,374
Unitemized as % of Total from Individuals	57.76%	49.60%	38.50%	50.11%	34.14%	37.81%
Contributions at the Maximum Permitted**	\$800,000	\$6,675,000	\$5,265,950	\$180,000	\$3,775,000	\$186,900
Maximum Donations as % of Individual Total	4.13%	13.17%	6.33%	0.23%	2.59%	0.17%
Contributions from Federal Candidates	\$12,131,368	\$23,958,309	\$33,355,498	\$14,077,114	\$24,247,276	\$30,223,581
Contributions from PACs	\$4,157,049	\$6,447,173	\$7,284,668	\$4,661,590	\$8,595,727	\$11,199,585
Transfers from State or other National Parties	\$3,207,213	\$652,638	\$954,500	\$4,454,900	\$1,204,620	\$18,117,022

Source: Federal Election Commission, "Party Financial Activity Summarized for the 2006 Election Cycle," press release, March 7, 2007. At <<http://www.fec.gov/press/press2007/partyfinal2006/20070307party.shtml>>, accessed June 4, 2007.

Note: This table includes federal or "hard" money only.

\*Unitemized contributions from individuals are those which aggregate \$200 or less in a calendar year from a single person.

\*\*The maximum contribution from individuals was changed from \$20,000 per year to \$25,000 per year for the 2004 election cycle and \$26,700 per year for 2006.

## CONCLUSION

The dramatic growth in the numbers of individuals contributing to presidential candidates and the surge in total amounts being contributed has generated substantial media attention in the 2008 presidential election. What is less well understood is that individuals are giving more, in part, because the limits were raised by BCRA. More research needs to be done on what is motivating more

people to give in 2008, but clearly there is a higher level of interest in this election, at least as measured by campaign contributions.

But the increase in political giving by individuals is not limited to presidential candidates. It is part of a broader pattern that started in the 2004 election cycle and continued in 2006. Part of the increase may be driven by the ease of contributing via the Internet, part of it may be due to passion about the wars in Iraq and Afghanistan, and some of it may be due to enthusiasm for the candidates. Whatever the motivation, increased giving is not isolated to the 2008 presidential contest and therefore may have long-lasting significance.

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