



Lecturer disputes influence of money on elections, policy

By [Rudi Keller](#)

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In 2012, political candidates, parties, political action committees and “dark money” organizations that don’t disclose their donors combined to spend \$7 billion to influence federal elections, according to the Federal Election Commission.

In Missouri, state candidates reporting to the Missouri Ethics Commission raised \$109.5 million.

The public worries about that money, said Jeffrey Milyo, a University of Missouri economics professor who last night delivered the 11th Annual 21st Century Corps of Discovery lecture. There is a general sense that offices are for sale, campaign contributions are legal bribes, money distorts policy decisions and, as a result, people feel alienated and don’t vote.

The resulting push for restrictions on political money is intended to increase confidence in government. His studies, he said, show money is not a controlling factor in elections and campaign finance restrictions do not make people feel better about elected officials.

“These public concerns, I would say, are overstated, and that’s the dirty secret,” he said. “Things aren’t so bad. I know that is an incredibly unwelcome message to many people. To say, ‘Things aren’t so bad, politicians aren’t so corrupt, money isn’t driving things,’ is an unwelcome message for a lot of people and they are quite skeptical.”

Milyo has published several studies of the influence of money on elections and policy. Last night, he emphasized whether large increases in the money available to candidate helps them win by bigger margins and whether stricter policies on campaign finance mean heavier taxes or regulation on industries that invest heavily in contributions and lobbying.

His conclusion is that although money helps a politician get started, a lot of extra money doesn't help their margins. And regulating money doesn't have a big impact on policy, he said.

“When you look across all 50 states, over time, you do not find that kind of a relationship, between campaign finance regulation and, more regulations say leading to higher taxes on alcohol and cigarettes,” he said. “Some people have looked at corporate taxes. I've looked at Medicaid generosity. We don't see those kinds of effect on public policy.”

The purpose of campaign finance regulation, he said, is to eliminate the appearance of corruption by people with undue influence. “The problem is that is a rather vague term, isn't it? And after studying this for 25 years I have never heard anyone define due influence,” Milyo said. “If you can't define that then I don't know what undue influence is. It is usually I don't like your politics and you are too successful.”

Some members of the audience were skeptical of Milyo's conclusions. Elizabeth Cogswell noted that his research is funded in part by the Koch Foundation and the Searle Foundation and that he is a senior fellow at the Cato Institute, a libertarian think tank. Koch Industries has been a major player in using “Super PACs” to engage in independent spending on elections. Searle has helped fund the American Legislative Exchange Council, which writes model conservative legislation.

“How do you make sure that doesn't affect your methodology or conclusions?” Cogswell asked.

In reply, Milyo said his work is peer-reviewed and screened before it is published. He also said the question highlights why it might be a good idea to hide the names of political donors.

“If sort of smearing people and saying, ‘You got money from here, therefore you are connected to them,’ and, ‘They got money from here, and you are connected to them,’ if that works, people are going to do that.”