Does Money Matter in House Elections?

Jake Matise
Bemidji State University

Political Science Senior Thesis
Bemidji State University
Dr. Patrick Donnay, Advisor
April 2023

Abstract

Although campaign spending has always been prevalent in American political society, the aftermath of decisions like Citizens United has led to higher amounts of election spending than ever before. But does spending have an observable effect on the outcome of elections? This paper evaluates the effect of campaign spending on winning an election using data from the 2020 House election cycle. The data I used consists of every House election from 2020, with seats ranked on a competitiveness scale from "safe Republican/Democrat" to "toss-up" (as categorized by 270ToWin), as well as recording incumbent or challenger victories, and the amount of money the winner and runner-up spent during their respective campaigns (taken from OpenSecrets). I also analyze whether campaign spending has a party bias. The preliminary results illustrate high statistical significance between election competitiveness and an increase in campaign spending.

Literature Review

This literature review, and thesis as a whole, seeks to examine the impact campaign spending has on campaigns, and answer the central research question, "does money win elections?" These sources enable a greater understanding of how much of an impact spending has on a candidate's ability to run a successful campaign. The literature also discusses potential party bias in campaign finance, laying the groundwork for answering the question of which party is more successful when it comes to campaign finance, and whether it improves their chances of winning. Campaign strategy is also crucial when it comes to which voter demographics are particularly influenced by certain aspects of campaign spending, as well as assess whether the total amount of money raised is a more significant factor than the actual source of the funds themselves. This marks an important distinction when it comes to assessing whether strategy is more crucial than the spending by itself. The literature also contains an evaluation of some of the more unseen effects of campaign spending, such as the ability of heavily funded campaigns to deter quality challengers before the election even begins.

Introduction: Does Money Win Elections?

The short, surface-level answer to this question is yes. A one-percentage-point increase in either party's share of all campaign contributions is estimated to increase their share of the vote by half a percentage point (Hall 2016). In the 2020 election cycle, roughly 86 percent of House elections were won by the candidate who spent more (OpenSecrets). The data from OpenSecrets is neatly divided by whether the incumbent or challenger won, or whether the election was for an open seat. However, the flaw with the OpenSecrets data is that it is composite, and does not take

into account the fact that the overwhelming majority of elections are noncompetitive. I used the information from OpenSecrets and 270ToWin to sort by competitive elections, in order to narrow my focus to see the effects of campaign spending when both parties put up a fight. Components of the literature find a consistent linear relationship between campaign spending and vote share, which is important to note (Ferguson et al 2022). However, there are many other factors to consider that can lead to exceptions within this surface-level linear relationship, which would take into account background information on candidates and electoral context on incumbent performance, diminishing the impact of spending alone.

Literature Review: Incumbent Advantage

It is necessary to recognize that incumbents are more likely to have an easier time raising money for their campaigns than challengers. They possess a larger network of organizations and constituents at their disposal from their time in office. This allows for a larger pool of funds from which to draw than the typical challenger. Incumbents also have the benefit of being able to receive campaign contributions while they are still in office, which allows for a buildup of substantial war chests that can be deployed when the time is right during election season (Schuster 2020). In fact, the incumbent advantage is significant enough that incumbent candidates in Senate races gained roughly a 6 percent vote share increase on average (Gerber 1998). However, the spending advantage can be offset by a wealthy challenger who has the ability to self-fund their campaign. Wealthy challengers are much more likely to be able to match incumbents' spending dollar for dollar (Schuster 2020).

Incumbents are also much more likely to have a more professional campaign staff surrounding them, a reflection of the connections made from being a current member of Congress, as well as having the funds at their disposal to keep quality staff members around (Gerber 1998). A professional campaign staff allows for a variety of polling, targeting, surveying, and advertising teams to be more organized and better equipped to gather quality data, and in turn perform much more effective constituent work and make stronger connections. This is a stark contrast from the teams of challengers with less funds to work with, who may find themselves relying heavily on volunteers to help them out as best they can.

So while this financial advantage often gives incumbents an advantage over their challengers, there is also a usually unseen effect lurking beneath the surface. There is a direct relationship between the amount of money an incumbent has at their disposal to the likelihood of a strong challenger entering the race (Epstein et al 1995). Epstein's data and equations are extremely complicated, but it can be simplified down to a certain target amount of funds an incumbent possesses being a good indicator of a lack of a quality challenger arising. The results of Epstein's work can best be summed up as the amount of money poured into a challenger's campaign being a reflection of their belief the election is winnable, meaning they have received positive input from campaign experts and advisors from their respective parties. This is in line with Alan Abramowitz's study where he pinpoints challenger spending as "the single most important factor", while believing incumbent spending has little impact (Abramowitz 1991). However, candidates only wish to invest a significant amount of resources (or run for office in the first place) if they believe they truly have a chance to win. Therefore, if a candidate is not confident they can raise a comparable amount of money to the incumbent, they are less confident in their ability to run a successful campaign, and in turn, less likely to even run for office as a

whole. By this logic, incumbent spending can still deter challengers from running, thereby impacting the election before it begins.

Demographics Influenced by Spending

The fundamental goal of running a campaign is to win an election. That we all recognize. In turn, the only way to win an election is to secure more votes than your opponents. Therefore, it is imperative for candidates to direct their spending efforts towards avenues that they believe will help them pick up votes, either through mobilizing their base, or by influencing voters who may be on the fence that they are the best candidate for the job. In the 2012 House election cycle, spending on advertising and messaging was evaluated as the most impactful in terms of its correlation to vote share (Schuster 2020).

Schuster also was able to calculate which demographics were particularly vulnerable to spending in this department. Using data from the 2012 American National Election Studies survey, respondents were asked various questions to measure their political knowledge and party affiliation. Schuster found that low-knowledge voters were significantly more vulnerable to being influenced by campaign messaging than high-knowledge voters. As for their party affiliations, strong Republicans and Democrats were affected by mobilization efforts more than moderates, and independent voters were hardly affected at all by messaging. Schuster estimated that a $100,000 increase in spending on advertising and messaging by a candidate could lead to a two to three percent increase in overall vote share as a result of these more persuadable sectors being influenced. In competitive elections, a three percent difference can certainly be the difference between winning and losing an election. An additional glaring factor in the survey was

economic satisfaction. Economically dissatisfied voters were more easily swayed, and an entire district of economically dissatisfied voters could represent a 2% vote change in favor of the Republican candidate. However, Schuster notes this advantage can be offset by Democrats if they match Republican spending on the issue and utilize effective messaging. This component of Schuster's work indirectly supports the notion that campaign strategy may surpass campaign finance in importance if the situations are comparable.

Does Spending Have a Political Bias?

Which party is spending the most money is another important variable to consider when examining the effects of spending on election results. Interestingly enough, there seems to be a difference between the weight of Republican spending when compared to Democratic spending as far as the impact of each on election results is concerned. In fact, following Citizens United, there is a slight, yet measurable, difference between the likelihood of success for Republican state legislative candidates (Harvey et al 2022). Harvey's findings suggest that the elimination of campaign spending and fundraising restrictions has led to Republicans gaining an overall spending advantage. However, results will still vary by state, as this is not the case in Minnesota (Donnay 2019). I personally find Harvey's article to be relevant, although one can certainly pick out individual cases where Democrats have outspent Republicans and won. However, I can examine the 2020 data to investigate specific cases, as well as the percentage of Republican victories overall.

Schuster's research also noted that Republicans possess a slight spending advantage, or at least in the 2012 election cycle, they spent their money more efficiently. The respondents

surveyed in the 2012 ANES survey consistently leaned left prior to the election, but when respondents were surveyed following the election, there was a measurable shift to the right, which is interesting to note. Economically dissatisfied voters were also more vulnerable to Republican influence, which makes sense given the GOP's penchant for loosening economic restrictions, and their typical pro-business and pro-tax-cut platform.

Does the Source Matter?

It is important to recognize that there are a variety of different sources of campaign funds, especially following the Citizens United ruling. Candidates receive money from in-state and out-of-state individual donors, party organizations, PACs, and Super PACs. Out-of-state contributions are a powerful tool for challengers when it comes to shrinking the incumbent advantage (Baker 2022). This is in part due to the fact that out-of-state contributions are an indicator of the commitment of larger national interest groups to a particular candidate. This is particularly present in competitive races and crucial election years. Baker's observations were from the 2018 midterm election cycle. National interest groups and PACs fall under this category (Williams 2020), and their vast pool of funds allows them to target competitive races and help their candidate gain a competitive advantage.

Perhaps the greatest indicator of potential success is the amount of involvement a candidate's party has in fundraising. The purpose of parties is to win elections, and a high concentration of funds from a party organization reflects the party's commitment to that candidate, and in turn, their likelihood of winning the election (Hernson 2013). Formal party organizations, or FPOs, have the largest pool of funds to draw from, and spend significantly

more funds than any allied PACs do on candidates. FPOs are the most well-connected and fluid organizations by far when it comes to raising funds, and having substantial party backing is crucial in winning any competitive election.

Public money, although not quite as powerful as a national party network or a nationwide interest group, can be an indicator of success. Public money can often be perceived as "cleaner" than privately funded campaigns, and the mess that can be extensive campaign finance networks. In some cases, publicly funded campaigns can raise more money than private ones, a reflection of the candidate's popularity and overall influence. However, there are concerns with public campaigns, as these candidates typically tend to be more radical (Kilborn 2022). The charisma of the candidate in turn can be a powerful tool in gathering funds.

Research Question

The aims of this review were to examine the literature pertaining to the general effects of campaign spending on election results, while taking a vast array of variables into consideration. Elections are a fundamental part of the Democratic process and the very framework of how the country operates, and it is important for the public to be aware of what goes on behind the scenes. The big "so what" of my research question centers around what the linear relationship between spending and electoral success actually means for America as a democracy. If money truly can be tied to turnout or persuasion, and therefore electoral success, then does that suggest our political system can be bought (Kolodny 2022)? I seek to answer this question using the 2020 House election data, with a focus on competitive elections.

Methods and Analysis

For my thesis, my units of analysis consist of House election results and their correlation with campaign spending, as I seek to assess the impact spending has on successful campaigns. My data is from the 2020 House election cycle, courtesy of the Federal Elections Commission (FEC) and organized by OpenSecrets, an independent source that reports candidate spending, and has undertaken the task of condensing the data for me. The data was collected by the FEC via the expenditure reports that the candidates submitted, and was published in a more organized fashion by OpenSecrets. OpenSecrets publishes a column following every election cycle titled "Did Money Win", which seeks to illustrate how money potentially affected election results. In the 2020 election cycle, candidates who outspent their opponents were victorious roughly 86% of the time. The data from these sources directly relates to my research question which is "how does campaign spending affect election outcomes?"

When attempting to answer this question, there are numerous variables to consider. Fortunately, OpenSecrets has neatly separated some of these variables and I have organized as much relevant information as possible onto a single Excel spreadsheet for easy analysis. I will then upload the data from Excel to IBM SPSS, which will give me access to a variety of cross-tabulations and graphs to make effective comparisons and draw conclusions from the data. One of the most significant independent variables to consider when conducting my analysis is the status of the seat itself. If the seat is open, I have operationalized the variable by marking a "1" under a tab labeled "openseat". Classic elections with an incumbent and challenger are not marked. Of course, the amount of money raised itself is a crucial independent variable, which

makes itself known under “winner spent” and “runner-up spent” respectively. Another independent variable for me to consider is the competitiveness of the election, which I am still working on how to best illustrate, but I will likely operationalize this variable by noting if the amount of money spent by each candidate is similar, and then cross reference that information with the actual results of that election. I also have included the state and district for each election as an independent variable, as different states have different political leanings, which no doubt affects election outcomes greatly.

The dependent variables for my data naturally concern the outcome of the election itself. It is important for me to distinguish if a challenger upset an incumbent, which I have visualized under “winchall”. An incumbent victory is valued as 0, while a challenger victory is displayed with 1. The political party of the winning candidate also is an important dependent variable to note. This variable is operationalized by the “partywin” tab on the spreadsheet.

As for the hypotheses I plan to measure, there is a wide variety of directions I can take this data. Above all else, my main hypothesis is “concerning House elections, the candidate who raises more money is more likely to win the election.” The independent variables I have discussed earlier will prove instrumental in assessing the accuracy of this hypothesis. I also am interested in learning if there is a party preference as to who money helps more, and I suspect it helps Republican candidates in competitive elections more than Democrats. My second hypothesis is “In competitive House elections, Republican candidates are likely to spend more money, and therefore are more likely to win.” The variable of competitiveness will help me determine which cases to look at, and allow for easier comparison of effective data. Lastly, I want to measure the influence of party money on elections. On this issue, my hypothesis is “in competitive elections, the candidate that receives more money from their respective party is more

likely to win. The FEC data breaks down where money comes from, which will allow me to see its effects when cross referenced with my competitiveness chart.

Hypothesis One: Correlation Between Campaign Spending and Victory

My hypothesis prior to evaluating the variables was "concerning House elections, as elections increase in competitiveness, campaign spending by the candidates will also increase with it. In order to test my hypothesis, I used visual binning to bracket the level of spending, from $0-$736k as my first interval to above $3.4 million as my final interval. I then chose to crosstab this data with my Five Category Competitiveness variable, which ranked the competitiveness of elections from safe Republican or Democratic seats to tossups. The definition for the categories, taken from 270ToWin, referred to "safe" seats as certain incumbent victories, "likely" as to where a challenger victory would be truly shocking, "lean" as districts where the incumbent has an advantage, but could be vulnerable to a quality challenger and a very well-run campaign, "tilt" as a tight race but with a slight incumbency advantage, and "toss-up" as a tight race with neither side having an advantage. It is important to note that these categories were declared before the election, and the actual results differ somewhat greatly from the pre-election predictions. My findings showed that the relationship between election competitiveness and the amount of money the winner spent is statistically significant. {Table 1 about here}

Of the 30 cases that fell under the most competitive categories, "toss-up" and "tilt R/D", all 30 were a part of the upper half of spending, with no amount being less than $1.1-$1.5 million, and the remaining 29 cases falling between $1.5 million and above $3.4 million. However, it is worth noting that in 91 cases from "safe" districts, the winner spent at least $1.9 million. Overall, this hypothesis is true, as all elections that were competitive saw more spending

than those that were safe on average, but external factors are likely to blame for the cases where a lot of money was spent on safe races. This could be due to the longevity of particular candidates, their presence on prominent committees in the House, or a reflection of the large war chests they have built up over a long period of time in Washington.

Hypothesis 2: Does Spending Have a Party Bias?

I wanted to look at whether Republicans or Democrats "see more success" based on the amount of money they spend on elections, or maybe provide some insight into whether one party or the other utilizes their campaign dollars more effectively in order to win. In particular, Steven Sprick Schuster's research (a work that I incorporated into the literature review for this thesis) suggested that money inherently has a Republican bias, due to the nature of the party being more capitalistic, as well as his assumption that Republicans "spend their money better" on the campaign trail. Thus, concerning winning candidates, I expected to find that Republicans would consistently outspend Democrats, and be more likely to be the victors in races with a higher dollar amount. To examine this relationship, I tabulated my "winner spent" variable that I used for my first hypothesis with a "winning party" variable, while also factoring in competitiveness in order to see which races the party spends more money on.

Interestingly enough, the results were not statistically significant enough to confirm my hypothesis, in spite of Schuster's assumption. {table 2 about here}In my data, taken from the 2020 election cycle, I found that Republicans won significantly more seats in the "tilt" or

"toss-up category, and spent at least $1.9 million in all races they won in the "tilt" category. Republicans also won all races 270ToWin categorized as toss-ups, which I am going to attribute to questionable categorization on their end and choose to focus on the "tilt" data. What was even more noteworthy, however, was which races were receiving more money. According to the table, Democrats are more likely to spend a significant amount of money on "safe" seats, with 27 safe Democrat seats receiving over $3.4 million in their campaigns. Therefore, it seems that at least in this election, the Republican strategy was to be more aggressive, while Democrats were more likely to protect. Based on the significance tests, this table having the same Chi Square value as Table 1 would indicate that the competitiveness is the result of the significance rather than the party variable.

However, it is important to note that the money raised by the candidate in the safe seat may not actually be spent on the candidate's personal election, but rather dispersed through the party. Take Democratic Rep. and former Speaker Nancy Pelosi, for example. She certainly is in no danger of losing her seat, but "spent" well over $3.4 million on her campaign according to the data. Given her status as a prominent party figure, it is not surprising that she brought in a lot of money, which she then used to disperse among the party to races that she felt needed it more. Her Republican counterpart and current Speaker Kevin McCarthy also fits the same categorization.

Hypothesis 3: Incumbency Advantage

One of the main areas I wanted to test with my analysis, and a common theme in the literature on campaign finance, was the strength of incumbency advantage and the likelihood of the incumbent's ability to raise enough funds to crush their opponents. In particular, I wanted to see if incumbents were more likely to spend even more money as the race became tighter due to being faced with a quality challenger. My hypothesis was that incumbents who outspent their opponents in elections deemed competitive would be more likely to keep their seat. {table. 3 about here}

Ultimately, the data proved that incumbent spending was statistically significant when they won reelection, but was not a statistically significant factor when the incumbent failed to win. Incumbents who spent over $3.4 million in elections considered to be more competitive were slightly more likely to win reelection. However, every incumbent that was defeated in the 2020 election cycle spent at least $1.9 million.

Before moving on, I noticed there was one particular case where an incumbent lost a "safe" district while spending over $3.4 million in the process. Naturally, I wanted to understand the context of such a bizarre outlier. Democrat Donna Shalala was defeated by Republican Maria Salazar for control of FL27, which includes the Miami-Dade County area. After further research, this was regarded as a significant upset win for Republicans, and became possible due to increased investigation into Shalala's investment portfolio during the pandemic, leading to insider trading allegations. Shalala had comfortably defeated Salazar in the prior election, but with her character called into question, coupled with Salazar's appeal to the Latino population, she was unable to hold on to her seat and suffered a dramatic 2 point loss. This anecdote reflects a wider theme with this dataset that context often matters more than the spending totals in specific elections.

Hypothesis 4: Why do Incumbents Lose?

The data illustrated in Table 3 left me with the question of why incumbents are losing in spite of spending what is still a noteworthy amount of money. In order to answer this question, I crafted a "winner minus loser" variable that calculated the difference between the amount of money the winner spent and the amount of money the loser spent. I also wanted to see the mean amount spent by the winner in elections based on their competitiveness and based on who won. I predicted that the incumbents that lost their reelection bids did so because they were outspent by a more formidable challenger. {figs. 1 and 2 about here}

The graphs illustrated were statistically significant. In elections where the incumbent lost, the mean amount spent by the winner exceeded $3 million, regardless of how competitive the district was perceived to be prior to the election itself. Oddly enough, in races that were on the more competitive side (tilt or tossup) the amount spent by victorious incumbents exceeded the mean amount spent by victorious challengers. To answer the hypothesis of being outspent being a cause for incumbent defeat, the spending difference graph (fig. 5) proved to be less impactful than I thought. In races that were not expected to be close, incumbents that lost were noticeably outspent. Likewise, in safer districts, incumbents who won crushed their opponents in spending. However, incumbents who lost in races that were expected to be competitive often outspent their opponents. That trend was illustrated by Republican Michelle Fischbach's (MN07) victory over incumbent Collin Peterson in a race categorized as a toss-up, in spite of being marginally outspent by Peterson. Fischbach's success can be instead attributed to a growing Republican shift in her district, which voted for Donald Trump in 2016, as well as her strong endorsement from

current Speaker Kevin McCarthy and Trump. Ultimately Peterson's reputation as a "blue dog" conservative Democrat was not enough to spare him from the increased partisanship that has been building every year. Individual factors seem to weigh heavier in cases like Peterson's defeat and would have to be combed through on a case by case basis to understand the context of each election. On the other side, incumbents that were outspent by challengers still managed to win close elections, which could be attributed to their pedigree or loyal base on Election Day.

Reflection

In short, money does matter, but not nearly as much as I expected it to. The data presented in this thesis is in line with much of the literature I examined prior to my own investigation on the topic. One thing that could have been done differently would have been to examine the races by district over time, rather than looking at one particular election cycle. In addition to this, the data from 270ToWin on election competitiveness created some peculiarities in the toss-up column, which led to every single election in that category being won by a Republican. I had hoped to see some sort of trend in terms of money potentially having a party bias, which was not doable with the 2020 data but may have been possible if I had examined multiple election cycles. Overall, my findings were a continuation of much of the previously available literature on the topic.

Appendix

Table 1:

Crosstabulation of Competitiveness and Amount Spent by Winning U.S. House Candidate

			Five Category Competitiveness					
			Safe R/D	Likely R/D	Lean R/D	Tilt R/D	Toss-Up	Total
	0 to 736,613	Count	73	0	0	0	0	73
			19.8%	0.0%	0.0%	0.0%	0.0%	17.0%
	736k to 1.1 mil	Count	70	1	0	0	0	71
			19.0%	5.3%	0.0%	0.0%	0.0%	16.5%
	1.1 mil to 1.5 mil	Count	71	0	0	0	1	72
			19.2%	0.0%	0.0%	0.0%	6.7%	16.7%
	1.5 mil to 1.9 mil	Count	64	4	1	0	2	71
			17.3%	21.1%	8.3%	0.0%	13.3%	16.5%
	1.9 mil to 3.4 mil	Count	53	5	2	7	5	72
			14.4%	26.3%	16.7%	46.7%	33.3%	16.7%
	over 3.4 mil	Count	38	9	9	8	7	71
			10.3%	47.4%	75.0%	53.3%	46.7%	16.5%
Total		Count	369	19	12	15	15	430
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Chi Square: 113.042*, Lambda .079*, Phi .513*, Cramer's V .210* comp, .677 spending **denotes significance*

Table 2:

Crosstabulation of Winning Party's Spending Based on Competitiveness

Winning Party				Five Category Competitiveness: Safe R/D	Likely R/D	Lean R/D	Tilt R/D	Toss-Up	Total
Republican	Winner Spent	0 to 736,613	Count	35	0	0	0	0	35
				21.5%	0.0%	0.0%	0.0%	0.0%	16.9%
		736k to 1.1 mil	Count	32	1	0	0	0	33
				19.6%	12.5%	0.0%	0.0%	0.0%	15.9%
		1.1 mil to 1.5 mil	Count	29	0	0	0	1	30
				17.8%	0.0%	0.0%	0.0%	6.7%	14.5%
		1.5 mil to 1.9 mil	Count	32	2	1	0	2	37
				19.6%	25.0%	12.5%	0.0%	13.3%	17.9%
		1.9 mil to 3.4 mil	Count	24	3	2	7	5	41
				14.7%	37.5%	25.0%	53.8%	33.3%	19.8%
		over 3.4 mil	Count	11	2	5	6	7	31
				6.7%	25.0%	62.5%	46.2%	46.7%	15.0%
	Total		Count	163	8	8	13	15	207
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Democrat	Winner Spent	0 to 736,613	Count	38	0	0	0		38
				18.4%	0.0%	0.0%	0.0%		17.0%
		736k to 1.1 mil	Count	38	0	0	0		38
				18.4%	0.0%	0.0%	0.0%		17.0%
		1.1 mil to 1.5 mil	Count	42	0	0	0		42
				20.4%	0.0%	0.0%	0.0%		18.8%
		1.5 mil to 1.9 mil	Count	32	2	0	0		34
				15.5%	18.2%	0.0%	0.0%		15.2%
		1.9 mil to 3.4 mil	Count	29	2	0	0		31
				14.1%	18.2%	0.0%	0.0%		13.9%
		over 3.4 mil	Count	27	7	4	2		40
				13.1%	63.6%	100.0%	100.0%		17.9%
	Total		Count	206	11	4	2		223
				100.0%	100.0%	100.0%	100.0%		100.0%
Total	Winner Spent	0 to 736,613	Count	73	0	0	0	0	73
				19.8%	0.0%	0.0%	0.0%	0.0%	17.0%
		736k to 1.1 mil	Count	70	1	0	0	0	71
				19.0%	5.3%	0.0%	0.0%	0.0%	16.5%
		1.1 mil to 1.5 mil	Count	71	0	0	0	1	72
				19.2%	0.0%	0.0%	0.0%	6.7%	16.7%
		1.5 mil to 1.9 mil	Count	64	4	1	0	2	71
				17.3%	21.1%	8.3%	0.0%	13.3%	16.5%
		1.9 mil to 3.4 mil	Count	53	5	2	7	5	72
				14.4%	26.3%	16.7%	46.7%	33.3%	16.7%
		over 3.4 mil	Count	38	9	9	8	7	71
				10.3%	47.4%	75.0%	53.3%	46.7%	16.5%
	Total		Count	369	19	12	15	15	430
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Total Chi Square 113.042, Lambda .079*, Phi .513*, Cramer's V .256* Republican: Chi Square 5.441, Lambda .074, Phi/Cramer's V .275 Democrat: Chi Square 7.834, Lambda .074, Phi/Cramer's V .332*

Table 3:

Crosstabulation of Incumbent Victory Based on Competitiveness and Spending

Incumbent Victory				Five Category Competitiveness					
				Safe R/D	Likely R/D	Lean R/D	Tilt R/D	Toss-Up	Total
No	Winner Spent	1.9 mil to 3.4 mil	Count	0	0	0	1	2	3
				0.0%	0.0%	0.0%	33.3%	40.0%	23.1%
		over 3.4 mil	Count	1	1	3	2	3	10
				100.0%	100.0%	100.0%	66.7%	60.0%	76.9%
	Total		Count	1	1	3	3	5	13
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Yes	Winner Spent	1.9 mil to 3.4 mil	Count	46	5	1	2	2	56
				56.1%	41.7%	16.7%	28.6%	33.3%	49.6%
		over 3.4 mil	Count	36	7	5	5	4	57
				43.9%	58.3%	83.3%	71.4%	66.7%	50.4%
	Total		Count	82	12	6	7	6	113
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Open Seat	Winner Spent	1.9 mil to 3.4 mil	Count	7	0	1	4	1	13
				87.5%	0.0%	50.0%	80.0%	100.0%	76.5%
		over 3.4 mil	Count	1	1	1	1	0	4
				12.5%	100.0%	50.0%	20.0%	0.0%	23.5%
	Total		Count	8	1	2	5	1	17
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	Winner Spent	1.9 mil to 3.4 mil	Count	53	5	2	7	5	72
				58.2%	35.7%	18.2%	46.7%	41.7%	50.3%
		over 3.4 mil	Count	38	9	9	8	7	71
				41.8%	64.3%	81.8%	53.3%	58.3%	49.7%
	Total		Count	91	14	11	15	12	143
				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Total Chi Square 8.463, Lambda .114, Phi/Cramer's V.243 No: Chi Square 2. 484, Lambda 0, Phi.Cramer's V .437 Yes: Chi Square 6.164, Lambda .115, , Phi/Cramer's V .237 Open Seat: Chi Square 4.912, Lambda .077, Phi/Cramer's V .538

Fig. 1:

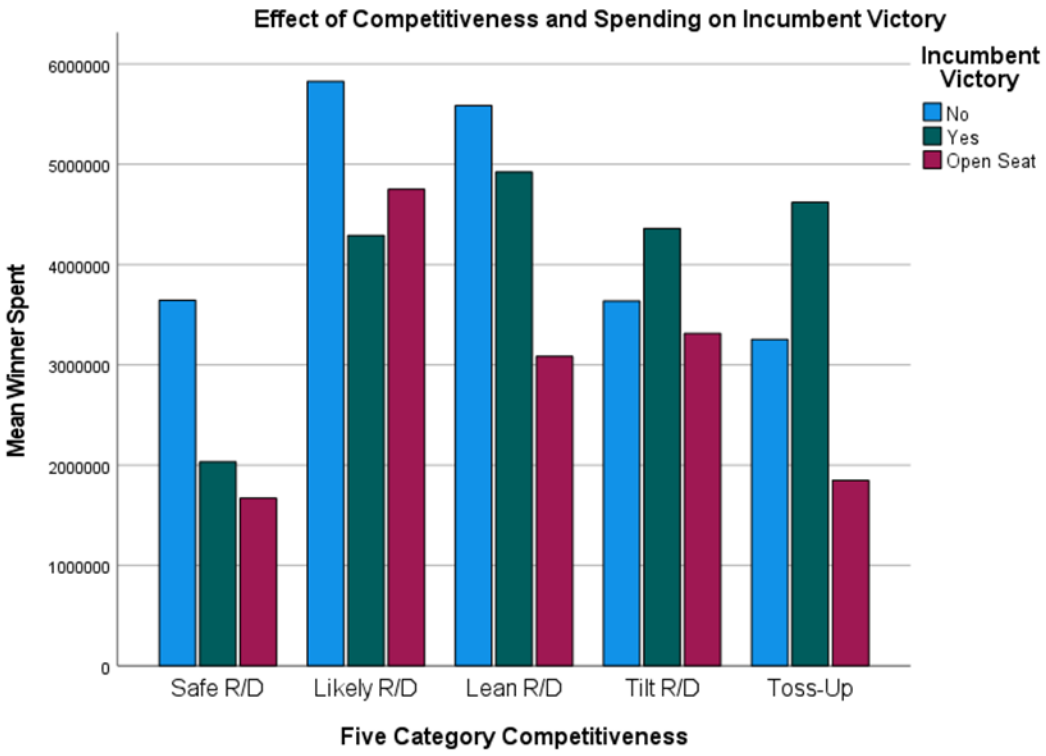
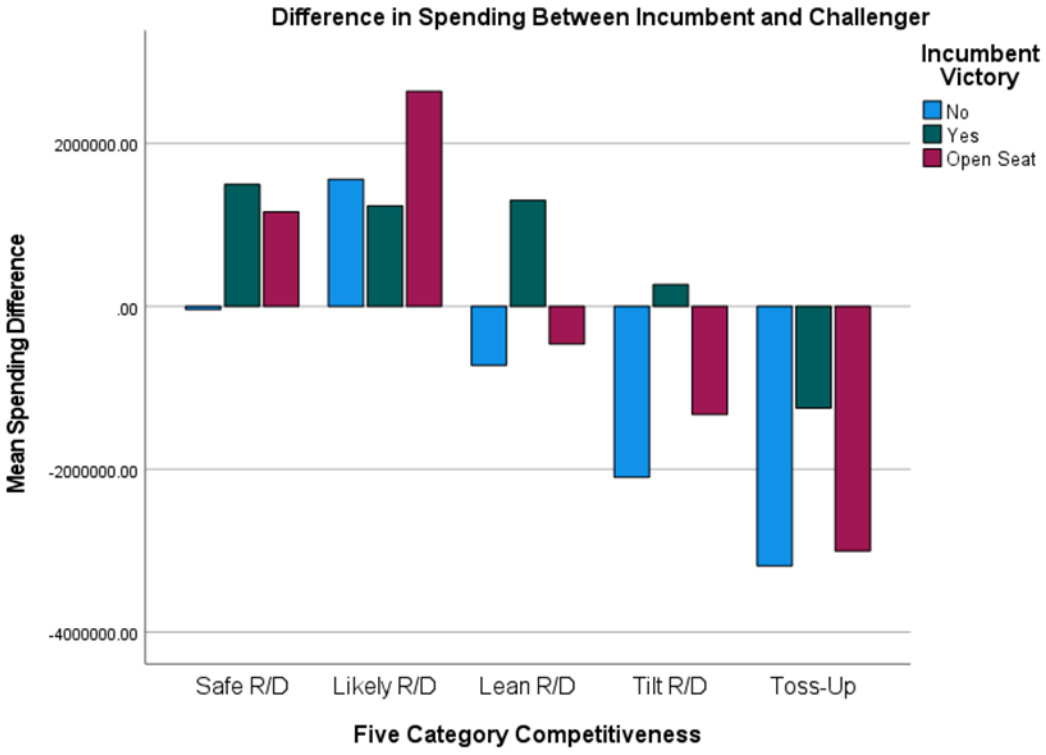

Effect of Competitiveness and Spending on Incumbent Victory
Incumbent Victory
No
Yes
Open Seat
Mean Winner Spent
6000000
5000000
4000000
3000000
2000000
1000000
0
Safe R/D
Likely R/D
Lean R/D
Tilt R/D
Toss-Up
Five Category Competitiveness

Fig. 2:


Difference in Spending Between Incumbent and Challenger
Incumbent Victory
No
Yes
Open Seat
2000000.00
.00
-2000000.00
-4000000.00
Mean Spending Difference
Safe R/D
Likely R/D
Lean R/D
Tilt R/D
Toss-Up
Five Category Competitiveness

References:

Abramowitz, A. (1991). Incumbency, Campaign Spending, and the Decline of Competitiveness in the U.S. House Elections. *The Journal of Politics, Vol. 53,* 35-52. https://www.jstor.org/stable/2131719?seq=21

Baker, A. E. (2022). Out-of-State Contributions Provide Non-Incumbent House Candidates with a Competitive Edge. *American Politics Research*, *50*(5), 668–681. https://doi.org/10.1177/1532673X221112634

C*ampaign Finance: How did Money Influence 2020 U.S. Senate Elections? - Harvard Political Review*. (n.d.). Retrieved November 10, 2022, from https://harvardpolitics.com/campaign-finance-how-did-money-influence-2020-u-s-senate-elections/

Epstein, D., & Zemsky, P. (1995). Money Talks: Deterring Quality Challengers in Congressional Elections. *American Political Science Review*, *89*(2), 295–308. https://doi.org/10.2307/2082426

Donnay, P. (2019). Minnesota's Campaign Finance System in the Era of Citizens United. *Minnesota Government and Politics, Ch. 8.*

Product Details - Minnesota Government and Politics | Great River Learning

Ferguson, T., Jorgensen, P., & Chen, J. (2022). How money drives US congressional elections: Linear models of money and outcomes. *Structural Change and Economic Dynamics*, *61*, 527–545. https://doi.org/10.1016/j.strueco.2019.09.005

Gerber, A. (1998). Estimating the Effect of Campaign Spending on Senate Election Outcomes Using Instrumental Variables. *American Political Science Review*, *92*(2), 401–411. https://doi.org/10.2307/2585672

Harvey, A., & Mattia, T. (2022). Does money have a conservative bias? Estimating the causal impact of Citizens United on state legislative preferences. *Public Choice*, *191*(3–4), 417–441. https://doi.org/10.1007/s11127-019-00721-4

Hall, A. B. (2016). Systemic Effects of Campaign Spending: Evidence from Corporate Contribution Bans in US State Legislatures. *Political Science Research and Methods*, *4*(2), 343–359. https://doi.org/10.1017/psrm.2015.43

Herrnson P. S., Kirkland J. (2013). The dollars and centers of party campaign finance networks. Presented at the Conference on Political Networks in an Interdisciplinary World, 28–29 June 2013. Bloomington, IN. http://www.polinetworks.org/uploads/papers/DollarsCentsOfPtyCampFinNtwkst.pdf

How Money Affects Elections | FiveThirtyEight. (n.d.). Retrieved November 10, 2022, from https://fivethirtyeight.com/features/money-and-elections-a-complicated-love-story/

Kilborn, M., & Vishwanath, A. (2022). Public Money Talks Too: How Public Campaign Financing Degrades Representation. *American Journal of Political Science*, *66*(3), 730–744. https://doi.org/10.1111/ajps.12625

Kolodny, R. (2021). Campaign Finance and American Democracy: What the Public Really Thinks and Why It Matters. By David M. Primo and Jeffrey D. Milyo. Chicago: University of Chicago Press, 2020. 256p. $90.00 cloth, $30.00 paper. *Perspectives on Politics*, *19*(3), 1000–1001. https://doi.org/10.1017/S1537592721001584

Schuster, S. S. (2020). Does Campaign Spending Affect Election Outcomes? New Evidence from Transaction-Level Disbursement Data. *Journal of Politics*, *82*(4), 1502–1515. https://doi.org/10.1086/708646

Williams, C. B., Gulati, J., & Mateusz, Z. (2020). Following the money: uses and limitations of FEC campaign finance data. *Interest Groups & Advocacy*, *9*(3), 317–329. https://doi.org/10.1057/s41309-020-00096-8