The Impact of Outside Group Expenditures in U.S. House Elections, 2010-2014

Abstract

The rise of independent expenditures by outside groups in congressional elections following the Supreme Court's decision in Citizens United leads to the questions about whether and to what extent outside spending actually affects the outcome of congressional elections. After an overview of outside group activity during recent elections, this paper develops several statistical models to address the question of whether outside spending has had an impact on elections to the House of Representatives since 2010. We find that outside spending had no statistical impact on races with an incumbent running for reelection or when the seat was open in 2010, 2012 or 2014. Further limiting the impact of outside groups is that about half of all races see no outside spending, while most that do already are experiencing substantial candidate spending and are highly competitive.

Jeff Gulati
Bentley University
jgulati@bentley.edu

Victoria A. Farrar-Myers
Southern Methodist University
vmyers@mail.smu.edu

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"Special interests" always have been financial participants in American elections. It was not until the Supreme Court's decision in *Citizens United v. Federal Election Commission* (2010), though, that Super PACs and other outside groups could spend unlimited amounts of money on election campaigns to expressly support candidates as long as it was spent independent of the candidates, and there was no coordination between the candidate and outside group. Limits on political contributions were further eroded by *McCutcheon v. Federal Election Commission* (2013), with which the Court invalidated the overall limits on the amount that individuals could donate to candidates during an election cycle.

Politicians, scholars, journalists and other analysts have discussed the potential impact of the decisions on U.S. elections and public policy-making. Some were like President Barack Obama, who in his State of the Union Address chided the Court that "reversed a century of law," warned of corporations buying elections and political access, and urged action by Congress to reverse course or at least demand greater disclosure of corporate spending. Progressive activists characterized the decisions as furthering a "legalized system of corruption" that would continue to block major progressive legislation (Mock 2013). Others contended the wealthy are not a single coalition of donors but a diffuse group with a multitude of interests (Samuelson 2014). Yet the greater influx of expenditures in campaigns could help increase voter turnout and also undermine the advantages of incumbency, thereby making elections more competitive (Gulati 2012; Smith 2013).

Most of the writing on these two monumental decisions has been commentary focusing on what *could* happen as a result of unlimited spending by individuals and outside groups or analysis documenting the patterns and the amounts that have been donated and spent in the past few election cycles. To this point, there have been only a couple of academic conference papers that have analyzed the impact of money in this new era of unlimited spending on congressional elections (Farrar-Myers and Gulati 2014; Ilderton 2014). The purpose of this paper is to analyze the extent to which campaign expenditures affect the outcome of congressional elections and in particular the relative impacts of candidate and outside spending.

The Increasing Presence of Outside Money

Although the term “outside spending” conveys a certain degree of homogeneity, it actually covers spending from groups such as independent expenditure-only committees (i.e., "super PACs”), traditional political action committees (PACs), 501(c) nonprofit operations, 527 political committees, corporation and labor unions, individuals, and even political party committees. The two things that this diverse array of organizations and people have in common are: (1) they make independent expenditures designed to influence elections, and (2) they are not the candidates or their campaigns and, thus, are “outside” the control of the principals contesting the election. These outside interests could range from a small organization seeking to influence a single election to a national organization with a sustained agenda trying to affect the outcomes in multiple elections throughout the nation.

Large independent expenditures by individuals or groups have been permitted as a result of the Supreme Court's decision in *Buckley v. Valeo* (1976). Yet, little scholarly attention was paid to independent expenditures by outside groups in congressional elections prior to *Citizens United* (for an example of scholarship examining independent expenditures during the 1990s and 2000s, see Nelson 1990; Engstrom and Kenny 2002).[1] Much of the neglect likely was a result of the relatively insignificant amount of independent expenditures spent in congressional elections before 2010. In 2000, for example, congressional candidates raised and spent in excess of $1 billion. During this same period, however, PACs and other outside groups made independent expenditures totaling less than $15 million.

It took the *Citizens United* decision to unleash the prospect of potentially unlimited independent expenditures in campaigns to bring this phenomenon into the focus of those who participate in and study congressional elections. "Taken together, *Citizens United* and *SpeechNow*[2] result in donors being able to make unlimited contributions to independent-expenditure-only groups, which in turn can make unlimited expenditures to advocate expressly for the election or defeat of candidates (or virtually any other political speech)" so long as such expenditures are not expressly coordinated with a candidate or campaign (Farrar-Myers and Skinner 2012). With independent-expenditure-only committees given the judicial green light to spend freely, the level of independent expenditures by outside groups in congressional elections skyrocketed in the 2010, the first election after *Citizens*

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[1] All data regarding the 1999-2000 electoral season is available from the Federal Election Commission's website at www.fec.gov.

[2] *SpeechNow.org v. Federal Election Commission*, 599 F.3d 686 (D.D.C. 2010), which applied *Citizens United* to conclude that individuals could make unlimited contributions to independent expenditure-only committees.

United, and then again in 2012 elections, the first election where groups had an entire election cycle to plan and fundraise. Outside groups spent approximately $540 million in all congressional elections combined in 2010. The amount increased to nearly $715 million in 2012 and nearly $1.2 billion in the most recent midterm elections.[3]

A parallel phenomenon is that the reach of independent groups is becoming more expansive. In 2004, only seven congressional races saw at least $1 million spent on them from outside groups; in 2012, there were eight races altogether where the outside group spending exceeded $10 million, with another 61 where the spending was between $1 million and $10 million. In 2014, there were 30 races where outside-group spending exceeded $10 million, with another 60 where the spending was between $1 million and $10 million.

Another way in which outside groups differ from the candidates and their campaigns is that the groups can choose which races they will seek to influence and which ones they will select not to engage. To this end, the decision as to which race(s) an outside group will spend money comes with an additional layer of purpose and meaning. For example, a group may choose to spend funds on highly contested races where they may help sway the outcome of the election. Or they may choose to support only candidates who hold a certain ideological bent, policy position, or the like regardless of the competitiveness of that candidate's race. Or a group may be active in a party primary battle rather than the general election if the winner of a dominant party's primary will likely win the general election (Farrar-Myers and Skinner 2012).

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[3] These aggregate totals were calculated from individual race data provided by OpenSecrets.org, "Outside Spending, by Race." See http://www.opensecrets.org/outsidespending/summ.php?disp=R

Impact of Money on Election Outcomes

Another important question regarding outside groups is its impact on elections, separately and in combination with candidate spending. Past research of course has focused on candidate spending. The impact of campaign spending by candidates in congressional elections is a well-examined one (e.g., see Abramowitz 1988; Green and Krasno 1988, 1990; Herrnson 2007; Jacobson 1980, 1985, 2006). Most scholars conclude that the level of expenditures by challengers in congressional elections affects the vote totals in any given race. Statistical models convincingly show that the more money challengers spend, the less of a percentage of the vote an incumbent wins. None of these studies have included the money that outside groups (i.e., political parties, political action committees, and other political committees) have spent independent of the candidates, that is, the money that they do not contribute directly to candidates and thus has not been included in measures of candidate spending.

Despite the variety of reasons why an outside group may choose to influence any given race, we come back to the first factor noted above that they have in common: they make independent expenditures designed to influence elections and with increasing activity over the past three electoral cycles. Without a doubt, Super PACs and the rise of outside group spending and independent expenditures have all become prominent features of the American electoral landscape following *Citizens United*. They have done so based on a presumption that their expenditures will matter and can affect the election. But what real effect has outside spending had on campaigns and, more importantly, the outcome of elections?

Case studies and other individual stories have shown the indirect interplay of strategic decisions made by candidates or campaigns on one hand and outside groups on the other hand (see, e.g., Farrar-Myers and Sledge 2011). But other analyses have examined large contributions to Super PACs and the resulting expenditures by those Super PACs in the sense of what return did they get on their investments (Eggen and Farnam, 2012). But what still is needed at this time is systematic analysis of the statistical impact, if any, that outside groups have had on the actual elections beginning in 2010 up until this point.

Early attempts have found rather weak relationships between outside spending and congressional election outcomes. In analysis of incumbents' vote shares in 2010, Farrar-Myers, Gulati, and Skinner (2013) found that outside spending by itself had no effect on the vote shares of incumbents. In combination, however, the impact was larger than the impact of candidate expenditures alone. In 2012, however, they found an independent, albeit small effect of outside expenditures on incumbents' vote shares. Looking exclusively at Super PACs and only the additive effect of Super PAC expenditures, Ilderton (2014) came to a similar conclusion for not only incumbents, but also challengers and open-seat candidates. A preliminary analysis of independent expenditures in the 2014 Senate elections are consistent with these two previous studies and concludes that the effects of outside spending are "overrated" (Abramowitz 2015).

Outside group spending does not happen in a vacuum, nor is it the primary financial influence on elections. Instead, outside spending takes place in the context of a congressional campaign and candidate spending that occurs regardless of whether any outside group funds are spent in that race. In this regard, and what separates our study from past studies, outside spending must be integrated into (if one views such spending as an endogenous variable) or overlaid on top of (if viewed as an exogenous variable) the framework for analyzing the effect that the candidates' own spending has on the outcome of their election.

Data and Method

We assess the impact of independent expenditures by outside groups by analyzing data from all contested races to the House of Representatives in 2010 (n=397), 2012 (n=396), and 2014 (n=358). Our dependent variable is the *Two-Party Vote Share*, which we measure as the percentage of the vote received by the incumbent in the general election among all votes cast for the Republican and Democratic nominees. We use OLS multiple regression to explain variation in the incumbent party's candidates' share of the two-party vote. The data for incumbents and open seat candidates are estimated separately since the model for open seats has been shown to be different than the model for incumbents running for reelection (Jacobson 2008). While we also use OLS multiple regression to estimate the open-seat models, the dependent variable is the Republican candidate's share of the two-party vote.

We assess the relative impact of outside spending for both groups by estimating models that control for the incumbent's and challenger's own campaign expenditures and other variables that are well-established as having a significant effect on congressional election outcomes (Abramowitz 1991; Herrnson 2007; Jacobson 2008). As noted above, while most scholars conclude that the level of expenditures by challengers in House of Representative elections affects the vote totals in any given race (see, e.g., Abramowitz

1988; Jacobson 1980, 1985), there is considerable disagreement over whether incumbent spending influences the outcome of the race (see, e.g., Jacobson 1978, 1980, 1985, and 1990 vs. Green and Krasno 1988, 1990). We attempt to reconcile these conflicting findings by measuring candidate spending as the ratio of the challenger's net expenditures to the incumbent's net expenditures through the end of the 4th quarter of the election year, i.e. the *Ratio of Challenger-to-Incumbent Expenditures*. This procedure also serves to control for the different costs of campaigning across congressional districts due mainly to varying costs of media markets and cost of living more generally.

We include three indicators that capture the incumbent's activities and behavior in Congress. *Constituency Divergence* measures the distance between the incumbent's voting record relative to the district's ideological preferences. *Divergence* is measured by regressing the incumbents' DW-NOMINATE score on the most recent past Republican presidential vote and the incumbent's party. We then used the absolute value of the unstandardized residual of the regression estimation as the measure of the incumbent's divergence from constituency opinion. The Power Index measures power and influence in Congress by taking into account tenure, majority/minority party status, leadership positions, and prestige committee assignments. A third variable that accounts for incumbent activity both in and out the legislature is the presence of a scandal. Using Thompson's (2000) criteria for classifying the actions or behavior as a scandal, we identified 16 incumbents running for reelection who were embroiled in a scandal during the 111th Congress, 33 incumbents during the 112th Congress, and 23 incumbents in the 113th Congress. Lastly, we control for the incumbent's party affiliation, Republican or

Democrat. The other control variables in the model are party (Republican=1), the partisan advantage for the incumbent party,[4] and the presence of a quality challenger.[5]

We include indicators for the amount of spending by outside groups on behalf of the incumbent and of the challenger. We used a different measurement strategy, however, to estimate the impact of outside spending. Rather than creating a *Ratio of Challenger-to-Incumbent Outside Spending*, we measure outside spending with two variables: (1) the natural log of outside spending on behalf of the challenger and (2) the natural log of outside spending on behalf of the incumbent. Outside spending includes expenditures by independent expenditure-only committees (i.e., "super PACs"), traditional political action committees (PACs), 501(c) nonprofit operations, 527's political committees, and political party committees through the end of the 4th quarter of the election year.

We used a more conventional strategy for measuring outside expenditures because there were numerous races in which no outside money was spent on either candidate. There were 158 races without any outside money spent in 2010 and 184 races without outside money in 2012. The number of races in which no outside money was spent increased further to 200 in 2014. In these cases, therefore, a *Ratio of Challenger-to-Incumbent Outside Spending* ratio would yield either an indeterminable number (zero divided by zero), or a number of values of "1," thereby erroneously designating these incumbents as vulnerable. Furthermore, the amount of outside money spent in most of the

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[4] We use the Partisan Voting Index (PVI) as an indicator for the incumbent's partisan advantage or disadvantage in the district. Developed by election analyst Charlie Cook, the PVI is the difference between the performances of the presidential candidate of the incumbent's party nationally in the last election subtracted from his performance in the congressional district in the same year. Higher scores indicate a district with more voters of the incumbent's party, while lower scores indicate a district with fewer voters favoring the incumbent.

[5] We measure challenger quality as a candidate who previously had been elected to the state legislature or a major statewide office or was a previous member of Congress.

races was very small, which thereby made a ratio a weak representation of the relative strength of the candidates. Rep. Dave Reichert (R-WA) in 2014, for example, received only $236 in outside money and his opponent received $6,118, yielding a ratio of 25.92 and giving the impression that his challenger Jason Ritchie received tremendous assistance from outside groups.

For the open-seat models, which estimate the two-party vote for the Republican candidates, the independent variables are the PVI, the presence of a quality challenger, the candidate spending ration, the natural log of outside spending on behalf of the candidate, and the natural log of outside spending on behalf of the challenger. In addition, we include an indicator of whether or not the Republican candidate is a quality candidate using the same definition of quality we did for challengers.

Data Analysis

We begin the data analysis by estimating the impact of outside spending on the 2010, 2012, and 2014 House races where the incumbent was running for reelection. The results of the regression analyses are presented in Table 1. The models for each year have a high level of explanatory power and show relationships between the independent variables and the *Two-Party Vote* that are consistent with established models of congressional election outcomes. The coefficients for Republicans are positive in the mid-term election years of 2010 and 2014 but negative in 2012 when President Obama won reelection. The PVI is statistically significant and positive in all three election cycles. The Power Index is significant and positive in 2010 and 2012 but not in 2014. Surprisingly, neither of the other two incumbent activity variables—Scandal and Divergence—are significant in any of the three election years. This limited impact of incumbents' activities may be that voters are not aware of what their representative is doing specifically in Washington and instead rely on partisan cues to make their decisions. Finally, as expected, a match-up against a quality challenger decreased the vote of incumbents in all three election years.

Turning now to the main variables of interest, in all three election years, the coefficients for the *Candidate Expenditures Ratio* are statistically significant and show that higher levels of challenger spending relative to incumbents' expenditures decreased the vote shares of incumbents. In 2010, a one-unit increase in the *Expenditures Ratio* decreased the incumbent's vote share by 3.3%. The impact increased somewhat in the next two election cycles, with one-unit increases decreasing the incumbent's vote share -5.4% in 2012 and -5.9% in 2104. In none of the election years, however, outside spending had no independent impact on the vote. Neither outside spending on behalf of the challenger nor outside on behalf of the incumbent were statistically significant.

Outside money on its own may not have had a separate effect given how much more is spent by the candidates and how many races in which outside groups refrain from participating. For these reasons, we created a *Combined Expenditures Ratio*, which adds the challenger's spending and outside spending on the challenger's behalf and then divides by the addition of the incumbent's spending and the outside spending on behalf of the incumbent. We then substituted it for all three of the money variables and estimated the models. In each election year, we found the *Combined Expenditures Ratio* to be statistically significant. In 2012 and 2014, the magnitude of its effect were slightly smaller than what was observed for the *Candidate Expenditures Ratio*. Moreover, the model's R-squared decreased modestly from 0.660 to 0.657 in 2014 and from .775 to .766 in 2012. In 2010, the effect increased slightly and the model's R-squared increased from .848 to .851. Together, these results suggest that spending by outside groups has very little, if any, impact in races where an incumbent is running for reelection, whether that be independently or in combination.

Table 1: OLS Regression Analyses of Two-Party Vote, 2010-2014 Incumbent Models

	2010	2012	2014
	B	*B*	*B*
Independent Variables	(Std. Error)	(Std. Error)	(Std. Error)
Republican	**6.322**	**-4.648**	**2.312**
	(.668)	**(.007)**	**(.710)**
PVI	**.804**	**.635**	**.564**
	(.025)	**(.031)**	**(.044)**
Scandal	-1.524	-.016	-.372
	(1.279)	(.011)	1.536
Power Index	**.131**	**.002**	.058
	(.062)	**(.001)**	.142
Divergence	1.899	.029	-2.108
	(2.520)	(.016)	2.258
Challenger Quality	**-1.632**	**-4.080**	**-3.212**
	(.742)	**(.795)**	**(1.249)**
Candidate Expenditures Ratio	**-3.232**	**-5.361**	**-5.885**
	(.551)	**(.575)**	**(1.468)**
Outside spending on behalf of Incumbent (ln)	.097	-.152	-.073
	(.068)	(.068)	(.087)
Outside spending on behalf of Challenger (ln)	-.102	.094	-.059
	(.070)	(.072)	(.098)
Constant	**47.697**	**64.595**	**57.384**
	(1.313)	**(1.416)**	**(1.568)**
Adjusted R-squared	.848	.775	.567
N	356	333	315

Notes: Observations are for contested House elections w/an incumbent running for reelection. Bold entries indicate coefficients that are statistically significant at the .05 level or less.

The results of the OLS regression analysis for the three open-seat models are presented in Table 2. The coefficients for the PVI are statistically significant and positive in all three election cycles. Challenger quality had no effect, however, in any of the three election years. Surprisingly, the coefficients for the *Candidate Expenditures Ratio* were statistically significant in only two of the three election years. Moreover, the magnitude of the effect was quite small in 2014, albeit still statistically significant. Similar to the incumbent models, in none of the elections years did outside spending have an independent impact on the Republican share of the vote in open seat contests. Neither outside spending on behalf of the challenger nor outside on behalf of the incumbent were statistically significant.

When we substituted the *Combined Expenditures Ratio* for all three of the money variables and re-estimated the models, we again found the *Combined Expenditures Ratio* statistically significant in all three election years. In 2010 and 2012, the magnitude of its effect were slightly smaller than what was observed for the *Candidate Expenditures Ratio*. Moreover, the model's R-squared decreased modestly from .907 to .889 in 2010 and from .761 to .758 in 2012. In 2014, however, the model's R-squared increased quite dramatically from .712 to .781. Together, these results and the results of the three incumbent models suggest that spending by outside groups has yet to have an impact in House races, whether that be independently or in combination with the candidates' own expenditures.

Table 2: OLS Regression Analyses of Republican Share of Two-Party Vote in Open Seats, 2010-2014

Independent Variables	2010 *B* (Std. Error)	2012 *B* (Std. Error)	2014 *B* (Std. Error)
PVI	**.863** **(.091)**	**1.083** **(.114)**	**.712** **(.128)**
Challenger Quality	-.342 (1.396)	-.507 2.046	-3.794 (3.614)
Candidate Quality	1.462 (1.594)	.820 2.162	-.523 (3.106)
Candidate Spending Ratio	**-.485** **(.150)**	.061 .052	**-.005** **(.000)**
Outside spending on behalf of Incumbent (ln)	-.438 (.297)	.443 .261	.525 (.334)
Outside spending on behalf of Challenger (ln)	-.062 (.182)	-.198 .196	-.113 (.334)
Constant	**59.149** **(3.014)**	**44.551** **(2.426)**	**48.259** **(3.297)**
Adjusted R-squared	0.907	.761	.712
N	41	61	43

Notes: Observations are for contested House elections w/out an incumbent running for reelection; cases represent the candidate of same party as the retiring incumbent. Bold entries indicate coefficients that are statistically significant at the .05 level or less.

It is somewhat hard to believe that outside expenditures are not having any impact on congressional races. To better understand why that is the case, we examined more closely the expenditure patters of groups in the 2014 House elections. We did this by estimating a logistic regression model of the presence or absence of outside money for incumbents or the incumbent party's nominee if the seat was open. The 78 seats in which Democrats or Republicans failed to field a challenger were excluded from the analysis. The independent variables include incumbency status (Incumbent=1), party (Republican=1), the partisan advantage for the incumbent party, the competitiveness of the race,[6] running against a quality challenger, and the dollar amount of contributions spent on behalf of the incumbent party's candidate and the dollar amount spent against the incumbent party's candidate.

The results are displayed in Table 3. The first row of Table 3 show that on the whole open-seat races were more likely to attract money from outside groups. The coefficients in the second row show that Republican-held districts attracted more outside money. The coefficients for both incumbency and party are statistically significant at the .05 level. The next row of coefficients shows no statistical relationship between the partisan balance of the district and likelihood of outside groups participating. But there is a substantial and significant likelihood of outside groups participating in a race if the race is competitive. These two sets of coefficients indicate that outside groups selected the races to participate based partly on the underlying conditions of the race but mostly on whether they had a chance to affect the race once the campaign was well under way. Finally, the coefficients for the two candidate expenditure variables show that outside money was more likely to be spent in races where the two candidates already were spending a lot. Taken together, these results indicate that outside groups did not work to level the playing field between incumbents and challengers or tip the balance over to one candidate, but instead became involved in races that were competitive and already attracting a lot of dollars. As a result, outside groups seems to have had little impact on the outcome of House races because they

[6] The competitiveness of the race is an ordinal variable obtained from The Cook Political Report's (http://cookpolitical.com/node/10439) "House Race Ratings" released on October 3, 2014. Races that were designated as toss-ups were coded as "0," "1" if designated as Leaning towards the incumbent party, "2" if designated as Likely for the incumbent party. Negative values were assigned if the incumbent party was not favored.

are choosing to participate in races where their spending is dwarfed by the candidates' own spending and probably matched by outside groups on the other side.

Table 3
Logistic Regression Analysis of Presence of Outside Spending

	B	S.E.	Wald	Significance
Incumbent status (Incumbent=1)	-1.464	.503	8.473	.004
Party (Republican=1)	.488	.253	3.722	.054
Partisan advantage (PVI)	.008	.015	.305	.581
Competitiveness (Cook Rating)	.440	.207	4.521	.033
Challenger quality (quality=1)	.485	.521	.868	.352
Candidate financing (total contributions)	.044	.017	7.212	.007
Challenger financing (total contributions)	.118	.043	7.538	.006
Constant	.558	.912	.374	.541
N= 357; Mode of Dependent Variable=52.1% Percent Correctly Predicted=75.2%; Pseudo R2=.347				

Conclusion

Since the Supreme Court announced the *Citizens United* decision, the impact it would have has been subject to much speculation. This paper has attempted to quantify that impact, but has found no real effect on vote totals in House elections. These findings, or lack thereof, lead to two lines of questions. First, if the results of the analysis herein are accepted and outside group spending in House elections is much ado about nothing, how can the concerns over outside group spending be reconciled with such spending's limited effect. Second, if as discussed above the findings that outside expenditures are not having any impact on congressional races, what are the models employed herein missing, either in terms of conceptualization or specification.

Addressing the first question, we posit two possible explanations for why outside group spending does not affect congressional races. First, outside group spending constitutes "white noise" surrounding candidates' expenditures. This "white noise" may impair the candidates' ability to promote their own message, but does not provide any distinguishable countervailing sound and can be readily filtered out by voters. Further, since outside groups tend to spend in competitive races already attracting money, voters may choose to filter out the "white noise", either selectively by deciding to focus on the messages of the candidates themselves or by resorting to other non-campaign finance-related determinants of voting, such as party identification, presidential election or performance, the status of the economy, etc.

The second possible explanation for the lack of independent impact of outside spending is that outside groups may craft their messages to mirror the messages of the candidates they support rather than provide a separate voice in the election. Similar to as noted before, case studies and other individual stories have shown that outside groups follow such a strategy (Farrar-Myers and Sledge). If this is the case, then outside group spending merely supplements or reinforces what the candidates themselves are doing, and does not necessarily "move the needle" in terms of affecting vote totals. Perhaps in either or both of these explanations lies the reason for the concern over outside groups does not match its effect.

The second line of questioning requires one to consider other ways in which outside group spending affects congressional elections that have not been specified herein. Again, we posit several possibilities. The first set of possible explanations all relate to the aggregate nature of the expenditure data used herein, and suggest disentangling the data in some manner.

For example, the timing of outside group expenditures may be a significant factor. Unlike candidates, who must raise and allocate their resources over the course of a months-long campaign, outside groups can more strategically target when and how they make expenditures. For example, an outside group may choose to spend money on a campaign early in the election cycle (e.g., in September, two months before the November election) at a time when the candidates themselves are conserving their resources. Doing so may have an effect in several ways, such as framing issues that the candidates will have to address or gaining name recognition for a lesser-known candidate. Conversely, an outside group may spend late in the election cycle in such a way to put a "final nail in the coffin" of an election that was likely already determined. In these two scenarios, the effect of outside group spending is felt at critical moments in the election cycle, but gets absorbed when considering aggregate-level data.

Another way to disentangle the data to get at the effect of outside group data is to consider the purpose of the spending. For example, again whereas candidates must spend funds on a variety of purposes, like advertising and messaging, campaign organization, research and data analytics, and get-out-the-vote efforts, outside groups have the ability to select how they use their funds. Instead of aggregating outside group spending, possibly different types of outside expenditures are more effective than others.

Another distinction that could be made regarding the purpose of an expenditure is whether the funds were used to promote an outside group's preferred candidate or to attack the other candidate. Outside group messaging promoting their preferred candidate may fall under the explanation proposed above that outside expenditures that mirror a candidate's own message has no independent effect. However, attack ads on the other candidate may have an independent effect since outside groups could conceivably be negative or take tactics that a candidate might not be willing to do.

To conclude, the impact of independent expenditures by outside groups remains to be seen. Certainly, outside groups are spending large sums of money on congressional races in the aggregate, much to the chagrin of critics of money in politics generally and of the *Citizens United* decision specifically. The quantitative assessment of outside group spending impact that this paper seeks to examine is important in itself. Such an assessment, however, is also necessary to inform meaningful discussions about the qualitative impact on our nation's elections and democratic system. For these reasons, the search for clearer answers must continue.

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