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Strategic Presidents and Fund-Raising in Congressional Elections

A dissertation submitted in partial satisfaction of the requirements for the degree of Doctor of Philosophy

in

Political Science

by

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This Dissertation of Aakash Murlidhar Dharmadhikari is approved, and it is acceptable in quality and form for publication on microfilm and electronically:

Chair

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DEDICATION

To my parents, Murlidhar and Radha Dharmadhikari and to my brother, Amiya Dharmadhikari for their love and support.

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ABSTRACT OF THE DISSERTATION

Strategic Presidents and Fund-Raising in Congressional Elections

by

Aakash Murlidhar Dharmadhikari

Doctor of Philosophy in Political Science

University of California, San Diego, 2010

Professor Gary C. Jacobson, Chair

This dissertation analyzes the role of the president as an agent of the party. It examines both the strategy of presidents as they raise funds for House and Senate candidates as well as the consequences of this strategy on a candidate's total funds raised and share of the vote. Central to this analysis is assessing under what conditions the president helps the party maximize seats in Congress and when president allocates fund-raising events to pursue other objectives. The dissertation focuses on the president's activities in the 2000 congressional election as well as the 2002 and 2006 midterm elections. Doing so allows variation in national partisan tides, the time the president has left in office and other factors that alter the president's incentives. Data for this dissertation comes from observations from journalists as well as data files from the Federal Election Commission.

The following analysis uses maximum likelihood models, extends traditional models of vote share to include the president's activities and attempts treatment-effects models. These findings suggest that presidents routinely behave as faithful agents of the party, but changes in national partisan tides can expand or limit their strategy. Moreover, fund-raising events can have a substantial impact on the total funds congressional candidates can raise, while the effect of these events at the polls confirms traditional findings of how money affects the vote.

Chapter 1: Introduction

Political scientists have long been interested in how presidents influence congressional elections. In the past, scholars have focused on the passive roles presidents play, such as by the length of their coattails (Ferejohn and Calvert 1984) or as a focal point in midterm elections for voters dissatisfied with the administration (Kernell 1977) or to counterbalance the ideology of the president by strengthening the congressional opposition (Alesina and Rosenthal 1989). However, modern presidents have much at stake in congressional elections and have become active participants in campaigning and raising money for their fellow co-partisans. More recently, studies have focused on the strategy behind the president's active participation in campaigning and raising money and what difference these activities make for candidates. The president can be a great asset from the party's perspective since the president has an unparalleled ability to raise resources and focus attention onto candidates. Most importantly, presidents can solve the party's fundamental coordination problem: distributing money and resources to the candidates who need them the most. Given the decentralized, candidate-centered electoral systems, presidents are in position to help parties distribute resources efficiently and maximize the number of seats the party wins in an election.

Studying the president's fund-raising activities is important for several reasons. For instance, understanding the president's fund-raising strategy helps to understand the relationship between the president and the party in Congress. As leader of the party, a principal-agent relationship exists between the congressional party and the president. Should the president act as a faithful agent of the party, the president can efficiently provide strategic information that donors and other political elites may lack. As such, fund-raising activities help to coordinate efforts among the party and private donors to funnel resources to the candidates that need it the most. The cash the president generates can be used in a variety of ways. Money raised for the party's congressional campaign committees can be reallocated efficiently in the form of cash or campaign services. An event for an individual candidate can raise money efficiently and can help build a campaign infrastructure, mobilize voters and be used as leverage to solicit further donations. Thus, the president can be a great asset to a party working to maximize seats so long as the president acts a faithful agent.

However, institutional differences between the presidency and the party organization create opportunities for the president to raise money for candidates in a pattern that is sub-optimal for the party. For example, presidents could trade fund-raising events for key members of Congress to help further his legislative goals, pay back members for past support or to raise his visibility prior to a presidential election. Understanding the degree to which presidents have incentives to deviate from the collective benefit of the party helps to understand the limitations of this relationship and the effectiveness of the president as a fund-raiser.

Previous Research

Thus far, studies of presidential fund-raising events have not gone so far as to make a generalized statement about the optimal strategy of modern presidents. Indeed, taken together, the verdict of what the president does and what difference it makes is mixed. Some studies find evidence that the president uses a mixed strategy of maximizing seats and focusing on other priorities (Jacobson, Kernell and Lazarus 2004; Herrnson and Morris 2004, 2006), although they differ as to which other priorities the presidents acts upon. Others find that presidents care intensely about maximizing seats but their effort yields no statistical effect on vote share (Keele, Fogarty and Stimson 2002). Furthermore, studies such as Hoddie and Routh (2004) focus only on presidential campaign stops while Herrnson and Morris (2004) conflate campaign stops and fund-raising events. Conflating the two is problematic because campaigning and fund-raising involve different strategies. Campaign stops occur in front of donors and are used expressly for mobilization. Fund-raising events, on the other hand, occur in front of donors. Unlike campaign stops, these events can be effective long before the election (and arguably early fund-raising events are more effective than later ones). The money raised at these events can be used for a variety of purposes and can take place at any location, which can lessen the drag of an unpopular president on a candidate. Finally, most of these studies focus on single election years. This narrow focus makes it difficult to generalize how changes in the president’s incentives and national political climate affect his optimal strategy and the difference it makes on the finances and vote-share of congressional candidates. Furthermore, fund-raising for Senate candidates has been completely ignored thus far. Bringing in the Senate as a part of the story enables a better understanding of how institutional differences and partisan parity affect the president's strategy.

This dissertation attempts to fill this void by using data on the president's fund-raising activities for House and Senate candidates over three recent congressional elections: the 2000 congressional election and the 2002 and 2006 midterms. The two empirical questions addressed are first, to what extent is the president a faithful agent of the party, and second, what effect do these efforts have on congressional candidates. Like previous studies, the analysis presented here shows that presidents have incentives to maximize the number of seats their party controls in Congress. By adding multiple years into the analysis, this dissertation shows how changes in the president's time in office and other factors change how much he prioritizes maximizing seats. Moreover, examining multiple years also shows how national partisan tides affect the capacity of the president to perform as an effective agent.

The second half of this dissertation adds the president to existing models of fund-raising and vote share to examine the marginal value of these efforts. Like Jacobson, Kernell and Lazarus (2004) and Herrnson and Morris (2006), the results here show that presidents boost the bottom-line of targeted candidates and helps some candidates win elections they otherwise would have lost. However, neither solves the problem of statistical bias that occurs because presidents do not distribute fund-raising events randomly. Following Keele, Fogarty and Simson (2002), this analysis uses a two-stage treatment effects model first used by Heckman (1979); but unlike Keele et. al., this dissertation argues that presidential effort has positive effects especially for House and Senate challengers.

The rest of this chapter lays the theoretical groundwork for this dissertation. The first section explains the collective action problem that the party in Congress faces. The second section then places the relationship between the party and the president in context of principal-agent theory. Understanding what kind of agent the president is likely to be allows for the derivation of testable propositions about the president's optimal strategy. The third section discusses the empirical implications of the president's actions on the financial health and the vote-share of the candidates targeted through fund-raising events. The final section discusses the importance of understanding the president's role as a party fund-raiser.

The Party's Collective Action Problem

The primary goal of the national party organizations is to maximize the number of seats the party holds in Congress. To this end, both parties have developed House and Senate campaign committees to fund, provide resources and promote candidates to voters and donors. If these efforts are allocated efficiently, parties would not waste valuable resources on safe incumbents or non-viable candidates, but rather focus on vulnerable incumbents and competitive non-incumbents. However the power of these committees is limited because the goals of the party organization and of individual candidates are at odds. Specifically, candidates care deeply about who wins elections because only the winners reap the rewards of office, but the party organization wishes to win a majority with little regard to the ideology or programmatic goals of the candidates (Jacobson 1982). Furthermore, the congressional campaign committees are comprised of incumbents worried about their own reelection or are compelled to help colleagues who wish to hedge their bets when it comes to their own electoral safety. The result is a compartmentalized system of campaign committees which leads to an inefficient allocation of resources, mainly an overinvestment in safe incumbents at the expense of promising challengers and candidates for open-seats (Jacobson 1993).

The conflict between a party and its members also causes information to inefficiently disseminate about the financial health of candidates to potential donors. Individual donors, interest groups and political action committees (PACs) have different incentives of their own; some care a great deal about a candidate's ideology while others care more about a party winning a majority in Congress (Jacobson 1980). Nevertheless, a decentralized, candidate-centered electoral system can send signals to donors to over-invest in safer candidates at the expense of candidates where the extra cash could mean the difference between winning and losing.

From the perspective of the party, a more centralized system that is better able to send the right signals would benefit their collective interests. One potential fix has been a rise in members of Congress acting as a focal point for potential donors. Prominent and popular senators, representatives and governors routinely campaign on behalf of other candidates and use their own PACs to funnel money to needy colleagues (Wilcox and Genset 1991; Bedlington and Malbin 2003).

However, even this solution is subject to the ambition of members who use these events as vehicles for their own advancement in the party hierarchy by gaining leverage over other members.[1]

The President as an Agent of the Party

For the party that controls the presidency, the president has the potential to solve the party's collective action problem in a significant way. First, presidents can raise more money and garner more attention from voters and the media than any other political actor. A fund-raising event headlined by the president could be a financial boon for cash-strapped candidates and help earn more votes than they otherwise would have received. Second, presidents have a strong motivation to maximize the number of seats the party holds. Presidents with majorities in Congress are more likely to pass their legislative agenda, less likely to use their veto power and less likely to see congressional investigations into the executive branch (Edwards 1980; Bond and Fleischer 1990; Mayhew 1991). Third, presidents are privy to strategic information about neediest candidates. As Herrnson and Morris (2004) point out, an evenly divided Congress and a declining number of competitive races increases the marginal value of each race. This gives the president a compelling motivation to raise funds for congressional candidates and allows the president to efficiently identify and target competitive races. As a focal

[1] For example, Senator Bill Frist was the chair of the NRSC in 2002 before he became Senate majority leader. Representative Rahm Emanuel was chair of the DCCC in 2006. After the Democrats won a majority, he became chair of the Democratic caucus. Senators Hillary Clinton and Barack Obama were major draws for Democratic candidates in 2006 in advance of their presidential bids two years later.

point of the party, the president can efficiently convey this strategic information to those who could help the party. To be sure, some donors may have the same strategic information as the president. Yet a personal presidential endorsement carries weight, carries a sense of urgency, and can mobilize donors long after the event takes place. However, the president has scarce time and resources as well as interests other than maximizing the number seats the party holds; as a result, there is an implicit principal-agent relationship exists between the party and the president. To determine the extent that the president behaves as a party agent, it useful to examine what kind of agent the president is likely to be.

The relationship between the party and the president is similar to other principal-agent models in important respects.[2] First, as an agent, the president takes action that yields payoffs for the principal; specifically, the president could lessen the overinvestment in safe incumbents, bring in money for candidates that they otherwise would not have raised, and help candidates win seats they otherwise would have lost. Second, the party and the president have asymmetric preferences despite the president's incentives to maximize seats. For example, institutional incentives change the alignment of interests between the president and party. Since the fate of the president does not rely on the majority status of the party, the president is free to pursue other objectives when raising funds for congressional candidates. The president's role as chief legislator creates the need for the president to bargain with members of Congress to achieve legislative goals (Sundquist 1980; Neustadt 1990). Also, political context may change the incentives of the president

[2] See Miller (2005) for a review of the evolution of principal-agent models in political science.

as well. A president early in a term with a large legislative agenda may be more interested in achieving a legislative majority, a president facing reelection may target candidates in presidential battleground states in an effort to mobilize voters, or a president late in a term may be more interested in paying others back for past political support. Thus, asymmetric preferences create a moral hazard for the president: because the party allows the president to raise money for candidates, the president has incentives to trade fund-raising events for political support or otherwise detract from the party's overall performance in elections.

Furthermore, principal-agent models also assume that the agent as sufficient capacity to carry out the will of the principal. In the bureaucratic setting, high capacity agents are more prone to moral hazard problems, yet low capacity agents have less incentive to abide by the rules of the principal (Huber and McCarty 2004). In this context, "capacity" is defined by personal competence and bureaucratic organization. Certainly, presidents are always competent in raising large sums of money. However, "capacity" broadly defined as the ability to carry out the will of the principal changes over time. For example, presidential popularity and national partisan tides can have a profound impact on the president's fund-raising strategy. Specifically, national partisan tides affect the strategic decisions of candidates to enter races as well as the expectations among donors as to which candidates are viable (Jacobson and Kernell 1983). A positive political climate increases the number of competitive challengers and increases the number of potential targets for a president wanting to take seats away from the opposing party. Conversely, a negative partisan climate increases the number of vulnerable incumbents and decreases the choice of targets available to the president. The president's competence does not change. But, the president's capacity to help the party does change with changes in national partisan tides as they expand or reduce the number of potential fund-raising targets.

Principal-agent models also assume that as an expert, the agent has more information than the principal. Thus, the challenge for the principal is to monitor the agent's actions. Certainly, the president is an expert in fund-raising. His unparalleled ability to raise cash compels the party to accept the president as an agent despite the risk of agency loss. However, traditional concerns about hidden action are not a concern in this context. After all, the president does not raise funds in secret, and the party can easily monitor his campaign activities.

Moreover, unlike other principal-agent relationships, the party in Congress has limited ability to solve the president's moral hazard problem. Among the solutions to an agent's moral hazard problem include outcome-based incentives, and through procedural rules as seen in the cases of congressional oversight over executive agencies (Weingast and Moran 1983; McCubbins and Schwartz 1984; McCubbins, Noll and Weingast 1987). However, the relationship between the party in Congress and the chief executive is not like the one between Congress and an executive agency. First, the relationship between the party and the president is implicit since the president is the *de facto* head the party. No contract has been put in place with rules that stack the deck in favor of the party's preferred outcome. Rather, agreements to raise funds are made between the president and individual candidates with little input from the party. This arrangement is consistent with the candidate-centered, decentralized nature of the party organization. Because individual members make these agreements, it is implausible that the party organization can impose sanctions or outcome based incentives on the president. It is in a candidate's self-interests not to give up a presidential fund-raising event for another candidate and presidents can easily exploit this in choosing his targets. Imposing outcome based incentives would require the party to solve yet another collective action problem. As a result, only the alignment of interests and the capacity of the president determine the extent that the president is a faithful agent of the party. The alignment of interests and presidential capacity are in turn determined by institutional incentives and political context rather than through controls the party can reasonably impose upon the president.

Propositions

The lack of formal controls on the president's actions means that the more the president's institutional interests are congruent with party's preferred outcome, the more the president acts as a faithful agent of the party. This dynamic has empirical implications on the president's strategy. The following are a set propositions indicating when the president is less likely to succumb to his moral hazard problem and exploit the candidate-centered election system for his own gain and when he is more likely to promote the party's collective fortunes.

First, the president will act more like a faithful agent early in the administration than later in the administration. Presidents would benefit most from congressional majorities early in an administration when his legislative agenda is the most extensive. Thus, the president has a stronger incentive to maximize seats early in a term. Certainly there are incentives to trade events for support or to help his reelection early in an administration. Presidents early in an administration may raise money for safe candidates; however, any trades would bear most fruit if the president's controlled a majority in Congress. As a result, even when newer presidents raise money to exchange favors, they would be less likely to do so at the expense of maximizing seats.

Moreover, presidents care about their own reelection, and it is possible that raising money for candidates in key states would stimulate voter mobilization that would in turn increase potential voters for the president. However, evidence of this strategy would show up more in years where the incumbent president is up for reelection, not during midterm elections. While the president may still wish to cultivate support for candidates and donors before the reelection year, the possibility of taking or expanding congressional majorities would be a stronger motivation. On the other hand, a president late in a term has a smaller legislative agenda and more opportunities to use fund-raising events to pay back for past political support. Finally, a lame-duck presidency would not benefit from increased majorities. While a president in this situation would to some degree behave like a faithful party agent, political payback and the lack of an agenda would be more likely to cause the president to deviate from a seat-maximizing strategy.

Second, the smaller a party's majority, the more likely the president acts as a faithful party agent. If the president's party can realistically take enough seats from the opposition to gain control of the House or Senate, the president then has a strong motivation to maximize the number the seats the party ultimately controls. Conversely, if the president's party holds a majority that is in jeopardy, then the president has a strong motivation to raise funds for the most competitive races instead of for safe incumbents. If the partisan make-up of the House and Senate is different, then the president would favor a seat maximizing strategy for one chamber over the other. For example, a president may be more faithful of an agent for Senate candidates if the marginal Senate seat was more important in determining a majority than in the House. Conversely, the less likely majority status is to change, the greater incentive the president would have to use fund-raising events for his own benefit. Especially if a president's majority is assured, he may focus his activities on candidates in the other chamber where his efforts could do the most good.

Third, the president's choice of targets is more diverse in a positive political climate than in a negative climate. Unlike the first two propositions which gauge the relative strength of the president's institutional incentives, the third measures the president's ability to craft an effective strategy. During a good political climate, the president is popular, stronger challengers choose to run for Congress and fewer incumbents are vulnerable. In such an environment, the president has many options among competitive challengers to ultimately take seats from the opposition party. However, the president can also trade events among safe incumbents with relatively low cost towards the party's preferred outcome since non-incumbents are already competitive. Thus, the president can employ a mixed strategy of maximizing seats and trading events. Such a mix is consistent with findings on the behavior of high capacity agents (see Huber and Nolan 2004). In a poor political climate, by contrast, the president is unpopular, strong challengers choose not to run, the opposition party raises more money, and there are more vulnerable incumbents. In this environment, the president has fewer options. Ultimately, a poor national political climate restricts the president to targeting vulnerable incumbents and not challengers.

This pattern is "efficient" in the sense that the president is distributing events to maximize seats. However, because there few competitive challengers, the president cannot target candidates to expand seats, only to protect the ones the party has. This pattern illustrates a limitation to presidential influence. Namely, the president cannot make a non-competitive candidate competitive. Rather, presidents can only help challengers who already demonstrate competitiveness. Scholars have shown that as agents of the people, presidents sometimes take more risk if they perceive their policies will fail in an effort to salvage a victory, a behavior Downs and Rocke (1994) call "gambling for resurrection." The president could gamble by raising money for weak challengers; however, donors are also strategic actors, and will not gamble their money on certain losers. Thus, the president's capacity to help the party is limited in a negative political climate.

The Consequence of Presidential Fund-Raising Efforts

Ultimately, presidential fund-raising events have a direct effect on the total receipts of candidates and an indirect effect on the vote. It is likely that some candidates benefit differently than others. First, the president's decisions on who and when to target and for what reason produce different results. Furthermore, extending existing theories of campaign money and the vote imply that the president's efforts lead to different effects for incumbents than for challengers. These theories lead to testable propositions the impact and limits of presidential fund-raising.

First, the sooner a candidate receives a fund-raising event, the more total receipts that candidate will receive. If presidents act as a focal point for donors and convey strategic information about their targets, then fund-raising targets should see an increase in donations after a fund-raising event. Therefore, the sooner a candidate receives an event, the more time the candidate has to use that signal to solicit more donations. While this effect likely diminishes over time, the marginal effect of an event should be an increase of funds at a higher level than what was earned at the actual event. Yet, the timing of fund-raising events is not random. Logically, incumbents would receive events before non-incumbents. Incumbents have more time to assess their potential vulnerability and have an incentive to raise money early to ward of strong challengers (Jacobson 1980; Epstein and Zemsky 1995). On the other hand, non-incumbents have to first get nominated and second demonstrate viability before attracting a presidential fund-raising event. Also, changes in national partisan tides likely alter the magnitude of the president's signaling effect. While the president can raise the same amount of money at events in good times as well as in bad, it would be easier to convince strategic donors that a further investment will likely yield a positive result during a positive partisan environment.

Second, fund-raising events have a greater marginal impact on the finances of challengers than incumbents. Non-incumbents and incumbents face different dilemmas in a campaign. For instance, non-incumbents must overcome problems in name recognition, a less established base of donors, and a less developed campaign infrastructure. Incumbents, on the other hand, are experienced fund-raisers and generally spend money when they are vulnerable. As a result, money gained from fund-raising events for challengers is likely money they would not have raised otherwise. By contrast, incumbents would use events as an efficient way of cultivating donations. The net result is a positive effect on their overall financial health, but since events are a substitute for other fund-raising activities, the marginal impact would likely be smaller than for non-incumbents. The first and second propositions present a contradiction. On one hand, incumbents should have more time to use events to raise more money, but for non-incumbents early money is important for laying groundwork for a successful challenge and to attract future donations (Biersack, Herrnson, and Wilcox 1993; Krasno, Green, and Cowden 1994). In the end, this tension limits the overall impact of the president's activities.

Third, the president's activities benefit non-incumbents at the polls more so than incumbents. Ultimately, a presidential fund-raising event is like another campaign resource. Many scholars have observed that spending has a positive marginal impact on the vote share of non-incumbents, but a little to negative impact on incumbents (Jacobson 1980, 1990; Abramowitz 1991, Kenny and McBurnett 1992). After all, non-incumbents spend to overcome disadvantages in name recognition and other factors whereas incumbents spend when they are in trouble.

The issue with analyzing the impact of presidential fund-raising events on the vote is that presidents do not distribute fund-raising events randomly. For instance, if presidents act as faithful party agents, presidents raise money for non-incumbents who are expected to do well at the polls and incumbents who are expected to do poorly. Following Keele, Fogarty and Stimson (2002) this study uses two-stage regression models to compensate for the non-random selection of events. By applying the Heckman two-stage procedure to existing models of money and vote-share, non-incumbents still benefit more from the added cash at the margins than incumbents.

Finally, presidents who act as a faithful agent of the party have a greater influence on their targets than presidents who do not. When a president targets a competitive race, he sends a signal to donors that this race is a worthy investment. Even though strategic donors likely have a general idea as which races are competitive, a presidential endorsement rallies and mobilizes donors. Yet candidates that presidents target for political exchanges would logically be safe incumbents who would use their events as substitutes for other fund-raising efforts. The signal the president sends about these candidates is very different and unlikely to produce a lasting signaling effect. As a result, candidates targeted for the president's own interests are likely to see a smaller marginal increase in overall funding and a smaller marginal impact on vote share, all else equal. Thus, when presidents deviate from a seat-maximizing strategy, their efforts are less effective. However, one can argue that when presidents raise funds in exchange for support or for payback, they do not seek to maximize funds or votes; rather, the value of these events are in the exchange itself.

Conclusion

Recent studies of the president's direct activities in congressional elections have produced mixed results. Most of these studies have focused on single elections, making general statements about presidential influence difficult. Jacobson, Kernell, and Lazarus (2004) show that President Clinton used a mixed strategy of maximizing seats and settling personal debts when raising money for House candidates in 2000. Clinton's status as a lame duck drove much of this strategy. Keele, Fogarty and Stimson (2002) argue that President Bush targeted competitive races in 2002, but curiously he had no effect on the result of these races. Herrnson and Morris (2004) find an effect of Bush's efforts, combining fund-raising and campaigning. This dissertation uses the principal-agent framework to examine the 2000, 2002 and 2006 elections. Changes in incentives and political context determine to what extent the president is a faithful agent of the party. Adding an analysis of the Senate, which so far has been ignored, bolsters the argument that institutional and political context changes how president's approach raising money for candidates, even in the same election year. Finally, this dissertation tests the extent that presidents influence election outcomes through fund-raising through statistical techniques that have not been used on prevalent models of money and vote-share.

The data for this project begins with candidate summaries filed with the Federal Election Commission (FEC) for House and Senate candidates. Combined to this is the president's fund-raising itinerary from the 2000, 2002 and 2006 elections. This information not only includes who the president raised money for, but also when, where and how much each event collected. To be sure, a case in which the president is facing reelection is missing. Thus, it would difficult to find the influence of the president's reelection incentives on his choice of targets. Nevertheless, the examining these three elections allow for the president's tenure in office, partisan parity in Congress and national partisan tides to vary.

The study of presidential fund-raising efforts for members of Congress is important for our understanding of presidential-Congressional relations. When the president acts as an agent of the party, then it informs us about the circumstances in which the president and the party can work for each other's benefit despite their institutional differences. When the president uses fund-raising events to exchange political favors, then fund-raising events become another tool to persuade members of Congress to act in the president's best interests. Knowing when the president acts in this way informs us about the president's objectives and how well he can achieve them. Whichever the motivation, the increasing importance of money in campaigns increases the president's influence over which candidates receive resources and ultimately influences who serves in Congress.

Chapter 2: Allocation of Presidential Fund-raising Events in House Elections

This chapter examines President Bush's fund-raising pattern for Republican House candidates in the 2002 and 2006 mid-term elections. Comparing his efforts between this election, and to President Clinton's efforts in 2000, enables a broader view of presidential influence as incentives and capacity vary. The alignment of interests between Bush and the party in the House changed between 2002 and 2006 in several ways that affected a change in strategy. First, his time left in office obviously differed, and with it so did the extent of his legislative agenda and his incentives to exchange political favors. Given this, one might expect that Bush's efforts were more efficient for the party in 2002 than in 2006. However, national partisan tides in 2002 created expectations that the Republican House majority was relatively safe, whereas political tides in 2006 put the House majority in jeopardy. These forces in addition to the chances of gaining a majority in the Senate in 2002 could lead to more efficient distribution of fund-raising events in 2006 than in 2002 from the perspective of House Republicans. Ultimately, the importance of winning or maintaining a majority drove Bush's strategy in both elections. In 2002, the prospect of winning the Senate compelled Bush to raise money for relatively few individual House incumbents and very few challengers, despite the opportunity to expand the House majority. Rather, Bush aided House members indirectly by raising money for the National Republican Campaign Committee. Despite the limited number of candidates, the pattern of fund-raising events among those that Bush targeted is consistent with a faithful agent of the party. In 2006, the possibility of losing the House compelled Bush to raise money for vulnerable House incumbents while national partisan tides reduced the available number of competitive challengers.

The empirical analysis in this chapter proceeds as follows: first, this chapter analyzes the likelihood that a candidate receives a Bush fund-raising event in 2002, followed by 2006. In each case, variables representing institutional incentives and partisan tides help explain the likelihood of an event. Finally, Bush's efforts are compared to President Clinton's fund-raising itinerary in 2000. The evidence supports the argument that Bush focused more on the Senate in an effort to build the party and in part explains why Clinton raised money for many more individuals despite Bush's equal (and sometimes better) ability to raise campaign cash.

President Bush's Choice of Targets: 2002

President Bush's goals to build the Republican Party motivated him to focus relative little personal effort for individual House candidates. As Milkis and Rhodes (2007) argue, Bush's overall strategy was to govern through legislative majorities rather than through consensus with Democrats. As a result, retaking the Senate was a higher priority than maximizing seats in the House. While a positive political climate presented the opportunity to stack the House with as many Republicans as possible, the party already held a majority. Because of institutional rules, a marginal gain of a single Senate seat is more important to the party and the president's agenda than a single gain in the House, even after a majority as been achieved. As a result, Bush did not have the same incentives to maximize House seats as did the Republicans in the House. Arguably, Bush behaved as an agent of the party in that party building benefits the party as a whole. However, House Republicans and Senate Republicans can be considered separate entities with goals of their own because parties are decentralized across institutions. After all, the Republicans in the House and Senate have separate institutions dedicated to promoting candidates in their respective chamber, and a House member does not benefit from presidential effort on behalf of a Senate candidate. Therefore, even if the president pursues "party building" goals, Bush's limited effort on their behalf is inefficient with respect to the party in the House. Nevertheless, the question remains whether or not Bush's distribution of fund-raising events among those candidates he actually targeted is consistent with a seat-maximizing strategy or consistent with a president pursuing electoral goals or political favors.

The following results show that despite Bush's limited personal effort, he targeted vulnerable incumbents and non-incumbents with the best chances of taking seats away from Democrats. Specifically, Bush targeted more candidates for open-seats than challengers since all else equal, open-seat races are more competitive than races against entrenched incumbents. Moreover, Bush raised money extensively for the National Republican Campaign Committee (NRCC), which was an effective strategy especially given the positive political climate. As Jacobson (1993) argues, since incumbents tend to be risk-adverse, the party tends to over-invest in safe incumbents at the expense of vulnerable incumbents and promising challengers. However, during a positive political climate, incumbents would be less worried about their own reelection chances. Given this, the money Bush helped raise for the NRCC would be redistributed more efficiently to needy candidates than it otherwise would have been. Delegating the distribution of cash back to the NRCC freed the president to be able to focus his personal attention on Senate candidates.

Research Design and Methods

The Dependent Variable

The dependent variable in this section is whether or not President Bush held a fund-raising event on behalf of a congressional candidate in 2002. Mark Knoller of CBS News collected data on the president's fund-raising itinerary for the 2000, 2002 and 2006 elections. For each event, Knoller recorded the date, location, recipients and the estimated amount of money each event raised. Table 1 displays the beneficiaries of these events. Like President Clinton before him, President Bush raised money for Republican candidates seeking various offices.[1] House and Senate candidates got a fair amount of attention as did gubernatorial candidates and state and national party organizations.

Despite frequent campaign stops, President Bush conducted a limited number of fund-raising events for House candidates compared to President Clinton. According to Knoller's data, Bush appeared at events for 10 of the 196 House Republican incumbents and for 5 of the 43 Republican candidates in open seat

[1] See Jacobson, Kernell and Lazarus (2004) for a complete list of Clinton's beneficiaries in 2000.

races. By contrast, President Clinton attended fund-raisers for 42 Democratic incumbents (Jacobson, Kernell, Lazarus, 2004). Given that 2002 was a strong year for Republicans, the number of vulnerable incumbents should have been relatively low to begin with while the party would field a greater number of quality challengers. A strategy to expand the Republican House majority would therefore mean targeting these challengers. However Bush attended only one event for a House challenger, John Kline of Minnesota. While the number of events does not suggest strategic behavior, Bush's fund-raising prowess can be seen in his efforts on behalf of the NRCC and the National Republican Senatorial Committee (NRSC). In all, President Bush raised $60 million combined for the two committees including $30 million in one night at a Washington D.C. gala. This figure eclipses President Clinton's $27 million effort for the two Democratic campaign committees over the course of the entire 2000 campaign. Considering the Republican Party in the House wished to expand upon an existing majority, raising money for the campaign committees which could in turn spend indirectly for House candidates on and would free valuable time for the President to raise money for critical areas of party building, specifically the Senate and gubernatorial candidates.

[Table 1 about here]

Instead of expanding the majority in the House, Bush's party building goals motivated him to raise money for individual senators and governorships and state parties, whose elections are independent of the Republican Party in Congress.

Without a national institution such as the congressional campaign committees to rely upon, various state parties received a total of 22 presidential fund-raising events as well as 20 individual gubernatorial candidates. Indeed Bush's itinerary included five visits for Bill Simon, the Republican challenger from California, two for New York incumbent governor George Pataki and four fund-raising events for his brother, Governor Jeb Bush of Florida. If Bush strategically used fund-raising events aid his own reelection, he could have easily incorporated this goal with aiding other Republican governors with multiple visits for candidates from presidential battleground states including Iowa, Wisconsin, Pennsylvania and Ohio. Therefore, even if Bush used events as a simultaneously pursue multiple goals, he may have done so through raising money for candidates other than those for the House.

Independent Variables

If the president targeted candidates to maximize seats, then those candidates who are in competitive races are more likely to receive presidential fund-raising events. Candidate spending is a key indicator of competitiveness. Conclusions in the literature, however, differ on whether money affects the vote equally for incumbents and challengers. Incumbents raise money based on their expectations about how competitive a race is likely to be, whereas challengers must spend to overcome disadvantages in name recognition, the franking privilege, and other resources that an incumbent enjoys. Therefore, high spending by an incumbent reflects vulnerability while high spending by a challenger reflects viability

(Jacobson 1978, 1980, 1990; Abramowitz 1991, Kenny and McBurnett 1992). Still others have argued that effect of incumbent spending on the vote is underdetermined and have found that incumbent spending positively affects the vote (Green and Krasno 1988, 1990). This study assumes that a rational party, and by extension, a president acting as a faithful agent of the party, follows the conventional wisdom. After all, maximizing representation in Congress requires raising money for incumbents who require funds to combat challengers, and convincing donors that a particular challenger is viable investment. It is assumed that incumbents take the spending of their opponents as cues about their vulnerability. Hence, equations predicting fund-raising events for incumbents use opponent spending. By contrast, a challenger's own ability to raise and spend sets expectations about that candidate's chances of victory, thus a predictor of presidential fund-raising for challengers is their own level of spending. If a president raises funds in a manner to maximize his party's representation in Congress, opponent spending and candidate spending should have a very positive affect on the probability of receiving a fund raising event for incumbents and challengers respectively. To create this variable each candidate's total spending was compiled using candidate reports filed with Federal Election Commission (FEC) and then adjusted for inflation using 2000 as the base year.

The vote margin in the previous election in a district is another indicator of competitiveness. This variable measures expectations at a different point in time compared to candidate spending. The margin in a previous election captures characteristics of the district (such as ideological diversity) or characteristics of the incumbent and set initial expectations about the competitiveness of the next election. Changes in spending on the other hand continually update expectations about competitiveness during the election season and capture other factors such as characteristics of the opponent. The models in this section measure the closeness of the district as the Democratic share of the two-party vote in the previous election to control for district partisanship and other characteristics. All else equal, the more marginal the vote in the previous election, the more likely the president would choose that candidate for a fund-raising event.

Similarly, the president's share of the two-party vote in the district in the previous presidential election can also affect the president's targeting strategy. On one hand, the president's share of the two-party vote correlates with the candidate's share of the two-party vote. Both are sensitive to the partisan composition of the district and national partisan forces. Thus, districts where the president does poorly are likely places where his party's congressional candidates do poorly and vice versa. For incumbents, this means that even if a president acts as a faithful party agent, presidents are likely to raise funds in districts in which their vote was marginal, because it correlates with areas in which their party underperforms in general. For challengers, presidents are likely to raise funds in places they do comparatively well, because those are the areas in which their party is likely to do well against an incumbent of the opposition party. Of course, the performance of a president in a particular district and that of a congressional candidate of the same party are not perfectly correlated. Recent studies have used the safety of incumbents or ideological ambiguity between incumbents and presidential candidates to explain ticket-splitting and the overall pattern of congressional candidates outperforming presidential candidates of the same party (Born 2000; Karp and Garland, 2007). The data collected here seem to support this finding since the average share of the two-party vote is higher for congressional incumbents than for the president across districts.

On the other hand, a president's decision to raise money in a district based on his past performance rather than the candidate could also reflect motivations that go beyond maximizing congressional representation. For example, President Bush in 2002 had incentives to boost his own electoral prospects by appearing in places that would befit him in his reelection campaign. It is likely that presidents can pursue these goals simultaneously. However, measuring this motive by only examining the propensity to raise money in districts based on presidential performance does not distinguish between a strategy based on electoral interests or one based on maximizing the number of seats since areas the president does well could be correlated with places a congressional candidate does well. Therefore, in multivariate regression models an interaction term is included combining the district vote for the congressional candidate with the district vote of the president. For a candidate who is running in a marginal district, this term measures the added benefit of running in a district that is marginal on the presidential level as well. Should this interaction term be significant and positive, it suggest that the president pursues electoral and party goals at the same time by systematically targeting districts that mobilize voters and donors needed in a presidential contest while also raising money for competitive House races. If this term were not significant or if the affects were negligible, it would suggest that the president does not systematically target races in this way.

Results and Discussion

A closer look at the Bush's fund-raising itinerary among House incumbents suggests that maintaining a House majority was a primary motivation. Presidents acting as an agent of the party would concentrate their efforts on incumbents facing quality opposition in marginal districts. Combining incumbents and challengers, 8 of the 11 candidates Bush targeted came from districts where a Democrat garnered between 40% and 60% of the vote in the previous election.[2] Among incumbents, Bush targeted 15% of candidates in marginal districts versus 2% of those who came from safe districts (see Table 2). Bush also raised money for a greater proportion of incumbents facing quality challengers that have previous electoral experience. In another sign that maintaining the majority motivated President Bush, he raised money for incumbents in districts in which he ran comparatively poorly in 2000. A total of 8 of his 10 targets came from districts in which Bush ran below his median two-party share in 2000. This accounts for nearly a quarter of all such Republican incumbents. Naturally, Republican House incumbents would be vulnerable in districts with ideologically heterogeneous electorate, which would also explain Bush's underperformance in these districts. His propensity to visit these districts may also excite Republican base voters in districts that could help him in his reelection campaign; however, to the extent that reelection concerns influenced his

[2] This excludes Republican challengers running in new seats created by the 2000 census.

choice of targets, it seems he did not do so at the expense of maintaining the House majority. Nevertheless, this allocation effort suggests both the willingness and an ability to raise money for vulnerable incumbents. Positive partisan tides and a healthy approval rating undoubtedly helped the president along the way. As a result of raising money and frequent campaign stops in these kinds of districts, Bush managed to mobilize partisan voters and thwart Democratic efforts to pick off vulnerable Republican incumbents.[3]

[Table 2 about here]

To get a better assessment about the relationship between incumbent vulnerability and presidential effort, Table 3 presents maximum-likelihood models estimating the chances that an incumbent receives a fund-raising event. In Equation 1.1, Democratic spending is positive and highly significant suggesting that Bush is more likely to raise funds to help incumbents stave off strong challengers. The coefficient for Bush's 2000 vote margin is also significant and negative, suggesting that Bush tended to raise funds for incumbents in areas he underperformed. One explanation could be that Bush used his popularity to mobilize donors that would be useful to him during his reelection. An alternative explanation is that these districts have a greater proportion of Democratic voters, thus Republican incumbents in

[3] Upon the Republicans gaining seats in the House and Senate, House minority leader Dick Gephardt (D-MO) attributed the win to President Bush's popularity and the public's concern with national security issues. He defended Democratic Party strategy of not nationalizing the election for fear that the party would lose even more seats (Dan Balz, "Gephardt Defends Election Strategy," *The Washington Post*, 8 November, 2002).

these districts may have a tougher time winning all else equal. However, the Republican margin from 2000 is only marginally significant while showing the proper sign. Incumbents that received less of the vote two years earlier should be more likely to be in need of assistance. The effects of Democratic spending may be affecting the significance of this variable. Moreover, the coefficient on the interaction term has the incorrect sign. This term is intended to examine the added benefit for incumbents in districts marginal at both the congressional and presidential level. However, the results indicate that if either margin is high in the Republican's favor, the more likely Bush is to hold an event. While the overall effect is negative once added to the effects of the Republican vote margin, the interaction term does not reveal any strategy on Bush's part to target areas that could help him in a presidential election.

[Table 3 about here]

Without the interaction term, the effect of the Republican district vote disappears (see Equation 1.2). In this specification, Democratic spending and Bush's margin are highly significant, while quality challenger is marginally significant. Also, the Republican vote in the previous election is highly significant. Thus, incumbents with poor early reelection prospects as well as those who are vulnerable later in the election are more likely to receive a presidential fund-raising event. Similarly, in Equation 1.3, the Republican district vote replaces spending; in this specification, candidates from tough districts are more likely to receive an event.

Converting these coefficients into predicted probabilities allows for a more precise estimate of the marginal effects of spending and vote margin. Given President Bush's other priorities such and his ability to raise money for the NRCC, the probability of a House incumbent receiving a direct fundraiser is relatively low. Indeed with all variables held at their median values, and the interaction term held to the product of the means of its two components, the predicted probability of a Bush event is less than 2%.[4] However, shifting the values of these variables individually from their median to a value reflecting competitiveness should increase the likelihood of an event, all else equal. Table 4 displays the changes in the predicted probability of an event based on the equations found in Table 3.[5]

[Table 4 about here]

As expected, the probability of Bush holding an event significantly increases with the vulnerability of an incumbent. According to the coefficients in Equation 1.1, increases in Democratic opponent spending increase the likelihood that Bush holds a fund-raising event. However, the relationship between opponent spending and fund-raising events is not linear. Holding all other variables to their median

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[4] From Equation 1.1.

[5] First differences computed using CLARIFY, Michael Tomz, Jason Wittenberg, and Gary King. 2003. CLARIFY: Software for Interpreting and Presenting Statistical Results. Version 2.1. Stanford University, University of Wisconsin, and Harvard University. January 5. Available at http://gking.harvard.edu/

values, a shift in Democratic spending from its median value to the 75th percentile results in a negligible increase in the likelihood of an event. A shift to the 95th percentile of spending increases the predicted probability of an event by 8%. However, a shift to the 99th percentile of spending shifts the probability of an even 30%, all else equal. These results indicate that only the most vulnerable incumbents were likely to receive events. Even when opponent spending is high, incumbents are more likely not to receive help from the president, which reflects the limited personal effort Bush made for House Republicans. Early indicators of vulnerability, on the other hand, have a greater impact on the likelihood of an event. While only marginally significant, shifting the Republican district vote from its median value (which is 65% among incumbents) to 50% increases the predicted probability of a Bush event by 89%. Lowering Bush's margins to 50% (from a median value of 57%) significantly increases the estimated likelihood of an event by 85%. These results suggest that Bush targeted incumbents that faced high spending challengers and came from districts with a greater number of Democratic voters. Given the national political climate in 2002, it is likely that Democrats could only challenge Republican incumbents in ideologically diverse districts.

Bush conducted few events for non-incumbents; however, his choice of targets suggests an opportunistic strategy to take as many seats from Democrats as possible. Among his targets, he favored open seat candidates in position to expand the number of Republicans in the House. Open seat races tend to attract higher quality candidates than races against incumbents, especially when partisan tides are favorable (Bond, Fleischer and Talbert 2007). Open seat candidates are also more likely to win, all else equal. Thus, is it not surprising that among non-incumbents, Bush favored open seat candidates 5 to 1. Moreover, Bush's pattern shows he targeted candidates to win newly created open seats and open seats vacated by Democrats rather than candidates running to replace retiring Republicans. Apportionment after the 2000 census shifted 12 congressional districts from the Midwest and mid-Atlantic to the south and west. Among these 12 newly carved seats, Republicans won 9. Despite theory suggesting that open seats should be more competitive, races in these newly created districts resulted in an average margin of victory of 20.8% of the two-party vote. Likely, this is in some part due to state legislatures gerrymandering these districts to favor one party or the other. As a result, Bush raised money for only two of these contests, but they were the two tightest races among new districts.[6] Similarly, two of Bush's other targets for open seats successfully took seats formally held by Democrats, although this represents a fraction of seats Democrats vacated before the election. Undoubtedly, challengers and open-seat candidates benefited from President Bush through campaign visits and money raised through the NRCC, while the president focused his attention on building the party elsewhere. Nevertheless, the convergence of a positive political climate and reapportionment created more opportunities to solidify control of the House.

In sum, Bush's distribution of fund-raising events, limited as it was, reflects a motivation to retain a majority in the House. Incumbents with the highest spending opponents and those from ideologically diverse districts were more likely

[6] Rick Renzi (AZ) and Bob Beauprez (CO) won with 3.6% and 0.7% margins respectively.

to receive a fund-raising event, all else equal. Moreover, Bush did not systematically target incumbent districts based on electoral goals or to exchange political favors. However, Bush's effort reflects merely a goal to retain a majority rather than a strong motivation to maximize seats. Once the Republican majority was safe, Bush would have little incentive to maximize seats in the House at the expense of helping Republican candidates win in other offices. The low number of challengers he targeted despite strong challenges illustrates that maximizing seats in the House was not his highest priority. While Bush raised money for so few non-incumbents that statistical analysis does not yield significant results, a closer look at his targets reveals that he targeted candidates in the best position to take seats away from Democrats. In the end, good partisan tides allowed Bush to raise cash for the NRCC and focus his attention elsewhere. In 2006, however, a turn in the national political climate forced Bush to focus more on House candidates.

President Bush's Choice of Targets: 2006

President Bush's second midterm election took place under different circumstances than the 2002 midterm. The growing unpopularity of the war, the federal government's handling of natural disasters and other issues had eroded Bush's popularity as well as the public standing of the Republican controlled Congress. Electoral losses in late 2005, some in traditionally Republican areas, foretold a rough midterm election cycle and put control of the House and Senate at stake. With the political climate in their favor, the Democratic Party raised enough money to wage competitive races in areas that seemed safe for the GOP at the beginning of the election cycle. As in previous years, the Democratic Congressional Campaign Committee (DCCC) trailed its counterpart, the NRCC, in total funds raised; however, the gap was smaller in 2006. According to the FEC, Democrats raised 45% more by the end of the spring than they did by the same point in 2004 while the Republicans raised 13% less during the same period. Combining the totals of the House, Senate and national committees, the Democrats closed the overall gap against Republicans from raising only 69% of Republican totals in 2004 to 85% of Republicans totals in 2006. With more Republican seats to defend, the Democrats could concentrate their efforts on the most competitive races.[7] As November approached, Republicans still out-raised Democrats, thanks to the Republican National Committee supplementing House and Senate candidates. Nevertheless, assessments showed that Democrats were seriously contesting 72 Republican districts, which amounted to nearly a third of their total in the House.[8]

Republican incumbents faced a dilemma in that Bush remained a prolific fund-raiser, yet became a political liability. While his popularity sagged, Bush remained popular with the Republican base and its donors. At the same time, appearing with the president left candidates vulnerable to Democratic attacks of being too close to the president. As a result, 33 of Bush's 74 fund-raising events occurred at private residences away from press coverage.[9] Meanwhile, candidates attempted to publicly distance themselves from the White House to blunt

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[7] "Democrats Closing Fundraising Gap with Republicans; Increase in Grass-Roots Support Buoys Party as GOP Efforts Falter," Jim VandeHei, *The Washington Post,* 11 June, 2006
[8] Bob Benenson, "Election 2006: The Battering Ram and the Bulwark," *CQ Weekly Online,* 30 October, 2006: 2866-2869
[9] Source Mark Knoller, *CBS News*

Democratic chargers of being too close to President Bush.[10] For its part, the White House stated they would generally allow candidates to distance themselves from the president if they thought it gave them the best chance of winning, so long as they did not explicitly state that that was their intention.[11] Retaining control of Congress was more important than the premium Bush paid to loyalty.

Nevertheless, there is little reason that low popularity would create incentives for the president to act on other interests and less as an agent of the party. Indeed, given the circumstances Bush had a large incentive to act as an agent of the party and maintain his congressional majorities rather than acting on conflicting interests and risk losing them. First, the president's electoral interests were no longer a concern. Second any legislative agenda he still wished to pass or policies he wished to continue required that his party maintain control of Congress. Moreover, just as Clinton was motivated in part to secure his legacy, retaining control of Congress would go a long way to validate his policies that were increasingly under attack. Finally, negative partisan tides result in more vulnerable incumbents and fewer promising challengers. Incumbents expecting greater competition would exacerbate the inefficiency the party experiences when coordinating money and resources to incumbents and challengers. This increases the need for the president to be more faithful as a party agent. With more

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[10] For example, Virginia representative, Thelma Drake, skipped a fund-raising event in which President Bush raised a half-million dollars. Drake stated she needed to be in Washington for a vote on a $150 million military spending bill that would affect her district. The bill passed with a vote of 395-0. The White House spun the event positively stating she was doing the work of her district. Jim Rutenberg, "With the President as the Guest, The Hostess Sends Regrets," *The New York Times*, 20 May, 2006.

[11] "GOP Candidates Claim Degrees of Separation From President," Michael Abramowitz, *The Washington Post* 5 August, 2006

competitive races and with control of both branches at stake, President Bush would have less leeway to barter a direct fund-raising support in exchange for political support or otherwise detract from the party's overall performance.

Research Design and Methods

The Dependent Variable

As before, the dependent variable is whether or not President Bush held a fund-raising event for a particular candidate. Table 5 displays the distribution of his fund-raising efforts in 2006. As expected, Bush targeted more House incumbents in his second midterm due to the poor political climate. However, his effectiveness measured as dollars per candidate did not diminish with respect to incumbents compared to 2002. Bush maintained strong support from the Republican base and with sympathetic donors. His effectiveness for non-incumbents dropped, however, as these donors had fewer good investments from which to choose. Furthermore, Bush's efforts for other areas of the party also diminished between his two midterms. In all he raised money for only half the number of gubernatorial candidates and only a handful of local and state party organizations compared to 2002. Despite his popularity with donors, Bush's low standing and the expectations of a poor election affected the overall amount Bush could raise for the party. For example, Bush's ability to indirectly aid congressional campaigns by raising money for party committees clearly decreased in 2006 compared to 2002. According to Knoller, in 2002, Bush raised nearly $120 million for the RNC, NRCC and NRSC compared to just $75 million four years later.

[Table 5 about here]

Independent Variables

This analysis uses the same list of independent variables as the analysis of the 2002 election. However, spending levels set very different expectations among Republicans in 2006. The mean spending level for Democrats challenging Republican incumbents increased approximately 23% between the 2002 and 2006 elections. This lead to a 49% increase in the mean spending of Republican incumbents, which is a difference that is statistically significant.[12] As a result, other indicators, such as Bush's share of the presidential vote, should not have as much predictive power as they did in 2002. A low margin for Bush indicates districts in which there were more Democratic voters, which were places in 2002 that Democrats could challenge Republican incumbents. In 2006, however, Democrats were competitive in places in which Bush did relatively well in 2004. Thus, Democratic spending could be the only significant predictor of a Bush fund-raising event for incumbents, and candidate spending could be the only significant independent variable for Republican challengers.

Results and Discussion

[12] Mean Democratic challenger spending for 2002 and 2006 are $436,513 and $535,986 respectively. The mean level of Republican spending in 2002 was $870,923, standard error = 43062. The mean Republican incumbent spending in 2006 was $1,299,063, standard error 65558.53.

Examining the distribution of fund-raising events, the total number of incumbents Bush visited is less than the total number of marginal races. As in 2002, raising money for the congressional campaign committees could be a more efficient use of his time. Among the incumbents he visited, Bush's distribution of fund-raising targets reflects a greater incentive to act as a party agent compared to 2002. First, Bush targeted a greater proportion of incumbents in districts in which a Democratic opponent garnered more than 40% of the vote in the previous election (see Table 6). Second, while Bush helped a fifth of incumbents running in districts where he did relatively poorly in his 2004 reelection, Bush also helped a greater percentage of incumbents from districts that were not marginal in 2004. Clearly, incumbents were vulnerable even in places where there were a larger proportion of Republican voters. Finally, Bush also raised money for a greater percentage of House incumbents in their first term rather than incumbents with more experience. While still a small number, it is statistically significant compared to 2002, suggesting a more concerted effort to help incumbents who are less experienced with their constituents and less familiar with donors.

[Table 6 about here]

The results of regression models also show that the vulnerability of incumbents determined Bush's strategy more than any other factor. Table 7 presents two models measuring the likelihood that the president holds a fund-raising event for an individual candidate. In Equation 1.4, only Democratic spending is significant. Unlike 2002 where a mix of initial expectations and current expectations determined Bush's strategy, in 2006 when controlling for Democratic spending, incumbents from marginal districts were just as likely to receive an event as candidates from safe districts. This pattern reflects the Democrats ability to field competitive challengers in previously safe areas and finance them at a competitive level. Equation 1.5 excludes spending from the model. When this is done, variables controlling for initial expectations such as the Republican district vote and the president's share of the vote in the previous election are significant once again.

[Table 7 about here]

Converting the coefficients in Table 7 into predicted probabilities shows that President Bush's efforts were responsive to changes in spending. Holding all the variables in Equation 1.4 to their median values the estimated probability of receiving a Bush event is less than 2%. This probability is similar to the one found for 2002 incumbents using Equation 1.1. However, shifting levels of Democratic spending have larger influence on the predicted probability of a Bush event than four years earlier. As before, increasing opponent spending increases the likelihood of a fund-raiser an increasing rate (see Table 8). Shifting opponent spending from its median value to a modest 75th percentile only increases the predicted probability 1.8%. However, more competitive rates of opponent spending, such as the 95th percentile increases the predicted probability 18.2% (recall that the same shift resulted in an 8% increase in 2002). Shifting opponent spending to the 99th

percentile increases the predicted probability of an event by 42.1% compared to a 30% increase for the same shift in 2002. Shifts in the lagging initial indicators of competitiveness also result in a higher estimated probability of a Bush event, according to Equation1.5. However, the magnitude of these increases is smaller than corresponding shifts in 2002.

[Table 8 about here]

Not only does the analysis of 2006 incumbents show that his incentives as party leader strongly motivated Bush, but also supports theories of the affects of partisan tides. President Bush's decreasing popularity and that of the Republican controlled Congress clearly changed expectations for Democratic challengers. Higher expectations led to more donations, which lead to more competitive races and even higher expectations. As a result, the increases in Democratic spending lead to more negative expectations for Republican incumbents and a greater effect on Bush's targeting strategy relative to other indicators of competitiveness. In other words, updated expectations influenced the president's strategy more than initial expectations in 2006. Whether changes in partisan tides changed balance between the president's incentives to act as a party agent and incentives to aid his own legislative or electoral goals is less clear when looking only at House incumbents. While spending is, as expected, more predictive in 2006, the overall pattern among House incumbents is similar to that of 2002. In both years, Bush did not conduct many fundraisers for safer incumbents, especially compared to President Clinton in

2000. In context of 2006, Bush would not spend limited time collecting favors from safe incumbents when his House majority was at stake.

President Bush's Targeting Strategy among Non-Incumbents: 2006

President Bush's interests may have been aligned with the party in the House, but the negative partisan tides constrained the president into a defensive strategy with respect to challengers and open-seat candidates. In 2002, President Bush only held one personal fund-raiser for a House challenger and five open seat candidates. In 2006, by contrast, Bush raised money for ten non-incumbents, favoring open seat races over challengers of Democratic incumbents, this time by 7-3. These seven contests represents a fourth of all open seat races that year. However, every one of these seven candidates for open seats ran to replace a Republican who either retired or decided to run for another office. Whereas in 2002 Bush targeted open-seats candidates to take seats away from Democrats, in 2006, he could only target candidates to keep seats in the Republican column. According to Table 9, furthermore, Bush's targets tended from areas in which he did comparatively well in his 2004 reelection. Unlike incumbents where Bush tended to go places where he did poorly, Bush's tendency to go to districts in which he did well correspond to places where a Republican House challenger would likely do well. Indeed, five of the seven open-seat candidates and two of the three challengers targeted represented districts where Bush performed better than his median share of the vote. Finally, eight of the ten candidates Bush targeted previously held elective office. In the context of 2006, this distribution can be explained by low standing Republicans had among the electorate. Poor partisan tides suggests that Republicans would field fewer quality candidates in stronger Democratic areas–that is in districts in which the Democrat received a higher proportion of the two-party vote and areas in which Bush underperformed. As an effect party agent acting as a focal point for donors, Bush would naturally not raise money for lesser quality candidates with a low chance of winning.

[Table 9 about here]

As a result, viability is the determining factor for whether or not the president headlines a fund-raising event. Incumbents may be targeted for past support or to collect political favors, even if the incumbent is not particularly vulnerable. However, no political favor can be collected from a House challenger unless the House challenger wins. Therefore, to compel the president to act as a focal point for other donors, the challenger must demonstrate viability first. Presidential intervention does not make a challenger viable, but only makes a challenger more competitive. Table 10 displays the results of models estimating the likelihood of a Bush fund-raiser for a non-incumbent using similar variables used for the analysis of incumbents. Equation 1.6, measures candidate spending as total spending less the amount raised at presidential fund-raising events. Given this measure, candidate spending is the strongest predictor of a Bush fund-raising event. Since non-incumbents must overcome disadvantages such as name recognition and an established financial and electoral base, the more challengers and open-seat candidates spend, the better they do at the polls. Like opponent spending for incumbents, candidate spending for non-incumbents is a current indicator of expectations. And in a poor Republican year such as 2006, current expectations are a better predictor of success than initial expectations. Only when spending is excluded do measures of initial expectations, such as the previous Republican vote margin matter statistically (as in Equations 1.7 and 1.8). In each of these cases, higher Republican vote margins correspond to districts with larger numbers of Republican voters, thus a Republican challenger would fair better all else equal. Finally, according to Equation 1.8, higher quality candidates are more likely to receive a Bush event. Non-incumbents with previous electoral experience are more likely to overcome disadvantages in name recognition and fund-raising, thus are more likely to attract a presidential fund-raiser.

Other measures of initial expectations are not significant predictors of a Bush fund-raising event, however. Despite the majority of Bush’s targets being candidates for open seats, these candidates are not statistically more likely to receive a fund-raising event once expectations are controlled for. Although an open seat contest initially indicates a competitive election, these candidates could only do well if they could spend or if they were in districts with more Republican voters. Moreover, Bush’s 2004 margin is never statically significant, unlike for incumbents where Bush’s previous margin predicted vulnerability when spending was not controlled for. This reflects the strength of Democratic incumbents in areas with large Republican voting blocs in 2006. Although Bush targeted the most competitive races as a faithful agent of the party, the poor political climate restricted his capacity to target enough non-incumbents to take seats away from Democrats. Even if Bush's strategy was to maintain rather than to expand the Republican majority, in the end he could only target candidates that could competitively spend against Democratic incumbents.

[Table 10 about here]

Converting the coefficients in Table 10 into predicted probabilities illustrates how spending affected the chances of a Bush fund-raising event. Table 11 displays the changes in the estimated probability of a Bush event on non-incumbents upon shifting spending and Republican district vote while holding others constant. According to Equation 1.6, the estimated probability of a Bush event while holding all variables to median values is less than 1%. Increasing the level of spending from the median of non-incumbent spending to the 75^{th} percentile of spending barely affects the chances of a Bush event at all. However, the predicted probability of an event jumps to about 27% if a candidate spends at the 95^{th} percentile of spending. A hypothetical candidate that spends at the 99^{th} percentile has an 87.4% chance of receiving an event, all else equal. While this equation is different than those estimating the likelihood of an event for incumbents, the chances that Bush raises funds for a non-incumbent is more sensitive to spending. When spending is not controlled for, measures of initial expectations such as the Republican margin in the previous election and candidate quality are significant; however, its affect on the chances of a Bush event are much modest. According to Equation 1.7, shifting the Republican vote margin from its median value (36% among non-incumbents) to 50% only increases the estimated probability of an event by 7%. Likewise, a candidate with electoral experience is only 4% more likely to receive an event than one does not, according to Equation 1.8.

[Table 11 about here]

The degree that spending levels drive the president's targeting strategy is a product of the poor political climate and the strategic nature of donors. With respect to challengers, presidents will only raise money for competitive candidates because donors will only invest in candidates with a chance of winning. Some donors care about ideology and will donate to candidates based on their positions. Others, however, will not invest in sure losers. Thus the president will not hold a fund-raising event for a candidate that he cannot credibly claim to be competitive. The poor political climate of 2006 made this problem worse. In 2006, measures of initial expectations were statistically insignificant. With fewer quality Republican challengers and initial expectations so dim, strategic donors and the president could only target candidates once they spent at a competitive level.

Comparing Bush's Fund-raising Strategy to Clinton in 2000

Bush’s fund-raising strategy is consistent with a faithful agent of the party among the candidates he targeted. However, in each midterm election, the relatively low number of actual targets reflects priorities beyond maximizing seats in the House. President Clinton, on the other hand, pursued a mixed strategy of pursuing personal goals while improving the chances of competitive Democrats (Jacobson, Kernell and Lazarus 2004). Comparing the two presidents reveals the extent that these differences in priorities matter. Table 12 presents two models of the likelihood of a presidential fund-raising event that combines candidates of the president’s party in 2000, 2002 and 2006. These results indicate that President Clinton was much more likely to raise funds of individual incumbents than President Bush. This pattern results from Clinton’s mixed strategy as well as Bush’s focus on the Senate and fund-raising efforts on behalf of the congressional and national committees. These results also follow the same pattern of presidential fund-raising with respect to challengers, namely, presidents only raise money for challengers with a good chance of winning.

[Table 12 about here]

The raw numbers suggest that Clinton raised money more extensively than Bush in 2002 or 2006. According to Mark Knoller’s records, Clinton held events for 38 Democratic incumbents in 2000 while Bush targeted 10 Republican incumbents in 2002 and 17 in 2006. To see if this difference matters statistically, Equation 1.9 measures the likelihood that a president raises money for an incumbent while controlling for spending and district characteristics. As expected, vulnerable incumbents with high levels of spending or from districts that were marginal in the previous election were more likely to receive a presidential fund-raising event. However, year dummies for 2002 and 2006 are significant and negative suggesting that incumbents in 2000 were more likely to receive and event from Clinton than Republicans were from Bush in 2002 or 2006 even when competitiveness is controlled for. While Equation 1.9 does not suggest anything about Clinton's priorities, Jacobson et. al. argue that Clinton raised money in part to pay back others for past support, which his lame-duck status allowed him to do. Being at the beginning of his term, President Bush could have raised money to build upon his House majority; however, his interests were aligned with the whole party, not just Republicans in the House. With the opportunity to retake the Senate, his individual effort would be better spent on behalf of Senate candidates. As a result, Republican House candidates were less likely to receive a fund-raising event. Instead, Bush used events to strengthen the Republican campaign committees and candidates for other offices. In 2006, Bush raised money exclusively for vulnerable incumbents. Unlike Clinton, poor popularity and the poor prospects for the party restricted Bush to target incumbents based on competitiveness.

Examining presidential effort on behalf on non-incumbents across three elections confirm that presidents only help candidates who are competitive. Equation 1.10 measures the likelihood of a non-incumbent receiving an event. Once candidate spending and quality are controlled for, Clinton is not more likely to visit a Democratic challenger than Bush was a Republican challenger. Changes in partisan tides affect the characteristics of the president's targets. For instance, Bush focused more on open seat candidates who were replacing retiring Republicans in 2006 rather than candidates who could take seats away from Democrats. By contrast, Jacobson, Kernell and Lazarus show that President Clinton's efforts for Democratic challengers in 2000 raising money for competitive challengers that were viable due to initial expectations as well. Nevertheless, in neither of these elections did the president raise money for a challenger that did not already have high expectations for success.

Conclusion

Like Clinton in 2000, Bush's performance as an agent of House Republicans is mixed. On one hand, in both 2002 and 2006, Bush's strategy among candidates he targeted was consistent with seat-maximization. However, Bush raised money for a very limited number of candidates in both his midterm elections, especially compared to Clinton in 2000. In 2002, Bush's incentives with the House Republicans were not completely aligned. While the House Republicans wished to maximize seats, Bush was more interested in promoting the fortunes of the party as a whole. While a president's reelection concerns or legislative agenda could cause a deviation from seat maximizing, Bush was interested in party building. Extending the Republican Party, after all, would help him legislatively and electorally. As a result, Bush focused much of his personal attention to retaking the Senate while maintaining his House majority. From the perspective of the party in the House, Bush's strategy seems inefficient, especially given the good Republican year.

However, Bush raising a substantial amount for the NRCC and a good Republican year naturally improving the flow of resources to needy candidates limits this inefficiency. In 2006, Bush and the House Republicans shared an interest in maximizing seats. However, Bush's diminished capacity forced him to target candidates to hold onto Republican seats rather than to take seats from Democrats. In the end, Bush could only raise money to counter high levels of Democratic spending, and as later chapters will show, limited his effectiveness as well.

Appendix A

Table 2.1: Beneficiaries of Bush's Fund-Raising Events (2002)

Recipient	Number of Candidates	Number of Events	$ Total	$/candidate
RNC		2	56,900,000	
NRCC/NRSC		3	60,000,000	
House Incumbents	10	9	4,720,000	472,000
House Challengers	1	1	500,000	500,000
House Open Seat	5	5	1,620,000	324,000
Senate Incumbents	8	9	5,950,000	743,750
Senate Challengers	8	13	1,1290,000	1,411,250
Senate Open Seat	3	4	4,350,000	1,450,000
Candidates for Governor	20	27	30,715,000	700,000
Jeb Bush	1	4	3,250,000	3,250,000
State and Local Parties		22	11,460,000	
Other Organizations		2	3,400,000	
Total	56	101 (74 separate)	194,155,000	

Source: Mark Knoller, CBS News

Table 2.2: Bush's Fund-raising for House Incumbents: 2002

Variable	Percent Helped by Bush	Number of Cases	*p*-value of Difference
Marginal (2000 District Democratic Vote between 40%-60%)	15.22	7 of 46	
Non-marginal	2.00	3 of 150	.000
Bush 2000 Vote Above Median	1.23	2 of 163	
Bush 2000 Vote Below Median	24.24	8 of 33	.000
High-quality challenger	19.05	4 of 21	
Low-quality challenger	3.43	6 of 175	.002
First Term Republican	6.45	2 of 31	
Senior Republican	4.24	5 of 118	.604

Table 2.3: Likelihood of a Bush fund-raising event for Republican House Incumbents: 2002

Independent Variable	Equation 1.1		Equation 1.2		Equation 1.3	
Democratic Spending (100,000's)	.170	***	.167	***		
	(.0528)		(.0501)			
Republican District Vote (2000)	-.968	**	.012		-.895	***
	(.496)		(.068)		(.417)	
Republican District-Level Presidential	-1.38	***	-.219	***	-1.23	***
Vote (2000)	(.622)		(.090)		(.505)	
Quality Opponent	-.360		.115	**	-.862	
	(1.35)		(1.18)		(1.26)	
Freshman Republican	.409		.692		-.225	
	(1.35)		(1.27)		(1.20)	
Previous District Vote * Previous	.017	***			.016	***
Presidential Vote	(.008)				(.007)	
Constant	69.06	***	6.05		65.55	***
	(33.77)		(5.81)		(28.13)	
N	163		166		163	
Log Likelihood	-16.44		-18.25		-24.01	
Pseudo R^2	.528		.478		.314	

** *p<.10*, *** *p<.05*

Table 2.4: Effects of the Significant Predictors of the Likelihood of Receiving a Bush Fund-Raising Event: House Incumbents, 2002

Variable	Shift in Variable (from, to)	Change in the probability of receiving an event.
From Equation 1.1		
Democratic Spending	(50^{th} Percentile, 75^{th} Percentile)	0.6% higher
	(50^{th} Percentile, 95^{th} Percentile)	8.3% higher
	(50^{th} Percentile, 99^{th} Percentile)	30.3% higher
2000 Republican District Vote	(median, 50%)	89% higher†
2000 Bush Presidential Vote	(median, 50%)	85% higher
2000 Republican District Vote * Bush Presidential Vote	(64*58, 50*50)	1.4% lower

†*Significant at a 90% confidence interval.*

Table 2.5: Beneficiaries of Bush Fund-Raising Events: 2006

Recipient	Number of Candidates	Number of Events	$ Total	$/candidate
RNC		15	34,100,000	
NRCC/NRSC		4	39,525,000	
House Incumbents	17	15	8,130,000	478,235
House Challengers	3	3	1,375,000	458,333
House Open Seat	7	7	3,275,000	467,857
Senate Incumbents	5	10	6,250,000	1,250,000
Senate Challengers	2	3	2,550,000	1,275,000
Senate Open Seat	1	2	2,600,000	2,600,000
Candidates for Governor	10	10	10,610,000	1,061,000
State and Local Parties		4	6,850,000	
Other Organizations		4	12,300,000	
Total	45	77	127,565,000	

Source: Mark Knoller, CBS News

Table 2.6: Bush's Fund-raising for House Incumbents: 2006

Variable	Percent Helped by Bush	Number of Cases	*p*-value of Difference
Marginal (2004 District Democratic Vote above 40%)	30.00	12 of 40	
Non-marginal	3.03	5 of 165	.000
Bush 2004 Vote Above Median	5.00	8 of 160	
Bush 2004 Vote Below Median	20.00	9 of 45	.001
High-quality challenger	22.22	8 of 36	
Low-quality challenger	5.33	9 of 169	.001
First Term Republican	17.86	5 of 28	
Senior Republican	6.86	12 of 175	.051

Table 2.7: Likelihood of a Bush fund-raising event for House Incumbents: 2006

Independent Variable	Equation 1.4		Equation 1.5	
Democratic Spending (100,000's)	.136	***		
	(.0378)			
Republican District Vote (2004)	-.149	***	-.168	***
	(.069)		(.061)	
Republican District-Level Presidential	-.039		-.141	***
Vote (2004)	(.067)		(.055)	
Quality Opponent	.085		.725	
	(.748)		(.647)	
Freshman Republican	1.06		1.02	
	(.971)		(.859)	
Constant	6.54		15.41	***
	(5.56)		(4.76)	
N	170		170	
Log Likelihood	-27.81		-35.87	
Pseudo R^2	.476		.478	

Table 2.8: Effects of the Significant Predictors of the Likelihood of Receiving a Bush Fund-Raising Event: Republican House Incumbents, 2006

Variable	Shift in Variable (from, to)	Change in the probability of receiving an event.
From Equation 1.4		
Democratic Spending	(50th Percentile, 75th Percentile)	1.8% higher
	(50th Percentile, 95th Percentile)	18.2% higher
	(50th Percentile, 99th Percentile)	60.3% higher
From Equation 1.5		
2004 Republican District Vote	(58.85%, 50%)	17.6% higher
From Equation 1.5		
2004 Bush Presidential Vote	(64.7%, 50%)	21.5% higher

Table 2.9: Bush's Fund-raising for House Challengers and Open Seat Candidates: 2006

Variable	Percent Helped by Bush	Number of Cases	*p*-value of Difference
Marginal (2004 Democratic District Vote > 40%)	5.83	7 of 120	
Non-marginal	18.75	3 of 16	.063
Bush 2004 Vote Above Median	20.59	7 of 34	
Bush 2004 Vote Below Median	2.94	3 of 102	.001
Open-Seat Candidate	24.14	7 of 29	
Challenging Democratic Incumbent	2.80	3 of 107	.000
High-quality Republican candidate	20.51	8 of 39	
Low-quality Republican candidate	2.06	2 of 97	.000

Table 2.10: The likelihood of a Bush fund-raising event for Non-Incumbents (House): 2006

Independent Variable	Equation 1.6		Equation 1.7		Equation 1.8	
Candidate Spending (100,000's)†	.255	***				
	(.091)					
Republican District Vote (2004)	.117	**	.095	***	.099	***
	(.067)		(.049)		(.077)	
Republican District-Level Presidential Vote (2004)	-.113		-.062		-.097	
	(.09)		(.069)		(.077)	
Quality Candidate					1.88	***
					(.985)	
Open Seat	-.771		1.06		.765	
	(1.29)		(.962)		(1.03)	
Constant	-5.27		-4.41		-3.69	**
	(2.96)		(1.93)		(2.02)	
N	122		123		123	
Log Likelihood	-14.37		-24.15		-22.12	
Pseudo R^2	.552		.245		.313	

**** p<.05 ** p<.10*

†Includes total spending minus money from presidential fund-raising events

Table 2.11: Effects of the Significant Predictors of the Likelihood of Receiving a Bush Fund-Raising Event: House Challengers and Open-Seat Candidates, 2006

Variable	Shift in Variable (from, to)	Change in probability of receiving a fund-raising event.
From Equation 1.6		
Candidate Spending	(50^{th} Percentile, 75^{th} Percentile)	1.4% higher
	(50^{th} Percentile, 95^{th} Percentile)	26.7% higher
	(50^{th} Percentile, 99^{th} Percentile)	87.4% higher
From Equation 1.7		
2004 Republican District Vote	(median, 50%)	7% higher
From Equation 1.8		
Quality Candidate	(0,1)	6% higher

Table 2.12: The likelihood of a Presidential Fund-Raising Event, Clinton in 2000 vs. Bush in 2002 and 2006

Independent Variable	Equation 1.9 (Incumbents)		Equation 1.10 (Non-Incumbents)	
Opponent Spending (100,000's)	1.37	***		
	(.020)			
Candidate Spending (100,000's)			1.19	***
			(.032)	
Congressional District Vote between 40%-60% (Previous Election)	1.45	***	1.51	***
	(.53)		(.062)	
District-Level Presidential Vote (Previous Election)	.033		.012	
	(.026)		(.029)	
Quality Opponent/Candidate	-.014		1.38	***
	(.412)		(.615)	
Freshman Candidate	.434			
	(.437)			
Year 2002	-1.66	***	-.654	
	(.474)		(.775)	
Year 2006	-1.65	***	.534	
	(.455)		(.680)	
Open Seat			-.332	
			(.714)	
Constant	-5.38		-6.27	***
	(1.94)		(1.37)	
N	500		384	
Log Likelihood	-122.47		-50.89	
Pseudo R^2	.302		.396	

Chapter 3: Allocation of Presidential Fund-Raising Events in Senate Elections

Changes in capacity and incentives also affect the extent that a president is faithful agent of Senate candidates. Previous studies have ignored the president's activities on behalf of Senate incumbents and challengers. This omission may be justified since similarities exist between raising funds for Senate and House candidates. The president's strategy could reflect motivations to retain or gain control of the chamber or reflect personal goals to pay back others for past support. However, given the president's time constraints and institutional differences between the House and Senate, there are reasons to believe that the president's incentives are aligned differently between different types of candidates. One of the president's main reason to act as a faithful party agent for House candidates—imparting information to donors crucial for an efficient allocation of resources, is not as much of an issue when it comes to Senate candidates. There are fewer Senate races than House races in a given year. Furthermore, Senate challengers tend to be higher quality candidates than House challengers and are better able to advertise and raise money on their own. Thus, information as to the vulnerability of incumbents and viability of challengers is more accessible to donors. As a result, there is less incentive for the president to act as an agent for the expressed purpose of imparting information. The expectation may be that presidents act less like an agent of the party, and are more likely to use fund-raisers as tools to further the president's agenda or for electoral concerns at the expense of the party's overall performance. After all, presidents need to win whole states as well and energizing donors in a state-wide setting may be more beneficial than in a smaller district setting.

However, there are reasons that the president's incentives would be more aligned with the party's interests with respect to the Senate. First, the partisan balance of power in the Senate was extremely close between the 2000 and 2006 elections. Indeed, partisan control of the Senate changed hands three times during the Bush presidency. Given parity, the marginal value of each seat increases as each race becomes more important to win for the sake of the party as well as for the fate of the president's legislative agenda. Second, since Senate challengers tend to have more experience than House candidates, Senate campaigns tend to be closer fought. Closer races and the added expense of state-wide campaigns increase the president's incentives to raise funds for Senate candidates. The empirical question this chapter addresses is to what extent the president distributes fund-raising effort consistent with a faithful agent of the party, given the president's incentives and national partisan tides.

These results show that partisan parity drives presidents to behave as faithful agents. Clinton and Bush in his two midterms raised funds for vulnerable incumbents and promising challengers. Nevertheless, Clinton's lame-duck status and Bush's incentives to retake the Senate in 2002 create differences in their strategies. For example, Bush visited candidates multiple times and earlier in the election than Clinton. At the same time, relatively positive national partisan tides allowed both Clinton and Bush (in 2002) to pursue other objectives. While Clinton used fund-raising events to pay back others for past support, Bush used them to strengthen his relationship with important senators. The negative partisan tides of 2006, on the other hand, severely constrained Bush's ability to behave as an effective party agent. Not only did the political climate prevent Bush from expanding Republican seats, but Bush could not raise money for Republican challengers even when they were competitive. As with House candidates, negative partisan tides limit the president's ability to efficiently target candidates for the benefit of the party.

The President's Incentives and Capacity

Both Clinton in 2000 and Bush in 2002 had strong incentives to retake the Senate for their party since both lost partisan control of the chamber early in their terms. President Clinton lost the Senate during his first midterm election on a wave of anti-administration sentiment, and winning back the Senate would have been one way to secure his legacy. In 2000, Republicans started with a 54-46 edge with many of the first term Republicans that swept into office in 1994 up for reelection. With a number of potentially vulnerable first term Republicans, President Clinton had the opportunity to make up for the losses after his first midterm.[1] Despite the partisan reasons for campaigning for Senate candidates, Clinton raised money for a number of safe incumbents according to Mark Knoller's records. For Clinton,

[1] Democrats hoped to be competitive against a large number of first-term Republicans. They noted a similar circumstance occurred in 1986 when Republicans who rode Reagan's coattails in 1980 came up for reelection. Democrats managed to take back the Senate that year (Helen Dewar, "'Revolutionaries' of '94 Give GOP an Edge," *The Washington Post*, 29 October 2000).

effort on behalf of Senate incumbents could also be used to pay back for past support, just as it motivated some of his efforts on behalf of House incumbents (Jacobson, Kernell, Lazarus 2004). Even so, compared to his effort for House candidates, Clinton did not hold events for as many Senate candidates, even raising money for Senate incumbents who were not even running in that election.[2] Clinton had other goals in mind besides maximizing his party's representation in the Senate. With his tenure in office winding down, President Clinton would also be motivated to pay incumbents back for past support. Moreover, with Hillary Clinton running for an open seat, raising money on her behalf would constrain his time to raise money for other candidates.

In 2002, President Bush also had a motivation to retake the Senate after having lost majority control in 2001, thanks to Senator Jeffords switch from the Republican Party to an independent.[3] A single seat deficit and Bush's overall strategy of building the Republican Party suggests that Bush would focus his efforts on Senate candidates rather than House candidates. As a result, his distribution of fund-raising events would be more efficient from the party's perspective. Even so, Knoller's records show that Bush raised money for several safe incumbents. Given the good Republican year and Bush's goal to maximize seats, very few incumbents should have received events if he acted purely as a party agent, all else equal. Bush

[2] Many of the candidates not running in 2000 that Clinton raised money for were in close races in 2002.

[3] According to *The New York Times*, Bush declared to congressional Republicans early in 2002 that his two top political priorities were to expand the Republican House majority and to retake the Senate. This marked a partisan shift in rhetoric and away from his bipartisan stances at the end of 2001 (Elisabeth Bumiller, "Bush Looks to Help G.O.P. in Election Year," *The New York Times*, 10 February, 2002).

could have targeted safe incumbents for several reasons. First, he could use fund-raisers to energize donors in advance of his reelection campaign, as Herrnson and Morris (2007) suggest he did for House candidates. Second, if Bush's primary goal was to create a Republican Senate majority to advance his agenda, raising money for influential incumbents who would soon chair Senate committees would be a way of cultivating support. Bush would pursue the first goal by raising money for safe incumbents in presidential battleground states and the second goal by raising money for senior senators who sat on committees important to his agenda. For these reasons, his choice of targets for incumbents could include safe incumbents as well as the most vulnerable incumbents and promising challengers.

Using the presidency to build the party in Congress had adverse consequences in Bush's second midterm. When Bush's popularity waned so did the fortunes of his co-partisans in the Senate. In 2006, negative partisan tide against Republicans allowed Democrats to field stronger candidates. While the Republican national and House campaign committees raised more than their Democratic counterparts, the DSCC raised more money than the NRSC during the election cycle. The RNC, having raised more money than the DNC, had to supplement the shortfall.[4] The extra cash allowed the Democrats to competitively challenge Republicans in states in which Republicans traditionally do well. As an agent of the party, Bush certainly had an alignment of incentives with Senate candidates for the same reasons as with House candidates. Not only would he help his Senate co-

[4] Bob Benenson, "Election 2006: The Battering Ram and the Bulwark," *CQ Weekly Online,* 30 October, 2006: 2866-2869

partisans out of his obligations as leader of the party, any legislative objectives or the maintenance of policies already in place required that his majority remain intact. On top of this, maintaining his majority would be also a matter of pride as Democrats billed this midterm as a referendum on the Bush presidency. However, a negative Republican climate would reduce the number of viable challengers, limiting Bush's options to defend his majority to vulnerable incumbents. Second, fewer safe incumbents would request a fund-raising event from an unpopular president, else risk needlessly damaging their candidacies. This would limit his use of fund-raising events for the purposes of collecting political favors from safe candidates.

Research Design and Methods

The Dependent Variable

As with the study of the House, this chapter measures the likelihood that a Senate candidate receives a fund-raising event to assess the president's role as a party agent. Table 1 summarizes Mark Knoller's records on the president's fund-raising activities, displaying how many candidates received zero, one or two or more events. Between the 2000, 2002 and 2006 elections, presidents targeted a total of 39 of 99 candidates, and 18 of those were incumbents. Knoller's records further reveal that Clinton raised $1.8 million for 4 Senate incumbents, $3 million for 5 Senate challengers and an additional $8.4 million through the Democratic

Senatorial Campaign Committee (DSCC).[5] However, President Clinton raised $10.4 million for Hillary Clinton over 42 events. Not surprisingly, these efforts eclipse those on behalf of any other House or Senate candidate. Comparing Bush's 2002 itinerary to Clinton's 2000 itinerary shows how much more Bush prioritized raising money for Senate candidates. According to Knoller's data, Bush attended 26 fund-raising events for 19 Republican candidates. Specifically, Bush attended events for 8 of the 15 Republican incumbent Senate candidates. His effort on behalf of challengers was equally strong as he raised money for 8 of the 14 Republicans running against Democratic incumbents. He held 13 separate events for these challengers including multiple fund-raisers for several successful candidates.[6] Finally, the president also raised money for 4 of the 5 Republican Senate candidates running in open seats that year.[7]

Not surprisingly, in 2006 the number of direct events for Senate candidates fell across the board. The number of Senate incumbents receiving direct fund-raising events dropped from 8 of 15 in 2002 to 5 of 14 in 2006. The number targeted Senate challengers fell from 8 out of 13 to 1 out of 14. And the proportion of targeted candidates of open-seat elections fell from 4 out of 5 to 2 out of 4. As expected, the shift in the number of challengers reflects the reduced number of viable Senate challengers. However, while the raw totals went down, his impact

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[5] See Table 1 in Jacobson, Kernell and Lazarus (2004) for a summary of these figures.

[6] Bush headlined more than one fund-raiser for the successful challengers, Jim Talent (MO), Norm Coleman (MN) and Elizabeth Dole (NC). It should be noted that neither Talent nor Coleman faced an entrenched Democratic incumbent on Election Day. Talent's opponent, Jean Carnahan, was appointed to the Senate after the posthumous election of Governor Mel Carnahan in 2000. Furthermore, Norm Colman faced Walter Mondale who was placed on the ballot following the death of incumbent Paul Wellstone.

[7] The only open seat candidate Bush did not target in 2002 was Lamar Alexander of Tennessee, who was already well known in the state as a former governor and presidential candidate.

measured as dollars per candidate did not. Tables 1 and 5 from the previous chapter show the distribution of cash that Bush raised for all Republicans including Senate candidates. These tables show that his efforts among incumbents increased from $743,000 per candidate in 2002 to $1.25 million per candidate. Despite Bush's negative standing with the general public, he was still popular among the Republican base and many donors among the base. Bush managed to energize these base donors, helping blunt Democratic efforts and ease the NRSC's fund-raising shortfall.

[Table 1 about here]

Independent Variables

Candidate spending, opponent spending and most of the control variables used in the following models are used in the analysis of Bush's fund-raising efforts among House candidates. Please refer to that chapter's methods section for a full description. However, there are a few differences. First, initial expectations about a Senate candidate's competitiveness are measured using race ratings from *The Cook Political Report.* Throughout the election cycle, *The Cook Political Report* categorizes the competitiveness of each race on a seven-point scale ranging from either safe for the Democratic or Republican candidate, likely for one party or the other, leans toward a party or is a toss-up and could go either way. Races are coded as 1 if their race rating falls in either a "lean" or the "toss-up" category and 0 otherwise. Unlike spending, the race ratings are a measure of competitiveness at a particular point in the cycle, similar to how the previous Democratic vote in House district measures initial expectations about how close a race is likely to be. In this case, race ratings are taken from May or June of the election year. Race ratings as of spring are snapshot of competitiveness before candidates raise and spend much of their funds and before many fund-raising events take place. As such, race ratings may be a better measure of competitive races that are close due to national partisan tides and state characteristics that are independent of a the fund-raising abilities of a candidate's opponent.

Other control variables include a measure of state population to control for the possibility that presidents fund-raise more in larger states where candidates may have to wage more expensive campaigns. State population may be positively correlated with a candidate's total receipts and total spending. After all, more people in a state means there are more donors and it may be more expensive to reach voters. However, the effect of state population on the receipts of incumbents versus non-incumbents is less clear. On one hand, there is a higher correlation between population and receipts among incumbents than non-incumbents.[8] Challengers spend when they are viable, which has more to do with candidate quality, political and demographic factors than the size of a state's population. At the same time, all incumbents tend to be able to raise money, and senators in states with larger people tend to be able to raise more. On the other hand, larger states tend to be more ideologically diverse, which means that challengers may be more

[8] Specifically, the correlation between total receipts and state population equals .46 for incumbents and .20 for non-incumbents.

viable and have a larger donor base than challengers in smaller states (Abramowitz 1988). If this were the case, then adding state population controls for increases in spending due to state size.[9]

At a glance, whether competitiveness is measured by spending or by race ratings, close races attract presidential intervention. As Table 2 shows, presidents helped incumbents about 60% of the time when their opponents spent above the median level of non-incumbent spending per capita. Similarly, presidents helped about 60% of non-incumbents who spent more than the median level of non-incumbent spending. However, if the president acted purely as an agent of the party, then the president would not raise money for incumbents running against low spending challengers or for non-incumbents not already spending at a competitive level. Indeed, Table 2 also shows that presidents occasionally raise money for incumbents not running against high spending challengers, which suggest that presidents sometimes act to help certain individuals rather than helping the party's overall performance. Presidents confine deviations from a purely seat-maximizing strategy to incumbents. The three instances in which the president held a fund-raising event for low spending non-incumbents could be explained by other factors. Two of the three candidates came from less populated states or smaller states. In these instances, a non-incumbent could spend less than the median level of all non-incumbent spending and remain competitive. The third event for a low spending

[9] Population data comes from the U.S. Census Bureau. Each candidate is coded with his or her state's estimated population for that particular election year.

challenger occurred as a result of a Louisiana run-off election.[10] Likewise, competitive elections as measured by expectations in late spring also attract presidential fund-raising events. As expected, virtually all incumbents engaged in competitive races received at least one event as did 61% of non-incumbents in close races.[11]

[Table 2 about here]

Table 2 also shows that eleven safe incumbents received events, including six in 2002 when very few Republican incumbents were in trouble. An alternative explanation of the distribution of events is that presidents are more likely to visit states that were close in the previous presidential election. Presidents, after all, have a competing electoral incentive to maintain relationships with donors that he may need in a future election. If presidents did favor candidates in presidential battleground states, then this fund-raising pattern would be detrimental to the overall performance of the party. At a glance, presidents do not seem to systematically target Senate candidates from presidential battleground states. Table 3 shows that presidents held fund-raising events for about 48% of candidates in

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[10] Low spending non-incumbents receiving visits were Brian Schweitzer (MT) in 2000 and John Sununu (NH) and Suzanne Terrell, whose event occurred after her general election result forced a runoff against incumbent Mary Landrieu (LA).

[11] The one incumbent not receiving an event was Lincoln Chaffee (RI) who was not on good terms with President Bush in 2006.

presidential battleground states, and about 37% of those candidates who were not.[12] The difference between figures is not statistically significant. To be fair, only president Bush in 2002 faced reelection and would have the strongest electoral incentive to deviate from a purely seat-maximizing strategy. However, it does not seem that President Bush systematically targeted candidates in presidential battleground states even in 2002. Table 3 shows the percent of candidates in battleground states that Bush aided. Bush held events for about 57% of candidates in presidential battleground states and 58% of those who were not. That year, only two incumbents came from states that would be battleground states in 2004. Indeed, both incumbents received event even though neither was in a competitive election. However, both these incumbents were Republican moderates; the president may have wanted to cultivate a relationship with moderates since it was a moderate who cost him his Senate majority in the first place. However, even if Bush had a motivation to raise money to satisfy his own reelection interests, there are not enough observations in a particular year to show a statistical relationship.

[Table 3 about here]

Results and Discussion

Incumbents

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[12] Presidential battleground states come from Shaw (2006). In midterm elections, battleground states correspond to those states the president's party considered to be battlegrounds in the previous presidential election.

Across these three elections, presidents raised money for vulnerable incumbents. Considering that the partisan balance of power was at stake in each election, it is not surprising that the distribution of events would reflect a seat-maximizing strategy to a large degree. Table 4 displays the results of three logit regressions estimating the likelihood that the president targets an incumbent with an event. Equation 1.1 uses opponent spending to measure the competitiveness of a race and it is the only variable whose coefficient is statistically significant at the 95% level. This result suggests that fund-raising events are in part a response to well-funded challengers rather than simply an exchange of political favors. Although it is only marginally significant, the coefficient on the year 2006 variable is negative, suggesting that Republican incumbents in that year were less likely to receive a Bush event than those in 2002, all else equal. This result is curious considering the negative partisan tides of 2006 should have created higher spending Democratic challengers and more vulnerable incumbents who require presidential intervention to rally donors. Moreover, the president's fund-raising itinerary does not reveal a shift in strategy away from helping incumbents. In 2002, 8 of 15 incumbents received events versus 6 of 13 in 2006. Despite this, these results suggest that even when controlling for Democratic spending, incumbents in 2002 were marginally more likely to receive an event than incumbents in 2006.

[Table 4 about here]

The marginal effects of the year dummy variables disappear when race ratings are used to measure competitiveness instead of spending. Equation 1.2 uses ratings from *The Cook Political Report* as of late spring of the election year and represent the strategic information available to candidates, the president as well as donors several months prior to the election. Incumbents in races rated as "lean" or "toss-up" are more likely to receive a presidential fund-raising event, all else equal. Unlike Equation 1.1, the year 2006 dummy variable does not achieve even marginal significance when using race ratings instead of spending. Indeed, 4 out of the 6 incumbents Bush visited in 2006 were in marginal races versus 2 out of 8 incumbents Bush visited in 2002. Because more safe incumbents in 2002 received events, incumbents in that year should be more likely to receive and event once early vulnerability is controlled for. However, there may not be enough observations to show a statistical difference. Combining both measures of competitiveness into the same model washes away any effect of either variable. For instance, Equation 1.3 includes both opponent spending and race ratings to measure the likelihood of a fund-raising event. In this case, neither spending nor race ratings are statistically significant. This result occurs because how vulnerable an incumbent is initially expected to be determines an opponent's total level of spending. Therefore, total opponent spending variable is a function of the lean or toss-up dummy variable.

Converting the coefficients in Equations 1.1 and 1.2 into predicted probabilities allows for an estimation of how much spending or race ratings change the likelihood of a presidential fund-raising event. Table 5 displays the relative changes in the predicted probability of an event upon shifting single independent variables while holding others constant. Based on Equation 1.1, the predicted probability that an incumbent receives a fund-raising event if that incumbent took on the median value of each independent variable is 56%.[13] Holding all other variables constant, shifting opponent spending from the median value to a competitive level, such as the 95th percentile of spending, increases the predicted probability of a presidential fund-raising event by 37%. Only shifting spending produces changes in the predicted probability of an event that is significant at the 95% level. Just as Equation 1.1 suggests, holding spending at the median value, incumbents in 2006 are 36% less likely to receive an event than those in 2002. However, this estimation is only marginally significant. Furthermore, shifting from 2002 to 2000 produces no significant change in the likelihood of an event, all else equal. Equation 1.2 produces almost identical predictions when substituting race ratings for spending. Holding all variables at their median values, the predicted probability that a candidate receives a presidential fund-raising event is 53%. Shifting from a safe race rating to a lean or toss-up while holding all others constant shifts the predicted probability of an event from by 38%.

[Table 5 about here]

[13] This hypothetical incumbent would reside in a state of 3.1 million, where the president earned 46% of the vote, whose opponent spent about $1.1 million and is a Republican running in 2002.

From the coefficients alone, these models suggest that presidents in all three years targeted Senate candidates consistent with being a party agent. Incumbents with high spending challengers or in races that were rated as competitive early in the election are more likely to be the beneficiary of a presidential fund-raising event. However, this does not mean that the president could not have pursued a mixed strategy, especially in 2000 and 2002 when the president had the capacity to target incumbents who were not vulnerable. The negative coefficient for the year 2006 dummy variable and first-difference analysis suggests that even when spending is controlled for, incumbents in 2000 and 2002 were more likely to receive a presidential fund-raising event. Although this difference is not significant at the 95% level and analysis of presidential battleground states yields no evidence of systematic bias towards states important in a presidential election (see Table 3), these results do not exclude the possibility that legislative or payback incentives motivate the president. The question remains whether or not Clinton in 2000 or Bush in 2002 targeted incumbents based on factors other than their vulnerability.

Indeed, competitiveness does not fully explain Clinton's distribution of fund-raising events among incumbents in 2000. First, relatively few Democratic incumbents were vulnerable that year. Clinton raised money for two of the five incumbents whose Republican opponents spent more than the average level of Republican challenger spending that year. Additionally, he also raised money for the leadership PACs of senators that distributed money to other needy candidates. Moreover, the president also raised money for the only incumbent engaged in a "lean or toss-up" race, Chuck Robb of Virginia. In the end, no incumbent other than Robb received less than 57% of the vote. Yet Clinton raised money for a total of ten incumbents, six of whom were not even running that year. While some of these six were involved in close reelection campaigns in 2002, the overall pattern indicates that payback also influenced his strategy. Among those receiving fund-raising events included Ted Kennedy, Patrick Leahy, and Chris Dodd. All of Clinton's targets that were safe were influential, senior members of the Senate as opposed to first term incumbents. Thus, like his strategy for House incumbents, Clinton's strategy for the Senate involved a mixed strategy

Likewise, President Bush's choice of targets in 2002 included influential senior senators, suggesting that cultivating relationships for future support motivated the president. For Bush, these relationships were especially important because if he succeeded in helping Republicans retake the Senate, then these senators would control the agenda in Senate committees critical to his legislative goals. As Milkis and Rhodes (2007) argue, Bush used the presidency as an instrument of building the Republican Party, thereby binding the success of the party and of his presidency together. As such, building connections between himself and Senate leaders would be crucial for his agenda. Knoller's records show that Bush targeted six Senate incumbents who were not in "lean" or "toss-up" races. Each of these six incumbents were ranking members (and soon to be chairs) of Senate important Senate committees. Bush's list of safe Senate incumbents included Ted Stevens, chair of the Senate Committee on Appropriations, Pete Domenici, chair of the Senate Budget Committee, Susan Collins, chair of the Committee on Government Affairs (later the Committee of Homeland Security and

Government Affairs), Gordon Smith of the committee on aging (important because social security reform was a top domestic goal), and James Inhofe, chair of the Committee on the Environment and Public Works. While Bush raised funds for vulnerable Republican incumbents, including both candidates engaged in “lean” or “toss-up” races, Bush’s strategy also involved laying the groundwork for future legislative success should his party retake the Senate.

In 2006, President Bush did not deviate from a purely seat-maximizing strategy. Consistent with the effects of spending and initial expectations found in Equations 1.1 and 1.2, Bush raised money for five of the seven Republican incumbents whose opponents spent more than average and five of the six incumbents whose races were rated as “lean” or “toss-up” that spring. The average level of Democratic challenger spending increased from $1.1 million in 2002 to $3.3 million in 2006, helped in part due to the NRSC fund-raising shortfall. As a result, the poor political climate forced Bush to raise money to combat well-financed challengers. Bush raised money for only one safe incumbent, Orrin Hatch, who chaired the Senate Judiciary Committee and headed a leadership PAC; however, beyond this, raising money in exchange for political support would have been an inefficient use of his time. Conversely, Bush did not raise funds for only one vulnerable senator, Lincoln Chafee of Rhode Island, who is the only vulnerable senator who did not receive a fund-raising event across these three elections. On its face, Chafee’s exclusion is consistent with the White House’s statements towards House candidates in that the president would be willing to campaign and raise money for candidates who must distance themselves from the president so long as the candidates are not critical of Bush. Chafee, after all, was a vocal critic of the president's war policy and publicly did not vote for the president in 2004, opting instead to vote for Bush's father.[14] Still, given Chafee's stances, it is doubtful a presidential fund-raising event would have helped the senator politically. Thus, Chafee's exclusion can be interpreted as a part of a seat maximizing strategy.

In sum, partisan parity in the Senate motivated each president to raise money for virtually every vulnerable senator. Institutional factors, such as time left in office, affected the alignment of interests between the president and the party in the Senate. These incentives motivated the president to deviate from a purely seat-maximizing strategy to the extent that national partisan tides allowed it. Consistent with theories of high capacity agents, Clinton in 2000 and Bush in 2002 used fund-raising events to either payback others or build relationships for future support. When his capacity to act was low, however, Bush mostly raised money for vulnerable incumbents. However, even when presidents raise funds for safe incumbents, it does not detract from helping vulnerable incumbents, unlike in presidential efforts for House candidates. The relatively small number of races and partisan parity likely contribute to this pattern.

Challengers and Open Seat Candidates

As with House races, presidents do not have as much of an incentive to deviate from a purely seat-maximizing strategy when it comes to raising funds for Senate challengers and candidates for open-seats. While incumbents may receive

[14] Jonathan Saltzman, "Whitehouse Wins Chafee's Seat," *The Boston Globe*, 8 November, 2006

an event for past political support, such an exchange is less likely unless the candidate supported the president in a previous office. Moreover, a fund-raiser used in exchange for future support would be fruitless if the candidate loses, and even if the candidate wins, he or she would be less influential in Senate committees than a senior incumbent. Therefore, presidents raise money for Senate challengers almost exclusively when they are already competitive. However, as with challengers for House seats, the president's capacity to act as an agent of the party is sensitive to national partisan tides. A positive climate expands the number of competitive challengers to target, while a poor climate limits those options. As a result, even if the president is leader of the party and retains popularity with donors even in the worst of political environments, the president cannot make a candidate viable. Rather the president can only give a financial boost to an already attractive candidate.

Regression results using either spending or race ratings show that increased competitiveness positively affects the likelihood that a non-incumbent receives an event. Table 6 displays these results. Equation 1.4 uses total spending to measure competitiveness while controlling for state partisanship, population and national partisan tides. As expected, the coefficient for candidate spending is positive and highly significant. This result indicates that increased spending levels raise expectations about a challenger's chances of victory. Thus, the higher a candidate spends, the more likely a president wishing to maximize seats would target that candidate with a fund-raising event. Using candidate spending, as opposed to opponent spending, to measure competitiveness introduces some confounding factors. Namely, candidates receiving presidential fund-raising events would naturally spend more in total. Race ratings from May or June avoid this problem since these measure expectations before strategic decisions about fund-raising are made and before a lot of money is spent. Equation 1.5 substitutes race ratings for spending and the regression results in a highly significant and positive coefficient. A competitive rating as of late spring/early summer is especially important to challengers and candidates for open seats. The earlier a candidate can demonstrate viability, the more that candidate can use a presidential fund-raising event to raise additional funds later in the cycle. Finally, Equation 1.6 adds both spending and the race ratings in the same regression. As before, for non-incumbents, candidate spending is in part a function of whether or not that candidate is expected to competitive. As a result of this relationship, candidate spending is only marginally significant while the race rating dummy variable remains highly significant. The rating variable may remain significant because early expectations are very important for non-incumbents to demonstrate viability.

[Table 6 about here]

Unlike models of fund-raising events for incumbents, the effects of negative partisan tides are strongly significant using either measure of competitiveness. All else equal, challengers and open seat candidates in 2006 were less likely to receive a fund-raising event from Bush than candidates in 2002 even though the median level of Republican non-incumbent spending actually increased slightly between

2002 and 2006 from \$4.4 million to \$4.8 million.[15] According to the president's itinerary, the number of candidates Bush targeted fell from 11 to 3 between 2002 and 2006. One explanation is that strong Republican candidates strategically chose not to run in 2006, giving President Bush few options in choosing fund-raising targets. Nevertheless, 2006 featured 8 races with Republican challengers or open-seat candidates rated as "lean" or "toss-up" by the late summer race ratings. Seven of these races remained close in ratings issued later in the fall. An alternative explanation could be that Bush became a liability to non-incumbents. However, fund-raising events do not have to take place in front of voters and the president remained popular among donors. A third explanation is that, from Bush's prospective, the possible loss of the Senate forced a defensive distribution of fund-raising effort where targeting candidates most likely to keep seats in Republican hands is the most efficient use of time. As a result, most of Bush's efforts went to incumbents and open seat races because those candidates are more likely to win than challengers, all else equal. Indeed, of the three non-incumbent candidates Bush visited in 2006, two were candidates for open-seats.

Moreover, Equation 1.4 reveals no difference between the likelihood that Democratic challengers receive a Clinton fund-raising event in 2000 and the likelihood that Republican challengers receive an event from Bush in 2002 when controlling for spending. However, Equation 1.5, the year 2000 dummy variable is negative and marginally significant when controlling for early signs of

[15] The average level of spending for non-incumbent Republicans decreased however from approximately \$5 million in 2002 to \$4.6 million in 2006.

competitiveness. To be sure, both presidents raised money consistent with a seat-maximizing strategy. However, the suggestion that Republicans were more likely to receive events based on early strategic information also suggests that President Bush had a greater incentive to help his party retake the Senate. Indeed, Mark Knoller's records on the president's fund-raising itinerary shows that President Bush raised money for a greater proportion of his Republican non-incumbents in 2002 than Clinton did for his Democrats in 2000. Meanwhile, President Clinton's priority among Senate challengers was electing Hillary Clinton. Clinton's personal effort on behalf of his wife was so disproportionate to other non-incumbents, that it could have hurt their chances of receiving a Clinton fund-raising event. Nevertheless, statistically the difference between Clinton's effort and Bush's effort in 2002 is not as strong as the difference between Bush's two midterms.

Converting these coefficients into predicted probabilities shows the extent that competition and national partisan tides drive the distribution of presidential fund-raising events among non-incumbents. Table 7 displays the changes in the likelihood of a fund raising event upon shifting values of single independent variables, holding all others to their median values. According to Equation 1.4, the mean predicted probability of a non-incumbent receiving an event holding all independent variables at their means is approximately 47%.[16] A shift in spending from its median value to the 95th percentile of spending increases the estimated probability of an event by 43%. For challengers, increases in spending and

[16] A hypothetical candidate taking on the median values of each explanatory variable in Equation 1.4 would be a Republican in 2002 that spent about $2.7 million.

increases in election expectations are mutually reinforcing. Those candidates that demonstrate viability are more likely to attract presidential attention and have even more resources focused upon them.

Shifts in the year dummy variables suggest that Clinton in 2000 and Bush in 2002 distributed events more efficiently than Bush in 2006. As expected, the predicted probability of a Democrat in 2000 receiving an event from Clinton is not statistically different than a Republican challenger in 2002 when controlling for spending. However, a shift to the year 2006 drops the predicted probability of an event by statistically significant 40%. Thus, Clinton in 2000 and Bush in 2002 distributed events consistent with a faithful party agent to the extent that high spending challengers were more likely to receive fund-raising events. Bush in 2006, on the other hand, was less likely to conduct an event when spending is held at the median level of spending. However, challengers typically are not competitive when spending only at the median level. Given the negative partisan tides of 2006, it may be that only challengers that exceeded a certain level of spending could expect an event. Indeed, Bush did not hold a single fund-raising event for a challenger who spent less than the median level of spending in 2006; whereas five low spending challengers received events in the other two elections (see Table 2). Using race ratings may reveal more about the chances that the president raises money for competitive challengers, especially those challengers that demonstrate viability early.

[Table 7 about here]

Based on coefficients in Equation 1.5, President Bush in 2002 was more likely to raise funds for non-incumbents who appeared competitive early in the election than in 2006 or Clinton in 2000. The mean estimated probability of a presidential fund-raising event is 87% after holding all variable to their median value. This scenario corresponds to a Republican non-incumbent in 2002 engaged in a competitive race as rated by *The Cook Political Report*. A shift to a non-competitive race reduces the predicted probability by 70%, all else equal. This figure is consistent with the president's pattern of not raising money for challengers who are not competitive early in an election. However, Bush's 2002 fund-raising strategy is particularly sensitive to early cues that a challenger may win. Holding a race in the "lean" or "toss-up" category, a shift to the year 2000 lowers the probability of Clinton event by 32%. This difference is only marginally significant and only suggests something different about Bush and Clinton's strategy. If Bush prioritized retaking the Senate in 2002, then Bush would have paid particular attention to those challengers and open-seat candidates who were competitive early. Early money, after all, helps these candidates remain competitive and ultimately take seats from Democrats.

Comparing Clinton and Bush's fund-raising itinerary supports the suggestion that the two presidents had a different early strategy. From the beginning of spring through June (when the race ratings used in the model were most current), Bush held events for six Republican non-incumbents out of the eleven he would eventually target.[17] Many of these candidates he would visit again later in the cycle. During the corresponding period in 2000, Clinton raised money for Hillary Clinton four times and once for two other candidates out of the eight non-incumbents he would ultimately target.[18] An unusually positive political climate may have given Bush more competitive challengers to choose from. Nevertheless, Bush's early targeting strategy was consistent with his efforts to maximize seats. Clinton's early strategy was motivated by supporting his wife, whose race was rated as "lean" or "toss-up" in that stage of the campaign. Ultimately, Clinton raised funds where his presence could do the most good. For example, Clinton did not raise funds in several other "lean" or "toss-up" races including for Mark Dayton of Minnesota and Jon Corzine of New Jersey. However, Dayton and Corzine were self-financed and did not necessarily need the financial assistance of a presidential fund-raising event. Clinton also avoided raising money for Ben Nelson of Nebraska despite his strong candidacy possibly because Nelson was already well known in the state. Rather, Clinton raised funds in states where his presence could help candidates the most, which include races in states such as Missouri, Montana, Delaware, Michigan and Florida.[19]

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[17] These candidates are Graham, Cornyn, Ganske, Thune, Chambliss and Talent.
[18] These candidates are Stabenow and Schweitzer
[19] Payback may have also been a motivation for Clinton's efforts for Bill Nelson of Florida. Not only was Florida important in the presidential election and a seat vacated by a Republican, but Nelson's opponent, Bill McCollum, was a House manager during Clinton's impeachment trial. Whether Clinton targeted the Florida Senate race to exact payback or not, McCollom framed the campaign in that way, stating that defeating him was Clinton's objective second only to electing Hilary Clinton. McCollum may have been trying to capitalize on anti-Clinton sentiment. However by June of 2000, he had received nothing from a PAC set up specifically to help House managers (Adam C. Smith, "McCollum: Clinton is driven to 'defeat me'," *St. Petersburg Times*, 4 October, 2000).

By contrast, Bush was less likely to conduct fund-raising events for non-incumbents in 2006. Holding races as competitive, a shift to the year 2006 reduces the predicted probability of an event by 54%. Thus, even candidates displaying early signs of competitiveness were less likely to receive an event compared to similar candidates in 2002. Since at least seven races with Republican challengers remained competitive into the fall according to *The Cook Political Report*, Bush's pattern is the result of more than just a lack of promising challengers. Negative partisan tides affected his strategy in other ways. First, the climate may have perturbed strategic donors from rallying around candidates early in the election. Indeed, the NRSC fell short of fund-raising goals and were out-raised by the DSCC. Second, faced with losing control of the Senate, a seat-maximizing president would focus on races where his efforts were more likely to result in a winning candidate. Thus, Bush's personal efforts focused on incumbents. Moreover, any fund-raising Bush conducted for non-incumbents occurred late in the cycle. Other than Michael Steele of Maryland, who Bush targeted 160 days before the election, Bush raised money two times a piece for two other candidates—Mike Bouchard of Michigan and Bob Corker of Tennessee. All four of these events occurred within 69 days of the election. Thus, Bush targeted non-incumbents after they remained viable and could spend competitively late in the election cycle. Unlike 2002 where Bush targeted non-incumbents early and frequently, negative partisan tides constrained President Bush's ability to perform as a faithful agent of the party. Even though competitive Republican challengers existed, the incentives of the president as well as donors prevented many of them from receiving an event and ultimately hurt their chances for success.

Frequency of Fund Raising Events

The president's fund-raising itinerary also shows a propensity to visit Senate targets multiple times over the course of an election cycle. Table 1 also breaks down Mark Knoller's fund-raising data by the frequency of presidential events. According to these records 16 of the 39 Senate targets received more than one visit, 11 of those being challengers or candidates for open seats. By contrast, very few House candidates received more than one visit from the president. Of those that did, many of these multiple events were actually a part of a single fund-raising trip that the president took on behalf of a certain candidate. Many of these events were held at most within a few days of one another. Rarely did a president return weeks or months later to raise funds for a candidate a second time. On the other hand, Senate candidates receiving multiple visits from the president may get them at various times in the election season, depending on the circumstances. For example, President Clinton visited Senate challenger Debbie Stabenow three times in 2000, ranging from 47 to 163 days before the election; President Bush visited incumbent Senator Mike DeWine three times in 2006 between 43 and 257 days before the election.

The same institutional differences that led the president's interests to be more in line with the party's collective goal contribute to this pattern as well. Since each seat is important to building a majority, it is important for a president to make sure the most competitive candidates are well financed, particularly challengers. Not surprisingly, the majority of targets who received multiple visits were non-incumbents. After all, challengers and open seat candidates may not have the same ability to raise large sums of money on their own as their incumbent co-partisans. The only instance in which the president targeted more incumbents multiple times than non-incumbents was 2006, when there were fewer competitive Republican challengers and the NSRC had difficulty raising money for incumbents. The second difference is constituency size. Senate candidates from populous states have a larger pool of donors they may need to mobilize. A president may travel more than once to a populous state to generate as much cash as possible.

For this analysis, the dependent variable changes from a dichotomous indicator of a presidential fund-raising event to one indicating if a candidate received zero, one or two or more events. Previous research has treated presidential intervention as a count variable. Herrnson and Morris (2005, 2006) for example, use this approach when counting both presidential fund-raising events and campaign stops. They argue that since the variance of presidential interventions is greater than the mean, some form of a negative binomial regression is appropriate. However, when analyzing the patterns of only fund-raising events, using a count variable may not be necessary. Of the 16 Senate targets receiving more than one event, only four received more than two. Two candidates received three events, one received four, and the candidate with the most was Hillary Clinton for whom President Clinton held forty-two fund raising events. Categorizing candidates into one of three outcomes rather than using a pure count variable gets around the choice of including Senator Clinton and biasing the results or to cut her out as an outlier. Table 8 presents the results of predicting the frequency of presidential fund-raising events using an ordered logit regression.

[Table 8 about here]

As expected, presidents commit their scarce resources to multiple fund-raising events if the targeted candidate is engaged in a competitive election. Furthermore, negative shifts in national partisan tides adversely affect the president's ability to raise funds for competitive challengers. Both equations in Table 8 measure competitiveness using Senate race ratings issued in late May or early June of the election year. Equation 1.7 predicts the number of fund-raising events for incumbents, and the coefficient for competitiveness is highly significant and positive. This result suggests that presidents are more likely to visit an incumbent if the incumbent is vulnerable, all else equal. However, national partisan tides do not seem to affect the propensity of presidents to visit multiple times. Relative to 2002, incumbents in 2000 and 2006 are just as likely to receive more than one fund-raising event. According to Knoller's records, only one incumbent received multiple events in 2000 and in 2002 (see Table 1), while 3 out of 6 targeted incumbents received multiple events in 2006. This pattern makes sense considering that there were more vulnerable incumbents in 2006, however, this difference is not statistically significant. The positive affects of favorable partisan tides and the negative consequences of a poor political climate are more obvious in the analysis of non-incumbents. Equation 1.8 estimates the likelihood that a non-incumbent receives multiple fund-raising events. The negative coefficients on the year 2000 and 2006 dummy variables suggest that non-incumbent candidates in 2002 were more likely to receive multiple visits from Bush all else equal. While Bush in 2002 was no more likely to conduct a single event for a candidate than Clinton, raising money multiple times is a strategy consistent with Bush's goal to take as many seats from Democrats as possible.

State population is also highly significant for both incumbents and non-incumbents; however, it is doubtful that incumbents in large states systematically receive more fund-raising events from the president. At first, the positive coefficient for state population in Equation 1.7 suggests that presidents are compelled to visit states that have a larger pool of donors. However, the sign and significance of this coefficient is driven by the four events President Clinton conducted for Dianne Feinstein of California. Senator Feinstein was not in a competitive election in 2000, suggesting that Clinton used these events for purposes other than seat-maximization. However, Mark Knoller's records show each of Clinton's visits also raised funds for Feinstein's PAC, the "California Victory Fund," which in turn contributed to Democrats at the state level.[20] Clinton's efforts helped California Democrats even if it was at the expense of Senate incumbents. Without Feinstein in the sample, the coefficient for the state population variable is insignificant, suggesting that states with larger pools of donors are not more likely to receive more than one fund-raising event from the president. After all,

[20] *opensecrets.org*

incumbents should not have a problem reaching to all donors in their state on their own.[21]

State population has a positive effect on the number of fund-raising events for non-incumbents, however. The most populous state in which the president raised money for a challenger was Texas, where in 2002 President Bush raised money twice for Jon Cornyn. Unlike omitting California from the sample of incumbents, the effect of state population remains statistically significant even when omitting Texas. It may be the case that larger states are more diverse, thus the significance of state population may be due to the closeness of the race that a more diverse state can bring. Additionally, challengers and open seat candidates need to spend to advertise themselves and combat the advantages of name recognition and campaign infrastructure that incumbents already enjoy. In larger states where non-incumbents would have to make more appeals to donors, presidents have a greater incentive to aide these candidates.

Table 9 displays the results of first-difference analysis on the likelihood of the president holding zero, one or two or more fund-raising events, similar to Tables 5 and 7. Holding all other explanatory variables at their median values, the predicted probability of an incumbent receiving zero events is 52%, 38% for one event and 10% for three events. Shifting from a non-competitive race to one that is rated as “lean” or “toss-up” reduces the predicted probability of receiving zero events by 34%. This result is consistent with the 38% predicted probability of

[21] President Clinton held multiple events for only one other incumbent, Tom Harkin of Iowa. While Harkin did not run in 2000, his seat was listed in the “lean” or “toss-up” category in 2002.

receiving an event that Equation 1.2 estimates using a traditional logit regression (see Table 5). All else equal, shifting to a competitive election, the predicted probability of a candidate receiving two or more fund-raising events increases by 29%.

These results show that presidents distribute additional events in an effort to maximize the collective benefit of the party. Safe incumbents who receive one fund-raising event typically do not receive another. After all, building relationships or payback is the ultimate goal of fund-raising events for safe incumbents, not necessarily raising as much cash as possible. Except for Clinton's efforts for Feinstein, in which the cash went to her leadership PAC, all other incumbents who received more than one fund-raising event were involved in highly competitive races. In 2002, President Bush raised money twice for Tim Hutchinson of Arkansas who was the only vulnerable Republican incumbent that year. In 2006, President Bush raised money more than once for three vulnerable incumbents. Each of these three candidates required special attention due to other circumstances that hurt their candidacy. For example, Bush raised money three times for Mike DeWine of Ohio, where the state Republican Party had fallen into disrepute. Bush held two events for Jim Talent of Missouri who was arguably most sensitive to Bush's coattails. Talent won his seat in a special election in 2002 and benefited from a positive Republican climate. Also, Bush conducted multiple events for George Allen of Virginia where Democrats were growing in number and becoming increasingly energized late in the campaign. These three races in which Bush intervened were among the most competitive late in the election. Moreover, Allen, Talent and

DeWine each received their final event within 60 days election day, suggesting that President Bush was concerned with infusing cash into these races up to the last stages of the campaign.[22] Although President Bush conducted more multiple fund-raising events for incumbents in 2006 than in 2002, the 2006 dummy variable fails to reach statistical significance. Since only incumbents who are vulnerable receive multiple events, the 2006 dummy variable is insignificant once competitiveness is controlled for.

[Table 9 about here]

First-difference analysis on non-incumbents shows that President Bush used multiple events as a tactic to help Republican challengers in 2002. Holding all explanatory variables in Equation 1.8 to their median values corresponds to a candidate in 2002 in a competitive race. In this scenario, the predicted probability that the president holds zero fund-raising events is 13%, 25% for one event and 61% for two or more events. All else equal, shifting from a competitive to a non-competitive race reduces the predicted probability of at least one fund-raising event by 72% and the probability of receiving two or more events by 57%. This figure is consistent with the estimated probability of an event found in Equation 1.5 (see Table 5). Thus, in 2002 when a Republican challenger ran competitively against an

[22] Also consider that George Allen's Virginia seat was not included among the "lean" or "toss-up" races in June of that year. Those ratings are used to create the main independent variable. His seat is included among those categories in the October ratings, however, indicating that his race unexpectedly became competitive. Both of George Bush's events on Allen's behalf occurred late in the cycle; his first took place in late August 2006, and his second only 19 days before the election.

incumbent, Equation 1.8 predicts Bush would hold more than one fund-raising event more than half the time. Indeed, Bush's fund-raising itinerary shows that Bush held more than one event for 6 of 11 non-incumbents that year. Bush's incentives to retake the Senate through supporting challengers motivated him to devote much of his scarce time to raising money on their behalf, and with national partisan tides in his favor, the president had many options to pursue this goal. In 2006, on the other hand, a poor political climate limited the extent that Bush could help his party by raising money for non-incumbents. A shift to the year 2006 reduces the predicted probability of Bush holding more than one event by 49%, all else equal. Bush still raised money multiple times for two candidacies, Mike Bouchard and Bob Corker, but these were the most competitive of all Republican challenges.

Comparatively, Clinton in 2000 was less likely to hold multiple events. Holding all variables to their median values, a shift from the year 2002 to 2000 drops the predicted probability of holding multiple fund-raising events by 41% while increasing the likelihood of zero events by 35%. Considering the median challenger or open-seat candidate was in a "lean" or "toss-up" race, Clinton's effort on behalf of Democratic non-incumbents seems less extensive. Hillary Clinton's candidacy took the bulk of the president's personal fund-raising events. His lame-duck status decreased his incentives to divert more resources towards other Democratic challengers even as Hillary Clinton's race became less and less competitive. Additional effort may have been extremely beneficial to Senate

Democrats considering that the election resulted in the party being a tie-breaker short of majority control.

President Bush, by contrast, targeted the most competitive Senate candidates more than once in an effort to win the Senate for Republicans. Certainly, Bush in 2002 had a legislative agenda and other incentives that Clinton did not have in 2000. However, Bush's personal efforts on behalf of the most competitive challengers in the 2002 are consistent with Bush's larger strategy to use the presidency to build the Republican Party. Personal fund-raising events would also give Bush the opportunity to trade political favors for future support in a way that simply raising money for the party's congressional campaign committees would not (which, of course, he did as well). Among those candidates targeted multiple times were winners of close elections such as Norm Coleman in Minnesota, Jim Talent in Missouri and Saxby Chambliss in Georgia, each of which took seats formally held by Democrats.[23]

Conclusion

Across these three elections, the president's interests have been aligned with the party in the Senate because the majority status of the party has been at stake each time. First, to the extent that there were vulnerable incumbents and competitive challengers in 2000, President Clinton distributed fund-raising events where they could do the most good. He focused on competitive challengers, but

[23] In 2002, Bush also raised money multiple times for Senate candidate John Thune of South Dakota, who lost his challenger against Tim Johnson. Johnson was a beneficiary of an early Clinton fund-raising event in 2000. Some credit Thune's strong showing in 2002 as aiding his successful Senate candidacy against Tom Daschle two years later.

avoided those that arguably did not need his financial assistance, thereby freeing him to pursue other objectives. When Republicans had the opportunity to retake the Senate in 2002, Bush raised money extensively for incumbents and non-incumbents to take as many seats as possible. At the same time, his personal efforts for the party in the House were limited, although efforts for the national campaign committee compensated for this. Arguably, once a majority is achieved, an additional seat in the Senate is more useful to the president than an additional seat in the House. The help of additional senators would have only reinforced Bush's incentives to stack the Senate with Republicans, especially since he pursued his agenda through strong partisan majorities. In 2006, Bush focused mainly on incumbents to hold onto Republican seats. His tendency to visit candidates multiple times reflects this change as well, as in 2002 he raised money multiple times almost exclusively for challengers and mainly for incumbents in 2006.

The time left the president (potentially) had in office also created incentives that shaped the fund-raising strategy in each election, but in different ways. Comparing Clinton's effort to Bush's in 2002, for example, shows that Clinton's efforts were faithful to the party but less extensive than Bush. While Bush raised money for almost every competitive candidate, Clinton took time to raise money for senators not running in 2000 as well as for his wife many times after her race was no longer competitive. Bush still pursued other objectives by raising money for powerful senators that would aid him as he passed his agenda. However, these activities did not detract from his efforts to maximize seats in the Senate since Bush would get the most benefit from these exchanges if Republicans controlled the

Senate. Finally, partisan tides shaped the President's ability to target candidates. Relatively positive partisan tides allowed Clinton and Bush in 2002 to pursue objectives on top of seat-maximization. In 2006, by contrast, limited Bush to raising money defensively for only vulnerable incumbents and very few challengers with little effort to pursue other objectives. Of course, partisan tides affect the president's strategy by also affecting the likelihood that a party gains or loses a majority. But partisan tides, as well as time left in office, affect the timing and balance of fund-raising events between incumbents and non-incumbents. Ultimately, these differences have an impact on how well the president performs as an agent of the party.

Appendix B

Table 3.1: Frequency of Presidential Fund-Raising Events

Incumbents	Number of Events			
Year	0	1	2+	Total
2000	7	3	1	11
2002	7	7	1	15
2006	8	3	3	14
Total	22	13	5	40
Non-Incumbents				
Year	0	1	2+	Total
2000	15	4	3	22
2002	7	5	6	18
2006	16	1	2	19
Total	38	10	11	59
All Candidates of the President's Party				
Year	0	1	2+	Total
2000	22	7	4	33
2002	14	12	7	33
2006	24	4	5	33
Total	60	23	16	99

Table 3.2: Presidential Fund-Raising for Senate Candidates, 2000, 2002 & 2006

Variable	Percent Helped by the President	Number of Cases	*p*-value of Difference
Spending Above Median (All Candidates)	62.00	31 of 50	
Spending Below Median (All Candidates)	16.33	8 of 49	.000
Opponent Spending Above Median (Incumbents)	61.90	13 of 21	
Opponent Spending Below Median (Incumbents)	26.32	5 of 13	.024
Candidate Spending Per Capita Above Median (Non-Incumbents)	62.07	18 of 29	
Candidate Spending Per Capita Below Median (Non-Incumbents)	10.00	3 of 30	.028
Lean or Toss-up (All Candidates)	66.67	26 of 39	
Non-Competitive (All Candidates)	21.67	13 of 60	.000
Lean or Toss-up (Incumbents)	87.50	7 of 8	
Non-Competitive (Incumbents)	34.38	11 of 32	.007
Lean or Toss-up (Non-Incumbents)	61.29	19 of 31	
Non-Competitive (Non-Incumbents)	7.14	2 of 28	.000

Table 3.3: Presidential Fund-Raising for Senate Candidates in Battleground States

Variable	Percent Helped by the President	Number of Cases	*p*-value of Difference
Candidate in Presidential Battleground State	47.83	11 of 23	
Candidate not in Presidential Battleground State	36.84	28 of 76	.345
Candidate in Presidential Battleground State (2002)	57.14	4 of 7	
Candidate not in Presidential Battleground State (2002)	57.69	15 of 26	.979

Table 3.4: The likelihood of a Presidential fund-raising event for Senate Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.1		Equation 1.2		Equation 1.3	
President's Share of Presidential Vote,	.046		.043		.033	
Previous Election	(.052)		(.053)		(.055)	
State Population (100,000s)	.00387		-.00780		.00591	
	(.00656)		(.00628)		(.00681)	
Year 2000	-1.65		-1.74		-1.48	
	(1.26)		(1.29)		(1.34)	
Year 2006	-1.77	**	-1.65		-2.01	**
	(1.04)		(1.03)		(1.14)	
Opponent Spending (100,000's)	.0306	***			.0192	
	(.420)				(.0156)	
Lean or Toss-up			2.91	***	2.10	
			(1.28)		(1.44)	
Constant	-2.32		-2.09		-1.87	
	(2.20)		(2.25)		(2.31)	
N	40		40		40	
Log Likelihood	-21.80		-21.37		-20.57	
Pseudo R^2	.208		.224		.253	

Table 3.5: Predicted Probability of Receiving a Presidential Fund-Raising Event, Senate Incumbents

Variable	Shift in variable (from, to)	Change in probability of receiving an event…	
From Equation 1.1			
Presidential Vote	(50^{th} Percentile, 50.0%)	3% higher	
State Population	(50^{th} Percentile, 95^{th} Percentile)	10% higher	
Year 2000	(0,1)	34% lower	
Year 2006	(0,1)	36% lower	**
Opponent Spending	(50^{th} Percentile, 95^{th} Percentile)	37% higher	***
From Equation 1.2			
Lean or Toss-Up	(0,1)	38% higher	***

**** p>.05 ** p>.10*

Table 3.6: The likelihood of a Presidential fund-raising event for Senate Non-Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.4		Equation 1.5		Equation 1.6	
President's Share of Presidential Vote,	-.014		.021		.022	
Previous Election	(.049)		(.054)		(.056)	
State Population (100,000s)	.00355		.0120	**	.0116	
	(.00638)		(.00642)		(.00810)	
Year 2000	-1.13		-2.00	**	-1.88	**
	(.852)		(1.08)		(1.12)	
Year 2006	-2.98	***	-3.04	***	-3.60	**
	(1.06)		(1.13)		(1.23)	
Candidate Spending (100,000's)	.0338	***			.0223	**
	(.0104)				(.0117)	
Lean or Toss-up			3.98	***	3.28	***
			(1.14)		(1.21)	
Constant	-.505		-3.45		-4.07	
	(2.50)		(2.98)		(3.19)	
N	58		58		58	
Log Likelihood	-24.27		-21.07		-19.04	
Pseudo R^2	.361		.444		.498	

Table 3.7: Predicted Probability of Receiving a Presidential Fund-Raising Event, Senate Non-Incumbents

Variable	Shift in variable (from, to)	Change in probability of receiving an event…	
From Equation 1.4			
Presidential Vote	(50^{th} Percentile, 50.0%)	47% lower	
Year 2000	(0,1)	23% lower	
Year 2006	(0,1)	40% lower	***
Candidate Spending	(50^{th} Percentile, 95^{th} Percentile)	43% higher	***
From Equation 1.5			
Year 2000	(0,1)	32% lower	**
Year 2006	(0,1)	54% lower	***
Lean or Toss-Up	(1,0)	70% lower	***

**** p>.05 ** p>.10*

Table 3.8: Predicting the Number of Fund-Raising Events: Senate Incumbents 2000, 2002 and 2006. Ordered Logit Results

Independent Variable	Equation 1.7 (Incumbents)		Equation 1.8 (Non-Incumbents)	
President's Share of Presidential Vote, Previous Election	.042		.009	
	(.047)		(.050)	
State Population (100,000s)	.0118	***	.0142	***
	(.00580)		(.00561)	
Year 2000	-1.52		-2.03	***
	(1.10)		(.909)	
Year 2006	-.930		-2.73	***
	(.844)		(.991)	
Lean or Toss-up	1.85	***	4.07	***
	(.857)		(1.08)	
N	40		59	
Log Likelihood	-32.13		-34.22	
Pseudo R^2	.158		.354	

Table 3.9: Changes in Predicted Number of Presidential Fund-Raising Events: 2000, 2002, 2006

Variable	Shift in variable (from, to)	Change in predicted probability of receiving 0 events	1	2+
Incumbents				
From Equation 1.7				
State Population	(50^{th} Percentile, 95^{th} Percentile)	-31%***	4%	27%***
Lean or Toss-Up	(0,1)	-34%***	5%	29%***
Non-Incumbents				
From Equation 1.8				
Year 2000	(0,1)	35%***	6%	-41%***
Year 2006	(0,1)	50%***	-1%	-49%***
State Population	(50^{th} Percentile, 95^{th} Percentile)	-10%***	-19%***	29%***
Lean or Toss-Up	(1,0)	72%***	-15%	-57%***

*******p>.05 ** p>.10*

Chapter 4: Effects of Presidential Fund-Raising for House Candidates

To be an effective agent of the party, the president must serve two purposes. First, he must raise funds for the most vulnerable incumbents and the most promising non-incumbents to further the collective good of the party. Second, the president's intervention must have tangible benefits for candidates that help their performance at the polls. This chapter addresses the second condition, analyzing the benefits House Republican candidates received from direct presidential fund-raising events in the 2002 and 2006 midterms.

One obvious benefit is the one-time influx of money into campaign coffers. A few hundred thousand dollars in one night is a boon to most candidates to say nothing of the added media buzz that surrounds a presidential visit. However, a second benefit an event provides is a signal to donors that certain candidate is worthy of their investment. Even if donors have the same information as the president as to which races are the most competitive, a presidential signal could mobilize donors and focus their investments in a way they would not have without a president's intervention. If a signal is effective, then a candidate's total receipts should increase by more than one time boost in cash while also serving the collective interests of the party. Moreover, a candidate can invest the cash that an event generates into further fund-raising opportunities. Either way, candidates that receive an event should have raised more cash than those who did not and do so at a level that is greater than the amount actually raised at the event. In the end, a fund-raising event may lead to additional votes for the targeted candidate on election day. Additional money should help struggling incumbents counter spending by challengers and help challengers remain competitive against incumbents. Therefore, a candidate receiving an event might perform better at the polls and the party may be able to win seats that they otherwise would have lost.

Previous scholars have empirically addressed both the president's affect on total fund-raising and the vote. In analysis of single elections, Jacobson, Kernell and Lazarus, (2004) find that President Clinton's efforts resulted in a significant increase in total funds and vote share for non-incumbents, but marginally so for incumbents. Indeed, presidential fund-raising events may have different consequences for incumbents and non-incumbents. An incumbent with an established donor base may use a fund-raising event as a substitute for other fund-raising activities. This pattern may especially hold for safe incumbents that receive events. Non-incumbents, however, gain votes by spending as it helps overcome advantages that incumbents have in name recognition, advertising and established relationships with donors. Thus, an event may more than substitute for other fund-raising activities, but supplement them. As a result, presidential intervention may appear more beneficial for the finances of non-incumbents than for incumbents.

Herrnson and Morris (2006) examined Bush fund-raisers as well as Bush campaign rallies in 2002 and concluded that the president helped Republican candidates win seats they otherwise would have lost. However, national partisan tides affect the capacity of presidents to be effective agents when targeting candidates for the collective good of the party; in the same manner, so might national political forces affect the capacity of the president to signal to donors and in turn help the party win seats. Analyzing both of President Bush's midterm efforts, and comparing them to President Clinton in 2000, this chapter analyzes the influence of presidential fund-raising on a candidate's financial health and electoral prospects as his capacity as an agent varies.

The following analysis shows that President Bush's strategic behavior resulted in a more efficient allocation of resources for the party. The most vulnerable incumbents and the non-incumbents with the best chance of victory raised more money than they otherwise would have when President Bush held a fund-raising event on their behalf. However, any effect of these added resources on vote share is difficult to find. The relationship between fund-raising events and the vote is indirect and national partisan tides and other factors have more significant consequences on a candidate's share of the vote. Moreover, the endogenous selection of which candidates receive events casts some doubt on some estimations of the president's effect. This chapter proceeds as follows: the first section discusses the problem of selectivity and introduces a treatment effects model based on Heckman (1979). The second section analyzes the effect of fund-raising on the finances of candidates and third analyzes the relationship between fund-raising activities and the vote. Finally, each section compares estimations produced by both OLS models that use interaction terms and by treatment effects models.

The Problem of Selectivity

Scholars analyzing the effects of money on the vote have debated the extent that the simultaneous relationship between money and votes bias standard ordinary-least-squares regressions (Green and Krasno 1988; Jacobson 1990; Gerber 1998). Adding presidential fund-raising events to the equation as an independent variable, however, adds a second problem—namely that the treatment variable of interest is not randomly assigned. Presidents choose fund-raising targets strategically whether they act as faithful agents of the party or purely in their self interests. An endogenous treatment variable may cause bias in ordinary least-squares coefficients. For example, presidents raising funds for vulnerable incumbents or promising non-incumbents are targeting the very candidates that are most likely to attract donations even without presidential intervention, all else equal. OLS would overestimate the marginal effect of the presidential fund-raising events for incumbents as well as non-incumbents if selection bias exists. Estimates of the president's effect on the vote would be biased in different directions for incumbents versus non-incumbents since vulnerable incumbents do worse at the polls than safe incumbents. Likewise, competitive non-incumbents do better at the polls than non-incumbents who are not competitive. Therefore, OLS likely overestimates the effect of the president's activities on the vote of non-incumbents and underestimates their effect on the vote of incumbents.

Sample selection bias occurs because the treatment variable is correlated with error term in the regression model. In this case, the competitiveness of a race drives both the president's targeting strategy and the allocation of resources and vote share. If perfect information were available, an OLS model could be constructed that considers all possible control variables that confound the relationship between fund-raising events and the dependent variable. Then, all else equal, the coefficient on presidential fund-raising events regressed on vote share or receipts would be without bias. Absent of an experimental research design or perfect information, an endogenous treatment variable, such as strategically targeted fund-raising events, might capture the affects of unknown variables associated with the error term. As a result, single stage OLS regressions invite some degree of bias. Attempts to correct for the non-random assignment of treatment variables have been undertaken in studies of presidential effort in congressional elections. Specifically, Keele, Fogarty and Stimson (2004) apply two methods to find the effect of Bush's activities (both fund-raising and campaigning) on the 2002 House election. One method was using propensity scores and stratification matching; however, a small number of observations limited the use of this procedure to only House races. The second method employed a treatment effects model based on Heckman (1979). Either way, these scholars find Bush's campaign efforts did not influence the outcome of the 2002 midterm elections. This is a curious result considering Bush's vigorous efforts to build the Republican Party in Congress. Herrnson and Morris (2006) respond by using a probit model to find positive presidential effects, but find no evidence of selection bias. However, both studies use a problematic specification in their analysis. For example, they do not account for the possibility that presidential efforts may bias results for non-incumbents and incumbents in different directions or what effect Republican or Democratic spending may have on these different types of candidates. Using specifications more consistent with established models of spending and vote share, this chapter attempts treatment effects models to correct for selection bias where it should occur and compares them traditional OLS models.[1]

The treatment effects model corrects for endogenous treatment variables in two stages. The first stage estimates the chances an observation receives the treatment using a probit estimator. The second stage estimates the relationship between the endogenous treatment variable and the dependent variable of interest given the estimates from the first stage selection equation. Consider a standard OLS model:

$$Y = \text{constant} + \beta_1 x + \beta_2 t + e$$

In this form, the main dependent variable Y is a linear function of control variables x and the treatment t. Since the treatment is endogenously chosen, the first step is to estimate the chances that an observation receives a treatment in a separate treatment effects model such as:

$$t = \text{constant} + \delta_1 z + u$$

In this form, the treatment variable t is a function of a second set of independent variables z. The treatment effects model will allow the error terms (e and u) of the selection equation and the underlying regression model to correlate. In general, if the estimated correlation between the two errors terms (rho) is statistically significant and positive, then OLS tends to bias coefficients away from zero. If rho is significant and negative, the bias will tend to be towards zero. If the estimated

[1] Various areas of political science have used treatment effects models, specifically when analyzing the effects of programs. For example, the political economy literature commonly uses these models in studies of the effects of international monetary fund programs. See Greene (2003) and Madala (1983) for examples.

value of rho is statistically indistinguishable from zero—that is, there is no correlation in the error terms of the two equations, then there is no sample selection bias in the standard OLS estimates.[2]

Since competitiveness is the mechanism behind the treatment variable and both dependent variable of interest, the selection model needs to use two sets of independent variables that capture competitiveness. One set of control variables will explain the frequency of presidential fund-raising events and the other set will be used as control variables in the underlying regression model. To resolve this, the treatment selection equation uses race ratings from *The Cook Political Report* as a measure of competitiveness while the underlying regression model uses spending along with demographic and partisan indicators of competitiveness to explain total receipts and vote share.[3] Granted, if the treatment effects model finds no evidence of selection bias, it does not mean that presidents do not behave strategically. The more the president behaves as a faithful agent of the party, the greater the chances of selection bias since those are the instances where the president targets the neediest incumbents and most promising non-incumbents. Moreover, the previous chapters show evidence that Presidents Clinton and Bush deviated from a seat-maximizing strategy in ways that may be difficult to capture in a selection equation.

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[2] "Methods of Addressing Selection Bias in Observational Studies," Susan L. Ettner, Ph.D. http://www.sgim.org/userfiles/file/AMHandouts/AM04/Workshops/WE10P1.pdf

[3] Strictly speaking, the same control variables could appear in the in the selection equation and the underlying equation. However, then the dependent variable of interest (vote share or receipts) would no longer be modeled as a linear function of these variables, and coefficients could not be read as marginal effects as they can be in simple OLS regressions. This does not apply to the treatment variable, since the treatment variable is a dependent variable in the selection equation.

Nevertheless, any model of the effects of presidential effort must account for the strategic nature of the president's choice of targets.

Bush's Effect on the Total Receipts of House Candidates

The financial impact of President Bush's efforts should be unaffected by his limited number of fund-raising targets. Although his events for the NRCC boosted the bottom line of many Republican candidates, donors are not more or less likely to contribute to candidates that the president targeted simply because the president tended not to raise funds directly for House candidates. Rather, if the president's effect is to shift resources to the candidates who need them the most, then the marginal financial benefit of a fund-raising event should depend in part on a candidate's chance of victory. The following analysis explores three different factors that impact a candidate's electoral prospects. First, a presidential fund-raising event might have different financial and electoral consequences for incumbents versus non-incumbents. As a group, presidential fund-raising events may help non-incumbents generate cash they would not have otherwise raised to a greater extent because donors are less familiar with these candidates. Second, although a president can raise funds in good times as well as bad, national partisan tides may affect the president's ability to rally donors due to changes in expectations about incumbents, non-incumbents and their respective chances of victory. Third, if presidential fund-raising events shift resources to certain candidates based on a candidate's expected success, then those candidates engaged in competitive races should benefit disproportionately from fund-raising events.

Not only do vulnerable incumbents or competitive non-incumbents naturally attract more donations, all else equal, but a seat-maximizing president should deliver more resources incumbents in swing districts or to non-incumbents that are expected to do well.

Research Design and Methods

The Dependent Variable

The dependent variable is the total receipts of House Republican candidates in the 2002 and 2006 elections. A candidate's total receipts are compiled through reports filed with the FEC and are adjusted for inflation. All dollar figures are expressed in year 2000 dollars. Table 1 displays descriptive statistics of this variable based on incumbency and year. As this table shows, on average Republican incumbents out-raised Republican non-incumbents by a significant margin. A negative shift in partisan tides between 2002 and 2006 forced Republican incumbents to increase fund-raising efforts to keep up with strong Democratic challengers. The descriptive statistics of non-incumbent fund-raising totals reveal that the data are highly dispersed for this group. Half of all Republican non-incumbents during this period did not raise more than $56,000. The mean fund-raising total of around $400,000 is the result of the few competitive non-incumbents that are able to raise large sums of money to compete with incumbents. For perspective, the average take at a presidential fund-raising event for all non-incumbents is about $425,000. Although these events went to the most competitive non-incumbents, this total is easily more than what most non-incumbents raise during the course of the election.

[Table 1 about here]

Independent Variables

Please refer to the previous chapters for descriptions of control variables for district partisanship, candidate quality, spending and presidential fund-raising events. This chapter also uses House race ratings from *The Cook Political Report* as of late May of the election year to measure initial expectations.[4] These ratings categorize each race on a centered seven point scale ranging from those rated as safe Democratic to safe Republican. Races in which either party has a good chance of winning are rated as "toss-up" in the middle of the scale. Expectations of competitiveness affect the total level of fund-raising for incumbents and non-incumbents in different ways. Consider Figure 1, which displays the average level of fund-raising for incumbents and non-incumbents for each category in the late May edition of the *Cook Political Report.* As expected, incumbents in races rated as a "toss-up" have higher fund-raising totals than those in any other category. During the 2002 and 2006 midterms, no Republican incumbent ran in a race that leaned towards the Democratic Party. Incumbents in that much trouble may opt to

[4] Race ratings for 2002 House races were published on May 28, 2002. Ratings for 2006 races were published on May 19, 2006

retire rather than face defeat.[5] Total fund-raising for non-incumbents also increase as competitiveness increases. Unlike incumbents, however, average fund-raising does not peak for candidates in the "toss-up" category. Rather, non-incumbents in races that already lean Republican receive more on average than those in the toss-up category even though in "toss-up" races either candidate has a chance of winning. Since donors are attracted to non-incumbents with the best chance of winning, non-incumbents are likely to receive more income in districts in which Republicans have an advantage, either because of district partisanship or because the race is for an open seat. It is possible that non-incumbents in "safe Republican" races receive less than those that are in more competitive races, however, no non-incumbents during this time period ran in races that fit this category.

[Figure 1 about here]

Not surprisingly, the races in which President Bush intervened with fund-raising events tended to be rated in the most competitive categories. Table 2 displays the distribution of events across categories of competitiveness. For incumbents, the majority of Bush's interventions came on behalf of toss-up races and those in races that leaned Republican. For non-incumbents, Bush intervened on a handful of races that leaned Democratic, a few toss-up races but many for non-incumbents in Republican-leaning races, since these were the non-incumbents with

[5] For example, Republicans Tom Delay and Mark Foley retired from districts that were rated as "lean Democratic" by the 2006 October race ratings.

better expectations about their chances as of the early summer. As Figure 1 and Table 2 suggest, Bush visited candidates whose fund-raising totals highest on average among incumbents and non-incumbents. As a result, some of the following OLS models use *The Cook Political Report* race ratings as control variables. Moreover, the presidential fund-raising event dummy variable is interacted with race rating variables. As a result the coefficients of these interaction terms will estimate the added benefit of a fund-raising event while controlling for fund-raising associated with a level of competitiveness. Previous chapters have dichotomized race ratings, coding an observation as 1 if the race was rated as a "lean or toss-up" and 0 otherwise. However, to maximize variation among the levels of competition and maintain enough observations of presidential fund-raising events per category, this chapter splits the race ratings in to three categories. For incumbents, these categories are "toss-ups," "leans Republican" and "likely/safe Republican." For non-incumbents, these categories are "Leans/likely Republican," "Toss-up/Leans Democratic," and "likely/safe Democratic."

[Table 2 about here]

Incumbents vs. Non-incumbents

The president's fund-raising efforts may have different consequences for incumbents and non-incumbents. The average take at a single event is about the same for incumbents and non-incumbents, $490,000 and $420,000 respectively. Moreover, both incumbent and non-incumbent targets raised about 20% of their fund-totals at fund-raising events. In each case, a fund-raising event sends signals to donors that a particular candidate is worthy investment, thus an event may bring returns for a candidate after the event takes place. This implies that the earlier a candidate receives an event, the more opportunities the candidate has to solicit more donations based on a presidential fund-raising event. While a signaling effect likely diminishes over time, candidates targeted early may have an advantage, all else equal. In practice, incumbents tend to receive fund-raising events before non-incumbents. Table 3 displays each of Bush's fund-raising targets in 2002, their incumbency status, their total receipts and the number of days before the election their fund-raising event took place. Table 4 does the same for Bush's targets in 2006. Both tables show that almost all events for challengers and candidates for open seats take place within three months of the election. Incumbents tend to receive events sooner because expectations about chances of victory form around incumbents before they form around non-incumbents. Incumbents who are vulnerable based on past performance have two years to prepare for a close reelection. Also, non-incumbents have to first be nominated and then demonstrate that they are a viable candidate before attracting a presidential fund-raising event.

[Table 3 about here]

[Table 4 about here]

Effects of presidential intervention on total fund-raising based on timing would be difficult to find empirically. While candidates targeted early have more time to take advantage of a signaling effect, early fund-raising activities send signals to potential non-incumbents and in certain situations can ward off strong opposition in the following election (Epstein and Zemsky 1995). If a strong early fund-raising effort helped their election expectations, then they may not end with higher fund-raising totals than candidates who were in competitive races late in an election. At the same time, candidates who receive events later in the cycle do so because they are trouble, so long the president behaves as a faithful agent of the party. Donors would have already invested large sums of money into these races, thus candidates who remain competitive late may have a high fund-raising total even if they received a fund-raising event close to election day. Thus, it is not obvious that candidates who receive events early end with higher levels of receipts than those who receive events later. Moreover, differences in incumbents and non-incumbent total fund-raising likely have more to do with competition and national partisan tides than timing of a fund-raising event.

Examining Bush's effect by year, however, does reveal differences in the marginal benefit of a presidential event. Table 5 displays OLS models estimating the marginal effect of Bush's activities for incumbents and non-incumbents in 2002. These results show that Bush's efforts had a substantial impact on the finances of incumbents. According to Equation 1.1, the effect of a Bush event is a healthy $1.3 million after controlling for district partisanship and opponent quality. This figure is considerably more than the $500,000 raised per event for incumbents that year.

Some of this fund-raising was a normal response to Democratic challengers, however. Once opponent spending is controlled for, as in Equation 1.2, the estimated effect of an event is an additional $788,000. By comparison, the marginal value of President Clinton's fund-raising effort for Democratic incumbents in 2000 was not significant when controlling for spending (Jacobson, Kernell and Lazarus 2004). These results suggest that targeted incumbents used events for more than a substitute for normal fund-raising operations. Rather, presidential attention could have produced a signaling effect that attracted more donors to these candidates. Given that most targeted incumbents received their events three months or more prior to the election, these incumbents certainly had the opportunity to solicit donations based on their Bush endorsement.

[Table 5 about here]

The effect of a Bush event on the finances of non-incumbents and candidates for open seats is more modest as Table 5 shows. Equation 1.3 controls for district partisanship, candidate quality and whether or not the candidate is running for an open seat. In this case, the marginal value of a presidential fund-raising event is approximately $608,000. Like incumbents, this figure is more than the average $370,000 total at events for non-incumbents that year. However, once competitiveness is controlled for, the marginal effect of presidential intervention disappears.[6] Equation 1.4 controls for the competitiveness of a race using *The Cook Political Report's* race ratings from the late spring. For the "Lean or Toss-up" variable, observations are coded as 1 if the race falls into the two most competitive categories and 0 otherwise. Controlling for this, the value of an event falls to $350,000 and is not statistically significant. In other words, President Bush did not bring significantly more resources to the non-incumbents he targeted compared to those that were already engaged in competitive races. On average, a competitive non-incumbent candidate received $1.2 million in total receipts. Competitive non-incumbents that Bush targeted received on average $1.6 million in total receipts. The difference of $400,000 is essentially the amount of money raised at the actual event. Election expectations were relatively high for Republican non-incumbents, thus donors may have been more willing to invest in non-incumbents even without a presidential endorsement.

Additionally, Bush's focus on House non-incumbents was limited since his incentives were not completely aligned with those of the party in the House. As Bush concentrated on winning back the Senate a well financed NRCC (which Bush helped create) could efficiently distribute resources. Therefore, targeted candidates did not receive an added benefit beyond an efficient, one-time infusion of cash. Still, this represents a quarter of the total fund-raising among non-incumbents that Bush targeted. However, Bush's focus on retaking the Senate does not completely

[6] Ratings are used to control for competitiveness instead of spending. Challenger spending is not used since challengers essentially spend what they earn. In that case, a coefficient estimating a dollar for dollar relationship is not particularly meaningful. Incumbent spending is not used because of the assumptions of the model. It is assumed that incumbents react to changes in challenger spending in deciding their own spending levels. Challengers, however, spend based on expectations rather than incumbent spending.

explain why incumbents enjoyed a greater marginal benefit from a fund-raising event than non-incumbents. After all, if Bush truly ignored House candidates, then incumbents should not have benefited from fund-raising events either. Timing may be a part of the story as most of the president's events for non-incumbents occurred in the final two months of the campaign. Because non-incumbents must be promising before attracting an event, a presidential fund-raising event is, by necessity, a lagging indicator of competitiveness. Competitive non-incumbents, therefore, would not use events to attract more donors since donors would already be inclined to invest in them.

Examining the effect of the president on incumbents and non-incumbents in 2006 uncovers the opposite pattern. Bush's efforts had a greater impact on the finances of non-incumbents and candidates for open seats than the finances of incumbents. Table 6 displays OLS estimates of the effects of presidential fund-raising events on Republican candidates in 2006. According to Equation 1.5, all else equal, incumbents receiving an event take in $1.3 million more than those that do not. Since Democratic challengers were more competitive in general in 2006, vulnerable incumbents had to raise more than they did in 2002 to remain competitive. Once spending is controlled for, as in Equation 1.6, the marginal effect of a fund-raising event is $449,000. While significant, this figure is essentially the same as the $478,000 raised per event that year for incumbents. Considering that the value of a Bush event may be biased upward, these results suggest that Bush's efforts were in response to strong Democratic challenges. Since the estimated marginal value of a fund-raising event equals the amount the event took in, there is no evidence of a signaling effect for these incumbents. The negative shift in partisan tides provides some explanation of why incumbents in 2002 benefited from presidential intervention more than in 2006. Higher expectations for Democrats allowed the opposition to challenge a greater number of Republican incumbents. By *Congressional Quarterly* estimates early in the year, 77 Republican seats—nearly a quarter of their caucus, were in competitive races. As a whole, Republican incumbents raised more money to respond to the increased pressure from Democrats.[7] As a result, the difference in total fund-raising between targeted and non-targeted incumbents is smaller in 2006 than in 2002. Moreover, with more incumbents demanding cash, strategic donors would be more likely to spread their wealth and make the president less efficient in focusing resources on certain candidates.

[Table 6 about here]

However, the estimated effects for non-incumbents reported on Table 6 suggest that non-incumbents benefited substantially from Bush's efforts. According to Equation 1.7, candidates receiving a Bush fund-raising event received $1.3 million more than those who did not. In this equation, a presidential fund-raising event is the strongest indicator of competitiveness. Not surprisingly, the coefficient is much higher than the average $465,000 total per event according to

[7] Median levels of fund-raising for Democratic challengers increased from $64,000 in 2002 to $145,000 in 2006. Median levels of fund-raising for Republican incumbents increased during the same period from $764,000 to $1 million.

Mark Knoller's records. Equation 1.8 adds competitiveness to the equation in the form of race ratings in the same manner as Equation 1.4 did for 2002 non-incumbents. Controlling for whether or not the race falls into a "lean" or "toss-up category" does not wash away the effects of a fund-raising event. Rather, the marginal effect of an event remains high at $712,000, all else equal. Like 2002, these candidates received their events late in the cycle and represented the likeliest candidates to win. As a result, the estimated values of presidential intervention are likely biased upward in both Equations 1.4 and 1.8. Nevertheless, the estimates in 2006 are statistically significant and larger than those for 2002. The negative shift in political climate also helps explain this pattern. With fewer quality non-incumbents in 2006, Bush could focus resources on those that are most likely to win. Moreover, unlike 2002, in 2006 the NRCC was not as efficient. More nervous incumbents would have drawn party resources away from promising non-incumbents, compounding the party's natural inefficient allocation of resources. As a faithful agent of the party, President Bush's intervention focused attention onto the most likely non-incumbents to win late in the election.

Levels of Competitiveness

While theoretically non-incumbents ought to benefit more than incumbents from presidential fund-raising events all else equal, in practice choices to raise funds depend on a candidate's level of competitiveness. Incumbency status and national partisan tides are indirect measures of uncertainty about a candidate's prospects. However, race ratings such as those issued by *The Cook Political*

Report, directly account for initial expectations and other strategic information about a candidate's chances for success. Strategic presidents would act on this kind of information, and if they are able to focus resources efficiently, presidential targets should receive more money than other candidates facing the same level of competition. This section tests whether or not the financial effects of presidential fund-raising change as initial expectations about a candidate's chances of victory change. Table 7 presents OLS models of total fund-raising for Republican incumbents controlling for competitiveness and models that interact levels of competitiveness with a presidential fund-raising event dummy variable. The interaction terms intend to estimate the added benefit of a fund-raising event given changes in competitiveness.

[Table 7 about here]

The results reported on Table 7 model the effects of events and competitiveness on incumbents. These suggest that Bush's fund-raising efforts led to higher levels of receipts even when controlling for levels of competitiveness; however, these effects do not increase as incumbents become more vulnerable. Equation 1.9 includes dummy variables based on *The Cook Political Report* along with a presidential fund-raising event dummy. Previous equations have dichotomized the Cook seven-point scale into "lean or toss-up" and "safe" categories. To further differentiate levels of competition, this analysis divides the Cook scale into three categories: "toss-up, "lean" and "safe." Equations 1.9 and

1.10 combine both 2002 and 2006 into the same regression to maximize the number of observations that fall into each category. The familiar control variables perform as expected in Equation 1.9. Increased district partisanship costs incumbents money since these districts are less competitive. Incumbents in 2006 raised more money than those in 2002, all else equal, as a response to quality Democratic competition. Incumbents engaged in "toss-up" or "lean" races increase their total fund-raising by an estimated $786,000 and $815,000 respectively compared to incumbents in safe races. Controlling for competitiveness in this manner, the marginal effect of a fund-raising event is estimated at about $800,000, which is similar to the $788,000 figure estimated in Equation 1.2.

However, the effect of a presidential fund-raising event does not change as perceptions of incumbent vulnerability change. Equation 1.10 interacts the Bush fund-raising event dummy variable with dummy variables indicating "toss-up" races and a dummy that indicates "lean" races. The Bush fund-raising event dummy remains significant and at a value similar to that in Equation 1.9. All else equal, Republican incumbents in safely Republican districts raise about $771,000 more than safe Republicans that do not receive an event. However, targeted incumbents in "lean" races or "toss-up" races do not raised significantly more total funds than safe Republicans who also received an event.

The estimates in Equations 1.9 and 1.10 demonstrate that the positive effects that presidential fund-raising events have on incumbents does not depend on expected competitiveness. More money goes to competitive races regardless of what the president does. On one hand, events for safe incumbents are more about a political exchange than raising enough money for reelection. Strategic donors likely know this and may not contribute as much if incumbents are already likely to win, even with a presidential endorsement. Any difference however, does not show up statistically. Even controlling a level of funding normally associated with a particular level of competitiveness, targeted incumbents generate about $800,000 more than incumbents who did not receive an event, which is larger than the average $500,000 take at these events. This suggests that the money raised at events is not simply a substitute for money that would have been raised by other means. Since the president is more likely to raise money for vulnerable incumbents, his activities benefit the party by shifting total fund-raising efforts to the incumbents that need it most even if the effectiveness of his efforts do not vary with expected competitiveness.

The effects of the president's activities may vary with expectations among non-incumbents as well. Strategic donors are less certain about the viability of non-incumbents while non-ideological donors would not invest money unless the candidate had a good chance of winning. Donors may take cues from the president as to which candidates are worthy investments. Analyzing the marginal benefit of events for non-incumbents with interactions terms requires some modifications. First, non-incumbents engage in a broader range of races on the seven point scale. As Figure 1 shows, no incumbent ran in a race that leaned Democratic whereas non-incumbents run in races that lean for either party. Republican non-incumbents in races that lean Democratic face different expectations than those in races that lean Republican and should not be grouped into the same category. As a result, "lean Republican" and "likely Republican" races are grouped together. As a group these races are those in which a Republican non-incumbent is expected to win. The second group consists of "toss-ups" and Democratic-leaning races, while the constant accounts for non-incumbents in safe Democratic districts. In rough terms, this division corresponds to high, medium and low expectations about performance at the polls.

Along with a dummy variable controlling open seat races, models for non-incumbents are also corrected for self-financed candidates. Splitting competitiveness into three dummy variables and interacting them with the presidential fund-raising variable creates six categories in which each observation is assigned. This number of categories combined with the dispersion of fund-raising totals found on Table 1 increases the influence of outliers, especially those non-incumbents that had fund-raising totals well beyond two standard deviations from the mean of total receipts. In practice, many of the best financed and competitive non-incumbents are self-financed. Notable examples include Florida candidate Vern Buchanan who spent nearly $5 million of his own money for his House candidacy. Despite close to $7 million in total receipts, President Bush held a fund-raising event for Buchanan 14 days before the 2006 election. Figure 2 presents the average share of a candidate's total fund-raising that came from self-contributions and loans to one's own campaign by level of competitiveness. As this figure illustrates, about 30% of fund-raising totals for Republican candidates challenging the safest Democrats come from the candidate's own pocket.

As competitiveness increases, the share of total fund-raising from self-financing decreases since strategic donors are more likely to contribute as competitiveness increases. Nevertheless, self-financing accounts for about 10% of total fund-raising for even the most competitive Republican non-incumbents. Since these candidates raise the most money, a 10% share translates into hundreds of thousands of dollars. Also note that self financing plays a little role in the fund-raising total of incumbents, so models of total fund-raising for incumbents did not need to correct for it. In models of non-incumbent fund-raising, one solution would be to leave out outliers such as Vern Buchanan. However, eliminating these outliers would take away from the already limited number of fund-raising events spread across six categories. Rather, the following equations subtract loans or contributions a candidate made to his or her own campaign from total receipts.[8]

[Figure 2 about here]

Adjusting for self-financing reveals President Bush increased resources for non-incumbents with the best chance of victory. Table 8 displays the results of OLS estimates on the effect of presidential fund-raising events on total receipts while accounting for different levels of competitiveness. The control variables in Equation 1.11 perform as expected. Districts with larger pools of Republicans, previous electoral experience, and races with no sitting incumbent positively

[8] Another solution was to create a new dependent variable by subtracting candidate contributions and loans from total receipts. Using this as a dependent variable does not significantly change the results in Equations 1.15 and 1.16.

influence the total amount non-incumbents raise. President Bush did not raise money for any Republican non-incumbent running in a race that was expected to be safe for the Democratic Party. Rather, the president raised money for more competitive candidates. As a result, Equations 1.11 and 1.12 use candidates in “toss-up or leans Democratic” categories as the reference case. As expected, Equation 1.11 estimates that the least competitive non-incumbents raise $587,000 less than those in more competitive races. Contrary to expectations, non-incumbents with the highest expected vote-share do not raise significantly more money. However, the open-seat dummy variable accounts for much of this discrepancy. Between the 2002 and 2006 midterms, 20 out of the 22 Republican non-incumbents in Republican leaning races were candidates for open-seats, compared to 17 of the 36 non-incumbents in the toss-up or lean Democratic category. Controlling for the effect of open-seat elections, high expectations remain valuable for non-incumbents and their fund-raising efforts. A presidential fund-raising event has a marginal value of $861,000, which is considerably higher than the average $425,000 per event Bush managed to raise for all non-incumbents. This figure suggests a significant signaling effect. Since donors are more likely to invest in non-incumbents with the best chance of winning, this signaling effect may vary with changes in expectations.

[Table 8 about here]

Unlike incumbents, Equation 1.12 estimates that Bush's efforts had significant and positive effects on the finances of non-incumbents, especially for those in races tilting to the Republican Party. The control variables in Equation 1.12 perform the same way as before. Relative to non-incumbents in toss-up races or those that lean Democratic, non-competitive Republican candidates raise $625,000 less. The most promising non-incumbents do not raise statistically more when the effects of open-seats are controlled for. Candidates in tossup or lean Democratic races raise an estimated $657,000 more when Bush holds an event on their behalf. This estimate is larger than the average $425,000 Bush raised for non-incumbents over his two midterm elections suggesting Bush's appearance led to further donations. However, non-incumbents with the best chances of winning benefited from a Bush event even more. Among Bush's fund-raising targets, candidates with higher expectations raised an additional $413,000. These results suggest that Bush's effectiveness as a focal point for private donors varies with expected competitiveness. Donors naturally seek non-incumbents who are most likely to win. However, the added benefit for highly promising non-incumbents is the result of the president's ability to mobilize donors on behalf of candidates to contribute at levels they may not have otherwise have done.

Moreover, these results also suggest that the president's strategic behavior has the intended consequences. For incumbents, presidents tend to target the most vulnerable candidates even though their effectiveness does not vary with expectations. For non-incumbents, not only does the president target the most promising candidates, but his ability to rally donors allows these candidates to raise additional funds. Among challengers and candidates for open-seats, the president's strategy and its consequences not "aggressive" in the sense that he does not disproportionately aid non-incumbents in direct competition with safe Democratic incumbents. Doing so may increase the competitiveness of these races and make Republicans more competitive overall; however, the president's strategy is not to make the party more competitive on the whole. Rather, the president's intention is to maximize seats by directing resources to non-incumbents with the best chance of winning. Shifting enough money to help certain non-incumbents get over the top would be a surer way of maximizing seats than attempting to unseat safer Democrats.

Treatment Effects Models of Total Receipts

Treatment effects models for both total fund-raising and the vote (which appears in a later section) produce curious findings. Occasionally, treatment effects models find no evidence of selection bias in standard OLS models when theoretically bias should exist since the treatment is not randomly applied. This is not necessarily a problem since the limited number of fund-raising events, or other factors may contribute to the lack of bias in OLS models. More curious than that, however, is that when treatment effects models do find bias, they consistently produce results that are counterintuitive. Specifically, treatment effects models produced "unbiased" coefficients that are consistently larger than those found in OLS models even though the non-random selection of the treatment group should cause OLS to overestimate the president's true effect. Consider the following treatment effects models for the president's impact on total fund-raising. The first set of results suggests that targeted incumbents raise significantly more money than incumbents that were not targeted. Table 9 presents a treatment effects model of the president's influence on House Republican incumbents in both 2002 and 2006. Equation 1.13 is the selection equation which predicts if a candidate receives a presidential fund-raising event using probit. This model of fund-raising events uses a different specification than the logit models found in previous chapters because it is desirable to use different variables in the selection equation and in the underlying equation. Nevertheless, variables in the selection equation perform as expected. Races rated as "lean" or "toss-up" are more likely to receive fund-raising events as are districts where the Democratic candidate did well in the previous election. The selection model correctly predicts whether or not an incumbent receives an event 94% of the time. The second stage of the treatment effects model uses these predictions to estimate the effect of Bush's activities on total fund-raising.

[Table 9 about here]

Equation 1.14 is the underlying model of total receipts using a "corrected" presidential fund-raising events dummy variable. The treatment effects model allows the errors in Equations 1.13 and 1.14 to correlate and produce unbiased estimations. According to Equation 1.14, the marginal value of a Bush fund-raising event is over $1 million after controlling for spending and the effects of poor Republican year in 2006. This coefficient is higher than previous estimates and is about twice the average take at fund-raising events. By comparison, Equation 1.15 is the corresponding single-stage OLS estimate. Here, the financial effect of a presidential fund-raising event is a more modest $600,000. The treatment effects model suggests that President Bush had a substantially greater financial impact on incumbents than other OLS models have indicated. Moreover, this suggests his ability to divert resources to the candidates who need them the most had been previously underestimated. Yet, there are reasons to cast doubt on these results. First, the treatment effects model finds evidence of selection bias as indicated by a statistically significant value for rho (the correlation between the errors). This statistic suggests that the coefficients in the OLS model are biased. However, the treatment effects model finds bias in a *negative* direction; a negative value for rho generally indicates that OLS estimates a smaller effect when the true effect is greater in magnitude. Since increased competition drives both the president's targeting strategy and the flow of cash, the errors between the selection equation and the underlying equation should be positive and OLS should overestimate the value of a Bush fund-raising event.

The treatment effects model indicates that OLS underestimates the impact of President Bush's events on non-incumbents as well. Table 10 displays the results of a treatment effects model estimating the effect of Bush's fund-raising activities on House non-incumbents as well as a corresponding OLS model. Equation 1.16 is the first stage selection equation. Similar to the selection equation for incumbents, this equation accurately predicts whether or not a Republican non-incumbent received a Bush event 95% of the time. All else equal, the second stage of the treatment effects model (Equation 1.17) estimates that targeted non-incumbents receive nearly $1.5 million more than non-incumbents that do not. If this estimate is accurate, then Bush's direct intervention produced a significant signaling effect. The result of this signaling is a boost in total fund-raising that is nearly three times the value of the event itself. However, like incumbents, a significant and negative rho statistic suggests that the true effect of Bush's intervention is larger in magnitude than what OLS would estimate without correcting for the endogenously chosen treatment variable. Indeed, the standard OLS model (Equation 1.18) estimates the effect of Bush's intervention to be $1.1 million. This value is slightly less but more consistent with estimates from Equations 1.3 and 1.7, which do not directly control for competitiveness. A larger coefficient for Bush fund-raising events in the treatment effects model is curious since presidents target non-incumbents who would receive more money regardless of presidential intervention. The OLS estimate should be biased upward if selection bias exists at all.

[Table 10 about here]

It is possible that the treatment effects models are accurate and that presidents divert even more resources to House candidates than previously estimated. However, this finding cannot be easily reconciled with the conventional wisdom that increases in competitiveness positively increase both the likelihood of attracting donations and a presidential fund-raising event. However, these results do indicate that the president's strategic behavior has positive consequences for the party. Models that interact presidential fund-raising events with levels of competitiveness especially show that additional resources flow to candidates who need them the most when the president intervenes. The next step in this analysis to find what affect these additional resources may have at the polls.

Effects of Presidential Fund-Raising on the House Vote

Ultimately, the president raises money for congressional candidates to influence the outcome of an election. The literature on the how presidential fund-raising efforts affect election outcomes is as limited as the literature on the president's role as agent of the party. The research that has been attempted measures presidential success in two ways: by changes in a candidate's share of the vote and by predicting the probability that candidate wins given presidential intervention.

Measuring success by measuring changes in vote share places the president in context of an existing literature on how money affects the vote in congressional elections. Studies have consistently shown a positive association between non-incumbent expenditures and vote share and a negative relationship between incumbent spending and vote share; while scholars have attempted to use different statistical tools, such as instrumental variables, to discover a positive relationship between money and the vote for incumbents, finding appropriate instruments has proved problematic (Jacobson 1978, 1980, 1990; Green and Krasno 1988). In this setting, the president adds to the financial solvency of certain candidates. As an extension of existing literature, predictions of the president's affect on non-incumbents and incumbents are straightforward. Incumbents that receive fund-raising events will likely receive fewer votes than other incumbents, all else equal, because the president targets vulnerable incumbents. Likewise, non-incumbents that receive events likely perform better than other incumbents because the president targets the most promising non-incumbents. Indeed, Jacobson, Kernell and Lazarus (2004) show that Clinton's efforts for House Democrats in 2000 helped non-incumbents gain votes to a greater degree than incumbents.

Other studies have measured the success of the president's activities based on the number of wins and losses the party accumulates on election day. This measure makes sense considering that the president's ultimate goal is to help candidates win whether he is after maximizing representation or aiding his electoral or legislative goals. Keele, Forgerty and Stimson (2004) analyze President Bush's distribution of voter rallies to determine the effect of the president's visits on the electoral chances of Republican House candidates in 2002. While acknowledging the strategic nature of Bush's choices, surprisingly, Keele *et. al.* find no statistically significant electoral boost for Bush's choice of targets. This result raises the question as to why a strategic politician would engage in an activity without a discernable benefit. Herrnson and Morris (2006) reexamine this election by broadening the set of cases to both rallies and fund-raising events and find evidence that the president's activities can increase the predicted probability that a candidate wins.

This chapter will examine the affect of fund-raising events on vote share for several reasons. Analyzing the effects of fund-raising activities on total receipts dovetails into analysis of vote share and gives a better assessment of presidential agency under different political conditions. Placing the president in the broader context of party institutions and their incentives likens presidential fund-raisers to any other resource available to congressional candidates. The difference between the president and these other resources is that the president is sometimes motivated to pursue interests counter to the collective good of the party and brings added focus and attention from donors and possibly voters. Observing deviations between the presidential influence and those of a faithful agent of the party allows for a better understanding of presidential agency in an intuitive way. Moreover, measuring the president's success in terms of wins and losses is not particularly meaningful when analyzing across elections when factors such as national partisan tides affect the party's overall popularity. If wins and losses is the standard for success, then Bush's efforts led to success in 2002 when most of his targets won but failure in 2006 when most of his targets lost. Since presidents can raise money in different political climates, the added resources still benefit candidates even if these candidates do not win. Analyzing changes in vote share allow a more nuanced assessment of presidential agency as partisan tides vary.

Herrnson and Morris' analysis encounters a second problem, however. Their study combines non-incumbents and incumbents in the same model and find no evidence of selection bias. However, combining incumbents and non-incumbents is problematic because the expected bias works in different directions for the two types of candidates. Presidents selectively target incumbents who are expected to do poorly and non-incumbents who are expected to do well. Unlike the analyzing total receipts where estimates may be biased in the same direction, OLS will tend to underestimate the effects of fund-raising events on the vote of incumbents and overestimate the effects of events on the vote of non-incumbents. Figure 3 illustrates the average share of the two-party vote for Republican candidates based on incumbency, competitiveness and national partisan tides. As with Figures 1 and 2, Figure 3 sorts candidates based on election expectations as of May of the election year. In general, higher expectations early in the election year are correlated with larger shares of the vote. Moreover, Figure 3 shows that Republican candidates did worse across the board in 2006 versus 2002. Indeed, even incumbents in races deemed “likely Republican” averaged only slightly over 50% of the vote in 2006. With incumbency, competitiveness and national partisan tides having broad influence over the vote, Bush’s capacity to influence the vote varies along with changes in each of these factors. As such, the following analysis first examines how the president’s effort varies among incumbents and non-incumbents in 2002 then in 2006. The second set of analysis examines how the president’s effort varies as early expectations vary through the use of interaction terms.

[Figure 3 about here]

Results and Discussion

Standard OLS models show that President Bush’s fund-raising efforts had disparate effects on the vote share of incumbents and non-incumbents. While these effects are likely biased one direction or another, the magnitude of Bush’s influence changes consistently with changes in the national political climate. Table 11 compares the effects of Bush's efforts on incumbents and non-incumbents in 2002. According to Equation 1.19 after controlling for district voting habits, Republican incumbents that President Bush targeted receive an estimated 7.68% smaller share of the vote than other incumbents. Clearly, the president's presence does not cause an incumbent to lose 7% of the vote. Rather, this estimate is evidence that Bush targeted the most vulnerable incumbents that year. Some of this difference may also be due to opponent and candidate spending. The relationship between spending and the vote is not linear, however. Very low levels of spending are unlikely to generate votes, especially for uncompetitive non-incumbents. Moreover, returns on spending diminish at high levels, especially for vulnerable incumbents who spend when they are in trouble. Usually, studies resolve this by taking the natural log of spending. However, typical logarithmic transformations overestimate the effects of spending at low levels and underestimate the effects at high levels (Jacobson 1990). As such, Jacobson (1990) and Jacobson, Kernell and Lazarus (2004) employ the Box-Cox procedure to find a functional form for spending between a linear and log transformation. Attempts to use Box-Cox for this analysis yielded parameters that were statistically insignificant. As a result, only equations using the natural log of spending are included here. Equation 1.20 takes controls for the natural log of candidate and opponent spending. Consistent with previous research, higher levels of opponent spending decreases an incumbent's share of the vote. Even when controlling for spending, however, incumbents receiving a Bush event performed 5% worse than other incumbents.

President Bush's non-random selection of targets likely causes an underestimation of his effect on the vote; however, these results provide more evidence that Bush behaved as a faithful agent of the party as he targeted the most vulnerable incumbents.

[Table 11 about here]

For non-incumbents, OLS estimates a positive impact on the vote from Bush's fund-raising activities in 2002. Equation 1.21 estimates that the non-incumbents Bush targeted receive 9.71% more of the vote than other non-incumbents after controlling for district voting habits and the characteristics of candidates. Since presidents only target competitive non-incumbents, this coefficient is likely biased upward. However, any effect a presidential fund-raiser has on the vote should be more pronounced for non-incumbents than incumbents. This is because gaining resources helps non-incumbents add votes through advertising or gaining name recognition whereas incumbents acquire resources when they are expected to do poorly. Non-incumbent spending varies widely and Equation 1.22 controls for the natural log of opponent and candidate spending. Consistent with theory, increases in candidate spending translate into a higher share of the vote for non-incumbents. This coefficient also captures additional assistance from the president since Bush's indirect efforts on behalf of the Republican campaign committees also contributed to solvency of Republican non-incumbents in 2002. When controlling for spending, the value of a Bush event is approximately

5.5%. Assuming that this value is not an overestimation, it begs the question why did Bush not do more for Republican non-incumbents. Republicans gained eight seats in the 2002 midterms. Of these candidates, three (Rick Renzi, Bob Beauprez and Chris Chocola), would have lost without Bush's intervention. At the same time, 10 Republican non-incumbents who did not receive a fund-raising event lost their races by less than 5.5% of the vote, suggesting that Bush's efforts could have expanded the House majority by a wider margin. However, Bush's incentives were not perfectly aligned with the party in the House, since the president had an opportunity to take the Senate. From the point of view of Republicans in the House, this misalignment of incentives prevented the party from maximizing the total number of seats.

A negative shift in partisan tides, however, decreased the president's influence over election outcomes through fund-raising. Table 12 displays OLS estimates on the impact of events on the vote share of 2006 Republican candidates. Equation 1.23 accounts for district voting habits only. According to this specification, incumbents receiving Bush events performed about 3% worse than other incumbents, although this coefficient is only marginally significant. When spending is controlled for, as in Equation 1.24, any significance of a Bush effect disappears. If Bush targeted the most vulnerable incumbents, then these coefficients should be significant and negative just as those found for 2002 incumbents. The lack of strongly significant coefficients for 2006 incumbents could occur for a couple or reasons. It is possible that Bush's intervention provided enough resources that his targets performed as well as other incumbents, all else equal. Or, this result reflects the general struggles of Republican incumbents such that Bush's targets did not do significantly worse than other incumbents. If the former explanation is true, then it suggests that the president's efforts at least mitigated the reduction in vote share that a negative shift in partisan tides caused. However, the evidence does not support this explanation. Rather, Bush's impact on the finances of 2006 incumbents was roughly equal to the amount raised at the event itself when spending was controlled for (see Equation 1.6). It is not surprising that with such a small benefit, events would have little impact on the vote when Republicans in general had to raise more money to counter strong Democratic non-incumbents.

[Table 12 about here]

Non-incumbents in 2006, however, seemed to benefit more from President Bush's efforts. Recall that Equation 1.7 estimates a Bush headlined fund-raising event brought in an estimated $1.3 million when spending is not controlled for. The effect of these added resources is a 3.8% boost in the share of the two-party vote, according to Equation 1.25. When controlling for spending, the effects of the added resources from President Bush are a marginally significant 2.8% increase in vote share. This figure is according to Equation 1.26 and thanks to an estimated gain of over $700,000 (Equation 1.8). The negative partisan tides of 2006 did not diminish Bush's ability to mobilize donors sympathetic to the Republican base, but the ability of the candidates to use added resources to gain votes did shrink between these two years. As a result, Bush's direct fund-raising activities did not help the party gain seats despite an alignment of interests. If the 2.8% figure is to be believed, then Bush's efforts helped non-incumbents such as Vern Buchanan and Peter Roskam of Illinois win. However, six of his other targets among non-incumbents fell short of victory. In the end, the solvency of Democratic incumbents and non-incumbents for open seats likely prevented Republican non-incumbents from gaining a significant share of votes due to additional resources. Greater expectations among Democrats also likely helped them efficiently spend money to gain votes.

Levels of Competitiveness

Analysis of fund-raising totals shows that President Bush's fund-raising efforts disproportionately increased resources for the candidates in the most competitive races. This pattern is evidence that as an agent of the party, Bush redirected resources to the neediest candidates. However, finding evidence that Bush disproportionately helps the most competitive candidates gain vote share is more difficult. The president's main effect on the vote comes through increases in total receipts and total spending. If the president is more than just another resource, but positively affects candidates through other means, then a presidential fund-raising event should have an effect once spending is controlled for. As the following analysis shows, controlling for spending and early expectations about competitiveness through race ratings washes away any added benefit of a presidential fund-raising event.

Table 13 presents OLS estimates of the effect of fund-raising events on the vote share of Republican incumbents based on race ratings from *The Cook Political Report*. Equation 1.27 controls for district voting habits, national partisan tides, presidential fund-raising events, and splits race ratings into three categories. Those races rated as "toss-ups" or "lean Republicans" are included as dummy variables whose coefficients are estimates relative to Republicans running in safe Republican districts. The control variables perform as expected: district voting habits are highly significant and incumbents in 2006 faired 6.15% worse than incumbents in 2002. Even controlling for the log of spending, early expectations are significant predictors of vote share. All else equal, the most vulnerable incumbents and those in "lean" districts performed 7% and 6% worse respectively than incumbents in safe Republican districts. Bush's intervention, however, is negligible and statistically insignificant.

[Table 13 about here]

Bush's effect on resources for incumbents may not have varied by competitiveness, but since he focused his efforts on the competitive races, the electoral effect of these resources may vary by competitiveness. Moreover, if Bush had an effect other than the resources he provided, his intervention may mitigate add to a vulnerable incumbent's vote total relative to other vulnerable incumbents. This does not seem to be the case. Equation 1.28 contains interactions between presidential fund-raising events and levels of early expectations. The interaction term between presidential events and the toss-up competitiveness variable is positive and significant. This suggests that the most vulnerable Republican incumbents who received added resources from the president did better at the polls. Although the net effect is still a vote share worse than the vote of safe incumbents, the president may be able to mitigate the overall loss of vote share due to competition. However, one observation drives this particular result. In 2006, John Hostettler of Indiana lost his reelection bid, garnering only 39% of the vote in the worst defeat for a House incumbent. Bush did not raise funds for Hostettler that year and if this outlier were removed, the coefficient for this interaction term becomes insignificant. This result, combined with the insignificant coefficient on the interaction term between "lean" districts and events suggests that the added resources do not result in more votes relative to other incumbents facing similar levels of competition.

Finding an electoral effect for Republican non-incumbents based on levels of competitiveness is equally difficult to find. Equations 1.29 and 1.30 on Table 14 display OLS estimates on the vote share of Republican non-incumbents. Like the equations for incumbents, the control variables perform as expected. In Equation 1.29, district voting habits are significant, as is the year 2006 dummy variable and the log of candidate spending. All else equal, non-incumbents in open seats perform 6% better than challengers facing Democratic incumbents. *The Cook Political Report* ratings are grouped slightly differently than for incumbents just as they were in the analysis of total fund-raising. As Figure 3 shows, the most competitive non-incumbents fall into the "lean" or "likely" Republican categories.

Those races in the “toss-up” or “lean Democratic” comprise the second category with all other non-competitive non-incumbents running in races rated as safe Democratic.

[Table 14 about here]

Equation 1.30 does not find that the effects of presidential fund-raising events vary as expectations vary. After controlling for spending, voting habits and year effects, the least competitive Republican challengers perform 1.5% worse than those in toss-up races or in those that lean Democratic. The most promising non-incumbents perform 1.7% better. This estimate seems low; however, most of the non-incumbents with high expectations ran in open seat races and those candidates perform and estimated 6% better all else equal. Non-incumbents receiving presidential fund-raising events do not gain significantly more votes than non-incumbents that do not despite the resources Bush brought to his targets. Of course, the relationship between spending and the vote is not linear; rather, promising non-incumbents are better able to transform spending into votes. Equation 1.30 interacts fund-raising visits with levels of competitiveness. Like the equations for incumbents, these interaction terms find no evidence that Bush’s targets perform better than other non-incumbents in the same level of competitiveness.

Several reasons account for the lack of significant results. In general, the impact of the president’s fund-raising efforts on total receipts is straightforward;

however, the mechanism through which these added resources translate into votes is not so simple. Fund-raising events, after all, mobilize donors. The influence of fund-raising on voter mobilization only occurs through how candidates spend the additional resources. Many factors determine how effective increases in campaign spending mobilize voters such as district partisanship, candidate characteristics and national partisan tides. Similarly, when considering candidates at different levels of competitiveness, it is not obvious which candidates increase vote share more through spending. Consider non-incumbents with low expectations of victory. Increases in spending by these candidates likely do not lead to drastic increases in vote share unless election expectations change. Non-incumbents likely to win, on the other hand, raise the most money (see Figure 1). Marginal spending increases for candidates with high expectations likely exhibit diminishing returns as uncertainty about candidates disappear. Candidates in the middle category—those expected to be competitive but not so much that race ratings from late spring consider them as likely winners have the greatest opportunity to use spending to gain ground against incumbents. As a result, even if a model found positive and significant effects of fund-raising events on the vote, the middle category of non-incumbents ought to see the largest benefit. Indeed, Equation 1.30 contains a positive coefficient for this group of candidates, albeit the coefficient is insignificant. Presidents, however, are more likely to raise funds for non-incumbents with higher initial expectations of victory and the candidates that see the highest marginal returns to spending may not be the most likely to receive a presidential fund-raising events.

Treatment Effects Models of the Effect of Fund-raising on Vote-Share

The results of treatment effects models of fund-raising on vote-share are just as curious as those estimating total receipts. On one hand, the model for incumbents finds evidence of selection bias, whereas the model for non-incumbents fails to do so. However, even when bias is detected, it is in a counterintuitive direction. If these models are to be believed, then presidential intervention truly has disparate effects on incumbents and non-incumbents.

Incumbents that Bush targeted with a fund-raising event do worse than other incumbents even when the fund-raising event variable is corrected for selection bias. In this case, the first stage selection equation is the same as it was for models of total receipts (Equation 1.13). Table 15 displays the results of the second stage of the treatment effects model side by side with a corresponding single-stage OLS regression. According to Equation 1.31, the marginal effect of a Bush fund-raising event is a loss of 7% in vote-share. Presidents target incumbents who are likely to do poorly, thus if the errors in the selection equation are correlated with changes in vote share, the correlation should be negative. However, this model produces a rho statistic that is significant and *positive*, suggesting that an unbiased estimate would be larger in magnitude than what OLS would estimate. As a result, the -7% estimate is larger than the -3% estimated by Equation 1.32, which is an OLS model without a corrected treatment variable. When examining non-incumbents, the treatment effects model finds no evidence of selection bias. Equation 1.33 is the second stage of the treatment effects model and finds a significant effect of Bush's activities of approximately 5%. However, as the insignificant rho statistic indicates, there is no correlation between the errors of the selection equation and the underlying regression model. This suggests that the single-stage OLS estimate of 4.4% (Equation 1.34) is not biased.

[Table 15 about here]

If these results are to be believed, then the president's targets among incumbents perform worse than what standard OLS models have estimated. Conversely, presidential fund-raising events have a larger impact for non-incumbents than previously estimated. However, if a study is interested in a causal relationship between fund-raising events and changes in vote share, these results do not make much sense. The president's efforts on behalf of a candidate cannot cause incumbents to lose nearly 7% of vote. The complicated relationship between presidential effort and the vote likely obscures the president's true effect. Given that vulnerable incumbents naturally do poorly and promising non-incumbents naturally do well, the president's efforts ought to help candidates relative to others facing a similar level of competition. If presidents conduct more direct fund-raising events for candidates in the future, OLS estimates that interact presidential events and competitiveness offer an intuitive approach to finding an effect for these efforts.

Conclusion

The president's strategic behavior has real consequences for House candidates. As an agent of the party, President Bush generally targeted the most vulnerable incumbents and the most promising non-incumbents. As the evidence in this chapter shows, candidates with higher electoral expectations benefited the most. These candidates naturally attract donors, however, when targeted with a presidential fund-raising event, these candidates raise far more than they otherwise would have. This financial benefit also increases as an incumbent becomes more vulnerable or a non-incumbent is more likely to win. Moreover, the marginal effect of the president's efforts improves as Bush's incentives aligned with those of the party in the House. As evidence, non-incumbents in 2006 benefited more from fund-raising events than non-incumbents in 2002. Certainly, national partisan tides and the ability of the national party to supplement the fund-raising totals candidates played a role; President Bush consistently delivered resources to candidates who needed them the most.

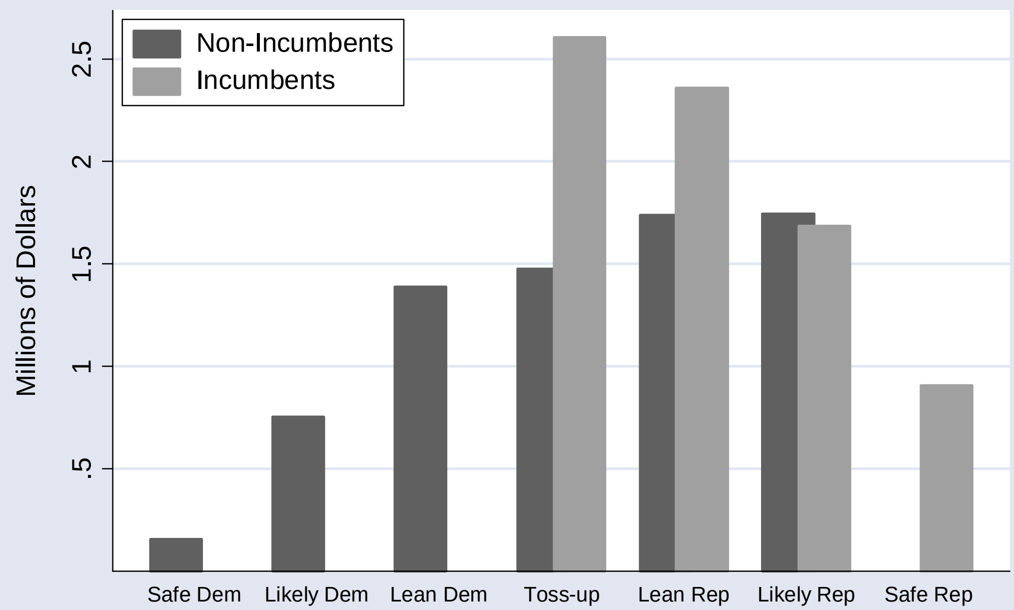
The electoral effect of these added resources is more difficult to discern. Consistent with other OLS models, presidential fund-raising events are associated with poorer performance among incumbents and better performance among non-incumbents. Of course, these results occur because presidential fund-raising events are strategic and not random in nature. Unfortunately, the treatment effects models do not produce results consistent with theory. To get around this, this chapter used OLS models with interaction terms to measure the added benefit of a presidential fund-raising event given the level of resources or votes associated with a certain level of competitiveness. This method showed that events benefit candidates that help the party maximize seats. However, although the most competitive candidates receive the most resources, these added resources appear not to result in a higher share of the vote. This result may be consistent with theory. The relationship between money and the vote is not linear. For instance, the most promising non-incumbents are less likely to see greater returns on spending than a non-incumbent still overcoming disadvantages among the electorate. More observations of presidential activities and an improved treatment effects model may be able to uncover this effect.

Appendix C

Table 4.1: Total Receipts for House Republican Candidates

	Median	Mean	Standard Deviation	N
Incumbents				
	Median	Mean	Standard Deviation	N
2002	$765	$924	576	196
2006	$1,030	$1,284	857	204
Total	$913	$1,108	754	400
Challengers				
	Median	Mean	Standard Deviation	N
2002	$65	$408	657	194
2006	$48	$416	839	179
Total	$56	$412	749	373

Note: All figures in $1,000s. Expressed in Year 2000 dollars.



Note: Race ratings from The Cook Political Report: May 28, 2002 and May 19 2006

Figure 4.1:

Average Total Receipts by Competitiveness
House Republicans 2002, 2006

Table 4.2: Bush Fund-Raising Events by Competitiveness, 2002 and 2006

Rating	All Incumbents	Bush Events	All Challengers	Bush Events
Safe Democratic	0	0	292	0
Likely Democratic	0	0	22	0
Lean Democratic	0	0	23	4
Toss-up	9	6	14	6
Lean Republican	34	15	9	3
Likely Republican	20	3	13	4
Safe Republican	337	2	0	0
Totals	400	26	373	17

Table 4.3: Timing of Bush's Fund-Raising Targets: 2002 House Candidates

Candidate	State	Status	Number of Days Prior to Election	Total Receipts
Robin Hayes	NC	Incumbent	251	2,230,000
Tom Latham	IA	Incumbent	249	1,400,000
Nancy Johnson	CT	Incumbent	210	3,270,000
Rob Simmons	CT	Incumbent	210	2,000,000
Heather Wilson	NM	Incumbent	190	2,625,000
Mike Ferguson	NJ	Incumbent	134	2,000,000
Connie Morella	MD	Incumbent	130	2,740,000
John Kline	MN	Challenger	117	1,500,000
Chip Pickering	MS	Incumbent	90	2,670,000
Steve Pearce	NM	Open Seat	74	1,500,000
Anne Northup	KY	Incumbent	61	3,000,000
Chris Chocola	IN	Open Seat	61	1,626,000
Jim Nussle	IA	Incumbent	50	1,580,000
Bob Beauprez	CO	Open Seat	39	1,778,000
Rick Renzi	AZ	Open Seat	39	1,540,000
Thad McCotter	MI	Open Seat	22	1,250,000

Table 4.4: Timing of Bush's Fund-raising Targets, 2006

Candidiate	State	Status	Days Before Election	Total Receipts
Chirs Chocola	IN	Incumbent	257	2,275,000
Mike Sodrel	IN	Incumbent	228	2,333,000
Jon Porter	NV	Incumbent	197	2,577,000
Clay Shaw	FL	Incumbent	183	4,000,000
Thelma Drake	VA	Incumbent	172	2,000,000
Geoff Davis	KY	Incumbent	172	3,588,000
Jim Gerlach	PA	Incumbent	167	2,866,000
Mike Fitzpatrick	PA	Incumbent	167	2,574,000
Dave Reichert	WA	Incumbent	144	2,600,000
Heather Wilson	NM	Incumbent	144	4,192,000
Rick O'Donnell	CO	Open Seat	111	2,400,000
Shelly Moore Capito	WV	Incumbent	104	2,000,000
Michele Bachman	MN	Open Seat	77	2,245,000
Jon Gard	WI	Open Seat	69	2,400,000
Max Burns	GA	Challenger	61	1,880,000
Gus Bilirakis	FL	Open Seat	47	2,270,000
Deborah Pryce	OH	Incumbent	39	3,656,000
Dean Heller	NV	Open Seat	36	1,450,000
Richard Pombo	CA	Incumbent	35	3,886,000
John Doolittle	CA	Incumbent	35	2,000,000
Rick Renzi	AZ	Incumbent	34	1,800,000
Mac Collins	GA	Challenger	28	1,780,000
David McSweeney	IL	Challenger	26	4,400,000
Peter Roskam	IL	Challenger	26	2,940,000
Don Sherwood	PA	Incumbent	19	1,800,000
Vern Buchanan	FL	Open Seat	14	6,940,000
Jeff Lamberti	IA	Challenger	12	1,700,000

Table 4.5: Effects of Presidential Fund-Raising Events on Total Receipts: 2002

	Incumbents				Challengers			
Independent Variable	Equation 1.1		Equation 1.2		Equation 1.3		Equation 1.4	
Republican District	-12.66	***	-2.07		9.79	***	7.18	***
Vote (2000)	(4.83)		(4.68)		(3.53)		(3.42)	
Quality Opponent	175		32.86					
	(115)		(93.65)					
Quality Candidate					123		92.26	
					(104)		(99.71)	
Bush Fund-raising	1,351	***	788	***	608	***	348	
event	(157)		(135)		(265)		(260)	
Opponent Spending			52.99	***				
($100,000)			(5.47)					
Open Seat					629	***	572	***
					(139)		(133)	
Lean or Toss-up							525	***
							(126)	
Constant	168	***	731	***	-125		-80.96	
	(316)		(314)		(115)		(110)	
N	167		137		163		163	
R^2	.395		.667		.387		.447	

***p<.10 ***p<.05 Figures in $1,000's*

Table 4.6: Effects of Presidential Fund-Raising Events on Total Receipts: 2006

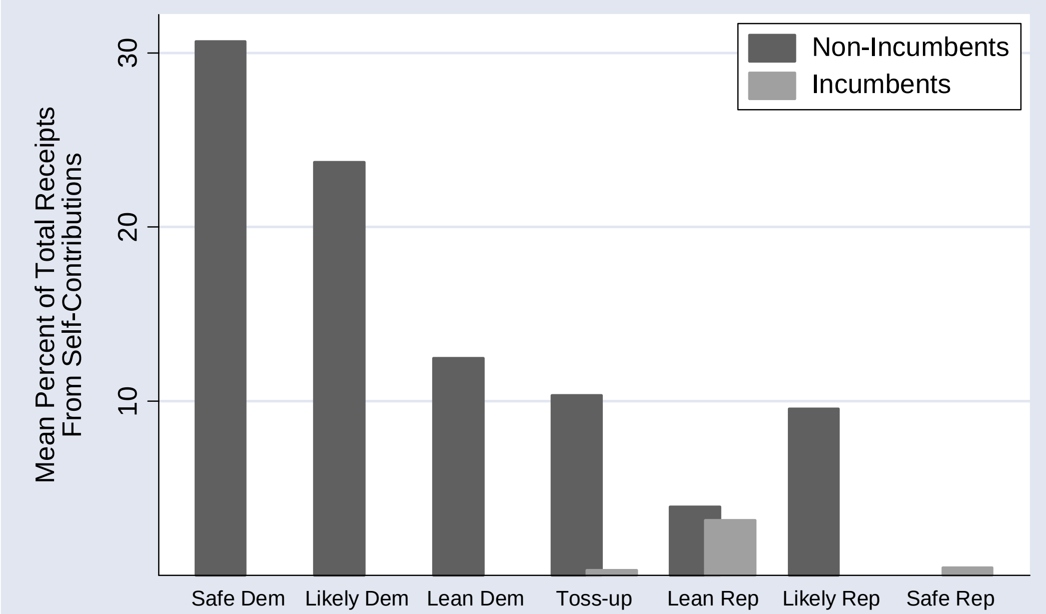
	Incumbents				Challengers			
Independent Variable	Equation 1.5		Equation 1.6		Equation 1.7		Equation 1.8	
Republican District	-33.52	***	-16.30	***	15.65	***	12.63	***
Vote (2000)	(9.65)		(8.08)		(2.15)		(1.81)	
Quality Opponent	380	***	58.29					
	(146)		(120)					
Quality Candidate					-21.99		-8.88	
					(73.62)		(61.13)	
Bush Fund-raising	1,308	***	449	***	1,300	***	712	***
event	(211)		(186)		(132)		(130)	
Opponent Spending			65.70	***				
($100,000)			(6.40)					
Open-Seat					384		321	***
					(85.4)		(71.3	
Lean or Toss-up							832	***
							(99.1)	
Constant	3,298	***	1,731	***	-346		-279	
	(634)		(541)		(73.6)		(61.7)	
N	169		169		159		159	
R^2	.370		.620		.704		.797	

***p<.10 ***p<.05 Figures in $1,000's*

Table 4.7: Effects of Presidential Fund Raising Events on Total Receipts Incumbents by Competitiveness

Independent Variable	Equation 1.9		Equation 1.10	
Republican District Vote	-7.39		-8.13	
	(5.00)		(5.02)	
District Level Presidential Vote	-15.37	***	-13.9	***
	(4.86)		(4.84)	
Quality Opponent	149	**	163	**
	(90.8)		(90.1)	
Year 2006	310	***	310	***
	(62.8)		(62.3)	
Toss-up Race	786	***	817	***
	(222)		(399)	
Lean Race	815	***	887	***
	(128)		(143)	
Bush Fund-Raising Event	800	***	771	***
	(146)		(255)	
Bush Fund-Raising Event * Toss-up			248	
			(521)	
Bush Fund-Raising Event * Lean			-140	
			(323)	
Constant	2,188	***	2,149	***
	(364)		(366)	
N	336		336	
R^2	.495		.509	

***p<.10 ***p<.05 Note: Dollar Figures in 1000's*



Note: Race ratings from The Cook Political Report: May 28, 2002 and May 19 2006

Figure 4.2:

Mean Percent of Total Receipts from Self-Financing by Competitiveness
House Republicans 2002, 2006

Table 4.8: Effects of Presidential Fund Raising Events on Total Receipts Less Self Financing: Non-Incumbents by Competitiveness

Independent Variable	Equation 1.11		Equation 1.12	
Republican District Vote	9.05	***	8.14	***
	(1.90)		(1.92)	
District Level Presidential Vote	-1.92		-1.22	
	(1.90)		(1.91)	
Quality Candidate	122	***	129	***
	(44.1)		(44.3)	
Year 2006	10.86		-2.85	
	(33.1)		(33.3)	
Open Seat	264	***	255	***
	(57.2)		(58.9)	
Lean Republican or Likely Republican	4.92		-100	
	(95.9)		(113)	
Safe Democratic	-587	***	-625	***
	(65.3)		(67.7)	
Bush Fund-Raising Event	861	***	657	***
	(97.3)		(127)	
Bush Fund-Raising Event * Lean or			413	***
Likely Republican			(206)	
Constant	451	***	497	***
	(93.9)		(95.2)	
N	324		324	
R^2	.722		.711	

***p<.10 ***p<.05 Note: Dollar Figures in 1000's*

Table 4.9: Treatment Effects Model of Presidential Fund-Raising Effects on Total Receipts: House Republican Incumbents, 2002, 2006

4.9A: Selection Equation for Treatment Effects Model: Probit Estimates of Presidential Fund-Raising Events

Independent Variable	Equation 1.13	
Lean or Toss up	1.62	***
	(.302)	
Bush's District Vote (Previous Presidential Election)	-.031	
	(.023)	
Democratic District Vote Between 40%-60%	.594	***
	(.290)	
Constant	-.482	
	(1.36)	
N	285	
Log Likelihood	-49.72	
Pseudo R^2	.413	

Table 4. 9B: Treatment Effects Model 2nd Stage vs. OLS Model

Independent Variable	Equation 1.14 (Treatment Effects 2nd stage)		Equation 1.15 (OLS)	
Opponent Spending (100,000's)	58.59	***	61.44	***
	(4.27)		(4.41)	
Republican District Vote	-3.41		-7.82	**
	(4.75)		(4.70)	
Opponent Quality	38.21		64.3	
	(76.67)		(80.16)	
Year 2006	175	***	169	***
	(58.25)		(59.9)	
Bush Fund-Raising Event	1,064	***	608	***
	(142)		(121)	
Constant	747	***	1,043	***
	(317)		(314)	
N	285		285	
Rho ($p>chi^2$)	-.654 (.01)			
R^2			.638	

***p<.10 ***p<.05 All Dollar Figures in $1,000's*

Table 4.10: Treatment Effects Model of Presidential Fund-Raising Effects on Total Receipts: House Republican Challengers, 2002, 2006

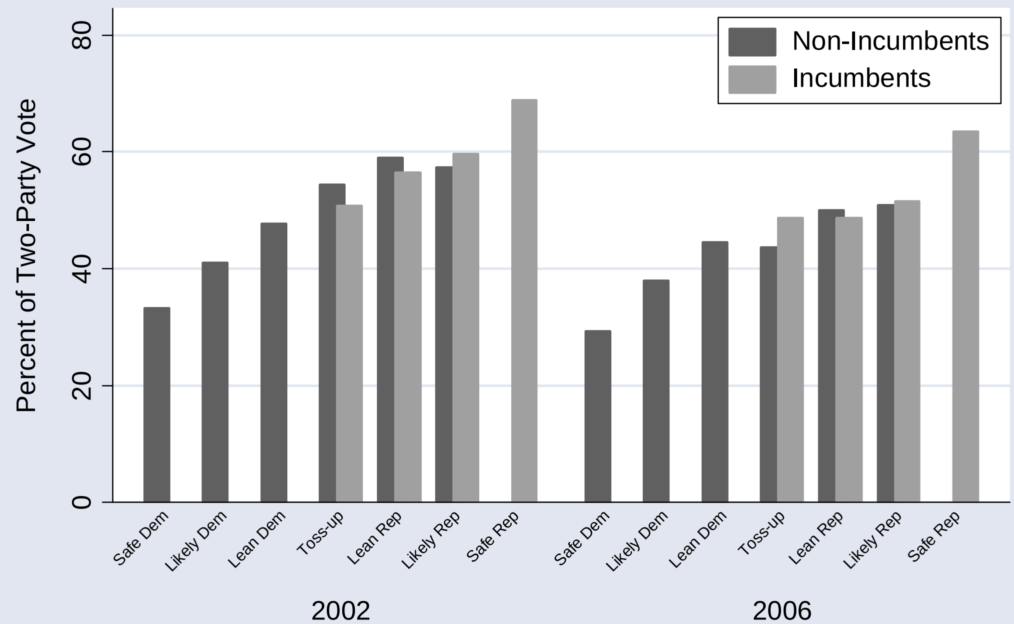
4.10A: Selection Equation for Treatment Effects Model: Probit Estimates of Presidential Fund-Raising Events

Independent Variable	Equation 1.16	
Lean or Toss up	1.41	***
	(.335)	
Bush's District Vote (Previous Presidential Election)	.032	**
	(.019)	
Democratic District Vote Between 40%-60%	.594	**
	(.334)	
Constant	-4.01	
	(1.04)	
N	324	
Log Likelihood	-35.76	
Pseudo R^2	.380	

Table 4.10B: Treatment Effects Model 2nd Stage vs. OLS Model

Independent Variable	Equation 1.17 (Treatment Effects 2nd stage)		Equation 1.18 (OLS)	
Republican District Vote	9.53	***	10.70	***
	(1.57)		(1.59)	
Opponent Quality	140	***	149	***
	(48.1)		(50.5)	
Self Loans and Contributions	1.08	***	1.07	***
	(.042)		(.050)	
Open Seat	367	***	361	***
	(59.5)		(62.4)	
Year 2006	-28.9		-28.9	
	(37.7)		(37.6)	
Bush Fund-Raising Event	1,492	***	1,184	***
	(103)		(121)	
Constant	-199	***	-216	***
	(54.5)		(55.2)	
N	324		324	
Rho ($p>chi^2$)	-.727 (.00)			
R^2			.804	

***p<.10 ***p<.05 All Dollar Figures in $1,000's*



Note: Race ratings from The Cook Political Report: May 28, 2002 and May 19 2006

Figure 4.3:

Mean Share of the Vote by Competitiveness: House Republicans 2002, 2006

Table 4.11: Effects of Presidential Fund Raising Events on House Vote 2002

	Incumbents				Non-Incumbents			
Independent Variable	Equation 1.19		Equation 1.20		Equation 1.21		Equation 1.22	
Republican District	.341	***	.302	***	.482	***	.280	***
Vote	(.067)		(.066)		(.049)		(.051)	
Bush District Vote	-.197	***	.201	***	.284	***	.363	***
	(.068)		(.065)		(.049)		(.055)	
Freshman Incumbent	-1.85		-1.46		-4.45	***	-4.96	***
	(1.44)		(1.37)		(1.79)		(1.72)	
Quality	-.232		.246		2.49	***	.527	
Opponent/Candidate	(1.30)		(1.23)		(1.24)		(1.16)	
Bush Fund-raising	-7.68	***	-5.53	***	9.71	***	5.49	***
event	(1.80)		(1.89)		(3.02)		(2.72)	
Candidate Spending			-1.30				2.64	***
($100,000)			(.870)				(.426)	
Opponent Spending			-.317	***			-1.11	***
($100,000)			(.095)				(.339)	
Constant	34.26	***	57.45	***	6.94	***	-4.69	
	(4.87)		(13.01)		(1.68)		(3.40)	
N	137		137		159		128	
R^2	.463		.530		.780		.825	

$**p<.10$ $***p<.05$

Table 4.12: Effects of Presidential Fund Raising Events on House Vote 2006

	Incumbents				Non-Incumbents			
Independent Variable	Equation 1.23		Equation 1.24		Equation 1.25		Equation 1.26	
Republican District	.641	***	.504	***	.424	***	.363	***
Vote	(.094)		(.097)		(.050)		(.050)	
Bush District Vote	.328	***	.290	***	.200	***	.184	***
	(.076)		(.078)		(.059)		(.056)	
Freshman Incumbent	3.84	***	2.83	**	1.71		1.26	
	(1.61)		(1.56)		(1.75)		(1.65)	
Quality	-3.68	***	-2.66	***	1.92	**	1.38	
Opponent/Candidate	(1.23)		(1.22)		(1.15)		(1.10)	
Bush Fund-raising	-2.78		-1.71		3.79	***	2.83	**
event	(1.76)		(1.78)		(1.88)		(1.86)	
Natural Log of			-.945				.627	***
Candidate Spending			(.870)				(.101)	
Natural Log of			-.479	***			-.117	
Opponent Spending			(.120)				(.099)	
Constant	-.092		29.59	**	5.72	***	5.59	
	(6.07)		(16.68)		(1.42)		(1.44)	
N	165		164		160		160	
R^2	.520		.570		.804		.850	

***p<.10 ***p<.05*

Table 4.13: Effects of Presidential Fund Raising Events on Vote Share Incumbents by Competitiveness

Independent Variable	Equation 1.27		Equation 1.28	
Republican District Vote	.346	***	.340	***
	(.054)		(.054)	
District Level Presidential Vote	.251	***	.25.3	***
	(.054)		(.047)	
Freshman Republican	.537		.357	
	(1.00)		(1.00)	
Quality Opponent	-.844		-.799	
	(.848)		(.839)	
Year 2006	-6.15	***	-6.15	***
	(.615)		(.609)	
Natural Log of Opponent Spending	-.500	***	-.491	***
	(.082)		(.081)	
Toss-up Race	-7.79	***	-13.6	***
	(2.03)		(3.00)	
Lean Race	-6.42	***	-6.55	***
	(1.19)		(1.32)	
Bush Fund-Raising Event	-.094		-3.64	
	(1.34)		(2.32)	
Bush Fund-Raising Event * Toss-up			12.19	***
			(4.27)	
Bush Fund-Raising Event * Lean			3.59	
			(2.95)	
Constant	36.47	***	36.69	***
	(3.93)		(3.93)	
N	301		301	
R^2	.641		.650	

***p<.10 ***p<.05*

Table 4.14: Effects of Presidential Fund Raising Events on Vote Share Non-Incumbents by Competitiveness

Independent Variable	Equation 1.29		Equation 1.30	
Republican District Vote	.267	***	.264	***
	(.034)		(.035)	
District Level Presidential Vote	.302	***	.302	***
	(.034)		(.034)	
Quality Candidate	.321		.349	
	(.749)		(.749)	
Year 2006	-4.22	***	-4..21	***
	(.619)		(.618)	
Open Seat	6.28	***	6.37	***
	(.945)		(.948)	
Natural Log of Candidate Spending	.535	***	.537	***
	(.084)		(.084)	
Safe Democratic	-1.94	**	-1.58	***
	(1.08)		(1.13)	
Lean Republican or Likely Republican	.455		1.71	***
	(1.59)		(1.92)	
Bush Fund-Raising Event	1.53		2.93	
	(1.58)		(2.00)	
Bush Fund-Raising Event * Lean or Likely Republican			-3.72	
			(3.23)	
Constant	9.44	***	9.10	***
	(1.43)		(1.77)	
N	388		388	
R^2	.847		.874	

***p<.10 ***p<.05*

Table 4.15: Incumbent Treatment Effects Model 2nd Stage vs. OLS Model

Independent Variable	Equation 1.31 (Treatment Effects 2nd stage)		Equation 1.32 (OLS)	
Republican District Vote	.451	***	.484	***
	(.055)		(.056)	
Opponent Quality	-1.63	**	-2.11	***
	(.892)		(.906)	
Freshman Incumbent	1.97	**	2.11	***
	(1.04)		(1.07)	
Opponent Spending (Logged)	-.488	***	-.472	***
	(.090)		(.091)	
Candidate Spending (Logged)	-1.93	***	-2.23	***
	(.618)		(.620)	
Year 2006	-5.31	***	-5.23	***
	(.666)		(.679)	
Bush Fund-Raising Event	-7.07	***	-3.48	***
	(1.56)		(1.35)	
Constant	70.6	***	71.48	***
	(9.69)		(9.84)	
N	300		300	
Rho ($p>chi^2$)	.476 (.01)			
R^2			.568	

Non-Incumbent Treatment Effects Model 2nd Stage vs. OLS Model

Independent Variable	Equation 1.33 (Treatment Effects 2nd stage)		Equation 1.34 (OLS)	
Republican District Vote	.537	***	.540	***
	(.030)		(.030)	
Candidate Quality	1.52	**	1.52	**
	(.866)		(.879)	
Freshman Opponent	-2.34	**	-2.33	**
	(1.21)		(1.22)	
Opponent Spending (Logged)	-.182		-.180	
	(.117)		(.118)	
Candidate Spending (Logged)	.734	***	.734	***
	(.117)		(.119)	
Year 2006	-3.98	***	-3.98	***
	(.722)		(.733)	
Bush Fund-Raising Event	5.34	***	4.11	***
	(2.31)		(1.67)	
Constant	11.88	***	11.78	***
	(1.41)		(1.42)	
N	288		288	
Rho ($p>chi^2$)	-.143 (.45)			
R^2			.780	

***p<.10 ***p<.05*

Chapter 5: Effects of Presidential Fund-Raising Events for Senate Candidates

Senate elections provide another opportunity to observe the influence of the president's fund-raising activities on a candidate's total fund-raising and the vote share. Previous chapters found that institutional differences between the House and Senate lead to differences in the president's fund-raising strategy. In recent years, partisan parity combined with the relatively few number of elections in a given year have made each Senate seat that much more important for the party to win. The incentives of Presidents Clinton and Bush and those of their party in the Senate closely aligned, and as a result, virtually all vulnerable incumbents and most promising challengers and open seat candidates received fund-raising events. Seat maximizing was not the only motivations presidents held, however. Clinton raised money for competitive non-incumbents but also extensively for his wife's Senate bid as well as to repay others for past support. President Bush in 2002, on the other hand, sought to retake majority control of the Senate as a part of his larger strategy to build the Republican Party and used events to cultivate relationships with certain senators that would be helpful for his legislative agenda.

This chapter examines how presidential fund-raising activities affect the financial outlook of Senate candidates as well as their performance at the polls. The following results find that Presidents Clinton and Bush helped raise money for Senate incumbents, but their efforts for Senate non-incumbents produced a windfall greater than for any other group of congressional candidates. Moreover, President Bush's efforts to strengthen party institutions such as the RNC and the NRSC greatly benefited Republican candidates, especially non-incumbents poised to take seats from Democrats. Bush, more so than Clinton, financed party institutions to win control of the Senate as a part of a larger strategy to achieve policy objectives by using the presidency to build the Republican Party. While linking the presidency to the party in the Senate bore fruit in 2002, it left the party vulnerable to negative partisan tides, which worked against the party's ability to distribute funds efficiently in 2006. Finally, analysis of how fund-raising events influence vote share confirm many empirical findings of how money affects the vote. After controlling for spending, fund-raising events have little impact on the vote share of incumbents, but a significant and positive influence on the vote of non-incumbents, even when controlling for different levels of competition.

This chapter proceeds as follows: first, it discusses the affect of fund-raising events on the finances of Senate candidates. Second, this chapter analyzes more closely affects of President Bush's party building strategy. Particularly, Bush's strategy led to a general increase in funding for Republicans. And while his efforts in direct fund-raising seem limited, his efforts show a different method of helping the party maximize seats in Congress. Finally, this chapter will analyze the consequences of these efforts on the vote share of the president's co-partisans using similar methods to those in the analysis of House races.

Effects of Presidential Fund-Raising on Total Receipts

The effects of a presidential fund-raising event on the financial health of Senate candidates could be similar to those for House candidates for several reasons. First, Senate candidates benefit from the one-time infusion of cash that adds to their fund-raising total or substitutes for other fund-raising activities. Second, increased media exposure to the electorate, to donors and to activists could produce lasting financial benefits well beyond the amount raised at the actual event. However, institutional differences between the House and Senate make the full extent of the president's influence less clear. Because there are fewer Senate candidates and because even Senate non-incumbents tend to be better able to raise funds on their own than House non-incumbents, information about the vulnerability of incumbents or the viability of non-incumbents is more accessible to donors. The president is less effective as a focal point to the extent that the president imparts information. In this situation, the president is not a leading indicator of which incumbents may be in trouble or which challengers or open seat candidates show promise, rather, the president follows whatever strategic information that is available to everyone. Still, a presidential endorsement carries weight with donors ideologically consistent with the party's base. Extra attention paid to a candidate still may energize these donors or mobilize activists to produce lasting effects beyond the one-time infusion of cash even if others have the same strategic information as the president.

The president's effect on total receipts for Senate candidates also differs from those for House candidates because the president's fund-raising strategy differs slightly. A single fund-raising event can only reach a limited number of donors in a state-wide race, unlike what is possible in a single congressional district. Presidents frequently travel multiple times to a state on behalf of Senate candidates, whereas the vast majority of House targets received a single presidential visit. Multiple visits present an opportunity for the president to pursue multiple objectives. For example, personal goals compelled President Clinton to hold 42 events on behalf of Hillary Clinton and to funnel money to Dianne Feinstein's political action committee over four separate events. On the other hand, both Clinton and Bush made the most of opportunities to take seats held by the opposition party. For example, Clinton made multiple visits on behalf of challenger Debbie Stabenow of Michigan, and Bush's made multiple efforts for the successful challenges of Norm Coleman of Minnesota and Jim Talent of Missouri. Because the president makes return visits at various points in the election cycle, it is difficult to estimate the worth of an event close to the election versus many months prior to the election. Nevertheless, comparing the average increase total receipts with or without a fund-raising event reveals that targeted candidates receive more income than was actually generated at the event itself.

Research Design and Methods

The Dependent Variable

This chapter measures the effects of presidential fund-raising events through ordinary-least-squares models of two main dependent variables: total receipts and vote share. Both sets of analyses examine Senate candidates in the president's party in the 2000, 2002 or 2006 general elections. Aggregating observations from all three elections compensates for the relatively fewer number of elections per cycle compared to the House. Analysis of both dependent variables is based on 40 incumbent Senate candidates and 59 Senate non-incumbent candidates. Among these 59 candidates, 13 are candidates for open-seats and the rest are challengers.

The first set of equations addresses a Senate candidate's total fund-raising. Table 1 summarizes the average receipts for incumbents versus challengers in each year. As with House candidacies, a positive political climate leads to fewer vulnerable incumbents and more competitive challengers while a poor climate leads to the reverse. Accordingly, incumbent Republicans raised far more money on average in 2006 than in 2002 when political fortunes turned against party. At the same time, non-incumbent Republicans raised more money relative to incumbents in 2002 than in 2006 for the same reason. In 2000, two observations drive the average total receipts for Democratic non-incumbents: Hillary Clinton who raised $41.2 million and Jon Corzine whose self-financed campaign generated over $60 million in total receipts. Without these two candidates, the average total receipts for Democratic non-incumbents drops to $3.2 million. Figures for receipts and spending come from candidate financial summaries filed with the FEC and are adjusted for inflation. As in previous chapters, all dollar figures are expressed in year 2000 dollars.

[Table 1 about here]

Independent Variables

The control variables from previous chapters covering Senate elections return in this chapter. These include the president's share of the vote in the previous election as a measure of state partisanship. Dummy variables for the year 2000 and 2006 measure the effects of national partisan tides such that all estimates are relative to Republicans in 2002. Including the year 2000 in the model essentially acts as a control variable for the Democratic Party, which as a whole consistently raises less money than the Republican Party. Including the year 2006 dummy variables allows for intuitive comparisons between the total fund-raising of Republican candidates under different political climates. The value of this coefficient will reflect a general shift in funding toward incumbents at the expense of challengers. State population figures from the U.S. Census Bureau control for the added cost of running a state-wide campaign as well as the larger pool of donors that senators from larger states can tap.

Levels of competition are controlled through either opponent spending (for incumbents) or through race ratings from *The Cook Political Report*. The ratings used here are issued in late May of 2002 and 2006 and in June of 2000. This data represents the strategic information available to the president before many decisions to raise money are made. As with House races, total fund-raising levels vary by early expectations. Figure 1 displays the average level of per capita fund-raising by competitiveness based the *Cook* seven-point scale. The categories have been modified from the original scale because in this case Democrats and Republicans of the president's party are combined. Instead of ranging from "Safe Democrat" to "Safe Republican," the categories in Figure 1 range from those rated as safe for the opposition party to safe for the president's party. This way, safe Democrats in 2000 occupy the same category as safe Republicans in 2002 and 2006 and so on. As expected, the more an incumbent is expected to be vulnerable or the more promising a non-incumbent are expected to be, the more money a candidate tends to raise per capita.

[Figure 1 about here]

Presidents who act as faithful agents of the party distribute fund-raising events based on a candidate's electoral outlook. Table 2 displays the distribution of events by category on the modified *Cook* scale. Almost every vulnerable incumbent along with most competitive non-incumbents received events. To control for the average fund-raising total associated with a particular level of competitiveness, the following OLS models either dichotomize the *Cook* scale or split the scale into three categories to account for high, medium or low levels of competition. Interacting these dummies with the presidential fund-raising event dummy will estimate the added benefit of an event given a certain level of competition.

[Table 2 about here]

Results and Discussion

Presidents Clinton and Bush brought a substantial amount of money for the Senate incumbents who they targeted with fund-raising events. Table 3 displays OLS estimates of the effects of fund-raising events on the total receipts of Senate incumbents. Among the control variables in Equation 1.1, incumbents in 2002 did not raise substantially more than Democratic incumbents in 2000, all else equal. At the same time, incumbents two years later raised an average of $1.36 million more than those in 2002. Democratic challengers were more competitive in 2006, aided in part by a well financed Democratic Senatorial Campaign Committee that out-raised the National Republican Senatorial Committee that year. As expected, challenger spending is positive and highly significant as well. Controlling for these factors, presidential fund-raising events increase total funds raised by $1.37 million. By comparison, the average take at Clinton and Bush's events generated $770,000 per candidate. Even though strategic donors know which incumbent senators are vulnerable, presidents still manage to boost the bottom line of their targets in excess of what is raised at the actual event. In this case, targeted incumbents average more than a half million dollars more in total receipts than what events actually give. These results suggest that signaling effects occur not only because the president's actions communicate information, but also because the president can rally donors to specific candidates.

[Table 3 about here]

It is possible that these coefficients are overestimates due to the president selecting the most vulnerable incumbents. The analysis of House elections used dummy variables to account for the average level of funding associated with a candidate's level of competitiveness and then use interaction terms to estimate the added benefit of presidential intervention. The same empirical strategy is difficult in this context, however. In the case of the House, there were many vulnerable incumbents engaged in races rated as "toss-up" or "lean" by *The Cook Political Report*. Some of these candidates received presidential fund-raising events but the majority did not. As a result, interaction terms could find the added marginal benefit of a fund-raising event relative to other candidates facing the same level of competition. Table 2 shows that in the Senate context 7 of 8 incumbents rated in "toss-up" races as of May or June received at least one fund-raising event, Lincoln Chaffee being the lone exception in 2006. Every candidate in races rated as "lean" for the presidents' party received an event, as well as 4 of 5 incumbents in races that were "likely" to go for the presidents' party. This pattern reflects both the interest presidents placed in a Senate majority and the relatively small number of senators up for reelection. A dummy variable accounting for a level of competition is virtually identical to an interacted dummy between competition and a presidential visit. Consequently, it is difficult to find an added benefit of an event given a level of competition when almost all candidates of that type received an event.

Even if interaction terms between the presidential fund-raising event dummy and categories from *The Cook Political Report* are unrevealing, it is possible that events were more lucrative for vulnerable incumbents than for safe incumbents. Clinton's efforts to pay back others or Bush's efforts to build relationships are may be less likely to mobilize donors or create a lasting signaling effect than events for vulnerable incumbents might create. Equation 1.2 estimates the added effect of events administered for vulnerable incumbents relative to safe ones by interacting events with "lean or toss-up" dummy. This category corresponds to incumbents with the worst reelection expectations as of the late spring. According to Equation 1.2, the estimated marginal effect of being a Clinton or Bush fund-raising target remains $1.36 million. Vulnerable incumbents who received events did not benefit more financially than safe incumbents who received events. President Clinton's and Bush's fund-raising efforts benefited incumbents equally regardless of early expectations. Moreover, the financial effect was the same if the president was following a seat maximizing strategy or pursing personal goals.

The financial benefit to non-incumbents, on the other hand, varies by competitiveness and the ability of the candidate to raise funds on their own. Perhaps more than any other group, the incentives of both Presidents Clinton and Bush were most aligned with Senate challengers and candidates for open seats. Helping these candidates win were key components to either achieving or maintaining a majority. As a result of their efforts, fund-raising events generated a significant amount of resources to the non-incumbents who needed them the most. Table 4 presents two OLS models that estimate the effects of presidential fund-raising on the total receipts of non-incumbent Senate candidates. In both of these models, competitiveness is the dominant predictor of a candidate's total fund-raising. Even state population does not significantly affect the allocation of resources. Rather, non-incumbents cannot raise money unless donors perceive that they have a chance of winning. Not surprisingly, all but two of the twenty-one targeted candidates were in races rated as “lean” for one party or another or as a “toss-up” race as of late May.[1] When expectations from late spring are controlled for, as in Equation 1.3, the marginal effect of a presidential event is statistically insignificant. Although a total of 19 competitive non-incumbents received events, 12 similarly competitive candidates did not. Equation 1.4 adds an interaction term between competitiveness and a presidential fund-raising event. If this coefficient were positive and significant, it would suggest that promising non-incumbents who received events ended with more funds than promising non-incumbents who did not. However, according to Equation 1.4, this coefficient is statistically insignificant.

[Table 4 about here]

On its face, these results suggest that the president had little effect on the finances of non-incumbents. However, the candidates who the presidents targeted were not only among the most competitive, but are also among those who needed the most aid from outside donors. Helping Senate challengers and open seat candidates was important to both Clinton and Bush’s objectives; yet, in total, 12

[1] The two challengers in states rated as “likely” for the opposition that received fund-raising events were for Doug Forrester (NJ) and Suzanne Terrell (LA). Terrell’s event came after she forced a run-off election against incumbent Mary Landrieu.

competitive candidates did not receive a fund-raising event. A part of the reason was that some candidates did not need the help. For example, Clinton avoided raising money for candidates such as Jon Corzine, Mark Dayton, Maria Cantwell and others with extraordinarily deep pockets. Presidents Clinton and Bush also avoided candidates such as Ben Nelson and Lamar Alexander who were former governors and already well known to voters, donors and activists in their states. It is possible that presidents avoid raising funds for candidates who can finance themselves and strategically mobilize donors where their abilities to raise funds can do the most good. In sum, 41 on the 59 non-incumbents during this period contributed or loaned money to their own campaigns while 18 did not finance their own campaigns. According to Table 5, Presidents Clinton and Bush held events for a greater proportion of the latter category. Although 10 events, which is almost half of all presidential fund-raising events for non-incumbents, went toward candidates that contributed to their own campaigns, this represents only a quarter of such candidates. On the other hand, 61% of non-incumbents who did not engage in self-financing received fund-raising events. The difference between these proportions is statistically significant.

[Table 5 about here]

Presidential effort has a significant effect on the total finances of non-incumbents after accounting for self-financing. Equation 1.5 employs one solution to control for self-financing in the form of a dummy variable indicating that a candidate contributed or loaned money to his or her own campaign. Equation 1.5 also contains a second modification. Specifically, observations are sorted into three categories of expected competitiveness, instead of only two, based on the modified scale from *The Cook Political Report* (see Table 6). Candidates in races rated as "toss-up" or "leans for the president's party" are non-incumbents with the highest expected vote share. The second category is candidates in races rated as "lean" or "likely" for the opposition party who are not expected to do as well; finally, the estimated coefficients for these dummy variables are relative to fund-raising estimates of non-incumbents in races that are safe for the opposition party. As with previous models, these dummy variables are interacted with the presidential event dummy. According to Equation 1.5, neither the control variable for self-financing nor the interaction terms are statistically significant. Rather, the higher early expectations of success are, the more money candidates raise, all else equal. However, presidents do not avoid candidates simply because they contributed or loaned money to themselves, but because their level of self-financing exceeds a certain threshold such that a fund-raising event is unnecessary. Many non-incumbents contribute to their campaigns, and doing so may be vital to fledgling candidacies or to maintain competitiveness. At a certain level of self-financing, however, rallying private donors is not as needed. Consider that the median level of self-financing is $32,000 while the mean is $2.2 million. Clearly, a select few challengers drive up the average level of self-financing, and these are the competitive candidates that presidents tend to avoid. Of the 10 self-financing non-incumbents that received events, all but two contributed or loaned less than $2.2 million to their own campaigns.

[Table 6 about here]

A second solution is to create a new dependent variable by subtracting total self-financing from total receipts. Equation 1.6 estimates the effects of presidential fund-raising events on receipts on sources other than self-contributions or self-loans. One difference from previous estimates of receipts is that state population is a significant control variable. Clearly, there are more opportunities to raise funds in states with a larger donor pool. With these control variables, money from outside donors flows towards candidates who are the most likely to win. Candidates with highest expectations raise an estimated $3.8 million more than non-competitive candidates. Those that Clinton or Bush targeted raised an additional $3.4 million. Similarly, candidates in races rated as “lean” or “likely” for the opposition raise $1.6 million more, all else equal, with those receiving events raising an additional $2.1 million in receipts.   These estimates seem quite high considering the average component of total fund-raising actually raised at events is $1.3 million for non-incumbents. It is unclear if this difference can be attributed to a signaling effect considering how much larger it seems to be than effects for incumbents or for candidates in House races. However, considering the expense of Senate races and the importance of winning each seat, it certainly plausible that donors continue to contribute at this level after the president holds an event.

These results show that presidents can shift the allocation of resources to non-incumbents who need the most help. Among the most promising non-incumbents, the estimated $3.4 million for presidential targets is relative to other competitive candidates, many of which engaged in self financing. This result suggests that although self-financing may keep a non-incumbent competitive, it does not necessarily attract more donations from other individuals or organizations—which is a situation that leads to more self-financing. Although both self-financing and presidential fund-raising events increase total receipts, the two activities send different cues to others about the campaign. Loaning or contributing to one's own campaign can be interpreted, at worst, as an act of desperation and does not necessarily inspire others to invest in a campaign. On the other hand, presidential intervention energizes donors who can in turn generate more cash or mobilize activists who can help the campaign in a variety of ways. Furthermore, partisan parity in the Senate causes the president's incentives to closely align with those of the party in the Senate. Combined with the expense of running a Senate campaign, it is not surprise that the financial benefit of presidential fund-raising events is so much larger for non-incumbents in the Senate compared to the House.

President Bush's Party Building Strategy

Presidents not only help the financial health of their co-partisans through individual fund-raising events, but by also raising money for the party's national, congressional and senatorial campaign committees. President Bush in particular saw a Republican majority in Congress to be critical to his legislative agenda. Rather than pursuing policy objectives through consensus, Bush sought policy goals through a strong partisan majority. And as a result, Bush used the presidency to build the Republican Party through the recruitment of candidates, mobilization of the party's base, and raising funds for the party's campaign institutions (Milkis and Rhodes 2007). President Bush raised considerable amounts of money for the Republican National Committee and the two Republican congressional campaign committees. According to Mark Knoller's data, President Bush raised about $57 million for the RNC and $60 million for the NRCC and NRSC in 2002. By comparison, President Clinton's efforts in 2000 yielded $77 million for the DNC, but only about $27 million for the DCCC and DSCC combined. Considering that Republican money in 2002 did not have to be divided between presidential and congressional contests, Bush's ability to raise money for the party was a great asset to Republican congressional candidates. In 2002, Bush's overall strategy of using the presidency to build the party meant paying particular attention on retaking the Senate. As a consequence to this strategy, Republican Senate candidates—particularly non-incumbents, benefited greatly from resources provided by the party. These resources included money, advertising or services such as additional staff and research. Taken together, a component of each candidate's total receipts were substantial amounts of receipts from the party. For the purposes of the following analysis, "receipts from the party" is defined as the sum of major party contributions[2], independent expenditures made by Democratic or Republican Party

[2] According to the FEC, this value "represents contributions of monies o r in-kind contributions of

committees in support of a candidate and independent expenditures from these committees to advocate the defeat of a candidate's opponent. Each of these variables is taken from candidate summary files from the Federal Election Commission.

If Bush made a concerted effort to strengthen party institutions, then Bush's co-partisans should receive more receipts from party sources than Democrats under Clinton who made a concerted effort to raise money for individuals. Specifically, a hypothesis can be tested stating that Bush's 2002 Republican Senate candidates received more receipts from the party than Clinton's Democratic Senate candidates in 2000. The null-hypothesis is that Democrats under the Clinton presidency received on average the same amount to receipts from the Democratic Party as Republican candidates from their party under the Bush presidency. This hypothesis test is less about the relative funding of Democrats versus Republicans and more about testing the strength of party institutions under different presidential strategies. For example, in 2002 Bush was more concerned with building a Senate majority with a focus on non-incumbents, thus non-incumbent Republicans under Bush should benefit more from party money than non-incumbent Democrats under Clinton. The null-hypothesis should hold when comparing Democratic and Republican incumbents but should be rejected when comparing non-incumbents. Table 7 reports the results of t-test examining the difference in mean party receipts between Bush's co-partisans in 2002 and Clinton's co-partisans in 2000. On average, Democratic incumbents in 2000 received more from their party than

services, goods or property to the campaign."

Republican incumbents in 2002, although this difference in means is not statistically significant. However, Bush's focus was not on incumbents. As Milkis and Rhodes (2007) argues, Bush saw his best chance of leading Congress to be retaking control of the Senate, and as a result, Republican non-incumbent candidates averaged $400,000 more in party receipts under Bush in 2002 than Clinton's Democratic non-incumbents in 2000. The null-hypothesis can be rejected at the 95% level for non-incumbents. As expected, Bush's strategy of strengthening the party's institutions resulted in better financing for those Senate candidates that could take seats away from Democrats.

[Table 7 about here]

Bush's strategy linked the presidency and the party institutions responsible of financing Senate campaigns. As a result, the distribution of receipts from the party flowed efficiently to non-incumbents. Examining only Republican candidates in 2002 again shows how the distribution of party money and services mirrored President Bush's party building strategy. Table 8A reports the mean level of receipts from the Republican Party to incumbents and non-incumbents. In 2002, Republican non-incumbents averaged $400,000 more receipts from the party either through services or advocacy than their incumbent counterparts. Using a t-test, the hypothesis that non-incumbents should receive a higher level of funding from the party on average than incumbents cannot be rejected at the 95% level. While the president helped raise large sums of money for the party institutions, the distributions of these funds do not suggest that the party over-invested in safe incumbents as could happen in a decentralized party system.

[Table 8 about here]

This efficient allocation of party resources is likely due to President Bush centralizing the party fund-raising apparatus. Naturally, the decentralized nature of party institutions causes an overinvestment in safe incumbents at the expense of promising challengers (Jacobson 1993). Incumbents would be nervous about their own reelection chances or wish to leverage their positions as heads of campaign committees to further their own career goals. However, in 2002 President Bush's strategy nationalized the midterm elections by linking a Republican majority to the success of his presidency. Using his popularity and a positive national partisan tide as leverage, the Republican campaign committees distributed funds towards Senate challengers and candidates for open seats. However, President Bush's strategy has limits. Mainly, President Bush's dominance in building the party made his Republican majorities especially vulnerable to national partisan tides. In 2002, Bush's popularity helped his party achieve a majority in the Senate and increased numbers in the House in part because congressional incumbents were less nervous about their reelection chances and more than willing to campaign on their president's record. However, his unpopularity in 2006 caused problems for Republican candidates now wishing to distance themselves from the president. Despite Bush's efforts to use the presidency to control the party, the unwillingness of congressional incumbents to run on the president's record caused natural inefficiencies to return. Table 8B compares the difference in the mean level of funding from the Republican Party between incumbents and non-incumbent candidates in 2006. As expected, incumbents averaged a substantial $1.6 million from party sources in the face of negative partisan tides. While the difference between incumbent and non-incumbent funding from the party is not statistically significant, these results contrast sharply with the distribution of funds in 2002 when party resources clearly benefited non-incumbents.

To further illustrate how national partisan tides exposed the strengths and weaknesses of President Bush's party building strategy, Table 9A, 9B and 9C compares the distribution of party resources between Republicans and Democrats for each year in this analysis. T-tests can be used to test the hypothesis that positive partisan tides lead to more resources from the party for non-incumbents, and that the party suffering from negative partisan tides should show a higher average level of party funding for incumbents. The null-hypothesis for each test in Table 9 is that the difference in the mean level of funding between the Democratic Party and Republican Party is statistically insignificant for each year. As expected the null-hypothesis cannot be rejected for either incumbents or non-incumbents in the year 2000 (see Table 9A). Since President Clinton's strategy focused more on individuals rather than strengthening party institutions, Democrats did not average more funding from the party than Republicans. While Republicans are known to raise more money than Democrats, all else equal, Republican advantages in party funding, particularly for non-incumbents are not statistically significant either. The lack of a partisan difference complicates a competing explanation for the results reported in Table 7. Specifically, the difference in means observed between the Clinton and Bush regimes is not necessarily driven by the regular tendency of Republicans to out raise Democrats, since the average value of party receipts for Republicans in 2000 is not higher than for Democrats in 2000. Rather, the difference seen in Table 7 is likely due to the differences in strategies between the two presidents.

[Tables 9A, 9B and 9C about here]

The affects of national partisan tides on the distribution of party resources is evident in 2002 and 2006. While the political environment favored Republicans in 2002, there is no statistical difference between the average amount of receipts from the party between Democratic and Republican incumbents (Table 9B). However, with President Bush focused on winning control of the Senate, non-incumbent Republican candidates averaged $460,000 more from the Republican party than Democratic candidate's received from the Democratic Party. As expected, the null-hypothesis that these mean values are equal can easily be rejected at the 95% level. Bush's strategy combined with national partisan tides funneled a large quantity of resources to challengers and candidates for open seats. Thus, while Bush's choice of targets for individual fund-raising events is not as comprehensive as it could have been given his goal, non-incumbent Republicans benefited from President Bush's overall party building effort. President Bush attempted to influence Senate elections by organizing partisan institutions and turning out the Republican base to a greater extent than his predecessors (Milkis and Rhodes 2007). These scholars argue that these efforts herald a “new party system” in which presidential leadership creates congressional elections dominated by national issues. As evidence, they argue that the 2006 midterms show that President Bush galvanized Democratic party-building efforts in a way similar to Republican efforts that victories in Republican 2002 and 2004. Thus, Democrats used a favorable political climate and the president as a focal point for their own fund-raising efforts. Not surprisingly, facing negative partisan tides, Republican incumbents averaged $1.4 million more in party receipts than Democratic incumbents in 2006 (Table 9C). However, the null-hypothesis that these means are equal cannot be rejected at the 95% level, although it can at the 90% level. By contrast, Democratic non-incumbent candidates in 2006 averaged $1.6 million more in funding from the party than Republican non-incumbents, which is a statistically significant difference. Bush’s efforts to link his presidency to the party led to his party losing control of Congress once partisan tides turned against him. While this suggests a weakness in the president’s ability to influence congressional elections by building the party in this matter, Milkis and Rhodes argue that this midterm does not disprove their theory as national issues still enabled the Democrats to expand their party.

The Effect of Presidential Fund-Raising Activities on Vote Share

While presidents can generate resources for candidates directly or by strengthening party institutions, the ultimate goal is to influence the outcome of the election. Scholarship analyzing the effects of candidate spending on the vote in Senate elections has mirrored studies of candidate spending on House elections, while accounting for a few institutional differences. Several studies have confirmed the central finding of spending in House elections, namely that incumbent spending has little to no positive effect on the incumbent's vote but non-incumbent spending strongly effects the share of the vote of non-incumbents (Jacobson 1985; Abramowitz 1991). Jacobson (1985) confirms this through an extension of an OLS model of House elections applied to Senate elections. Abramowitz (1991) creates an aggregate model of Senate outcomes using candidate characteristics, state characteristics and national partisan tides. However, both studies replicate patterns of spending and the vote typically found using ordinary least-squares regressions in the House context. Skeptical of the prospect that incumbent spending does not increase vote share, other studies have searched for a positive association between the two. Grier (1989) uses an OLS model to find that incumbent spending does in fact have a positive effect on vote share by using a quadratic functional form to model spending rather than a traditional logged form. Aware of the simultaneity problem between money and votes, Gerber (1998) employs a two-stage least squares model and also finds that incumbent spending helps the incumbent's chances at the polls. In this case, Gerber uses several instruments, including a candidate's initial wealth, in his model. However, no consensus about the use of an instrumental variable approach has been made, nor has the approach disproved the intuitive result that incumbents spend money when they are in electoral trouble while non-incumbents gain support through spending.

This section extends standard OLS models to include presidential fund-raising events since events act as another resource that increases a candidate's total funds. By keeping Senate candidates competitive, the president's ultimate goal is to influence the outcome of the election. However, finding an effect of presidential fund-raising on the vote of Senate candidates is difficult to find using OLS models. First, the same problems of selection bias occur, perhaps to a greater degree than for House candidates. After all, the president behaved more so as a faithful agent of the party, targeting virtually all vulnerable incumbents and most of the promising non-incumbents. Second, because of self-financing, competitive non-incumbents who the president targeted did not raise significantly more money than competitive non-incumbents who were not targeted with an event. As a result, the president's targets may not do significantly better at the polls than other candidates who face a similar level of competition. However, if a presidential fund-raising event is more than an additional source of funds, then the president's targets might actually do better despite having the same total funds as other candidates. After all, many fund-raising events occur close to the election and generate buzz among the media and voters in a way that contributing to one's campaign cannot do. As a result, even though the president's targets among competitive challengers may end with a similar level of funding as others, they may end with a higher share of the vote.

Research Design and Methods

The main dependent variable in this section is the share of the vote of a candidate of the president's party in the 2000, 2002 and 2006 general elections.

Table 10 tracks the average share of the vote for incumbents and non-incumbents across these elections. The relative size of the vote share correlates with changes in national partisan tides. Republican incumbent and non-incumbent Senate candidates enjoyed a largest average share in this set of observations when the national political climate favored their party. Republicans on average did worse in 2006 when tides were against them. National partisan tides affects vote share through changes in initial expectations about the vulnerability of incumbents, the number of quality candidates who strategically decide to run or not run, levels of opponent spending by the opposition party and the distribution of presidential fund-raising events. The vote share variable is constructed through information provided in each candidate's financial summary file from the FEC.

[Table 10 about here]

Several control variables require a log transformation to reflect diminishing returns on the vote. Along with traditional log transformations of spending, state population also affects the vote in a manner that is not linear. States with larger populations likely reduce the vote share of incumbent candidates, all else equal. This occurs because larger populations reduce the partisanship of an electorate, increase its ideological diversity while making it difficult for incumbents to develop personal relationships with constituents (Abramowitz 1991). However, the negative effects of large populations likely diminish as population increases. To reflect this, the following equations use the natural log of state population, consistent with Abramowitz (1991).

Results and Discussion

As expected, OLS models show that Senate incumbents who presidents target perform significantly worse than those that do not when controlling for competitiveness. Table 11 presents two OLS estimates of incumbent's vote share. Equation 1.7 controls for partisanship, population, spending and national partisan tides. With this specification, only opponent spending is statistically significant. Incumbents who receive presidential fund-raising events do no better or worse than incumbents who do not. Like the analysis of total receipts, almost all vulnerable incumbents received at least one event. As a result, it is difficult to estimate the effect of the president's efforts given a certain level of competitiveness. However, both Clinton and Bush raised money for several safe Senate incumbents, and the effect of fund-raising could be different depending on how candidates are expected to perform. Equation 1.8 includes and interaction term between the presidential fund-raising event dummy and those incumbents engaged in competitive races. Recall that according to Equation 1.2, presidential fund-raising events equally increased the total receipts incumbents whether the president was motivated to maximize seats or for personal reasons. Yet, safe incumbents do no better or worse at the polls than other safe incumbents while vulnerable incumbents perform an average of 8.6% worse, all else equal. Clearly, the president's selection of the most vulnerable incumbents results in a large negative coefficient. Essentially, the interaction term measures the negative effects of poor early expectations even after controlling for opponent spending and national partisan tides.

[Table 11 about here]

For non-incumbent Senate candidates, however, OLS models show that presidential fund-raising events have a positive impact on a candidate's share of the vote. The control variables in Equation 1.9 perform as expected (see Table 12). Non-incumbent candidates gain votes as candidate spending increases. Moreover, the negative partisan tides of 2006 cost Republican non-incumbents 7.2% of the vote on average. Controlling for these factors as well as early expectations, non-incumbents who receive at least one event increase perform 4.5% better than other non-incumbents. This increase comes despite estimates suggesting that targeted non-incumbents raise the same amount in total receipts as other competitive challengers. Since this coefficient is significant even when controlling for spending, it suggest that presidential intervention generates support that other methods of fund-raising do not. Along with media attention and the mobilization of party activists, it is also possible that this coefficient picks up the effects of direct voter rallies that presidents make on behalf of candidates that can take place at about the same time as fund-raising events. All competitive non-incumbents could benefit from a voter rally, not just those receiving presidential fund-raising events. It is unlikely that presidents avoid mobilizing voters for competitive Senate candidates that can finance their own campaigns. Thus, this positive coefficient could be the result of campaign activities independent of a fund-raising event.

On the other hand, this coefficient may be picking up the effects of money for non-incumbents who need to overcome advantages of incumbency, in which case, fund-raising events do have positive consequences. The “lean or toss-up” dummy controls for both non-incumbents in races that lean for the president’s party as well as those that lean for the opposition party. Considering these ratings are issued in the late spring, it is possible that non-incumbents in races that lean for the opposition party have more votes to gain from spending than those in states whose electorates already lean for the president’s party. For example, a Republican challenger facing a weak Democratic incumbent can use spending to gain the support of independents, soft partisans and undecided voters. However, after a certain level of support has been achieved a challenger can only gain votes by siphoning voters who would otherwise be committed to the incumbent. These voters are difficult to win over even at high levels of spending. The most promising non-incumbents early in the election season are likely closer to this ceiling than viable non-incumbents with lesser expectations. Because of this, non-incumbents with lesser expectations likely gain more votes from fund-raising than non-incumbents with the highest expectations. To test this possibility, Equation 1.10 splits *The Cook Political Report* ratings in to three categories: non-competitive challengers, those in states that are likely or lean to the opposition, and those that are in toss-up races or lean towards the president’s party. As in models of total receipts, these divisions roughly correspond to low, medium, and high levels of competitiveness early in the election.

[Table 12 about here]

Interacting these dummy variables with the fund-raising event dummy shows that competitive challengers in races that lean to the opposition party see greater marginal returns from these events. Equation 1.10 estimates that challengers who have the highest early expectations earn almost a 12% higher share of the vote than non-competitive candidates. Among this group, those who receive presidential fund-raising events do not perform better. This finding makes sense considering that targeted challengers do not raise more money on average than non-targeted challengers at this level of competitiveness, partly due to self-financing. Competitive challengers who are nevertheless rated in races that lean to the opposition party perform about 4% better than non-competitive challengers. In this case, a presidential fund-raising event provides an additional 5.3% of the vote, all else equal. Considering these effects are significant when spending is controlled for, it suggests that presidents can mobilize voters indirectly through fund-raising events. For example, money generated from the event and signaling effects can go towards advertising other activities designed to mobilize voters.

The president's effect on the vote should not be overstated, however. These candidates may represent viable non-incumbents, but they also run in races where the opposition has an advantage. Indeed, if the 5.3% estimate is accurate, then only one candidate won his race due to presidential intervention—Saxby Chambliss of Georgia in 2002. Moreover, other candidates may have won if the president had intervened. Just as in the House context, competitive non-incumbents with worse initial expectations may benefit the most from presidential fund-raising activities at the polls, but it is the non-incumbents with the best expectations that benefit the most financially from events. This is because donors are more likely to contribute to non-incumbents who have the best chance of winning. As faithful agents of the party, presidents are also more likely to raise funds for candidates with higher expectations of success. Such a strategy is more likely to help the party maximize seats than a strategy based on trying to unseat safer incumbents of the opposition party.

Conclusion

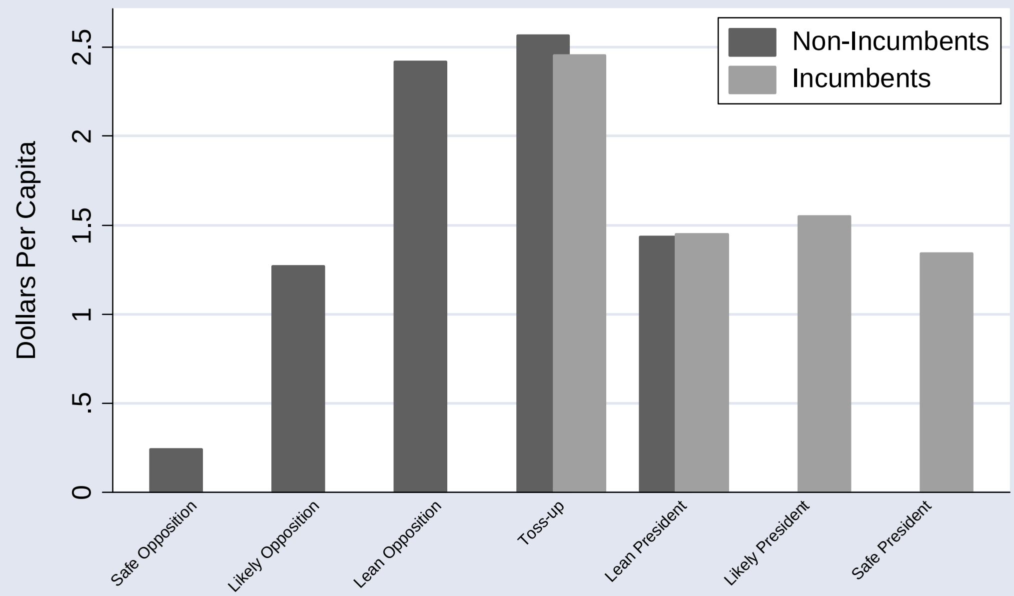
In general, the president's distribution of fund-raising events was more consistent with a seat-maximizing strategy for the Senate than it was for House. In the House context, the president's performance as an agent of the party was limited because of a misalignment of incentives, especially for President Bush who focused his attention elsewhere in 2002. In the Senate context, however, the small number of elections allowed both Clinton and Bush to comprehensively target needy candidates while still raising money to pursue other objectives. It is difficult to assess whether a greater alignment of incentives between the president and the party in the Senate led to a better outcome for the Senate than in the House. After all, Senate campaigns raise more money while outcomes tend to be closer than House elections regardless of how the president behaves. Nevertheless, the strategic behavior of Presidents Clinton and Bush had positive consequences for their party in the Senate and the candidates they targeted. Incumbents who receive presidential fund-raising events increase their total fund-raising compared to other incumbents. Among non-incumbents, however, the distribution of fund-raising events helps the party funnel resources to candidates that need them the most. When controlling for self-financing, the financial benefits of a fund-raising event increase as expectations about success increase and at greater levels than for Senate incumbents or House candidates. This analysis also shows the result of President Bush's party building strategy and the effects of national partisan tides. As Bush sought to achieve policy goals through linking the success of his presidency with the success of his party, Bush enabled Republicans to win control of the Senate in 2002. That year, the component of a candidate's total income from the party is efficiently distributed between incumbents and non-incumbents. However, negative partisan tides expose the limits of Bush's strategy and the limits of presidential fund-raising in general. In 2006, the link between the presidency and the party in Congress hurt the chances of Republicans and led to a less efficient distribution or resources between incumbents and non-incumbents.

Finally, presidential fund-raising events have a degree of influence over the vote. Just as in the House, the link between a presidential fund-raising event and vote share is not straightforward. Certainly, candidates can treat the money generated from events as any other resource and invest in areas that mobilize voters. Accordingly, these results are consistent with other empirical findings of how increases in income affect performance at the polls. Events appear not to help incumbents but have a positive impact for non-incumbents. The positive effects for non-incumbents appear even when controlling for spending, suggesting that presidents benefit candidates in more ways than just adding funds. The presence of the president increases exposure of candidates to constituents and can drum up support among activists who can in turn help a campaign. It is also possible that a positive coefficient may be biased or reflects other activities such as the effect of campaign rallies that sometimes accompany fund-raising events. However, when examining the effect of events on different levels of competitiveness, non-incumbents with most votes to gain from spending see the largest benefit from the added income that events provide.

Appendix D

Table 5.1: Average Receipts for Senate Candidates of the President's Party

	2000 Democrats	2002 Republicans	2006 Republicans
Incumbents	3,980,000	3,230,000	7,340,000
Non-Incumbents	7,860,000	5,240,000	4,580,000



Note: Race ratings from The Cook Political Report: June, 2000 May 28, 2002 and May 19 2006

Figure 5.1:

Per Capita Spending by Competitiveness
Senate Candidates, 2000 Democrats, 2002 & 2006 Republicans

Table 5.2: Frequency of Presidential Fund-Raising Events By Level of Competitiveness: Senate Candidates 2000, 2002 2006

	Incumbents			Non-Incumbents		
	No Event	Event	Total	No Event	Event	Total
Safe for Opposition Party	0	0	0	22	0	22
Likely for Opposition Party	0	0	0	4	2	6
Lean for Opposition Party	0	0	0	7	6	13
Toss-up	1	7	8	3	11	14
Lean for President's Party	0	1	1	2	2	4
Likely for President's Party	1	4	5	0	0	0
Safe for President's Party	20	6	26	0	0	0
Total	22	18	40	38	21	59

Table 5.3: Effects of Presidential Fund-Raising Events on Total Receipts, Senate Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.1		Equation 1.2	
State-wide Presidential Vote	37.8		27.1	
(previous election)	(36.1)		(.030)	
State Population (100,000s)	14.5	***	15.0	***
	(4.6)		(.047)	
Year 2000	-31.3		-264	
	(893)		(899)	
Year 2006	1,363	**	1,184	**
	(697)		(707)	
Opponent Spending ($100,000s)	70.6	***	78.7	***
	(08.9)		(10.5)	
Presidential Fund-Raising Event	1,371	***	1,368	***
	(627)		(671)	
Presidential Fund-Raising Event *			-946	
Lean or Toss-up			(955)	
Constant	-576		-80.0	
	(1,529)		(1,533)	
N	40		40	
R^2	.867		.865	

***p<.10 ***p<.05 All Dollar Figures in $1000s*

Table 5.4: Effects of Presidential Fund-Raising Events on Total Receipts, Senate Non-Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.3		Equation 1.4	
State-wide Presidential Vote	5.70		6.35	
(previous election)	(57.1)		(58.1)	
State Population (100,000s)	8.24		9.28	
	(6.59)		(6.38)	
Open Seat	1,243		1,319	
	(1,153)		(1,178)	
Year 2000	-697		-1,022	
	(1,125)		(1,117)	
Year 2006	819		363	
	(1,167)		(1,144)	
Lean or Toss-up	3,799	***	4,238	***
	(1,147)		(1,298)	
Presidential Fund-Raising Event	1,651			
	(1,196)			
Presidential Fund-Raising Event *			636	
Lean or Toss-up			(1,331)	
Constant	741		1,046	
	(3,026)		(3,070)	
N	57		57	
R^2	.466		.448	

***p<.10 ***p<.05 All Dollar Figures in $1000s*

Table 5.5: Presidential Fund-Raising for Self-Financed Non-Incumbents, Senate: 2000, 2002, 2006

Variable	Percent Helped by President	Number of Cases	*p*-value of Difference
Candidate Contributed and/or Loaned Money to Own Campaign	24.39	10 of 41	
No Self-Financing	61.11	11 of 18	.007

Table 5.6: Effects of Presidential Fund-Raising Events on Total Receipts vs. Receipts minus Self-Financing, Senate Non-Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.5 (Total Receipts)		Equation 1.6 (Total Receipts minus Self Financing)†	
Self Financing Dummy†	518			
	(923)			
State-wide Presidential Vote	15.3		12.4	
(previous election)	(46.7)		(37.4)	
State Population (100,000s)	9.29		9.01	***
	(5.63)		(4.32)	
Open Seat	-81.8		-17.5	
	(1,077)		(815)	
Year 2000	-942		-1,081	
	(965)		(735)	
Year 2006	950		536	
	(1,014)		(775)	
Toss-up or Lean for President's	7,406	***	3,804	***
Party	(1,771)		(1,259)	
Lean or Likely for Opposition	5,214	***	1,692	***
Party	(1,055)		(811)	
Toss-up or Lean * Presidential	616		3,463	***
Fund-Raising Event	(1,648)		(1,191)	
Presidential Fund-Raising Event	-1,669		2,102	***
	(1,344)		(1,030)	
Constant	-1,245		-476	
	(2,825)		(1,984)	
N	57		58	
R^2	.633		.686	

***p<.10 ***p<.05 All Dollar Figures in $1000s*

† Self-Financing includes the total contributions and/or loans a candidate made to his or her own campaign.

Table 5.7: Mean Receipts from Party Sources: Clinton vs. Bush

Table 5.7A: 2000 Democratic Incumbents vs. 2002 Republican Incumbents

	N	Mean	95% Confidence Interval
Democratic Incumbents (2000)	11	257 (129)	-31-545
Republican Incumbents (2002)	15	126 (55)	81-243
Difference		181 (63)	-171-434

Table 5.7B: 2000 Democratic Non-Incumbents vs. 2002 Republican Non-Incumbents

	N	Mean	95% Confidence Interval
Democratic Non-Incumbents (2000)	22	127 (84)	-47-302
Republican Non-Incumbents (2002)	18	544 (134)	262-826
Difference		417 (158)	94-740

Two-Sample t-tests, all Values in $1000's

Table 5.8: Average Receipts from Party Sources: Bush Incumbents vs. Non-Incumbents, 2002 and 2006

Table 5.8A: 2002 Incumbents vs. Non-Incumbents

	N	Mean	95% Confidence Interval
Incumbents	15	126 (55)	81-243
Non-Incumbents	18	544 (139)	262-826
Difference		418 (145)	119-718

Table 5.8B: 2006 Incumbents vs. Non-Incumbents

	N	Mean	95% Confidence Interval
Incumbents	14	1,614 (733)	30-3,199
Non-Incumbents	19	684 (339)	-27-1,396
Difference		930 (987)	-763-2,624

Two-Sample t-tests, all Values in $1000's

Table 5.9A: Average Receipts from Party Sources: Incumbents vs. Non-Incumbents, 2000

2000 Incumbents

	N	Mean	95% Confidence Interval
Democratic	11	257	-31-545
		(129)	
Republican	18	237	44-430
		(91)	
Difference		21	-310-351
		(16)	

2000 Non-Incumbents

	N	Mean	95% Confidence Interval
Democratic	22	127	-47-302
		(839)	
Republican	16	467	-19-954
		(228)	
Difference		340	-169-849
		(243)	

Two-sample t-tests, all Values in $1000's

Table 5.9B: Average Receipts from Party Sources: Incumbents vs. Non-Incumbents, 2002

2002 Incumbents

	N	Mean	95% Confidence Interval
Democratic	12	75	-1-152
		(35)	
Republican	15	126	8-243
		(55)	
Difference		50	-84-185
		(65)	

2002 Non-Incumbents

	N	Mean	95% Confidence Interval
Democratic	20	79	23-134
		(27)	
Republican	18	544	261-826
		(134)	
Difference		465	179-752
		(136)	

Two-sample t-tests, all Values in $1000's

Table 5.9C: Average Receipts from Party Sources: Incumbents vs. Non-Incumbents, 2006

Table 9C: 2006 Incumbents

	N	Mean	95% Confidence Interval
Democratic	14	138 (70)	-14-290
Republican	14	1,614 (733)	30-3,199
Difference		1,477 (737)	-112-3,065

2006 Non-Incumbents

	N	Mean	95% Confidence Interval
Democratic	18	2,377 (672)	959-3,796
Republican	19	684 (339)	-27-1,396
Difference		1,693 (753)	143-3.243

Two-sample t-tests, all Values in $1000’s

Table 5.10: Average Share of Vote for Senate Candidates of the President's Party

	2000 Democrats	2002 Republicans	2006 Republicans
Incumbents	65.6% (N=11)	71.1% (N=15)	59.8% (N=14)
Non-Incumbents	42.5% (N=22)	46.0% (N=18)	39.2% (N=19)

Table 5.11: Effects of Presidential Fund-Raising Events on Vote Share, Senate Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.7		Equation 1.8	
State-wide Presidential Vote	.030		.030	
(previous election)	(.140)		(.125)	
Natural Log of State Population	.687		.433	
	(1.46)		(1.31)	
Natural Log of Candidate	-4.91	**	-3.26	
Spending	(2.73)		(2.50)	
Natural Log of Opponent	-1.50	***	-1.51	***
Spending	(.291)		(.260)	
Year 2000	-2.87		-3.27	
	(3.41)		(3.06)	
Year 2006	-2.95		-2.88	
	(2.72)		(2.43)	
Presidential Fund-Raising Event	-2.71		.027	
	(2.49)		(2.41)	
Presidential Fund-Raising Event *			-8.63	***
Lean or Toss-up			(2.88)	
Constant	146	***	126	***
	(29.0)		(26.9)	
N	40		40	
R^2	.790		.837	

***p<.10 ***p<.05*

Table 12: Effects of Presidential Fund-Raising Events on Vote Share, Senate Non-Incumbents: 2000, 2002, 2006

Independent Variable	Equation 1.9		Equation 1.10	
State-wide Presidential Vote	-.018		-.027	
(previous election)	(.090)		(.089)	
Natural Log of State Population	1.13		1.20	
	(.731)		(.724)	
Natural Log of Candidate	1.21	***	.995	***
Spending	(.328)		(.358)	
Natural Log of Opponent	.225		.006	
Spending	(.374)		(.375)	
Open Seat	2.17	***	.019	
	(1.84)		(2.03)	
Year 2000	-2.22		-2.03	
	(1.77)		(1.75)	
Year 2006	-7.40	***	-6.06	***
	(1.87)		(1.88)	
Lean or Toss-up	5.97	***		
	(1.97)			
Presidential Fund-Raising Event	4.59	***	5.30	***
	(1.90)		(2.56)	
Toss-up or Lean for President's			11.94	***
Party			(3.34)	
Lean or Likely for Opposition			4.35	***
Party			(2.27)	
Toss-up or Lean * Presidential			2.40	
Fund-Raising Event			(2.74)	
Constant	.664		5.53	
	(10.24)		(10.10)	
N	59		58	
R^2	.786		.805	

***p<.10 ***p<.05*

Chapter6: Conclusion

This dissertation examines the role of the president when raising money for congressional candidates. To assess the president, this dissertation addresses two main questions: what is the strategy behind the president's choice of candidates for whom to raise money and what difference his strategy makes for candidates and for the party. These questions and the role of the president in general have been overlooked in studies of how resources are allocated in congressional campaigns. However, the president's campaign activities can substantially impact the fates of congressional co-partisans. At the same time, the president has finite resources and his actions must also serve his own priorities. This can lead to campaign activities that enhance or detract from the party's overall performance in congressional elections. Implicitly, a principal-agent relationship exists between the president and his co-partisans in Congress.

The limited literature on the subject has attempted to empirically address whether or not the president acts as a faithful agent of the party. When taken together, previous studies have produced mixed results. Studies of single House elections found that the president chooses fund-raising targets based on mixed objectives and has a limited effect on election outcomes (Jacobson Kernell and Lazarus 2004); others have found the president chooses targets based on electoral goals but has no effect on outcomes (Keele, Fogarty, and Stimson 2004). Still others find a presidential effect, but only after combining presidential fund-raising events and presidential campaign rallies (Herrson and Morris 2006). So far, no single study has examined multiple elections or included efforts for Senate candidates. Doing so adds context in examining the extent that the president acts as a faithful agent of the party. The president's strategy for pursing the collective welfare of the party depends on his popularity or national partisan tides, which affect the president's capacity to efficiently target candidates. It is also the case that the national political climate as well as institutional differences between the presidency, the House and Senate changes the alignment of interests between the president and the party. The primary contribution of this dissertation is, therefore, to explore the president's performance as a party agent as capacity and incentives, two conditions for successful delegation, vary.

Summary of Theory

The nature of the principal-agent relationship between the president and the party in Congress helps determine when the president behaves as a faithful agent of the party. The party's objective in congressional elections is to maximize the number of seats it controls without regard to the ideological positions or programmatic goals of its members. However, the decentralized nature of parties and of the campaign finance system creates an efficient allocation of resources where the party and donors over-invest in safe incumbents at the expense of promising non-incumbents. Delegating some fund-raising responsibility to the president provides one solution. After all, the president has an unparalleled ability to raise money and capture the attention of donors, the media, voters and other political actors. However, the president's activities must also serve his own interests. As leader of the party, the president has an incentive to maximize seats in Congress. But the institution of the presidency requires the president to pursue other interests such as legislative goals, electoral goals as well as goals to pay others back for past support, all of which can be advanced through presidential fund-raising events. It is in between these two forces: his incentives as party leader to aid the collective interests of the party and the motivations to serve his own institutional interests that allows the president to become a strategic actor in congressional campaigns.

Unlike other principal-agent relationships studied in political science, the principal in this case has no real control over the actions of the agent. The president's fate in office is not tied to the fate of his party in Congress and the candidate-centered electoral system allows the president to freely conduct fund-raising events on his own terms. As a result, the party cannot realistically impose controls on the president's behavior. Given this relationship, the president would behave most like a faithful agent of the party when his incentives and those of the party in the House or Senate align and when the president has the capacity to do the most good. Propositions can be made to predict under what circumstances interest alignment and capacity would be the strongest. These include:

- *The president will act more like a faithful agent early in the administration than later in the administration.*

- *The smaller a party's majority, the more likely the president acts as a faithful party agent.*
- *The president's choice of targets is more diverse in a positive political climate than in a negative climate.*

In many ways, a presidential fund-raising event affects a candidate as any increase in funding. However, presidential events may affect incumbents and non-incumbents differently because money has different affects on different types of candidates. Moreover, since donors are more uncertain about the chances of non-incumbents, a presidential endorsement can do more for these candidates to convince others that they are a worthy investment. For these reasons, propositions can be made to predict the consequences of fund-raising events. These include:

- *Presidential fund-raising events benefit non-incumbents more than incumbents, both in boosting income and at the polls.*

Summary of Data and Methods

Data on the fund-raising activities of Presidents Clinton and Bush come from Mark Knoller of CBS News. Knoller traveled with the president during the 2000, 2002 and 2006 elections and recorded an itinerary detailing where, when and for whom each event was held and how much money each event raised. In addition, data on candidate spending, total fund-raising, vote share, incumbency and other variables came from candidate summary files from the Federal Election Commission. Along with spending data from the FEC, race ratings issued by *The Cook Political Report* provide information on expected competitiveness of all races at certain points before the election. Data such as these represent the kind of strategic information available to the president before he makes many of his travel decisions. Data from these sources are combined for each individual running in a general election for the House or Senate during this time period. All told, this analysis is based on 773 House Republican candidates in 2002 and 2006, and 99 Senate candidates of the president's party during all three elections.

Traditional maximum likelihood models are used to examine empirically the degree that the president's choice of fund-raising targets is consistent with a faithful agent of the party. These models measure the probability that a candidate receives a fund-raising event from the president. Moreover, calculations based on these models can be made about the changes in the predicted probability of an event given changes in spending, expectations or other variables that factor into the president's decision making. Assessing the impact of the president's strategy is less straightforward. Presidents who act as faithful agents of the party do not choose their fund-raising targets randomly. The same mechanism that drives a candidate's total fund-raising or share of the vote also drives the distribution of presidential fund-raising events. Non-random selection can create bias in ordinary-least-squares estimates; this problem has been acknowledged in previous studies, but not adequately solved. Those that attempt a solution such as Keele, Fogarty, and Stimson (2004) or Herrnson and Morris (2006) use problematic specifications that produce different results compared to traditional models of total fund-raising or the vote. This study attempts two solutions. One method is to use dummy variables in OLS models that correspond to different levels of expectations about outcomes to control for the average level of funding or the vote that would occur regardless of presidential intervention. Interaction terms can then be used to measure the added benefit of a presidential fund-raising event. Another method is to use a treatment effects model based on Heckman (1979), which allows errors in the equation estimating the application of the treatment to correlate with errors in equations that estimate the outcome of interest. This method does not have an extensive track record in the political science literature. Indeed, Keele et. al. attempt a treatment effects model but make unintuitive assumptions in their use of control variables.

Summary of Results

Findings from Chapters 2, 3, 4 and 5 are summarized below using the theoretical propositions as a guide. Taken together, these findings help add political context to the limited literature on the president's fund-raising activities.

- *The president will act more like a faithful agent early in the administration than later in the administration*. Among the propositions concerning the president's choice of targets, this one has the least empirical backing. Competitiveness more than timing in an administration creates the conditions in which the president chooses to maximize seats. Certainly there is circumstantial evidence of a correlation between time in an administration and interest alignment in the Senate. Chapter 3 found that Clinton focused much of his effort for his wife and to pay back others for past support. Moreover, Bush in 2002 raised money for every candidate poised to take a seat from a Democrat in his effort to retake the Senate. However, Bush in 2002 also conducted events for incumbent senators that could aid his agenda and in 2006, Bush focused on maintain his majority despite having only two years left in office. Moreover, Chapter 2 finds that Bush's raised money for relatively few members in 2002, choosing instead to indirectly help by strengthening party institutions. In 2006, on the other hand, Bush raised money directly for a greater number of candidates, although not nearly as many as Clinton did in his lame-duck year.

- *The smaller a party's majority, the more likely the president acts as a faithful party agent.* The president's incentives as leader of the party most align with his institutional incentives—that is, his legislative agenda, his desire to maintain policy, etc., when a majority in either chamber of Congress is at stake. As a result, the president distributed fund-raising events in a manner to maximize seats when partisan tides put a majority within reach or jeopardized it. Chapter 2 shows that President Bush conducted few direct fund-raising events for House members in 2002, despite the good political climate. Instead, Bush took the opportunity to build the party elsewhere, particularly in the Senate where a majority was possible while his existing House majority remained safe. In 2006, when his House majority was in trouble, positive changes in spending, expectations and other measures of competitiveness made a Bush event much more likely. Since majority status in the Senate was at stake in each of Bush's midterms, Chapter 3 confirms that the president raised money for almost every vulnerable incumbent or competitive non-incumbent. Moreover, President Clinton raised money for non-incumbents where his help could do the most good. The small number of races and recent parity in the Senate gives the president incentives to act as agent of the party more so for the Senate than for the House.

- *The president's choice of targets is more diverse in a positive political climate than in a negative climate.* Changes in partisan tides inversely affect the number of vulnerable incumbents and the number quality non-incumbents who seek office. Partisan tides also affect the president's capacity to effectively aide the party. In a positive climate, the president has many opportunities to help the party take seats away from the opposition while having the leeway to raise money for candidates who do not necessarily need the help. On the other hand, in a negative climate, the president has limited options when it comes to expanding the number of seats his party holds since he cannot raise funds for non-incumbents who are not already competitive. Accordingly, Chapters 2 and 3 observe the president pursing goals other than seat-maximization in a good political climate, whereas a poor climate relegates the president into defending the seats the party holds. For example, during a relative positive climate, both Clinton and Bush raised money for candidates who did not need the money while also maximizing seats. In 2006, Bush's choice of targets heavily favored vulnerable incumbents in both House and Senate races. A poor political climate forces the president to focus almost exclusively on maximizing seats. However, a president is more effective at expanding a congressional party when a positive political climate gives him the capacity to focus on non-incumbents as well as incumbents, despite the increased ability to pursue a mixed strategy.

- *Presidential fund-raising events benefit non-incumbents more than incumbents, both in boosting income and at the polls.* Like the president's choice of targets, competitiveness is the dominate factor when it comes to the effectiveness of fund-raising events. As outlined in the introduction, there are theoretical reasons why non-incumbents could benefit more from presidential fund-raising activities than incumbents. However, any systematic advantage non-incumbents may have fails to show up because of the strategic choices of presidents and donors. For instance, Bush's choice to limit direct events for House non-incumbents also limited the financial effect of these events. Senate non-incumbents, on the other hand, benefited more financially than any other group of candidates. Not only did presidents regularly target the most promising non-incumbents, but for candidates where they could do the most good.

Future Research

The results presented here represent the first look at presidential fund-raising events for both the House and Senate. One area that could help future studies is further data collection. More observations of fund-raising events would allow for an examination of the president's strategy under a wider array of political contexts. For example, no data exists of fund-raising events for congressional candidates during presidential election years. It is possible that incentives such as electoral interests play a larger role in these years compared to others. Given President Bush's importance on party building, examining his efforts on behalf of offices, such as governorships and state parties would also add to our understanding of the president as an agent of the party.

Second, finding the effects of the president's efforts in terms of total funds raised and the vote remains tricky. Future research should work towards solving the problems associated with the non-random allocation of fund-raising events. Refining the treatment effects models is one solution. Particularly, using a specification that adequately controls for factors that drive both the distribution of events and receipts or vote share may produce better results. An alternative method is to use propensity scores and run weighted regressions. Keele, Fogarty and Stimson (2004) also used propensity scores but with stratification matching to solve the problem of a non-random selection of the treatment variable. However, the low number of observations for the Senate prevented them from using that method. Weighted regressions, however, can be used on the existing set of data. Moreover, weighting observations based on their chances of receiving an event can produce samples in which the average likelihood of a fund-raising event is similar. Although neither method has been used extensively in the discipline, methods to solve this puzzle can be widely applied to other areas of political science that seek to measure the effects of programs, policies or other treatments—especially those that are not administered randomly.

Finally, the study of presidential fund-raising events is one of many examples of the president's influence in congressional elections in which the strength of that influence changes over time. This dissertation has examined how influence varies with partisan tides or with an overall strategy of using the presidency to build the party. However, the changing legal rules governing political fund-raising also can change how important the president is to members of Congress. For example, the 2006 midterms were only elections in this study governed by the Bi-partisan Campaign Reform Act of 2002 (BCRA). At the time, scholars pointed out that the soft money ban and an increase in the limit of hard money a candidate could raise contained in the law would greatly increase the need to raise money from private donors (Dwyre and Kolodny 2003). Based on this, both parties would see an increase in the number of safe members of Congress raising money for their colleagues (Bedlington and Malbin 2003). The president would become an even greater resource to the party, while at the same time, his leverage over members to pursue other goals would also increase. Since the 2006 election, however, Supreme Court rulings have weakened or struck down several provisions in the BCRA, although the court has yet to reverse disclosure requirements or the ban on direct contributions from corporations to campaigns.[1] It is not obvious how the president's influence will change if campaigns are to become less regulated. As rules evolve, it remains important to observe how the

[1] Eliza Newlin Carney, "Court Unlikely to Stop With Citizens United," *The National Journal Online* http://www.nationaljournal.com/njonline/rg_20100121_2456.php

president influences which candidates receive more money and ultimately influence who serves in Congress.

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