



Chapter 8 Political Participation

CITIZEN PARTICIPATION

Concepts

- What coalitions make up the two main political parties in the United States?
- Why do third parties so often fail in U.S. politics?
- What effect has dealignment had on political parties?
- Are there serious policy differences between Democrats and Republicans?
- Who supports the two parties and why?
- How does the Constitution control special interests?
- How have interest groups helped to democratize the U.S. political system?
- Why are interest groups a threat to democracy?
- What role do interest groups play in setting the political agenda?
- What techniques do PACs use to get their messages across?
- How do interest groups achieve and exert their influence?

In the previous chapter, we reviewed how individuals develop their political beliefs. Few political acts, however, are the work of a single person. Rather, most politically active people work within groups to achieve common political goals. The AP U.S. Government and Politics Exam expects you to know about four types of linkage institutions. They are **political parties**, **interest groups**, **political action committees (PACs)**, and **527 groups**. This chapter reviews everything you need to know about the organization and activities of these groups.



No Partying

The framers of the Constitution disliked political parties and hoped to prevent them.

POLITICAL PARTIES

As we've mentioned, few successful political accomplishments are the work of one person. More often, such a person joins with other like-minded individuals to form organizations that try to influence the outcomes of elections and legislative struggles. Political parties are unique among these groups in that they play a formal role in both of these processes. Although they are not mentioned in the Constitution, political parties became a mainstay of U.S. elections by the year 1800. Parties arose in the United States as a means of uniting those who shared political ideals, enabling them to elect like-minded representatives and pursue similar legislative goals. To those ends, parties endorse candidates for office and assist in their election efforts. In return for this support, parties expect candidates to remain loyal to goals defined by the party leadership.

The United States has two major political parties: Democrats and Republicans. This **two-party** or **bipartisan system** is reinforced by the nation's electoral system. U.S. election rules, which have been agreed upon by members of the two parties, also make it difficult for all but the two major parties to win a place on the ballot, further strengthening the two-party system.

Party Characteristics

Don't forget these facts about political parties.

- Parties serve as intermediaries between the people and the government.
- Parties are made up of grassroots members, activist members, and leadership.
- Parties are organized to raise money, present positions on policy, and get their candidates elected to office.
- Parties were created outside of the Constitution—they are not even mentioned in the document but were developed in the 1790s.

The major purpose of political parties is to get candidates elected to office. In the past, candidates were chosen by the party hierarchy, with little or no public input. However, since 1960, more states have passed laws requiring parties to select candidates through state-run **primary elections**. These primaries have reduced the power of political parties. Candidates must raise their own money for primaries, campaigning for their party's nomination with little to no support from the party itself. If the parties don't control the money, they can't control the candidates. This levels the playing field, but multiple candidates for the nomination can splinter the party membership.

Functions of Modern Political Parties

Political scientists identify three major subdivisions of political parties.

- **The party among the electorate.** Voters enroll in and identify with political parties. They generally vote for candidates who represent their party.
- **The party in government.** Government officials belong to political parties. They act together to pursue common goals, although regional and ideological differences sometimes subvert their efforts.
- **The party organization.** A group of people who are neither elected officials nor average voters, the party organization is made up of political professionals who recruit candidates and voters, organize campaign events, and raise money to promote the party.

Political parties perform all of the following functions:

- **Recruit and nominate candidates.** The parties are the major players in electoral politics. They seek candidates to run in their primary elections. They also create the rules by which candidates seek their nominations. In nearly all elections, nomination by one of the major parties is a prerequisite to victory. For example, in the 2008 Democratic primary, Barack Obama and Hillary Clinton continued to campaign until Obama had enough delegates to secure the nomination, at which point the Democratic Party formally announced him as their candidate.
- **Educate and mobilize voters.** Political parties fund propaganda campaigns to persuade voters to choose their candidates. They send mailings, hold rallies, and run advertisements. They target regions in which their support is strong and campaign to persuade voters in those regions to vote on election day.
- **Provide campaign funds and support.** The national parties have committees dedicated to raising funds for House and Senate campaigns. State parties also raise funds for candidates for both state and national offices. Although most candidates rely primarily on their own personal campaign support staff, they also need the help of the state or national party organizations.
- **Organize government activity.** Parties act as an organizing force in government. The House and Senate organize their leadership and committee systems strictly along party lines, as do state legislatures.
- **Provide balance through opposition of two parties.** Each party serves as a check on the other by constantly watching for and exposing weakness and hypocrisy. The minority party (provided a single party controls both the White House and the Congress) performs the role of the *loyal opposition*, constantly critiquing the performance of the party in power.
- **Reduce conflict and tension in society.** The two-party system promotes compromise and negotiation in two ways: by encouraging parties to accommodate voters and encouraging voters to accept compromises in policy. The Republican Party, for example, includes both religious social conservatives and libertarians. To assemble winning coalitions, the party must somehow appease both groups. The groups, in turn, must be willing to compromise if they wish to prevent the Democrats from prevailing.

U.S. political parties are not hierarchical. The national party organization and each of the state and local organizations are largely autonomous and serve different functions; one does not necessarily take orders from the other.

Party committees are organized by geographic subdivisions. Locally, committees at the precinct, town, ward, and electoral district levels coordinate get-out-the-vote drives, door-to-door canvassing, and leaflet distribution. These party committees are staffed mostly by volunteers, and their work is largely concentrated around election time. The next largest geographic grouping is the county. County committees coordinate efforts in local elections and organize the efforts of committees on the precinct level. They also send representatives to each polling place to monitor voting procedures.

State committees raise money and provide volunteers to staff campaign events. They provide support to candidates for both state and national offices. National legislative elections, however, are also the responsibility of the powerful congressional district and senatorial committees. These committees, chaired by incumbents and staffed by professionals, are part of the national party organization. They are most likely to become involved in these legislative elections when the possibility exists of gaining or losing a seat. Because incumbents usually run for reelection and are often reelected easily, the congressional and senatorial committees are active in a minority of election efforts during each electoral cycle.

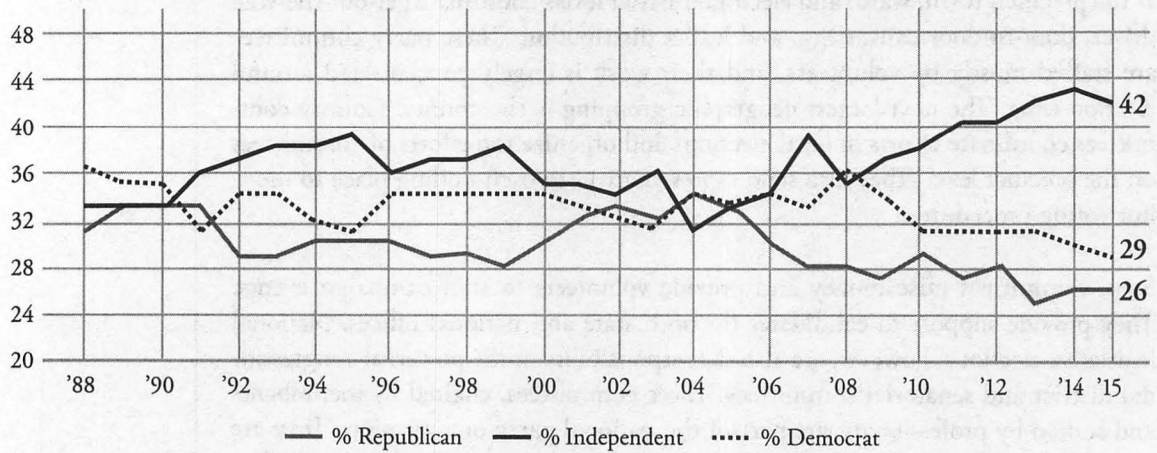
The national party plans the **national conventions** held every four years to nominate a presidential candidate. It sponsors polls to keep party members informed of public opinion and manages issue-oriented advertising and propaganda.

Are Parties in Decline?

Some political scientists believe that the parties are no longer as powerful or as significant as they once were. Prior to 1968, one party typically controlled both the executive and legislative branches of government. Since that year, however, there have been only a few years of one-party control of these branches (1977 to 1980, 1992 to 1994, 2002 to 2005, 2008 to 2010, and 2016 to 2018). Americans are voting a split ticket more frequently than ever before. They are more likely to consider the merits and positions of a particular candidate than to merely consider his or her party affiliation. As a result, no one party dominates government, and officials with different political agendas are elected to work together. As shown in the following graph (see the next page), more and more Americans are identifying as independent rather than with a single political party.

Increasingly, modern candidates have taken control of their own election campaigns, relying less on party support than did past candidates. They are now able to appeal directly to the public through television and the Internet. This has left the parties—which once wielded great power over the electoral process—with less power. In their place, media consultants have become the chief movers and shakers in political campaigns.

U.S. Party Identification, Yearly Averages, 1988–2015



Disaffected voters often switch political parties.

Party Coalitions

Political parties consist of combinations of groups, which consist of combinations of individuals. The larger the coalition, the more likely the candidate will win. Party candidates and party positions on policy are designed to attract more groups of voters, putting together a winning **coalition**.

In the presidential elections of 2008 and 2012, the Republican coalition included the following:

- veterans' groups and military supporters
- religious conservatives
- libertarians
- opponents of gay marriage
- opponents of affirmative action
- supporters of the development of natural resources on public lands
- rural dwellers

In the same elections, the Democratic coalition included the following:

- disaffected moderate Republicans
- pro-choicers
- African and Hispanic Americans
- members and supporters of labor unions
- gay rights supporters
- people with lower incomes
- city dwellers
- feminists
- environmentalists

While there are always exceptions to the rule, the two parties tend to rely on these groups as a base of support. Regionally, it appears that the east and west coasts and the upper Midwest are more Democratic, while the South and lower Midwest are more Republican.

Ideological Differences Between the Parties

While there are general ideological differences between the two parties, there are also a number of similarities. Neither party, for example, questions the validity of the nation's capitalist economic system.

Although both parties tend to be centrist, there are nevertheless differences in the ways the two parties view the role of government. The greatest ideological differences are between the liberals in the Democratic Party and the conservatives in the Republican Party, the so-called **party bases**. While appealing to the independent centrist voter during election campaigns, each party counts on its base to get out and vote. Party leaders must use great care in choosing policy positions so they do not lose their party base. They must also avoid alienating the moderates of the party by taking extreme left or right positions.

Democrats Tend to Be...	Republicans Tend to Be...
Less disposed to spend on defense	More disposed to spend on defense
Less disposed to use vouchers, or other public funds, to enable certain students to attend private/charter/religious schools	More disposed to use vouchers for private or charter schools and to give governmental aid to religious schools
More disposed to spend money to advance social-welfare programs	Less disposed to spend money on social-welfare programs
More disposed to use government money for public education	Less disposed to use government money for public education
More disposed to grant tax relief to targeted programs such as the lower and middle classes	More disposed to grant tax relief to everyone, including the wealthy and corporations
Against private ownership of assault weapons and supportive of broader regulations on the ownership of firearms	Less disposed to regulate firearms



To learn about the latest ideological differences between the Democratic and Republican parties, consult the following resources:

Democratic Party Platform
<https://democrats.org/where-we-stand/party-platform/>

Republican Party Platform
<https://www.gop.com/platform/>

Party Realignment

Party **realignment** occurs when the coalitions making up the two parties fall apart, such as when many of the groups that make up the majority party defect to the minority party. Realignments are very rare and usually occur as a result of some major traumatic event, such as an economic depression or a war. They are signaled by what is called a **critical election**, when a new party comes to dominate politics. Realignments occur over a period of time and show permanence. The New Deal coalition of the 1930s lasted for decades. There have been no realignments since the 1930s.

Depression Politics

The last realignment took place in 1932 as a result of the Great Depression, when the Republican Party became the minority party and the Democratic Party became the majority party, with overwhelming numbers of Democrats being elected to every branch of government at every level.

The trend today seems to be toward dealignment. **Dealignment** is usually a result of party members becoming disaffected as a result of some policy position taken by the party. These disaffected party members join no political party and vote for the candidate rather than the party he or she belongs to. Since the 1960s, membership in the Democratic Party has declined significantly, while the number of Republicans has declined modestly. During the same time period, the number of voters self-identifying as independents has increased dramatically along with membership in third parties such as the Democratic Socialists of America.

Third Parties

New parties are occasionally formed in the United States. Unless and until these parties reach the level of a major party, they are called third parties. Third parties form to represent constituencies that feel disenfranchised from both of the major parties. These so-called **splinter**, or **bolter**, **parties** usually unite around a feeling that the major parties are not responding to the demands of some segment of the electorate. The Reform Party, under whose banner Ross Perot ran for president in 1996, was an example of a splinter party whose constituency was fed up with “politics as usual.”

Sometimes third parties form to represent an ideology considered too radical by the mainstream parties. These **doctrinal parties** reject the prevailing attitudes and policies of the political system. The Socialist Party and Libertarian Party are examples. **Single-issue parties** are formed to promote one principle. The American Independent Party, which sponsored the segregationist candidacy of George C. Wallace in 1968, is an example. Third parties can have a major impact on elections, especially in tight races. The Green Party, which favors strict environmental policies, more government social programs, and controls over big business, ran Ralph Nader for president in 2000. Some analysts have suggested, based on voter patterns and polls, that if Nader had not run, Al Gore would have received a greater number of votes, which would have allowed him to win the election against George W. Bush.

Third-party candidates should not be confused with **Independent candidates**. Independent candidates run without party affiliation. It is very difficult for Independent candidates to overcome the money and organization of the two major parties. Eugene McCarthy, an anti-Vietnam War candidate in 1968, and John Anderson, a fiscal conservative and social liberal in 1980, are two examples.

Why Third Parties Fail

The failure of third parties to elect presidential and other candidates to office is a direct result of an American political system designed to support only two major parties. National campaigns in countries using equal, single-member, plurality voting-district systems (like the United States) require huge sums of money and vast organizations. Also, in American presidential elections, almost all states have a winner-take-all system for electoral votes; the candidate who receives the most votes, even if it is only by one, wins all of the votes in that state. Because the losers get no electoral votes, the electoral count does not always accurately reflect the popular vote. During the 2000 presidential election (which featured the Florida voting controversy), Al Gore won the popular vote by about 500,000 votes nationwide, but George W. Bush was found to have won the Florida electorate, giving him all of Florida's 25 electoral votes and ultimately the presidency. Similarly, during the 2016 presidential election, Hillary Clinton won the popular vote by approximately 2.9 million votes, but Donald Trump won the Electoral College, winning him the presidential election.

INTEREST GROUPS

Interest groups are organizations dedicated to a particular political goal or to a set of unified goals. Group members often share a common bond, either religious (Christian Coalition), racial (National Association for the Advancement of Colored People), or professional (American Medical Association). In other cases, they simply share a common interest, such as the environment (Sierra Club) or political reform (Common Cause). In any case, they are similar to political parties in that they try to influence the outcome of elections and legislation. Unlike political parties, however, they do not nominate candidates, nor do they normally try to address a wide range of issues.

When interest groups try to influence legislators, we say they are **lobbying** for a bill or issue. The term originated with the historical practice of early lobbyists; they waited in the lobby of the capitol so they could catch legislators coming in and out of session. Today, most lobbyists are highly paid professionals. A number are former legislators, whose experience and friendships in the Capitol make them particularly effective.



All For Many, But All For One

If you're curious, the two states that do not have this winner-take-all system are Maine and Nebraska, and both proportionately distribute their votes by congressional district. The 2008 presidential election between Barack Obama and John McCain was the first time Nebraska's electoral vote was split, and the 2016 presidential election between Donald Trump and Hillary Clinton was the first time Maine's electoral vote was split.

One For All, Even When All For None

The purpose of an interest group is to advocate for a benefit that is in the best interests of its membership. The free rider problem, however, occurs when the beneficiaries of the interest group fail to participate in political action or give financial support. For instance, a professional organization will fight for the general goals of those in its profession, even those who are not formal members of the group. Those beneficiaries go along for a "free ride" because they reap the benefits of actions taken on their behalf, but do not share the burden of supporting the interest group.

There are literally thousands of interest groups in the United States. Most groups fall under one of the following categories:

- **Economic groups.** Economic groups are formed to promote and protect members' economic interests. They include peak business groups such as the U.S. Chamber of Commerce, which represents the interests of all businesspeople. Other groups represent specific trades and industries; among these are the American Farm Bureau Federation and the American Nuclear Energy Council. Labor groups such as the AFL-CIO and the United Auto Workers represent union members. Professional groups include the American Medical Association and the American Bar Association. Most economic groups have existed a long time and have developed strong ties with legislators and bureaucrats. They are also very large, highly influential, and extremely well funded, and either represent or employ large constituencies. As a result, they are usually the most powerful interest groups in Washington, D.C.
- **Public interest groups.** Public interest groups are nonprofit organizations that are generally organized around a well-defined set of public policy issues. Consumer groups usually work to promote safer products and more informative labeling; the most prominent of these groups is Public Citizen, founded by Ralph Nader. Environmental groups, such as the Sierra Club, advocate preservation of wildlife and wilderness areas. Religious groups such as the Christian Coalition attempt to influence public policy in such a way as to promote or protect their beliefs. Other groups promote causes such as women's rights, minority rights, and political reform. Single-issue groups like the National Rifle Association (NRA) and Mothers Against Drunk Driving (MADD) are often among the most powerful public interest groups because of the intensity of their supporters. Single-issue constituents are more likely than other voters to use a single issue as a litmus test for candidates. Thus, a candidate who advocates gun control runs the risk of losing the votes of all three million NRA members.
- **Government interest groups.** Most states, many cities, and other localities maintain lobbying organizations in the nation's capital. A separate group represents the nation's governors, and yet another represents mayors. Most foreign governments and businesses lobby the government as well.

How Interest Groups Influence Government

Interest groups use a number of tactics to disseminate information and persuade Congress, the president, the judiciary, and federal bureaucrats. Those tactics include the following:

- **Direct lobbying.** Representatives of the interest group meet privately with government officials to suggest legislation and to present arguments supporting their positions. Lobbyists are often the source for a great deal of information to young congressmen who are trying to learn about new bills. Some would argue that the lobbyists need to give relatively good information to those congressmen in order to maintain a good relationship with them so that they can lobby them later on their issues.
- **Testifying before Congress.** Interest groups provide expert witnesses at committee hearings.
- **Socializing.** Social events in Washington, D.C., are often political events as well. Interest groups hold social functions and members attend other functions to meet and forge relationships with government officials.
- **Political donations.** Interest groups provide financial support to candidates and parties that champion their causes. Corporations, trade groups, and often unions do so by forming political action committees (PACs) and super PACs for that purpose.
- **Endorsements.** Many groups announce their support for specific candidates. Some groups rate legislators on the basis of their voting records; a high rating constitutes an implicit endorsement of that candidate.
- **Court action.** Interest groups file lawsuits or **class action suits** to protect and advance their interests. They will also submit *amicus curiae* (friend of the court) **briefs** in lawsuits to which they are not a party so that judges may consider their advice in respect to matters of law that directly affect the case in question.
- **Rallying their membership.** Public interest groups often engage in grassroots campaigning by contacting members and asking them to write, phone, or email their legislators in support of a particular program or piece of legislation. In addition, members may engage in demonstrations and rallies promoting their cause.
- **Propaganda.** Interest groups send out press releases and run advertisements promoting their views. Propaganda can take the form of television commercials, social media campaigns, and advertisements.

Limits on Lobbying

Several laws limit the scope of lobbyists' activities. Most are ineffective, but stronger efforts to regulate lobbying run the risk of violating the First Amendment right to free speech. The 1946 Federal Regulation of Lobbying Act was intended to allow the government to monitor lobbying activities by requiring lobbyists to register with the government and publicly disclose their salaries, expenses, and the nature of their activities in Washington, D.C.

Other laws prohibit, for limited amounts of time, certain lobbying activities by former government officials. These laws are meant to counteract the appearance of **influence peddling**, the practice of using personal friendships and inside information to get political advantage. Former House members must wait one year and former senators must wait two years before lobbying Congress directly, for example. However, they may lobby the executive branch immediately after leaving office. Some groups complain of a "revolving door" that pushes former federal employees into jobs as lobbyists and consultants. A limit similar to that of the former legislators also applies to former executive officials. It prevents them from lobbying for five years after they leave the agency that employed them. These limits were determined in *Buckley v. Valeo* (1976), the case that equated donations with free speech. In this ruling, the Supreme Court upheld federal limits on campaign contributions and ruled that donating money to influence elections is a form of constitutionally protected free speech.

Finally, federal laws prohibiting campaign contributions from corporations, unions, and trade associations can be sidestepped through the formation of a political action committee (PAC).

Changes to Campaign Financing

In January of 2010, the Supreme Court changed many of the campaign finance rules in the case of *Citizens United v. Federal Election Commission*. The court ruled that corporations have a First Amendment right to expressly support political candidates for Congress and the White House. The ruling struck down restrictions that had prevented corporations from spending company money directly on campaign advertising right before an election. In the near future, this groundbreaking case will surely cause many changes in the financing of election campaigns. It is still important to learn how and why these groups function by reading the following sections.

POLITICAL ACTION COMMITTEES (PACS) AND SUPER PACS

The 1974 **Federal Election Campaign Act (FECA)** allowed corporations, unions, and trade associations to form political action committees as a means of raising campaign funds. FECA set restrictions on contributors and contributions, and stipulated that corporate, union, and trade PACs must raise money from employees and members and may not simply draw it from their treasuries. Corporations, unions, and trade associations are not the only groups that form PACs. Many other interest groups form PACs to collect and distribute contributions, as do

legislators (these are referred to as leadership PACs). After that change, the **Bipartisan Campaign Reform Act (BCRA) of 2002** (also known as the **McCain-Feingold Act**) further regulated campaign finance and PAC donations by prohibiting unregulated contributions (soft money) to national political parties and limited the use of corporate and union money for ads discussing political issues within 60 days of a general election and 30 days of a primary.

Then in 2010, in *Citizens United v. Federal Election Commission*, the Supreme Court overturned BCRA's limits on PAC fundraising for "corporate independent expenditures." Under the terms of the *Citizens United* decision, PACs that donate to specific candidates must operate under limits on their contributors and their donations, but PACs that do not donate to specific candidates—as long as they do not directly coordinate with specific candidates—are not limited in their fundraising. In this context, political donations are considered free speech. These unlimited PACs have come to be known as **Super PACs** and are generally financed by the ultra-rich; however, because of disclosure laws affecting such Super PACs, it can be difficult to identify donors.

For regular PACs, donations from single-candidate PACs to individual candidates cannot exceed \$2,500 (\$5,000 for a multi-candidate PAC). Such PACs' donations to national political committees cannot exceed \$15,000 from multi-candidate PACs and \$30,800 from single-candidate PACs. Though Super PACs avoid limits by not directly or officially coordinating with specific candidates, the *Citizens United* decision is vague on what constitutes coordination.

Hard vs. Soft: We're Not Talking About Water

For the exam, you should be familiar with the terms "hard money" and "soft money." "Hard money" refers to tightly regulated contributions to candidates, while "soft money" refers to unregulated, unlimited contributions to political parties for general party-building activities such as get-out-the vote drives, voter registration efforts, and ads that say "Vote for Democrats" or "Vote for Republicans." Potential uses of soft money were limited by Congress with the passage of the McCain-Feingold Act.

527 GROUPS

A 527 group (named after the section of the tax code that allows such groups) is a tax-exempt organization that promotes a political agenda, although such a group cannot expressly advocate for or against a specific candidate. The term is generally used to refer to political organizations that are not regulated by the **FEC (Federal Election Commission)** and are not subject to the same contribution limits as PACs. They avoid regulation by the FEC because 527s are "political organizations" but are not registered as "political committees" subject to campaign finance law contribution limits. Sounds confusing, huh? The line between issue advocacy and candidate advocacy is a huge source of contention and disagreement. The BCRA changed **soft money** rules to make establishing new 527s a more attractive option than traditional PACs and allowing outside organizations to circumvent the **hard money** limits of the BCRA. The *Citizens United* decision, however, makes Super PACs another viable alternative for avoiding such limits.

ELECTIONS

Concepts

- Does the media place too much emphasis on irrelevant issues in presidential campaigns?
- Why do incumbents win at such high rates?
- Why is voter turnout so low in the United States?
- What is the impact of primary elections, and who votes in them?
- Why do political parties have such a difficult time holding their coalitions together?
- Why are soft money contributions considered a threat to the election process?
- Why did the Supreme Court have a problem with the imposition of spending limits on PACs?
- Has the Federal Election Campaign Reform Act succeeded in fulfilling the intent of the legislation?
- What accounts for the so-called gender gap?

The federal government holds elections every two years. Each election gives voters the chance to select a new representative in the House of Representatives. Every other election allows them to vote for president. Each of a state's two seats in the Senate is contested every six years; as a result, state voters select a senator in two out of every three federal elections.

To cut expenses and to encourage voter turnout, states often hold their elections at the same time as federal elections. Thus, voters choose not only federal officials at election time, but also state legislators, judges, the governor, and local officials. They may also be asked to vote on referenda and state bond issues.

Thus, many officeholders are chosen and many issues are decided during each election. When the AP U.S. Government and Politics Exam asks about elections, however, it nearly always focuses on the presidential election. This chapter will do the same.

There is one exception to this rule. The AP U.S. Government and Politics Exam always asks at least one question about the **incumbent advantage**. Be sure you know the following two facts, as they will almost certainly be tested on the exam: (1) representatives who run for reelection win approximately 90% of the time; and (2) while incumbent senators have a tremendous electoral advantage, House incumbents have an even greater advantage. Senators must run statewide, and they almost always face a serious challenger. On the other hand, House members run in their home districts, where constituents are often overwhelmingly of one party due to **gerrymandering** (partisan redrawing of congressional district borders). In such races, victory in the primary election virtually guarantees victory in the general election. In fact, each year a number of House incumbents run for reelection unopposed.

THE ELECTION CYCLE

Elections consist of two phases: **nominations**, during which the parties choose their candidates for the general elections, and **general elections**, during which voters decide who will hold elective office.

The majority of states (39) use primary elections to select presidential nominees. All states use some form of primary election to select legislative and state nominees. These elections are usually held between early February and late spring of an election year, with the Iowa caucus and New Hampshire primary enjoying the coveted “first-in-the-nation” position. Each state sets its own rules for these elections, and there is considerable variation in primary procedures from state to state. There are several types of primaries.

- **Closed primary.** This is the most common type. In a closed primary, voting is restricted to registered members of a political party. Voters may vote only for candidates running for the nomination of their declared party. Democrats choose among the candidates for the Democratic nomination, while Republicans choose among Republican hopefuls.
- **Open primary.** In open primaries, voters may vote only in one party’s primary, but they may vote in whichever party primary they choose. Voters select the party primary in which they wish to participate in the privacy of the voting booth. Critics argue that open primaries allow voters to sabotage their opponents’ primaries by crossing party lines to vote for the candidate *least* likely to win the general election. This is likely to happen only when there are no close contests in one party, however.

Blanket Primary

This system at one time existed in Alaska, California, and Washington, but has since been struck down in those states by the Supreme Court.

A form of this primary, the nonpartisan blanket primary, currently exists in Louisiana and Washington.



In 2018, the Democratic National Committee changed its rules regarding superdelegates. During a nominating convention, superdelegates do not vote for a nominee unless the first round of voting produces no winner.

- **Blanket primary.** Blanket primaries use the same procedure as that used in the general elections. In blanket primaries, voters may vote for one candidate per office of either party.

In primary voting for legislators and state officials, the candidate who receives a **plurality** (greatest number of votes, but not more than half the total votes cast) or majority (more than half) in each primary is declared the winner. Some states require the winner to receive a minimum percentage of the vote, however. If no candidate receives the required share of votes, a **runoff primary** is held between the top two. Runoffs occur most often when many challengers vie for an open office, especially when none of them are well known.

In primary elections for the presidency, voters also choose **delegates** pledged to a particular presidential candidate. Winning delegates attend their party's national convention. Some states select presidential convention delegates at **state caucuses** and **conventions**. This process begins with local meetings of party members, who select representatives to send to statewide party meetings. Compared with primaries, the state caucus and convention process usually attracts fewer participants. Those who participate tend to be more politically active and better informed than typical voters.

The Democratic Party uses a third method to choose some delegates to its national convention. It grants automatic delegate status to many elected party leaders, including congresspersons and important state leaders. These **superdelegates** generally support the front-runner. Critics complain that the superdelegates dilute the importance of the primary elections by making it easier for the party elite to control the nominating process. The Republican Party does not have superdelegates. To promote diversity within the delegate pool, the **McGovern-Fraser Commission** was created in 1968. It recommended that delegates be represented by the proportion of their population in each state.

General elections for federal office are held on the first Tuesday after the first Monday of November. Elections in which the president is being chosen are called **presidential elections**. Those that occur between presidential elections are called **midterm elections**.

First Steps Toward Nomination

Nearly all elected officials first receive the endorsement, or nomination, of one of the two major parties. Nominees usually have extensive backgrounds in government. Some presidential candidates are current or former members of the Senate. Many have served as governors. Gubernatorial experience allows candidates to claim executive abilities, because governors serve many of the same government functions in their states as the president does in the federal government. Governors also have the advantage of being able to run as Washington outsiders, as opposed to senators, who usually have extensive federal experience (and whose voting records are often used against them). At a time when public distrust of Washington is high, outsider status can be a significant benefit. Bill Clinton and George W. Bush

successfully exploited this factor in their presidential campaigns. Because Barack Obama had been a senator for only four years (as opposed to other candidates like Joe Biden, who had a 36-year tenure in 2008, or Rick Santorum, who had 16 years in 2012), he was also able to successfully campaign as an outsider in 2008.

On occasion, the major parties will pursue a candidate with little or no government experience. Such candidates are usually popular and well-respected figures, often from the military. World War II General Dwight Eisenhower was such a candidate in his successful 1952 campaign. More recently, the Republican nominee for the 2016 presidential race (and eventual winner) was Donald Trump, a businessman with no prior experience in government. Trump used his outsider status as a campaign selling point, which was successful with many voting demographics.

A presidential run is an all-consuming endeavor that must begin up to two years before the first primary. As a result, most candidates devote themselves to the effort full time. Jimmy Carter and Ronald Reagan both left their governorships before running for the presidency; Bob Dole retired from the Senate in 1996 to commit himself more fully to his campaign. Others have remained in office and run successful campaigns. Bill Clinton and George W. Bush are two candidates who remained governors while successfully seeking their party's nomination. Chris Christie made his recent White House run while he remained governor of New Jersey, and numerous New Jersey newspapers called for his resignation, claiming that he had neglected his gubernatorial duties while campaigning. Presidents running for reelection and vice presidents seeking the presidency benefit from the prestige of their offices.

Those considering a run for the presidency must first seek support among the party organizations. They must especially seek the aid of influential donors to the party because elections are extremely expensive. Candidates spend much of the early stages of the nomination process meeting with potential donors, establishing PACs to raise funds (more about fundraising below), and campaigning for the endorsements of important political groups and leaders. This entire process is often referred to as testing the waters.

In the year before the first primaries, potential candidates attempt to increase their public profile. They schedule public appearances and attempt to attract media coverage by taking stands on current issues and discussing the goals of their projected presidencies. Candidates are particularly vulnerable to the media during this period. Since the public knows little about most potential candidates, negative reports or media spin can quickly scuttle a campaign (for example, Newt Gingrich in 2012 or Gary Hart in 1988). As primary season begins, candidates try to raise as much money as possible and to garner as many votes in the primaries as possible, in an effort to win the nomination. Candidates who can't raise their own money and don't get enough votes are quickly forced out of the race. The candidates also begin to assemble campaign personnel—advisors, political consultants, public relations experts, speechwriters, fundraisers, lawyers, and office administrators—who will help manage the campaign.



Elections and the Elite

Many campaigns fail when testing the waters, long before the public is ever aware of them, due to lack of interest among the political elite.

On occasion, wealthy candidates have attempted to run for the presidency without needing, or using, federal matching funds. Ross Perot in 1992 and Steve Forbes in 1996 used their own money to campaign, but both campaigns failed. Ross Perot's 1992 campaign spent more money than the Democratic and Republican candidates combined.

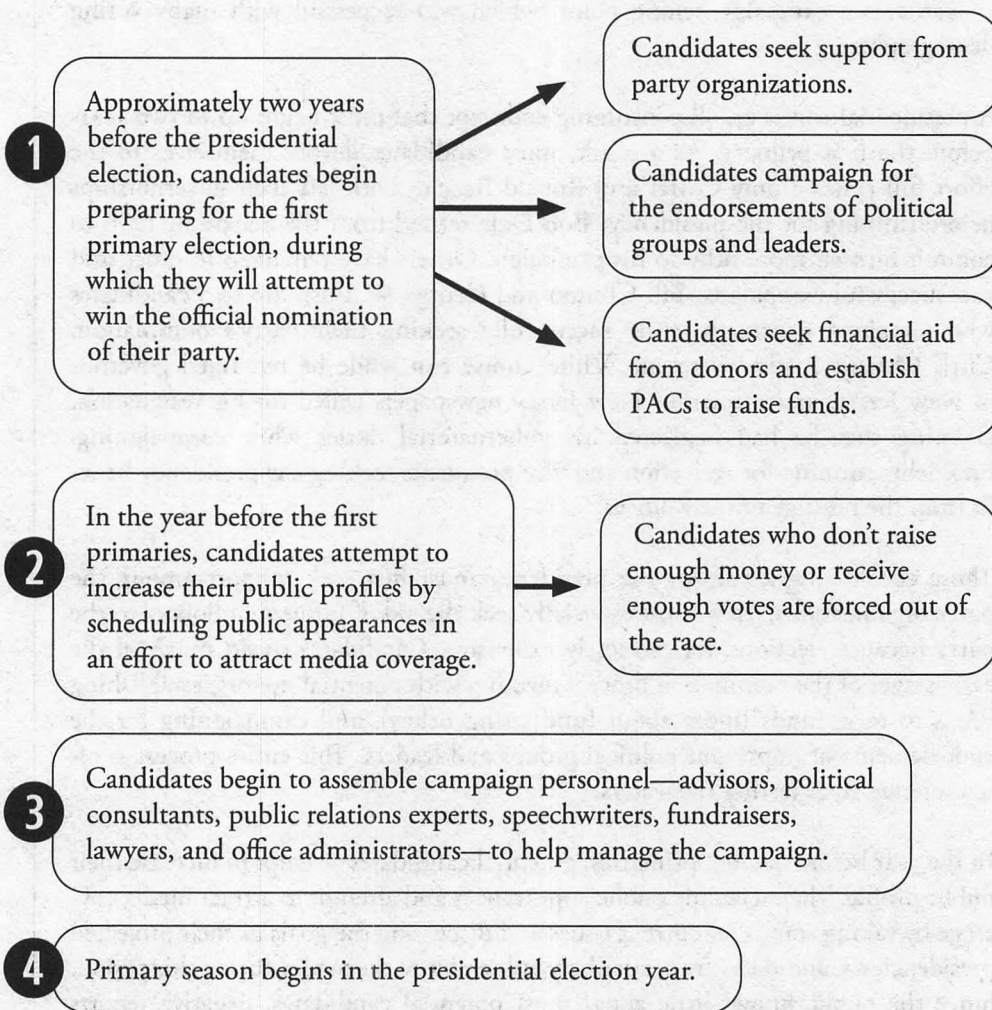
The following chart summarizes the nomination process.

Steps Toward Presidential Nomination



Endorse, Endorse, Of Course, Of Course

At some point during the campaign, candidates will likely pursue endorsements from other politicians and news organizations. This extra publicity can help them in all other steps. In presidential primaries, front-runners usually receive endorsements from former candidates who dropped out. These endorsements can then help the nominee during the general election.



Financing Campaigns

A successful presidential campaign requires much more than an appealing candidate. It needs a huge supporting staff, jets and buses, and the resources to hire consultants, pollsters, and advertising agencies. It should come as no surprise, then, that one of the most important skills a candidate can possess is the ability to raise money.

Presidential candidates who meet certain prerequisites may receive federal funding. Primary candidates who receive more than 10% of the vote in an election may apply for **federal matching funds**. These funds essentially double all campaign contributions of \$250 and less by matching them. To receive matching funds, candidates must agree to obey federal spending limits. Any candidate who receives less than 10% of the vote in two consecutive primaries loses his or her eligibility for matching funds until he or she wins more than 10% of the vote in another primary.

The federal government funds the general election campaigns of the two major presidential candidates, provided those candidates agree not to accept and spend other donations (an exception is made for up to \$50,000 of the candidate's own money). The year 2004 was the first election in which both major party nominees declined public matching funds during the primaries. Independents do not receive federal funding for their campaigns. (In 2008, John McCain accepted matching funds while Barack Obama did not. In the subsequent 2012 race, neither Obama nor Mitt Romney accepted matching funds.) In the 2016 election, only one presidential contender sought and qualified for public financing (Martin O'Malley).

Despite attempts at campaign finance reform, the trend toward high levels of election spending has continued through the 1990s and into the first decade of the 21st century. In the 2004 election, George W. Bush raised \$272.5 million and John Kerry raised \$250.3 million. Both candidates refused matching funds to avoid all spending limits. This precedent-setting high, however, was swiftly broken in light of the ability for corporations and unions to now donate directly and without limits. The combined expenditures for the 2012 campaign that set Mitt Romney against Obama totaled over \$7 billion dollars—just about 14 times as much in only eight years. Without any sort of cap, future candidates may raise even more.

There is currently no public financing of congressional campaigns, and there are no spending limits for congressional candidates. There are, however, limits on the amounts that individuals and political committees may donate to candidates. These limits were revised by the Bipartisan Campaign Reform Act (BCRA) in 2002 as shown in the following table.



Setting Limits

In 2016, the federal spending limit was \$48.07 million for the primary elections and \$96.14 million for the general election.

	To a Candidate	To a National Party	To a Political Committee	Total per 2 Calendar Years
Individual may give	\$2,700	\$33,900	\$5,000	no limit
Multi-candidate PAC may give	\$5,000	\$15,000	\$5,000	no limit
Non-multi-candidate PAC committee may give	\$2,700	\$33,900	\$5,000	no limit

Many Americans believe that the current campaign finance system has a corrupting effect on government, and a talking point among many of the candidates within the 2016 election was the fact that the public financing system was broken. Efforts to change the system, however, run into several obstacles. The Supreme Court ruled in *Buckley v. Valeo* (1976) that mandatory spending limits on campaigns violate candidates' First Amendment rights to free expression. Furthermore, the system currently benefits incumbents, in that the incumbent's job description is basically the stuff of reelections: meetings, events, talking to voters, photo ops, and so on. Accordingly, legislators are reluctant to make changes because changes would make their reelection more difficult. The permissible donations listed in the above table will change if campaign finance reform is enacted.

Primary Season

By January 1 of election year, candidates are campaigning widely among the public. From this point on, candidates participate in debates, campaign from state to state delivering their "stump speeches" (so called because campaigning is often referred to as "stumping"), and choreograph media events—in an effort to draw positive media coverage of their campaigns.

The earliest primaries (New Hampshire's is a prime example) provide a great boost to the campaigns of whoever wins, increasing the candidate's media exposure and making all-important fund-raising chores easier. Major financial contributors usually desert the campaigns of the losers in early primaries. Furthermore, candidates who receive less than 10% of the vote in two successive primaries lose their eligibility for crucial federal matching funds. As a result, those who fare poorly in early primaries usually have to drop out of the race long before the majority of delegates have been selected.

Because early primaries are perceived to have grown increasingly important in recent years, many states have pushed forward the date of their primary elections. Many states even hold their primaries all on the same day in early March (called **Super Tuesday**). Large states such as New York and California have moved their primaries forward in hopes of having a greater influence on which candidates win the nominations. Political analysts refer to this strategy as **front-loading**, and the result has been to place increased pressure on candidates to succeed early. Critics argue that it unnecessarily forces voters to choose early in the election process, before they have gotten a chance to know the candidates well.

Primary elections and state caucuses continue into late spring. In many recent elections, however, the party nominee has been decided long before the last elections. Mitt Romney's nomination in 2012 is an example of that very phenomenon.

National Conventions

After the primary season has ended, both parties hold national conventions to confirm their nominee. When no candidate has received the pledge of a majority of convention delegates, conventions decide who the nominee will be; such conventions are called **brokered conventions**. The parties have designed their primary systems to prevent brokered conventions, which can divide the party and cost it the election. The most recent brokered conventions are 1952 for Democrats (Adlai Stevenson) and 1948 for Republicans (Thomas Dewey) making them seem, at least for now, like historical relics.

One of the main purposes of a national convention, in fact, is to unify the party. Primary elections can damage each party, as candidates attack one another and thereby expose rifts within the party membership. Another main purpose of conventions is to make a show of party unity for political gain. Both parties' conventions are nationally televised and are widely covered by the news media. Not surprisingly, most of what occurs on the convention stage is choreographed to appeal to the party faithful and undecided voters watching at home.

That does not mean that conventions are placid affairs, however. Conventions are the site of many political negotiations, as different factions of the party attempt to win concessions in return for their full support during the general election. There are often intense battles over the party **platform**, a statement of purpose and party goals, which, ironically, has little concrete significance. The conventions also offer some political drama, as nominees sometimes wait until the convention to announce their choice of running mates.

The greatest impact conventions can have on general election results is negative. In 1968, for example, rioting outside the Democratic convention in Chicago created a bad impression among voters, especially when contrasted with the unified display at the Republican convention in Miami weeks later. In 1992, ultraconservatives were able to control key elements of the Republican convention. The image the convention created was one of an angry and activist party, which frightened voters and hurt President Bush's reelection campaign. Under normal circumstances, however, conventions usually help their candidates considerably. Polls taken immediately after conventions show the candidates' approval ratings up significantly. This rise in public approval is called a **post-convention bump**.

Nonetheless, it is important to note that national conventions have been altered dramatically in the last century. Until about mid-century, conventions and convention delegates actually selected and nominated the candidate. With the adoption of primary elections, conventions have been transformed into mere coronations with the nominees generally being determined before the convention begins (as with Clinton and Trump in 2016).

The General Election and the Electoral College

The remaining candidates continue to campaign for the general election in much the same way as they campaigned during the primaries: holding rallies, participating in debates, running campaign advertisements, and pursuing positive media coverage. There are several key differences between the primaries and the general election. First, during the primaries, candidates run against members of their own party. Because primary candidates are often in general agreement about big-picture issues, their campaigns focus instead on the subtler differences between them. During the general elections, candidates often emphasize the general policy and philosophical differences between the two parties. Put simply, a candidate courts his or her political base during the primary season and then usually attempts to move toward the center in the general election to win undecided votes in hopes of securing the majority.

Candidates planning their campaign strategies must consider the nature of the **Electoral College**. This institution was created by the framers of the Constitution as a means of insulating the government from the whims of a less-educated public. Critics feel this system is antiquated, but no one has successfully proposed an amendment to change it. Presidential elections therefore continue to be determined not by the final popular vote but by this institution. Each state is given a number of electors equal to the sum of its federal legislators (senators plus representatives). The winner of the presidential election in each state wins all of that state's electors¹ (which is why it is often referred to as a **winner-take-all system**).

The Electoral College places greater emphasis on election results in large states. Victory by a single vote in California wins a candidate all of that state's 55 electoral votes; a similar margin of victory in Vermont yields only three electoral votes. Despite the number of votes at stake in the large states, candidates will often devote the bulk of their time to “swing” states—areas in which polling indicates a close race. This is the reason that during the 2016 presidential election, states like Ohio, Colorado, and New Hampshire were inundated with political ads while large states, such as New York, California, and Texas, whose voters generally go with one party, were relatively quiet. Finally, candidates consider each other's electoral strategies in planning their campaigns. In 1968, the Democratic Party relied on the support of its Southern base. Republican Richard Nixon realized that this support was weakening and campaigned aggressively in the region. Nixon's “Southern strategy” worked in enough Southern states to swing the election to the Republicans.

¹ The two exceptions are Maine and Nebraska, which give two electoral votes to the candidate who wins a plurality of the statewide vote, and one vote to the winner of each of the state's congressional districts. Maine has four electoral votes; Nebraska has five.

MEDIA INFLUENCE ON ELECTIONS

With approximately 240 million Americans of voting age, it is clear that candidates cannot come into direct contact with even a small portion of the electorate. Instead, they must rely on the media to get their political message across.

- **News media** provide many voters with daily campaign information. While most news programs occasionally report on the candidates' positions on the issues, they concentrate on the candidates' standing in the polls, or the horse race aspect of the election. This is because news directors prefer information that can be communicated quickly and that changes regularly, such as public opinion poll results. In contrast, candidates' positions on issues are often complex. Furthermore, they rarely change. Therefore, news programs may report such information once during an election, but they do not report it repeatedly as they do with poll results. As a result, the attention of the network news audience is focused on the campaign game rather than on the candidates' political agendas.
- **Campaign advertisements** provide another, more controlled look at the candidates. Through advertising, candidates attempt to build a positive image with the public. In many cases, they also try to belittle their opponents through negative advertising. Negative advertising works best when the public knows little about a candidate. In 1988, for example, Democratic candidate Michael Dukakis was the subject of several effective negative advertisements. Although he led in the polls prior to the ads, Dukakis's support was weak, as most voters knew little about him. The negative advertisements were effective in destroying Dukakis's lead by portraying him as weak, incompetent, and soft on crime.

ELECTION DAY

Of the 240 million Americans of voting age, around 200 million are registered to vote. In the 2016 election, though, around 139 million actually turned out to vote (57.9% of the country). **Voter turnout** is even lower for midterm elections: approximately 36.4% of all eligible voters participated in 2014. American voter turnout rates are among the lowest of all Western democracies.

Certain patterns are detectable in American voters' behavior. The likelihood that an individual will vote corresponds closely to his or her level of education: the more educated a person is, the more likely he or she is to vote. Age is also a factor. Turnout rates are highest among Americans over the age of 40, and lowest among those under the age of 20.

Voter turnout is also influenced in part by how close a race is. Voters are less likely to vote when they believe they know who will win the election. Such was the case in 1996, when many Americans were certain that Bill Clinton would be

Who Do You Think You/They Are?

Voting tends to be motivated by one or more of the following factors:

- **Rational**—A voter believes the candidate will support policies that further the voter's own personal interest.
- **Retrospective**—A voter chooses a candidate based on the candidate's political track record or that of the candidate's political party.
- **Prospective**—A voter chooses a candidate based on hopes of what that candidate may accomplish in the future.
- **Party-Line**—A voter selects all available candidates within a certain party, regardless of their individual merits.

reelected. Remember, however, that many federal and state offices are up for grabs on election day. A closely contested race in any of those elections can be enough to motivate voters to participate. Voter turnout can also be affected by various legislation. The National Voter Registration Act (1993), also known as The Motor Voter Act, made voting easier by allowing voter registration at the time someone applies for a driver's license. Conversely, the photo ID laws enacted in some areas at the state level depress voter turnout by requiring voters to show a photo ID before voting. These photo ID laws are controversial, with those who are for them saying it reduces voter fraud and those who are against them saying it decreases voting by impoverished Americans.

On election day, the media report not only election results but also the results of exit polls that break down the vote by age, gender, race, income level, region, and nearly every other demographic imaginable. They do so in an effort to determine the meaning of the results. Why did voters choose one candidate over another? How satisfied were voters with the choices presented them? Were the voters sending a clear message—a **mandate**—or not? Winners search the results for evidence of a mandate. In 1992, Bill Clinton interpreted his victory as a mandate for a more active and progressive federal government. Several historic failures—on efforts to integrate homosexuals in the military and to establish nationalized health care—demonstrated that voter mandates are not always so clear. The voters' message has become more difficult to discern as **split-ticket voting**—voting for a presidential candidate of one party and legislators of the other—has grown more common.

Split-ticket voting leads to **divided government**, when one party controls the Senate or House or both and the other controls the White House. An example of this comes from the composition of the government in 2015: following the 2014 elections, Republicans had House and Senate majorities, while Democrats controlled the White House. This can create policy **gridlock** because these two branches are often at odds with each other. Conversely, it can cause them to work together in the creation of moderate public policy. Lastly, it encourages party **dealignment** because voters do not align with their parties as uniformly as they once did.

POLICY MAKING: OBJECTIVES

Concepts

- Why do the poorest people in the United States have the least political power?
- What role does federalism play in the implementation of social welfare policy?
- Why is it so difficult to pass social welfare policy?
- Why are entitlement programs always a threat to the budget-making process?
- Why can it be said that the president is a secondary player when it comes to the economy?
- Why is it so difficult to write a budget for the United States?
- How can the president use the budget-making process to control his policy initiatives?

The process of public policy making consists of first deciding what the problem is and then deciding how to solve it. Policy making can have the following three purposes:

- **solving a social problem**, such as high crime rates, high unemployment, poverty among the aged, or teenage drinking
- **countering threats**, such as terrorism or war
- **pursuing an objective**, such as building a highway, exploring outer space, or finding a cure for cancer

Policy can be achieved by prohibiting certain kinds of behavior, such as polygamy, murder, rape, and robbery. It can also be achieved by protecting certain activities. Granting patents and copyrights to individuals for their intellectual property, protecting the environment, and setting rules for workplace safety are all examples. Policy can promote some social activity; giving tax deductions for donations to charities is an example. Policy can be achieved by providing direct benefits to citizens. These benefits may include building roads, libraries, or hospitals. Benefits can also take the form of individual government subsidies, student loans, and pensions for the elderly.

Policy making can be frustrating because it often depends on public opinion, which can be fickle and unpredictable. The **issue-attention cycle** requires policy makers to act quickly, before the public becomes bored and loses interest. Public complaints over high energy prices can cause a flurry of policy making. But when prices go down, the public forgets about it until the next time.

Policy making often involves trade-offs between competing goods. Finding additional energy resources may require access to pristine wildlife reserves. The risks to wildlife and the environment may be too high of a price to pay for the additional energy. Conservation, smaller cars, and alternative energy sources may be better solutions, but each will have its supporters and opponents.

Because policy making can have unforeseen results and can touch off bitter disputes, legislators often use **incrementalism**—the slow, step-by-step approach to making policy—or legislators may decide to use the policy of inaction, because taking no action is one way of making policy. Conflicts over health care reform and Social Security entitlements can result in simply maintaining the status quo (or not changing a policy).

POLICY MAKING: PROCESS

Policy making has five main steps, and each is influenced by politics.

1. **Defining the role of government** is the first step in solving social and economic problems. The political left sees a greater responsibility for government than the right, with the result that governments on the left are larger, more active, and more expensive than those on the right.
2. **Agenda setting** identifies social and economic problems, redefines them into political issues, and ranks them in order of importance. A citizen's socioeconomic status can determine which problems seem important and which don't. Poor people may rank job training high on the agenda, while the rich may rank tax cuts higher. When large numbers of people are affected, the concern will be ranked high. However, there are times when it is those with the most money who will have their issues placed high on the agenda. For example, large energy-producing corporations have a great deal of access to policy makers.

Policy can try to address the concerns of opposing sides. Establishing environmental standards for oil exploration and refining tries to address the concerns of two constituencies: the environmentalists and the petroleum producers.

A momentous event, such as a war, an oil embargo, or a collapsing stock market, may set the agenda. Issues such as universal health care, the war on drugs, or environmental concerns can resurface. Scholars can force issues into the agenda through research studies.

3. **Policy formulation and adoption** can be accomplished in a number of ways. Sometimes the most difficult method is the legislative process in Congress, while the easiest may be through the executive branch by the use of executive orders from the president. Rules enacted by regulatory agencies or precedent-setting decisions by the Supreme Court are also sources of policy formulation and adoption. *Brown v. Board of Education* was certainly a policy-making decision.
4. **Policy implementation** puts the policy into effect by enforcement through the appropriate government agency. Timetables and rules for carrying out policies as well as anticipating problems are all part of policy implementation. Some of the major concerns of policy making are the unforeseen consequences. The “three-strike rule,” intended to get career criminals off the streets by significantly increasing the penalty for a third conviction, has ended most plea-bargaining arrangements, causing more trials and overloaded courts, judges, and jails. The three-strike rule has turned out to be a much more expensive public policy than anticipated.
5. **Policy evaluation** is the final step. Does a policy work? Have unforeseen consequences caused other policy problems? Evaluation provides feedback to the policy makers, so that modifications can be made to better solve the problems. Evaluation may determine that the problem has been solved and that the policy can be terminated.

Obstacles to Policy Making

The United States is a pluralist democracy, with multiple centers of power for making policy. Those interested in affecting policy making concentrate their efforts at these many centers. Because the United States has a federal system of government, policy can be made at the local, state, and national levels. Separation of powers creates three policy-making centers: the executive, the legislative, and the judiciary. There is also the general bureaucracy, with its multiple policy-making centers. Trying to influence legislation, thousands of interest-group lobbyists, like jellyfish in the sea, descend upon these policy-making centers at all levels of government.

In their efforts to prevent tyranny and corruption, the framers created a policy-making nightmare by dispersing the power centers. Getting things done is cumbersome and frustrating. Multiple access points cause **policy fragmentation**, where many pieces of legislation deal with parts of policy problems but never deal with the entire problem.

Because so many agencies of government are involved, the drug war requires policy coordination. Interagency task forces try to iron out policy problems and conflicts between competing agencies, and Congress uses its oversight powers to change agency jurisdiction and give coherence to policy.



The War on Drugs has at least 75 congressional committees with some type of jurisdiction or oversight; local and state law enforcement agencies are involved, as well as the Army, Navy, Air Force, Coast Guard, Border Patrol, Immigration and Naturalization Service, customs service, DEA, and the FBI.



Clinton's Economy

In 1992, Bill Clinton's informal campaign slogan was "It's the economy, stupid!"

ECONOMIC POLICY

Of all the issues that face politicians, the economy is often the most important. Success or failure usually rests with the person the public perceives as responsible for the condition of the economy; and regardless of whether it is true, the electorate usually holds the president responsible. In 1992, the economy was in recession and George H. W. Bush was blamed. In 1996, the economy was booming, and Clinton was given credit and reelected.

Because of the importance of the economy in the eyes of the voters, it is in a politician's self-interest to make policies that will increase people's standard of living. The electorate looks to Washington to achieve this objective. For the policy maker, the vexing question is how to achieve it.

Sound economic policy that achieves prosperity is probably the most elusive of all policies. There are many elements to the problem: inflation, deflation, interest rates, the supply of money in circulation, the profitability of corporations, foreign competition, international agreements, and consumer confidence, just to name a few. Complicating the problem are the various economic theories that drive policy decisions, and the various government agencies and institutions that make decisions affecting economic conditions.

Economic Theory

Capitalist free-market systems in which both government and private industry play a role are called **mixed economies**. Mixed free-market systems are characterized by both private and public (government) ownership of the means of production and distribution of goods and services. The price of goods and services is determined by the free-market interplay of supply and demand. The profits after taxes are kept by the owners.

Free-market economic systems are plagued by periods of prosperity followed by periods of economic contraction (decreased activity, economic downturn). Because the United States has a mixed free-market system, the major problem for policy makers is how to maintain prosperity and economic growth while reducing the impact of the inevitable economic contraction. In capitalist systems, the basic question is to what extent the government should intervene.

Laissez-faire economists believe that the government should never become involved in economic issues. They believe that the narrow pursuit of individual profit serves the broader interest of society. Central to laissez-faire economics is the belief that free markets are governed by the laws of nature and government should not interfere with those laws. In vogue with rugged individualists in the 19th century, laissez-faire economics disappeared as a viable government policy option during the Great Depression of the 1930s.

Perhaps the most influential economist of the 20th century was John Maynard Keynes, an interventionist. **Keynesian economics**, on which FDR's New Deal was based, holds that the government can smooth out business cycles by influencing the amount of income individuals and businesses can spend on goods and services. Since the end of the Cold War, however, the United States has readopted laissez-faire economic policies.

Fiscal Policy

Fiscal policy refers to the government action of either lowering or raising taxes, which results in more or less consumer spending or enacting of government spending programs, such as building highways or hospitals. Keynesians believe that during economic downturns, the government should spend money on projects to inject money into the economy. They are less worried about government deficit spending than about keeping the economy prosperous. A prosperous economy means a larger tax base, which will eventually correct deficit spending. In effect, the Keynesian school believes that when the economy is good, surplus taxes (money left over from tax revenues) should be saved to pay for the government spending that must take place during an economic downturn. Using this school of thought, the policy alternatives are obvious, but questions still remain. Should there be tax cuts? If so, how much, and who should get them? How much spending should the government engage in? How much **deficit spending** (funds raised by borrowing rather than taxation) should be allowed? The answers to these questions are extremely difficult, with major political consequences.

In the 1980s, the Reagan-Bush administration became the champion of the **supply-side** school of economic thought. The supply-siders take issue with supporters of Keynesian economics. Inflation is caused by too many dollars chasing too few goods. If the supply of goods is raised, the cost of the goods will decline. According to this theory, supply-siders argue that the government should cut taxes and spending on domestic programs to stimulate greater production.

Going along with supply-side theory, Congress in the 1980s enacted extensive tax cuts and reductions to social welfare programs, a policy later dubbed "Reaganomics." Inflation was brought under control, but huge yearly **budget deficits**, caused in part by a defense buildup, created a four-trillion-dollar debt. In the 1990s, budget surpluses began to shrink the deficit but these gains were reversed as a result of policies enacted during the Bush and Obama administrations, particularly during the Great Recession. Tax cuts followed by rising costs associated with the War on Terrorism, the invasion and occupation of Afghanistan and Iraq, and government stimulus programs have resulted in record budget deficits. The most recent estimates of the Congressional Budget Office (CBO) have warned against increasingly large budget deficits. In 2010, a \$1.5 trillion deficit in the federal budget stoked political controversy and contributed to historic Republican gains in both houses of Congress in the 2010 midterm elections. The next year, congressional Republicans forced a showdown over plans to increase the federal debt ceiling, generating concern over the United States' international credit rating.

Monetary Policy

Monetary policy refers to the process by which the government controls the supply of money in circulation and the supply of credit through the actions of the **Federal Reserve Board** (the Fed). The Fed can increase the amount of money in circulation by lowering interest rates. Rate reductions make borrowing money less expensive because interest on the money is low. This action usually inflates (expands) the economy, resulting in higher prices and wages. If the Fed raises interest rates, the impact on the economy will be deflationary, resulting in either more stable or lower prices or wages.

Monetary policy can be implemented by the Federal Reserve Board in three ways.

- By manipulating the **reserve requirement**, which raises or lowers the amount of money banks are required to keep on hand. Raising the reserve shrinks the amount of money available for borrowing, which raises interest rates. Lowering the reserve will have the opposite effect, lowering interest rates.
- By manipulating the **discount rate**, which raises or lowers the interest banks pay to the Federal Reserve Banks for borrowing money. Lowering the discount rate will lower the interest rates for consumer loans. Raising the discount rate will raise the interest rates for consumer loans. The higher the rate, the less consumers purchase.
- By manipulating **open market operations**, the Federal Reserve buys and sells United States government bonds. People buy bonds because they have a better interest rate than savings accounts. When the Fed sells bonds, people withdraw money from banks to take advantage of the bond's higher interest rate. Because the bank has less to loan, consumer interest rates go up, which slows consumer spending and economic growth. When the Fed buys bonds, money flows back into the banks, which increases the money available for loans. With more money in the bank for consumers to borrow, interest rates are driven down. Lower interest rates mean more consumer spending, which increases economic growth.

Some economists believe that government should intervene only to manipulate the money supply, an idea championed by Milton Friedman. These monetarists believe that the money supply should be increased at a constant rate to accommodate economic growth. Monetarists do not believe that interest rate changes and manipulation of tax rates have much of an impact on economic conditions.

In the 1990s, the U.S. economy expanded without tax cuts, creating record employment levels with little inflation. Many gave the credit to the monetary policy of Alan Greenspan and the Federal Reserve.

The Tools of Economic Policy Making

The president receives advice on the state of the economy from the following departments and agencies:

- the Council of Economic Advisors
- the National Economic Council
- the Office of Management and Budget
- the Secretary of the Treasury

The president can influence the fiscal and monetary policies of these departments and agencies through his appointment power and policy **initiatives**. Remember that fiscal policy involves the budget, and monetary policy involves the money supply.

Fiscal Policy Making

The Director of the **Office of Management and Budget (OMB)** is responsible for initiating the budget process. The director meets with the president to discuss his policy initiatives. The state of the economy is discussed, centering on government revenue projections, which is the predicted income from taxes. Based on the president's priorities, some executive departments will receive more money than others. The OMB then writes the president's budget and submits it to Congress. Upon its arrival, the budget is sent to three committees. The **House Ways and Means Committee** deals with the taxing aspects of the budget. **Authorization committees** in both houses decide what programs Congress wants to fund. **Appropriations committees** in both houses then decide how much money to spend for those programs that have been authorized.

The budget process is complicated, politically divisive, and, in recent years, nearly impossible to conclude. The president's projected revenues and expenditures often conflict with those of Congress. Congress often simply does not trust the president's numbers, and conversely, the president does not trust Congress's. These yearly budget problems forced passage of the **Budget Reform Act of 1974**, which created the **Congressional Budget Office**, with budget committees in both the House and Senate. The congressional committees set their own revenue and spending levels. Negotiations then take place among the White House and the two houses of Congress in an effort to get one budget acceptable to everyone. Failure to achieve a budget by the beginning of the **fiscal year** could mean shutting down the government and sending employees home. When this occurs, budget stop-gap bills are passed to temporarily appropriate money to keep the government operating.

The **Budget Enforcement Act of 1990** was an effort to streamline the budget process and make it easier to arrive at a compromise budget. The law categorizes government expenditures as either mandatory or discretionary spending. **Mandatory spending** is required by law to fund programs such as the **entitlement programs**, Social Security,



Shut It Down

The U.S. government experienced its longest shutdown—35 days—from December 2018 to January 2019. President Trump unsuccessfully tried to use the shutdown to gain funding for a U.S.-Mexico border wall.

Medicare, veterans' pensions, and payment on the national debt. **Discretionary spending** programs, which are not required by law, include defense, education, highways, research grants, and all government operations. Discretionary programs are the primary targets for making cuts to balance the budget.

TRADE POLICY

The United States is by far the richest nation in the world. The output of the economy of the state of California alone ranks among the top five nations in the world. The economic outputs of each of the three cities of Los Angeles, Chicago, and New York rank among the output of the top 20 nations. For better or for worse, the United States is the largest producer and consumer of products.

Foreign nations depend on the United States as a market for their products, as we depend on them for ours. The ratio of imported products to exported products is called the **balance of trade**. **Trade deficits** occur when imports exceed exports. Trade deficits cause wealth to flow from a nation. When nations face trade deficits, they often place restrictions on imported goods. The nation facing the restrictions can take retaliation by imposing high import taxes or unfair regulations on products, effectively keeping out foreign goods. Trade wars can result, stopping trade between countries. Trade surpluses are the result of more money flowing into a country than out. The oil-producing nations have huge amounts of money flowing into their treasuries and therefore have large trade surpluses when prices are high.

In an effort to promote trade, the United States signed the **General Agreement on Tariffs and Trade (GATT)**, which evolved into the World Trade Organization (WTO). The 125 members of the WTO account for 97% of the world's trade. The organization works to lower tariffs and quotas and reduce unfair trade practices.

In an effort to promote free trade between the United States, Canada, and Mexico, the three nations signed the **North American Free Trade Agreement (NAFTA)** in 1994, effectively removing import tariffs from one another's products. As an economic policy, NAFTA was controversial. It was opposed by United States industrial labor unions who feared that jobs would be lost to cheap Mexican labor. Others feared that the industrial capacity of the United States would be damaged because factories would move to Mexico, where environmental laws were not strictly enforced. NAFTA supporters claimed it would improve the U.S. economy and would also create jobs in Mexico, resulting in less illegal immigration. Supporters also claimed that a richer Mexico would purchase more American goods. NAFTA proved to be something of a mixed blessing. Its passage led to cheaper labor (in Mexico) for many U.S. companies, and an increase in trade between the two countries. Nevertheless, many American jobs have undeniably been sent south of the border, and many Mexican farmers lost their land in a futile attempt to compete with American agribusinesses. At the insistence of President Trump, the three nations revised NAFTA in 2018, renaming the agreement the **United States-Mexico-Canada Agreement (USMCA)**.

DOMESTIC POLICY

While economic policy is contentious, domestic policy is sometimes even more so because it gets to the very essence of the purposes of government. Liberals believe government has an obligation to provide for social welfare, to help the needy. Conservatives believe **social-welfare programs** are encroachments on individual liberties and responsibilities. They think these programs turn the government into an instrument used to create a permanent class of the underprivileged, dependent upon government handouts. Somewhere in between are the moderates who believe government should provide opportunities and limited help during difficult times.

The 20th century has seen a dramatic change in the way society perceives the role of government in providing for the basic needs of people. Before the Great Depression, there were no government programs to help people who suffered from the hardships of old age, disabilities, unemployment, and poverty. So many people needed help in the 1930s that the government enacted programs to create jobs, provide housing, and feed the hungry. Later on, the **Great Society** programs of the Johnson administration expanded government welfare programs, but because of the expense and questions about their effectiveness, many of the Great Society programs were eliminated or scaled back during and after the Reagan administration.

Today there are two kinds of social-welfare programs.

- **Social insurance programs** are in reality national insurance programs into which employers and employees pay taxes. Because individuals pay into these programs, the public believes that the benefits derived from such programs have been earned. There seems to be little public debate over a citizen's "right" to Social Security.
- **Public assistance programs**, on the other hand, are not perceived as earned. These programs are a result of condition and a government responsibility to help the needy. Recipients are not required to pay into the system to get something out. Public assistance is considered by some to be a "handout" to the lazy. Because politicians understand this public perception, public policy initiatives from both parties have concentrated on forcing people on public assistance to either seek work or enter work-training programs.

Social Security

Social Security is an entitlement program mandated by law. The government must pay benefits to all people who meet the requirements of the program. Changing the law would require congressional action. Because the largest voting block of the electorate is made up of those nearing or at retirement age, there is little chance of major changes to the system, even though some experts warn that the Social Security trust fund will go bankrupt in the near future. Currently, entitlement programs account for the largest expense in the federal budget.

In its original form, Social Security provided benefits only to retired persons beginning at age 65.

The program has now been expanded to include four categories of persons.

- Retired workers and their survivors who are presently age 65 and older receive monthly payments from the Social Security trust fund. To help maintain a recipient's standard of living, recipients are entitled to a **COLA** (cost of living adjustment) if the inflation rate exceeds 3%. COLAs put a strain on the ability of the trust fund to meet its obligations. Changes in the demographic composition of society are also putting a strain on the system. Society is aging, and the ratio of workers to retirees is declining. Because Social Security is a pay-as-you-go system, the money that is now paid into the system pays the present beneficiaries. As the ratio of workers to retirees continues to decline, workers will be faced with higher taxes to maintain the income of those who are retired.
- Insurance for the disabled provides monthly payments to those citizens who are permanently and totally disabled. This category includes the learning disabled and those dependent on drugs and alcohol.
- **Medicare** provides government assistance to people older than 65 for health care. For those retirees who pay an additional tax on their social security benefit, Medicare Part B will pay approximately 80% of their doctor's bills. The high and rising cost of health care has led some to question the solvency of this program, but recent reports note that it is more than able to cover 100% of its costs through at least 2030.
- **Medicaid** provides medical and health-related services for low-income parents, children, seniors, and people with disabilities. It is jointly funded by the states and federal government and is managed and run by the individual states.

- Temporary unemployment insurance for those out of work provides a weekly benefit, for a limited time. Each state government administers its own unemployment insurance program. Both the federal and state governments pay into a trust fund to provide the benefit. While states have traditionally set their own rules on the amount and duration of benefits, Congress has responded at the federal level to the recession that began in 2009 by helping states offer up to 99 weeks of benefits to the unemployed, significantly more than the previous standard of 26 weeks. In 2012, however, Congress imposed additional restrictions on those extended federal benefits, including a measure to gradually decrease the limit to 73 weeks. With the unemployment rate below 5% at the beginning of 2018, the extension of benefits continues to decrease.

Social Welfare

No matter how well intentioned the government has been, and no matter how much money has been spent, poverty has remained a perpetual problem for policy makers at both the state and federal levels. The first federal welfare programs were established by the Social Security Act in the 1930s. The largest and most controversial became known as Aid to Families with Dependent Children (AFDC).

All social welfare programs are designed to help targeted groups. Public assistance programs, known as welfare, target families whose total income falls below the federally determined minimum amount required to provide for the basic needs of a family. The present amount is approximately \$17,000 for a family of four. The larger the family, the more income is required and the more money is paid out. Critics claim that welfare is an incentive for families to have more children. Further complicating matters are complaints from recipients about a system that is degrading because investigators, looking for welfare cheaters, are invading their privacy.

In addition to AFDC, the federal government has established **supplemental public assistance programs** (known as SSI) to help the disabled and the aged who are living at or near the poverty level. To improve the diet and increase the buying power of the poor, the federal government also provides **SNAP benefits**, formally known as food stamps. Recipients use government-provided debit cards to help pay for food. Both SSI and the food-stamp program are federal programs administered through local and state agencies.

In an effort to reduce the number of people living on public assistance, the **Welfare Reform Act** was passed in 1996. Under the law, social welfare programs are funded by both the state and federal governments, with the federal government contributing the greatest share in the form of block grants. Block grants are important because they allow states to experiment with new types of programs designed to get people off welfare and into work programs. The administration of

programs (the distribution of cash payments) and the incentives for finding work and providing job training are left to the states. The intent of the law is to reduce the welfare rolls and force people to find work. This is accomplished by

- abolishing Aid to Families with Dependent Children (AFDC), which has affected 22% of the families in the United States with children and replacing it with Temporary Assistance for Needy Families (TANF)
- requiring adults to find work within two years or be cut off
- placing a lifetime limit of five years for welfare eligibility, although it is possible to get a waiver if a recipient is actively seeking work
- prohibiting undocumented immigrants from receiving assistance

The political debate over public assistance centers on two issues: who pays how much, and what is the fair standard to be used for the recipient? Both Democrats and Republicans have tried to reduce these programs. Cutting them, however, places more people at risk, reducing food stamp programs and school lunch programs, and causing increased hunger.

Health Care

One of the most vexing problems for policy makers is what to do about the high cost of health care. Americans spend more than 17% of the nation's **gross domestic product**, or **GDP** (the total of goods and services produced in a year), on health care. The United States has the most expensive health care system in the world and is the only fully industrialized nation without a national health care program. High costs have not guaranteed any longer life expectancy, nor better treatment than that found in other industrialized nations. Instead of a national program run by the government, most Americans have relied on various types of insurance programs to pay for health care costs. The premiums for these health care programs are paid by workers and employers. For many reasons, but primarily because of cost, 8.5% of the population, approximately 28 million people, was without health insurance in 2019.

As with other government programs, the electorate is divided on how to solve the two issues of universal health care and the burden of health care costs. Voters seem to want increased coverage but there is little evidence to indicate they are willing to pay for it. The only taxes the American electorate seems willing to pay are the so-called “sin taxes”—still fairly unpopular in some circles—on alcohol and tobacco products, which will not generate enough revenues to provide increased coverage. Proposals for “anti-obesity” taxes on sugary drinks and sodas have been met with mixed reactions from the public. Another basic issue for which there is no consensus is whether health benefits should be a government or privately administered program. With little public consensus over the past two decades, reform has been extremely contentious.



High Costs

The average cost for health insurance programs is at least \$5,000 per person per year and is rising faster than the cost of living.

An ill-fated attempt at health care reform was made in the first Clinton administration. The proposed policy called for universal coverage and strict cost controls. The policy would have required increased taxes coupled with cost-cutting limits on the types of medical procedures allowable. The lack of public consensus killed the proposal within a year.

The debate over health care continued during the 2000 presidential election. Both candidates agreed that something had to be done about both escalating costs and the increasing numbers of uninsured. The Democrats promoted a policy of a government-paid prescription drug program for senior citizens. The Republicans promoted a prescription-drug program run by insurance providers, but again there was no consensus.

The most significant health-care legislation in American history was signed into law by President Obama on March 23, 2010. The **Patient Protection and Affordable Health Care Act**, popularly known as Obamacare, was passed over the course of several months and it generated significant political debate and controversy. The law was celebrated by most Democrats, who touted it as the much-needed solution to the long-term flaws in the American health-care system. Republicans and some independent voters criticized the law, claiming it was an expensive intrusion of the federal government into the public sector. The debate lasted until the midterm elections in November of 2010, when Republicans gained a large number of congressional seats partly as a result of voter discontent with the law.

The most important of the law's provisions allowed the federal government, beginning in 2014, to fine individuals who do not participate in an insurance program. This policy, known as the "individual mandate," has been the basis of many Republican criticisms of the law. The attorneys general of 28 states challenged this provision in the law in federal court, claiming that the Constitution prohibits Congress from taxing individuals for not purchasing a product (say, health insurance). However, the Supreme Court ruled that the individual mandate is constitutional in the 2012 case *National Federation of Independent Business v. Sebelius*.

CHAPTER 8 KEY TERMS

Political parties	Electoral College
Interest groups	Winner-take-all system
Political action committees (PACs)	Voter turnout
527 groups	Mandate
Two-party system (bipartisan system)	Split-ticket voting
Primary elections	Divided government
National conventions	Gridlock
Coalition	Issue-attention cycle
Party bases	Incrementalism
Critical election	Policy fragmentation
Dealignment	Mixed economies
Splinter parties (bolter parties)	Laissez-faire
Doctrinal parties	Keynesian economics
Single-issue parties	Fiscal policy
Independent candidates	Deficit spending
Lobbying	Supply-side theory
Influence peddling	Budget deficits
Federal Election Campaign Act (FECA)	Monetary policy
Bipartisan Campaign Reform Act (BCRA) of 2002	Federal Reserve Board
McCain-Feingold Act	Reserve requirement
<i>Citizens United v. Federal Election Commission</i>	Discount rate
Super PACs	Open market operations
Federal Election Commission (FEC)	Office of Management and Budget (OMB)
Soft money	House Ways and Means Committee
Hard money	Authorization committees
Incumbent advantage	Appropriations committees
Gerrymandering	Budget Reform Act of 1974
Nominations	Congressional Budget Office
General elections	Fiscal year
Plurality	Budget Enforcement Act of 1990
Runoff primary	Mandatory spending
Delegates	Entitlement programs
State caucuses	Discretionary spending
Conventions	Balance of trade
Superdelegates	Trade deficits
McGovern-Fraser Commission	General agreement on tariffs and Trade (GATT)
Federal matching funds	North American Free Trade Agreement (NAFTA)
Super Tuesday	Social-welfare programs
Front-loading	Great Society
Brokered conventions	Social Security
Platform	COLA (cost of living adjustment)
Post-convention bump	Medicare

Medicaid
Supplemental public assistance
programs
SNAP benefits

Welfare Reform Act
Gross domestic product (GDP)
Patient Protection and Affordable
Health Care Act

Chapter 8 Drill

See Chapter 9 for answers and explanations.

Question 1 refers to the passage below.

“However [political parties] may now and then answer popular ends, they are likely in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men will be enabled to subvert the power of the people and to usurp for themselves the reins of government, destroying afterwards the very engines which have lifted them to unjust dominion. Towards the preservation of your government, and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular oppositions to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the prettexts.”

—George Washington, Farewell Address, 1796

- Which of the following statements best reflects Washington’s message in the passage?
 - (A) Political parties are a natural part of American political life.
 - (B) Political parties never work in the interests of the American people.
 - (C) Political parties are run by moral men.
 - (D) Political parties manipulate the government to ensure their grasp on power.

- Which of the following is an accurate comparison between a political party and an interest group?

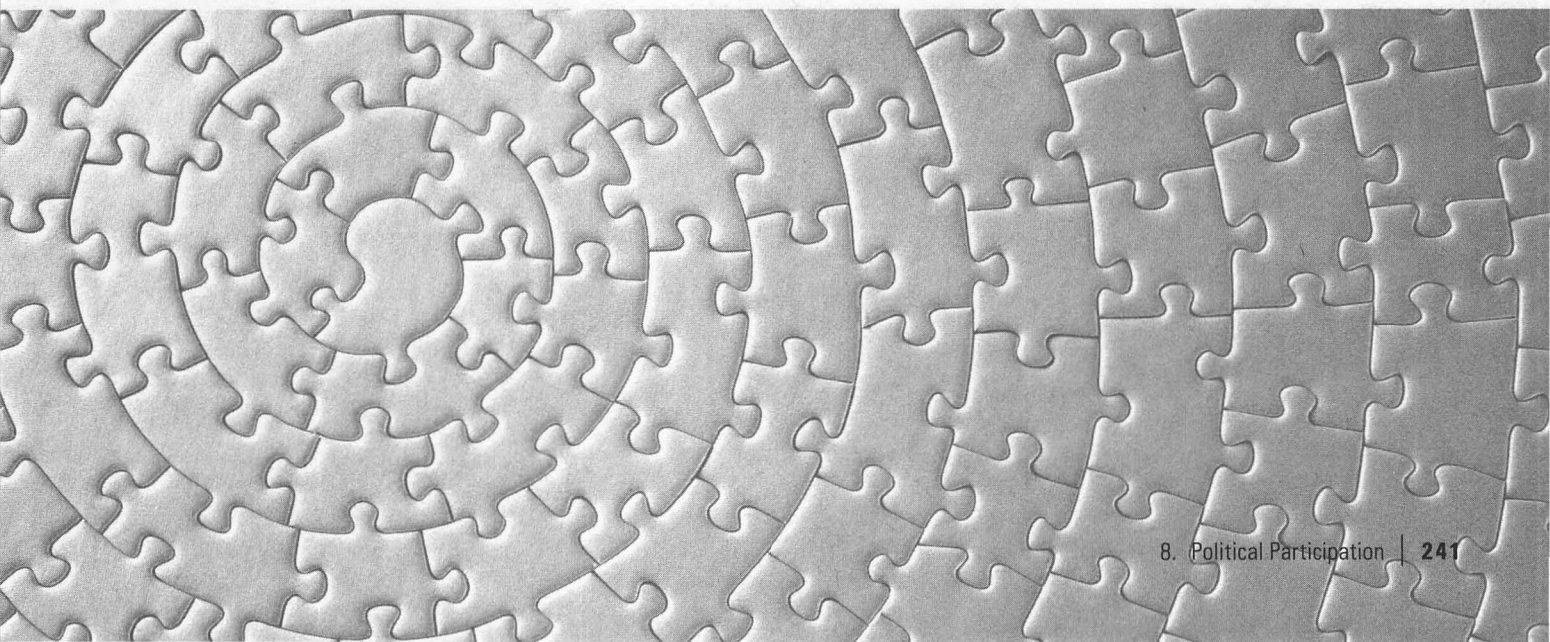
	Political Party	Interest Group
(A)	Organize government activity	Undergo realignment every few decades
(B)	Direct lobbying	Reduce conflict and tension in society
(C)	Nominate candidates for office	Make endorsements
(D)	Educate and mobilize voters	Help coordinate the campaign of a presidential candidate

- Political Action Committees (PACs) allow unions and corporations to perform which of the following actions?
 - (A) Run their own members for political office
 - (B) Coordinate political activities not affiliated with a campaign
 - (C) Have a voice in government
 - (D) Sit down together to work out their differences

- Which of the following describes an open Republican primary?
 - (A) Only Republicans can vote.
 - (B) Only Democrats can vote.
 - (C) Only Republicans and Democrats can vote.
 - (D) Only registered voters can vote.
- At a nominating convention, which committee decides the positions that the political party will take?
 - (A) Platform Committee
 - (B) Credentials Committee
 - (C) Rules Committee
 - (D) Ideology Committee
- Which of the following statements is true about presidential primaries?
 - (A) All delegates in a primary are awarded to the winning candidate.
 - (B) Voters in primaries all show up at the same time to discuss candidates and then vote.
 - (C) Most states use primaries to award delegates to presidential candidates.
 - (D) Voters in primaries choose representatives to vote for them.
- Which of the following people would receive money from Social Security?
 - (A) A worker retiring after 40 years
 - (B) A foreign tourist injured on U.S. soil
 - (C) A veteran working as a security guard
 - (D) A family that is chronically poor
- Which of the following terms describes a time when a nation’s imports exceed its exports?
 - (A) Trade deficit
 - (B) Trade surplus
 - (C) In default
 - (D) Bankrupt
- Which of the following programs is categorized as discretionary spending under the Budget Enforcement Act of 1990?
 - (A) National debt payments
 - (B) Social Security
 - (C) Medicare
 - (D) Education

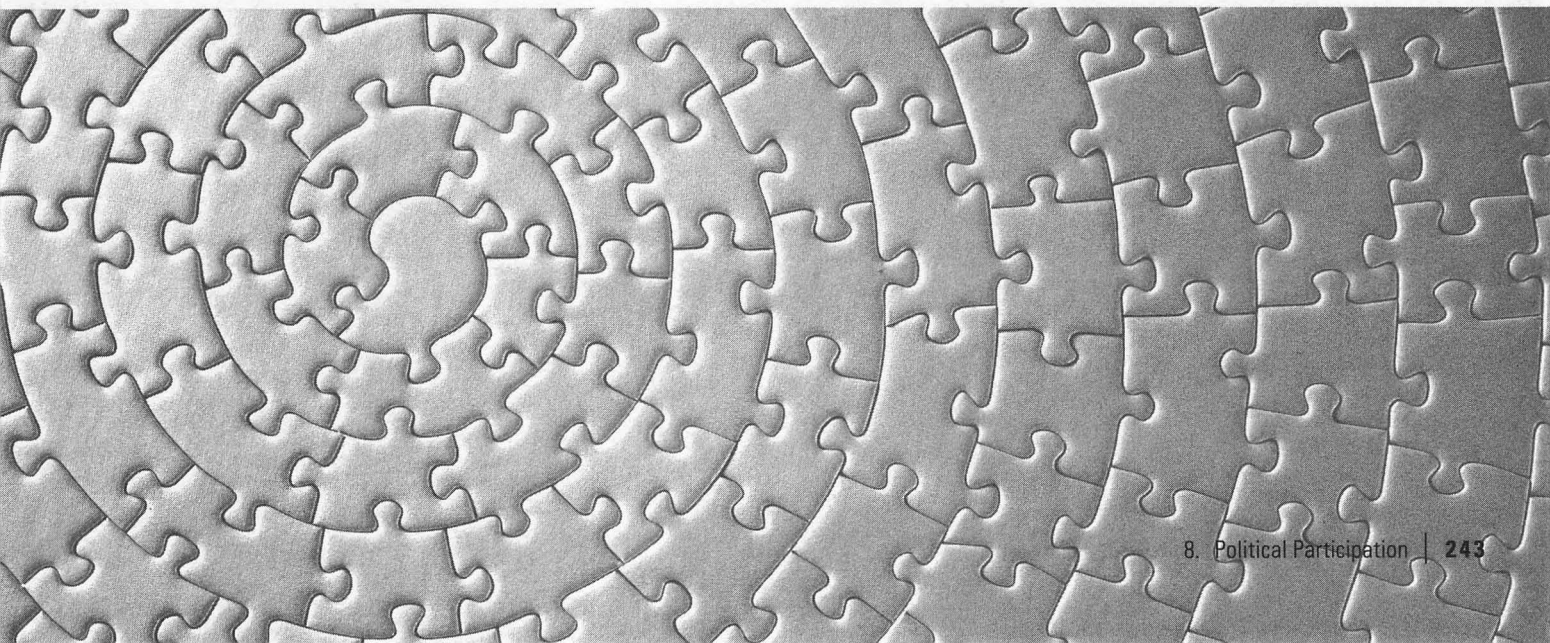
Summary

- Though they are not mentioned in the Constitution, political parties have become an integral part of American government. They may embrace a wide spectrum of ideologies, but ultimately both parties share the same goal: to be elected by any means necessary.
- American history has been marked by numerous third parties that have challenged the prevailing duopoly. If it is popular enough, a third party may influence the two major parties to adopt its ideas.
- Parties serve many functions in American democracy: they recruit and fund candidates, educate voters, provide a loyal opposition, and run the government—all while mitigating societal tension.
- Political parties often turn out to be broad coalitions of disparate ideologies and groups. The Republican Party, for example, blends libertarians who are hostile to government regulation with religious conservatives who want government to play a greater role in enforcing public morality.
- Generally speaking, Democrats tend to be in favor of government regulation of industry, redistribution of government money to the poor, and social freedom. Republicans tend to want to empower business to free itself from government rules, encourage people to earn money with assistance from the state, and want more social and moral controls on society.
- Interest groups are large organizations with strong policy goals, but they are different from political parties in that they do not change their ideologies. These groups try to control the political process by hiring lobbyists to influence legislators and by giving them money as well.
- When labor unions or corporations want to fund candidates, they do so by forming Political Action Committees, or PACs. PACs and Super PACs, which provide a means to funnel money to a candidate of choice, are regulated by the Federal Election Commission (FEC).
- 527 groups are not regulated by the FEC, and the nature of these groups is a source of great contention. They have become a way for organizations to avoid hard money limits, and their spending has ballooned in recent years, despite efforts to limit and regulate outside money in elections.
- Elections consist of two phases: nominations and the general election. Most nominations are made through party primaries. These can be open, closed, or blanket.



- Candidates need the backing of the major parties along with a compelling back story before they can hope to make a strong campaign for national office.
- Campaign finance was restricted by a complicated web of regulations defined by the election laws of the 1970s along with the 2002 Bipartisan Campaign Reform Act, but new laws were passed in 2010.
- Before the general elections, the candidates need to win their party primaries, which often involves energizing the base. Later, candidates may have to repudiate some of the more radical statements they made to court primary voters in order to win more moderate voters in the general election.
- Party nominees were originally selected at the nominating conventions, but now these conventions are symbolic coronations of the candidate who has already been selected through the primary process. Still, delegates assemble, cheer, and argue over the drafting of the party platform.
- Presidential candidates must win each state's electors, which is done by getting a plurality of all the voters in that state. This method causes candidates to spend most of their time in "swing" or "battleground" states and can also result in the winner of the popular vote losing the election (as was the case with Al Gore in the election of 2000 and Hillary Clinton in 2016).
- After all the voting is done, pollsters, the parties, and the media try their best to determine why the people voted the way they did. Exit polls and surveys are the tools used to decipher these factors.
- Public policy is made when the government decides to take action to solve a societal problem, and consists of five steps:
 1. Defining the role of government
 2. Agenda setting
 3. Policy formulation
 4. Policy implementation
 5. Policy evaluation
- Economic policy has been one of the most important areas of public policy in American history. Policy makers have oscillated between supporting laissez-faire free market principles and redistributivist, interventionist policies.

- The United States has joined international trade organizations like the World Trade Organization (WTO) and the United States-Mexico-Canada Agreement (USMCA) in order to boost our commerce with the rest of the world. Nevertheless, we still use tariffs and subsidies to protect large swathes of our industry and agriculture.
- Before FDR, the federal government did not engage in much domestic policy making, but since that era we have seen the rise of programs like Social Security, Welfare (through Aid to Families with Dependent Children and new state-based systems), and Medicaid.



REFLECT

Respond to the following questions:

- For which content topics discussed in this chapter do you feel you have achieved sufficient mastery to answer multiple-choice questions correctly?
- For which content topics discussed in this chapter do you feel you have achieved sufficient mastery to discuss effectively in an essay?
- For which content topics discussed in this chapter do you feel you need more work before you can answer multiple-choice questions correctly?
- For which content topics discussed in this chapter do you feel you need more work before you can discuss effectively in an essay?
- What parts of this chapter are you going to re-review?
- Will you seek further help, outside of this book (such as a teacher, tutor, or AP Students), on any of the content in this chapter—and, if so, on what content?