

# The Bipartisan Campaign Reform Act of 2002: A Threat to Freedom

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The Bipartisan Campaign Reform Act of 2002, more commonly referred to as the McCain/Feingold Act, is a campaign finance reform bill purported to have the intended effect of limiting or eliminating “soft money.” However, its actual effect is to limit and curtail the freedoms permitted by the U.S. political system. It evinces a design to essentially undermine our inherent right to speak freely regarding political issues and our political leaders. It is with this understanding that one must oppose this law.

To realize fully where this bill came from, and how it passed, we must first look at the history of campaign finance reform. The first campaign finance reform ever passed by the U.S. federal government came in 1867, thus prohibiting “Federal officers from requesting contributions from Navy Yard workers.”<sup>1</sup> This was followed by the Tillman Act in 1907, the “first Federal campaign disclosure legislation” in 1910, the Federal Corrupt Practices Act of 1925, the Hatch Act of 1939, Taft-Hartley Act of 1947, and finally the Federal Election Campaign Act of 1971, also referred to as FECA.<sup>2</sup>

FECA, which went into effect in April of ’72, led to the creation of Political Action Committees, which allowed corporations and labor unions to make voluntary contributions to federal elections.<sup>3</sup> It

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<sup>1</sup> <http://www.fec.gov/info/appfour.htm>

<sup>2</sup> *Ibid.*

<sup>3</sup> *Ibid.*

also lead to the first taxpayer-financed federal election in U.S. history in 1967.<sup>4</sup>

In 1974, FECA was amended so as to create the Federal Election Commission. According to the F.E.C.,

The Commission was given jurisdiction in civil enforcement matters, authority to write regulations and responsibility for monitoring compliance with the FECA. Additionally, the amendments transferred from GAO to the Commission the function of serving as a national clearinghouse for information on the administration of elections.<sup>5</sup>

Along with this came strict limits on contributions.

The argument given in favour of the Bipartisan Campaign Reform Act of 2002 is that it counteracts soft money. But what is “soft money”? “soft money” is described as money that, although not made directly to a candidate’s campaign, is spent on such things as “issue advertising,” which can be advertisements for or against a candidate’s positions. Another take on “soft money” can be found in Jim Babka, founder of RealCampaignReform.org, according to whom the reason incumbents hate “soft money” so much is because “it’s the only thing left that endangers their power and influence.”<sup>7</sup>

We then must ask ourselves, why is “soft money” viewed so negatively? According to Public Citizen, a group that supports regulation on “soft money”, issue ads “undermin[e] the integrity of federal and state campaign finance laws.” Public Citizen basically believes that Campaign Finance Reform isn’t censoring those who wish to use their freedom of speech to influence elections, but rather that it aims “to provide accountability of those groups and individuals who are attempting to influence elections,” and that issue ads are a “sham” that must be dealt with by government. In reality, all issue ads are ad-

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<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

<sup>6</sup> [http://en.wikipedia.org/wiki/Campaign\\_finance\\_in\\_the\\_United\\_states](http://en.wikipedia.org/wiki/Campaign_finance_in_the_United_states)

<sup>7</sup> [http://www.realcampaignreform.org/babka/liberty\\_for.htm](http://www.realcampaignreform.org/babka/liberty_for.htm)

<sup>8</sup> [http://www.citizen.org/congress/campaign/issue/issue\\_ads/](http://www.citizen.org/congress/campaign/issue/issue_ads/)

vertisements encouraging the public to support or oppose a particular issue or candidate. The fear that groups like Public Citizen have that issue ads will “influence elections” shouldn’t be a fear, but rather appreciation for the fact that freedom of speech works, and that private citizens or political organizations can have their message heard on any political topic or candidate.

This is precisely why incumbents fear issue ads, because they know that any group of concerned citizens could come together and purchase ads showcasing something about their public policy that turns voters away from them. According to Paul Jacob, politicians “went after groups that run issue ads. This legislation would ban term limits groups and others from running ads that dare to mention an incumbent’s name within 60 days of an election. Of course, incumbents don’t like being criticized; so they want to outlaw our speech.”<sup>9</sup>

In contrast to “soft money,” there’s also “hard money,” which is basically money provided through direct donations, whether from individuals or Political Action Committees. These donations are also regulated. Citizens are limited in how much they can donate to an election campaign, that these donations cannot exceed \$2,000. Further, “Federal candidate committees must identify...all PACs and party committees that give them contributions, and they must provide the names, occupations, employers and addresses of all individuals who give them more than \$200 in an election cycle.”<sup>10</sup>

One may ask, “Why all the regulation? Why does McCain/Feingold allow us to donate \$2,000, but not \$3,000? Why am I not permitted to purchase an ad saying candidate-X is a horrible candidate?” The answer one receives to these questions vary between who you ask. If you ask Senator John McCain what the aim of his campaign reform was, he may tell you it was to “take a stand for or against the corrupting influence of big-money campaign contributions.”<sup>11</sup> To

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<sup>9</sup> [http://www.ustermimits.org/Prefs/Common\\_fense/cf337.html](http://www.ustermimits.org/Prefs/Common_fense/cf337.html)

<sup>10</sup> *Supra* note 6

<sup>11</sup> [http://mccain.senate.gov/index.cfm?fuseaction=Newscenter.ViewOpEd&Content\\_id=741](http://mccain.senate.gov/index.cfm?fuseaction=Newscenter.ViewOpEd&Content_id=741)

counter this, John samples of the Cato Institute might point out that “McCain...has not shown that soft money corrupts legislators or elections.”<sup>12</sup> supporters of the Bipartisan Campaign Reform Act of 2002 may go further and claim that:

The law poses no threat to [freedom of speech or association]. It is actually quite modest in its ambitions. The new campaign finance law reinstates the status quo ante of barely a decade ago, before soft money began to be a major component of national party fundraising and before candidate-specific sham “issue ads” were used to undermine the disclosure and contribution limitation provisions of federal election law.<sup>13</sup>

Even if it were true that the aim of the campaign finance reform wasn’t to limit speech, one cannot ignore the fact that this is precisely the result of the legislation. Although a press release from Senator McCain may state that “[i]ndividuals and groups retain their full First Amendment rights” and that “[t]he only new requirements relate to the disclosure and sources of funding for television and radio ads close to an election that feature federal candidates,”<sup>14</sup> this is simply not true. Regulation is being extended even to blogs on the internet. On Thursday, March 24th, FEC commissioners voted five-to-one to “approve a procedure that is expected to end with a final set of Internet rules—governing everything from whether bloggers are journalists to bulk political e-mail—in place by the end of the year.”<sup>15</sup>

The other true effect of this legislation is incumbency protection. In fact, it would go by no stretch of the imagination to refer to this as the “Incumbency Protection Act of 2002.” As Representative Ron Paul, MD, points out,

Outrageously, the Court failed to strike down a provision of the campaign finance bill that virtually outlaws criticism of incum-

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<sup>12</sup> <http://www.cato.org/pubs/pas/pa-393es.html>

<sup>13</sup> [http://mccain.senate.gov/index.cfm?fuseaction=Newscenter.ViewPressRelease&Content\\_id=11121](http://mccain.senate.gov/index.cfm?fuseaction=Newscenter.ViewPressRelease&Content_id=11121)

<sup>14</sup> *Ibid.*

<sup>15</sup> [http://news.com.com/Feds+get+fet+for+Net+rules/2100-1028\\_3-5634670.html](http://news.com.com/Feds+get+fet+for+Net+rules/2100-1028_3-5634670.html)

bent politicians for 60 days before an election—exactly the time when most voters learn about candidates and issues. The ban essentially prohibits any group from airing radio or television ads that cast politicians in a negative light during the critical final months of an election. The ban even carries the possibility of criminal penalties, meaning the Court has endorsed criminalizing political dissent! Incumbent politicians certainly will be the beneficiaries of the new ban, as they no longer have to suffer through ads that criticize their performance.<sup>16</sup>

As usual, Representative Paul cuts straight to the issue. Since politicians control the laws, the very real tendency exists that they will (and do) try to use this power to maintain their power.<sup>17</sup> In passing legislation that prevents alternative view-points from getting publicity, Senator McCain, Senator Feingold, and others have constructed a means for abolishing freedom of speech where and when it is most necessary to be open. Political debate should be open and free, thus any legislation that censors dissent is inherently tyrannical.

Of course, it's not just the Congress that passed this bill and the President who signed it in that are responsible for these government abuses. The judicial system is just as complicit in this. Two very-notable court cases in particular have emerged as a result of campaign finance reform: *Buckley v. Valeo* and *McConnell v. FEC*.

The main issues in question during *Buckley v. Valeo* was whether or not the Federal Election Campaign Act in 1971 were (A) whether or not it infringed on our right to freedom of speech, as recognized by the first amendment, and (B) whether or not it infringed upon our right to due process, as recognized by the fifth amendment. The court ruled that limiting campaign spending was unconstitutional, but that limiting campaign funding was not.<sup>18</sup> The result of this ruling was that it helped to limit the amount of money third parties could raise. The “mainstream” parties have the resources to spend on

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<sup>16</sup> <http://www.house.gov/paul/tft/tft2003/tft122203.htm>

<sup>17</sup> *Supra* note 9

<sup>18</sup> [http://en.wikipedia.org/wiki/Buckley\\_v.\\_Valeo](http://en.wikipedia.org/wiki/Buckley_v._Valeo)

campaigns, whereas third parties such as the Libertarian Party, the Green Party of the United States, and the Constitution Party have significantly less, and thus they are affected more greatly by the limitations on campaign fundraising than are the two duopolistic parties.<sup>19</sup>

The other court case is *McConnell v. FEC*, which aimed to decide whether the Bipartisan Campaign Reform Act of 2002 infringed upon our freedom of speech. In a surprise ruling, the court upheld the “constitutionality” of the Bipartisan Campaign Reform Act of 2002. Not only this, but the court basically ordered that the F.E.C. become more strict in its activities and begin to regulate political speech on the Internet, regulations that will undoubtedly be used to silence political discourse regarding candidates.<sup>20</sup> There are now bills in Congress, such as the First Amendment Restoration Act, HR 689, and the Online Freedom of Speech Act, § 678, designed to restore freedom of political speech in America, but neither of these bills have yet been voted on.<sup>21</sup>

The question that really needs to be asked is, does campaign finance reform work? If the goals of campaign finance reform is to shield incumbents from dissent, enact censorship of political issues, and keep third parties small so as to maintain the duopoly Democrats and Republicans hold over our political system, then I would argue that campaign finance reform works marvellously. However, if the object is to counteract some negative result of “soft money,” I would argue that the Bipartisan Campaign Reform Act of 2002 and campaign finance reform in general is a failure.<sup>22</sup> I would, in fact, go even further and argue that it’s unnecessary. There’s no proof that allowing people to freely purchase issue ads has some negative effect in politics or on politicians.<sup>23</sup> Hence, it is my belief that the Bipartisan Campaign Reform Act of 2002 should be repealed.

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<sup>19</sup> [http://www.realcampaignreform.org/what\\_you\\_should\\_know.htm](http://www.realcampaignreform.org/what_you_should_know.htm)

<sup>20</sup> <http://www.redstate.org/story/2005/4/13/164333/833>

<sup>21</sup> *Ibid.*, <http://www.cnn.com/viewpolitics.asp?Page=/Politics/archive/200502/POL20050209b.html>

<sup>22</sup> *Supra* note 16

<sup>23</sup> *Supra* note 7