Democracy in Pennsylvania

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FROM THE STAFF OF THE KEYSTONE RESEARCH CENTER

Three-quarters of the American workforce is now employed in services, a substantial portion in low-paying, dead-end jobs. Can the service economy do as well by the American worker as the manufacturing economy once did? Can the widely shared prosperity that accompanied steady increases in productivity and performance in manufacturing be replicated in the services? They can and they will, the authors of this timely book contend, but only if outmoded policies and practices are brought into line with the new economy. New Rules for a New Economy explains why this goal must be accomplished and how we can start.

The authors call for new, decentralized institutions suited to a dynamic economy in which change is constant and rapid. In particular, they see a need for job ladders and worker associations that cut across firm boundaries. These institutions would foster individual and collective learning, mark out career paths, and facilitate coordination among both individuals and organizations in a networked economy. The authors propose new rules to reshape labor market institutions and policy, improving economic performance and opportunities for workers.

REVIEWERS’ PRAISE FOR NEW RULES FOR A NEW ECONOMY

“A stimulating book.”
- Financial Times of London

“A challenge to liberals by fellow liberals to rethink their traditional economic policies.”
- The New Democrat

“If you want to know why wages are stagnant and social inequality is growing, this book is the place to start. And... the authors propose the kinds of reforms – simultaneously practical and radical – necessary to bring about change.”
- Nelson Lichtenstein, University of Virginia

“This book should serve as a springboard for a serious public debate of what it would take to reverse rising inequality and make America’s economy deliver again for more than a small minority.”
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OVERVIEW

Money has great influence on politics. The gap between the haves and the have-nots has grown. Considered separately, these facts are now widely recognized in Pennsylvania and across the nation.

On this July 4, this report puts these two features of contemporary America next to one another and raises fundamental questions. Do the influence of money on politics and the growing concentration of wealth compromise the democratic ideals on which the United States and the Commonwealth of Pennsylvania were founded? Could they feed on one another in ways that entrench gaps in power, opportunity, and status? At a time of rising inequality, does one-dollar, one-vote endanger the goals of widespread economic and social mobility?

Now is a time when Americans should be especially concerned about economically based inequality of political influence. Wealth inequality in the United States is at a near-historic high. In 1774, just before the birth of the nation, the most affluent 1 percent of Americans owned 15 percent of national wealth. In 1997, they owned an estimated 40 percent, up from 18 percent in 1976.

Wealth can translate into political influence through direct contributions to political candidates. Inequalities in wealth can also weaken political democracy by alienating the less well off from politics, making them less likely to vote or participate in politics in other ways. In addition, just as inequality can undercut democracy, lack of democracy can lead to inequality via policies that favor the affluent (e.g., a lower capital gains tax, erosion in the purchasing power of the minimum wage).

Election data show that high levels of economic inequality and low levels of political democracy tend to go together in contemporary America. In 1996, states with more inequality of family income generally had significantly lower rates of voter registration and voter turnout.

- The 10 states with the most unequal income distributions had an average voter turnout of 52 percent and voter registration of 64 percent.
- The 10 states with the most equal income distributions had an average voter turnout of 62 percent and voter registration of 75 percent.

Following a discussion of the links between democracy and inequality, this report examines the state of democracy in Pennsylvania using four indicators. When possible, it compares Pennsylvania today with Pennsylvania in the past, with other states, and with the United States as a whole. The report finds that democracy in Pennsylvania, however measured, is in poor health.

Money in Politics

Pennsylvania has one of the weakest state campaign finance laws.

- It imposes no limits on individual or PAC campaign contributions and does not limit the amount that individuals can give to PACs.
- In contrast, all the states that surround Pennsylvania limit individual and PAC campaign contributions.
- Only 13 other states allow unlimited individual contributions.
In statewide and local races, spending has increased substantially over time.

- Adjusted for inflation, campaign contributions per Pennsylvania congressional district rose 38 percent from 1992 to 1998, far above the overall national increase of 7 percent. The increase in Pennsylvania was the 12th-highest of the 50 states.

- From 1974 to 1994 (the last hotly contested gubernatorial campaign in the state), contributions to Pennsylvania gubernatorial candidates rose by 378 percent after adjusting for inflation, reaching almost $46 million by 1994.

- In the Philadelphia mayoral primaries this year, six candidates raised about $15 million.

- In primaries for Allegheny County Executive, four candidates raised almost $2 million.

Money makes a big difference to the outcomes of elections.

- The candidate who raised the most money won the general election in 17 out of 18 contested Pennsylvania congressional districts in 1998.

The wealthy contribute disproportionately to campaigns.

- In the 1994 gubernatorial elections, 92 contributors accounted for 40 percent of the money received by Democrat Mark Singel; 74 contributors accounted for 29 percent of the money received by Republican Tom Ridge.

- From 1986 through 1992, 52 percent of individual contributors to Pennsylvania gubernatorial candidates held a management position in business or finance, while 22 percent were lawyers.

**Political Participation**

- Nationally, voter registration in non-presidential congressional election years declined from 70 percent to 63 percent between 1966 and 1994 and voter turnout declined from 55 percent to 45 percent.

- In Pennsylvania, voter turnout in presidential election years declined from 68 percent in 1964 to 49 percent in 1996. Pennsylvania voter registration declined from 81 percent to 66 percent between 1964 and 1992, before rising to 74 percent after implementation of the “Motor Voter” law.

- In presidential election years in the 1960s, Pennsylvania voter turnout was four to eight percentage points above the national level. Since 1972, turnout has been virtually the same in Pennsylvania and the nation as a whole.

- In 1996, only 55 percent of people in the bottom 16 percent of the income distribution said that they voted, while 97 percent of those in the top 4 percent said they voted.

**Confidence in Government**

Survey data show that Americans have become less confident in their democracy in the last three decades. Confidence in American democracy is highest among the rich and lowest among middle-class people.
More than 60 percent of Americans agreed in 1996 with the statement "Public officials don’t care much what people like me think." Only 34 percent agreed in 1966.

Seventy percent of Americans now think the government is "run by a few big interests," compared with 29 percent in 1964.

**Electoral Competition**

State legislative elections in Pennsylvania often fail to give voters any meaningful choices because there is only one candidate on the ballot.

In 1998, 87 percent of state House of Representatives primaries and 94 percent of all state Senate primaries had only one candidate.

In general elections in 1998, 38 percent of state House elections and 28 percent of state Senate elections featured unopposed candidates.

Among seven Northeastern and Midwestern states, only Illinois had a higher percentage of uncontested elections than Pennsylvania.

**Revitalizing Democracy in Pennsylvania**

Since the 1960s, the United States and Pennsylvania have become less egalitarian and less democratic. These trends should not make Pennsylvanians give up hope about the possibility for improving democracy and reducing inequality. A drift toward oligarchy — even one that is several decades old — can be arrested. A revitalization of democracy can replace government of, by, and for the comfortable with government of, by, and for *all* the people.

The time for a revitalization is now, before inequalities in power and money permanently impair democracy. Our recommended changes in state policy would make democracy healthier.

- **Reduce the influence of money on the political process.** Following the lead of Maine, Massachusetts, and Arizona, Pennsylvania should adopt a system of public financing of political campaigns for any candidate who demonstrates sufficient support and who agrees to voluntary spending limits.

- **Improve voter turnout by making voting easier.** Like some other states, Pennsylvania should allow voting by mail and/or allow voter registration on Election Day.

- **Improve access to government information** by reforming the state’s Right-to-Know Act. The Act should require that government agencies respond to requests for information in a timely manner and without placing unnecessary obstacles in the path of people who make requests.

- **Increase electoral competition** by making minor-party and independent candidates viable choices for voters.

Independence Day in Pennsylvania should be a time of celebration but also one of reflection. Recent economic and political trends have weakened democracy. The continued nobility of our democratic experiment requires us to recognize its weaknesses and repair them.
INTRODUCTION

Democracy means "rule by the people." But this July 4, as we celebrate the democratic ideals of this nation’s Founders, many Americans worry that some people rule more than others. Does one-dollar, one-vote now describe our political system better than one-person, one-vote?

Concern about the role of money in politics comes at a time when economic inequality is at a near-record high. Is there a connection between political democracy and economic inequality? Does economic inequality magnify the political influence of the wealthy? Does lack of democracy make public policies that increase economic inequality more likely?

This report examines the state of political democracy in Pennsylvania today. It begins by considering how political democracy and economic inequality are related. It then assesses the health of democracy in our Commonwealth by looking at four indicators of democracy:

- the extent to which money affects the political process;
- political participation, including the extent to which citizens register to vote and vote;
- the extent to which citizens have confidence in government and knowledge of and interest in governmental affairs; and
- the extent to which competition among candidates for office gives voters the ability to make electoral choices.

The report finds that Pennsylvania’s democracy is in need of improvement in each of these areas and suggests public policy reforms that would make our democracy healthier.

POLITICAL DEMOCRACY AND ECONOMIC INEQUALITY

"Wealth" is the dollar value of what a person or family owns (e.g., houses, stocks and bonds) minus what it owes (e.g., mortgages, college loans, credit card debts). Wealth is the best measure of Americans’ ability to spend money in the political process. Whether accumulated over a long period of years or inherited, wealth allows individuals such as Ross Perot and Steve Forbes to finance their own political careers. More commonly, high levels of wealth give people the economic security to make large contributions to the political campaigns of others.

Now is a time when Americans should be especially concerned about economically based inequality of political influence. Wealth inequality in the United States is at a near-historic high (Figure 1). In 1929, the year when wealth inequality was at its peak, the wealthiest 1 percent of Americans owned almost 43 percent of the nation’s wealth. In 1997, the latest year for which estimates are available, the wealthiest 1 percent of Americans owned 40 percent. Moreover, wealth inequality has grown faster during the last two decades than at any time in American history. It took 88 years, from 1774 to 1862, for the top 1 percent’s share of national wealth almost to double (from 15 percent to 29 percent). But the top 1 percent’s share more than doubled (from 18 percent to 37 percent) between 1976 and 1989, a period of only 13 years.
Figure 1.
Share of U.S. Wealth Held by the Wealthiest 1 Percent, 1774-1997

1865 - Emancipation. Vast "wealth" - in the form of slaves - is lost to Southern landowners and "transferred" to the poor - the freedmen themselves.

1820-1850 - Rise of railroads and textiles created fortunes, concentrated wealth.

Colonia era to 1820 - Land on frontiers is essentially free for the taking and the population is small. Labor is expensive, compared to Europe, and industry negligible. Wealth is distributed fairly widely. Most of the rich are Southern planters and coastal merchants.

1870-1920 - Ranks of labor swelled by millions of immigrants, holding down wage growth. Laws restricting immigration are passed in 1921, 1924, and 1929.

Wealth inequality grew during the last two decades in part because of rising income inequality. In 1978-1980, the income of the average family (with children) in the top fifth of the income distribution in Pennsylvania was 6.4 times that of the average family in the lowest fifth and 2.1 times that of the average family in the middle fifth; in 1994-1996, the corresponding figures were 11.8 and 2.8 respectively.3

Because the United States, as well as the individual states, have never eliminated the influence of wealth on politics, a rising concentration of wealth enables the wealthy to buy more political influence. At the same time, a less democratic political system may have contributed to economic inequality. If the less well off lack the same opportunity to influence government that the wealthy have, the less well off may perceive that no one in the political system speaks for them. They may become more alienated from politics, leaving the wealthy as the only people who vote, attend political meetings, or participate in politics in other ways.

It is difficult to sort out the precise connections between economic inequality and inequality of political opportunity based on economic factors. The recent increase in economic inequality may have caused an increase in inequality of political opportunity. An increase in inequality of political opportunity may have been a cause of the rise in economic inequality. Or both of these may have happened, creating a vicious circle of more economic inequality and less political democracy. The important point is that a high level of economic inequality and a low level of political democracy go together.

This point is not new. When America’s political system was designed in the late 18th century, wealth inequality was at its historic low, much lower than today. (The top 1 percent held about 15 percent of America’s wealth in 1774, compared with about 40 percent today.) Both founders and observers of American democracy in the late 18th and early 19th centuries suggested that low inequality was necessary to the preservation of democracy. Thomas Jefferson thought it important that as many Americans as possible should own their own land (thereby limiting inequality in the ownership of the most important form of property in pre-industrial America). In 1785, Jefferson wrote, “It is not too soon to provide by every possible means that as few as possible shall be without a little portion of land. The small landholders are the most precious part of a state.”4

On the basis of his travels in the United States in the 1830s, Alexis de Tocqueville suggested that economic equality breeds political democracy.

The principle of equality, which makes men independent of each other, gives them a habit and a taste for following in their own private actions no guide other than their own will. This complete independence, which they constantly enjoy in regard to their equals and in the intercourse of private life, tends to make them look upon all authority with a jealous eye and speedily suggests to them the notion and the love of political freedom. Men living
at such times have a natural bias
towards free institutions. Take any one
of them . . . and you will find that, of
all governments, he will soonest
conceive and most highly value that
government whose head he has himself
elected and whose administration he
may control.⁵

Tocqueville speculated that the in-
equality produced by the growth of manufac-
turing might undermine democracy by creating
separate classes of factory owners and work-
ers, with the latter “born to obey” and the
former “[born] to command.” “What is this
but aristocracy?” he asked rhetorically.⁶

Election data from the 50 states sup-
port the argument that economic inequality
and lack of political democracy go together
(Figure 2). In 1996 (the latest year for which
we have both inequality and election data),
states with more inequality of family income
generally had lower rates of voter registration
(measured by the share of all citizens age 18
and older who were registered to vote) and
lower rates of voter turnout (measured by the
share of all citizens age 18 and older who
voted) than states with more equal distribu-
tions of income.⁷

- The 10 states with the most equal
income distributions (measured by the
ratio of the average income of the
richest fifth of families to that of the
middle fifth) had an average voter
turnout rate of 62 percent and an
average voter registration rate of 75
percent.

- The 10 states with the most unequal
income distributions had an average
voter turnout rate of 52 percent and
an average voter registration rate of 64
percent.

If declining political participation and
growing economic inequality feed on one
another, states and the nation risk drifting
toward the upper left corner of Figure 2 — the
more “oligarchical” corner.
Figure 2:
Voter Registration and Family Income Inequality by State, 1996*

* Each symbol on the graph represents one state.
**Ratio of average income of the richest fifth of families to average income of middle fifth of families.
***Share of eligible citizens 18 and older that were registered to vote.
Source: U.S. Bureau of the Census, Census Internet Web site www.census.gov, Table 4B; family income inequality data calculated from Larin and McNichol, Pulling Apart, pp. 52-53.
INDICATORS OF DEMOCRACY IN PENNSYLVANIA

When Americans think about democracy, they often think first about free elections, majority rule, and individual rights against governmental interference (such as freedom of speech). These are necessary democratic institutions, but they are not enough to ensure that every citizen has an equal opportunity to influence government policy.

A healthy democracy has many features besides free elections, majority rule, and individual rights. This report focuses on four.

- **Money and Politics.** A healthy democracy does not allow money to have an important effect on elections or government policies because money-driven elections and policies give the wealthy disproportionate political influence.

- **Political Participation.** In a healthy democracy, high percentages of citizens vote, and participate in politics in other ways.

- **Citizens’ Confidence in, Interest in, and Knowledge of Government.** When only a few know and care about public affairs and have confidence in government, democracy is not healthy.

- **Electoral Competition.** In a healthy democracy, voters can choose between candidates who advocate alternative points of view.

**Money and Politics**

Money plays a major role in the political process throughout the United States, but more so in Pennsylvania than in most other states.

**Election Campaigns.** The weakness of national and state legal limits on campaign contributions and spending has left the door open to steady increases in the cost of running for and winning political office.

- The Supreme Court has ruled it unconstitutional for the federal or state governments to restrict campaign expenditures made by candidates, individuals, or political action committees (PACs). Governments may limit contributions to candidates’ campaigns.

- Federal law prohibits corporations, labor unions, federal contractors, and foreign nationals from making contributions to candidates in federal elections; restricts the amounts of money that candidates, national party committees, and PACs may contribute to candidates in federal elections; and limits PACs’ contributions to candidates and to national and state party committees. But these contribution limits are relatively weak. For example, an individual may give a candidate $1,000 and may give a PAC $5,000.

- State laws limiting campaign contributions in state elections are generally even weaker than the federal law, and Pennsylvania has one of the weakest state laws. Pennsylvania imposes no limits on individual or PAC campaign contributions and does not limit the amount that individuals may give to PACs. Corporations and unions are not allowed to contribute directly to campaigns but they may give money to PACs. (This makes the ban on corporate and union campaign contributions illusory.)
• In contrast to Pennsylvania, all the surrounding states limit individual and PAC campaign contributions. Besides Pennsylvania, only 13 other states allow unlimited individual contributions and 31 allow unlimited PAC contributions.¹¹

In the absence of strong campaign finance laws, the average amount of money (adjusted for inflation) contributed in each congressional district to U.S. House of Representatives campaigns increased between 1992 and 1998 in 32 of the 50 states. In Pennsylvania congressional districts, the average increase in U.S. House campaign contributions was 38 percent, 12th-highest among all states and well above the overall national increase of 7 percent.¹²

Recent Pennsylvania elections for Governor featured unprecedented campaign expenditures. Figure 3 shows that in 1974, all the gubernatorial candidates received $9,578,967 (in inflation-adjusted 1998 dollars) in contributions. By 1986, this amount climbed to $22,792,248. In 1994, when Governor Ridge won his first term in office by defeating Democrat Mark Singel, contributions reached an all-time high of $45,760,202 (again in 1998 dollars).¹³ Between 1974 and 1994, contributions to gubernatorial candidates rose by 378 percent after adjusting for inflation. Even in the onesided gubernatorial race in 1998, the three candidates received 60 percent more than in 1974, after adjusting for inflation. Governor Ridge alone accounted for 93 percent of that spending.¹⁴ His effectiveness as a fundraiser was thought to have kept several potential Democratic candidates out of the race.

Even at the local level, running for public office in Pennsylvania can be extremely expensive.

• In the May 1999 Philadelphia mayoral primaries, the five Democratic candidates and one Republican candidate spent about $15 million combined. In comparison, New York City’s 1997 mayoral primary was a bargain; five Democrats and one Republican spent a total of $10.16 million (in 1998 dollars). Even though the top spender in the Philadelphia primary, Democrat Martin Weinberg, did not win, his $5.5 million in campaign spending boosted him from last in the early polls to within four percentage points of victory.¹⁵

• In Montgomery County this year, the three Republican primary candidates for county commissioner spent a combined total of $676,816 as of May 3, 1999, just over two weeks before the primary election. In the hotly contested 1991 race, the four Republican candidates for commissioner raised a total of only $413,112 (in 1998 dollars) in the same time span.¹⁶

• In this year’s primary election campaign for Allegheny County Executive, one Republican candidate for County Executive raised $704,230 between January 1 and May 3 of this year, while his Republican opponent raised $191,395 during the same period. A Democratic candidate for the same office raised $527,503 during that period; his Democratic opponent raised $492,057.¹⁷

• For seats on the new Allegheny County Council, which pay only $9,900 per year, five primary election candidates (from both major parties) this year raised more than $30,000 apiece and six others raised more than $20,000.¹⁸
A candidate who won one of three Democratic nominations for Harrisburg City Council in this year's primary spent $15,105 to run for an office that pays only $10,000 per year.\textsuperscript{19}

Although the candidate who raises the most does not always win, money makes a big difference to election outcomes.

In Pennsylvania in 1998, the candidate who raised the most money won the general election in 17 out of 18 contested U.S. congressional districts. In 1992, the candidate who received the most campaign contributions won in 13 out of 18 contested districts.\textsuperscript{20}

In 1994 state legislative elections throughout the nation, winners spent an average of $447,526 while losers spent an average of $150,115 (both in 1998 dollars).\textsuperscript{21}

Not surprisingly, large, well-off donors contribute the most to political campaigns.

From 1986 through 1992, about 52 percent of the individual contributors to Pennsylvania gubernatorial candidates were people who held some sort of management position in business or finance, while about 22 percent were lawyers.\textsuperscript{22}

From 1986 through 1994, about 43 percent of the gubernatorial campaign money contributed by individuals who gave $250 or more came from people who gave $5000 or more (not adjusted for inflation), but only about 7 percent of the individual contributors gave that much. About 84 percent of the campaign money came from people who gave $1,000 or more, but only about 51 percent of individual contributors gave that much.\textsuperscript{23}

In the 1994 gubernatorial election, 40 percent of Democrat Mark Singel's money came from just 92 contributors and 29 percent of Republican Tom Ridge's money came from just 74 contributors. Ridge's top individual contributor gave him more than...
$57,000 (in 1998 dollars). Singel's largest individual contribution was more than $27,000 (in 1998 dollars).  

**Lobbying.** Besides influencing elections, money affects the political process through lobbyists' contributions to public officials. There are more than 850 registered lobbyists in Harrisburg, or more than 3 lobbyists for each legislator. Although official lobbyists' expense reports put annual lobbying expenses at less than $1 million, the Pennsylvania Department of Revenue estimated that they were closer to $80 million and the Philadelphia Inquirer estimated that they were $400 million. (The discrepancy exists because prior to October 1998 the chief clerk of the state House of Representatives and the secretary of the state Senate were required to gather lobbyists' expense reports but were not required to force lobbyists to file reports. No lobbyist was ever prosecuted for failing to file a report.)  

Pennsylvania recently strengthened its lobbying disclosure law. In October 1998, the duty to enforce the lobbyists' expense report filing requirement was transferred to the State Ethics Commission and the Attorney General was given the power to prosecute violators. Effective August 1, 1999, lobbyists must disclose all gifts to a legislator or other state official of more than $250 and all annual expenditures of more than $650 per year on food and drink for state officials. They must also disclose the people or organizations on whose behalf they are lobbying as well as any political committees to which they belong.  

Although Pennsylvania's enhanced disclosure requirements are a step in the right direction, they are a pale shadow of the lobbying laws that exist in most other states. Unlike Pennsylvania, 30 other states restrict or even ban the giving of gifts to state legislators. The bans in Wisconsin and Massachusetts are so strict that legislators in those states may not even accept a fast-food meal paid for by a lobbyist.  

**Political Participation**

Voting is one of the least expensive and least demanding forms of political participation. It is also an indirect indicator of other forms of participation. People who do not vote are unlikely to attend political meetings, write to their elected representatives, testify at legislative hearings, or participate in government in other, more substantial ways. Nationally, voter registration in non-presidential congressional election years declined from about 70 percent of U.S. citizens to about 63 percent between 1966 and 1994, while voter turnout fell from about 55 percent to 45 percent during the same time period (Figure 4a). National voter turnout (of all voting-age Americans) also declined in presidential election years (Figure 4b). In the nineteenth century, voter participation was even higher than it was in the 1960s; from the 1840s through the 1890s, voter turnout in midterm congressional election years was above 60 percent.  

Participating in politics is something that high-income people are more likely to do than low- and moderate-income people. One reason for low levels of participation in public affairs, especially among low- and moderate-income people, may be a belief that political candidates do not represent their views and that their participation will not affect what the government does.
Figures 5-10, based on Americans’ responses to a nationally representative survey, show how voting and other kinds of political participation vary by income. The figures group survey respondents into income percentiles. A person’s income percentile is the percentage of people whose incomes are lower than that person’s. The figures show that:

- Fifty-five percent of Americans in the bottom 16 percent of the income distribution said that they voted in 1996, while 97 percent of those in the top 4 percent said that they voted (Figure 5).

- Twenty-one percent of the lowest-income group, but 43 percent of the highest-income group, tried to influence how others voted in 1996 (Figure 6).

- In all but the top income group, 7 percent or fewer attended a political meeting; among the richest 4 percent, the corresponding figure was 15 percent (Figure 7).

- Working for a political party or candidate was something that 5 percent of people between the 68th and 95th income percentiles did; only 1 percent of the low-income group and 2 percent of the highest-income group worked for a candidate (Figure 8).

- Even wearing a political button or putting a political bumper sticker on one’s car were activities that increased with income; 9 percent of the poorest group but 16 percent of the richest group said they did one of these things in 1996 (Figure 9).

- Not surprisingly, people with higher incomes were more likely to give money to political campaigns (3 percent of the lowest income group but 25 percent of the highest income group) (Figure 10).
Voter registration and turnout have declined since the 1960s in Pennsylvania just as they have nationally (Figure 4b). In Presidential election years, Pennsylvania turnout declined from 68 percent of the voting-age population in 1964 to 49 percent in 1996; voter registration dropped from 81 percent of the voting-age population in 1964 to 65-66 percent in 1983 and 1992, before rising to 74 percent in 1996 after passage of the “Motor Voter” law. (See below.) In Presidential election years in the 1960s, turnout in Pennsylvania was four to eight percentage points higher than turnout nationally; since then, voter turnout in Pennsylvania has been virtually the same as turnout nationally. In 1964, Pennsylvania had the 23rd-highest turnout rate of the 50 states and the 19th-highest voter registration rate. In 1996, the Commonwealth’s voter turnout rate 30th-highest; its 1996 voter registration rate was 33rd-highest.30

Since the 1960s, the state’s ranking has slipped in income equity as well as in political participation. In top-to-bottom family income inequality in 1978-80, Pennsylvania ranked 38th-highest and in top-to-middle family income inequality, 39th-highest. (A high ranking means a more equal income distribution.) In top-to-bottom family income inequality in 1994-96 Pennsylvania ranked 21st-highest and in top-to-middle family income inequality, 15th-highest.31

Pennsylvania’s laws on voter registration may be part of the reason for the state’s poor performance. Although the Federal Motor Voter law now requires all states to give citizens the option of registering to vote when they obtain driver’s licenses, Pennsylvania has not done anything to make voting (as opposed to registration) easier. Unlike some other states, Pennsylvania does not allow voting by mail (as in Oregon), voting without registering or voter sign-up on Election Day (as in North Dakota, Wyoming, Maine, Wisconsin, and Minnesota), or even voter registration within 10 or fewer days of Election Day (as in South Dakota, New Hampshire, Alabama, and Iowa).32

Confidence in, Interest in, and Knowledge of Government

Survey data show that on five different measures of confidence in the effectiveness of democratic government in the United States, Americans have become less confident in their democracy during the last several decades (Figures 11a-11j). Moreover, confidence in American democracy is usually highest among the rich and lowest among middle-class people.

Low levels of participation and confidence in government are accompanied by relatively low levels of interest in and knowledge about public affairs.

- In 1996, 25 percent of national survey respondents in the lowest income group said that they were “very much interested” in that year’s political campaigns, but 41 percent of people in the highest income group had this level of interest (Figure 12).

- Fifty-two percent of people in the lowest income group, but 88 percent in the highest income group, knew which party had the most members of Congress before the 1996 election (Figure 13).
Figure 11a.
Percent Who Answered "a good deal" to the question: "How much do you feel having elections makes the government pay attention to what the people think?" by Income Percentile, 1996

Figure 11b.
"How much do you feel having elections makes the government pay attention to what the people think?"
1964-1996

Figure 11c.
"People like me don't have any say about what the government does," by Income Percentile, 1996

Figure 11d.
"People like me don't have any say about what the government does," 1952-1996

Figure 11e.
Percent Who Answered "quite a few" to the Question: "Do you think that the people running the government are crooked?" by Income Percentile, 1996

Figure 11f.
Percent Who Answered "quite a few" to the Question: "Do you think that the people running the government are crooked?" 1958-1996

Source for Figures 11a-11f: Same as for Figures 5-10.
Figure 11g.
"Public officials don't care much about what people like me think,"
by Income Percentile, 1996

Figure 11h.
"Public officials don't care much about what people like me think," 1964-1996

Figure 11i:
Percent who responded "benefit of all" to the question:
"Would you say the government is run by a few big interests looking out for themselves or that it is run for the benefit of all the people?"
by Income Percentile, 1996

Figure 11j.
"Would you say the government is run by a few big interests looking out for themselves or that it is run for the benefit of all the people?" 1964-1996

Figure 12.
Percent of Survey Respondents Who Were "very much interested" in 1996 Political Campaigns, By Income Percentile

Figure 13.
Correct Responses to the Question: "Which party had the most members of Congress before the election?"
by Income Percentile, 1996

Source for Figures 11-g-11j, 12 and 13: Same as for Figures 5-10.
• A 1991 Mansfield University survey found that only 50 percent of Pennsylvanians could name at least one of the state’s U.S. Senators and only 31 percent could name both Senators.33

Pennsylvania’s Right-to-Know Act makes it difficult for state residents to learn about their government. The law, which is supposed to give residents access to publicly available government information, is more accurately described as a “right-to-remain ignorant” law. The law requires state and local government agencies to make public information available to people who request it and allows people who have been denied access to public information to sue the relevant agency. However, government agencies are allowed to charge substantial fees for photocopying, require residents to travel long distances (e.g., require a resident of Erie to come to Harrisburg to look at state government information), and severely restrict the days and times when they make information available. And because there is no legal requirement that an agency ever respond to a request for information, the agency can keep information from the public simply by refusing to reply to a request. (In 1982, several agencies, cabinet secretaries, and the Governor’s office repeatedly failed to respond to a state legislator’s request for information about the salaries of some state employees. A Commonwealth Court panel ruled that the senator had not been denied his rights under the law and, therefore, had no right to appeal to the court.)34

A recent series researched through the collaboration of 14 Pennsylvania newspapers documented the difficulty state residents have in obtaining government information.35

In 1994, Republican Senators Greenleaf, Hart, Heckler, and Rhoads, and Democratic Senator Reibman introduced a bill to reform Pennsylvania’s right-to-know law. However, this bill did not pass.

Electoral Competition

State legislative elections in Pennsylvania often fail to give voters any meaningful choices because there is only one candidate.35

• In 1998, about 87 percent of all state House of Representatives primaries and 94 percent of all state Senate primaries had only one candidate. In 1990, the corresponding figures were 80 percent for the House and 86 percent for the Senate.

• In general elections in 1998, about 38 percent of all House elections and 28 percent of all Senate elections featured unopposed candidates. In 1990, the corresponding figure was about 24 percent for each house of the Legislature.

• Uncontested elections are more common in Pennsylvania than in five of six other Northeastern and Midwestern states. (Figure 14). Only in Illinois were uncontested elections more common than in Pennsylvania.

The large number of uncontested elections in Pennsylvania may be due in part to election laws that make it difficult for minor parties and independent candidates to stage a credible electoral challenge. Minor parties and independents, even when they do not win elections, can influence the positions of the two major parties and stimulate competition between them. For example, if a minor party took popular positions on issues that voters thought were
important, voters who cared sufficiently about those issues might vote for the minor party if they did not think they were wasting their votes. Major parties might be forced to adopt some of the minor parties’ or independents’ positions in order to retain power. In Pennsylvania, though, this does not occur because two features of the state’s election laws:

- The loser of a major-party primary election is not allowed to run in the general election as an independent or minor-party candidate.

- Unlike some other states (most notably New York, which has several influential minor parties), Pennsylvania does not allow minor parties to endorse the candidates of major parties.

For these reasons, and also because a candidate does not need to gain a majority of votes to win, Pennsylvanians who might otherwise vote for minor-party candidates often think, correctly, that a minor-party vote is a wasted vote. This, along with the overwhelming importance of money to campaign success in Pennsylvania and the lack of political knowledge and interest among many people (especially low- and moderate-income people), may help explain the large number of unopposed candidates in Pennsylvania.

**Figure 14.**

Percent of State Legislative Races Uncontested in 1998 General Election

Note: There were no uncontested elections for the House in New Jersey or Senate in Michigan.
Source: Unpublished tabulations by Robert Friedman, Department of Political Science, Pennsylvania State University
RECOMMENDATIONS

Pennsylvania’s democracy today falls short of the democratic aspirations of the nation’s Founders. Money plays a major role in politics, citizens are often uninformed about governmental affairs, and the large number of uncontested elections deprives voters of meaningful choices. These deficits of democracy exist at a time when economic inequality is at a near-record high, and they both fuel and are fueled by the growth of economic inequality.

These conclusions should not make Pennsylvanians give up hope for improving democracy and reducing inequality. Neither the growth of inequality nor the shortcomings of democracy are inevitable. Changes in public policy that replace government of, by, and for the financially comfortable with government of, by, and for all the people can reverse the drift toward oligarchy.

In 1929, for example, inequality of wealth in America was at its highest level and the wealthy exercised disproportionate influence over national policy in all three branches of government. But shortly thereafter, New Deal legislation responded to the needs of the middle- and working-class majority of Americans (e.g., by creating Social Security and unemployment insurance, establishing a federal minimum wage, and giving workers the right to unionize) and simultaneously set in motion a decline in wealth inequality that continued until the 1970s (Figure 1). With the right political and economic reforms, Pennsylvania—and the entire nation—can again turn the vicious circle of growing inequality and reduced democracy into a virtuous spiral of increased democracy and falling inequality. The time to act is now, before inequalities in power and money permanently impair democracy.

Reduce the Influence of Money

Pennsylvania can reduce the influence of money on the political process. Campaign finance reform is a major way to do so but must be approached carefully. Limiting some kinds of campaign contributions but not others can produce unintended results that actually make it harder for low- and middle-income people to support candidates who favor their views. For example, some reform proposals would eliminate political action committees (PACs) or severely restrict contributions. PACs can make to candidates. It is true that large corporations and wealthy individuals use PACs to bundle together their political contributions, but so do moderate-income people and their organizations, including labor unions. In the absence of more comprehensive reforms, if PACs were banned or their contributions restricted, the wealthy would still be able to influence campaigns by contributing large amounts of money as individuals. But the less well off would lose influence because they would no longer be able to combine their small individual contributions into a larger pool. They could still contribute individually, but the modest size of their individual contributions would make candidates less likely to pay attention to them.

Banning all private campaign contributions and expenditures and replacing them with full public financing of campaigns would eliminate the influence of private money on campaigns, but this proposal is unconstitutional under the Supreme Court’s current case law. Operating within this constitutional constraint, meaningful reform is still possible. Voters in Maine, Massachusetts, and Arizona recently approved campaign finance measures that give state funds to any candidate who demonstrates
sufficient support and who agrees to limit or not accept private campaign contributions. If a candidate satisfies these requirements but the candidate’s opponent does not, the complying candidate is sometimes eligible for extra public financing to offset the opponent’s financial advantage. Pennsylvania should adopt a similar system of voluntary spending limits and public financing of campaigns.

Other ways for Pennsylvania to reduce the influence of money on state politics are to

- restrict the acceptance of gifts by state legislators and other public officials and require more disclosure of those gifts that are still permitted, and

- require all candidates for elected office in the state to file their campaign finance reports electronically, so that all contributions and contributors can be posted immediately on the Internet for easier public monitoring.

Remove Barriers to Political Participation and Improve Access to Governmental Information

Pennsylvania can improve its voter turnout by making voting (not just registration) easier. Following the lead of other states, Pennsylvania should

- allow voting by mail, and/or

- allow voter registration on Election Day (preferably at the polling place) or at least extend the voter registration deadline from the current 30 days before Election Day to five or 10 days before Election Day.

Pennsylvanians’ interest and participation in government could also be improved if the state were to allow residents more opportunities for direct political participation at the local level, where governments deal with issues (such as police, fire, and sanitation services) that are of concern to almost everyone. In the New England states, small towns hold annual town meetings at which residents act as the town’s legislature, proposing and voting on taxes and other local ordinances and appointing town administrative officials. The town meeting would be a useful way to promote direct political participation for residents of Pennsylvania’s smaller municipalities. The state should allow small townships and boroughs to adopt a town-meeting form of government if a majority votes to do so in a municipal referendum.

Pennsylvanians also deserve better access to governmental information. The state’s Right-to-Know Act should be reformed to require government agencies to respond to requests for information in a timely manner and prohibit them from placing unnecessary obstacles (such as prohibitively high fees and inconvenient hours for public access) in the path of people who make requests.

Increase Electoral Competition

Pennsylvania can have more competitive elections if it makes minor-party and independent candidates viable choices for voters.

- Pennsylvania should allow candidates who lose a major party’s primary to run in the general election as an independent or minor-party candidate. This would give voters more choices in the general election. It could be especially valuable in counties that
have historically been dominated by a single party (e.g., Republicans in Lancaster County or Democrats in Philadelphia). In those counties the winner of a hotly contested major-party primary often faces no opposition or only token opposition in the general election. If the loser of a primary could run again in the general election, all the voters, not just those registered in the dominant party, might have a chance to choose between two or more viable candidates.

- Pennsylvania should allow minor parties to endorse candidates already nominated by major parties. This would enable minor parties to maintain the same kind of across-the-board ballot presence as major parties without having to run their own candidates for every office. In addition, voters could pull the minor-party lever for a major-party candidate, thereby registering their support for both the candidate and the minor party. The result would be to strengthen minor parties. New York, which allows minor parties to cross-endorse other parties’ candidates, has influential Conservative, Liberal, and Right-to-Life parties along with Republicans and Democrats.

- Pennsylvania should adopt additional electoral reforms that make a vote for a minor-party or independent candidate a viable vote rather than a wasted one. There are many possibilities here. Among the most promising alternatives are:

  - *cumulative voting*, which is used to elect corporate boards of directors. Under this system, which could be used only for multi-member offices (e.g., state legislature or city council), each voter gets a number of “points” equal to the number of seats to be filled. The voter can then distribute those points among one or more of the candidates in any way he or she chooses. The candidates with the most points win. A minority of voters that is strongly committed to a minor party or independent can have a chance of electing its preferred candidate by placing all its votes on that candidate. This system preserves majority rule but gives a committed minority a chance to elect someone who represents its views.

  - *instant-runoff elections*, which are used to elect city council members in Cambridge, Massachusetts. Under this system, each voter ranks the candidates in order of his or her preference. Any candidate who receives a majority of first-choice votes is elected. If not all seats have been filled after the first-choice votes have been counted, second-choice votes are considered, then third-choice votes, and so on, until all seats have been filled. A first-choice vote for a minor party or independent is not wasted because anyone who casts such a vote can list a major-party candidate as second choice, thereby preserving his or her ability to influence the election if the minor party or independent does not win.

These reforms would reduce the “monopoly power” that the Democrats and Republicans now have over elections in Pennsylvania. But they would not weaken political parties. On the contrary, they would encourage all parties, both major and minor, to appeal to voters on the basis of public-policy views and to get out the vote among their most committed supporters. Pennsylvania’s current electoral system, in contrast, tries to prop up the two major parties by giving them special privileges that have nothing to do with their ability to appeal to voters.
Policies to Improve Democracy and Policies to Reduce Economic Inequality Go Together

This report has shown that a low level of political democracy and a high level of economic inequality go together and may reinforce one another. Likewise, more political democracy and greater economic equality work in tandem.

Policies to improve the health of our democracy, such as those mentioned in this report, are more likely to be enacted if economic inequality is reduced. And policies to reduce economic inequality (such as living-wage ordinances, equitable public school financing, progressive state and local taxes, and other policies discussed in previous Keystone Research Center reports) are more likely to be enacted in a more democratic Pennsylvania, one in which all people, regardless of income or wealth, have an equal opportunity to influence the state and local governments.

On this July 4, Pennsylvanians need to recognize that democracy and economic equality are complementary, and rededicate themselves to achieving both.
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The New York Times cited three economists, Claudia Goldin and Bradford Delong of Harvard University, and Wolff, as the sources for its chart. Over any long period of time, comparisons are necessarily rough because of changes in the forms in which wealth has been held and because no large-sample surveys exist except for the more recent decades. Earlier figures are based on estimates, from probate records, of the value of individuals' estates at the time of death.

1 Wolff, "Recent Trends in Wealth Ownership."


1 Thomas Jefferson, letter to James Madison, October 28, 1785.


1 The findings reported in the text are based on simple correlations between 1996 voter registration and turnout rates, respectively, and each of two measures of family income inequality among families with children in 1996: the ratio of the average income of the top fifth of families to that of the bottom fifth and the ratio of the average income of the top fifth of families to that of the middle fifth. Across the 50 states, the simple correlation between voter registration and top-to-bottom family income inequality was -.434; between voter registration and top-to-middle family income inequality, -.606; between voter turnout and top-to-bottom inequality, -.446; and between voter turnout and top-to-middle income inequality, -.583. All correlation coefficients were statistically significant at the .01 level. Voting and registration data calculated from U.S. Bureau of the Census Internet Web Site www.census.gov, Table 4B. Family income inequality data calculated from Larin and McNichol, Pulling Apart, pp. 52-53.


1 Calculated from 1992 and 1998 Federal Election Commission data on all incoming funds reported by all candidates for U.S. House of Representatives and all committees authorized by those candidates, except for office committees and joint committees. Data obtained from Federal Election Commission Internet Web site www.fec.gov. State-level data were obtained by averaging campaign contributions across all congressional districts within each state for each year and then calculating the percentage change in this state-level average between 1992 and 1998. Dollar amounts for 1992 were converted to 1998 dollars by using the CPI-U-X1, a consumer price index published by the U.S. Bureau of Labor Statistics.

30
James Eisenstein and Jon Patton, “The Funding Constituencies of Candidates for Governor in Pennsylvania: 1986-1994,” paper presented at Pennsylvania Political Science Association meetings, April 7-8, 1995, Figure 1. All dollar amounts were converted to 1998 dollars using the CPI-U-X1.


Provance, “Lobbyist Law.”

Provance, “Lobbyist Law.”

As this report went to press, national voter registration and turnout figures for the 1998 elections were not yet available from the U.S. Bureau of the Census or the Federal Election Commission.

The registration and turnout rates in this paragraph are based on registered voters and voters as a share of the voting-age population from Federal Election Commission Internet Web site www.fec.gov. For 1996, Pennsylvania ranks 31st in turnout and 37th in voter registration using data on registered voters and voters as a share of citizens in the state from U.S. Bureau of the Census Internet Web site www.census.gov.


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