



*Morton Mintz*

## Financing Elections

THE FEDERAL Election Campaign Act — the first major overhaul of election financing since 1925 — will be only seven months old on election day, Nov. 7, but already enough evidence on its workings is at hand to permit a tentative evaluation in advance of an expected review by Congress.

A prime purpose of the law was disclosure: to make the facts on who gives what to whom available to the public — available in state capitals as well as in Washington. That purpose is being fulfilled: by and large the facts *are* available. That is not so say there are no problems. To cite a couple:

- The quantity of paper

filed — with the General Accounting Office for the presidential race, and with the clerk of the House and the secretary of the Senate — is too vast to be dealt with comprehensively, certainly in time to be fully useful before an election. At the GOA, the paper blizzard will remain almost unmanageable until such time as the Internal Revenue Service or Congress forbids the creation of hundreds of separate committees simply to enable large contributors to avoid gift taxes.

- Television may be the medium on which Americans depend for most of their news, but TV networks and stations have been doing little if any serious research of their own, at least at the GAO. Campaign financing is not, of course, a "visual" story.

DISCLOSURE under the new law is occurring in an era of enormous interdependence between government and numerous segments of society with high stakes in what government does or

does not do about, to take a few newly sensitive areas, the environment, or price and wage controls, or trade with China and the Soviet Union.

As never before, the public is learning of the startling dimensions and pervasiveness of giving (or investing) by special interests — business and labor, milk producers, physicians opposed to far-reaching health insurance, trade associations seeking exemptions from the minimum-wage laws, companies that are being (or possibly should be) sued under the antitrust laws, and on and on. The public is also seeing, at the same time, the emergence of a new group of super-contributors.

Did the heir to one of America's great industrial and banking fortunes contribute almost \$1 million out of high principle? Selfish motive? Some mixture of the two? What were the motives of the hamburger tycoon who gave a quarter-million dollars? Disclosure doesn't really tell us; it encourages speculation, some

of it doubtless unfair. The alternative, suppression, is no alternative.

ESPECIALLY because the public education provided by the new law is taking effect simultaneously with continuing revelations about the secret and "laundered" funds that helped to finance the Watergate "bugging," an atmosphere of cynicism about the political process likely is intensifying—a result surely unintended by Congress.

The Justice Department is generating further cynicism. Just as under the 1925 law, it is showing a pronounced lack of zeal for prosecuting violations referred to it abundantly by the GAO and Capitol Hill, including the case of a Wall Street figure. His gifts to a Democratic presidential candidate created a "possible violation" —after which he gave generously to the GOP presidential candidate.

The law imposes limits on spending in communications media (while leaving a significant loophole for TV production costs) and on contributions by a candidate and his immediate family. Otherwise, the sky is the limit.

Certain congressmen want to put a ceiling on contributions. Starting at least as far back as 1907, with President Theodore Roosevelt, a long line of political figures has urged federal election subsidies. President Johnson said that public funds should finance "the total expense"; he wanted "to prohibit the use or acceptance of money from private sources." A revival of interest in such a plan is now possible.

Some lawyers say that any limit on contributions, including the current one, raises First Amendment questions. But others say that to define free speech so as to equate freedom to spend with freedom to speak is unreasonable. In any event, those who may care to advocate federal subsidies face a further challenge: how to offset the usual advantage of an incumbent over a challenger while giving each equal sums.