

**Political Participation and Civic Courage:
The Negative Effect of Transparency on Making Campaign Contributions**

Raymond J. La Raja

University of Massachusetts, Amherst

Abstract

This study assesses whether public disclosure of campaign contributions affects citizens' willingness to give money to candidates. In the American states, campaign finance laws require disclosure of private information for contributors at relatively low thresholds ranging from \$1 to \$300. Drawing on social influence theory, the analysis suggests that citizens are sensitive to divulging private information, especially those who are surrounded by people with different political views. Using experimental data from the 2011 Cooperative Congressional Election Studies, it demonstrates how individuals refrain from making contributions or reduce their donations to avoid disclosing their identities. The experimental findings compare favorably to observational data on political contributions across states with different disclosure thresholds. The conclusion discusses the implications of transparency laws for political participation, especially for small donors.

Transparency in politics is typically touted as salutary for democracy. Few would disagree that transparency is particularly important with respect to campaign donations, a form of political activity in which public concerns about corruption and influence peddling loom large. For more than a century in the U.S., political donors to candidates and parties have been required to disclose private information (e.g., name, address and occupation) to federal and state agencies (Sikes 1928). Today, all states require donor disclosure at thresholds that vary from \$1 to \$300.¹ In theory, knowing who gives and receives campaign money provides a deterrent against corruption and offers information to voters about where politicians receive their support. This dynamic is nicely captured by Justice Brandeis' famous dictum that "sunlight is best disinfectant" in explaining how transparency promotes accountability of institutions (Brandeis 1913).

While the benefits of disclosure for democracy seem self-evident, the costs have not been explored very much (Briffault 2010; Cain 2010). Recent incidents involving retaliation and intimidation by opponents of a same-sex ballot measure against petition signers and donors who supported the measure suggest that these costs are real. One controversial website, eightmaps.com, retrieved individual donor data made available through the Secretary of State of California, to create Google maps that identified the names, approximate location and amount donated. Donors reported receiving death threats, vandalism of property, business boycotts and harassing emails (Stone 2009). The situation prompted concerns that the much-lauded pursuit of political transparency was negatively affecting individual privacy, freedom of speech and political engagement.

The Supreme Court acknowledges the possibility that divulging private information about political activity incurs costs on citizens but is understandably reluctant to upend disclosure laws. In *Doe v. Reed* (2010), for example, it upheld the constitutionality of disclosure laws for signing petitions on grounds that such activity involves legislating, which is not protected by secrecy. Justice Scalia

went further in his deliberations, declaring that, “running a democracy takes a certain amount of civic courage” and that one reason for disclosure is “so you can be out there and be responsible for the positions you have taken”.² Like John Stuart Mill, Scalia believes that openly declaring preferences is fundamental for sustaining accountable democratic deliberation (Briffault 2010). Others contend, however, that Justice Scalia’s position is too heroic for ordinary citizens. In this view, disclosure rules put an undue burden on political rights and may hurt the goal of promoting broad and equal political engagement (Briffault 2010; Cain 2010; McGeeveran 2003-2004). Surprisingly, we currently lack a theoretical framework and empirical research to place such concerns in context.

The question about whether disclosure affects political participation (in this case, political contributions) can be fruitfully explored by turning to theories of social influence. The analysis draws on social-psychology theory, which suggests that the prospect of revealing political preferences might cause some to withdraw from politics (Hayes, Scheufele, and Huges 2006; Mutz 2002; Ulbig and Funk 1999). The central hypothesis is that publicity about one’s political acts and preferences will dampen participation, and that this effect will be most pronounced among individuals who are sensitive to being exposed because of their unique opinions and social context.

Exploiting experimental and observational data, this study observes changes in behavior when potential donors are faced with the prospect of revealing their names on the Internet as they contemplate giving a contribution. Using Internet survey data from the 2011 Cooperative Congressional Election Studies (CCES), it assesses reactions of potential donors when asked to provide private information at various thresholds (\$1, \$50 or \$100). The study is designed to see if citizens choose *not* to give money, or give *below* the disclosure threshold to avoid publicity requirements. The theoretical expectation is that disclosure at relatively low levels triggers a psychological reaction that reduces willingness to make small contributions.

The experimental design provides particularly compelling demonstration of the causal effect of publicity on individual behavior, a dynamic which has not always been easy to show in political research on social influence (Mutz 2006) or new media (Bimber 2012). In support of the theory, the findings demonstrate that citizens who are surrounded by people who do not share their views are more likely to refrain from or limit making political contributions. As Mutz (2006) observes, this behavior likely stems directly from concerns that preference revelation will roil social relations among neighbors, co-workers, and other associates.

The implications of this research seem important for theories about political engagement and policies on transparency. To the degree that disclosure has a chilling effect on participation of small donors it might give pause to overly broad claims that sunlight is a disinfectant without negative side effects. Its findings may encourage policymakers instead to focus transparency efforts on major donors (Cain 2010). Moreover, the study raises issues about how the Internet is changing the social context in which citizens engage in politics, perhaps compelling citizens to call upon reserves of civic courage to a greater extent than previously.

The Context for Making Political Contributions

For much of the twentieth century, contributing money was not considered an especially public act. Citizens typically wrote checks at fundraising events where attendees included a self-selected group of like-minded citizens. Among this crowd, fear of reprisal or offending others was minimal. Indeed, the homogeneity of the group likely enhanced levels of participation (Huckfeldt, Mendez, and Osborn 2004; McClurg 2006a; Mutz 2002). While the donor might have been required to provide private information to an election agency (via the campaign committee), she could safely assume that her contribution would not be transparent to others, especially for relatively small amounts. Contribution records were stored at the state or federal election agency, where few would take the

trouble of searching through stacks of files. For this reason, a donor could plausibly assume that the donation was virtually anonymous.

The reality today is that the Internet makes it possible to publicize information about political activity quite easily. Citizens can no longer assume that their actions are *de facto* private. What makes this situation especially intriguing is that the legal system in the US and prevailing social norms have prompted two different approaches to political privacy depending on the nature of the activity. Since 1892, voting throughout the US has been by secret ballot, in an attempt to curtail widespread efforts by the political parties in the 19th century to influence voters through intimidation or bribery. The secret ballot has made voting a private act, along with a strong social norm against asking strangers how they voted.³ On the other hand, making contributions and signing petitions has become more public, both because of changes to law and technology. Many states require information about donors – names, addresses, occupations, even for donations as little as \$1 – and post them on the Internet (McGeeveran 2003-2004). To validate the status of petition signers for a ballot issue, election officials require organizers to provide the names and addresses of signers. In Wisconsin, these lists have been made public on the Internet, in compliance with the state's public record law, and used by opposing organizations to perform analysis of eligible petition signers (Muskal 2012).

Courts have upheld these disclosure practices with respect to campaign finance for three basic reasons: 1) to deter corruption, 2) to provide voters with information about candidate financial support, and 2) to help with enforcement of campaign finance laws (Briffault 2010). Even while the Court strikes down various limits on contributions or spending, it has consistently supported the use of disclosure rules on these grounds.⁴

Social Influence and Political Participation

A considerable body of work in political science has drawn on insights from social psychology to explain political behavior in a variety of contexts. Social psychologists have shown, for example, that individuals tend to conform to prevailing social norms, even when they disagree with them. Some hardy souls may rebel, but do so quietly so as to preserve social harmony and avoid the discomfort of open conflict (Maass and Clark 1984). Indeed, individuals vary their behavior to the extent they believe their actions can be observed by others (Cialdini and Goldstein 2004). In political science research, studies of local communities reveal how political disagreement creates feelings of *ambivalence*, which can make individuals less likely to engage in politics (Campbell 1997; Huckfeldt, Mendez, and Osborn 2004; Mutz 2006). A second mechanism at work is *social accountability*. Citizens may avoid participating in public discussions when they fear their political opinions or actions challenge community norms (Berinsky 1999; Mansbridge 1980; Noelle-Neumann 1984) or bring them into conflict with others (Eliasoph 1998; Mutz 2002; Rosenberg 1954-55). The effects seem especially significant for conflict avoidant personalities who tend to withdraw from dialogue and activity (Hayes, Scheufele, and Huges 2006; Mutz 2006; Ulbig and Funk 1999), depending on the social context (Djupe 2009; McClurg 2006a).

Only a few studies have looked directly at how *secrecy*, or its absence, affects political behavior. In studies of voting behavior, the underlying rationale is that exposure of political activity can induce individuals to engage in politics if such participation reflects a positive norm in one's social community. Individuals might feel ashamed for not participating if they believe neighbors might learn whether they voted or not (Gerber, Green, and Larimer 2008). Other work shows similar effects for rather demanding forms of participation, such as attending a caucus (Grose and Russell 2008), or political protest (Chong 1991). Presumably, the motive for participation in these

contexts is the desire to preserve social status in the community by appearing to do what others expect (Hayes, Scheufele, and Huges 2006).

Social influence, however, may also *discourage* people from participating. The same studies that observe increased attendance at polls and caucuses noted that participation declined when respondents learned that their votes would be made public (Gerber, Green, and Larimer 2008; Grose and Russell 2008). The revelation of a political choice appears to give pause for some, because expressing opinions or dissent may threaten social ties (Mutz 2006). The social costs of disclosing political preferences can be especially high for those with minority viewpoints (Kuran 1995; McClurg 2006a), because they experience *interpersonal cross-pressures*.⁵ In contrast, for those who surround themselves with like-minded folks—often referred to as homophily -- the social costs of politics may be quite low (Farrell 2012), since their views are positively reinforced by friends and neighbors (Mutz 2002). Studies show, for example, that partisans living in communities with a heavy skew of like-minded partisans are more likely to vote than partisans in heterogeneous social contexts (Gimpel, Dyck, and Shaw 2004).

How the Internet Affects Social Costs

Most research about the effects of the Internet on politics focuses on its potential to enhance participation (Bimber 2001; Mossberger, Tolbert, and McNeal 2008; Tolbert and McNeal 2003). Previous studies, however, have not fully explored how the social context of the Internet might deter individuals from participating because of privacy concerns. These privacy issues emerge frequently in policy debates about how business firms routinely extract personal information of Internet, but have not been echoed in debates about political participation, except with respect to voting (Gerber, Huber, Doherty, and Dowling 2009).

The Internet potentially dampens participation because it makes some political acts, which are assumed to be private, now acts that amount to a public endorsement (Briffault 2010; McGeeveran 2003-2004). The unwieldy social context of the Internet widens exposure to a politically heterogeneous network in which we might run into our bosses, poker partners or ex-lovers. The open environment makes it difficult to cordon political activity from other forms of social engagement such as work and play. Even if an individual believes she has a fair-minded boss, she may not want her knowing that she contributed to a conservative “Tea Party” candidate, particularly if the boss is known for her political liberalism. In this way, the Internet makes a hash of personal efforts to tailor the presentation-of-self to targeted groups because the individual can no longer control the context in which he or she manages the props, costume and audience appropriate to the situation (Goffman 1959). Lacking this control and the fear of being miscast, the individual withdraws from the stage.

The Impact Disclosure on Political Contributions

While there is evidence from experimental studies that voting behavior is marked by such social pressure, there have been no similar studies to observe the effect of disclosure on other common political activities. It remains an open question whether it has an impact donating money, which is a more rarified form of participation (Verba, Schlozman, and Brady 1995). Studies show that donors tend to be wealthier, more educated, white and more interested in politics than others (Verba, Schlozman, and Brady 1995) and these traits are associated with being less vulnerable to social influence (McClurg 2006b; Ulbig and Funk 1999). Thus, we might expect public disclosure to have minimal effects on political donors. To the degree that transparency of preferences negatively affects giving money, this study provides a fairly strong test of the effect of disclosure on political activity since it focuses on individuals with relatively high social and economic status.

Compared to voting the social context for giving donations has changed considerably during the past few decades, making it more likely that giving money becomes a public display of political preference. Federal and state election agencies have made great strides improving the disclosure of political contributions over the Internet, allowing site users to search easily for names of donors. At the federal level, the law requires contributors giving \$200 or more to provide their name, address, occupation, employer, and amount. Seven states require similar information for *any* amount, starting at \$1, with another 19 states setting their limits somewhere between \$20 and \$51; 19 states require disclosure at \$100 or \$101, while 5 states range from \$150 to \$300 (see Appendix A).

Importantly, entrepreneurial watchdog groups have created websites that use government-gathered data to organize the information easily for online users, sometimes in provocative ways. Figure 1 provides an example of one site, operated by the Huffington Post, which merges publicly available data on contributions from the Federal Elections Commission with geo-coded data provided by the Census Bureau to generate Google Maps. These maps locate the address of individuals who give money, along with colored dots showing the party to which they donated (blue dots for Democrats, red for Republicans). One click on the dot reveals the donor's name, amount of contribution and political committee that received it. These data can be retrieved readily by anyone – an employer, landlord, or prospective date – who chooses to Google a name.

[Insert Fig 1 here]

Figure 1, for example, shows a college town, which displays an overwhelming number of blue dots relative to red dots. With a few clicks, anyone can see how their neighbors, friends and colleagues choose to spend their money on politics. The amount contributed might even be interpreted as the strength of the donor's convictions. While donors tend to possess attributes that

make them less vulnerable to social influence, theory suggests that the desire to conform or avoid roiling private relationships will make respondents wary of participating in situations where friends, neighbors and colleagues at work might find out. Citizens may fear that others will judge them differently or misconstrue the reasons why they gave money. One survey, in fact, indicates that support for disclosure drops significantly when respondents are asked whether the state should post the name, address and contribution amount on the Internet (Carpenter 2007). Overall, the social costs associated with disclosure leads to the following testable hypotheses.

Hypothesis 1: Disclosure reduces political participation. Disclosure should diminish the likelihood that respondents donate money, or else cause them to give smaller amounts that fall below the threshold at which donations are made public.

The impact of social influence should be particularly strong among citizens who do not share political beliefs with their associates from daily life. Research suggests that *homophily* in social networks strongly encourages political participation since like-minded supporters encourage and reinforce each other's activities (Mutz 2002; Mutz 2008). The converse, of course, is that being in an environment where people may disagree with you tends to discourage participation. Those who feel they have different political opinions from associates will experience social costs that outweigh the political benefits of participation. Being in the minority -- a strong form of *interpersonal cross-pressure* -- appears to make one sensitive to challenging group norms (McClurg 2006a) and raises additional concerns about retaliation or jeopardizing social relations (Gerber, Huber, Doherty, and Dowling 2009; McClurg 2006a; Ulbig and Funk 1999). Thus, the desire to preserve social harmony will make individuals with minority viewpoints especially reluctant to have the veil of secrecy pierced by the Internet. They will tend to refrain from activities that expose their political preferences.

Hypothesis 2: Disclosure has a stronger impact on those exposed to interpersonal cross-pressures. Faced with the prospect of disclosing a contribution, citizens whose views differ from those in their social community will be less likely to donate money or prone to giving amounts that fall below the threshold at which donations are made public.

Experimental Design: Analyzing the Effect of Disclosure on Participation

The experimental design provides a strong basis for making causal inferences about making contributions by varying the treatments among subsets of the sample and holding other elements constant. The data are a representative survey of 1000 American adults conducted as part of the 2011 Cooperative Congressional Election Study (CCES). Appendix B includes additional information about the survey. The wording for the question on making contributions was slightly altered to different sets of randomly selected respondents. For the control condition, the question asked respondents about their willingness to contribute money. Specifically, the question read, “If a candidate is running in your district who closely represents your political views, how much, if anything, would you consider donating to his campaign?” Respondents were asked to enter an amount between 0 and \$2500. The other treatment versions of this question varied slightly. In one version, a sentence was added to indicate simply that their donation would be public (i.e., starting at \$1). It read at the end, “Please note: names of donors are made public on the Internet.” Another version created a threshold at which donations would be made public at \$50. It read: “Please note: names of donors contributing over \$50 are made public on the Internet.” The final version changed the threshold for disclosure to \$100. Thus, the last two versions provide a cue that anonymity is potentially lost once the donor chooses to give above a certain amount.

Given that few Americans actually have the experience of contributing campaign money, parts of the analysis have been restricted to respondents who said they made a contribution in the previous five elections. This constraint provides the findings with greater external validity since it involves respondents who have already engaged in this form of political activity.

A key independent variable in this experiment is the social context of respondents. The study compares responses of citizens in homophilic networks (they share views with those around) and those who are internally cross-pressured by having opposing views in their midst. Again, the expectation is that respondents surrounded by unlike views are more likely to be affected negatively by the prospect of public disclosure. To identify the degree of interpersonal cross-pressure facing respondents, a question asked: “Would you say that your political views are similar to, or different from those of people in your family, co-workers, and neighborhood?” The responses provided “Views are much the same”, “Views are somewhat different”, “Views are very different” and “Not sure”. The question is framed to get respondents to consider both strong personal ties and social acquaintances in their communities. Regardless of whether such perceptions are accurate, it is the perception of similarity or difference by the respondent that is likely to matter for her behavior.

The measure of internal cross-pressure provides some leverage to isolate the effect of *social accountability* (as opposed to ambivalence) as the underlying social-psychological mechanism driving this behavior. Mutz (2006) posits that behavior can change through two possible psychological mechanisms. The first predicts withdrawal because greater exposure generates feelings of ambivalence as the individual begins to face the prospect of reconciling so many conflicting opinions. The second mechanism suggests a form of social accountability in which exposure makes individuals fear reprisals or costly conflict for challenging prevailing norms. To be sure, the process is likely intertwined. But since this study focuses on *unveiling* preferences, it is more likely to evoke a response from those facing interpersonal conflict (social accountability) than with those facing

intrapersonal conflict (ambivalence). Those who refrain from participation because they are ambivalent should not care as much about being exposed compared to those who want to maintain social harmony.

To provide additional external validity for this study, the experimental data in this analysis is complemented with observational data on political contributions to candidates for the lower and upper houses of legislatures in the American states during the 2009 and 2010 elections. The source of the contribution data is the National Institute for Money in State Politics. The purpose of the analysis is to see whether the size of small donations varies with the level of required disclosure. Once again, the hypothesis is that low disclosure thresholds will discourage small donors from giving money because they want to avoid having their names made public.

The Effect of Disclosure on Campaign Contributions

The first part of the analysis looks at whether disclosure has the effect of discouraging respondents from giving *any* money. Figure 2 plots three graphs. The first is the effect of publicity on willingness to contribute for *all* respondents. The next two graphs are subsets of the sample to approximate citizens who might conceivably make a small donation in a real election. One shows “Active and Interested Voters” who say they voted in the previous election and keep abreast of the news most of the time.⁶ The other shows *experienced* donors, defined as someone who gave a political contribution in the past 5 years.

The point estimates reflect the proportion of respondents in either group who make *any* kind of political contribution and the extended lines are the confidence intervals. Note that “active/interested voters” are more likely to make a donation in this experiment than all respondents, and that “experienced donors” have the greatest likelihood of making a contribution. This pattern confirms what we know about politically interested citizens and donors, namely that they will be

more active in politics. For these respondents, making a political contribution comes more naturally to them and provides some external validity for the experiment. Among experienced donors in the control condition, 94% of respondents who made a donation in the past, agreed to make a donation in the experiment compared to only .59 of all respondents did the same. Importantly, however, it appears that publicity has no apparent effect on willingness to make a contribution for any set of respondents, whether disclosure starts at \$1, \$50 or \$100. While there is a decrease in the expected direction among experienced donors when donations are publicized (at \$1 and \$50 conditions), the differences are not statistically significant.

[Insert Fig 2 here]

While this finding may suggest that social influence has little or no impact on behavior, it does not fully account for the impact of disclosure on cross-pressured citizens (Hypothesis 2). When respondents are separated according to their social context it appears that publicity matters. Figure 3 divides all respondents into three categories depending on whether they have the same, somewhat different, or very different views from those around them. The horizontal line across the graphs signifies a baseline of zero for the control condition, and the point estimates reflect deviations from this baseline. Starting with the top set of graphs for “All Respondents”, it appears that the willingness to contribute among those with different views drops sharply by .37 when faced with prospect of publicity for any amount, i.e., starting at \$1. The bars extending from the point estimate reflect the .95 confidence intervals and do not overlap with the horizontal baseline, indicating that the finding is statistically significant at p-value of .05. At the \$50 and \$100 disclosure level, there are substantial declines as well, although just falling just short of conventional levels of statistical significance. In contrast, among respondents who have the “same view” or “somewhat

different, the thresholds do not appear to affect willingness to donate, even though the declines are mostly in the expected direction. Curiously, at the \$50 level, the respondents whose views are “somewhat different” experience an *increase* of .22 in the proportion choosing to give money. This is the one outcome contrary to expectations. One possibility is that some respondents are receptive to making a very small donation if they are cued that giving up to \$50 causes no cost in terms of privacy. Subsequent analysis shows, in fact, that the vast majority of donations for the “somewhat different” category were below the \$50 threshold.

The bottom set of graphs examines social context for “Active and Interested Voters” with findings that are quite clear. (There were insufficient data to run the models for experienced donors as well).⁷ The only set of voters who react negatively to disclosure are those who feel they are surrounded by those with different views. The effects are present for every treatment condition in the experiment, and in a linear pattern that is consistent with experimental expectations. Moreover, higher thresholds attenuate the negative impact of disclosure because they allow respondents to give small amount, which preserve their anonymity. Thus, those who face disclosure starting at \$1 experience a .51 decline in proportion donating compared to the control; at \$50 disclosure the decline is .46; and at \$100 the decline is .38. Overall, Figure 3 provides support for Hypothesis 2 that disclosure matters in the decision to contribute for those who face strong interpersonal cross-pressures. Moreover, they appear to affect strongly a subset of active citizens who are plausibly political contributors in the real world.

[Insert Figure 3 here]

The next part of the analysis looks at whether thresholds affect the *amounts* that citizens are willing to donate. The underlying rationale is that some citizens will adjust their political

contributions to avoid having to disclose their identities. To get a sense for how much respondents are willing to contribute, Figure 4 shows the distribution of donations at \$200 or less, which comprises almost 95% of all contributions, for those in the control group (red/lighter shade) and those who face a disclosure threshold of \$50 (blue/darker shade). It reveals donors typically give sums in round amounts like \$25, \$50, and \$100. However, donors faced with a \$50 threshold (those in blue) are less likely to make a \$100 donation compared to the control group. Instead, a greater percentage of respondents in the \$50 treatment condition (which usually means disclosure starts at \$51) choose to bunch their contributions at \$50 or \$25 to avoid disclosure. This histogram suggests that respondents are sensitive to cues about disclosure of contributions.

[Insert Figure 4 here]

To see if these different distributions reflect genuinely different behaviors, the next set of analyses provides difference of means tests across 3 conditions (\$1, \$50, \$100). Once again, the horizontal baseline in Figure 5 provides the control condition against which to measure change. The analysis is conducted for 3 sets of groups: all respondents, active/interested voters, and experienced donors. A clear finding is that the \$50 threshold is key. Among experienced donors, the average size of contributions declines \$86 (from an average of \$171, which is not shown in graph). Among active/interest voters (58% of whom are also experienced donors) there is also a significant decrease of \$126 at the \$50 threshold. Among all respondents, there is smaller drop of \$53. These declines confirm Hypothesis 1 that disclosure thresholds cause potential small donors to pull back, in this case by giving less money so as to avoid disclosing their identities. The \$100 threshold did not appear to matter, which is because 91% of donors in the experiment gave \$100 or less (as Figure 4 suggests). In other words, not many respondents faced the quandary of exposure at \$100 simply

because they were already inclined to give less than that. Larger experimental samples may, in fact, demonstrate that the \$100 threshold affects donors. The \$1 threshold did not appear to matter either, which is curious because one would think that it would cause some potential donors to give nothing. One possibility is that the finding is an artifact of the question wording. For the respondents facing the \$1 condition, they were merely told that all donations are public, while at higher threshold they were told it becomes public at \$50 or \$100. It is possible that the mention of a specific number provides a stronger cognitive cue. Another possibility, and one that is explored in the next graph, is that the strongly cross-pressured are affected but they are a small subset of the sample.

[Insert Figure 5 here]

To probe the possibility that cross-pressured individuals adjust their donations, the analysis considers the impact of social context on the amount contributed. The findings reveal again how cross-pressured respondents are more sensitive to publicity. Figure 6 replicates the previous analysis but this time breaks down the behavior of respondents according to their social situation. The top set of charts includes findings for all respondents and the bottom set are restricted to experienced donors (the findings for active and interested voters are similar but not shown here). Respondents who are surrounded by people whose views are “very different” tend to react negatively when choosing to make a small donation (the \$100 category is dropped because there are no effects for reasons cited above). Among “all respondents” there is especially large decline in “very different” category, although with rather larger standard errors, which is not surprising given the size of the sample and the fact that this group reflects many citizens who do not have firsthand experience

making contributions and thus tend to give zero or some large amount that is not anchored to previous habits.

Turning to experienced donors (bottom), the average contribution declines by \$142 among respondents facing strong interpersonal cross-pressures. This brings the average contribution to from was \$174 (not shown on graph) to just \$32, which is a decline of 85%. There is also a decline of \$83 for the \$1 condition, although this change is not statistically significant. Declines were also observed for respondents surrounded by those with the “same views” or “somewhat different” views but these were not nearly as large. Among those whose views are the same, the decline in average contributions between the control and treatment group was 56%, dropping by \$111; while those with somewhat different views experienced a decline of 38% or \$57 (the difference for this latter group was not statistically significant).

While these findings are not perfectly linear across social contexts the preponderance of evidence indicates that being surrounded by those with different views makes one more cautious about giving money.

[insert Figure 6 here]

Analysis of Observational Data on Political Contribution

The experimental analysis suggests that disclosure of private information on political giving affects citizen behavior. As an additional check on these results I turn to analysis of observational data to identify outcomes in the real world that might indicate campaign finance disclosure laws have an impact on giving money. If low thresholds for disclosing private information have an impact on potential donors, one should observe a decline in the average size of contributions in states with low disclosure thresholds. Using data from the 2009-2010 elections on political

contributions to state legislatures, provided by the National Institute of Money in State Politics, I compare states with thresholds at \$50 or below (25 states) to states that start disclosure at \$100 (20 states).⁸

The analytical task is made difficult by the fact that states do not report the size of donations below the threshold amount because, by definition, only amounts above this threshold must be reported. Ideally, one could observe all donors, including those who give just \$1.⁹ But since candidates are not required to report individual contributions below the threshold, it is not possible to know exactly how many individuals in a state contribute funds at various amounts. Thus it is impossible to compute the average size of donations in a state. To approximate this average, I use the amount of contributions per eligible voter in the state. Since the focus of this study is small contributions I restrict the analysis to contributions \$100 or less.¹⁰ The experimental findings also indicate that behavior of contributors giving \$100 changes in the presence of a \$50 disclosure threshold so the impact of disclosure should be felt for donations at \$100 or less. Figure 7 plots the size of contributions (\$100 or less) against the disclosure threshold level. The visual suggests a linear relationship between disclosure thresholds and the size of donations per voter. States with disclosure laws ranging from \$1-50 tend to have contributions bunched below \$0.5 per voter. with Alaska a clear outlier. In contrast, states with \$100 disclosure appear to have higher contributions that rise to \$1 per voter. To be sure, these are rough approximations of average contributions but the suggests the expected pattern.

[insert Figure 8 here]

To probe further, Figure 8 compares the average contribution amounts for states at the \$50 and \$100 thresholds, using a plot similar to previous analyses. The patterns appear to support the

findings in the experiment, namely that low disclosure thresholds dampen participation, although a difference of means test indicates that the results are not statistically significant at .05 level. In states in which reporting starts at \$51 or less, the size of a contribution per voter is \$0.35 in house races compared with \$0.45 in states where reporting begins at \$101. Similarly in senate races, the size of the contribution is \$.16 per voter in states with the lower threshold compared with \$.24 per voter when the threshold is higher. In other words, candidates appear to be getting less money from small donors when disclosure thresholds are set very low because donors would rather not report their identities.

[insert Figure 9 here]

Conclusion

This study indicates that publicity of private information about donors has an impact on small donors. When some citizens believe that their contributions will be posted publicly on the Internet at relatively low levels they tend to cut back on donations or not give at all. Individuals who face strong interpersonal cross-pressures from people around them are most likely to reduce giving, confirming hypotheses rooted in social influence theory. Citizens who experience interpersonal cross-pressures – defined here as those surrounded in their social circles by opposing viewpoints -- are more likely to dampen participation when facing the prospect of revealing their preferences by giving a small contribution.

The analysis adds to our understanding about how secrecy or its absence affects citizens' willingness to engage in politics. While previous studies have demonstrated the power of social influence theory in voting behavior (Gerber, Green, and Larimer 2008) and deliberation (Mutz 2006), this study applies it to the more exclusive form of engagement of making political contributions.

Typically, contributors comprise a class of citizens with higher social status and resources, who should be least likely to be affected by social influence. Nevertheless, the findings suggest that that publicity affects them too.

Importantly, this study suggests that the Internet may be changing the social context for political engagement in potentially negative ways. While the Internet has the potential to boost participation for partisans and activists (Bimber 2001), under certain conditions it may chill participation among those who do not have homophilic networks or who are less politically committed. Politics for many people is not an all-encompassing aspect of their lives. Most engage with it occasionally, and typically in a voting booth where their vote is secret. In voting, they obtain the psychological benefit of performing a widely praised civic act without having to reveal preferences. To a large degree, the voter controls the context in which they express preferences. They can tell friends, or they can choose to withhold such information if they choose to cordon off political commitments from other social roles in their community.

The ease with which the Internet assembles and spreads information about political activity can make non-voting forms of engagement a dicey proposition. By divulging political acts, which were previously secret, the Internet conceivably makes it harder for individuals to separate their various social roles. The small act of making a \$100 contribution to a favored candidate or cause has the potential to threaten social ties in a local community, or even affect the ability to get work, if information about these contributions is easily accessible. For some, the social cost of participation appears too high relative to the benefits of political participation.¹¹ To be sure, Justice Scalia may have a good point about the importance of civic courage in a democracy, but the inclination to withdraw from politics may be less about courage than a decision to focus on other priorities. If participating in politics is not an especially satisfying activity, why bother if it is going to roil social relations that are considered more important?

One implication is that the lack of privacy may tilt political participation even more toward the engaged partisans and ideologues. Previous studies demonstrate that firm partisans tend to surround themselves with like-minded citizens, and feel more comfortable advertising their politics (Mutz 2006). They enjoy pasting political bumper stickers on their cars and putting campaign signs in front of their homes (Verba, Schlozman, and Brady 1995). For such people, the benefits of political engagement, such as solidarity with a broader community of partisans, may outweigh the social cost of displeasing neighbors and acquaintances who may disagree with them. In contrast, individuals who are cross-pressured in their communities may choose more frequently to conceal true preferences-- often referred to as “preference falsification” (Farrell 2012; Kuran 1995). For purposes of brevity this study did not discuss differences in participation between moderates and ideologues. But in an analysis with these data, I found that moderates were much more likely to reduce political giving than strong ideologues when faced with disclosure thresholds. The average donations from moderates plummeted by \$105 when a \$50 disclosure threshold was in place, and only \$60 (not statistically significant) for those who said they were strongly liberal or conservative. Since the cost of displaying one’s politics may be especially high in an era of highly polarized politics, political activity may become even more dominated by those for whom politics is a highly salient feature of their personal lives.

Overall, the research suggests some potential unintended consequences of disclosure policies that focus on small donors. Experts have discussed the benefits of maximizing the role of small donors in financing campaigns, such as expanding engagement in the political process and minimizing the role of major donors (Corrado, Malbin, Mann, and Ornstein 2010). The findings in this study suggest that disclosure rules impact small donors: under experimental conditions a \$50 threshold causes a decline of more than 50% in the average size of a contribution, dropping from \$101 in the control condition to just \$48. That is a substantial source of financing that is foregone in

American elections by imposing on the privacy of potential donors at amounts that can hardly be considered corrupting. Since so many individuals choose to give as little as \$100 in the control condition it appears that thresholds should be set above this amount so that potential small donors will not be discouraged from giving.¹² Moreover, reformers might consider ways to have partial-disclosure (Cain 2010), which would allow collection of donor information so that the public has some knowledge about which interests are giving money, without necessarily infringing on the privacy of donors by revealing individual identities.

Figure 2. Effect of Publicity on Proportion Contributing

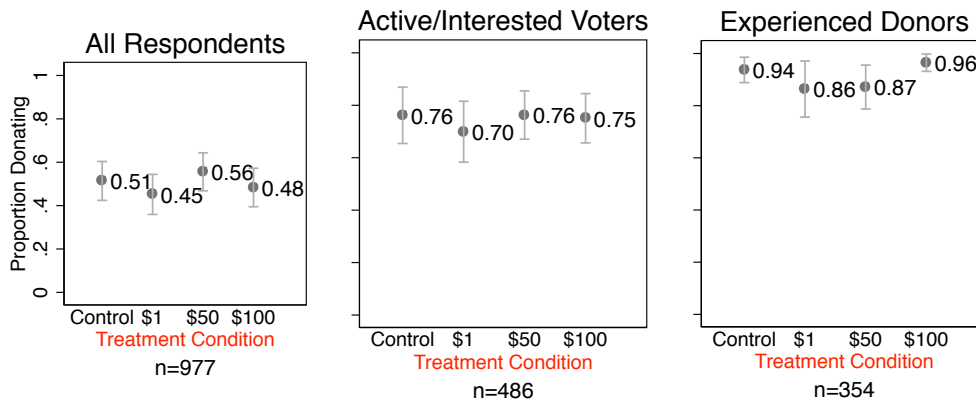
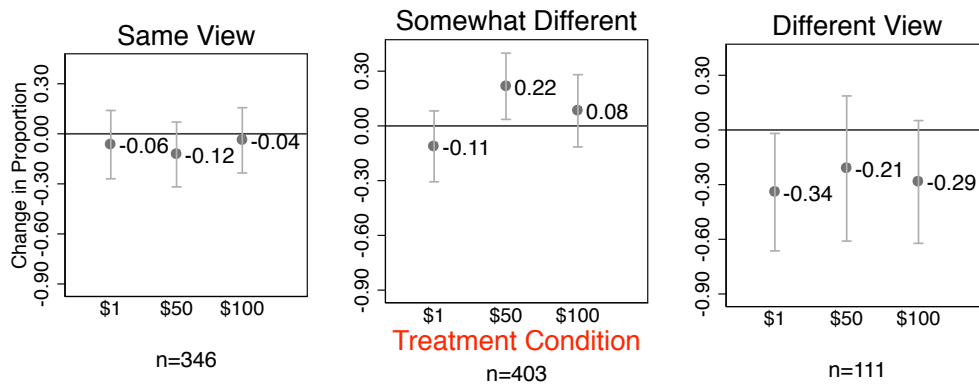


Figure 3. Social Context and Effect of Publicity on Proportion Contributing

All Respondents



Active/Interested Voters

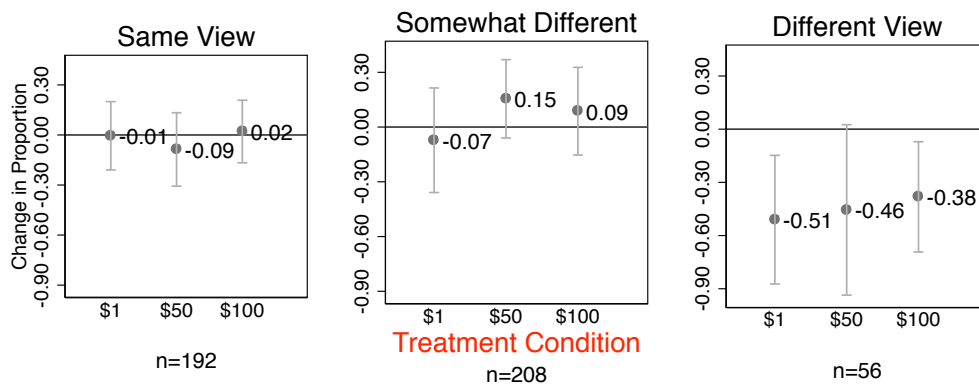


Figure 4. Distribution of Small Contributions

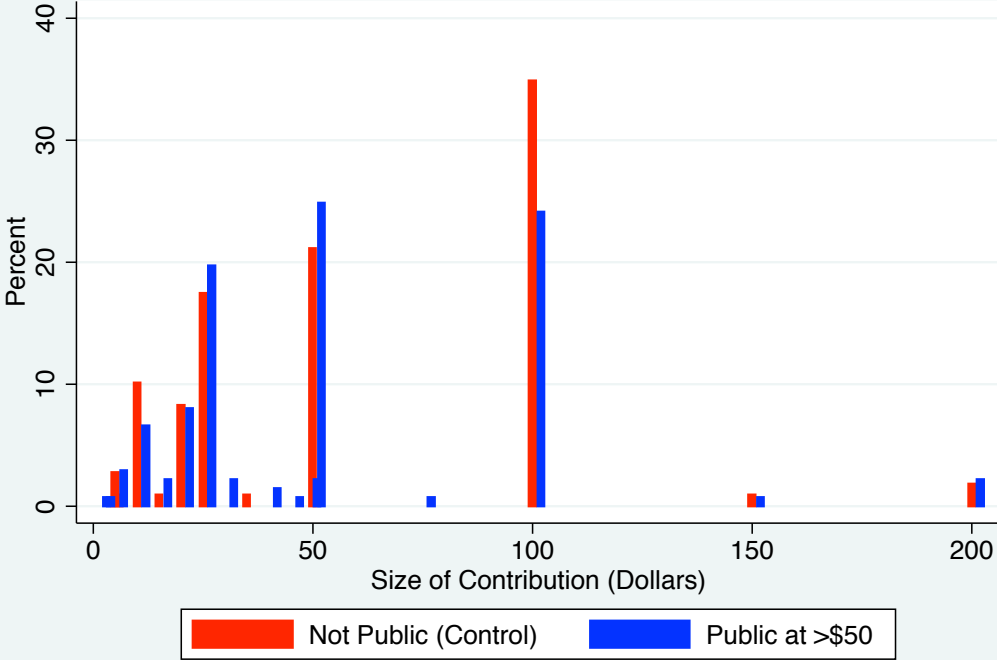


Figure 5. Effect of Publicity on Amount Contributed

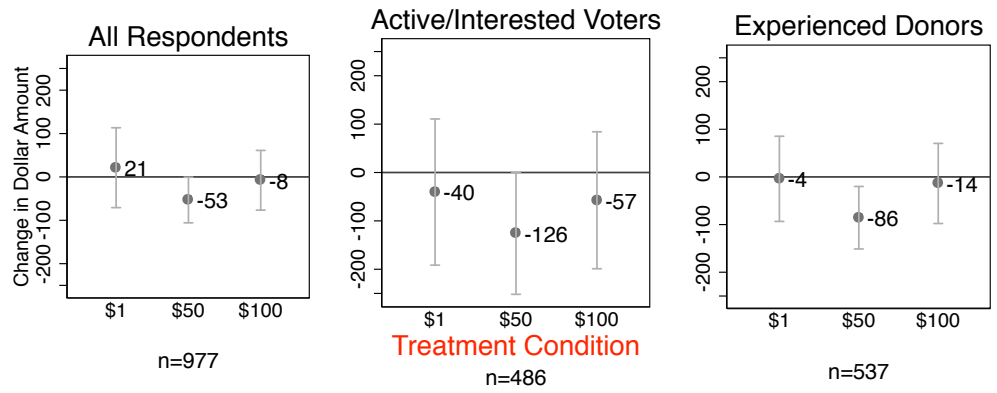


Figure 6. Social Context and Effect of Publicity on Amount Contributed

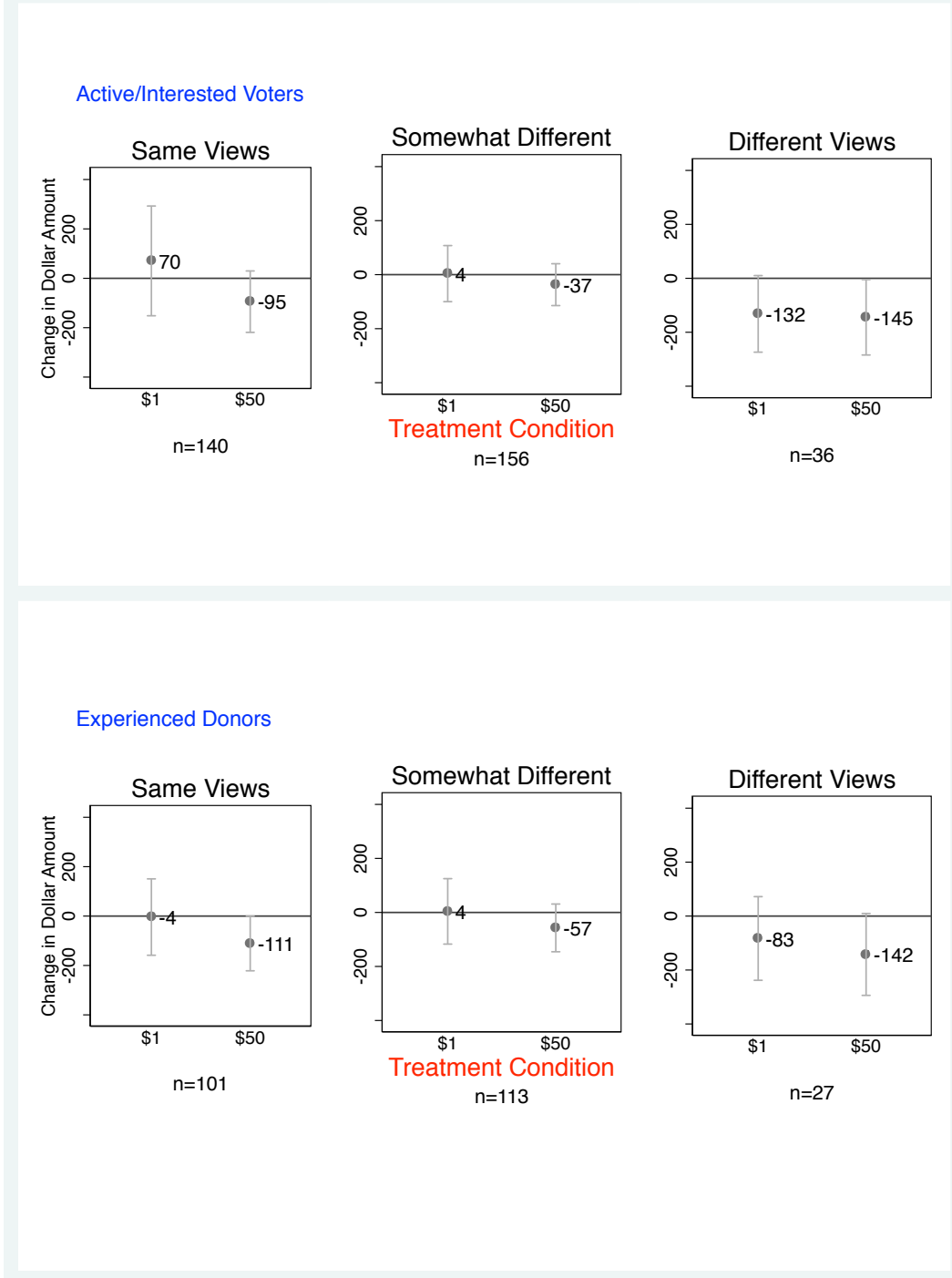


Figure 7. Impact of Disclosure Thresholds on Small Contributions

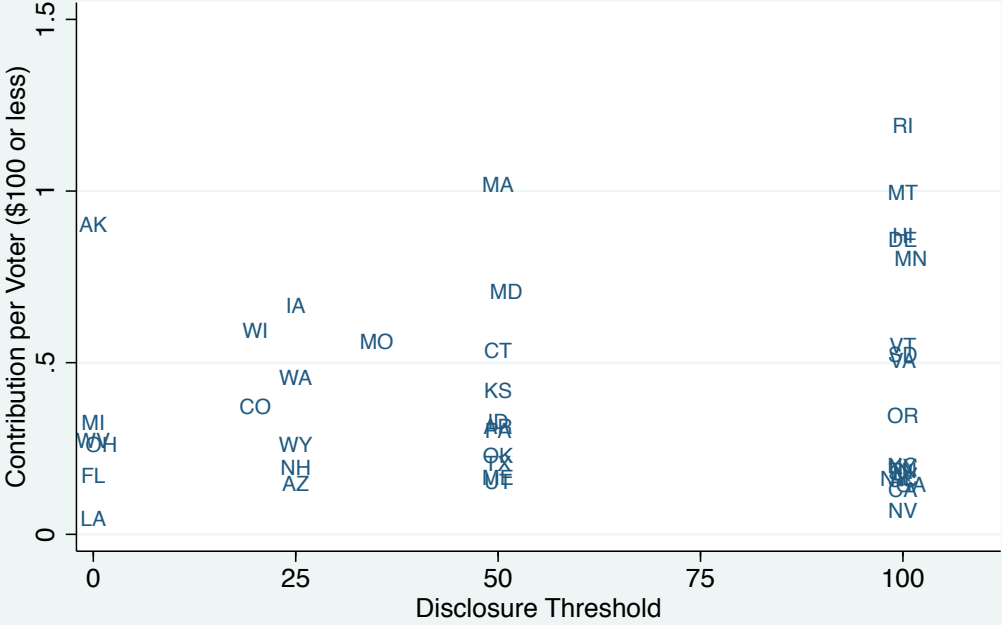
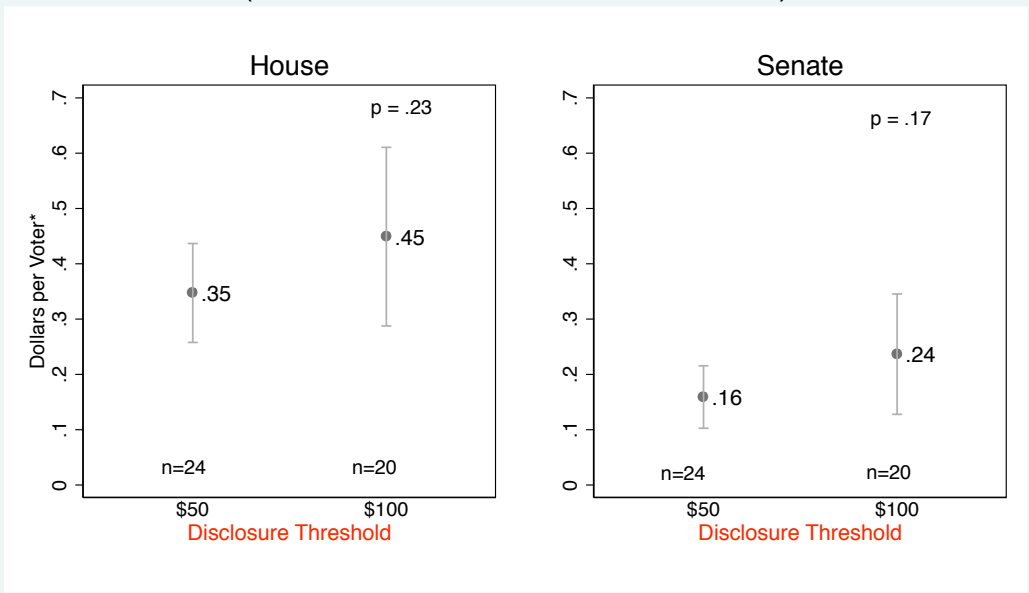


Fig 8. Effect of Disclosure Thresholds on Small Contributions*
(Observational Data in 2010 Elections)



Data Source: National Institute of Money in State Politics
*limited to contributions \$100 or less

Appendix A. Reporting Requirements: Disclosure Thresholds

| State | Disclosure starts at: | State | Disclosure starts at: |
|---------------|-----------------------|----------------|-----------------------|
| Alaska | 1 | New York | 100 |
| Florida | 1 | Alabama | 100 |
| Louisiana | 1 | California | 100 |
| Michigan | 1 | Delaware | 100 |
| West Virginia | 1 | Hawaii | 100 |
| New Mexico | 1 | Indiana | 100 |
| Ohio | 1 | Kentucky | 100 |
| Colorado | 20 | Montana | 100 |
| Wisconsin | 20 | North Carolina | 100 |
| Arizona | 25 | Nevada | 100 |
| Iowa | 25 | Oregon | 100 |
| New Hampshire | 25 | Rhode Island | 100 |
| Washington | 25 | South Carolina | 100 |
| Wyoming | 25 | South Dakota | 100 |
| Missouri | 35 | Tennessee | 100 |
| Arkansas | 50 | Virginia | 100 |
| Connecticut | 50 | Vermont | 100 |
| Idaho | 50 | Georgia | 101 |
| Kansas | 50 | Minnesota | 101 |
| Massachusetts | 50 | Illinois | 150 |
| Maine | 50 | Mississippi | 200 |
| Oklahoma | 50 | North Dakota | 200 |
| Pennsylvania | 50 | Nebraska | 250 |
| Texas | 50 | New Jersey | 300 |
| Utah | 50 | | |
| Maryland | 51 | | |

Source:

Campaign Disclosure Law Database, "The Campaign Disclosure Project: Bringing Sunlight to Political Money in Fifty States." A project of the UCLA School of Law, Center for Governmental Studies and California Voter Foundation.

Accessed Sept. 15, 2012. <http://disclosure.law.ucla.edu/> ;

Campaign Finance Institute, Interactive Tool for Citizen Policy Analysis, Available at <http://www.cfinst.org/state/CitizenPolicyTool.aspx>

Appendix B. Information about the Cooperative Congressional Election Study

The CCES is conducted over the Internet by YouGov/Polimetrix using a matched random sample design where a subset of respondents recruited for online surveys were selected by matching them on demographic characteristics to a randomly selected set of American adults. The pre-election survey (used in this analysis) was administered late September to late October. Individuals are recruited onto the YouGov/Polimetrix Internet panel using targeted online advertisements designed to assure a large and representative group of panelists. The online advertisement leads individuals to a gateway survey; at the end of this initial survey, respondents are asked if they would like to join the panel. Propensity score weights were developed to ensure that the sample represented the characteristics of the adult population according to the most recent Current Population Survey. The CCES samples were drawn from the YouGov/Polimetrix panel using a sample matching technique to ensure a nationally representative sample.

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Notes

¹ See the Campaign Disclosure Law Database, "The Campaign Disclosure Project: Bringing Sunlight to Political Money in Fifty States." A project of the UCLA School of Law, Center for Governmental Studies and California Voter Foundation. Accessed September 15, 2012.

² *Doe v. Reed* transcript at 12-28. *Doe v. Reed*, 561 U.S. ____2010, Justice Scalia, concurring in the judgment. Available at <http://www.law.cornell.edu/supct/html/09-559.ZC4.html>

³ To be sure, some people lack trust in the secrecy of the ballot box, and many appear to divulge to others how they voted. Gerber, A. S., G. A. Huber, D. Doherty, and C. M. Dowling. 2012. "Is There a Secret Ballot? Ballot Secrecy Perceptions and Their Implications for Voting Behaviour." *British Journal of Political Science* FirstView:1-26.

⁴ See *Buckley v. Valeo*, 424 U.S. 1 (1976), *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010) and *Doe v. Reed*, 561 U.S. ____2010.

⁵ Interpersonal cross-pressures may be contrasted with intrapersonal cross-pressures. The latter situation occurs when individuals have multiple and overlapping social identities, which are not always compatible, such as a labor union member who is Republican.

⁶ Because it was an off-election year, the CCES 2011 data did not include questions about other kinds of political participation such as putting up lawn signs, signing petitions, etc.

⁷ An analysis (not shown here) was also done for a subsample of experienced donors only but there were insufficient data to run the model for respondents who claimed to be surrounded by people with "different views".

⁸ Five states are excluded because they have thresholds starting higher than \$101, which makes it impossible to identify contributions that fall at \$100 or less. These states include Illinois, Mississippi, North Dakota, Nebraska and New Jersey.

⁹ Additionally it would be better to construct a times series analysis to observe changes in donor behavior within states when disclosure thresholds change. Regrettably these data are not available.

¹⁰ Restricting the analysis to small contributions also assures that the amounts per voter are not affected by very large contributions that are common in states with expensive campaigns (e.g. California).

¹¹ This dynamic does not appear to be driven by fear that giving up information will result in unwanted solicitations. Otherwise we would observe respondents opting out regardless of

social context. But these results indicate that the changes occur almost exclusively among those who are surrounded by people with different views.

¹² An analysis that included more donors might conclude that a threshold higher than \$100 would be better, particularly for federal elections.