incomplete ideas are ‘challenges to anyone interested’ (p. 276). Most readers will welcome these suggestions as possibilities for future research projects, and all those who work on electoral systems and party systems will want to read this book.

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Michael Franz has written an important new book on the behaviour of political action committees (PACs) and other campaign finance groups that try to influence US elections. He correctly notes that campaign finance studies are often quite self-contained, tied only loosely to the broader interest group field. *Choices and Changes* is intended to push campaign finance scholars to place their research into a broader context on interest group behaviour.

Franz begins with a basic question: ‘Under what conditions do interest groups adopt or change election strategies?’ (p. 6). Rather than just tracking donation patterns over time, as is often the case with PAC studies, Franz is interested in examining how changing organizational strategies reflect external conditions. How does the electoral environment – trends that appear to favour one party or another – influence the behaviour of these kinds of interest groups?

Beyond election conditions is the regulatory context. Franz demonstrates that, collectively, congressional revisions of the law, court decisions and rulings by the Federal Election Commission (FEC) create a dynamic environment. *Choices and Changes* is especially valuable because of this comprehensive approach, tying together so many different factors that influence the behaviour of interest groups involved in electoral politics. As he notes, to understand interest group behaviour, ‘we must comprehend how changing political and legal contexts create both opportunities and impediments for certain forms of electoral participation’ (p. 9).

In preparing this study, Franz assembled an impressive set of databases. Most broadly, he examines PAC contributions over a 20-year period. He also constructed a database of soft money contributions by interest groups to parties from 1991 to 2002, after which the Bipartisan Campaign Reform Act (BCRA) came into effect. (BCRA largely abolished soft money donations.) He looks at interest group funding of television advertisements for recent elections. For two election cycles, he investigates donation patterns by so-called ‘527’ groups – organizations operating independently of parties and individual candidates. As noted above, he also built data sets from FEC and court rulings. Finally, he interviewed politicos active in the campaign finance world. All in all, the data
gathering is highly impressive and Franz does a nice job of guiding the reader through the thicket of laws, regulations and court decisions. His multi-method approach, statistically analysing contribution patterns while also drawing on the elite interviews, works well.

As he proceeds through the data, Franz finds that PACs ‘527’s, and other electorally-oriented interest groups are strategic actors. This surely comes as no surprise as no one would suggest otherwise. But what Franz does is delineate how groups respond to their environment, and he tests hypotheses designed to tease out the relationship between the external environment and the strategic allocation of resources by these organizations. The adaptability of organizations wanting to channel money to candidates is illustrated by the sharp rise in soft money donations during the 1990s. Interest groups with a focus on elections were frustrated by the $5,000 limit for PAC donations. The limit was not increased over time and was not even indexed for inflation. The direct result was increasing sums of soft money donations to the parties. Congress then responded by passing BCRA, which in turn catalysed the creation of many ‘527’s.

Franz emphasizes the difficulty facing policymakers: they need to pursue reform to try to minimize unsavoury practices and systemic biases, but interest groups are always going to find a way to put their money to work in elections. They will respond to new laws with newly constructed channels for money to flow through.

Despite these frustrations, regulators are not Sisyphus in Washington. Although there will always be adaptation by groups, some practices are better than others and policymakers can use laws, regulations and incentives to push interest groups towards some behaviours and away from others. The nation has certainly made progress from the days when Senate Leader Lyndon Johnson passed out envelopes with cash to his colleagues, or when W. Clement Stone personally made contributions in millions of dollars to support Richard Nixon’s campaigns for President. The campaign finance system we have today is far better than it was when Watergate catalysed serious reform.

Franz understands the challenges of future campaign finance reform and his realism is certainly well-founded. His general prescription is that, as new channels emerge, regulators should move quickly to make sure that donors and expenditures are reported openly to the FEC or other regulatory bodies. In his words, ‘Democracy works best with transparency’ (p. 180).

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