

Money, Corruption, and
Political Competition
in Established and
Emerging Democracies

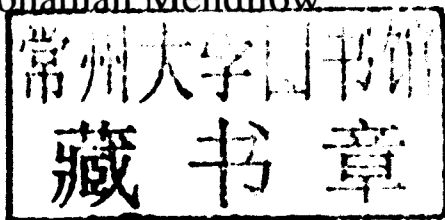


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Money, Corruption, and Political Competition in Established and Emerging Democracies

Edited by Jonathan Mendilow



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**Money, Corruption, and Political
Competition in Established and Emerging
Democracies**

Preface

Michael Pinto-Duschinsky
President, RC 20

The present volume originated in the meeting of the International Political Science Association's Research Council on Political Funding and Political Corruption (RC 20) held in the summer of 2010 in Ljubljana, Slovenia. Through the initiative of the current leaders of the committee, Jonathan Mendilow and Jurij Toplak, this was a highly diverse conference. It brought together an exceptionally large number of relatively young scholars who were new to the committee, several of the "old guard," and practitioners, notably Drago Kos, the Slovenian chair of the GRECO (Group of States against Corruption) unit of the Council of Europe. The goal was to discuss how efforts in political finance and political corruption could complement one other, to stimulate thinking about what we should explore, and to chart ways in which we could do so. It would be rash for any scholar to claim to know the state of the art in a field such as the study of political finance and political corruption. And yet, as a preface for this book, it is useful to take stock of what has and has not been hitherto achieved, the priorities for future research, and the challenges to be confronted by scholars in the field.

Modern thinking about corruption can be traced to the eighteenth century; nevertheless it was political finance that first emerged as an academic subfield that commands systematic academic effort. Vilfredo Pareto and James K. Pollock Jr. had already produced significant publications on comparative political finance well before World War II, but the first attempt to gather a group of scholars to study the subject was probably that of Richard Rose and Arnold J. Heidenheimer. The resulting International Study Group on Political Finance should be considered a precursor of RC 20. In 1963, they published an ambitious set of studies of eight countries (not including the United States). This appeared in a special issue of *The Journal of Politics*. As young men in a hurry, they attempted at the same time to gather comparable political finance data from the eight countries, and to analyze it in the form of a scientific index of expendi-

ture-per-vote. In 1970, Heidenheimer was the editor of a second comparative volume, which concentrated on the study of political funding arrangements and the growth of public funding. Both studies have aged very well and exemplify the determination to create a science of politics involving the testing of explanatory hypotheses with empirical data. However, the two also illustrate some of the problems that confront the field and that have tended to be ignored by members of RC 20.

Foremost among these problems is the fact that it is not easy to gain agreement on what constitutes "political finance," and without such agreement standard measurements of the amount of political finance in different countries become impossible. There is a broad consensus that "political finance" includes the funding of election campaigns. Usually, it covers also the funding (apart from campaigns) of political parties. However, it is not always simple to define "party" spending. In many countries there are nominally independent organizations which are, in practice, linked to or close to a political party. Some pressure groups support or oppose the interests of a party but do not belong to that party. In their publication of 1963, Rose and Heidenheimer made estimates of "politically relevant" or "politically related" expenditures. The wooliness of such terms illustrates the problem of definition.

Another difficulty relates to the effort to determine the impact of spending on the outcomes of legislative campaigns. Political spending may not be the only determinant of voting choices. In order to assess the importance of money, it is necessary to take account of these other influences. This is easier for elections to the legislature, where there may be myriad of parallel contests, than for national campaigns or for campaigns for the presidency or an equivalent office at state or local levels. Assuming that expenditures on legislative campaigns are accurately filed (a convenient assumption), assuming that voting results are accurately reported, and assuming that all the main other factors can also be measured, it then becomes possible to analyze the connections between money and voting. These are significant assumptions.

The stress on empirically testable theories and "number crunching" in the name of political science was largely abandoned under the stewardship of Herbert E. Alexander. By the time I attended my first IPSA World Congress (Montreal 1973), Herb was already the moving force in what was then the Study Group on Political Finance and Political Corruption. He chaired the group from that time (and perhaps before) through its transition in 1979 into a recognized IPSA research committee until the World Congress held in Berlin in 1994. Under him the shift took two directions. One involved the examination of the regulatory reforms of political finance that were becoming so common from the 1970s onward, and the second was the quest for wider geographical coverage.

Leading members of the RC had themselves been directly involved in the reform process in a number of countries. Khayyam Paltiel had been research director of the groundbreaking Barbeau Committee in Canada (Committee on Election Expenses). At the RC's roundtable meeting in Oxford in the early

1980s, he was pursued by Canadian government lawyers who crossed the Atlantic to seek his advice on a test case concerning one of the country's new political finance laws. Alexander had been executive director of President Kennedy's Commission on Campaign Costs and was a consultant to the U.S. Senate Watergate investigations. Later, Karl-Heinz Nassmacher (Alexander's successor as chairman of the RC) served on the official body that supervised the operation of Germany's party funding laws, and examples can be multiplied. Three RC members also achieved high political positions; Kevin Casas Zamora served as vice president of Costa Rica, Pilar del Castillo as a cabinet member in Spain, and Ruud Koole as chairman of the Netherlands Labour Party. It was therefore only to be expected that an analysis of subsidies and of new regulations would become a main focus.

The RC also devoted a good deal of attention to the search for colleagues in countries where there had been little or no study of political funding. For many years, it proved impossible to find a scholar prepared to research political finance in France (one potential colleague said he risked his life if he were to carry out such a study). From the late 1980s, the RC sought to draw countries in the Soviet bloc into its work. In 1989, Jacek Tarkowski hosted the first roundtable meeting held behind what was then still the Iron Curtain. This was a meeting in a small town near Lublin in Poland in June 1989. From the 1990s onward, scholars from the former Soviet countries played active and important roles in the RC. Walecki's Oxford University dissertation and subsequent book *Money and Politics in Poland* led to similar (albeit less detailed) studies on other countries in Central and Eastern Europe. Additional "targets" were Latin America and the emerging democracies of Asia and Africa. Some headway was made, due in large part to connections with International IDEA and individual works such as Kevin Casas Zamora's prize-winning doctoral dissertation on political funding in Costa Rica and Uruguay, or Walecki's work for the International Foundation for Electoral Systems (IFES). However, Africa, the Arab world, and much of Asia are still too thinly covered.

Contemporaneous with these developments, from the later 1980s, political corruption suddenly became a vogue topic for the World Bank, national development agencies, and NGOs. This meant that there suddenly was a flow of money for anticorruption research and advocacy. Transparency International, created by former officials of the World Bank, the Commonwealth Secretariat and similar bodies, expanded rapidly. In lieu of assessing the extent of corruption in particular countries, Transparency International created and marketed a "Corruption Perception Index." This was based on the subjective judgements of commercial political risk enterprises and of country experts employed by organizations such as the Economist Intelligence Unit. The effect on the RC was fairly dramatic. For some scholars the opportunities provided by well-funded public bodies were too attractive to resist.

As of the mid 1990s, political finance has followed political corruption in commanding the increasing attention of governmental and international organi-

zations. Among the large NGOs that initiated projects on political finance one should mention the Washington-based National Democratic Institute for International Affairs (NDI), the International Foundation for Election Systems (IFES, also based in Washington), and the Stockholm-based International Institute for Democracy and Election Assistance (IDEA) that was jointly sponsored by the United Nations and IFES. The most ambitious project was launched by International IDEA for a handbook giving advice on political finance together with a comprehensive analysis of political finance laws around the world, and a large number of national and regional cases studies. Another handbook was prepared in 2000 by the United States Agency for International Development and IFES, and was devoted to transparency in political finance. Members of RC 20 played pivotal roles in all these, as well as the many other projects that were not mentioned here. The outcome was a rush of studies at different levels of political funding and spending and the addition to the field of important databases.

The increased interest shown by governmental and other public bodies in the study of corruption and political finance has brought tangible academic benefits. First among them is the geographical and substantive widening of the research into corruption and political finance. The extension of the research into countries that were hitherto relatively uncovered can be illustrated by the NDI study of political parties in eight Asian countries, or the IFES's pioneering work on political financing in troubled states of Africa and the Muslim world. At the substantive level, questions asked by development agencies, NGOs, and international organizations have frequently made scholars explore new grounds. For example, the question when donors to parties and candidates should be obliged to declare their payments turns out to be considerably more complex than might initially have been supposed. Walecki's case study of Ukraine (published by Transparency International), and the conflicting testimonies of academics in the lawsuit brought by IDASA against some of the main South African parties, would probably not been written but for the demand for "real world" evidence.

An additional advantage of the involvement of public organizations in political finance and corruption studies has been money. From time to time, it has become possible to gather scholars from countries that previously were beyond the RC's reach. No fewer than thirty-six countries were represented at a meeting organized by the British Council, World Bank, and IFES in 2004 at which RC 20 was heavily represented and involved. Governmental finance for projects also has made it possible to collect empirical data that would otherwise have been out of reach (Thornton's important research into "party taxes" in Asia is a good example).

Finally, the RC has been able to link academics and leading practitioners (for example, officials of election management bodies) to a considerably greater extent than before. To this, one should add the consultancy work of several members of the RC that has created a healthy awareness of the realities of political financing and the struggle against corruption, especially in poor or crisis-ridden nations. This has been especially valuable, since the academic study of

politics is often damaged by a lack of experience of the practical realities of political life, especially in poorer regions. For example, field experience shows how widely political finance laws are a dead letter. It tends also to destroy scholarly faith in the accuracy of official political finance statistics.

Despite all these advantages, relationships with governmental and other public bodies have presented a surprising number of problems. In the field of international relations, the stresses of practitioner-academic cooperation have been set out by Christopher Hill and Pamela Beshoff. "To do anything worthwhile," they cite Hans Morgenthau Jr.'s warning, intellectuals must "retain their immunity from outside pressures . . . manifested in job security through tenure." To do so, they should monitor their own involvement in the

Academic-political complex in which the interests of government are inextricably intertwined with the interests of large groups of academics. These ties are both formal and informal, and the latter are the more dangerous to academic freedom, as they consist in the intellectuals' unconscious adaptation to imperceptible social and political pressures¹.

From considerable personal experience, I believe that this warning should be taken seriously. Moreover, it is not only governments from which pressures may be expected. I have found that some nongovernmental bodies are even more demanding on their academic consultants. Both governmental bodies and NGOs often look to consultants for results which are to their liking. It is sometimes implicit that a consultant who supplies unexpected or awkward findings will not be employed again and his or her work will not be published. This does not always reflect questionable motives. In the field of political finance, a body such as the World Bank, for instance, needs to take care that any work it publishes falls within its legal remit. And even where legal considerations do not apply, funding agencies may confront diplomatic pressure from foreign governments not to publish unflattering findings.

Another kind of difficulty arises when an academic makes an assessment (for example of the effectiveness of a bureau or agency involved in the regulation or enforcement of political finance) of a body that itself supplies the research funds. In such circumstances, it is not unknown for the funding body to dispute an unfavorable assessment on the ground of some technical inadequacy and to delay or to deny payment. Academics employed as evaluators get to know what is expected of them and to adapt their work accordingly.

There is also the propensity of NGOs to favor publicity-generating devices such as indexes. In the field of anticorruption, there are several rival indices—Transparency International produced a "Corruption Perception Index"; the "Opacity Index" comes from Pricewaterhouse Coopers Endowment for the Study of Transparency and Sustainability, and the Centre for Public Integrity entered the field with a "Public Integrity Index." A total of no less than twenty measures of transparency are listed by Ann Bellver and Daniel Kaufmann.² The

accuracy and value of these tools vary. The general problem is that the statistics they employ may provide an easy fix that avoids the need for in-depth research, and thus provides value-for-money for the sponsoring body. It is much harder, for instance, to assess the real extent of corruption in a country than the “perceptions” of some chosen experts. This, in turn, is related to the fascination of public bodies—especially international organizations—with the idea of setting broad standards. The Council of Europe, African Union, Organisation of American States, and Transparency International, all have formulated codes, and the World Bank has gone in the same direction. The UN anticorruption convention also touches on political finance but only briefly because there was no agreement on some key points which, therefore, were fudged. In my experience, such codes need to be treated with reserve. Some reflect ideological positions within the organizations that created them; others are themselves quick fixes. In an effort to gloss over controversial points, some sets of standards are too vague to be meaningful. If accepted as international law, they give wide latitude for interpretation by judges. In any case, it may be questioned whether it is a suitable role for scholars to act as setters of political standards. Certainly, they may legitimately influence debates on standards by producing relevant empirical studies. But drawing up codes is arguably more suited to politicians and to constitutional lawyers than to political scientists.

Finally, the vital question arises as to how far attention to real-world policy issues affects the choice of research topics. The fact that some of the most active members of RC 20 have been involved as advisors or consultants to governments and to NGOs may go some way to explain the relative lack of attention to theories and scientific explanations. Some of the most important interpretative work on patterns of political finance has come from outside the research committee from scholars such as Richard Katz and Peter Mair, who have written on the rise of the publicly funded “cartel party,” and from Mair’s former student, Ingrid van Biezen. As Susan Scarrow wrote in her excellent review of the field, since the 1970s it has been characterized by “Mounting Evidence, Lagging Theory.”³

In my opinion, Scarrow is correct in arguing that it is time to return to some of the broader subjects of investigation explored by Heidenheimer in 1960s, for all of the problems that research into them involves. Among the questions are the following:

- In what types of country is spending on politics (whether “formal” or in the form of corruption) relatively high or low?
- Are there any general trends in the level of spending?
- What circumstances “encourage” high levels of political corruption?

- Is it true that modern methods of campaigning through mass media are costlier than old-fashioned doorstep techniques?
- What are the effects of spending on electoral outcomes?
- What are the effects—if any—of public funding of parties and campaigns?
- Does public funding lead to a system of “cartel” parties?
- What are the connections, if any, between levels and methods of funding and political corruption?
- Does the method and level of political funding relate to the rate of party membership or political participation?
- Are there any general explanations for the introduction since the 1950s of systems of public funding in so many countries?
- Is there evidence of the effects of access or lack of access to money on the recruitment of candidates for public office? Does lack of access to money explain the relatively low proportion of female candidates?

Perhaps the most important questions are about the issue of “state capture”:

- Is there clear evidence—as distinct from surmise—that political donations have significant effects on public policy? Does money buy influence? If so, is it possible to measure such influence and how?

As we turn towards the future, then, we should inquire whether it is possible to resolve the conflict between academic purity and policy relevance. It may be argued that we should not attempt to marry the needs of scholarship and of policy. As Susan Scarrow implied in a comment on an early draft of this preface, the ivory tower may turn out to have more practical value than a consciously policy-relevant approach. Clearly, however, the art of research in fields such as political finance and political corruption is to take advantage of the opportunities provided by the sponsorship of international organizations, governments, and NGOs without suffering too seriously from the pitfalls. I, for one, do not believe that there is any sure way to avoid the inherent conflicts. Personal integrity on the part of the researcher is the best safeguard. However, there are a number of ways in which potential problems can be alleviated. I have elaborated on this elsewhere.⁴ Suffice it here to say that some of the most important involve the

meeting and sharing of minds between members of the international community of political scientists interested in the field.

RC 20 has provided a vital forum for some of the most active scholars of political finance and political corruption. In their own countries, academics specializing in these subjects were frequently on their own since they were pioneers in an undeveloped field. The work of RC 20 meant that they were not isolated from all academic contact, and this in itself was an invaluable function. However, it is time to expand the work of the International Political Science Association's research committees, RC 20 among them, so that they are not only the organizers of panels at world congresses and of roundtable meetings. It is time to return to the challenges we have confronted in the past and push toward new horizons. More particularly, we should once again try to reproduce the scientific methods attempted, however shakily, by Rose and Heidenheimer nearly a half century ago; engage in wider and more systematic efforts of comparative analysis that would include Africa, Asia, and Latin America; and invest in collective enterprises geared to enlarge our theoretical horizons and stimulate academic thinking about a subject that is so intertwined with the "nitty gritty" of politics.

The present volume, as well as the meeting in which it originated, was designed as a response to these challenges. There is of course a limit to what we are entitled to expect from a single effort. However, it is of special importance for a number of reasons. It brings out clearly the interconnections between political finance and political corruption, it combines comparative analysis with case studies, and it blends theoretical perspectives with analytical scrutiny of current realities. Unlike so many edited books, it is not an "anthology," where a general introduction is followed by loosely connected chapters, but a thesis in which every chapter fills an assigned position, as a piece in a jigsaw puzzle.

Both because of their pivotal position as pillars of the argument, and because they touch on subjects that I myself have engaged in writing and thinking about so many years, I would restrict my comments mainly to the chapters by Manuela Kulick and Karl-Heinz Nassmacher, Jonathan Mendilow, and Mendilow and Brogan.

The first of these marks precisely the return nearly a half century later to the systematic methods of comparative analysis of Rose and Heidenheimer. An immediate reward for the purposes of the policy maker is to throw further doubt on the popular but weakly grounded assumption that there has been a cost explosion in political spending. The chapter serves also to bring to a wider audience some of the work presented at greater length in Nassmacher's 2009 publication, *The Funding of Party Competition*. It is unfortunate that this comprehensive work is so costly that it is beyond the reach of many readers, for it is a crowning achievement of a scholar who has played such an important role in the work of RC 20. Nassmacher's work is the most adventurous in its testing of hypotheses. It also demonstrates the limits of the comparative method in the field of political financing since he is obliged to rely on statistics—mainly from official reports—which are not always reliable, and are not fully comparable.

The contributions of Jonathan Mendilow are daring and innovative in three major respects. First, he meshes political finance and political corruption and subsumes them in the consideration of the survivability of democracy in the modern age. A previous leader of the research committee, Herb Alexander, was interested principally in political finance and deliberately demarcated it from the study of corruption. My own work—though originally on corruption—also concentrated on political finance. In this volume, Mendilow has brought the two subjects together in a manner which is of benefit to each of them. A second feature of Mendilow's contributions is his combination of hard evidence and theory. As it happens, I do not accept all of his conclusions, and feel that both he and Nassmacher are too dismissive of the cartel party thesis. But their criticisms of that thesis deserve careful attention. Third, Mendilow is that unusual combination of a scholar based in the United States who combines knowledge of latest developments relating to the regulation of American campaign finance following recent decisions of the U.S. Supreme Court with an intimate knowledge of political finance and political corruption in other countries. With Michael Brogan, he uses this background to draw what must be initial conclusions of comparative relevance from the experience of new regulations concerning campaign finance in selected states in the United States.

The volume is enriched by several chapters which use the case-study method to present the real-life experience of the nexus of corruption and political finance in different countries such as Spain, the Philippines, Zimbabwe, and Bangladesh. Some of the authors of these chapters required considerable personal courage to present their experiences and evidence. New dimensions of comparative research need such case studies as theirs.

In all, the present volume marks a significant new stage in the work of RC 20. I trust it will engender thought about the significant questions that lie behind the seeming humdrum of political finance and political corruption. I likewise hope it will excite young scholars, whether or not they are members of the RC, to argue these questions, and to carry out empirical and theoretical efforts to extend, deepen and widen their understanding.

Notes

1. Christopher Hill and Pamela Beshoff, "Introduction." In *Two Worlds of International Relations: Academics, Practitioners and the Trade in Ideas*, ed. Christopher Hill and Pamela Beshoff (London: Routledge, 1994), ix-x.

2. Ann Bellver and Daniel Kaufmann, "Transparenting Transparency: Initial Empirics and Policy Applications," *World Bank Institute*, 2005, www.worldbank.org/wbi/governance/pdf/transparenting_transparency171005.pdf (accessed July 24, 2011).

3. Susan Scarrow, "Political Finance in Comparative Perspective," *Annual Review of Political Science* (2007), 206.

4. Michael Pinto-Duschinsky, "The Study of Political Finance: The State of the Art" (Paper presented at the IPSA World Congress, Santiago, Chile, July 2008).

Contents

Preface	vii
Michael Pinto-Duchinsky	
1 Introduction: Political Finance, Corruption, and the Future of Democracy	1
Jonathan Mendilow	
2 Do Parties Spend Too Much?	17
Manuela S. Kulick and Karl-Heinz Nassmacher	
3 Parties as Competitive Public Utilities? The Impact of the Regulatory System of Political Financing on the Party System in France	41
Lou Brenez	
4 Campaign Financing and Politicians' Careers: A Dynamic Perspective	67
Abel François, Eric Phélippeau, and Pascal Ragouet	
5 The MSG Effects of Public Campaign Funding	93
Jonathan Mendilow and Michael Brogan	
6 Political Finance, Urban Development, and Political Corruption in Spain	121
Fernando Jiménez and Manuel Villoria	
7 Can Public Funding Overcome Corruption? A View from the Philippines	145
Vincente Reyes	
8 Politics of Exclusion: Public Party Funding and Electoral Corruption in Zimbabwe	169
Dombo Sylvester	
9 Overcoming Electoral Corruption: The Case of Bangladesh	185
Golam Mostafa and Shahjahan Bhuiyan	
Index	203
About the Contributors	209

Chapter 1

Introduction: Political Finance, Corruption, and the Future of Democracy

Jonathan Mendilow

The provision of public subsidies to support electoral campaigns is a relatively new practice.¹ Whether in the form of public funding to parties on a regular basis, or of subventions to competitors for the conduct of specific campaigns, it originated only in the mid 1950s. Since then, however, it has been adopted by almost all the stable democracies and became the dominant pattern among the new and emerging democracies in all regions of the world, with the exception of the Caribbean (where it was taken up only by Barbados) and Africa (where it is available only in 46 percent of the states).²

A common rationalization for the undertaking was the need to address the ever-increasing budgetary problems that beset parties as a result of the exponential growth of advertising and polling techniques, the need to reach wider publics, and the inability to raise commensurate funds from ordinary party members to fund the party apparatus. Subsidization of political competition aimed to provide an alternative to solutions that were widely perceived as corrosive to democratic governance. One was the solicitation of contributions from economic corporations and wealthy individuals who had the means to inject large sums into the coffers of parties or candidates, whether as a reward for favorable policies or as an investment in the expectation of such rewards. Another was the drawing on public services as sources for indirect or direct funding. The former had to do with the unpaid use of resources, especially where broadcasting media, public transportation networks, or public halls are controlled by government. The latter involved the imposition of regular "contributions" on elected or appointed public servants ("macing") or on holders of government contracts or

permits ("toll gating").³ Yet a third source of revenue was straightforward corruption: the direct "sale" of policies, concessions, honors and titles, or access to policy makers⁴ in return for cash or its equivalents. The three shade into one another. Even where provider-consumer connections are only implied, "plutocratic funding"⁵ raises the suspicion that public policies, services, or goods are exploited for private or partisan benefit. As one of the foremost students of political finance put it, the disparities in the size of contributions indicates "the desire to surmount the democratic constraints of "one man one vote" to gain disproportionate influence on the decision making process."⁶ The same is obviously true of the other two forms of funding, where the use of policy making and public services is observable. All three favor incumbents, thereby discriminating against those who are out of power. At the same time, all impair the equality of political opportunity among political competitors and individual citizens by treating them differentially, according to their ability to "purchase" or "sell" policies or public benefits.

The idea of trade-off underlying public party funding and public campaign funding, that is, restrictions on the use of public office and commitment to political equality in return for assured and stable income, meant that regulations that would flesh it out could not be limited to the provision of revenues alone. The *quid pro quo* was prohibitions on contributions from dubious sources, limitations on the amounts individuals could donate, ceilings on how much could be spent, and the disclosure of accounts. Public funding, it was argued, would thereby curb excessive electioneering spending, encourage parties to represent the interests of their broad constituents rather than the moneyed few, limit the disparities between political equality and economic inequality, and provide for open and fair political competition. In these terms, the price paid by the public would constitute (to quote the title of an early book on the subject) "the costs of democracy."⁷

The purpose of the present volume is to clarify as concretely as possible some of the outcomes of public subsidies for political competition that are critical to an assessment of its ramifications for modern democracy. Though the different chapters deal with specific questions, the hope is that the book in its totality would not be seen as a specialized treatment of a specific form of political finance but as an effort to examine the means by which democratic principles and institutions formed in an earlier age could be adjusted to the needs stemming from realities forged by later-day exigencies. Specifically, the attempt is to deal with two broad clusters of questions. First, what does the long-term experience with public funding in Western countries tell us about unforeseen changes in the role of parties and their behavior that could be regarded as additional costs of the public subsidization of political competition, regardless of the specific manner in which it is carried out? Second, what can we learn from experiments with subsidization in different contexts about possible pitfalls that should be taken into account, especially when public subsidies are adopted by emerging democracies? No single volume can take on all the possible dimensions of such subjects. Many must await future research and clarification. Moreover, any at-

tempt to come to grips with the questions we set is encumbered by the dissimilar implications that the same setup may have in different contexts. Try as we may to take this into account, we must therefore acknowledge the fact that the endeavor is only exploratory.

Skeptics have pointed to deleterious outcomes of the subsidization of political competition almost simultaneously to the appearance of the idea. Most of the criticism did not raise doubt as to the need to adjust the principles of democracy to the new realities; yet, when viewed in combination, they amount to questioning whether the medicine is worse than the malady. An exception is the United States, where the view of plutocratic funding as subversion of the principle of political equality itself came under attack. In *Buckley vs. Valeo* (1976), the U.S. Supreme Court defined the raising and spending of money to influence elections as a form of constitutionally protected free speech and, accordingly, struck down contribution limitations, as well as any fixed limits of spending by individual candidates or independent groups. This was followed by the decision of the bipartisan Federal Election Commission to allow parties to raise and spend unlimited sums for party building and issue advertising. The logic deriving from the equation of money with opinion was advanced in 2010, when the Supreme Court nullified the distinction between corporate and individual expenditures. Prohibitions on the independent funding of advertisements that name federal candidates within thirty days of primary or sixty days of general elections by corporations and trade unions was defined as “outright ban on speech, backed by criminal sanctions.”⁸ The minority opinion in the case is revealing. Corruption, argued Judge John Paul Stevens, takes many forms, and the difference between “selling a vote and selling [political] access is a matter of degree, not kind.”⁹ In effect, the argument was that plutocracy and corruption are two poles of a single continuum, and hence the Court’s holding was tantamount to the legalization of corruption. This may be too far. In my opinion at least, a more accurate claim could have been that the continuum was narrowed to exclude plutocratic contributions. Be it as it may, for the time being the United States remains alone in its view of plutocracy as consonant with democracy.¹⁰

More peculiar to parliamentary regimes is the critique over the ratcheting costs of political competition. American elections are widely held to have experienced one of the most dramatic rates of cost increase. The perception is refuted by Nassmacher and Kulick in the next chapter. Nevertheless, since the 1990s, it gave rise to a debate on whether this is “a democratic boon” or “a disaster” and “the biggest threat to the democratic process.”¹¹ Neither side regarded public funding of elections as the root cause of the alleged cost escalation. The candidate oriented system and the weakness of the American federal campaign funding regulatory system shielded the practice from claims that were bound to appear where the exchange underpinning public campaign funding did not suffer similar emasculation. The first wave of public funding was tacitly based on the assumption that, following the rise in costs brought about by mass media ori-