

POLITICS & GOVERNMENT

Making Money Do Good

“Bad Contribution” by Norman Ornstein, in *The New Republic* (June 10, 1996), 1220 19th St. N.W., Washington, D.C. 20036.

Political campaigns for national office have become more expensive than ever, even though good-government reformers have largely succeeded, over the last two decades, in imposing drastic regulations on the flow of money to political candidates. The results of their earnest efforts, argues Ornstein, a resident scholar at the American Enterprise Institute, have been perverse. While most candidates are forced to scramble for cash in unseemly ways, extremely wealthy—and otherwise unlikely—contenders, such as Steve Forbes and Michael Huffington, can spend freely and so dominate, or at least distort, contests for the nation’s high offices.

Despite reformers’ hopes, Ornstein observes, the 1971 ban Congress imposed on political contributions by corporations and the strict limits on what individuals and political action committees (PACs) can give “have not . . . rooted out corruption, ended incumbent advantages, or reduced candidates’ obsession with raising money.” Now reformers are urging another dose of the same kind of medicine, in the form of a bipartisan proposal backed by President Bill Clinton. The measure would ban PACs, put a cap on spending by congressional candidates, require candidates to get at least half of their money in-state—and in the end, Ornstein argues, only make matters worse. “Temptations to corrup-

tion will increase—hitting up business and labor officials and their families one by one to replace PAC contributions (in a fashion much less amenable to disclosure), laundering out-of-state funds into the state, finding ‘in-kind’ ways to spread the message without directly spending money. And, of course, reforms that make it harder to raise money will benefit multimillionaire candidates who do not need to.”

Running a modern congressional campaign is necessarily expensive. “Rather than trying, quixotically, to drive money out of politics,” Ornstein says, “campaign laws should create incentives for candidates to raise the right kinds of money.” Among his suggestions: federal income tax credits for people who make small individual contributions, giving them in effect a dollar-for-dollar rebate, with a tax on PACs (say, 50 cents for every dollar they contribute) to defray the costs. Ornstein also proposes matching vouchers for broadcast time to candidates who raise \$25,000 in small (\$100 or less), in-state, individual contributions. Potential challengers to incumbents ought to be allowed to raise a certain amount of “seed money” from individual contributors who give up to \$10,000, 10 times the current limit. Instead of trying to render money impotent, Ornstein suggests, reformers should harness its power to serve their ends.

How to Settle the Character Question

“Duelling as Politics: Reinterpreting the Burr-Hamilton Duel” by Joanne B. Freeman, in *The William and Mary Quarterly* (Apr. 1996), Box 8781, Williamsburg, Va. 23187-8781.

On the morning of July 11, 1804, Alexander Hamilton and Aaron Burr stood opposite each other on the heights of Weehawken, New Jersey, each with a pistol in hand, waiting for the command to fire. Hamilton, whose own son had died in a duel, was “strongly opposed” to the illegal practice, and, while Burr was sure his rival had privately attacked his character, his only hard evidence of an insult was a letter writer’s vague reference in an Albany newspaper to a “despicable opinion” about Burr that Hamilton had uttered. Why, then, were the two



The Burr-Hamilton duel, 1804.