

The Global Money Curse

“Financing Politics: A Global View” by Michael Pinto-Duschinsky, in *Journal of Democracy* (Oct. 2002), 1101 15th St., N.W., Ste. 800, Washington, D.C. 20005.

All around the free and quasi-free world, from Albania to Zambia, there has been no shortage of political finance scandals in recent years—and no shortage of ineffectual government measures to prevent them. Pinto-Duschinsky, a senior research fellow in politics at England’s Brunel University, argues that it’s time for a dose of realism.

“Laws are one thing; whether they are followed is quite a different matter,” he notes. “In country after country, those investigating political financing receive the warning that laws are a dead letter or are honored in the breach.” Consider, for example, regulations requiring public disclosure of the finances of parties and candidates. Of 114 countries on which information was available, 62 percent had such regulations, yet scholars who have studied them, says Pinto-Duschinsky, “have almost exhausted the vocabulary of contempt in describing [their] ineffectiveness.” “Works of fiction,” a specialist in France called them. About honest disclosure, a scholar in Italy said, “Hardly ever happens.” “Just the tip of the iceberg,” said another, in Japan, about the figures in the published accounts.

“Besides disclosure laws being ignored because of lack of political will to enforce them,” Pinto-Duschinsky says, “such laws are frequently evaded because they apply

only to a limited range of political payments.” Evaders simply use other channels, from secret presidential slush funds (as in Zambia) to “party taxes” on public officeholders (as in many countries).

More than half of the 143 countries ranked “free” or “partly free” by Freedom House in 2001 offer public funds to parties or candidates. But that’s no solution, either. These subsidies “have clearly failed to cure the problem of corrupt political funding,” observes Pinto-Duschinsky. Recipients, of course, do not stop looking for other funds. “Some of the most serious scandals have occurred in countries with generous public subsidies, such as France, Germany, and Spain.”

Pinto-Duschinsky questions the conventional wisdom that the money-gobbling demands of campaign television ads encourage a lot of today’s chicanery. In many parts of Asia and Africa where televisions are scarce, there’s no shortage of financial abuse, and even in the United States, elections for hundreds of thousands of lesser posts occur with TV playing little or no role.

Reformers, he concludes, should put “more stress on the enforcement of a few key laws such as those on disclosure, and less on the creation of an ever-expanding universe of dead-letter rules.”

Dreaming of Direct Democracy

“Direct Democracy during the Progressive Era: A Crack in the Populist Veneer?” by Daniel A. Smith and Joseph Lubinski, in *The Journal of Policy History* (2002: No. 4), Saint Louis Univ., 3800 Lindell Blvd., P.O. Box 56907, St. Louis, Mo. 63156-0907.

The corruption of American politics has gone so far, some critics say, that even initiatives and popular referendums have become tools of special interests and other malign forces. Call it small comfort, but Smith, a political scientist at the University of Denver, and Lubinski, a law student at the University of Colorado at Boulder, argue that their home state’s experience shows that direct democracy never had a golden age.

In 1912, after Progressive era reforms made direct democracy possible, Coloradans faced for the first time a blizzard of ballot initiatives and referendums—32 in all. An exciting three-way contest for president drew voters to the polls, as incumbent Republican William Howard Taft faced Democrat Woodrow Wilson and ex-president Theodore Roosevelt, running as the Progressive Party candidate. Yet direct