



On Campaign Finance Reform

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This comment was from Cajun Exile, on this thread [here](#) in response to [this video](#). I'll post it and then reply interlinearly. It received a torrent of upvotes from people, back at whatever forum this guy came from, who piled in with their groupthink upvoting – a very common behaviour with the gun rights and small government/libertarian crowd:

What this video, and I suspect the majority of comments on this thread reflect (I have read some comments, not all), is a profound ignorance of economics, intellectual laziness and abdication of personal responsibility. Money flows into campaigns and politics simply because the office holder or potential office holder wields power that can affect the lives of over 330 million Americans and the economic output measured at \$21 Trillion GDP in 2019.

Economic output is irrelevant unless, of course, you are talking about corporate interests: the more economic output, the more corporations stand to win or lose in an election. Starting off an attempt to rebut someone or people and presumably intend to change their mind(s) with “profound ignorance of economics, intellectual laziness and abdication of personal responsibility” is probably misguided.

The whole point of the video and thread was to discuss the source of this income. “Money flows into campaigns and politics simply because the office holder or potential office holder wields power that can affect the lives of over 330 million Americans” shows that he is not really thinking about what the issues are. When you take into account the influence that big data such as Cambridge Analytica and Russia have had, and then add this together with corporate interests and funding, you start to understand the problem. The monied interests have power to influence the electorate, and the more money you have the more influence, in theory, you can wield. So this is not a combat between minds and ideas, it is combat between who has the most money and therefore persuasive power that this brings about.

Independent of what government we have, any government that has the power to effect such the lives and fortunes of such a “valuable” nation will be...(wait for it)...valuable. Even more valuable due to the recent propensity of this government to control not only how much of our money we keep, but also the most minute details of our lives such as how much water our toilets use when we flush them to what our children eat for lunch at school to what bathrooms people can or cannot use.

I wonder if this free marketeer is anti-green tech. When you take into account negative externalities (which is always what faux-libertarians conveniently forget), the fossil fuel industry in the US was, in 2017 alone, **subsidised \$649 billion!** Imagine the heart attacks from the

Heartland Institute or the Cato Institute if they knew the government were subsidising alternatives to the same degree!

Controlling the money you keep. What does this mean? If we are talking healthcare systems (I wouldn't want to live in a fully libertarian system and get ill etc.), the US system, in attempting to be free market, costs the taxpayer more, and then costs the electorate in higher prices for good than they should have been because all employers have to have the cost of employee health packages factored in. And so on.

This bit really pisses me off and shows he is completely ignorant himself: "but also the most minute details of our lives such as how much water our toilets use when we flush them to what our children eat for lunch at school".

As I wrote in "**Regulation, Negative Externalities & Vacuum Cleaners. Again.**":

In short, the government morally regulates the markets and strategically pushes it in certain directions. This is arguably more beneficial than the free market blindly following forces that are propelled by the desire for profit and nothing else.

What does this [government regulation about seemingly insignificant things like water in cisterns etc.] look like in real life? I have now personally felt the ramifications of a piece of regulation twice and I used it in **my public debate when I stood on a panel for remaining in the EU.**

Some years ago, vacuum cleaner manufacturers were able to produce vacuum cleaners with motors as big as they liked. You could buy a vacuum cleaner with a 2000W motor and would expect that this extra power correlated with greater suction so that the larger the motor, the greater the sucking power of your vacuum cleaner. Then, a couple of years ago, the EU brought out regulation that stated that domestic vacuum cleaners would have their motor outputs regulated so that they could not be any more than 900W (1600W in 2014, then 900W in 2017).

This annoyed an awful lot of people because they thought the EU was unnecessarily intervening in the free market and was causing vacuum cleaners to become less effective. This is no word of a lie when I tell you that I know a degree-holding professional in senior management in education who voted Leave based pretty much entirely on this piece of regulation. I was staggered, when in conversation with them, to find this out. Not least because the regulation has been a massive success.

A few years back, I had to buy a new vacuum cleaner and bought a 900W vacuum cleaner that ended up having a greater suction than the old 2300W vacuum cleaner I previously had. I have just had to replace that vacuum cleaner the other week with an even "less powerful" 800W model. I bought it because the reviews stated that, even on the minimum settings, the suction was so great that it pulled up your carpet! I can confirm that **this vacuum cleaner** has probably twice the suction of my original 2300W model and is superb. It really and truly does.

The intention of the EU legislation was to strategically influence the market to innovate more efficient motors in order to reduce the power consumption for the jobs that they do. This was environmental regulation that directly caused vacuum cleaner manufacturers to go away, scratch their chins, do some research, and come back to the table with much better products. Guaranteed that this would not have happened had the EU not interfered.

A recent report has come out to show that, in the UK, free school dinners provided by government/schools **has led to a reduction in childhood obesity**. This is good not only for the general wellbeing of those children and families, but also in reducing costs to the healthcare system. Saving water in regulating cisterns does exactly what it says on the tin. People seem to think the free market always strives for efficiency. It doesn't, and the governments need to think strategically to achieve certain outcomes more beneficial to society.

This whole free market approach relies on *homo economicus*, the idea that humans are rational and make rational economic decisions; except that people like Kahneman (who won a Nobel Prize in economics for this) have showed that humans are not rational and do not make rational decision, being easily manipulated by any number of things. If you build an economic system based, foundationally, on rational human behaviour, your system is bugged. See my extensive series:

There is no escaping economics. You can't wish economics away with good intentions. You can't murder it away or alternatively imprison the "laws of economics" as attempted by the Soviet Union, China and perhaps most spectacularly, Cambodia . One way or another, economics will "price" things as sure as the laws of physics dictate the sun will rise and a ball will roll downhill. No regime on the planet has escaped economics whether it be ancient Rome, Han China, Great Britain, the Weimar Republic, Zimbabwe or with our apparently runaway debt...America.

See my above links. This guy needs to either show he knows what he is talking about with regard to economics, or not make such broad-reaching comments. He could start with my series on free market economics...

Therefore, the only way to take money out of politics is to lessen the influence politics has on the economy and peoples lives. With less influence on \$21 Trillion GDP and the lives of 330 million people, the market will price the value of who serves in the government at a lower value. If the government had less power to affect every aspect of our lives, people would care less about it and less money would flow into politics.

There is so much wrong with this it hurts, not least it shows no recognition of negative externalities and the impact they have on society (and who has to pick up the costs). What is a negative externality? This means that, if the production of a good was to have an external cost that was not borne by the producer directly, such a cost would have to be picked up externally to the producer, usually by society at large. So, if a widget producer made widgets and polluted a river in so doing, market forces would be unable to sort out the issue of the pollution of that river without strategic input from the government, in all pragmatic cases. In other words, society picks up the cost of the polluted river rather than the producer themselves. In a well-regulated economy, the government passes on the cost of polluting the river, along with a deterrent, in the form of a fine to the widget producer.

Those who advocate for campaign finance reform come into two groups. They are as follows:

Statist authoritarians view campaign finance reform is a dream come true. Control over an enormous economy and population with no accountability. No troublesome citizen groups, or pension fund managers, or industry groups leaders or unions insisting you meet with them so they can explain what they want. You can just do what you want, independent of the

caterwauling of your subjects and go about doing what is best for the government. But since the government is you, that means doing what is best for you.

The second group are a collection of miseducated fools who reject the notion of self government and their roles and responsibilities as citizens of a representative republic. These fools imagine some magical class of leaders, imaginary “better angels” if you will, who would rule over us justly if we only left them unmolested with our petty dreams and wants as they went about their “just” work. As if we the people, who purportedly hold sovereign power in this nation, somehow corrupt these better angels with our petitions.

If you are pro campaign finance reform and you are an elected representative of the government or you are a member of the bureaucratic authoritarian state, it is completely understandable that you would be for campaign finance reform. Who would not want power without accountability? Why have the peons occupying your time with their pitiful petitions when you have better things to do.

If you are one of the fools who are struggling with the conflicting passions of wanting to be led by an all powerful nanny state and wishing to remain free...one who imagines campaign finance reform as an easy way out of your conflicting passions dilemma, why wait for your servitude? Why not serve today? Cuba or Venezuela are ready made utopias for you. I expect China has quite a few recently vacated apartments in Wuhan now that the portable crematories have rolled into town cremating Corona virus victims both real and imagined. China has already implemented campaign finance reform. What are you waiting for?

I will leave you to self identify which of the two pro campaign finance reform groups you may fall into.

To the rest of you who recognize this nonsense for what it is, peace.

Wow. I’ve left that all clumped together as one big false dichotomy. Everyone loves the free market or Venezuela option. That’s it. Nothing else. I’m so, so tired of people like this (I really restrained my language here) straw-manning with Venezuela. Really tired. And the false dichotomy of reform positions... I’m not even sure I need to rebut it, it’s so naive and facile. Campaign finance reform is about holding corporate interests to account. This guy probably loves guns, and so probably has no problem with vested interest groups bribing (because this is what it is) politicians to make decisions in their best interests. He probably has no problem that Republican lawmakers are universally bribed in this way, because he agrees with guns:

The nonpartisan Center for Responsive Politics estimated that during the 2016 election, the NRA and its affiliates **spent** a record \$54m to secure Republican control of the White House and Congress, including **at least \$30.3m** to help elect Donald Trump.

But **experts** have caution that the relationship between contributions from pro-gun groups and Congress’ reticence to change the nation’s gun laws is complicated at best. The NRA accounts for just a fraction of the contributions lawmakers receive, and the group doesn’t crack the **top 50** in terms of spending to the lobby the federal government.

It’s also about the way the funds get appropriated:

Though Rubio has only received \$4,950 from the NRA, the number vastly underestimates the amount the group has spent on efforts boosting his candidacy. In 2016, the NRA funnelled **more**

than \$1m into efforts to re-elect the senator in Florida. And according to an **estimate** in the New York Times, Rubio ranks among the top 10 beneficiaries of the NRA in the Senate....

I wonder why he only sends prayers, and no tangible action in the face of a mass shooting.

Now, imagine that you had a vegan food manufacturer lobbying politicians in the same way, influencing the politicians to make decisions limiting the meat industry and restaurants, or something. He would probably be incensed. Lobbying is corruption, and that he seems not to acknowledge this is kind of amusing, and yet accuses people like me of “profound ignorance of economics, intellectual laziness and abdication of personal responsibility”...

I could go on and really take this comment and commenter to task, but alas, I have things to do.