NewsLink

THE BEACON HILL INSTITUTE
AT SUFFOLK UNIVERSITY

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FY 98 state budget: Drumming up spending

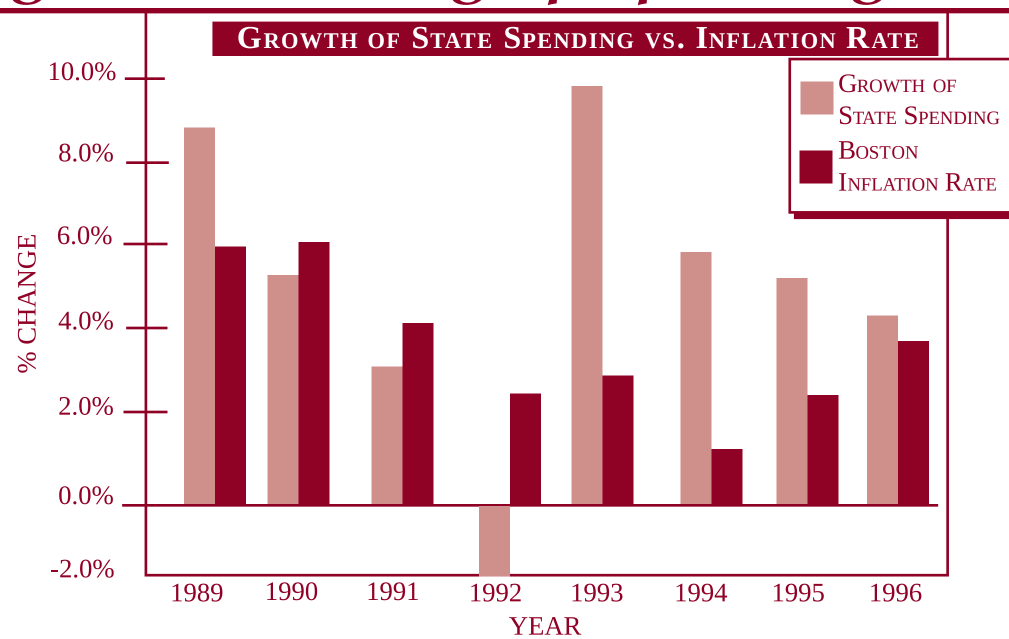
As Governor Weld has observed, there's no such thing as government money, only taxpayer money. Unfortunately, there's a lot of taxpayer money going into state spending these days. The last budget Governor Weld will soon sign spends about $18.3 billion -- 3% more than last year's budget.

This spring, Governor Weld also recommended the adoption of seven tax cuts that would have "cost" the state about $82 million or less than 1/2 of 1% of budgeted expenditures in FY 98. These include a reduction of the 12% tax on certain "unearned" income, an increase in the dependent tax deduction from $600 to $1,600 and the elimination of the telecommunications tax.

Professing concern about slowing tax revenue growth and federal aid cutbacks, the Massachusetts House of Representatives adopted a version of the budget that initially turned down all seven tax cuts. (It later approved an investment tax credit). The Senate Ways and Means Committee submitted a more taxpayer-friendly budget reworking a portion of the tax cuts that the House deleted. The Senate Ways and Means' "tax cuts for ordinary people," which will also "cost" $82 million, include a state earned income tax credit for low income workers, a capital gains cut for senior citizens and a deduction on the interest paid on student loans.

The governor, who is expected to become ambassador to Mexico, has pledged to push for tax relief in his remaining weeks in office. The likelihood, however, is that, unlike other states, there will be no significant across-the-board tax relief for Massachusetts voters this year.

To be sure, the tax climate has grown sunnier during the Weld Administration, thanks to a state legislative leadership forced to steer away from more spend-



thrift days. A scheduled income tax rate cut was preserved and the tax on services eliminated. The regulatory climate improved and spending on "budget busters" such as Medicaid, the MBTA and state employee health insurance was reigned in. Debt service growth has been held to just 3% since 1993 (compared to annual increases of 15% between 1989 and 1993). And, in turn, the state's bond rating improved dramatically.

It would be a mistake, however, to dismiss House rejection of the governor's FY 98 proposals as minor. It is significant for the way it demonstrates how government, in this instance, Massachusetts government, makes tax policy.

From 1991 to 1996, Massachusetts government spending grew at an average annual rate of 4.3%. The growth of the Boston consumer price index over the corresponding period was 2.4%. The chart above shows that the growth of state spending was significantly greater than the inflation rate for every year from 1993 to 1996. Even with this expansion in spending, the state has run a budget surplus every year since FY 92. The surplus in FY 96 was about $450 million and is expected to equal about $300 million in FY 97. The result has been the accumulation of some $563 million in the state's "rainy day fund."

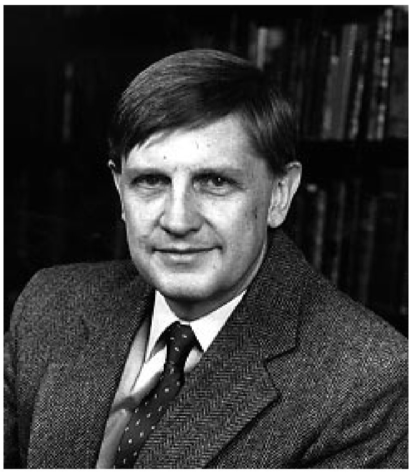
There's more. Earlier this year, the governor agreed to raise the cap on the rainy

In This Issue

From the Executive Director

The *New York Times* reported recently that the nation's governors are calling for state tax cuts of $4.4 billion next year, the largest reduction in more than 20 years. The Gray Old Lady also reported that governors are seeking to keep spending at bay.

While Massachusetts may not be following suit (see story page 1), other states are putting their tax-cutting machines into high gear. Earlier this year, BHI evaluated a proposed reduction in the state of Iowa's income tax rate (see story page 3). Our report played a major role in informing the Iowa tax cut debate. As he signed landmark tax-cutting legislation, Iowa Governor Terry Branstad said, "Today, we take the most significant step this state has ever taken in improving our overall competitiveness, creating quality jobs and easing the burden on Iowa taxpayers." We were glad we could help.



Thanks to the dynamic of American federalism, states are in a better position to respond to the needs of local economies than is Washington. This is one reason why a groundswell of support for devolution emerged in the early 1990s. And that's why interstate competition will continue to be a factor.

The states are now proving their meddle beyond tax policy with welfare reform. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 has generated a flood of analysis and activity at the state level. This was expected. We are all reading about caseload reductions and disappearing welfare recipients. It would be wrong to assume, however, that the poverty crisis in this country today will be solved simply by pushing welfare recipients into low-paying jobs. True reform will come only when we are able to bring about profound changes in the lives of the poor. This is where local private charities, working according to the family advocate approach, can play a critical role in moving former recipients into responsible, independent lives. The compassion tax credit is the way to empower these charities.

In February, I traveled to Phoenix to testify before the state legislature as Arizona debated charitable tax credits. In April, Arizona, with the journeyman work of state representative Mark Anderson, adopted a charitable tax credit. Arizona's taxpayers will be able to subtract from their tax liability up to $200 in contributions made to eligible human-services organizations that help the working poor.

In April, the *Wall Street Journal* published our article written at the time of the Presidents' Summit for America's Future. In "America's Volunteers Deserve a Tax Break," we argued that tax credits are a sure way to increase volunteerism at the community level. We reprint the article on page 5.

On June 24, the Beacon Hill Institute and the David R. Macdonald Foundation will host Father Robert A. Sirico, President of the Acton Institute for the Study of Religion and Liberty, at a luncheon meeting of the Renewal Alliance in Washington, DC. Father Sirico is a leading spokesperson on behalf of the moral basis of the market economy and of how it operates for the benefit of all of society. If you would like to attend the luncheon, please call BHI at (617) 573-8750.

It's useful for us to flex our intellectual muscles from time to time. This June, the estimable University of Richmond School of Law publication, *Perspectives on Law and the Public Interest*, is publishing our article, "Rethinking Welfare Reform in the Age of Devolution." *Perspectives* is an online electronic journal that is indexed in Lexus-Nexus. We invite you to check it out at http://www.urich.edu/~perspec/issue3/welfare.htm. A link to *Perspectives* will soon appear on our own website at http://bhi.sclas.suffolk.edu.

David G. Tuerck

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NewsLink is published quarterly by the Beacon Hill Institute for Public Policy Research at Suffolk University. The Beacon Hill Institute focuses on federal, state and local economic policies as they affect citizens and businesses, particularly in Massachusetts. The institute uses state-of-the-art statistical, mathematical and econometric methods to provide timely and readable analyses that help voters, policy makers and opinion leaders understand today's leading public policy issues.

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Pulling the plug on electric power monopolies

There's wide agreement among economists, public-policy experts, politicians and even many utilities that deregulation of the $200-billion-a-year electric power industry will result in greater efficiency for producers and lower prices for consumers. However, there is less agreement concerning the means of achieving deregulation.

On one side are those who insist that the federal government should establish a uniform set of rules permitting utilities to sell electricity throughout the nation. On the other side are those who argue that the federal government should not preempt reforms that are already under way at the state level.

Why deregulate utilities that for years were considered a "natural" monopoly? The successful deregulation of industries like long-distance phone services and trucking has subjected the electric power industry to closer scrutiny. Further, technology has made the generation and transmission of electricity both cleaner and cheaper.

There are, however, obstacles on the road to deregulation. Sticking points such as "stranded costs," environmental concerns, and the ability of poor consumers to afford market-price electricity have some policymakers worried. Also, some cities and towns worry about property tax revenues that will be lost due to industry consolidation.

Stranded costs are utilities' costs associated with unused or inefficient plants, such as many nuclear power plants. The utilities complain that full-blown deregulation will force them to absorb such costs, which they often incurred to comply with state regulations. Conversely, some consumer groups fear that the absorption of these costs by the utilities will result in higher electricity bills for consumers.

To some extent, these concerns affect the central debate over the means of deregulation: should the federal or state governments drive deregulation to resolve these issues.

Seeking to make deregulation more palatable, proponents of uniform federal rules contend that letting the states drive deregulation is, in the words of one analyst, Professor Peter Navarro of the University of California, "counterproductive, needlessly duplicative and wildly inconsistent." Ultimately, however, those who favor state experimentation may have the stronger argument, particularly in a climate that favors devolution. "While virtually everyone today agrees that electricity will eventually become a competitive market, many of the practical problems that must be solved first vary regionally," says Marc Rotterman of the John Locke Foundation. "States have distinct climates, industries and populations. Citizens of different states place varying emphases on environmental and income assistance programs. And states are better able to balance the competing equities of consumers and producers, especially regarding such issues as stranded costs."

Ultimately, those who favor state experimentation may have the stronger argument.

In Massachusetts, Governor Weld unveiled a plan last February that, among other provisions, would allow customers to choose their providers the same way they now choose long distance telephone carriers. Other plans, including one submitted by the state legislature, address the stranded-costs issue by giving utilities ten years to eliminate the costs. In a bid to appease environmentalists, there are provisions to encourage the development of alternative and renewable fuels. These plans also call for a guaranteed 10% reduction for all consumers.

The Massachusetts plans for electric power deregulation illustrate the wisdom of allowing states to craft their own solutions to the problem of electricity monopolies. States, after all, can learn from each other. And in doing so, Massachusetts can improve its own competitiveness by finding a solution to its traditionally high energy costs.

The Massachusetts experience tells us that it's better to let the states pull the monopoly plugs one at a time.

BHI study helps Iowans cut taxes

Declaring March 28 a "Great day for Iowa," Governor Terry Branstad signed legislation cutting the state income-tax rate by 10%. The Iowa House and Senate earlier agreed to the 10% across-the-board cut that brings about a $200 million reduction in personal income taxes, the largest in the state's history.

The tax cut is especially gratifying to BHI which provided the evidence used by the state legislature in considering the tax cut. At the request of the Iowa legislature, BHI estimated the effects of proposed tax cuts on Iowa jobs, production, capital spending and tax revenue. BHI's econometric analysis showed that a 15% cut in Iowa's income-tax rate would create almost 44,000 new jobs and increase the state capital stock by about $1 billion. The tax cut would create new jobs and investment by lowering the cost of labor and of capital. Following debate, the legislature compromised on the 10% cut.

First used during the Massachusetts graduated-income tax debate in 1994, BHI's State Tax Analysis Modeling Program has been used extensively to estimate the effects of changes in tax policy on the Massachusetts economy. In Fall 1996, the model was adapted at the request of the Oklahoma Office of State Finance for use by the state of Oklahoma. The model is one of only a handful of computer-based models in the country designed specifically to determine the economic effects of state tax-law changes. With enhancements, it can be applied to any of the 50 states.

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America's volunteers deserve a break

by DAVID G. TUERCK

Thousands of Americans have gathered for the Presidents' Summit for America's Future to find ways to provide health and educational assistance for children and to strengthen volunteerism and community values.

It is one thing to extol the virtues of volunteering. It is another, however, to apply volunteer effort effectively to solve America's problems. Doing so means taking advantage of the connections among tax policy, giving and volunteering.

We are a nation of givers. According to the most recent data, individual Americans donate more than $105 billion annually to charity; 22 million Americans give at least 5% of their income to charitable and community-based organizations.

We are also a nation of volunteers. According to Independent Sector, about 50% of Americans volunteer their services to a wide range of nonprofit organizations. Twenty-five million Americans volunteer five or more hours per week. In total, Americans volunteer more than 20 billion hours per year. Valued at the minimum wage, this amounts to about $100 billion in volunteer effort each year, about as much as individuals contribute in cash to nonprofit organizations.

Thus, giving and volunteering already play a vital role in America. But what can government do to encourage more of both? The answer lies in part with tax policy. Consider the price that taxpayers face when they decide to give a dollar to charity. For an itemizing federal taxpayer in the 28% tax bracket, the price is 72 cents. In effect, the federal government gives the taxpayer a 28 cent rebate for contributing each dollar.

The price of giving has a great effect on people's willingness to give and to volunteer, since the two go together. In his landmark 1985 book, *Federal Tax Policy and Charitable Giving,* Charles Clotfelter reported that people both give more and volunteer more as the price of giving falls. Most studies show that a decrease in the price of giving causes giving to rise by more than tax revenues fall. A Beacon Hill Institute analysis of more than 64,000 taxpayers shows that a 1% decrease in the price of giving raises giving by 1.12%.

Thus, the 28 cents in tax revenue that it costs the federal government to let a taxpayer deduct his dollar contribution to a soup kitchen is offset by a twofold benefit: The soup kitchen receives another dollar to spend feeding the poor. And it receives additional volunteer assistance from the taxpayer, allowing it to channel more of its income directly to the poor.

If President Clinton wants to put substance into the spirit of volunteerism, he should recommend that Congress lower the price of giving by offering a tax credit – sometimes called a "compassion tax credit" – for individual contributions to charities that serve the poor.

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A tax credit of this kind would permit the taxpayer to deduct part or all of his contribution to a qualified charity from his tax liability, rather than, as with a deduction, from his taxable income. Thus, Congress could reduce the price of giving to 10 cents by offering a 90% tax credit or to zero by offering a 100% tax credit.

While some might decry this as "tax tampering," it is in fact entirely consistent with a philosophy of limited government, since it motivates individual taxpayers to donate their own time and money to aid the poor and that reduces the pool of tax revenues available to government. The compassion tax credit is in fact the next logical step toward welfare reform.

Indeed, the existing and widely used tax deduction is itself a form of tax tampering, and not a very democratic one at that. Fifty years ago, Nobel laureate William Vickrey condemned the practice of offering tax deductions as lending a "plutocratic bias" to giving. A tax credit eliminates this bias by giving the same price break to both low-income and high-income taxpayers, whether they itemize deductions or not.

Some states already allow tax credits for contributions to charities that serve the poor. A Beacon Hill Institute survey of nonprofit organizations in those states found that 87% of respondents believe that tax credits are a good idea. Eighty-three percent agreed that volunteers are necessary for helping those in need, 77% agreed that volunteers are reliable workers, and 88% agreed that volunteers save their organizations money.

There are a number of proposals before Congress to offer federal tax credits. These proposals represent a new kind of welfare devolution, one that strengthens those very community organizations to which the summit is a call to action.

The summit "is about getting Americans off the sidelines and getting on the playing field," says Colin Powell, its general chairman. The compassion tax credit represents our drive to get not just onto the playing field, but over the goal line.

Reprinted from the April 28, 1997 edition of *The Wall Street Journal.*

continued from page 1

State spending

day fund. According to the latest figures, the state's surplus must now grow to $870 million instead of $543 million before taxpayers get an automatic tax cut. Taxpayers have received only one automatic tax cut since 1986. Under the new cap, it's unlikely they'll see one again.

The pattern of fiscal behavior that has emerged in response to the state's full coffers means spending as rapidly as possible, given expected tax revenue growth. It means creating a growing list of state "needs" that will assure the unaffordability of future tax cuts. It means putting off tax relief, in spite of surpluses or a bulging rainy day fund, on the ground that such relief would be "imprudent."

The question is whether we can afford to sustain the current growth in state spending.

Building up the rainy day fund sounds like fiscal prudence. It sounds like what sensible households do when they plan for unexpected expenses like a leaky roof, a blown transmission or a new refrigerator. But the invocations of fiscal prudence now being heard amount to a transparent attempt to make hay while the fiscal sun shines. The real agenda is to guarantee enough future tax money now to make sure that the state can continue to feed its spending habits even in the face of predictable declines in tax revenue and federal reimbursements.

The trouble with this agenda is that it ignores the fact that taxes discourage the activities on which they are imposed. A tax on income or sales discourages people from working, saving and otherwise engaging in activities aimed at producing goods for private consumption.

Tax policy is not, therefore, a matter of deciding whether we can afford to sacrifice a given amount of revenue. It is about deciding how much in production and jobs we can afford to sacrifice in order to provide for a given level of government spending.

In light of the growth in spending, the question should not be about whether we can afford tax cuts, but whether we can sustain the current growth in state spending.

To see how "expensive" state spending has become, suppose Massachusetts had limited the growth of spending since 1991 to 3% per year instead of 4.3%, enough to cover inflation and to allow for some "real" growth as well. How much in additional funds would now be available to tide us over future rainy days, if the tax dollars thus saved had been added to the rainy day fund rather than spent?

The answer is $3.5 billion. That's more than the accumulated deficits of 1988-1990.

A few years ago, Massachusetts carried the dreaded label "Taxachusetts," largely because taxpayer money was seen as government money. That mind-set did us no good then and it does us no good now. Massachusetts taxpayers should take note.

John Cogliano receives award

BHI advisory board member John Cogliano, Jr. has received the New England Association of Personnel Services Lifetime Achievement Award for 1997. Mr. Cogliano was guest of honor at the association's award banquet on April 11, 1997 at the Copley Place Westin Hotel in Boston. The award recognizes industry leaders who have nurtured and supported the staffing industry not only on the job, but also through professional association involvement. The Hon. A. Paul Cellucci, Lieutenant Governor of Massachusetts, presented the award.

Mr. Cogliano is Chairman and CEO of The Sullivan & Cogliano Companies of Waltham and Boston, MA; Cheshire, CT; Warwick, RI; and New York City.

Meet BHI's staffers

Assisting the Beacon Hill Institute as it applies economic methods to current issues is its staff of able professionals.

- William F. O'Brien, Jr., directs the compassion tax credit project. He is co-author of the institute's three compassion tax credit studies. He is also an assistant professor of economics at Suffolk University. He holds a PhD in economics from Northeastern University.
- In-Mee Baek directs the Beacon Hill Institute's State Tax Analysis Modeling Program. In addition, she is an assistant professor of economics at Suffolk University. She holds a PhD in economics from Indiana University.
- Ellen F. Foley, Director of Communications, oversees publications and events. She also coordinates public relations and fund-raising activities for the institute. She holds an AB from Syracuse University and a MA from Northeastern University.
- Frank A. Conte, Publications Editor, edits *NewsLink* and serves as webmaster for the institute's website. He holds a BS from Suffolk University and a MSPA from the University of Massachusetts, Boston.
- Howard R. Wright, Research Economist, conducts research for BHI and serves as systems administrator for the institute's Bulletin Board. He holds a BS from Suffolk University.

In addition to its resident staff, the institute benefits from the assistance of scholars with expertise in economics, the law, and accounting and taxation.

Locking out the poor: the safety net as a trap

Poor Policy: How Government Harms the Poor
by D. Eric Schansberg
(Westview Press, 1996)

Reviewed by Frank Conte

It has been an unshakable article of faith that government ought to provide a safety net for the nation's poor. However, since the turn of the century, federal, state and local governments – along with private foundations and nonprofit organizations – have woven a safety net that traps the poor.

The resulting welfare state dynamic has created a poverty industry that victimized the poor with transfer payments that discourage work, with price supports that raise the cost of food, and with labor laws and regulations that lock out the unskilled in the job market.

In sum, special interest groups with far more power in this "political market" than the poor are responsible for the expansion of the welfare state. These players (who promote more public spending or expanded government activism) increase the demand for a managerial class that do little to help the poor.

In 1994, agribusiness received $29.2 billion in direct subsidies, which increased the cost of food for the poor. Stiff tariffs on textiles cost consumers approximately an additional $25-$30 billion per year, forcing the poor to shell out a larger portion of their income for clothing. The political market also energizes the capacity of government to destroy jobs – whether or not intentionally. It is no secret that many inner city jobs in candy manufacturing have been lost because Americans pay exorbitant prices for sugar thanks to import restrictions.

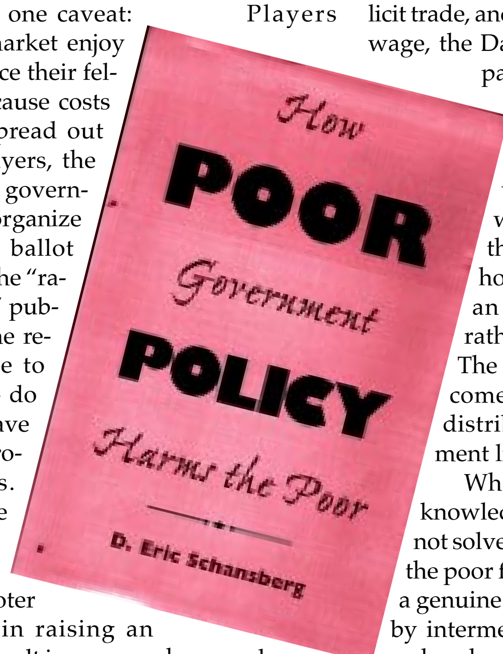
In this game of redistributing government benefits, two clear losers emerge: the taxpayer/consumer and the poor. The taxpayer/consumer loses because the hidden cost is difficult to see. The poor are hurt because they do not organize as effectively as farmers, academics, and Social Security recipients. Politics being what it is, criticizing aid for families with dependent children is easier than denouncing aid for dependent textile workers.

Using the tools of public-choice economics, Professor D. Eric Schansberg has written ***Poor Policy: How Government Harms the Poor*** with an eye toward the spoils of the political market.

It is not welfare policy by itself that is a problem, according to Schansberg, but rather the process of voting and particularly a cabal of nonpoor who have figured out how to manipulate democracy's weak spots.

There is a sound body of knowledge that underlies Schansberg's thesis. The public-choice school of economics, made famous by Nobel laureate James Buchanan, contends that self interest rules not only in private or economic markets, but also political markets. In this setting, compassionate politicians, bureaucrats, and pressure groups, endowed with government power, maximize their self interest as do buyers and sellers in the marketplace.

There is one caveat: Players in the political market enjoy the power to coerce their fellow citizens. Because costs are "small" or spread out over many taxpayers, the groups receiving government privileges organize politically at the ballot box. Meanwhile the "rationally ignorant" public – who lack the resources and time to study the issue – do not collectively have an incentive to protest such costs. Since he lacks the intensity of a member of a pressure group, the voter sees no benefit in raising an alarm. The end result is a game whose goal, as James Schlesinger has observed, is "to extract resources ... with minimum offense and to distribute the proceeds among innumerable claimants in such a way [as] to maximize support at the polls..."



Some economists are fond of invoking the idea of market failure to justify government intervention. However, they assume that government or political markets are immune from failure. Schansberg says they are not (the key insight of public-choice economists) and the primary victims are the poor who lose out to the nonpoor.

"Government is generally driven by the desire to maximize, so bureaucrats always have an incentive to look for new constituents," notes Schansberg. "In the context of welfare programs, this translates into generating 'need' for income transfers ... One reason is paternalism concerning the poor's supposed inability to spend money properly. Another factor is that politicians can target special interest groups with an increased demand for their products. Farm support for food stamps and the American Medical Association's advocacy of Medicare and Medicaid are good examples."

Schansberg offers a slew of prescriptions that transcend conventional social policy and how it impinges upon the poor; he is after all an economist, not a sociologist. Government, he says, should pursue a growing economy by lowering taxes, establishing school choice, legalizing drugs to end the violence that surrounds the illicit trade, and abolishing the minimum wage, the Davis-Bacon Act and occupational licensing.

Schansberg's favorite solution is the negative income tax that would replace current welfare programs. Under the NIT, each poor household would be guaranteed an annual income in cash rather than in-kind benefits. The NIT would provide "income credits" and would be distributed as a transfer payment like Social Security.

What the author fails to acknowledge is that the NIT would not solve the problem that many of the poor face today: the absence of a genuine support system provided by intermediating institutions such as churches and neighborhood-based nonprofit organizations.

But Schansberg is on the right track. "Concern for the poor," suggests Schansberg, "must be supplemented with the reality of economic laws." The rhetoric surrounding public policy and welfare usually places people into one of two camps: the angels who passionately believe government must act for the good and the accountants who wisely understand the limits of government action. Accountants, it is said, lack compassion; angels, says Schansberg, lack understanding of the complications of political markets.

The author of ***Poor Policy*** lacks neither compassion nor understanding when it comes to the poor. If he lacked either he would not have written such a splendid, incisive book.

In Point of Fact

And so it goes, taxes are a sure thing.

When it comes to tax cuts, you can forget the hope raised by the Reagan Revolution and pretty much ignore all the talk coming from Bill Clinton's "new Democrats." The sad fact is that Americans today pay more in taxes than ever before, and there are no signs that government's voracious appetite for our hard-earned greenbacks will soon abate. Include federal, state and local levies, and America's total tax bite in 1996 was the highest it's ever been: a depressing 34.8% of annual U.S. economic output, up from the previous record of 34.7% the year before... This alarmingly steady rise has been masked by the fact that the Great American Tax Machine is an engine of many parts: When one part relents, another reaches deeper into our pockets. For example, while the tax rate Americans pay on personal income has fallen slightly in recent years, Social Security and local property levies have ballooned. Likewise, corporate and excise taxes have slid as a percentage of annual economic output, but state income taxes have risen more than fourfold.
Gene Epstein, *Barron's Online*, April 14, 1997.

NEA's report card: the cost of fighting real school reform.

A report prepared for the National Education Association warns that public education and the NEA "are in a state of crisis" and that the union's "very existence" is at risk. The analysis by the Kamber Group recommends a shift from old-style industrial unionism, with its emphasis on wages, hours, and working conditions, to craft unionism, where "ensuring quality workers" is a priority. The 2.2 million-member NEA, the report says, should embrace reforms such as national teaching standards that are "tangible and measurable."
US News and World Report, April 21, 1997.

The Berlin Wall, apartheid, the Soviet Empire and now ... cable TV's monopoly!

Somerville has opened the first crack in cable television's town-by-town monopoly in Massachusetts, saying it plans to bring in a second cable company to compete against incumbent Time Warner. "There are never any guarantees," said Mayor Michael Capuano, "But when you have a choice, you're always better off."
Boston Globe, March 27, 1997.

Hard work still pays off!

From working all her life, Oseola McCarty, a 75-year-old African-American cleaning woman from Mississippi, accumulated enough savings to donate $150,000 to a student scholarship program at the University of Southern Mississippi. The moral of the story? Industriousness, self-sacrifice and generosity are possible even under difficult circumstances.
David Horowitz, ***Salon*** , March 31, 1997.

Tongue-tied! Bilingualism is an expensive failure.

"The amount of money our schools are spending on bilingual education is increasing much faster than the amount spent on regular instruction."
Lt. Gov. A. Paul Cellucci at an April 17 press conference on overhauling bilingual education in the Commonwealth's public schools.

Separating cash and State.

"Everyone's crying about the influence of money in politics and proposing limits on liberty as a solution. How easy it is to overlook the obvious. You want money out of politics? Get politics out of the business of giving away other people's money."
Sheldon Richman, ***Liberty***, May 1997.

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