

James T. Bennett.
**Stifling Political Competition: How Government
Has Rigged the System to Benefit Demopublicans
and Exclude Third Parties**

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Madison's Federalist 10 recognized that men have a natural tendency to divide into sects in the pursuit of power or their self-interest. Therefore, it was necessary to have effective checks and balances to protect against the harmful effects of factions or parties. In *Stifling Political Competition*, Bennett echoes these same sentiments as he leads the reader on a historical journey about the evolution of the American political party system where political parties began as wholly private, unregulated, and unsubsidized organizations to today's current dull, two-party system where candidates seems indistinguishable from one another due to the lack of competition necessary to facilitate real change.

This work provides a much needed, long overdue, and extremely timely analysis of the current US two-party political system, relying on historical support and empirical evidence to drive home the main point: the lack of competition in the political market, just like any market, creates an environment full of inefficiencies, corruption, misallocation of resources, and no real choices. Bennett details how we arrived at our current two-party state by examining key regulations that favor the status quo, i.e., the Democrats and Republicans. These regulations have created a political market where the Democrats and Republicans act as a duopoly, limiting competition, enriching themselves via subsidies and imposing real costs on the public. The analysis rests at an intersection between key insights from political science, economics, history, and political economy making the work accessible to many disciplines and others interested in learning about (the lack of) political competition and the resulting political outcomes.

Bennett's investigation utilizes the traditional economic theory of regulation and introduces it to insights from public choice. Politicians are rationally self-interested. Once in power, they utilize all means at their disposal to retain this power, including devising regulations, laws, and subsidies for the rules governing the political election process. These rules favor those parties already in office (the Democrats and Republicans) while making it almost impossible for other parties to mount any considerable competition. Politicians package and

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sell it to the public as much needed regulations to ensure more competition, increase voter turnout, alleviate corruption, minimize special interest influence, and keep democracy alive. Bennett does a nice job of sorting through the rhetoric in order to reveal the true reason for such policies: limiting competition from independents and third parties, while also highlighting how certain policies that were originally created out of ‘good intentions’ have had extremely devastating unintended consequences.

The beginning of the book focuses on the founding fathers’ disapproval of parties or ‘factions.’ The authors of the Constitution did not see a necessary role for parties to facilitate debates, ideas, and liberty. Instead, they saw them as a hindrance. However, parties almost immediately arose as a consequence of the American election system of representation, the single-member district system. The Constitution leaves it up to the states to decide how to elect representatives but by 1842 the Apportionment Act outlawed anything other than single-member districts. Bennett argues that this style of election representation favors a two-party system because a voter is discouraged from wasting a vote on a long shot and will favor one of the top two candidates (this relationship between the method of election and the number of parties is known as Duverger’s Law). In addition, the electoral college has helped to encourage and entrench the two-party system.

According to Bennett, the Democrats and Republicans dominated politics but they did not begin to cement their duopoly status until the change in the ballot style went from a private system to a government controlled system. Prior to the 1890s, individual parties supplied a ballot-strip for voters to cast their votes, whereas today the government supplies a single ballot listing all candidates running for all offices. The reason for the change was to reduce bribery and corruption. This change, combined with many more regulations introduced in the 1930s, has resulted in sharply reducing access to the ballot for many independents and third parties, and stifling competition as well as reducing voter turnout. Again, this highlights how politicians wield their power to limit potential competitors in order to ensure they, or at least their party, remains in power.

The climax of the thesis comes in Chapters 4 and 5 where Bennett details how FECA destroyed any chance of third party survival. In 1971, the Federal Election Campaign Act (FECA) established a series of laws that would partially fund campaigns from federal taxes on the basis of ‘leveling the playing field’ and removing corruption and corporate influence from campaign fundraising. In actuality, due to the way the rules are written, FECA subsidizes only the two major parties, the Democrats and Republicans. Third parties do not qualify for these subsidies but are still required to comply with other campaign rules pertaining to donations. By removing private money from political fundraising, elected officials are not held as accountable for their actions because they do not rely on their constituents for support and dissatisfied voters are now limited in their alternative choices. In order to encourage more participation and competition in the political process, Bennett offers a radical version of campaign finance reform: allow all types donations (but require public disclosure).

Historically, political parties were viewed as an extension of the citizenry. Today, Bennett views the modern two-party system as ‘an organ of the state: subsidized and regulated by government, and dedicated to government’ (p. 124). The state and political parties have entered into a symbiotic relationship where parties use the power of the state to restrict competition, remain in power, and gain access to public subsidies. The solution? Deregulate the political market and reduce the scope of government. The political market, just like any economic market, needs competition to promote efficiency and accountability, providing the foundation for a freer, vibrant, more responsive government.

While the chapters illustrate convincing relationships between changes in regulations regarding political market and political outcomes, my main criticism is that, at times, Bennett seems to generalize and overstate his case without substantial evidence. Parts of the

analysis do not sufficiently parcel out simple correlations from actual causations between changes in legislation and subsequent political outcomes. Also, overall, I found the writing style to be enjoyable and very entertaining; however, at times Bennett offers personal attacks on specific politicians that I find unnecessary to the core thesis, taking away from the book's scholarly achievement. Besides these two minor complaints, I recommend this book to anyone interested in studying and understanding the costs and unintended consequences of *Stifling Political Competition*.