

THE DETERMINANTS OF CAMPAIGN SPENDING: THE ROLE OF THE GOVERNMENT JACKPOT

Filip Palda

First published: October 1992

<https://doi.org/10.1111/j.1465-7295.1992.tb01285.x>

Accessibility issue? [Request accessibility update.](#)



Abstract

To raise money for their campaigns, political candidates auction a part of government wealth (the jackpot) to contributors. The larger the jackpot, the more candidates spend. Data on the gubernatorial races of 1978 and 1986 indicate that (1) for every dollar increase in the per capita jackpot, campaign spending rises by 0.0004 cents per voter, (2) balanced budget laws hinder the candidate's ability to raise money, (3) in states that give the governor more power over the budget (measured by a "Schlesinger" index) candidates raise more. The paper emphasizes that candidates willingly limit their spending to avoid indebtedness to contributors.

References

Abrams, Burton S. Legislative Profits and the Economic Theory of Representative Voting Behavior. *Public Choice* 31, Fall 1977, 111-19.

[Web of Science®](#) | [Google Scholar](#)

"Political Power and the Market for Governors. *Public Choice* 37(3), 1981, 521-29.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

Advisory Commission on Intergovernmental Relations. *Significant Features of Fiscal Federalism*. Washington : Government Press, 1989.

[Google Scholar](#) 

Aranson, P. H., and M. Hinich. Some Aspects of the Political Economy of Campaign Contribution Laws. *Public Choice*, 34(4), 1979, 435-61.

[Web of Science®](#)  | [Google Scholar](#) 

Baron, David P. Service Induced Contributions and the Electoral Equilibrium. *Quarterly Journal of Economics*, February 1989, 45-72.

[Google Scholar](#) 

Becker, Gary S. A Theory of Competition Among Interest Groups for Political Influence. *Quarterly Journal of Economics*, August 1983, 371-400.

[Google Scholar](#) 

Bental B., and U. Ben-Zion. A Simple Model of Political Contributions. *Public Finance Quarterly*, April 1981, 143-57.

[Google Scholar](#) 

Beyle, Thad. University of N. C. Chapel Hill, personal communication of electoral data from the gubernatorial elections of 1978 to 1986.

[Google Scholar](#) 

"Governors," in *Politics in the American States: A Comparative Analysis*, edited by Virginia Gray, Herbert Jacob, and Robert B. Albritton. Glenview , Illinois : Scott, Foresman and Company, 1987, 201-05.

[Google Scholar](#) 

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#) 

Manage Preferences

Accept All

Reject Non-Essential

Council of State Governments. *Vie Book of the States 1979–1988, volumes 21–27*. Lexington, Kentucky.

[Google Scholar](#) 

Crain, William M., and Robert D. Tollison. Attenuated Property Rights and the Market for Governors. *Journal of Law and Economics*, April 1977, 205–11.

[Google Scholar](#) 

Crain, William M., Thomas Deaton, and R. D. Tollison. Legislators as Taxicabs: On the Value of Seats in the U.S. House of Representatives. *Economic Inquiry*, April 1977, 298–302.

[Google Scholar](#) 

Elliot, J. R., and S. R. Ali. *The State and Local Government Political Dictionary*. Oxford : Clio Press, 1988.

[Google Scholar](#) 

Ferejohn, John, and Roger Noll. "A Theory of Campaign Contributions." Unpublished manuscript, California Institute of Technology, 1986.

[Google Scholar](#) 

Gifford, Adam, and Gerald J. Santoni. Politicians and Property Rights: An Analysis of the Relationship Between Campaign Expenditures and Wage and Price Controls. *PwMic Choice* 33(1), 1978, 71–74.

[Web of Science®](#)  | [Google Scholar](#) 

Glazer, Ami, Hank Mcmillan, and Marc Robbins. "Close Congressional Votes and Corporate Stock Prices." Manuscript, U. C. Irvine, 1990.

[Google Scholar](#) 

Jacobson, Gary S. The Effects of Electoral Campaign Spending in Congressional Elections. *American Political Science Review* 82(1), 1988, 112–24.

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

Johnston, R. G. *Money and Votes: Constituency Campaign Spending and Election Results*. New York : Methuen, 1987.

[Google Scholar](#) 

Palda, Filip. Electoral Spending." Ph.D. Dissertation, University of Chicago, 1989.

[Google Scholar](#) 

Palda, Kristian S. Does Advertising Influence Votes? An Analysis of the 1966 and 1970 Quebec Elections. *Canadian Journal of Political Science*, December 1973, 638-55.

[Google Scholar](#) 

" The Effect of Expenditure on Political Success. *Journal of Law and Economics*, December 1975, 745-71.

[Google Scholar](#) 

Rosen, Sherwin. Prizes and Incentives in Elimination Tournaments. *American Economic Review*, September 1986: 701-16.

[Google Scholar](#) 

Schlesinger, J. J. A Comparison of the Relative Positions of Governors. *The American Governor in Behavioural Perspective*, edited by Thad L. Beyle and J. Oliver Williams. New York : Harper and Row, 1972, 141-49.

[Google Scholar](#) 

Silberman J., and G. Yochum. The Market for Special Interest Campaign Funds: An Exploratory Approach. *Public Choice* 35(1), 1980, 75-83.

[Web of Science®](#)  | [Google Scholar](#) 

Snyder, James. The Market For Campaign Contributions: Evidence For the U.S. Senate 1980-1986. *Journal of*

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

[Google Scholar](#) 

Citing Literature 

[Download PDF](#)

ABOUT WILEY ONLINE LIBRARY

[Privacy Policy](#)

[Terms of Use](#)

[About Cookies](#)

[Manage Cookies](#)

[Accessibility](#)

[Wiley Research DE&I Statement and Publishing Policies](#)

HELP & SUPPORT

[Contact Us](#)

[Training and Support](#)

[DMCA & Reporting Piracy](#)

[Sitemap](#)

OPPORTUNITIES


[Subscription Agents](#)

[Advertisers & Corporate Partners](#)

CONNECT WITH WILEY

[The Wiley Network](#)

[Wiley Press Room](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#) 

[Manage Preferences](#)

[Accept All](#)

[Reject Non-Essential](#)