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CAMPAIGN WAR CHESTS AS A BARRIER TO ENTRY IN CONGRESSIONAL RACES

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Abstract

Intimidate and overpower have been used in campaign lore to describe the effects of an incumbent's war chest on potential challengers. We argue that a war chest can deter challengers by signalling a credible commitment to mount a formidable campaign if entry occurs. Results from a trichotomous logit model indicate that a large war chest reduces both the probability of a contested race, and the quality of the challenger, where entry does occur. The effect on the efficiency of political markets is unclear, however, depending on the reasons why incumbents are able to raise large war chests.

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