

Analysis of the Rationality of Political Donations

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Abstract. In recent years, political donations have increased, and their rationality has been questioned accordingly. This paper examines the political donation controversy from the perspective of the relationship between democracy and capitalism, and summarizes the structural contradictions of whether political donations should be allowed to arise from democracy. To resolve this contradiction, democracy and capitalism must be completely separated. As a result, political contributions should be banned. This finding provides a critique of the development of political giving.

Keywords: Political donations; Democracy; Capitalism; Institutional regulation.

1. Introduction

This paper examines the disputes over political contributions from the perspective of the relationship between democracy and capitalism. This paper concludes on whether political contributions should be allowed to originate from the structural paradox of democracy. The resolution requires the complete separation of democracy and capitalism, that is, political contributions should not be allowed.

Political donations are contributions to politics or political campaigns or political parties. In this paper, political donation refers to the existence of the problem that political donations may lead to favoritism. Furthermore, it would affect public opinion, especially during the election period. People will be influenced by public opinion but not based on facts. Political donations create democracy, not real democracy. The ideology added by the political donation deviates from the individual will, and it is more susceptible to the influence of ideology, which leads to the failure of democracy to reflect the individual will.

Based on people's various concerns and the consideration of fairness, many restrictions have been formed in the legislation of various countries. However, is the regulation beneficial? This paper will demonstrate that political donation is highly seductive.

2. The Impact of Capitalism on Democracy and the Reasons to Question Democracy

Political parties or election candidates need donations because democratic politics will be combined with capitalism. And political parties and candidates need the support and the ability to influence people, so they need to expand their propaganda. According to presidential table 1, many candidates with more political donations become presidents or strong contenders. In the recent national elections, it took approximately \$1 billion to become president, \$10 million to become a Senator and \$1 million to become a Member of the House. As Kuhner (2015) pointed out, personal or group interests often drive political donations. It allows American democracy to be monopolized by the elite and allows large enterprises to evade the laws of the market. However, there are opposite views on this issue. Some scholars argue that there is no positive correlation between corporate political investment and return (Aggarwal, Meschke, & Wang, 2012). Nevertheless, if Kuhner's analysis is correct, it can be determined that it undermines the ideal form of democracy.

2.1 The perfect form of democracy

The present paper quotes Rawls' veil of ignorance, which states that individuals discuss and determine political problems democratically without knowing who they are and what they stand for (John Rawls). It is not fully possible. Any democracy should aim at this ideal form to be effective

and avoids the interest group manipulation. No gift will bring fairness, which might remove the relationship between capital and democracy, close to Rawls' veil of ignorance. Political contributions encourage political advertising, thus affecting the attitude of voters (Kaid, 2004). Rawls believes political donations should be banned. Political contribution is also an issue of democracy, i.e., why democracy is subject to public opinion.

The democratic concept of truth is procedural, not substantive. Democratic truth is procedural, not substantive. Post-truth is nonsubstantive truth (Farkas & Jannick, 2019). The nihilism of contemporary democratic system makes people vulnerable to propaganda (Jeliski, 2014).

The nihilism of the masses requires us to constantly supplement the lack of meaning and purpose in our hearts. Capitalism compensates for the lack of human truth and values with political ideas. Political contributions help spread campaign ideology (Zizek). Combining business with democracy creates political contributions. This study holds that a post-truth society is unavoidable (Ilan Zvi Baron). On the contrary, this study will focus on overcoming nihilism through overcoming the influence of capitalism.

3. Realistic Institutional Regulation of Political Contributions

This section aims to explain that despite institutional supervision of political contributions, in fact, it reduces the influence of political donations to some extent. It fails to solve the threat it poses to democracy and point out the reasons for the existence of political contributions. It is not due to the inadequacy of legal regulations and the illegal acts of individuals, but because of the intrinsic connection between the ideology of capitalism and democracy.

3.1 Regulations in Different Countries

The amount donated to political parties or candidates is unrestricted in 55% (74 countries) of the world. The donation quota is essentially nonexistent in Africa and Oceania but it is more common in Europe. The U.S. Federal Election Campaign Act prohibits accepting donations from foreigners, government contractors, national banks, corporations, labor unions, and donations in the name of third parties. The German Political Parties Act prohibits donations from political foundations, parliamentary caucuses, and parliamentary groups at all levels, as well as corporate bodies, associations, and consortia engaged in public, charitable or ecclesiastical activities. In Japan, individual contributions to political parties and groups designated by political parties should not exceed 20 million yen (M Ohman), and the maximum donation to the same goal is 1.5 million yen per year.

3.2 Effectiveness of Legal Regulation of Political Contributions

According to the current study, it can be argued that the legal regulation of political contributions effectively prevents corruption in the process of political contributions (Casal Bértoa, 2013). The legal distinction between corruption and political contributions is obvious. Corruption generally refers to the use of political contributions for private purposes. In contrast, legal contributions must be used for political parties and campaign purposes.

However, the state stipulates whether corporations, individuals, or other social organizations can make political contributions or the amount of such contributions. This has not effectively reduced the total amount of political donations in general (as evidenced in the table above). This has led to the fact that, until now, political contributions still significantly impact election results (Wang Ching-Hsing). In summary, although all countries have regulated political contributions to varying degrees, the main purpose of regulation is to prevent corruption. The destruction and alienation of the ideal democratic form is the concern of this paper, which has not been alleviated.

The Connection between Capitalism and Democracy

There are companies that manipulate democratic elections. Kuhner argues that capitalists affect the fairness of democratic elections, which undermines the neoliberal market method of free

competition (Kuhner et al., 2015). See Table 1. This concept focuses on capitalists who invest in candidates to obtain a market edge, thus forming a cycle (Justin Fisher). This is true even in post-Soviet nations (Janis Iktens, Steven D. Roper, 2008).

This paper argues that capitalists and huge enterprises do not influence politics. The difficulty with present democratic elections lies in the effective investment cycle, because the influence of capital on public opinion shapes individual voting choices, voting desires and political views. Assume that true democracy is effective (that is, based on everyone's will). No amount of political contributions can influence democratic elections. If democratic methods and public opinion do not affect citizens' political ideas.

3.3 The Impact of Capitalism on Democracy: Selfishness and Alienation

In sum, institutional regulation of political contributions has not prevented capitalism from influencing democracy. The rest of the paper will analyze how capitalism alienates democracy by eroding the public sphere. We contend that self-interest under appropriate constraints, suitably constrained, ought to be part of the deliberation that eventuates in a democratic decision. (Follesdal) In reality, democracy is a democracy in the private sphere, and people do not enter the public sphere because they do not have the means to do so. According to Habermas' theory, the public sphere is a space where state power cannot interfere. In the public sphere, citizens can freely discuss public affairs and participate in politics, which is a basic condition of democratic politics. In Layman's terms, it is a public space between the state and the society, where citizens are free to express their opinions without the interference of the state (Habermas, 1991) In other words, the public sphere is neither a private space (i.e., purely selfish and self-interested) nor suppressed by state power (Habermas, 1997)

This involves the alienation of democracy. Political contributions have invaded the public sphere by exploiting people's selfish and self-serving mentality to achieve their political ends, thus invading the public domain and causing the alienation. As Rousseau criticized alienation in *On the Origin of Human Inequality*, alienation refers to transforming the subject into an instrument. From subject to object, as in Marx's analysis, the workers have changed from product producers to labor tools of enterprises, and become dominated objects. Furthermore, according to the examination of this paper, this phenomenon also exists in democratic countries combined with capitalism. Suppose one's opinion is susceptible to the influence of political party propaganda, as analyzed earlier, because political parties increase votes through propaganda. In that case, voters become the tools of the political party to win. Democracy then becomes an alienation of the voter.

Rousseau's social contract theory solves alienation, but it is complex. Politics and knowledge development include logical self-reflection, criticism, and thought (Rousseau, 1997). Assume that all persons have the same Intellect. We cannot presume everyone has the strength to persevere in self-reflection and criticism. It is hard to resist selfishness in a neoliberal setting. This makes them vulnerable to political contributions and ideological indoctrination.

Modern democracies can leave voters' will be unaltered or find consensus. Political donations are authorized. If voter will is weak, it is impossible to reach a consensus. Then, political donations should be banned or the democratic system should be changed.

The modern human brain structure allows political donations to sway voters' will. Suppose humans lack the rationality, capacity, and persistence to reflect on themselves. For a free and functioning democracy, political donations should have little impact on public opinion. Assume that people have self-reflective reason and can function in the public realm (*ffentlichkeit*). Political donations will fail and disappear.

4. The Solution to the Conflict between Democratic Rationality and Capitalism

4.1 Habermas' theory sheds light on solving the above problems.

This solution completely separates democracy from capitalism, such as deliberative democracy. It is not just because the consultation is legal (e.g., it complies with the law on political contributions, does not constitute corruption and bribery, et cetera). However, more importantly, the consultation is rational and practical (A Gutmann). The essence of democracy is not based on some "substantive" absolutely correct truth.

However, in addition, regarding consent, consent is an "absolutely correct" procedural justice. Suppose we adopt the viewpoint of deliberative democracy, if we believe in democracy. The condition of political donations is that Habermas' rationality of communicative action can be perfectly realized and uninfluenced by capitalism. If human interaction is perfectly rational, political contributions cannot hinder human negotiation, but political contributions can facilitate such communicative action. Nevertheless, this is unrealistic.

4.2 Explanation of Democracy by Modern Political Philosophy

This paragraph explains how Habermas and his theory can be applied to the solution of democracy, that is, prohibiting political contributions and expanding the possibility and effectiveness of the public sphere in democracy. In his works *Second Transformation of the Public Sphere*, Habermas found that the contemporary form of public space in capitalism has entered. Consumerism has spread, which is a significant threat to public space, and a paradox of modern democracy (Habermas, 1991).

Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society

The fragility of democracy is structural, and it is easy to be manipulated by political donations. Political donations can be used to expand propaganda, form slogans, and then develop ideology and voters' identities to influence elections through identity. Voters are easily influenced by ideology, because democracy denies substantive truth from the beginning, thus rendering voters without judgment in politics.

5. Conclusion

To summarize, the controversy of political donations is evaluated from the relationship between democracy and capitalism. This study concludes that political contributions emerge from the structural contradiction of democracy. To solve this contradiction, it is necessary to completely separate democracy from capitalism, so political contributions should be banned.

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