## Money for Nothing

POLITICIANS, RENT EXTRACTION, AND POLITICAL EXTORTION

Fred S. McChesney

Harvard University Press

Cambridge, Massachusetts, and London, England • 1997

## Contents

	Preface	ix
	Introduction	1
Ι.	THE MODEL	
	1. Background: The Economic Theory of Regulation	7
	2. Rent Extraction: The Theory of Political Extortion	20
11.	DEMONSTRATIONS	
	3. Observing Extortion: The Practice of Rent Extraction	45
	4. Validating the Model: Empirical Tests of Rent Extraction	69
	5. Contracting for Rent Preservation: The Durability Problem	86
111.	EXTENSIONS	
	6. Extraction and Optimal Taxation: Excises, Earmarked Taxes, and Government User Charges	113
	7. Costs and Benefits of Interest-Group Organization	133
	<ol> <li>8. Improving the Model: Worthy yet Unanswered Questions</li> </ol>	156
	Notes	173
	References	197
	Index	211