



Conflict or Compatibility of Interests?

By Richard W. Rahn

IF TRUMP IS A GREAT PRESIDENT, AMERICA WILL BE GREAT AGAIN

Other things being equal, would you prefer to stay in a hotel and/or live in a condo named The President Carter, or one named The President Reagan?

One of the cardinal beliefs of the American left is that too much money is spent on political races and that he or she who has the most money will win — which is unfair. Hillary Clinton bought into the myth; so, while Donald Trump was holding rallies, Hillary was holding fundraisers. The Clinton campaign raised and spent twice the money as the Trump campaign — approximately \$1 billion versus \$500 million (including PAC money). As a result, Mr. Trump appears to have won the electoral vote with approximately a 14 percent margin, while Mrs. Clinton won the popular vote with about a 1.5 percent margin. Clearly, Mr. Trump spent his money much more wisely than Hillary.

If we had public financing of presidential campaigns, whereby the candidates were strictly limited to the amount they could spend and independent expenditures were not allowed, the results probably would have been much worse for Mrs. Clinton. Hillary spent approximately \$17 per vote versus \$8.50 per vote for Mr. Trump. If each had been limited to the same amount, Hillary

would have received roughly half as many votes as Mr. Trump (that is, if you buy into the liberal argument that there is an almost perfect correlation between money spent and votes received).

Far less than 0.1 percent of gross domestic product (GDP) was spent on the presidential election campaign by all candidates. The total amount was less than half the amount that Procter & Gamble, AT&T or GM alone each spent on advertising last year.

There has been a continuing series of stories in The New York Times, The Washington Post and many other establishment media outlets, arguing that the Russians somehow helped Mr. Trump to get elected. But when you read these stories in detail, it is all conjecture without hard facts. What is known is that the Russians poured tens of millions of dollars into environmental groups allied with Mrs. Clinton, but this important news has been largely buried by the establishment media. The Clinton campaign has argued that Mr. Trump's frequent TV appearances amounted to unfair free publicity for the Republican. But it is Hillary's own fault that Mr. Trump received more TV coverage in that she refused to go on the same number of programs, even though asked to appear. Also, when she did appear on TV, she tended to give very scripted, boring talks, turning off the audiences, in contrast to Mr. Trump's more spontaneous newsmaking showmanship. At the same time, the establishment media were in almost unanimous opposition to Mr. Trump. If the media had been truly neutral, and if spending had really been equal, Hillary would have done much more poorly.

The Democrats failed in electing their people at all levels of government, not because of a lack of campaign funds, but because it was all too clear that their support of special interests were in conflict with the majority whose interests were in lower taxes and less regulation, not more.

The establishment media, while largely ignoring their own failures in covering the campaign, are back in full attack mode against Mr. Trump, arguing that with his extensive business holdings there are bound to be conflicts of

interest, unless he sells everything. Two basic things are ignored in these arguments. First, much of the value of the Trump Organization is the Trump name. It is placed on golf resorts, hotels, office building, condos, neckties and fashion accessories because the name (as a result of a very successful, many decades-long branding campaign) increases their value — in the same way the Coke brand greatly increases the value of flavored sugar water.

Mr. Trump should make it clear that he will separate himself totally from the operations of his companies, turning full management and control to his children and senior executives. There is, of course, no way to enforce this other than with his knowledge that if he strays over the line, the legitimate press will lambaste him. Some in the establishment press, as well as the total fake news press, will accuse him of violating his pledge, even when there is no evidence. So be it.

If Mr. Trump turns out to be a lousy president, the value of his brand will take a severe beating — and he and his family will be much poorer — which he clearly understands. If he turns out, in his words, to be a great president, the value of his brand will soar, and he and his family will be much richer. Part of being a great president is having a strong economy where the vast majority of citizens are better off at the end of his term than at the beginning. What Americans did by electing Donald Trump was to implicitly become part owners of his resorts and hotels — with their dividends being the increase or decrease in their own wages and investments during the coming Trump years.

Outcomes are usually better when the interests of elected officials are in alignment with the interests of the vast majority of the citizens, rather than in conflict with them.

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