

## Chapter 6

# Interest Groups: The Politics of Influence

### Key Chapter Questions

1. What are interest groups and where do they commonly have their beginnings? Why did James Madison call them “factions”?
2. What are the various types of interest groups? More specifically, how would you characterize the power of labor unions compared to corporations?
3. What factors strengthen or weaken the political effectiveness of interest groups?
4. What techniques are most frequently used by interest groups?
5. What influence do lobbyists have? Who are the lobbyists?
6. How do PACs influence political outcomes and why have they increased in number? How do they invest their money?
7. How could one argue that single-issue interest groups are less democratic than large, multi-interest organizations?
8. What efforts have been made to regulate interest groups? Is reform possible?
9. How did issue advocacy ads hurt Senator John McCain’s 2000 primary campaign?
10. What was the significance of the 1999 Seattle protests and what specific issues were the ten thousand protesters concerned about?

### Chapter Outline

- I. Introduction/Interest groups past and present: the mischiefs of factions
  - A. Issue advocacy ads (“Keep it Flying”) hurt McCain in 2000
  - B. The mischiefs of faction
    1. Interest groups were called “factions” by James Madison
    2. Madison addressed the problem of establishing a stable constitutional system that at the same time would respect liberty in *The Federalist*, No. 10
    3. Note source of factions in “unequal distribution of property”
  - C. A Nation of Interests
    1. Interest groups (special interests) share common outlook/attitude and seek to influence government
    2. Groups like to label opposition groups as “special interests” for public consumption
  - D. Social movements (movement concerned with issues of continuing significance, will take action)
    1. Examples include abolitionist, temperance, civil rights, environmental, antitax, etc.

2. In a democracy, movements can operate inside the constitutional system
3. Militants need not fear persecution for demonstrating peacefully in a democracy

II. Types of interest groups (overlapping groups tied to interest group pluralism)

- A. Americans may be unaware of their interests being represented (AARP, AAA examples)
- B. Economic interest groups
  1. Businesses/Corporations range from small, one-person enterprises to multinational entities
  2. Trade and other associations
    - a. Businesses with similar interests in government regulations and other issues join together as trade associations
    - b. Business of all types are organized into large, nationwide associations
    - c. Examples: Chamber of Commerce of the United States, National Association of Manufacturers
    - d. See “A Closer Look”—Opposition to International Trade and Organization
  3. Labor
    - a. Interests range from professional standards to wages to working conditions
    - b. Examples: American Farm Bureau Federation, Knights of Labor, American Federation of Labor-Congress of Industrial Organizations (AFL-CIO united in 1955)
    - c. American work force is the least unionized of almost any industrial democracy (open shop vs. closed shop)
    - d. AFL-CIO’s COPE, once feared, is now less effective (GOP now in charge of Congress)
    - e. AFL-CIO speaks for about 80 percent of organized labor; but unions represent only about 13 percent of nation’s work force (partly due to shift from industrial to service economy)
    - f. Unions have defeated “paycheck protection” measures (permission for political contributions)
    - g. Unions not close to GOP; Labor’s coalitions weaken its goals; Supreme Court not sympathetic
  4. Professional associations
    - a. Some of the strongest "unions" in the nation
    - b. Many professions are regulated by government, especially on the state level
    - c. Examples: American Medical Association, American Bar Association
    - d. Frequently among largest donors to political campaigns
- C. Ideological or Single-Issue interest groups
  1. Groups devoted to "public interest" organize around specific issues
  2. Examples: American Civil Liberties Union (ACLU); Christian Coalition
  3. May wish to pursue only one issue such as abortion
- D. Public interest groups
  1. Arose out of political ferment of the 1960s
  2. Tax-exempt public charity is a specific type of public interest group, such as the American Heart Association (donations are tax deductible); active in voter registration efforts
  3. Examples: Common Cause, Public Interest Research Groups (PIRGs) founded by Nader; Nader received 3% of vote in 2000 as Green Party’s presidential candidate;
  4. Specific type is the “tax exempt public charity,” i.e., American Heart Association, Girl Scouts
    - a. Not required to disclose donor information
    - b. Cannot participate in electors or support candidates
    - c. Cannot benefit any individuals or small group
- E. Foreign policy interest groups
  1. Organizing to promote or oppose certain foreign policies

2. Other groups, devoted to narrower aspects of American foreign policy, exert pressure on legislators or the executive to enact specific policies, such as groups concerned with factions in Bosnia
  3. Examples: Council on Foreign Relations in New York City, American Committee on Africa
  4. AIPAC—American-Israel PAC—is second most influential lobby (50,000 members)
- F. Government interest groups
1. Government itself is the source of important interest groups as the size and scope of government has expanded
  2. Examples: National Governors' Association, National Association of Counties, National Education Association (claims more than 2.3 million members)
  3. Public employees are fastest growing unions
- G. Other interest groups
1. Veteran groups (American Legion or VFW)
  2. Nationality groups (German, Irish, Hispanic, Korean)
  3. Religious (Knights of Columbus, B'nai B'rith)
  4. Single-issue interest groups

### III. Characteristics and power of interest groups

#### A. Size and resources

1. Size is important to political power as well as the extent to which members are actively involved and focus on the attainment of political objectives
2. Spread – the extent to which membership is concentrated or dispersed – is important
3. Interest groups differ in the extent to which they preempt a policy area or share it with others
4. Groups differ in their resources, which include money, volunteers, expertise, and reputation

#### B. Cohesiveness

1. A mass-membership organization is made up of 3 types of members
  - a. Formal leaders who hold full-time, paid positions
  - b. Persons intensely involved in the group, organizationally and psychologically
  - c. Persons who are members in name only
2. Organizational structure
  - a. An organization with separation of powers tends to be less cohesive than a centralized, disciplined group

#### C. Leadership

1. Leaders may either bring the various elements of a group together or sharpen their disunity

#### D. Techniques

1. Publicity and mass media appeals (Business enjoys a special advantage here)
2. Mass mailing (Computerized and targeted); also e-mail (used by McCain to raise funds)
3. Litigation (used by NAACP, ACLU, NOW, etc.); *amicus curiae* briefs
4. Influence on rule making (executive/regulatory agencies; see *The Federal Register*)
5. Election activities (Labor endorses Democrats, business GOP) may be exaggerated in media
6. Forming a political party (third parties are aimed at publicizing a cause, not winning elections)
7. Cooperative lobbying (groups form alliances, such as the Food Group)

### IV. The influence of lobbyists

#### A. Who are the lobbyists?

1. Employees of associations who try to influence policy decisions and positions in the executive and especially legislative branches of government

2. The revolving door is the employment cycle from government to interest group
  3. Iron triangles are mutually supporting relationships among interest groups, congressional committees and subcommittees, and the government agencies that share a common policy concern
- B. What do lobbyists do?
1. Provide money for congressional election campaigns
  2. A "third house" of Congress, representing people on the basis of interests
  3. Interest groups provide information of two types
    - a. Political—who supports/opposes legislation
    - b. Substantive—impact of proposed laws
- V. Money and politics
- A. The role of political action committees (PACs)—see insert on Bernadette Budde;
1. PACs link two techniques of influence
    - a. Giving money and other political aid to politicians
    - b. Persuading officeholders to act or vote "the right way" on issues
  2. PACs are categorized by the type of interest they represent
- B. The growth of PACs
1. The Committee on Political Education (COPE) came to be the model for most PACs
  2. The 1970s brought a near revolution in the role and influence of PACs, as the result of post Watergate reforms, increasing the number of PACs from 150 to more than 4,000 today
  3. Corporations and trade associations make up the majority of all PACs
- C. How PACs invest their money
1. Main influence is in their financial contribution to candidates (Keating, Tamraz quotes)
  2. The Federal Election Campaign Act of 1971 limits PACs to \$5,000 per election or \$10,000 per election cycle; Individuals have limit of \$2000 per candidate per election cycle
  3. Through "bundling" contributions, PACs increase their clout with elected officials
- D. The effectiveness of PACs
1. Depends on the context in which money is given and received
  2. Significant relationship exists between PACs giving money and receiving favorable treatment in congressional committees; still debatable on impact of contributions upon election outcomes
  3. PACs can help friendly incumbents with soft money contributions (unlimited contributions that ostensibly go for "party-building" activities)
- VI. Curing the mischiefs of faction – two hundred years later
- A. Americans' fears about the power of faction
1. The struggle among factions is not a fair fight
  2. The interest-group battle leads to great inequities, because lower-income people are grossly underrepresented
  3. Single-issue groups have led to incoherent policies, waste and inefficiency, endless delays, and the inability to plan ahead and anticipate crises
  4. The role of interest groups in elections has made incumbents more secure and enhanced the power of interest groups
  5. Safeguarding the value of liberty, but also threatening equality
- B. Federal and state regulation
1. Federal legislation, including the 1925 Federal Corrupt Practices Act and the 1946 Federal Regulation of Lobbying Act, was not very effective
  2. The Federal Election Campaign Act (FECA) of 1971 supplanted earlier legislation

3. Problems with FECA include the soft money loophole and an ineffective Federal Election Commission
  4. Lobbying Disclosure Act of 1995—definition of lobbyist was expanded to include part-timers, those who deal with congressional staff/executive branch agencies, and those who represent foreign-owned companies and foreign entities
  5. Clinton signed into law legislation expanding disclosure requirements on issue ads (freedom of speech issues involved)
  6. Issue advocacy ads/soft money very important in competitive elections
- C. The effects of regulation
1. Increased the number and importance of such groups; increased PACs, especially corporate type
  2. PAC money goes mainly to incumbents (committee chairs, party leaders)
  3. Disclosure of how politicians fund their campaigns is issue; also their personal finances
- D. Is reform possible?
1. Reform is complex and difficult, and it is doubtful that most members of Congress really want reform
  2. Doing nothing will mean continued dependence by candidates on PACs, uncontested races, underfunded challengers
  3. Strengthening political parties could be another way of reducing power of special interests