The Logic of American Politics, 7th Edition

Samuel Kernell, Gary C. Jacobson, Thad Kousser, and Lynn Vavreck

Data Literacy Exercises: Chapter 13

Interest Groups, Pluralist Theory and Madison’s Factions:

**Learning objective:** 13.5 Debate the role of interest groups in American politics.

As mentioned in the text, the standard notion of interest groups operating in a pluralistic environment can easily be questioned. In its ideal state, pluralism would specify that, like businesses in a totally free marketplace, interest groups that compete in a level playing field will collectively, through that competition, produce the best and most efficient public policies by way of their influence on governmental policy makers. Of course, we all realize that, just like irregularities in the marketplace, the “invisible hand” of interest group competition doesn’t always produce the “best” results. Part of this has to so with the fact that some interests are better represented than other, part with the fact that some interests suffer more from collective action and free rider problems. Part, however, has to do with the very idea of competition. Two variations of the competitive aspects of pluralism, and how they may lead to government dysfunction can be offered:

Hyperpluralism—too many groups compete at too many levels, forcing government into deadlocked inactivity or, at best, inefficient activity. Part of this, we can argue, is what the Framers intended through their elaborate, risk averse system of federalism, separation of powers, and checks and balances. In the modern world however, the elaborate set of access points (including committees and subcommittees) and veto points (now including a Senatorial filibuster) have multiplied. Because of this, the “great problems” of society— social security, defense, health care, environmental safeguards, budget deficits, security never seem to get solved to anyone’s satisfaction on either side of the debate.

Interest Group Liberalism—a term coined by Theodore J. Lowi (the *End of Liberalism*) that indicates that, in our modern system of committees, and disaggregated bureaucracies, iron triangles and the like, no competition really exists. Any group that is well organized and financed (particularly the most “specialized” of them) gets most of what it wants from government without worrying about competition with other groups—even if that lack of competition is costly and sometimes produces contradictory policies. For years, for example, Congress and state legislatures were passing laws regulating the packaging, the taxing, and the marketing of cigarettes, while at the same time subsidizing tobacco farmers (mainly agribusinesses) and cigarette manufacturers. Both sets of policies cost the consumer both in terms of price (for those who smoked) and taxes (to regulate).

Madison’s *Federalist #10*: Madison argued that, in a large geographic polity, no interest group would be strong enough to consistently control governmental policy. Legislators would be forced to sit back and decide policy in the national interest without paying too much attention to any single group. “Hyperpluralism” is more than just curing the “mischiefs of faction”—it’s wiping it out—pluralism on steroids so to speak. Interest Group Liberalism would probably have been his worst nightmare—all interests get satisfied without regard to the national interest. Legislators attend to all of their wishes even if contradictory (tobacco) or without consideration of adding to deficits (everything).

Another controversial issue in studying the role of interest groups in society is in attempting to differentiate between “special” and “public” interest groups. “Special” usually denotes a small group that seeks and gains government benefits, often under the radar of congressional committee debates, whereas “public” defines a group that seeks collective benefits for all of society. The distinction is often hard to make. Let me provide three different versions of the distinction:

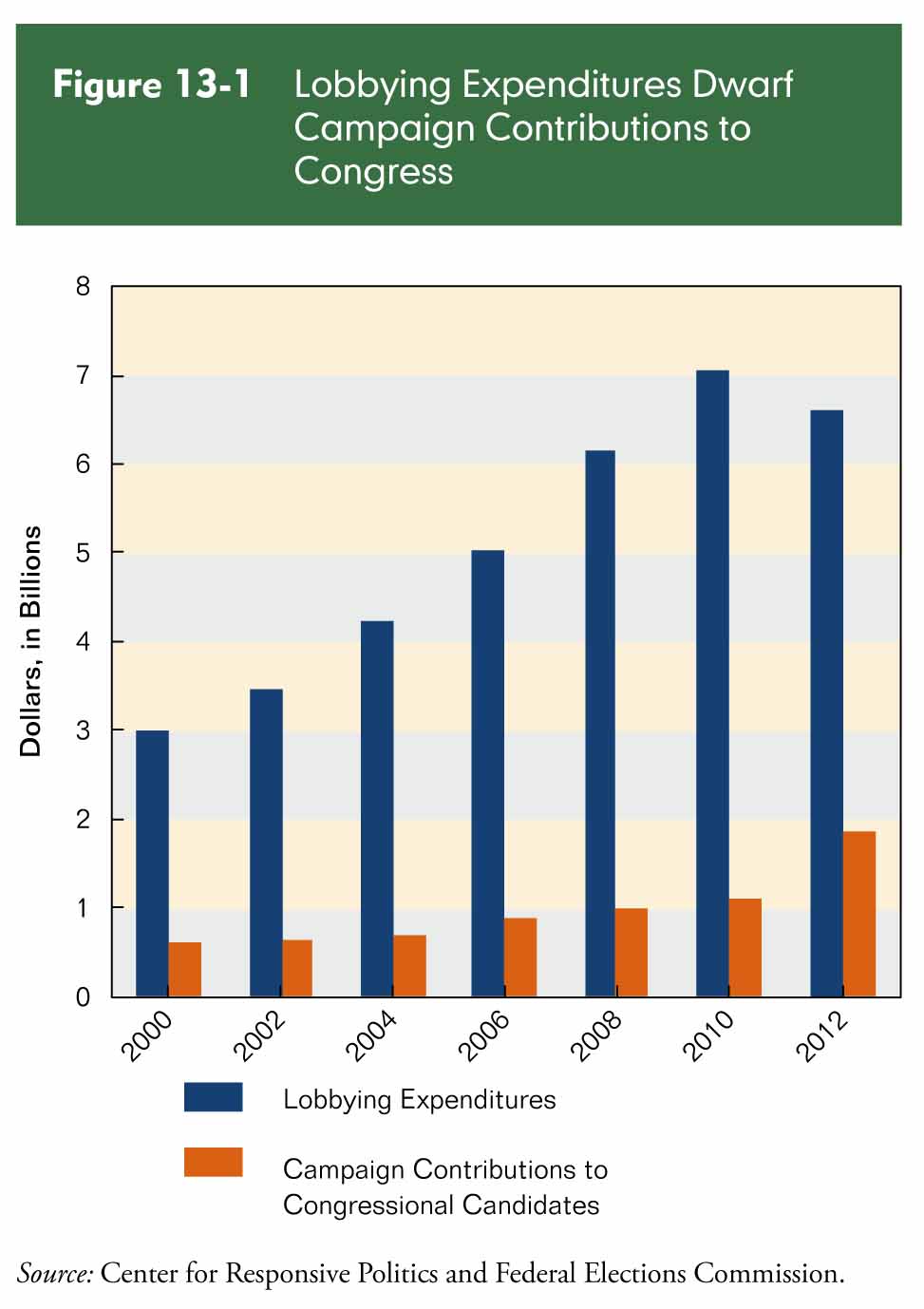
1. Political: If it’s in my interest, it’s public; if it’s in yours, it’s special.
2. Outcome oriented: If the benefits accrue only to a small sector of society, than it is “special.” If it benefits, or potentially benefits, most in society, it’s public. The problem is defining “small.” Are social security recipients at any one time a “small sector”?
3. Member benefit: if an interest group pushes for policy from which its members don’t disproportionately benefit, then that group is called a “public interest group.” If its members do proportionately benefit, it’s a “special interest group.” The best example I can remember (Jeffrey Berry, *the Interest Group Society*) is between a group of death row inmates pushing to abolish the death penalty (special) as opposed to a group of public spirited citizens asking for the same (public, assuming they would not be fearful of committing a capital crime). But where do we place certain environmental groups, especially ones like “Ducks Unlimited” whose members fight for the preservation of migratory habitat and ecosystems (public) but partially to assure their ability to have ducks to hunt, or a pro-oil group that ostensibly seeks energy independence for the U.S. (public) but also is heavily funded by those who would make a huge profit from increased exploration and drilling.?”
4. Divisibility: This combines 2 and 3. A “public interest” group is one that seeks benefits that, if it’s granted to anyone by government, is granted to all, regardless of whether they were members of the group. A “special interest group” would seek benefits that would accrue only, or mainly to its members. So, where do we place the NRA? If gun ownership is a public good (at least for those who believe it is), then successful action by that group would benefit gun owners who aren’t members. Similarly, one can surf cleaner waters in California without being a member of Surfriders (see related box on p. 538).

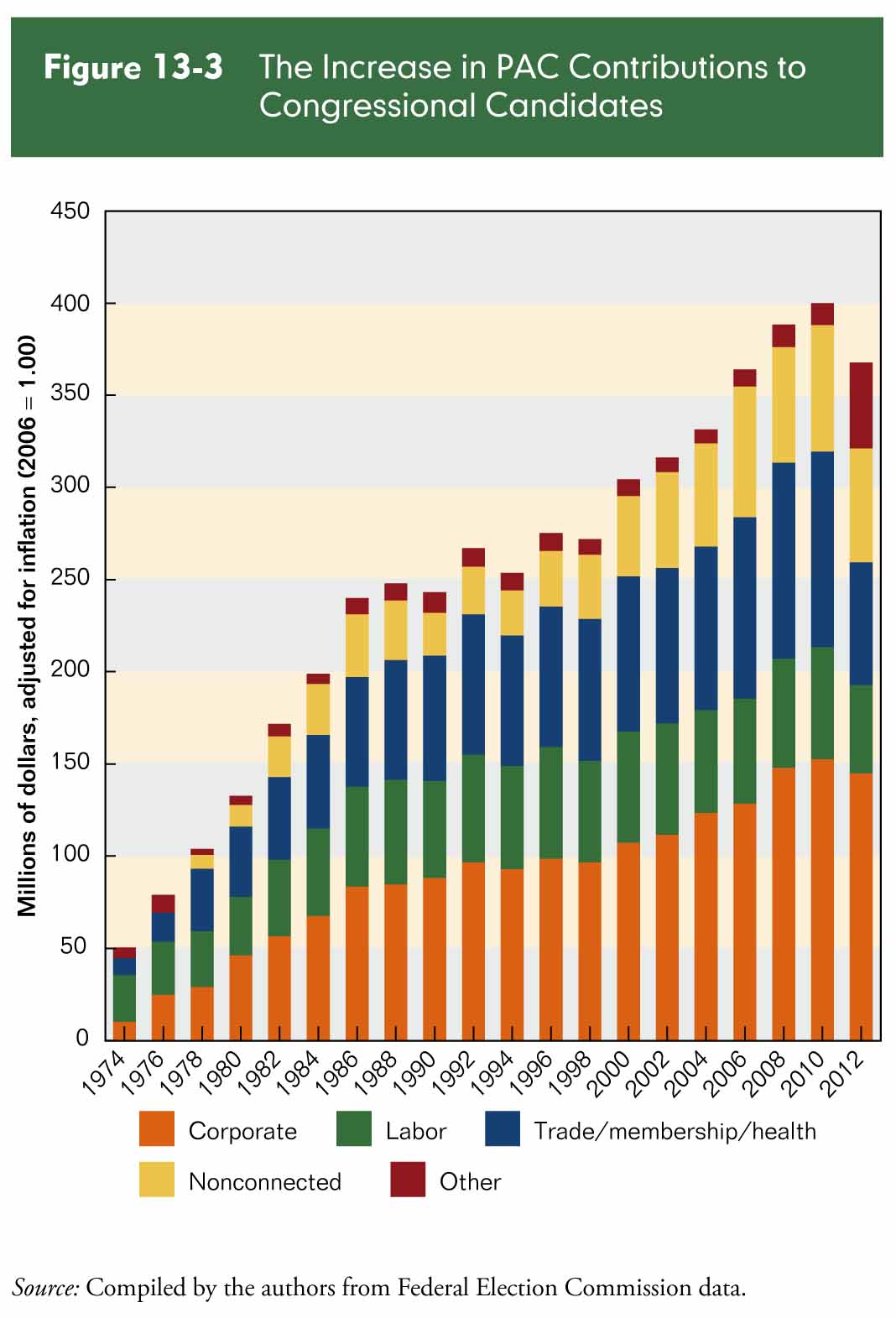
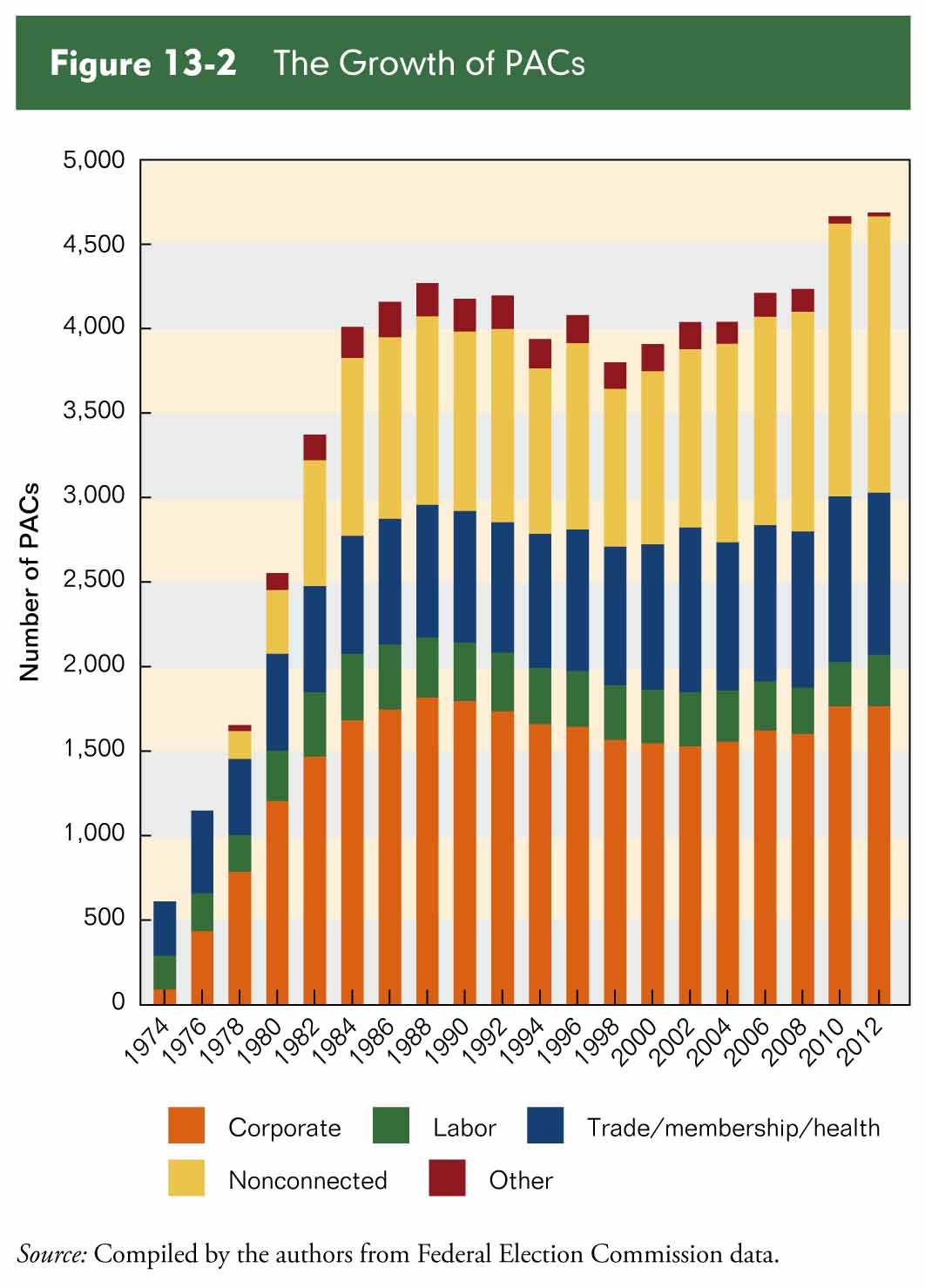
**Learning objective:** 13.3 Explain why contemporary interest groups have proliferated.

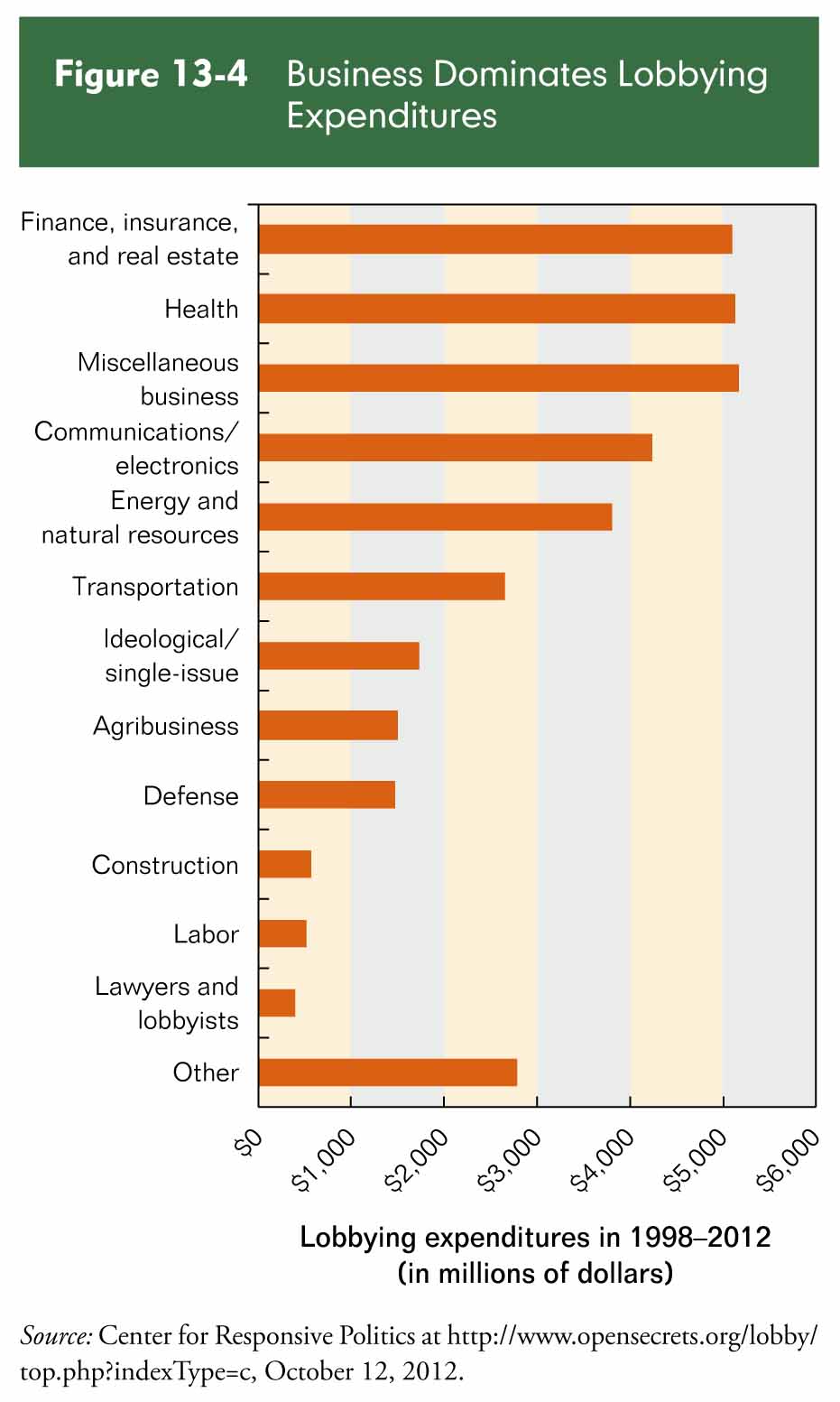
The very definition of an interest group is also debatable. Prior to the development of the internet, we often differentiated between *interest groups* and *interests* or *movements*. An organized interest group would usually consist only of organizations that were formally structured, had well defined dues-paying membership, and provided information only to its members. Those who shared the same interests, but who were not a part of the formal organization were referred to as “latent” members, i.e. those who may be mobilized on occasion when the stakes were high and potential outcomes immediate. In the 1950s and 1960s, we witnessed the emergence of a sizeable “civil rights movement” (Chapter 4). Those who joined the Reverend Martin Luther King, Jr. in his march on Washington were mainly part of this movement. A smaller number were card carrying, dues paying members of the groups, such as the NAACP, that organized that march and other peaceful protests.

With the advent of the internet, the line between actual and latent members has become blurred. One can just get on the web to get information about the NRA or the Surfrider Foundation. On those sites, one can also sign petitions and learn about other forms of grassroots activities. Perhaps the best example of this type of overlapping interest group is Moveon.org where membership is generally defined just by who asks to be placed on their list to receive information and action alerts.

Figure 13-1 – 13.4:









**Learning objective:** 13.4 Distinguish between different types of interest group activities.

Figure 13-1 clearly displays the substantial difference between lobbying expenditures and campaign contributions. Contributions can often be viewed as a way to gain access to those whom you will later lobby or to help guarantee that individuals who already support your views are elected and reelected (see box on “What, Exactly, Do Pac Contributions Buy? pp. 559). The number of PACs (13-2) and candidate reliance on their contributions (13-3) has increased ever since the Federal Election Campaign Act gave PACs a formal definition and restrictions. One could argue that an increase in contributions does not equate to reliance if the increase in those contributions have not increased with the costs of campaigns. Twice the total contributions would actually demonstrate a decrease in reliance if campaign costs quadrupled. But PAC contributions have over time increased at a faster rate than total campaign expenditures.

The following chart shows the growth in PACs by sector (registered in presidential election cycle). It is perhaps easier to discern growth by sector than Figure 13-2. The largest period of growth came between the mid-1970s and mid-1980s, with most of the growth attributed to the increase in corporate and non-connected PACs.

Even with more stringent disclosure laws, the total spent on “lobbying” is most likely still underestimated. But, if we just count direct contributions from PACs, each limited to just $5000 since the 1970s, we seriously underestimate the effects of interest group money in campaigns. Even before *Citizens United* (2010) opened up the floodgates of non-contribution spending, PACs had found ways to spend money on behalf of and against candidates. By the midterm election of 2014, independent or “outside spending” by PACs had reached somewhere between $500 and $600 million dollars (some listings are hard to define as individuals or groups). In contrast, direct PAC contributions totaled “only” $436 million. Much of this spending comes from what are called “non-connected” PACs, i.e. those that are not an electoral arm of an already established interest group but, rather, PACs created solely for raising and spending money in campaigns (13-2). Along with corporate PACs, they have grown in number more than any other PAC category. In 2014, these non-connected PACs spent (both in contributions, independent expenditures, and maintenance) more than all other types of PACS *combined*. But the amount they directly contributed to congressional candidates constituted a mere six percent of all disbursements, the rest going mainly to independent expenditures and contributions to other committees (Data Source for these figures: Federal Election Commission: <http://www.fec.gov/press/summaries/2014/tables/pac/PAC1_2014_24m.pdf>).

The activity of PACs, especially as they spend independently for ads, adds to the negativity and polarization discussed in previous chapters. From 1990 to 2014, more money was spent against a candidate (negative) than for (positive), 60.4% to 39.6% (73% to 27% in 2014).

Source: Center for Responsive Politics, <https://www.opensecrets.org/outsidespending/cycle_tots.php>

**Questions to Consider:**

1. According to Figure 13-2, the greatest growth in the number of PACs occurred well after the 1980s.

a. True

\*b. False

@ Feedback: Once the definition of PACs was formalized with the Federal Election Campaign Act (1971-1974) and their activity was given Constitutional legitimacy with the U.S. Supreme Court’s findings in *Buckley v Valeo* (1976), the number of PACs grew roughly eight times by 1984. Increases since then have been modest by comparison.

2. Which two types of PACs grew most in number between 1974 and the 1980s?

a. labor and corporate

b. labor and non-connected

c. trade and labor

\*d. corporate and non-connected

@ Feedback: Aided by court decisions that in essence limited the subdivision of labor unions into different PACs and its ruling that independent expenditures (non-contributed) could not be limited, the growth in corporate and non-connected PACs was the most pronounced.

3. According to Figures 13-2 and 13-3, the growth in the number of PACs and the increase in PAC contributions to congressional candidates have proceeded at the same pace.

a. True

\*b. False

@ Feedback: The total number of PACs pretty much leveled off in the 1980s, with a new increase particularly in non-connected PACs after the 2010 *Citizens United* decision. Contributions, until 2012, increased almost continuously. Remember, of course, that contributions are not the same as total spending in campaigns, especially after *Citizens United*.

4. According to the graph in this section (PAC SPENDING/CONTRIBUTIONS), the greatest difference between contributions and total spending can be found in which type of PAC?

a. trade

b. corporate

\*c. non-connected

d. membership

@ Feedback: With the Supreme Court’s rulings in Buckley up to Citizens United, PACs not associated with pre-existing interest groups have flourished and prefer to spend their funds independently.

5. According to this section’s pie chart on “Outside Spending,” more outside money is spent opposing candidates than supporting them.

\*a. True

b. False

@ Feedback: From 1990 to 2014, roughly 60% of all outside spending has been used to oppose candidates, often incumbents. That percentage has risen recently (partially as a function of the *Citizens United* decision).

6. Graph, pp. 559, the direction of support for health care reform has been more one sided with labor contributions than contributions from the health sector.

\*a. True

b. False

@ Feedback: Although the health sector has been more inclined to contribute money to health care opponents, they contributed nearly an equal amount to supporters.

7. From 1998-2012 (Figure 13-4), which sectors spent the most on lobbying?

\*a. finance/insurance and health

b. labor and transportation

c. defense and construction

d. agribusiness and transportation

@ Feedback: Although lobbying expenditures from all sectors were not inconsequential, the largest expenditures came from finance, health and miscellaneous business. Given the intersection of health and finance/insurance, one can only imagine (or look up) how much was spent by those two sectors with the most recent health care debate.