

CH. 6 – INTEREST GROUPS

Imagine a person with an intense devotion to a social cause. Let's say that he or she believes strongly in animal rights, or is distressed about the deteriorating earth environment. Or think of someone else whose work is seriously undervalued, who works very hard but is paid very little money. What can any of these imagined people do to improve their situation? One solution is to start or join a group with similar interests, with the idea that people together can do more to bring about change than people alone. They could organize an **interest group** to put pressure for change on elected officials and policy makers on all levels of government

An interest group is an organization of people who enter the political process to try to achieve their shared goals. Almost from the beginning, Americans have joined political groups, as noted by Alexis de Tocqueville in 1834, "In no country of the world has the principle of association been more successfully used than in America." Today about 2/3 of Americans belong to such groups. However, Americans historically have distrusted the motives and methods of interest groups. James Madison called interest groups and political parties factions, and he saw federalism and separation of powers as necessary to control their "evils." Since the number of interest groups and the people who participate in them have increased greatly over the past half century, they appear to be even more important today than they have been in the past.

PARTIES, INTEREST GROUPS, PACS, AND 527S

Interest groups, like political parties, are organizations that exist outside the structure of government, but they interact with government in such a way that it is impossible to separate them. Policy making is intertwined with both parties and interest groups so that government would operate very differently without them. In recent years two other type of outside organizations, **political action committees (PACs)** and **527s**, have joined parties and interest groups as major influence on policy making in this country.

PARTIES VS. INTEREST GROUPS

Parties and interest groups have a great deal of common because they represent political points of view of various people who want to influence policy making. This similarity has led some observers to suggest that interest groups may someday even replace parties as linkage institutions to the electorate. However, some significant differences still exist.

Parties influence government primarily through the electoral process. Although they serve many purposes, parties always run candidates for public office. Interest groups and PACs support candidates, but they do not run their own slate of candidates.

Parties generate and support a broad spectrum of policies; interest groups support one or a few related policies. So, whereas a party may take a position on gun control, business regulations, campaign finance reform, and U.S. involvement in conflicts abroad, an interest group almost always focuses on one area.

PACS AND 527S

Political action committees (PACs) are the political arms of interest groups, legally entitled to raise voluntary funds to contribute to favored candidates or political parties. Like political parties, PACs focus on influencing election results, but their interest in the candidates is narrowly based because they are almost always affiliated with particular interest groups. The number of PACs has mushroomed over the past 30 years, especially since the Campaign Reform Act of 1974, which limited individual contributions to campaigns. The Act did allow PACs to exist, and most large interest groups formed them as ways to funnel money to their favorite candidates for office. Today more than 4000 PACs represent corporations, labor unions, and professional and trade associations, but the biggest explosion has been in the business world, with more than half of them representing corporations or other business interests.

527 groups, named after a section of the United States tax code, are tax-exempt organizations created primarily to influence the nomination, election, appointment, or defeat of candidates for public office. Although PACs were also created under Section 527 of the Internal Revenue Code, 527s are not regulated by the Federal

Election Commission and not subject to the same contribution limits as PACs. During April of 2004, the Federal Election Commission (FEC) held hearings to determine whether or not 527s should be regulated under campaign finance rules, but they decided to delay any ruling until after the 2004 presidential election. During that election 527s, such as Swift Boat Veterans for Truth, Texans for Truth, The Media Fund, America Coming Together, and Moveon.org Voter Fund, raised large sums of money for both parties.

THEORIES OF INTEREST GROUP POLITICS

Are interest groups good or bad for American politics? Different points of view can be separated into three theories with different answers to that question.

ELITIST THEORY

Elitist theory argues that just a few interest groups have most of the power. Although many groups exist, most of them have no real power. The government is run by a few big groups trying to preserve their own interests. Furthermore, an extensive system of interlocking directorates (the same people sitting on several boards of corporations, foundations, and universities) fortifies the control. Elitists believe that corporate interests control a great many government decisions.

PLURALIST THEORY

Pluralist theory claims that interest groups benefit American democracy by bringing representation to all. According to pluralists, some of the benefits of interest groups are:

- Groups provide linkage between people and government. They allow people's voices to be heard in ways that otherwise would be lost.
- The existence of many groups means that any one group can't become too powerful because others counterbalance it.
- Groups usually follow the rules, and those that don't get bad publicity that helps to keep them in line.
- No one set of groups dominates because those weak in one resource are strong in others. So although business interest groups usually have more money, labor groups have more members.

HYPERPLURALIST THEORY

Hyperpluralist theory says that too many groups are trying to influence the political process, resulting in political chaos and contradiction among government policies.

Hyperpluralists argue that the political system is out of control because the government tries to please every interest and allows them to dictate policy in their area. Since all interest groups try to protect their self-interest, the policies that result from their pressure are haphazard and ill-conceived.

THE GROWTH OF INTEREST GROUPS

Interest groups have been a part of American politics since the beginning, but their numbers have grown incredibly in recent years. Some well-known groups, such as the Sierra Club and the National Association for the Advancement of Colored People have existed for a century. Many interest groups, however, are relatively new, with more than half forming after World War II.

Interest groups seem to exist for everyone. Some are broad-based, like the National Association of Manufacturers, but others are almost unbelievably specific, such as the American Cricket Growers Association. Many groups base their organization on economics. More than three-fourths originated from industrial, occupational, or professional membership. In recent years more groups have moved their headquarters to Washington to be as close to the source of power as possible. Today very few occupations or industries go without interest groups to represent them in Washington.

TYPES OF MEMBERSHIP

Membership in interest groups may be classified in two ways: institutional and individual. A group's members may be composed of organizations, such as businesses or corporations, or they may be composed of individuals.

- **Institutional Interests** - The most usual organization represents a business or corporation. Over five hundred firms have lobbyists, public-relations experts, and/or lawyers in Washington, most of them

opening offices since 1970. Other institutions represented in Washington are universities, foundations, and governments. For example, city governments are represented through the National League of Cities, and counties through the National Association of Counties. The National Council on Education speaks for institutions of higher learning.

- **Individual Interests** - Individual Americans are much more likely to join religious and political associations than are citizens in other democracies. Many of the organizations they join are represented in Washington and lobby the government for favorable policies for their interest. Many of the largest interest groups have individual, not institutional, membership. For example, the American Federation of Labor - Congress of Industrial Organizations (AFL-CIO), one of the most powerful labor unions, has more than 13 million members. Other well-known groups, such as the NAACP, the Sierra Club, and the National Organization for Women (NOW), have very large memberships. Religious organizations are also well-represented, such as the influential Christian Coalition.

TYPES OF INTEREST GROUPS

Interest groups may be divided broadly into three general types: economic interests, consumer and public interests, and equality and justice interests. Every interest group does not fit easily into this classification, but many do.

ECONOMIC INTERESTS

Economic groups are concerned primarily with profits, prices, and wages. Although government does not set them directly, government can significantly affect them through regulations, subsidies and contracts, trade policy, and tax advantages.

- **Labor unions** focus on better working conditions and higher wages. To ensure their solidarity, unions have established the **union shop**, which requires new employees to join the union representing them. Employers, on the other hand, have supported right-to-work laws, which argue that union membership should be optional. Some, but by no means all, states have adopted right-to-work laws, but many union members today work in a union shop. In 1970 about 25 percent of the work force belonged to a union, but membership has been declining over the past 25 years or so. By 2000 unions were losing support among the general population, and many strikes were proving to be unsuccessful. However, national labor unions remain today as powerful lobby groups in Washington.
- **Agriculture groups** were once more powerful than they are today, since this once most usual occupation now employs only a small fraction of the American public. For many years, government policies that deal with acreage controls, price supports, and import quotas have been important to farmers. There are several broad-based agricultural groups, such as the National Farmers' Organization and the American Farm Bureau Federation, but equally important are the specialized groups. Different crops have different groups, such as the National Potato Council, the National Peanut Council, and the American Mushroom Institute. As proof of the lobby power of agricultural groups, in May 2002, President George W. Bush signed the Farm Security and Rural Investment Act, which authorized the largest agricultural subsidy in U.S. history.
- **Business groups** - Large corporations, such as General Motors and AT&T, exercise considerable political influence, as do hundreds of smaller corporations. Since the late 1800s government has regulated business practices, and those regulations continue to be a major concern of business interest groups. A less visible type represents trade associations, which are as diverse as the products and services they provide. Examples are life insurance groups, tire manufacturers, restaurants, real estate dealers, and moviemakers. The broadest trade association is the Chamber of Commerce of the United States, a federation of several thousand local chambers of commerce representing more than 200,000 of business firms. The pharmaceutical lobby, which represents many drug manufacturers, is one of the most powerful business lobbies with over 600 registered lobbyists. The industry spent close to \$200 million in 1999-2000 for lobbying and campaign purposes.
- **Professional groups** - Some of the most powerful interest groups are **professional groups** that represent various occupations. Some well-known ones are the American Medical Association, the American Bar Association, the American Association of University Professors, and the National Education Association. These groups are interested in the many government policies that affect their professions. For example, lawyers are licensed by states, which set up certain standards of admission to the state bar. The American Bar Association is interested in influencing those standards. Likewise, the American

Medical Association has been very involved in recent government proposals for nationally sponsored healthcare reforms, especially as they affect doctors.

CONSUMER AND PUBLIC INTEREST GROUPS

Today over two thousand groups champion causes "in the public interest." They differ from many other interest groups in that they seek a collective good, benefits for everyone, not just the members of the interest groups themselves.

- **Public interest groups** began during the 1960s under the leadership of consumer advocate Ralph Nader. Nader first gained national attention with his book, *Unsafe at Any Speed*, which attacked General Motors' Corvair as a dangerous and mechanically deficient automobile. Public Interest Research Groups (PIRGs) actively promote environmental issues, safe energy, consumer protection, and good government. PIRGS have a national membership of more than 400,000, making them one of the largest individual membership organizations in the country. Another well known public interest group is Common Cause, founded in 1970 to promote electoral reform and a political process that is more open to the public. The League of Women Voters, a nonpartisan public interest group, sponsored presidential debates until 2000, when the candidates did not agree with debate rules set by the League.
- **Environmental interests** - A special type of public interest group focuses on **environmental interests**. A few, like the Sierra Club and Audubon Society, were founded in the late 19th century, but most were created after 1970. Environmental groups promote pollution control, wilderness protection, and population control. They have opposed strip-mining, oil pipelines, offshore oil drilling, supersonic aircraft, and nuclear power plants. Their concerns often directly conflict with those of corporations whose activities they wish to control. Energy producers argue that environmentalists oppose energy projects necessary to keep our modern society operating.

EQUALITY AND JUSTICE INTERESTS

Interest groups have championed equal rights and justice, particularly for women and minorities. The oldest and largest of these groups is the National Association for the Advancement of Colored People (NAACP). The NAACP has lobbied and pressed court cases to defend equal rights in voting, employment, and housing. The most prominent women's rights organization is the National Organization for Women (NOW) that pushed for ratification of the Equal Rights Amendment (ERA) in the 1970s. Although the amendment did not pass, NOW still lobbies for an end to sexual discrimination. Other organizations that support equal rights are the National Urban League and the National Women's Political Caucus.

HOW INTEREST GROUPS WORK

Interest groups generally employ four strategies for accomplishing their goals: lobbying, electioneering, litigation, and appealing to the public for support.

LOBBYING

To **lobby** means to attempt to influence government policies. The term was originally used in the mid-seventeenth century to refer to a large room near the English House of Commons where people could plead their cases to members of Parliament. In early United States history, lobbyists traditionally buttonholed members of Congress in the lobbies just outside the chambers of the House or Senate. In the nineteenth century lobbyists were seen as vote buyers who used money to corrupt legislators. Today lobbying is regarded less negatively, but the old stereotypes still remain.

Lobbyists today influence lawmakers and agency bureaucrats in many different ways than cornering them outside their work places. Some of their activities include:

- contacting government officials by phone or letter
- meeting and socializing at conventions
- taking officials to lunch
- testifying at committee hearings.

Members of Congress have learned to rely on lobbyists for information and advice on political strategy. How effective is lobbying? Lobbying clearly works best on people already committed to the lobbyist's point of view, so much of it is directed at reinforcing and strengthening support.

ELECTIONEERING

In order to accomplish their goals, interest groups need to get and keep people in office who support their causes. **Electioneering**, then, is another important part of the work that interest groups do. Many groups aid congressional candidates sympathetic to their interests by providing money for their political campaigns.

Today PACs do most of the electioneering. As campaign costs have risen, PACs have helped pay the bills. About half of the members of the House of Representatives get the majority of their campaign funds from PACs. PACs overwhelmingly support incumbents, although they sometimes play it safe by contributing to the campaigns of challengers as well. Incumbents, however, have voting records to check and also are likely to be reelected. Most candidates, including incumbents, readily accept PAC money.

LITIGATION

If interest groups cannot get what they want from Congress, they may sue businesses or the federal government for action. Environmentalist groups have used this tactic successfully to force businesses to follow government regulations. Even the threat of lawsuits may force businesses to change their ways.

Lawsuits were used successfully during the 1950s by civil rights groups. Civil rights bills were stalled in Congress, so interest groups, such as the National Association for the Advancement of Colored People, turned to the courts to gain a forum for school desegregation, equal housing, and labor market equality.

Interest groups may influence court decisions by filing **amicus curiae** ("friends of the court") briefs, which consist of written arguments submitted to the courts in support of one side of a case or the other. In particularly controversial cases, many briefs may be filed on both sides of the issue. For example, in the case of Regents of the *University of California v. Bakke*, which challenged affirmative action programs as reverse discrimination, over a hundred different groups filed amicus briefings.

Groups may also file **class action lawsuits**, which enable a group of similar plaintiffs to combine their grievances into a single suit. A famous example is *Brown v. the Board of Education of Topeka* in 1954, which not only represented Linda Brown in Topeka, Kansas, but several other children similarly situated around the country.

APPEALING TO THE PUBLIC

Interest groups sometimes may best influence policy making by carefully cultivating their public image. Labor interests may want Americans to see them as hard-working men and women, the backbone of the country. Farmers may favor an image that represents old-fashioned values of working close to the earth in order to feed everyone else. Groups that suffer adverse publicity, like meat and egg producers whose products have been criticized for their high cholesterol and fat content, often advertise to defend their products. Their goal may be not only to promote business and sell their products, but to keep a favorable position among lobby groups in Washington. Because these ads do not directly affect the lobbying process, it is difficult to tell just how successful they are, but more and more groups are turning to high-profile ad campaigns.

THE "RATINGS GAME"

One well-known activity of interest groups is "rating" members of Congress in terms of the amount of support they give to legislation that is favorable to their causes. Many interest groups use these rating systems to describe members' voting records to interested citizens, and other times they use them to embarrass members. For example, environmental groups identified the twelve representatives that were most likely to vote against environmental bills, and named them "the Dirty Dozen." The typical scheme ranges from 0 to 100 percent, reflecting the percentage of times the member supports the group's legislative agenda.

WHERE DO INTEREST GROUPS GET THEIR MONEY?

Most interest groups have to work hard to raise money, but individual membership organizations have more trouble than most. In addition to dues collected from members, groups receive money from three important sources: foundation grants, federal grants and contracts, and direct mail.

- **Foundation grants** - Public interest groups particularly depend on **foundation grants**, funds established usually by prominent families or corporations for philanthropy. The Ford Foundation, for example, contributes to liberal public-interest groups, and the Rockefeller Family Fund almost single-

handedly supports the Environmental Defense Fund. The Bill and Linda Gates Foundation supports many endeavors, including public education.

- **Federal grants and contracts** are not granted directly to organizations for lobbying purposes, but they may be given to support a project the organization supports. For example, Jesse Jackson's community-development organization called PUSH was heavily supported by federal grants from various agencies. The Reagan administration reduced grants to interest groups, at least partly because much of the money was going to liberal causes.
- **Direct solicitation** - Most groups heavily rely on direct mail to solicit funds. By using computers, groups can mail directly to selected individuals identified from lists developed by staff or purchased from other groups. Many groups maintain websites that encourage visitors to contribute to their causes.

EFFECTIVE INTEREST GROUPS

Many factors contribute to the success of an interest group, including its size, intensity and financial resources.

- **Size** - It seems logical that large interest groups would be more effective than small ones, but almost the opposite is true. If a group has a large membership, it tends to have a **free rider** problem. Since there are so many members, individuals tend to think someone else will do the work. It is inherently easier to organize a small, rather than a large, group for action, and interest groups are no exception. The problem is particularly acute for public interest groups who seek benefits for all, not just for themselves. In contrast, smaller business-oriented lobbies often provide tangible, specific advantages for their members.
- **Intensity** - Groups that are intensely committed to their goals are quite logically more successful than those that are not. A single-issue group, devoted to such causes as pro-life, anti-nuclear energy, or gun control, often is most intense. Their members often are willing to actively protest or push for legislation. For example, the proponents of gun control gathered their forces more intensely after the presidential advisor Jim Brady was shot and almost killed during the assassination attempt on Ronald Reagan in 1982. They gathered support from Brady's wife and launched a campaign to regulate guns that culminated in the passage of the Brady Bill in 1993.
- **Financial resources** - An interest group has only a limited influence if it does not have financial resources adequate to carry on its work. Most of their activities - such as lobbying, electioneering, and writing amicus curiae briefs - cost money, so successful fund-raising is crucial to the success of any type of interest group.

THE "REVOLVING DOOR"

Interest groups are often criticized for a type of interaction with government known as the "**revolving door**." Through this practice, government officials - both in Congress and executive agencies - quit their jobs to take positions as lobbyists or consultants to businesses. Many people fear that the "revolving door" may give private interests unfair influence over government decisions. For example, if a government official does a favor for a corporation because he or she is promised a job after leaving government, then the official is not acting for the good of the public.

How widespread is this practice? Does it compromise the government's ability to act only for the public good? The evidence is uncertain. There are high-profile cases, such as that of Michael Deaver, Ronald Reagan's deputy chief of staff who was convicted of perjury after he left his position to work in the private sector. An investigation found that he used government contacts to help the clients of his public-relations firm. On the other hand, businesses argue that former government officials seldom abuse their jobs while in office, and that there is nothing wrong with seeking advice from those who have been in government. According to this point of view, former government employees should be able to use their expertise to gain employment in the private sector.

So, are interest groups contributors or distractors from the democratic process? Do they help or hinder the government in making good decisions that benefit citizens of the country? Does our system of checks and balances work well in keeping the influence of particular groups in proportion to that of others? Whatever your point of view, it is clear that interest groups have had a long-lasting influence on the American political system, and they show no signs of weakening now or in the near future.