Organized Interests *and* American Government

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Organized Interests and American Government

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Preface

CONFLICTING IMAGES OF ORGANIZED INTERESTS

When teaching our courses on the politics of interest representation, we pose a specific challenge to our undergraduate students: we ask them to find a political cartoon offering a positive view of organized interests. Students have no difficulty finding political cartoons featuring interest groups, yet these drawings seem to always cast organized interests in a very harsh light. This consensus stretches right across the ideological divide that separates Americans on political issues. To conservative cartoonists, liberal interest groups are depicted as the loony fringe of politics, while liberal cartoonists, in turn, emphasize the themes of coercion and corruption when spotlighting conservative interest organizations, especially those representing big business. To date, none of our students has ever answered our challenge by identifying a single political cartoon in which organized interests are presented as anything more than instruments of greed and selfishness. Many of these same students, however, are affiliated with one or several organized interests and freely identify with the policy aspirations of many others. Indeed, students typically and rather fiercely defend the role these specific organizations play in democratic politics. And they are not alone. Many political scientists argue that organized interests constitute one of the major conduits—along with voting and political parties—through which citizens first come to understand and then express their policy preferences to public officials. Which of these two images is closer to the truth? This is the question we explore in this book.

ORGANIZATION OF THE BOOK

Our exploration of the politics of interest representation is organized along two tracks. First, underlying the image of organized interests as the Jeckyll and Hyde of American politics is a long running and sometimes intensely contentious social science debate about their role in democratic government. This three-sided debate between pluralists, transactions, and neopluralist scholars is introduced in the first chapter and then carried through all of the topics we examine, albeit more strongly with some than others. More than most political science texts, we also try to identify who the players are in this debate, what they argue, and how they buttress their claims with research. Both the broad frame provided by the three perspectives on organized interests and the details about their arguments are important. It is very difficult to comprehend the large body of research on organized interests if these studies are not organized in some framework that lends meaning to the questions they pose and the answers they offer. But a framework without specific content is a shallow substitute for really understanding and appreciating the debate over the politics of interest representation. In this sense, our needs are no different than those of someone wishing to understand a football game. We cannot fully appreciate the game unless we understand the specific strengths and weaknesses that individual players bring to their teams' efforts. But even with such detailed knowledge, we will be missing something rather important if we do not understand first that these players are organized on teams with competing objectives.

The second organizing theme of the book follows the stages of what we label in the first chapter "the influence production process." In some respects, this is a very fancy name for the series of topics typically addressed in introductory courses on American politics, running from an individual's political participation, through the legislative, executive, and judicial branches of government, to a consideration of public policies. Our chapters follow this conventional outline. Indeed, we hope that this book will find use in such courses as a specific lens through which to understand American politics more generally. In another respect, however, our label suggests something quite new for texts on organized interests. That is, most texts treat the subject's many topics—such as interest group mobilization, lobbying, and campaign spending—as separate and distinct, often ignoring how the lobbying and campaign contributions of organized

interests are related to each other or how both are conditioned by the way in which interest organizations were initially formed or mobilized. One of the central premises of our book is that these topics are best understood as interconnected parts of a whole. How interest groups are mobilized directly influences the lobbying tactics they employ. In turn, how political institutions structure lobbying opportunities may well influence incentives to mobilize. And in the end, both the nature of mobilization and the use of influence tactics determine how successful organized interests are in shaping public policy. Sometimes, anklebones really are connected to shinbones, and the quality of that connection plays a big part in determining how well we can dance. The sequential order of the chapters and the connections among them are purposefully designed to provide students with an integrated view of the politics of interest representation.

PEDAGOGY

Taken together these two organizing themes highlight the central idea of our pedagogical approach to understanding the politics of interest representation. This book provides students with an *integrated* understanding of the long *debate* over the role of organized interests in American politics. Many of the specific topics we consider within this structure will be familiar to students of interest organizations. Still, we introduce two new topics that are not commonly addressed in texts on interest groups. First, Chapter 3 focuses on the dynamics of interest community growth and diversity. Based on cutting edge research, this is the first time that this topic has been examined systematically in a text on organized interests. We argue in Chapter 3 that the density and diversity of interest communities play an important role in linking the mobilization of organized interests to their use of influence tactics. Second, unlike almost all other texts, we discuss the role of organized interests in both state and national politics throughout the book. Indeed, we argue strongly that research on state interest organizations offers important leverage for understanding some issues that are difficult to address when focusing solely on national politics.

Our text also employs two pedagogical tools to help students to better understand the debate over the role of organized interests in American politics. First, we have already noted that we do not shy away from discussing competing theories guiding research on organized

interests. At times, as in Chapter 3's discussion of interest communities, the very abstractness of these theories will challenge students. We try, therefore, to ground our discussion in many specific examples of current policy controversies and a number of examples of specific interest organizations. Some of these discussions of specific interest organizations are presented in text boxes. But many contemporary examples of controversies involving interest organizations drawn from the front pages of America's newspapers and the nightly news—including 2002's financial and accounting scandals, the abuse crisis in the Boston Archdiocese of the Catholic Church, and the debate over the passage and implementation of the Bipartisan Campaign Finance Reform Act—are discussed throughout the body of the text. Second, each chapter ends with a number of questions for students to consider about a specific organized interest that they might be interested in. As noted earlier, a bit of probing almost always identifies groups or organizations that students are members or even leaders of or with which they closely identify or have a strong antipathy toward. Our questions—along with the sources identified in the appendix—are designed to enable students to link these specific interest organizations to the larger debate over the politics of interest representation.

Ultimately, we do not expect students to adopt our views about any specific interest organization, nor do we expect them to adopt one or another side in the larger debate about the role of organized interest in American politics. We do hope, however, that this textbook will help them to be better prepared to participate in that debate as informed citizens.

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The readers provided copious and unusually thoughtful comments that made the text both stronger and more engaging. They also helped us to avoid a number of egregious errors. We hope that we got all of them. If not, it will not be due to a lack of diligence on the part of the readers. Their assistance and hard work are greatly appreciated. Many others contributed to this work, our own undergraduate students foremost. Many of our colleagues at the University of North Carolina at Chapel Hill read all or parts of the manuscript. We especially appreciate the assistance of Virginia Gray, Kevin McGuire, Isaac Unah, Adam Newmark, Susan Webb Yackee, Andrea McAtee, Jennifer Anderson, Chris Witko, Jenny Wolak, and the American Politics Research Group. We also thank the McGraw-Hill team of Monica Eckman and Angela Kao for their patience, enthusiastic coaching, and the ease with which the manuscript moved from idea to print. Finally, we thank Audrey and Gianna for their unswerving support (meow!) throughout the writing process.

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CHAPTER 1

Representing Interests — An Argument

The economy had already been in a downward slide for seven months when terrorists struck the Twin Towers and the Pentagon on the morning of September 11, 2001. Economic prospects sharply dimmed as the stock market collapsed and unemployment rose in the following weeks. The U.S. Congress and the president immediately focused on an economic stimulus package as the remedy. However, the bipartisan unanimity that characterized the immediate aftermath of the terrorist strikes evaporated over the months Congress worked on the stimulus plan. Months of struggle ensued, but a bill was eventually sent to the president.

The politics that shaped the final bill, however, appalled many. Lost in the patriotic fervor following September 11, the stimulus bill was for too long stuck in a maze of special interest pleading. As the *Washington Post* noted, "The major impact of the Republican economic stimulus bill so far has been to stimulate lobbyists to scurry around the halls of Congress like Energizer bunnies, hat in one hand, begging tax breaks for their industries, and campaign contributions in the other."[1] The bill proposed would repeal the corporate alternative minimum tax, which would provide tax refunds of $1.4 billion for IBM, $833 million for General Motors, and $671 million for General Electric. Another proposal would have deferred taxes on overseas corporate profits until they were repatriated, costing the U.S. Treasury $21.3 billion over the next decade. The *Post* concluded that, "We see, once again, why lobbyists are so munificently paid. Critics in and out of Congress are making the point that the Republican

economic stimulus is mutating into a general tax bill—a Christmas tree full of goodies hung there by and for special interests."[2]

Was the *Post*'s assessment correct? Was this episode just another example of special interests exploiting a national calamity for narrow advantage? Or was Congress responding to the public's demand for an economic stimulus package with real punch, even if it necessitated providing tax breaks for a few? These conflicting interpretations hinge on a number of factors, including different views of how the economy works. But they also raise important questions about democratic governance. When is an interest a special interest? Can special interests really influence public officials to the point that the common or general interest is ignored or abused? And what—if anything at all—should be done about the influence of special interests?

These issues and the debates about them are not new. Indeed, they address one of the very problems that James Madison, Alexander Hamilton, and John Jay examined in *The Federalist Papers* as they promoted adoption of a new constitution.[3] The essential problem of self-rule, Madison argued in "Federalist No.10," lies in reconciling our natural, inevitable pursuit of self-interest with the dangers of any one **faction** or interest using government for its own narrow purposes. The solution the founders designed did not abolish self-interest. Rather, as Hamilton, Madison, and Jay argued, the new government would simply make it more difficult for factions, for special interests, to capture the instruments of public authority. Sovereignty was to be shared by state and national governments, each exercising a check on the other. Authority within these governments was further divided between the executive, legislative, and judicial branches. And distinct electoral constituencies and lengths of terms were specified in order to vary the motivations of those securing appointment to public office. To the founders, the resulting system of checks and balances was first and foremost a defense against special interests.[4]

The problem of faction did not disappear, however. As Madison recognized, the pursuit of self-interest is natural and inevitable, and democratic governments, by their very nature, must allow its pursuit through government. Citizens of the United States are guaranteed opportunities to seek redress of grievances and the right of free speech. So, while the institutions of the new constitution may have made it more difficult for one faction to control all of the instruments