



Interest Groups in the American Democracy Part I

Who is in charge?
Is it taxpayers or is it the special interest groups?
Scott Walker



What is an Interest Group?

- ...an organized group that tries to influence public policy
- David Truman
 - one of first to study interest groups
 - **Disturbance Theory:** interest groups form in part to counteract the efforts of other groups
- Robert Salisbury
 - Groups form when resources are inadequate or scarce.
 - expanded Truman's theory
 - stressed the role that leaders play: entrepreneurs



Americans Tend To Be Joiners



Of nine democracies surveyed to assess their level of group membership, only the Netherlands rivaled the United States as a nation of joiners. The Dutch, like the Americans, are particularly likely to participate in religious groups.

	Percent Belonging to No Groups	Percent Belonging to Four or More Groups
Netherlands	15	31
United States	18	19
Germany	33	8
Canada	35	16
Britain	46	9
Italy	59	4
France	61	4
Mexico	64	4
Spain	70	2

In the US, most who join tend to be from upper income levels.

The Roots and Development of American Interest Groups



National Groups Emerge (1830–1889)

- Communication networks enabled nationalization of groups.
- Single-issue groups, deeply rooted in Christian religious revivalism, were first.
 - temperance, peace, education, slavery
- Other groups emerged after the Civil War.
- **lobbyist**: interest group representative who, through political persuasion, seeks to influence legislation that will benefit his/her organization

The Roots and Development of American Interest Groups



The Progressive Era (1890–1920)

- Groups grew out of concern for the impact of rapid industrialization, influx of immigration, monopolistic business practices, crime, poverty, poor working conditions.
- organized labor
 - American Federation of Labor: national federation of labor unions founded in 1886
 - Clayton Act: allowed unions to organize free from prosecution and guaranteed their right to strike
- business groups and trade associations
 - trade association: a group that represents a specific industry, example: National Electric Light Association



The Roots and Development of American Interest Groups

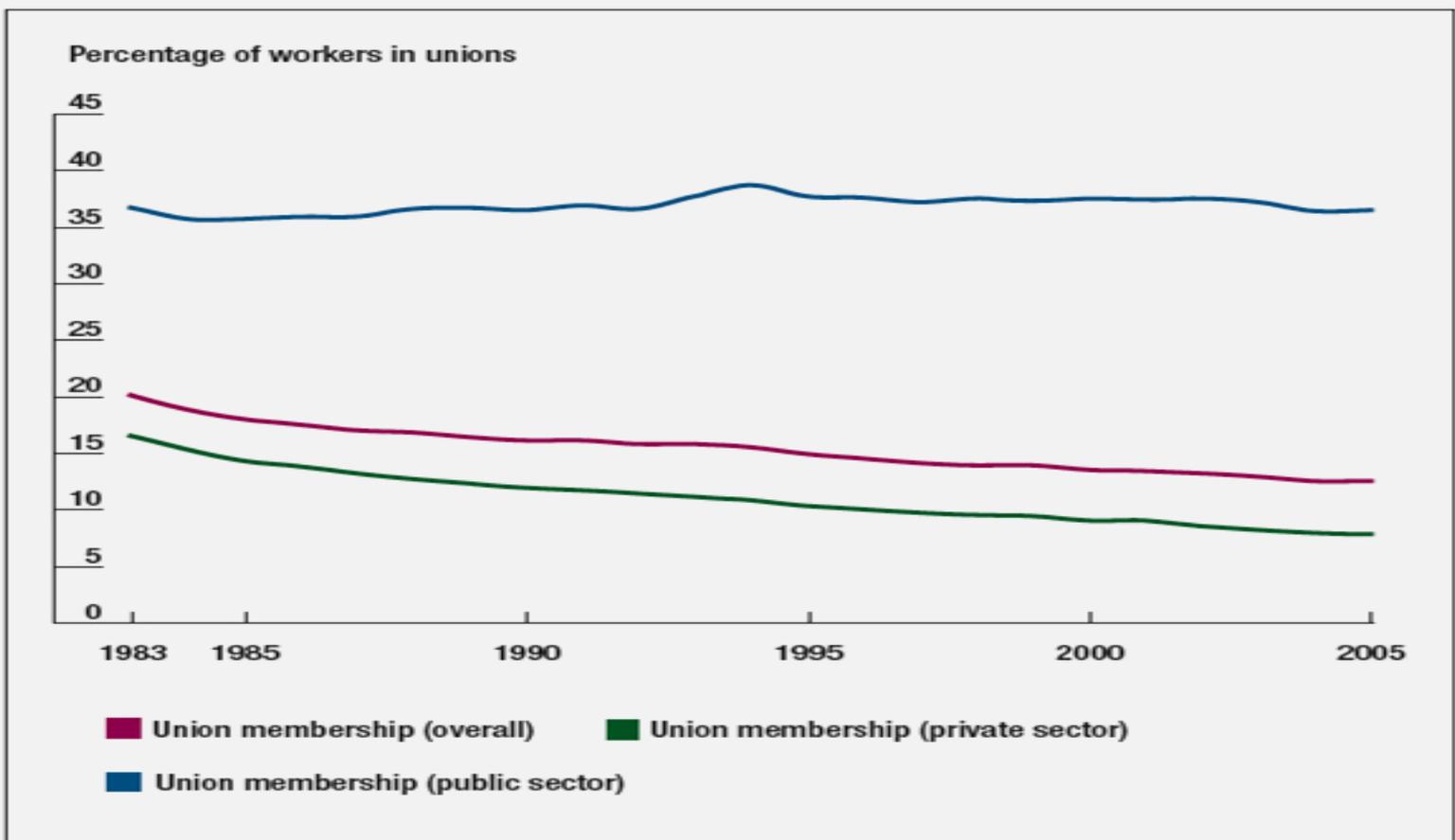


- Organized labor began to emerge as a powerful player early in the 20th century.
 - could turn out large numbers of members to influence elections
 - focus not only on labor issues, but also other issues of concern to members
- More recently labor has lost clout.
 - membership down





Unionized Workers in the US



Union membership in the United States has declined steadily since reaching its high point in the 1950s. Most of the decline is accounted for by declining employment in manufacturing and extractive industries, the traditional centers of labor union strength. Increasingly, the center of labor union strength has moved from the private sector to the public sector, where many schoolteachers, police, bus drivers, and firefighters are unionized.

Source: Bureau of Labor Statistics

The Roots and Development of American Interest Groups



Reappearance of the Progressive Spirit (1960s and 1970s)

- civil rights
- women's rights
- elderly
- poor
- consumers
- environment
- **Common Cause**: nonprofit, nonpartisan citizen's lobbying organization promoting open, honest and accountable government
- **Ralph Nader's Public Citizen**: non-profit, consumer rights advocacy group and think tank based in DC, with a branch in Austin



The Roots and Development of American Interest Groups



Conservative Backlash: Religious and Ideological Groups

- Jerry Falwell and the Moral Majority: a prominent American political organization associated with the Christian right and Republican Party ... founded in 1979 by Jerry Falwell and associates and dissolved in the late 1980s ... played a key role in the mobilization of conservative Christians as a political force and particularly in Republican presidential victories throughout the 1980s
- Pat Robertson, the 700 Club and the Christian Coalition (CCA): Robertson created the Christian Broadcasting Network in 1960, with the 700 Club its flagship television program ... Robertson founded the CCA (1989), a 501(c)(4) Christian advocacy group, using money from his well-funded but failed 1988 bid for the presidency.

The Roots and Development of American Interest Groups



Conservative Backlash: Religious and Ideological Groups

- **National Rifle Association:** nonprofit organization, founded in 1871, which advocates for gun rights ... one of the top three most influential lobbying groups in Washington ... questions about number of members since NRA reportedly keeps deceased life members on the books, inflating membership numbers

Bill/Law	Year	Supported	Opposed
National Firearms Act	1934	X	
Federal Firearms Act	1938	X	
Gun Control Act	1968	X	X
Federal Assault Weapons Ban	1994		X
Protection of Lawful Commerce in Arms Act	2005	X	
Disaster Recovery Personal Protection Act	2006	X	
Assault Weapons Ban	2013		X

The Roots and Development of American Interest Groups



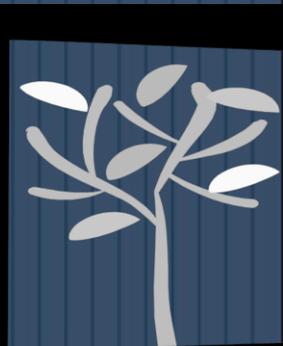
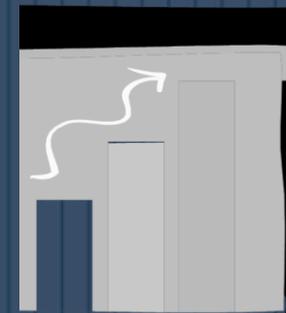
Rise in Business Advocacy Groups

- more political than Chamber of Commerce
 - example: Business Roundtable created in 1972 ... urges members to engage in direct lobbying to influence the course of public policy
- Most large corporations have an advocacy group.
 - governmental affairs department
 - employ DC-based lobbyists to keep them apprised of legislation
 - have given substantial **soft money**: contribution to a political party that is not accounted as going to a particular candidate, thus avoiding various legal limitations
 - use PACs (political action committee), 527s (tax-exempt organization created to influence elections), and thus contribute a great deal of money



Interest Group Development

- Interest group formation has occurred in waves.
 - Post–Civil War
 - Progressive Era
 - Post 1960s (largest wave)
 - Recent generation of interest groups responded to changes in politics and technology.





Interest Group Development

- Interest group formation is tied to the existence of certain structural factors.
- Several features of the American political system, the rules of the political game, encourage the formation of groups.
 - 1st Amendment freedoms of speech and association
 - federalism's decentralization of power: lots of points of access or pressure points
 - checks and balances
 - separation of powers



Interest Group Development

- As government takes on more responsibilities, it has a greater impact on citizens' economic, social and personal lives ... leading to a rise of groups that support or oppose changes.
- When new government agencies are established, new interest groups emerge ... example: Department of Homeland Security.
- Groups form in societies where there are many and diverse interests, such as the US.
- Groups form in a political culture that supports the pursuit of private interests, such as the US.





Interest Group Development: Disturbances

- Groups tend to form and/or grow when people feel that their interests are being threatened.
- example: The Christian Coalition was created when many evangelical Christians began to feel threatened by family breakdown, an increase in the number of abortions, the sexual revolution and the growing voices of gays and lesbians.



Disturbances: NRA Membership



Interest Group Development: Incentives



- Some social scientists argue that even when people feel threatened, they will form groups only if doing so provides them with a selective, **material benefit**.
- If someone can get the benefit without joining the group (known as a **free rider**), then there may be no purpose in joining.
- The free rider problem tends to occur when a group is interested in some collective good that benefits everyone and not just members.
- The proliferation of public interest and ideological groups, suggests that groups also form around purposive and solidaristic incentives.



The Nature and Variety of Interest Groups

- Great Variety of Form



Fair Trade
Association



- formal to informal ... One study found that of 83 public interest groups examined, 30 had *no* membership.
- associations
 - membership groups: individuals make voluntary contributions
 - trade associations: members pay regular dues
- Estimation that almost 80% of interest groups in the 1980s represented professional or occupational constituencies (both profit-seeking and nonprofit).
- The other 20% reflect citizens groups (social movements).

What Interests Are Represented?



Interest groups may be classified by the type of interest they represent.

- **Public interests** are interests that are connected in one way or another to the general welfare of the community.
 - great upsurge in number and influence since the late 1960s
 - advocacy groups, associations representing state and local governments, nonprofit organizations
- **Private interests** are associated with benefits for some fraction of the community.
 - business groups
 - professional groups
 - labor





Kinds of Organized Interests

- Generally, interest group is a term used to describe the numerous organized groups that try to influence government policy.
- [Alphabetical Listing of Industries](#)
- private interest groups
- economic interest groups
- political action committees
- public interest groups
- governmental units
- multi-issue vs. single issue groups



Public Interests vs. Private Interests

Interest	Interest subtypes	Association examples
<i>Private Interests (focus on protections and gains for their members)</i>		
Business	Corporations that lobby on their own behalf	Microsoft Boeing
	Trade Associations	Chemical Manufacturers Association National Cattlemen's Beef Association
	Peak Business Organizations	Business Round Table Federation of Small Businesses
	Professions	Doctors
Dentists		American Dental Association
Accountants		National Society of Accountants
Lawyers		American Bar Association
Labor	Union	International Brotherhood of Teamsters
	Union Federation	AFL-CIO
<i>Public Interests (focus on protections and gains for a broader public or society in general)</i>		
Ideological and Cause	Environment	The Sierra Club
	Pro-choice	National Abortion Rights Action League
	Pro-life	Focus on the Family
	Anti-tax	Americans for Tax Reform
	Civil rights	National Association for the Advancement of Colored People Human Rights Campaign
Nonprofit sector	Medical	American Hospital Association
	Charitable	American Red Cross
Governmental entities	State	National Conference of State Legislatures
	Local	National Association of Counties

Profiles of Selected Interest Groups



<i>Name (Founded)</i>	<i>Single- or Multi-issue</i>	<i>Members</i>	<i>PAC</i>	<i>2003-2004 Election Cycle PAC Donation</i>
<i>Economic Groups</i>				
AFL-CIO (1886)	M	13 million	AFL-CIO	\$1.2 million
American Medical Association (AMA) (1847)	M	300,000	AMA PAC	\$3.1 million
Association of Trial Lawyers of America (1946)	M	65,000	ATLA PAC	\$2 million
National Association of Manufacturers (NAM) (1895)	M	18 million	Inactive	
U.S. Chamber of Commerce (1912)	M	3 million companies	U.S. Chamber of Commerce PAC	\$155,805
<i>Public Interest Groups</i>				
AARP (1958)	M	35 million	no	
Amnesty International U.S.A. (1961)	S	386,000	no	
League of United Latin American Citizens (LULAC) (1929)	M	115,000	no	
NARAL Pro-Choice America (1969)	S	500,000	NARAL- Pro Choice America PAC	\$2.47 million
National Association for the Advancement of Colored People (NAACP) (1909)	M	500,000	no	
Human Rights Campaign (1980)	S	450,000	HRC PAC	\$1.37 million
National Right to Life Committee	S	400,000	National Right to Life PAC	\$1.36 million
<i>Environmental Groups</i>				
Environmental Defense Fund (1967)	S	300,000	no	
Greenpeace USA (1971)	S	350,000	no	
Sierra Club (1892)	S	700,000	Sierra Club Political Committee	\$650,000
<i>Good Government Groups</i>				
Common Cause (1970)	S	200,000	no	
Public Citizen, Inc. (1971)	M	150,000	no	
MoveOn.org (1998)	M	1,000,000	MoveOn PAC	\$20.9 million

The Special Place of Business Corporations



- Scholars have found that **corporations** dominate other interest groups in the policy process in terms of:
 - number of organizations
 - number of lobbyists
 - level of resources
 - mobility
 - ability to shape public perceptions
- traditionally held in high regard and viewed as link to healthy economy
- Nonetheless, corporate power waxes and wanes within its overall privileged position. Corporations are most powerful in **good economic times** and when they **build alliances** among themselves.

Corporations have the same rights as human beings for purposes of spending money to influence elections.



Roles of Interest Groups in a Democratic Society



- Roles of Interest Groups
 - shape public policy
 - influence the behavior of political decision makers
 - inform the public and elected officials
 - link citizens and government, convey the views of individuals and groups to public officials
 - link the state and local political systems to the national political system

allow a community to approach their legislator through more effective means than disorganized individuals would be able to achieve





Forming and Maintaining Interest Groups

- Millions do not join groups.
 - In many cases, an interest group may include only 1% or less of its potential membership.
- Not all interests form groups.
- A common interest may be a *necessary* condition for a group, but it is not a *sufficient* condition ... also need *resources*.



Forming and Maintaining Interest Groups

- If all interests are not represented, politics may be biased.
- Moreover, when interest groups are formed, members often must work hard to maintain them.
- Groups need to provide incentives to members to justify the investment of members' resources.





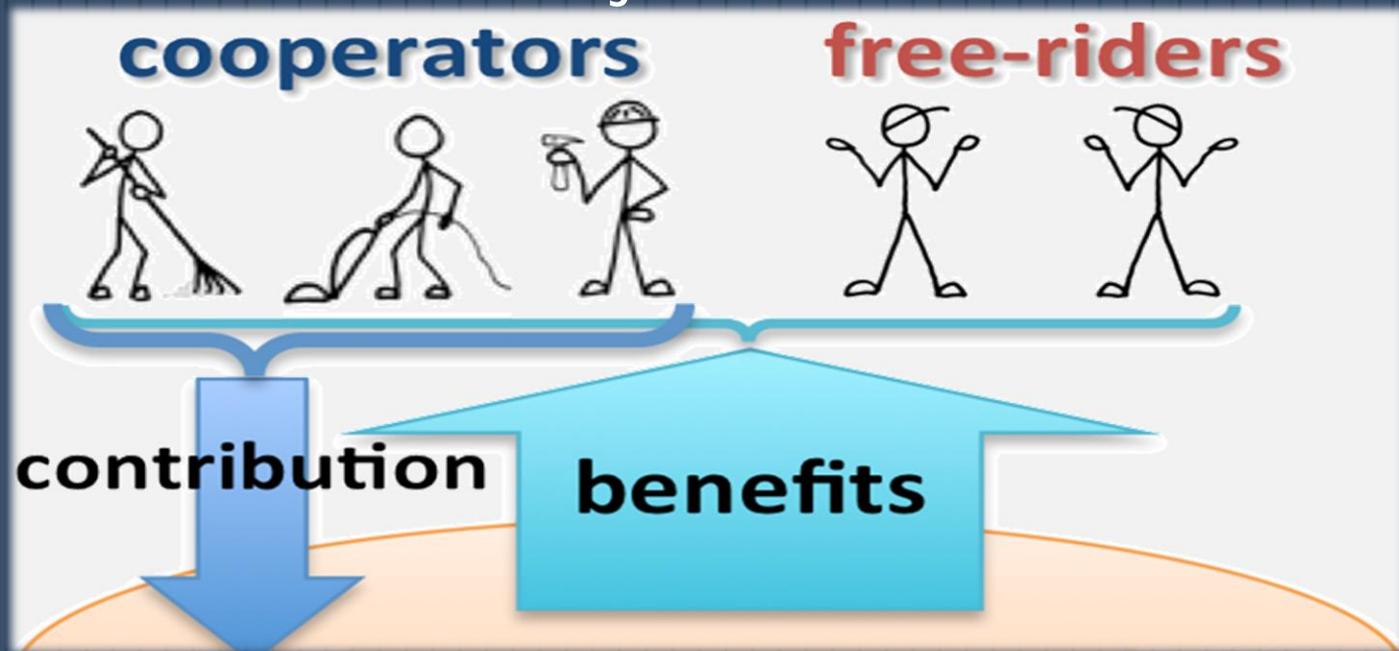
Forming and Maintaining Interest Groups

- Types of incentives
 - **material incentives**: join for economic reasons, money, things, services
 - **solidaristic incentives**: join for social reasons, pleasure, companionship
 - **purposive incentives**: join to advance a group's social and/or political goals/purposes ... two types: **ideological** and **public interest**



Forming and Maintaining Interest Groups: Free-Riders

The **free rider problem** (individual can get the benefit without bearing any of the costs) tends to occur when a group is interested in some collective good that benefits everyone and not just members.





The Free Rider Problem

- Free-riding occurs when individuals believe that the attainment of a group's goal has little relationship to their personal contributions. Two elements encourage individuals to free-ride.
 - **negligible contribution:** An individual believes his/her personal contribution to attaining a goal is so small as to be unnoticeable. Why contribute money, time or effort? What will \$20 do?
 - **goal attainment regardless of contribution:** An individual believes the group will still attain the goal even without the individual's contribution.



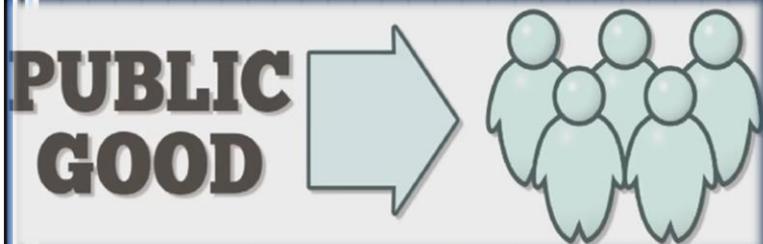
The Free Rider Problem

- Free-riding effects larger groups to a greater degree.
- In small groups, social pressure creates an incentive to contribute.
- All things being equal, the free rider problem is more serious the greater the distance from and the greater the abstractness of the benefit the group seeks to achieve.
- example: A group trying to reduce world hunger will have more free riders than a group feeding the poor in its neighborhood.



The Free Rider Problem

- Public Goods
 - goods that you can enjoy without contributing by free-riding on the efforts of those who do
- Private Goods
 - goods that you must purchase to enjoy, and your consumption of which means that others cannot consume them
- The free rider problem implies that democratic politics will favor narrow special interests at the expense of broader public interests.



Overcoming the Free Rider Problem



- **coercion**: social pressure or force to make people join in a collective effort
 - **milder form**: Practicing law usually requires membership in the state bar association.
 - Some trades require a state license or official certification. Those who wish to participate must go through formal processes and join particular organizations.
 - declining as means of overcoming free-riding

Overcoming the Free Rider Problem



○ Increasing Perceived Impact

- Groups may reformulate their appeals in order to suggest that even small contributions have a concrete impact.
- example: UNICEF's penny collections

○ Social Movements

- broad-based demand for government action on some problem or issue, such as civil rights for blacks and women or environmental protection
- example: abolitionist movement, Populist and labor movements, women's suffrage movement, civil rights movement, equal rights movement, religious right movement, etc



Overcoming the Free Rider Problem



- Selective Benefits
 - additional benefits of belonging to an organization that are limited to contributing members of the organization
 - example: AARP offers access to mail order pharmacy services (where volume decreases price paid by individuals), to low cost auto, health and life insurance, to discounts on hotels, airfares and car rentals, etc to those who join.



Continued in
Interest Groups in the
American Democracy Part II