

Special Interest Groups— Lobbyists and PACs

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CONTEMPORARY CONNECTION

The National Rifle Association (NRA) has successfully lobbied against legislation that would reinstate the Assault Weapons Ban and laws that would establish stricter background checks when buying guns. They also are active fighting for gun rights on the state level. This chapter explores the nature and evolution of the last linkage institution, special interest groups, and how they act as advocates in the legislative process and campaigns.



Special interest groups, including their lobbyists and political action committees, have been one of the most criticized components of the political process. This chapter will explore the reasons why special interest groups exist, how they developed, and the roles they play in the political process.

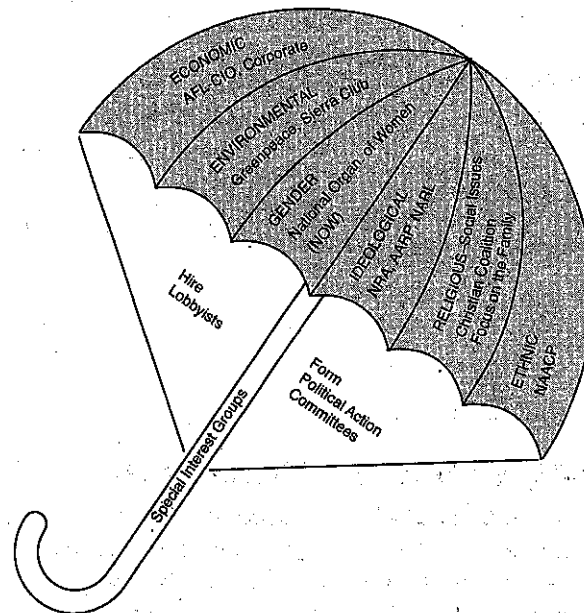
We will also apply the group theory that we introduced in Chapter 1 illustrating how special interests operate in the context of a pluralist, hyperpluralist, and elite society. These interest groups all reflect specialized characteristics and can be classified by categories such as economic, occupational, environmental, and minority. The main role of these groups is to influence public policy and the policymakers through lobbying efforts, the formation of political action committees, and legal action.

We will look at the successes and failures of these groups through case studies. When you look at the money spent in the efforts to get senators and representatives to vote for a particular bill and the perks given to them as well as the contributions made to reelection committees, you will understand why citizen groups are calling for major legislative reforms. We conclude the chapter by taking a look at these reform efforts and evaluating future trends.

Interest groups have common traits and functions and have the common goal of attracting a membership that is interested in affecting public policymaking.

CHARACTERISTICS

For the purposes of establishing a common understanding, the definition of an interest group is a linkage group that is a public or private organization, affiliation, or committee that has as its goal the dissemination of its membership's viewpoint. The result will be persuading public policy-makers to respond to the group's perspective. The interest groups' goals are carried out by special interests in the form of lobbyists and political action committees. They can take on an affiliation based on specialized memberships such as unions, associations, leagues, and committees.



Interest groups and political parties are both characterized by group identification and group affiliation. However, they differ in the fact that interest groups do not nominate candidates for political office. Their function is to influence officeholders rather than end up as elected officials; and they are responsible only to a very narrow constituency. Interest groups can also make up their own by-laws, which govern the manner in which they run their organizations. Because the major function of these groups is the advocacy or opposition of specific public policies, they can attract members from a large geographic area. The only criterion is that the person joining the group has the same interests and attitudes toward the goals of the organization.

In trying to persuade elected officials to a group's position, these groups also provide a great deal of specialized information to legislators. Group advocates also claim they provide an additional check and balance to the legislative system. Critics of the growth of specialized groups claim they are partly responsible for gridlock in government. In addition, critics point to the manner in which groups gain access to elected officials as a tradeoff for political contributions.

Once a specialized group is formed, it also has internal functions such as attracting and keeping a viable membership. Groups accomplish this by making promises to their membership that they will be able to succeed in their political goals, which in the end will benefit the political, economic, or social needs of the members. For example, if people want stricter laws against drunk driving and join Mothers Against Drunk Driving (MADD), they feel a political and social sense of accomplishment when federal law dictates a national minimum drinking age in return for federal aid to states for highway construction. For these groups to succeed, they also must have an adequate financial base to establish effective lobbying efforts or create separate political action committees. Dues may be charged or fundraisers might be held. The internal organization will certainly have elected officers responsible to their membership.

Group Theory

The nature of group membership is not representative of the population as a whole; consequently, the importance of group theory will help explain the context in which special interest groups develop. It is interesting to note that many groups have as their members people with higher than average income and education levels and people who are white-collar workers. However, this is balanced by the number of groups that have proliferated and represent the interests of union members and blue-collar workers. Therefore, when we look again at the group theory described in Chapter 1, you will have a better understanding of group dynamics.

As discussed earlier, there are three potential kinds of group activity—pluralist, majoritarian, and elite. Pluralism suggests that a centrist position results because there is a more far-reaching and balancing group representation. Elite theory defines group behavior as deriving from an upper class. Even though we can make the argument that many interest groups are elitist in nature because of the socioeconomic characteristics of their membership and that there are so many competing groups that can cause gridlock in government, these groups often compete with each other in a manner consistent with pluralism.

Let's support this assertion by briefly describing the characteristics of each of these theories as they relate to special interest groups. Pluralists maintain that

- competing groups are healthy because they provide a political connection to government, offering government officials a choice;
- the competition often clarifies information and prevents any one group from dominating government; and
- competing groups have each developed political strategies to achieve their goals and that eventually the resources of one group will independently affect governmental policy.

Critics of elitist group theory maintain that

- power is concentrated by the largest and richest organizations;
- the unequal nature of the power of groups negates the fact that groups are proliferating; and
- ultimately money talks, and these large groups will have the most influence.

Critics of the majoritarian model of government maintain that:

- direct democracy that relies on majority rule defeats the idea of a representative form of government.
- this model can result in a violation of minority rights since all decisions are made by majority rule.
- a majority rule approach to government can only work on a limited basis such as in a "town meeting" setting.

HISTORICAL BACKGROUND

James Madison wrote in Federalist Paper No. 10, "By a faction, I understand a number of citizens, whether amounting to a majority or minority of the whole, who are united . . . by some common . . . interest, adverse to the rights of other citizens, or to the permanent and aggregate interests of the community." He even went as far as saying that "the regulation of these various and interfering interests forms of the principal task of modern Legislation. . . ."

Madison's view was that the development of factions was an inevitable feature of society. Even though he was fearful of their potential, he did not make the argument that they should be abolished. He felt that the separation of powers of the three branches of government and the division of government between the national and local governments would, in the end, provide enough

The group theory of modern government encourages the development of special interest groups.

The fear and deep suspicion of special interest groups goes back to the early days of the republic.

Interest groups are categorized according to their function. They all have one common goal—to make their viewpoints part of the political agenda.

government protection and regulation of these interests. In addition the formation of political parties became an additional balance to the formation of private interest groups, many of which were economically based during the early stages of our country's existence.

One of the first examples of why Madison felt factions could be potentially dangerous was Shays' Rebellion. Daniel Shays organized a group of unhappy farmers attempting to help them forestall foreclosure of their land. Frustrated in their attempts to get government relief, they took up arms. Shays was arrested, and the revolt failed.

Once the Constitution was ratified and the Bill of Rights was added, the First Amendment seemed to give legitimacy to the formation of special interest groups. Their right of free assembly, free speech, and free press and the right to petition seemed to create a validity for group formation. Taken together, groups felt they could associate with each other, free from government interference, disseminate the issues that they believe in to their membership and to government officials, and attempt to influence the course of public policy.

MODE OF OPERATION

As interest groups have grown in number and size, they have also become specialized, representing various concerns. The following represents a cross section of the different kinds of interest groups that have organizations:

- Economic and occupational including business and labor groups, trade associations, agricultural groups, and professional associations
 - National Association of Manufacturers
 - Airline Pilots Association
 - AFL-CIO
 - American Farm Bureau
 - United States Chamber of Commerce
- Energy and environmental
 - American Petroleum Institute
 - Sierra Club
- Religious, racial, gender, and ethnic
 - National Organization for Women
 - National Association for the Advancement of Colored People
 - National Urban League
- Political, professional, and ideological
 - Common Cause
 - American Medical Association
 - Veterans of Foreign Wars
 - National Rifle Association

The majority of these groups have headquarters in Washington, D.C., and they all have operating budgets and staffs. Most have hired lobbyists who make contacts with senators and representatives as well as the executive branch. Many have separate political action committees with well-financed budgets. They place their views on the political agenda through the following techniques:

- testifying at congressional hearings
- contacting government officials directly
- providing officials with research information

- sending letters to their own membership
- trying to influence the press to present their point of view
- suggesting and supporting legislation
- hiring lobbyists
- giving senators and representatives feedback from their constituents
- making contributions through PACs to campaign committees
- taking congressmen on trips or to dinner
- endorsing candidates
- working on the campaigns

All these groups and techniques have the potential of helping the legislative process because they do help inform office holders. They also provide elected officials with a viable strategy and a base of support. These groups also have the expertise to give elected officials an additional slant to a problem. Unlike other constituents who have hidden agendas, special interest groups place their goals on the table, up front.

LOBBYISTS

Lobbyists are the primary instruments for fostering a special interest group's goals to the policymakers. The term comes from people who literally wait in the lobbies of legislative bodies for senators and representatives to go to and from the floor of the legislatures. Manuals have been published for lobbyists outlining the best ways for a lobbyist to be successful. Some of the techniques include:

- knowing as much as you can about the political situation and the people involved
- understanding the goals of the group and determining who you want to see
- being truthful in the way you deal with people
- working closely with the interest group that hired you
- keeping the people you are trying to convince in your corner by telling them of the support they will receive if they agree to the position of the group
- following up on all meetings, making sure the results you want do not change

Recently, the image of lobbyists has taken a blow because they have attracted negative publicity. Former government officials who become lobbyists have been criticized because they can take unfair advantage of contacts they developed when they were in office. An additional accusation has been made against government appointees who were former lobbyists but still maintain a relationship with the special interest group they worked for before getting the position. In 2006, lobbyist Jack Abramoff was convicted of illegal lobbying practices. As a result, Congress became embroiled in a scandal that revealed what many called a "culture of corruption."

On the other hand, lobbyists also play a positive role as specialists. When tax reform was being considered in the 1980s and 1990s, lobbyists provided an expertise to congressional committees considering the bills. Sometimes lobby coalitions are formed when extremely important and far-reaching legislation, such as healthcare reform, is under consideration. Lobbyists may also take legal action on behalf of the interest group. They file friend of the court (*amicus curiae*) briefs or may be part of a class action suit. Cases such as *Brown v Board of Education*, *Roe v Wade*, and *Regents of California v Bakke* attracted a great deal of attention and numerous third-party briefs. Lobbyists may also provide ratings of officials. Groups such as Americans for Democratic Action and the American Conservative Union give annual ratings based on their political ideologies. Lobbyists and special interest groups also use the media to push their viewpoint. During the energy crisis, lobbyists for Mobil ran ads that resembled columns, explaining its point of view.

Lobbyists provide interest groups with specialists to advance their causes and influence policymaking.

Political action committees (PACs) raise money from special interest constituents and donate hard and soft money to political parties and candidates.

POLITICAL ACTION COMMITTEES (PACs)

When an interest group gets involved directly in the political process, it forms separate political action committees. These PACs raise money from the special interest group's constituents and make contributions to political campaigns on behalf of the special interest. The amount of money contributed over the last few elections has been staggering. PACs such as the National Rifle Association (NRA), labor's "Vote Cope," American Bankers Association (BANKPAC), PAC of the National Automobile Dealers Association, Black Political Action Committees (BlackPAC), and Council for a Strong National Defense have made major contributions to political campaigns and have had a tremendous impact on local and national elections.

The amount of contributions to congressional campaigns by PACs has skyrocketed from 1981 to 2012. From 1981 to 1982, \$83.7 million was contributed to candidates for the House and Senate, as compared with over \$285 million contributed to candidates running for the House and Senate in 2011-2012.

Top 10 PAC Contributors to Candidates, 2015-2016						
Rank	Organization	Total Contributions	To Democrats & Liberals	To Republicans & Conservatives	Percent to Democrats & Liberals	Percent to Republicans & Conservatives
1	Fahr LLC	\$66,860,491	\$66,610,491	\$0	100%	0%
2	Renaissance Technologies	\$50,368,646	\$26,150,646	\$22,972,000	53%	47%
3	Paloma Partners	\$38,693,300	\$38,620,000	\$3,300	100%	0%
4	Newsweb Corp	\$34,303,441	\$34,298,041	\$0	100%	0%
5	Las Vegas Sands	\$26,323,571	\$43,341	\$25,799,530	0%	100%
6	Elliott Management	\$24,580,672	\$37,700	\$24,541,972	0%	100%
7	Carpenters & Joiners Union	\$23,720,563	\$23,278,997	\$436,816	98%	2%
8	National Education Assn	\$23,299,929	\$21,185,259	\$366,570	98%	2%
9	Soros Fund Management	\$23,251,198	\$21,670,483	\$1,037,215	95%	5%
10	Priorities USA/ Priorities USA Action	\$23,233,239	\$21,060,341	\$0	100%	0%

Congressional candidates raised billions of dollars in the 2014 midterm elections, a significant increase from the 2006 election cycle. In 2006, House candidates raised \$544 million, up 18 percent from 2002, while Senate candidates raised \$350 million dollars, up 15 percent from 2002. In 2014, congressional candidates and outside groups spent over \$3.67 billion, shattering all records.

The Difference Between Lobbyists, PACs, Super PACs (Independent Expenditure Committees), 527 Super PACs, and Social Welfare Organizations 501(c)4 Groups

There is confusion regarding the differences between lobbyists, political action committees (PACs), Super PACs (Independent Expenditure Committees), and Social Welfare organizations also known as 501(c)4 groups:

There are different types of Political Action Committees that have different regulations governing their operations. The one thing they all have in common is the goal of influencing the outcome of elections on the local, state, and federal levels.

- **Lobbyists:** As previously described, lobbyists represent special interest groups. They provide information to legislators and advocate their group's positions. Lobbyists do not contribute money to candidates or office holders. Congressional law dictates how much money a lobbyist can spend when meeting with a legislator.
- **Political Action Committees (PACs):** PACs can be formed by special interest groups, elected officials, and candidates running for office. PACs formed by special interest groups can raise money, contribute money to candidates, and spend money advocating their positions. PACs formed by elected officials and candidates running for office can raise money and spend money on advancing their own campaigns, or they can contribute money to other candidates. An example of this type of PAC was "Ready for Hillary," the political action committee that was formed to encourage Hillary Clinton to run for president in 2016.
- **Super PACs, aka Independent Expenditure Committees:** These committees are regulated by the Federal Election Commission, and they are supposed to act independently from any candidate or campaign. Independent Expenditure Committees cannot contribute directly to any campaign. They raise money for the purpose of supporting a candidate's positions on specific issues through political advertisements. The Club for Growth is an independent committee that supports candidates who pledge that they would not vote to raise taxes.
- **527 Super PACs:** Also independent expenditure committees, these PACs can create independent expenditure accounts that can accept donations without limits from individuals, corporations, labor unions, and other political action committees (thanks to the decision made by the U.S. Supreme Court in the *Citizens United* case). 527 groups have proliferated and play a significant role in congressional and presidential elections. Examples of 527 groups are Priorities USA (supporting Democratic candidates), American Crossroads, and Americans for Prosperity (supporting Republican candidates). By law, they cannot coordinate their spending with the candidates they support.
- **Social Welfare Organizations aka 501(c)4 groups:** These Super PACs are recognized by the Internal Revenue Service as "Tax Exempt Social Welfare Organizations" formed for the purpose of improving the social welfare of society. There are no limits on how much money they can raise. They can spend money on political advertising that supports their goals, as long as that political activity is not the sole purpose of the group. They differ from 527 groups because they do not have to disclose publicly the names of their contributors. Crossroads GPS is an example of a 501(c)4 group. Such groups have been criticized because of the anonymity of their donors. They have also played a major role in congressional and presidential elections.

PUBLIC AWARENESS AND EFFECTIVENESS

The success and failure of interest groups, lobbyists, and PACs to achieve their goals depends, to a large extent, on their public image and their ultimate ability to influence the outcome of public policy.

In order for an interest group to succeed, not only must a public awareness of the group's position take place but legislators must also accept the bill of sale presented to them. There is no doubt that the National Rifle Association's membership consists of a small percentage of the American public. Yet because of its image, for example, the "We are the NRA" commercials and its advocacy of the constitutional right to bear arms, the public is certainly aware of its stand, and polls indicate that many people support its position.

The National Rifle Association is a good example of how a special interest group successfully influences public policy. From 1994 to 2012, the NRA's political influence has been felt by both parties. In 1994, they successfully campaigned against Democrats who voted for the assault weapons ban, a key to the Republicans taking over Congress. After the tragic mass shooting of elementary school children and teachers at Sandy Hook Elementary school in 2012, public opinion shifted in favor of gun control legislation. Universal background checks, penalties for gun trafficking, regulation of the number of magazine clips, and a new assault weapons ban were part of the legislative agenda. The NRA opposed these measures citing Second Amendment concerns. Ultimately Congress failed to approve any new gun control measures.

ONE OF THE AIMS OF THE NATIONAL RIFLE ASSOCIATION IS TO SUPPORT THE RIGHT TO BEAR ARMS



There are very few consistent winners or losers in the attempts by special interests to control the policy agenda. What is clear is that, when the system works, compromise and bipartisanship take place. What is also evident is that when the system breaks down, gridlock occurs, and special interests are called to task. Whether Madison was right in his concern about factions is debatable. They are an important part of the political process. They have major constituencies who rely on them as much as they rely on elected officials.

