

INTEREST GROUPS

An **interest group** is an organization whose members share common concerns, and try to influence government policies that impact those concerns. Elected officials frequently complain about the influence of “special interests” on American politics. The fact is, however, that interest groups work closely with members of Congress and the administration to draft legislation and policy initiatives, provide information both to government and the public on a broad range of topical issues, and contribute significantly to political campaigns. The number of interest groups has grown dramatically in recent years, and it is difficult to think of a segment of American society that is not represented by one.

Types of Interest Groups

Interest groups can be classified as to the groups that they represent. Examples of economic interest groups include the following:

- Big business (National Association of Manufacturers)
- Big unions (AFL-CIO)
- Trade associations concerned with a particular industry or segment of the economy (American Petroleum Institute)
- Organizations of professionals (American Medical Association)

The goal of these groups is to protect the economic well-being of their clients or members. The AMA, for instance, long opposed Medicare and the development of health maintenance organizations (HMOs) as “socialized medicine” in favor of traditional fee-for-service.

Public interest groups support policies that benefit most Americans or the country as a whole regardless of whether the people who join these organizations are helped or not. Examples of such groups are Ralph Nader’s Public Citizen and the League of Women Voters. Public Citizen is broadly concerned with consumer advocacy, including such issues as automobile safety (Nader’s *Unsafe At Any Speed*), the environment, health care, world trade, and globalization. The League of Women Voters promotes voter education by making information available on how to vote and candidates running for office, but is also involved in such political areas as election and campaign finance reform. Environmental organizations such as the Sierra Club and the Environmental Defense Fund also fit into the definition of a public interest group.

A third large category is composed of equity interest groups that focus on protecting the rights and interests of people who have historically faced discrimination on the basis of race/ethnicity, gender, and sexual orientation. This category includes the National Association for the Advancement of Colored People (NAACP), the Mexican American Legal Defense and

Educational Fund (MALDEF), the National Organization for Women (NOW), the Anti-Defamation League (ADL), the Arab American Anti-Discrimination Committee, and the National Gay & Lesbian Task Force. These groups are not narrowly concerned with civil rights. The NAACP and other African American organizations actively supported efforts to end apartheid in South Africa while both the ADL and the Arab American Anti-Discrimination Committee take positions on the Middle East conflict.

This does not exhaust the list of interest groups by any means. Because of the nature of the federal system, there are government interest groups such as the National Governors' Association and the U.S. Conference of Mayors that bring state and municipal issues to decision-makers in Washington. The National Rifle Association (NRA) and organizations on both sides of the abortion debate — such as the National Right to Life Committee and the National Abortion Rights Action League — are single-issue interest groups. Political organizations on the left and the right, for instance, Americans for Democratic Action (ADA) and the American Conservative Union (ACU), respectively, are considered ideological interest groups. Interest groups also represent different religions on a range of issues. The American Jewish Committee, the Christian Coalition, the Council on American Islamic Relations, and the U.S. Catholic Conference are examples.

Interest Groups and Their Members

Interest groups are composed of institutional/corporate members or individuals. Although there is probably nothing to prevent you from joining the American Public Power Association (APPA), its true dues-paying constituents are municipally owned electric utilities, rural electric cooperatives, and state power authorities. The American Association of Retired Persons (AARP), on the other hand, is primarily made up of men and women over the age of 50. It is clear why the Sacramento Municipal Utility District is a member of APPA; it needs a voice in Washington on such issues as competition with private utilities in a deregulated market, oil and natural gas prices, and a range of environmental problems. But who joins an interest group like AARP and why?

Research confirms that membership in an interest group parallels voting patterns; the higher the income and education level, the more likely a person is to join. The most obvious reason for becoming involved is that you support the purpose and the goals of the organization, and appreciate that protecting the environment or improving the health care system requires the strength of numbers. There also are often very tangible and immediate benefits of membership in an interest group. The National Education Association (NEA), for example, offers its 2.6 million members health and life insurance programs, access to special money market funds and home financing, and discounts on rental cars and vacation packages. Interest groups certainly recognize the need to maintain and increase membership, which is an important source of their funding and their political clout. In addition to enhancing the benefit package, they keep members informed about how they are doing in Washington or the state capitol through newsletters, direct mailing, and the Internet. Those 2.6 million members make a difference when a lobbyist for the NEA meets with a member of Congress on an education bill.

The function of an interest group is to represent its members, but membership never comes close to all the people that could join; for instance, less than half of Americans over 50 are active in the AARP and a relatively small percentage of African Americans are in the NAACP. Let's say the AARP plays a key role in getting Congress to pass and the president to sign legislation providing federal funding of certain prescription drugs. The law helps out all Americans on social security, not all of whom are actually members. This is an example of the **free-rider problem** — there is little incentive to either join the organization or become an active participant, if you will reap the benefits anyway. If enough people think this way and become free-riders, membership in the interest group will decline and it will become less effective.

What Interest Groups Do

Interest groups educate their members, the public at large, legislators, and bureaucrats about the issues of concern to them. They have an expertise in a policy area, and disseminate information through newsletters, news releases, magazines and books, conferences, reports, and Websites. In addition to publishing *Modern Maturity* and its annual report, for instance, the AARP conducts or sponsors research on a broad range of age-related topics such as assisted living, long-term care insurance, and social security. A recent issue of *Modern Maturity* carried an article rating the top 50 hospitals in the country. Other interest groups rate legislators on how well their voting record conforms to their policy goals. A high or low rating from the American Civil Liberties Union or the Consumer Federation of America is information that a voter may find helpful.

Lobbying is the way in which interest groups try to influence public policy. An interest group may have lobbyists on staff or may hire a law or public relations firm to do the job. While operating wherever public policy is made, lobbyists do most of their work within the state and federal government.

A distinction can be made between “inside” and “outside” lobbying. The key to the former is personal contact with elected officials and their staffs. Inside lobbyists testify before congressional committees on bills as well as before federal agencies considering a change in regulations; indeed, they may propose or even draft the legislation and the new rule. Mothers Against Drunk Driving (MADD) was the driving force behind a 1986 law that withheld a portion of the federal highway funds from states who did not raise their minimum drinking age to 21. Inside lobbyists meet with officials to present their perspective on issues. Representatives of the energy industry provided input to Vice President Dick Cheney on the formulation of energy policy early in the Bush Administration. Inside lobbyists representing various interest groups certainly make their views known at the confirmation of cabinet members and federal judges: Women's organizations, for instance, strongly opposed the confirmation of Clarence Thomas to the Supreme Court.

Lobbying is not always one on one, nor is it always directed at the government. Outside lobbying, more accurately described as **grassroots lobbying**, is an effort to mobilize public opinion and put pressure on public officials. It may involve organizing a letter writing or e-mail campaign or taking out ads in the print and broadcast media in support of an issue. Organized

labor's attack against the North American Free Trade Agreement (NAFTA) is a good example of grassroots lobbying. Labor's ads on billboards and newspapers as well as television/ radio spots emphasized that the Agreement would export American jobs to other countries.

Another way interest groups try to affect policy is through the courts. Public interest law firms can bring suits challenging a law or federal regulation on behalf of an individual or a group of individuals. The NAACP Legal Defense and Education Fund initiated the case that culminated in the Supreme Court's landmark *Brown v. Board of Education* (1954) decision against school segregation. The American Civil Liberties Union (ACLU) not only monitors the courts, but is often a party to litigation on First Amendment issues. It raised the challenge to the Communications Decency Act, which the Supreme Court found unconstitutional in *Reno v. ACLU* (1997). A more common practice is for interest groups to file amicus curiae (friend of the court) briefs in cases that deal with issues of concern. This strategy is effective because the Supreme Court is more likely to hear a case that generates a high level of public comment than one that doesn't.

Interest groups participate directly in electoral politics. They openly endorse candidates who support their goals, and encourage their members to vote for those candidates. This approach is somewhat risky because if their candidate loses, the interest group will likely not have the same access to the winner. The ratings that many public interest and ideological interest groups publish on members of Congress are either a form of endorsement or ammunition for a challenger in the race. Interest groups can help out a campaign by providing mailing lists, mobilizing volunteers to get out the vote or distribute literature, and, most importantly, by contributing money largely through political action committees (PACS).

There were just over a hundred political action committees in the early 1970s, but the numbers grew tremendously with changes in the campaign finance laws in 1974. While corporations and labor unions were not permitted to make direct contributions, they were allowed under the new law to form PACs to raise voluntary contributions for candidates and political parties. Trade associations and similar organizations also created PACs.

Although PACs can be completely unaffiliated, interest groups that want to contribute money to candidates for office must do so through a PAC. In 1999–2000, PACs gave more than \$250 million to candidates in the congressional and presidential elections, with the largest amounts coming from trade associations (Realtors Political Action Committee), unions (International Brotherhood of Electrical Workers Committee on Political Education), corporations (Federal Express Political Action Committee), and professional organizations (Association of Trial Lawyers of America Political Action Committee).

Data compiled by the Federal Election Commission show that incumbents get the lion's share of PAC money as a general rule. This suggests that interest groups want to hedge their bets, and

prefer to deal with elected officials that they already know. It is also clear that they reward traditional supporters. Corporate PACs made most of their contributions in 2000 to the Republicans in the Senate while union money went to Senate Democrats. On the whole, PACs contribute considerably more money to House races than to Senate contests. This is due at least in part to the fact that Senate campaigns are considerably more expensive. It is also true that by focusing on the House, political action committees can influence more members of Congress.

Regulating Interest Groups

There is a long-standing concern that interest groups, their lobbyists, and their money have too much influence over politics. In almost every political campaign, one candidate will claim that the other is “a pawn of special interests.” obviously, there is also a concern with outright corruption — bribery of a member of Congress. An early attempt to control undue interest group power was the 1946 Federal Regulation of Lobbying Act. It required lobbyists and/or organizations seeking to influence legislation to register with Congress and submit financial reports. The law was not strictly enforced. The Lobbying Disclosure Act (1995) tightened the old registration and disclosure rules, covered lobbyists working with federal agencies and their staff as well as members of Congress, and added reporting requirements on clients, issues worked on, and income. Under the legislation, disclosure forms are submitted to both the House and the Senate. Lobbyists that have foreign governments as their clients must register with the Justice Department as agents of those countries.

Another issue that Congress addressed was the so-called **revolving door** practice of government officials becoming lobbyists for an industry they may have regulated when on the public payroll. According to the Ethics in Government Act (1978), a former executive-branch employee cannot represent anyone before any agency on a matter that had been within his/her sphere of responsibility for two years after leaving the government, and cannot represent anyone before their former agency for one year.

During the debate on campaign financing, there were calls to ban contributions from PACs; indeed, in 1996, Congress considered but never enacted such legislation. The just-adopted (2002) Bipartisan Campaign Finance Reform Act leaves the existing limits on PAC donations to candidates or parties unchanged. Eliminating soft money was obviously seen as more effective. But the new law restricts the election activities of interest groups in another way. Corporations, trade associations, and unions can only place ads that refer to a particular candidate for federal office 30 days before a primary and 60 days before a general election. The goal is to limit the influence of potentially large amounts of advertising as the election draws near. It is likely that this provision will face a challenge on First Amendment grounds.

Sample Multiple-Choice Questions

1. When a political action committee makes a contribution to an elected official, the expectation is:
 - A. The elected official will vote the way the interest group wants.
 - B. The interest group will have access to the elected official.
 - C. The elected official will provide jobs for members of the interest group.
 - D. The elected official will make sure the interest group is not audited by the IRS.
 - E. The elected official will kick back a portion of the contribution to lobbyists.
2. All of the following are examples of economic interest groups EXCEPT:
 - A. American Farm Bureau Federation
 - B. Consumer Union of the United States
 - C. Service Employees International Union
 - D. American Bankers Association
 - E. American Federation of Teachers
3. In order to contribute to the campaign of a presidential candidate, an interest group
 - A. can make the donation directly to the candidate
 - B. must earmark money for voter education
 - C. can only give the money to the national party
 - D. must create a political action committee to raise and distribute money
 - E. must approve ads bought with its money
4. The free-rider problem refers to
 - A. candidates for office who face no primary opposition
 - B. a candidate with great personal wealth who does not need PAC money
 - C. members of Congress who take gifts from lobbyists
 - D. non-germane amendments added to a bill
 - E. a person who benefits from an interest group but does not join