

POLITICAL SCIENCE 566
POLITICAL INTEREST GROUPS
SPRING 2016 – Andrew McFarland

There are several goals for this class; they are interlinked.

1. Basic literature embodying research and theory about interest groups in the United States is presented.
2. This literature is presented within the framework of the study of political power in America. In particular, the framework is the discussion about pluralist versus elitist theories of political power in America.
3. Viewing interest groups within the framework of political power leads to theories of the public policy process, exhibiting the activities of interest groups seeking influence over public policy over time. Such theories are often presented as the core of classes in public policymaking in America.
4. Since its publication in English in April 2014, Thomas Piketty's *Capitalism in the Twenty-First Century* has been worldwide the most influential book about social institutions. Piketty's work essentially states that since 1970, economic trends within capitalist societies are inevitably producing increasing concentrations of wealth. This work has not been much discussed at UIC, and is related to elitist theories of power and interest groups, and thus I am assigning it for this class. The book is a long one, and therefore, I assign it chapter by chapter through the class, with a few minutes of discussion in each class.
5. This class is based on theory, but I do not want to get too far away from factual aspects of current American politics. Years ago I wrote three books about lobbying in Washington. Therefore I will devote a period in each class to discuss current interest group and lobbying news.
6. Previously doctoral students have found this class to be helpful in their dissertation research. Such assistance may be manifest in student reports to the seminar and in the resultant papers. However, dissertation oriented papers are not required, and such advice can be given sometime in the future.

Requirements and Statement Regarding Interest Groups

1. The text of this statement below was written for a previous iteration of this class. But class requirements apply to spring 2016.
2. For this class I suggest that the graduate student will write a 15 page paper relating the topic of interest groups to her/his ongoing research interest or possible dissertation topic. I of course will confer with the student at the beginning of the class about the nature of this paper. The student will be asked to give a short report to the class about her/his paper topic towards the end of the semester.
3. The student will also be required to write an eight to ten page paper over a week at the end of the semester. This paper will cover the reading for the course and will be useful for prelim examination on the topic of interest groups. This paper is defined as a final examination and must be turned in on time. Incompletes are not granted for this

paper/final exam.

Introduction Text

Interest groups are organizations which seek to influence government policy through bargaining and persuasion and means other than offering candidates for election to governmental positions. (The latter organizations are political parties.) Interest groups include organizations whose major purpose is the production of goods and services (corporations), but which seek to influence government as a secondary purpose. Interest groups may employ lawyers or other professional agents to approach governmental officials to influence them. Such acts of exercising influence are often called “lobbying,” the image being that of the influence agent waiting in the lobby to approach a legislator or executive branch official. Interest groups operate at all levels of the federal government; national, state, county, city, and special district. While seeking to lobby both the legislative and executive branches of government, interest groups attempt to influence the judicial system by filing litigation and *amicus curiae* briefs. Obviously interest groups are an important part of government and politics. There are probably more than 100,000 organizations engaging in interest group behavior in the USA. They range from one person outfits with almost no budget, to the American Association of Retired Persons claiming 34 million members, to the world’s largest corporations, capitalized in the tens of billions.

From the standpoint of democratic theory, one is concerned with the structure of interest group power and its effect on representation. One way of examining this is to study the development of the theory of group pluralism in America. The instructor considers this has happened in four stages, from (1) the original theory of group theory of the 1950's, as represented by David Truman’s *The Governmental Process*, for a decade a leading book in the discipline, to (2) the pluralist theory of power of Robert A. Dahl and his associates which flourished in the 1960's, but which actually de-emphasized the role of interest groups in politics, contrary to the conventional way of describing Dahl’s work, to (3) the theory of multiple elitism of the 1970's, centering around the work of Theodore Lowi, Jr., and Mancur Olson, Jr., which stressed the problems of special interest rule, to (4) the neopluralist theory of the 1980's, as exemplified by Jack Walker and James Q. Wilson, which saw possibilities for effective representation of widely shared interests without assuming an equilibrium of democratic and fair representation. This four stage theoretical development is a basis for this class, and is articulated in the instructor’s book *Neopluralism: The Evolution of Political Process Theory*.

The class is also framed by Martin Gilens and Benjamin Page’s article “Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens.” This article concerning pluralism versus elitism received widespread attention from journalists and the media. It is symptomatic of the incipient new school in the study of American politics—what I term as the theory of American politics as the politics of the one percent. Gilens and Page contrast this outlook with the theory of “biased pluralism,” of which the instructor is seen as a spokesperson.

Since its publication in English translation in April 2014, Thomas Piketty’s *Capital in the Twenty-First Century* is possibly the most widely discussed work of social science throughout the world. Assisted by about 20 economists in various countries, Piketty has collected massive

statistics to show that since 1970, wealth has become increasingly concentrated in the United States, as well as in major European countries. The argument is that every year, savings in capitalist systems outstrips overall growth of the economy, producing concentrations of wealth. Piketty's theory provides a basis for an elitist theory of American politics, in which a neopluralist theory of interest groups is of only secondary significance. Leading political scientists studying American politics, such as Martin Gilens, Larry Bartels, Benjamin Page, Paul Pierson, Jacob Hacker, and Kay Schlozman, Sidney Verba, & Henry Brady (top 20% argument by the last three), are now making parallel arguments to Piketty. While a work on economics, Piketty concludes his discussion with suggestions for public policy to stop the concentration of the wealth. In the last two years, reformers mostly in the Democratic party, have advocated increasing income taxes on the top brackets, abolishing preferential treatment for capital gains, raising the minimum wage, a microtax on stock transactions, a microtax on international currency trading, a ceiling on compensation for top corporate executives, etc.

Piketty's book has not received much attention on the UIC campus. To correct for this lag, I have assigned this very long book to the class, but with an average of 40 pages a week. In each class, I will discuss the Piketty segment of the week. Again *Capital in the Twenty-First Century* provides the strongest basis for an elitist interpretation of American politics and economics, in contrast to the neopluralist theory, derived from the study of interest groups.

The idea of biased pluralism is based on interest group theory, but is related to the pluralist theory of power as exemplified in the landmark work *Who Governs?* Therefore we read this political science classic, emphasizing accountability of elites through competitive elections, although it is only secondarily an interest group work. Interest group researchers later sought to correct the omissions within *Who Governs?*, while the neopluralists retained Dahl's method of study, focusing on observation of influencing political decisions.

Next in the class we read E. E. Schattschneider's *The Semisovereign People*. This is a well written political science classic that has stood the test of time. For instance it still influences research by Frank R. Baumgartner, Bryan D. Jones, Kay Lehman Schlozman, Sidney Verba, and Henry Brady. Schattschneider views interest groups as an elite phenomenon, representing the upper middle class and upper class. Interest group power leads to an elitism of the upper class. Therefore, he argues for strengthening national political parties, which in competitive elections, can represent the entire public and lead to the control of elitist group power.

Following the introductory discussion of pluralism, we move on to a consideration of an influential model about the role of interest groups in public policymaking. This might be called the third stage of interest group theory as part of the multiple-elite political process theory. This is well presented in two books of significance, Lowi's *The End of Liberalism* and Olson's *The Logic of Collective Action*. These writers from the standpoint of democratic theory criticized interest group politics by arguing that some groups are easier to organize than others, and that small groups of corporations or other economic producers are easier to organize than consumers, because producers see the costs of organizing as producing offsetting benefits, while each individual consumer has little to gain, and thus will not contribute to the cost of group organizing. This leads to a situation in which specific public policies become controlled by

specific, self-interested coalitions of producers, favorable executive branch officials, and friendly members of Congress serving on committees controlling the policy area. This three-sided coalition is popularly known as an “iron triangle,” and such coalitions have been observed as dominating specific public policy areas, such as setting prices of sugar or licensing the construction of nuclear power plants. Elected politicians may occasionally challenge such “subgovernments,” but they seldom have a continuing incentive to expend their power resources to control policy in issue areas which seem obscure to most voters. Lowi theorizes that elected politicians normally don’t even try to control the iron triangles, because they subscribe to an ideological rationalization that control of government by special interests is democratic pluralism. The instructor refers to Lowi’s theory, and to other similar theories as “multiple elitism,” because Lowi sees American government as controlled by numerous elites, each controlling a particular area of governmental policy. It is elitism, but not control by a single “power elite.” The instructor in the past sometimes used the term “plural elitism” instead of “multiple elitism.” Due to time constraints, I no longer assign Lowi’s book, which now seems dated, although it introduces important arguments and research questions.

Lowi is an intuitive, unsystematic theorist, but the rigorous *The Logic of Collective Action* by Mancur Olson provides a systematic rationale for the theory of multiple elitism. Olson argues that there is an inherent bias in the system of interest group organization, because groups with a small number of substantial stakeholders in some public policy will organize, while groups with a large number of persons with diffuse interests (e.g. in lower defense budgets, in consumer safety, and so forth) will not be organized. The result is a logic of “the few defeating the many.” This imbalance occurs because it is irrational to contribute to the attainment of a public good—one such that if one person in an area has it, then all must have it—if one can get the public good for free as a “free rider.” A reduction in air pollution is gained by everyone, whether or not they contributed to an environmental lobby. On the other hand, a few corporations seeking government subsidies will organize, because the contribution of each makes a substantial difference in the attainment of the subsidy to the group.

Before the publication of *Lobbying and Policy Change* (2009), Jack Walker’s *Mobilizing Political Interests in America* (1991) was best book about interest groups in America in its general outlook and in the data it presents. Walker, like many other interest group researchers in recent years, rejected the positions of the first two stages of pluralist theory, but also rejected the third stage, the multiple elite position. This is because he found that many citizen lobbies have organized to challenge and limit the power of the iron triangle. In his view, Olson does present a good model explaining the difficulty of organizing interest groups to lobby for widely shared interests, but that such interests often organize with the assistance of patrons. These include government agencies, foundations, wealthy individuals, and even preexisting groups which supply money and skills to those seeking to organize new interest groups, including citizens groups. Consequently, there is more countervailing power to subgovernment coalitions than Lowi or Olson would have us believe.

In relation to the multiple-elite hypothesis, a political development of great significance has been the appearance of “public interest groups” (loosely defined) or what Walker terms “citizens groups.” Such groups attempt to provide countervailing power to the tendency to form the

subgovernmental elitist coalitions. The instructor has been known for his research on public interest groups in the 1980's, but my book *Common Cause: Lobbying in the Public Interest* is now somewhat dated. For a more recent treatment of such groups, I recommend *Environment, Inc.* by Christopher Bosso, a book which presents the history of environmental organizations and data about fluctuations in their contributions and membership.

I have come to appreciate Walker's argument that policy professionals, such as education leaders and social workers, represent the poor and the unorganized in American politics. This observation seems to contradict the outlook of "descriptive representation," which dismisses claims of those in the top 20 percent of socioeconomic status to be represented the average and the poor.

We move on to consider *Lobbying and Policy Change: Who Wins, Who Loses, and Why* by Frank R. Baumgartner, Jeffrey M. Berry, Marie Hojnacki, David C. Kimball, and Beth L. Leech. This is the definitive study of interest groups and lobbying in Washington. It generalizes from 98 case studies, a sample of all Washington issues, during the four years of 1988, 1989, 2000, and 2001. The main point of the book is that in our system of governance, there are many veto points, and hence it is easier to veto changes in the status quo, than it is to change the status quo. This is a familiar idea, but the new point is that minority veto of policy change often outweighs greatly disproportionate money and other resources wielded by the side seeking policy change. This lobbying study fits well with public policy theories that find policy change to be ordinarily incremental, but that major changes in the context of policy bring about significant "punctuations" in the nature of a policy. While business is described as the most powerful category of interest group in the case studies, this observation probably should have received more extensive treatment. It is too much to read the whole book in one week, so certain chapters will be assigned as of greater significance.

After this the instructor will lecture about the corporatist theory of interest groups, a topic from the comparative politics field. Political scientists sometimes characterize developed, largely democratic political systems as pluralist (fragmented groups), statist (government tends to dominate groups), or corporatist (nationally federated groups cooperate with the state to make macroeconomic decisions).

After this, we will consider the last sections of *Neopluralism*, essentially recent developments in the study of interest groups and the study of the political process. In particular, we consider how concepts of issue definition and issue framing, advocacy coalitions, interest-group niches, punctuated equilibrium, regime theory, and social movement theory might be applied.

The Oxford Handbook of American Political Parties and Interest Groups, edited by L. Sandy Maisel and Jeffrey M. Berry, Chapter 3, 22-30 contains an article about interest group theory by the instructor and other summary material. Perhaps a used copy can be purchased from Amazon and shared among students.

On April 12, the instructor will present the work done with Sultan Tepe on the concept of

representation. One application is to consideration of representation of the top 20 percent in SES of the entire collectivity.

Class requirements for grade

The student is expected to submit a three page prospectus for the paper at the fourth week of class. The topic of the paper may be related to the student's research interest (e.g. framing of issues by interest groups) or it might be an analysis of an interest group (e.g. Common Cause). The entire 15 page paper is due on April 12. In the preceding two classes, students are required to give a presentation from the paper.

There will be an out-of-class final, covering the class lectures, and the reading, which is treated in the lectures. The final will consist of an eight page paper answer to a general question (or questions) posed by the instructor. There will be a strict deadline for the submission of the out of class final. The due date for the final will be the Monday of exam week.

The final will count 40% of the grade; the paper will count 50% of the grade; the other 10% will reflect class participation and other activity, and essentially bears on the question of a B+ or A-.

For class I will come with prepared lectures, which ordinarily will be distributed by e-mail after the class. I am sure students will be asking questions and commenting during lecture periods.

Instructor Contacts

My office is TBA I am on campus almost every afternoon. E mail amcfarla@uic.edu
Office phone TBA Mailbox 1102 BSB; Office hours TBA

Meeting time 330—600 Tuesday

Meeting place 1171 Behavioral Sciences Building

Schedule

The reading of *Capital in the Twenty-first Century* will be split up sequentially through the semesters with about 40 pages average per week. During the last part of each class, about 15 minutes will be spent in discussing that week's segment of the book. However the reading of the book will not begin until the period before the January 26 class.

January 12 Introduction. Biased pluralist theory versus the new elitist theory of the one percent. If possible, before class read:

Martin Gilens and Benjamin Page, "Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens." *Perspectives on Politics* 12(3), 564-581.

January 19 The Basic Pluralist Theory. Robert Dahl, *Who Governs? Democracy and Power in an American City*.

Peter Bachrach and Morton Baratz, "The Two Faces of Power." *American Political Science Review*

January 26 Biased Pluralism. E.E. Schattschneider, *The Semisovereign People. Capital in the Twenty-first Century*, pp, 1-35.

February 2 The Few Defeat the Many. Mancur Olson, Jr. *The Logic of Collective Action. Capital in the Twenty-First Century*, 39-71. **Etc., to be assigned below.**

February 9 Collective Action. Dual Representation. Jack L. Walker, Jr. *Mobilizing Interest Groups in America*.

Submit prospectus for 15 page paper.

February 16 Lobbying. Frank R. Baumgartner, Jeffrey M. Berry, Beth Leech, Marie Hojnacki, and David Kimball. *Lobbying and Policy Change: Who Wins, Who Loses, and Why*, esp. pp. TBA

February 23 Andrew McFarland, *Neopluralism: The Evolution of Political Process*

March 1. Finish discussion of instructor's book. Corporatist theory of interest groups.

"Organized Interests and the Decision of Whom to Lobby in Congress." Marjorie Hojnacki and David C. Kimball, *APSR*, V92 1998, 775-790.

"Voice and Inequality: The Transformation of American Civic Democracy." Theda Skocpol, *Perspectives on Politics*, March 2004, 3-20.

March 8 L. Sandy Maisell and Jeffrey M. Berry, *Oxford Handbook of American Political Parties and Interest Groups*; Interest Group section only.

March 15. Finish readings in the Oxford Handbook.
Instructor's paper for the 2016 Midwest Political Science Association.

March 22. Spring vacation.

March 29 Student presentations.

April 5. Student presentations.

April 12. **This is the due date for the 15 page paper.**

Sultan Tepe and Andrew McFarland, "Representing Public Qualities."
Unpublished paper.

April 19 Review of *Capital in the Twenty-first Century*.

April 26 Concluding class.
Distribution of final question(s).

May 6 **Final exam paper is due Friday of exam week at 3:00 P.M.**

April 7 Student presentations.
This is the due date for the 15 page paper.

April 14 Recent neopluralist research and future research directions.
Neopluralism, Chps. 8-10.
"Organized Interests and the Decision of Whom to Lobby in Congress." Marjorie Hojnacki and David C. Kimball, *ARSR*, V92, 1998, 775-790
Theda Skocpol, "Voice and Inequality: The Transformation of American Civic Democracy," *Perspectives on Politics*, March 2004, 3-20.

April 21 Possible topics: Lobbying the judiciary. Lobbying state government. Political Action Committees. Whom to lobby? Possible regulatory reforms.

April 28 To be determined. Student requests a possibility.

April 24 **Distribution of final question(s) by email.**

May 5 **Final exam paper is due Monday of exam week at 5:00 P.M.**

