Interest Group Politics

**Interest Group**: any formal organization of individuals or groups that seeks to influence government to promote their common cause.

- Since the birth of this country, the founders had a vision for the role organized interests might play in the political process.
- In Federalist # 10, Madison referred to the undue influence of powerful interest groups as the “mischief of factions,” but argued that multiple competing interests would reduce this mischief.
Interest Group Politics

**Pluralist Theory:** competition keeps powerful interest groups in check, and no single group dominates.

- Scholars writing in the 1950s and 1960s developed pluralist theory, which, similar to Madison’s vision, viewed competition among many groups as keeping any one group from exercising too much control over policy.
Interest Group Politics

Hyper-pluralist Theory: Too many groups competing for recognition, out of control with the government trying to appease all of them.

- Budgets, programs, regulations expand
- Contradictory and confusing policy results
Interest Group Politics

**Elite Theory:** groups that have greater resources are in a better position to accomplish their goals

- Not all scholars accept pluralist theory.
- Political scientist E.E. Schattschneider famously articulated that “the flaw in the pluralist heaven is that the heavenly chorus sings with a strong upper-class accent.”
Interest Group Politics

**Transactional Theory:** public policy is bought and sold like a commodity to the highest bidder

- An extension of the power elite theory is a **transactional theory**.
- This theory proposes that public policy is bought and sold like a commodity to the highest bidder.

- For example, mega-donor Bob Perry of Perry Homes leaned on the Texas Governor and Legislature to create a state agency, the Texas Residential Construction Commission, in 2003. The mission of the agency was to protect homeowners and improve construction, but the commission consistently favored builders when disputes arose.
Why Join Interest Groups?

Types of Interest Groups

Private Interest Groups: groups that advocate for the benefit of their members

Public Interest Groups: groups that benefit the public in general
Why Join Interest Groups?

Interest Groups

**Free-Rider Problem:** a situation in which individuals benefit from a publicly provided good or service without paying for it and actively supporting its acquisition

- Many interest groups work to solve collective action problems—problems that are shared by a large group of people. You want clean air, more efficient government, or expanded civil rights? There are dozens of organizations that are working to ensure this goal. Why should you join if they’ll do the work without your help?
Why Join Interest Groups?

Benefits

Selective Benefits: private goods made available to people who organize for a collective good

• One way to solve the free-rider problem is by providing selective benefits (or incentives) to people who organize for a collective good.

• They can be material, solidary, or purposive.
Types of Interest Groups

Business Groups

- Individual businesses and organizations representing many businesses often advocate on behalf of their own interests—and sometimes battle each other.

- Political scientists have found that business lobbies prevail mainly on issues that are important only to a single company or industry because these usually attract little media coverage.

Example: Texas Automobile Dealers Association battled Tesla in the 2015 Legislative Session about whether Tesla would be permitted by law to sell vehicles directly to the public, without a dealership.
Trade Associations and Professional Organizations

- Trade associations serve the interests of an industry, such as farmers, locksmiths, or realtors.
- Professional organizations are groups that represent a specific occupation.

**Examples:** Among the most powerful groups in the state are the Texas Trial Lawyers Association, the Texas Medical Association, the Texas Association of Realtors, and the Texas State Teachers Association.
Rates of Union Membership
Types of Interest Groups

Labor Unions

• Southern states, like Texas, Georgia, South Carolina, and North Carolina, have lower unionization rates than other states.

• States with stable agricultural economies, like California, Washington, and some of the upper plains states, have more union members.

• States whose economies rely on manufacturing, like Michigan, Ohio, and Pennsylvania, have more unionized workers.

• Texas, like other southern states, allows workers to choose to join a union, while other states like New York require union membership.
Identity Groups

- Identity groups represent the interests of specific groups based on such aspects as race, ethnicity, religion, age, sexual orientation, gender, or income.

- These identity groups form in part because their constituents have been ill-served by the two major political parties or feel underrepresented by the electoral system.

Examples: National Council of La Raza, the Texas National Association for the Advancement of Colored People (NAACP), the Bangladesh Association of North Texas
Types of Interest Groups

Other Groups

- **Public Interest Groups**: focus on providing collective goods, such as environmental protections, natural resource conservations, or consumer safety

- **Single-Issue Groups**: dedicated to one specific issue, often ideological issue

- **Government Interests**: local, state, or even national governments often seek the assistance of other governments to advance their goals
What Interest Groups Do

• Education

• Interest groups often reach out and educate their members or the public at large

• They also develop policy and research expertise that makes them useful partners in understanding specific issues
Citizen Campaigns

**Grassroots Lobbying:** getting members of the general public who are interested in an issue to contact elected officials to persuade them on an issue

**AstroTurf Lobbying:** involves manufacturing public support and making it appear as though it was inspired organically by a swell of public opinion
Electioneering

**Electioneering:** advertising for or against issues or candidates (radio, mail, Internet, or television), granting endorsements, and raising funds

- Interest groups also promote their agenda through electioneering.
- Endorsements from influential groups serve as a cue for voters about where candidates stand on issues.
Endorsement Success in 2016 Republican Primaries

- Texas State Rifle Association
- Conservative Republicans of Texas
- Montgomery County Tea Party
- Texas Right to Life
- N.E. Tarrant County Tea Party
- 911 Tea Party
- Empower Texans
- Texas Home School Coalition
- Young Conservatives of Texas
- Texas Alliance for Life
- Texas Conservative View
- Texas Association of Business
- Texas Patriots

Percent of endorsed candidates that are elected
Endorsements

• In the primary, the groups with the highest rate of successful endorsements were the 911 Tea Party, the Texas Association of Business, and the Texas Alliance for Life.

• Some groups, such as Empower Texans, the Texas State Rifle Association, and the N.E. Tarrant County Tea Party, were effective in the primary (endorsing the winning candidate 60 percent of the time) but were less successful in the runoff.

• The most broadly conservative (religiously oriented and Tea Party-based) groups appear to have the most sway with Republican voters, endorsing the highest percentage of winning candidates in the primary.
Lobbying the Courts, the Legislature, and the Executive Branch

**Amicus Curiae Briefs:** a legal filing with relevant opinions or information pertinent to a case that affects a group’s interests, even if they are not directly part of the case.

- Interest groups directly lobby all three branches of government, including the courts, who are also part of the policymaking process.
- Interest groups also file *amicus curiae briefs*, literally “friend of the court” briefs, when they have relevant opinions or information pertinent to a case that affects their interests, even if they are not directly part of the case.
Lobbying: The Third House

The Role of Lobbyists

Lobbying: direct communications with members of the legislative or executive branch of government to influence legislation or administrative action

- When Andrew Jackson, “the people’s president,” first took office, Americans who were not allowed in the House or Senate chambers poured into the lobby of the White House to ply the president with their requests, hence the term lobbying.
The Role of Lobbyists

- As the Texas economy grows and lawmakers deal with increasingly complicated and diverse issues, more and more lobbyists file into Austin to meet with government agencies, state senators and representatives, and their staff.

- Individual lobbyists or organizations that employ lobbyists (law firms or other interest groups) must file reports specifying the type of lobbying that they engage in.

- In 2015, more lobbyists lobbied on behalf of economic interests than on social issues.
What Lobbyists Do

• They chat up the staff, offer to buy senators or representatives lunch or drinks, backslap those who respond to flattery, and keep a respectful distance from fiercely independent legislators.

• Lobbyists make themselves essential to legislators by seeing to their needs, whether it is to run messages, obtain legal expertise, or just tell a good joke on a gloomy morning.

• The number of lobbyists grew from 1,560 in 1999 to 1,922 in 2015.
The Number of Lobbyists in Texas

Figure 6.3

Lobbying: The Third House
Lobbyists and Issues

- More than 2,000 lobbyists lobby on behalf of business, commerce, and taxes.

- Other industry groups also were frequent lobbyers, including agriculture, health and healthcare, oil and gas, and highways and roads.

- Social issues, like abortion and gambling, or issues involving handicapped persons, were lobbied on less frequently than economic issues.

- Issues where there is a financial outcome at stake are more likely to have more lobbyists on the payroll.
Lobbying: The Third House

Figure 6-4
Iron Triangles in Texas

**Iron Triangle:** the relationship that forms between interest groups, the legislature, and executive agency regulators in the policy formation and implementation process

**Issue Network:** a single-issue iron triangle

**Revolving Door:** when agency bureaucrats and legislators leave their jobs to become lobbyists, or vice versa
# Scandals and Reforms

## TABLE 6.2 Scandals and Effects

<table>
<thead>
<tr>
<th>SCANDAL</th>
<th>YEAR</th>
<th>PERSONNEL</th>
<th>REFORM</th>
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<tbody>
<tr>
<td>Frank Sharp, in exchange for passage of favorable banking bills, helped politically connected friends get loans to buy stock in his insurance company for a quick profit.</td>
<td>1971</td>
<td>Governor Preston Smith, Speaker of the House Gus Mutscher, and several members of the legislature</td>
<td>Passage of freedom of information law, open meetings legislation, lobbyist registration, and financial disclosure statements</td>
</tr>
<tr>
<td>Speaker Billy Clayton was indicted but acquitted for taking a bribe on behalf of a company. The speaker claimed that he had planned to return the money left in a credenza at the Capitol.</td>
<td>1980</td>
<td>Speaker Billy Clayton</td>
<td>Legislation to limit cash donations to $100</td>
</tr>
<tr>
<td>Speaker Gibson “Gib” Lewis was accused of accepting an illegal gift (a lobbyist paid for delinquent property taxes) and not reporting it.</td>
<td>1990</td>
<td>Speaker Gib Lewis</td>
<td>Creation of Texas Ethics Commission, ban on donations inside Capitol, requirements for lawmakers to reveal business dealings</td>
</tr>
<tr>
<td>Texas Health and Human Services Department inappropriately awarded contract to Austin-based company with ties to agency staff.</td>
<td>2014</td>
<td>HHSC Commissioner Kyle Janek</td>
<td>Tightened requirements on local government contracting, disclosure requirements for agency personnel with financial interest in contracts</td>
</tr>
</tbody>
</table>

Texas Ethics Commission

• Since 1991, the Texas Ethics Commission (TEC) has served as the primary agency for regulating and enforcing laws related to interest group lobbying and campaign disclosure.

• The TEC has eight commissioners who are appointed by the governor, lieutenant governor, and speaker of the Texas House.

• Among the TEC’s primary duties are collecting and maintaining records related to political fundraising, campaign spending, political lobbying activity, and the personal financial disclosure statements by state elected officials and officers.