# Interest Group Formation: Crash Course Government and Politics #43

Crash Course: U.S. Government and Politics
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(PBS Digital Studios intro)

Hello. I'm Craig, and this is Crash Course Government & Politics, and today I'm gonna take a deep dive into political science theory and try to figure out why interest groups form, so grab your snorkel, no, this is a deep dive, grab your scuba gear.

I know, I know, you're probably thinking that interest groups form to influence the government with their piles and piles of cash, so the way they form is by amassing piles of cash, and then, well, who really cares once they have all that cash? Maybe that's true, but why we have some interests that get together in organized to influence policy and others that don't is an interest-ing question.

(Intro)

So as you remember pluralist theory proposes that every group with a particular interest should be able to form an organization that will pursue policies to further that interest. So if I like birds, which clearly I don't, [punches eagle] I should be able to join up with other bird fanciers to work with the government, so that it protects birds' wildlife habitats. I hate this analogy. And in fact there are a number of interest groups out there that can do this, including the Sierra Club and the World Wildlife Foundation.

I respect those clubs. I don't hate all eagles, just that eagle. But this doesn't mean that everyone with an interest can form a group. Like, I like video games, I'm not going to go form a group about it. Why doesn't every interest form a group? Well political scientists would cite collective action problems.

These are the problems that occur because people should work together, but don't.

The classic example is building a road that many people could use, but no one individual could build on their own because, you know, building a road is hard.

Although there are obviously some situations where people can coordinate to get things done without any government intervention, most of the time if you want to accomplish big things like the Hoover Dam or building the highway system, you need some sort of government action to make sure it gets done.

And usually it gets done when the government collects taxes from everybody to build the road. Now some people may use the road a lot; more than their taxes paid for, and some may not use it at all, but the government collects taxes to pay for it all the same because otherwise it wouldn't get built.

One special type of collective action problem is called free riding. This is when people who stand to get a big benefit from a project either don't pay a big enough share, or they don't pay at all because they know that the project is so important that it will get done whether they contribute or not. Then they will get the full benefit of the project - say a pothole free road - without paying a dime.

Get it? Free ride? (Singing) Come on a take a free ride.

This becomes a problem when other people, not wanting anyone to get a free ride, also refuse to contribute to the project and, you guessed it, it doesn't get done.

'The free rider problem is worse in larger groups and this partly explains why some interests are better represented in American politics.'

Because large groups are more anonymous, it's easier to free ride; there are lots of other people who probably care more than a single individual and, knowing this, the single individual rationally chooses to free ride.

Also, the larger the group, the easier it is for an individual to claim that their efforts don't matter, which is a smaller version of the voter paradox. Finally, with a large number of members, it's much harder for a group to enforce it's rules against slackers who don't pull their weight ,young man! Or woman - young person!

What this means in practice is that smaller groups are more successful in forming and pushing their agenda, this is why producers are more successful at forming interest groups than consumers, and why business owners are usually more successful than workers.

Now, many people will say that in the US labor is well represented through unions, but over the last forty years at least union membership and the dues that come with it are shrinking, and unions are less able to get legislation passed.

So how do large groups solve the collective action problem and actually coordinate to get things done? According to political scientist Mancur Olson they do this by providing selective benefits to their members. In other words they build membership by providing perks. These can be material things like special services or discounts on things like insurance, or smaller things like baseball caps or bumper stickers.

One of the largest organized interest groups in the US, the American Association of Retired Persons, or AARP, provides a number of material benefits to their members including discounts on a number of useful products and services.

AARP also provides many of the second type of benefits, informational benefits. Interest groups can inform their members of policies that may affect them, and can provide guidance about what to do in order to influence these policies.

The third type of benefits are called solidary, and they refer to friendship and comradery that can come from being a member of a group. Ah, that's my favorite benefit.

Solidary benefits also include networking opportunities, and networking probably has a lot to do with why people join professional groups. Gotta do the schmoozin'.

The final type of benefit that can help build interest groups is called the purposive benefit. This is a feeling that by being a member of a group, you're helping to make a difference. Purposive benefits partially explain why so many people joined up with groups during the civil rights movement, it certainly wasn't for the SNCC keychains.

Another way that interest groups can be formed is by political entrepreneurs. These are specific individuals who make extraordinary efforts to bring people together for the purpose of changing policy. Often political entrepreneurs are politicians who recognize the latent potential of groups that haven't yet organized. When successful, they benefit electorally.

One of the most famous examples in American politics was Claude Pepper, who realized there were a lot of older Americans in Florida and that if he became their champion and organized them, they would vote for him.

Even more well known than Pepper, was salt (chuckles). No, Robert Wagner, whose sponsorship of the National Labor Relations Act was so important that it's often still called the Wagner Act. This helped create political power for labor unions, and unions helped

keep Wagner in Washington.

I guess we also have to talk about the elephant, or if you're a Democrat, the donkey in the room: lobbying. Lobbying is an attempt to influence policy by persuading a government policy-making official. As we say when we talked about iron triangles, this can be done by providing officials with information that they can use. But most people still think of it as providing campaign contributions in return for favorable policy outcome.

There's no real evidence of this quid pro quo bargaining, probably because it's really close to bribery and therefore doesn't happen that much. But it has happened in the past and this idea is pretty powerful, especially if you think all politicians are corrupt.

But there is more to lobbying than this, especially in the eyes of political scientists, who like to divide lobbying into insider and outsider strategies. Insider strategies include directly trying to persuade elected officials, and also using the courts. Actual direct lobbying of congressmen has become more difficult over the years.

Congress has passed laws that have limited the ability to deduct lobbying expenses from taxes, and restricted how much lobbyists can pay for officials' travel expenses. This has cut down a lot on the famous political junkets which often looked like a vacation paid for by lobbyists.

Congress has also passed laws limiting the gifts that lobbyists can give to officials which now have a value of no more than fifty dollars. So no free Apple Watch for you, Congressman, sorry. You could probably get *Grand Theft Auto V* at this point though.

While it's mostly elite groups that are able to lobby congressmen, executive department heads or even the President directly, other groups have been more successful using the courts as an insider strategy. One way to do this is through direct lawsuits like the one that led to the Brown vs Board of Education decision. Another way is by finding plaintiffs and funding their lawsuits, the old find and fund they call it. No one calls it that.

A third thing that interest groups can do is file amicus curiae, or "friend of the court" briefs to get their legal ideas into Supreme Court decisions.

Groups on both sides of the political spectrum pursue all these avenues, but environmental and civil rights groups are known for going after the courts. In particular the courts are often the focus of minority groups, since they're the ones least likely to be successful in electoral politics.

The other types of lobbying strategies are called outsider strategies. Let's explain that in an animated way by going to the Thought Bubble.

Outsider strategies are those that involve interest groups mobilizing the public. Sometimes these strategies are called grassroots lobbying. Mobilizing public opinion is sometimes called "going public", but this is very confusing because it's the same term used to describe the President's making direct appeals to public opinion. And also it happens when a company floats its stock on an exchange for the first time.

When interest groups go public the main things they do are organize advertising campaigns, organize protests and engage in grassroots efforts to get their membership to lobby officials. Advertising campaigns are expensive, so you don't see a lot of advertising on behalf of things like poverty relief. The best known recent example of an interest group sponsored advertising campaign was the Harry and Louise campaign, sponsored by healthcare groups and doctors that was designed to stymie President Clinton's attempts at healthcare reform.

Interest groups organize protests to get the attention of politicians and the media, and protests can be effective as we saw during the civil rights movement. Protests can also help to form interest groups, like the Occupy movement during the height of the financial crisis after 2008. Some protests, such as labor strikes, can impose costs on business owners, and push them to lobby office holders more directly.

Grassroots lobbying occurs when an organized group encourages its membership to contact elected officials, often through letter writing, emails or telephone calls. This is becoming increasingly prominent because of the new rules that limit traditional lobbying, and because technology makes it so easy for groups to reach large numbers of people, and to get them to respond directly to elected officials.

But beware, sometimes technology makes it easy for well financed groups to give the appearance of being a large-scale grassroots organization, when they really aren't. These bogus attempts at grassroots organizing have been called AstroTurf lobbying, and one of the few examples where political scientists have demonstrated their superiority at naming things. Thanks, Thought Bubble.

So interest groups are all about changing policies, and they pursue both insider and outsider strategies to influence policy makers. I hope that we've given you a balanced view of interest groups, one that's not so cynical about the way they function in our politics. Thanks for watching, I'll see you next time.

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