

UNIVERSITY OF ROCHESTER

Pol. Sci. 513
Professor Rothenberg

Spring 2016

INTEREST GROUP POLITICS

Purpose: This course principally introduces students to the political science and political economy literatures on interest groups. This will include developing an understanding of the makeup of the group system, the contribution decision, the internal politics of organizations, and the role that groups play with respect to political institutions. As the study of organized groups cuts across many subdisciplines in political science and political economy (one of the reasons that groups are often viewed as understudied is because there are very few scholars interested in groups in and of themselves), and includes certain elements of finance, this course might have a wide appeal.

Requirements: Course requirements include research presentations and a longer final paper—either original research, a detailed literature review, or a research proposal (roughly 15 pages will suffice).

Office Hours. I am located in Room 108 at Harkness (Department of Political Science/Wallis Institute of Political Economy). You can come by any time and I will see you barring extenuating circumstances. My phone number is x3-4903 and my e-mail is lrot@mail.rochester.edu.

Availability of Readings. Articles will be made available electronically. There are several standard books that I would be happy to reference if students would like.

Grading. Grading will reflect your class participation and your final paper (weighted approximately 1/2, 1/2).

Weekly Assignments

Week I: Introduction. (Jan. 15th)

Week II: Macro-Perspectives (Jan. 22nd).

Beth L. Leech, Frank R. Baumgartner, Timothy M. LaPira, and Nicholas A. Semanko. 2005. "Drawing Lobbyists to Washington: Government Activity and the Demand for Advocacy," *Political Research Quarterly* 58 (1): 19-30.

Gregory M. Randolph and Michael T. Tasto. 2012. "Special Interest Group Formation in the United States: Do Special Interest Groups Mirror the Success of their Spatial Neighbors," *Economics & Politics* 24 (2): 119-134.

David Lowery, Virginia Gray, and James Monogan.. 2008. "The Construction of Interest Communities: Distinguishing Bottom-Up and Top-Down Models," *Journal of Politics* 70 (4): 1160-1176.

Frederick J. Boehmke, and Daniel C. Bowen. 2010. "Direct Democracy and Individual Interest Group Membership," *Journal of Politics* 72 (3): 659-671.

Lee Drutman, Matt Grossmann, and Tim LaPira. 2014. "The Interest Group Top Tier: More Groups, Concentrated Clout," working paper.

Week III. Micro-Foundations (Jan. 29th).

Jack Walker. 1991. *Mobilizing Interest Groups in America*. Chapter 5.

Robert C. Lowry. 1997. "The Private Production of Public Goods: Organizational Maintenance, Mangers' Objectives, and Collective Goals," *American Political Science Review* 91: 308-323.

Robert C. Lowry. 1999. "Foundation Patronage toward Citizen Groups and Think Tanks: Who Gets Grants?" *Journal of Politics* 61:758-776.

Joan Esteban and Debraj Ray. 2001. "Collective Action and the Group Size Paradox," *American Political Science Review* 95: 663-672.

Paul Pecorino and Akram Temimi. 2008. "The Group Size Paradox Revisited," *Journal of Public Economic Theory* 10 (5): 785-799.

Note: Please be familiar with the basic logic of collective action at least to the level of Olson (1965); if not, review Mancur Olson. *The Logic of Collective Action*, Chs. 1, 2, and 6. There are also a variety of other works in this tradition as well to which I would be happy to provide citations. Here are three recent reviews of collective action theory:

Paul Pecorino. 2015. "Olson's *Logic of Collective Action* at Fifty," *Public Choice* 162: 243-262.

Luis Medina. 2013. "The Analytical Foundations of Collective Action Theory: A Survey of Some Recent Developments," *Annual Review of Political Science* 16: 259-283.

Todd Sandler. 2015. "Collective Action: Fifty Years Later," *Public Choice* 164: 195-216.

Week IV. Lobbying: Who Lobbies—Part I (Feb. 5th).

Wendy Hansen, Neil J. Mitchell, and Jeffrey M. Drope. 2005. “The Logic of Private and Collective Action,” *American Journal of Political Science* 49: 150-167.

Wendy Hansen, and Jeffrey M. Drope. 2007. “New Evidence for the Theory of Groups: Trade Association Lobbying in Washington, D.C.,” *Political Research Quarterly* 62 (2): 303-316.

Matilde Bombardini. 2008. “Firm Heterogeneity and Lobbying Participation,” *Journal of International Economics* 75 (2): 329–348.

Amy McKay. 2010. “The Effects of Interest Groups’ Ideology on their PAC and Lobbying Expenditures,” *Business and Politics* 12 (2): Article 4.

William R. Kerr, William F. Lincoln, and Prachi Mishra. 2014. “The Dynamics of Firm Lobbying,” *American Economic Journal: Economic Policy* 6 (4): 343-379.

Alexander Fourinaies, and Andrew B. Hall. 2015. “The Exposure Theory of Access: Why Some Firms Seek More Access to Incumbents than Others,” working paper.

Note: On measures of group ideology, see:

Adam Bonica. 2013. “Ideology and Interests in the Political Marketplace,” *American Journal of Political Science* 57 (2): 294-311.

Week V. Lobbying: Purpose and Strategies (Feb. 12th)

David Austen-Smith and John R. Wright. 1994. "Counteractive Lobbying." *American Journal of Political Science* 38:25-44; Frank Baumgartner and Brian Leech, "The Multiple Ambiguities of Counteractive Lobbying." *American Journal of Political Science* 40: 521-542; and Austen-Smith and Wright, "Theory and Evidence for Counteractive Lobbying." *American Journal of Political Science* 40: 543-564.

Richard L. Hall, and Alan V. Deardorff. 2006. "Lobbying as Legislative Subsidy," *American Political Science Review* 100 (1): 69-84.

Richard L. Hall, and Molly E. Reynolds. 2012. "Targeted Issue Advertising and Legislative Strategy: The Inside Ends of Outside Lobbying," *Journal of Politics* 74 (3): 888-902.

Hye Young You. 2015. "Ex Post Lobbying," working paper.

Keith E. Schnakenberg. 2015. "Informational Lobbying and Legislative Voting," working paper.

No Class Feb. 19th

Week VI: Lobbying--Coalitions and Venue Selections (Feb. 26th)

Daniel P. Carpenter, Kevin M. Esterling, and David M. J. Lazer. 2004. "Friends, Brokers, and Transitivity: Who Informs Whom in Washington Politics?" *Journal of Politics* 66: 224-246.

Frederick J. Boehmke, Sean Gailmard, and John Wiggs Patty. 2005. "Whose Ear to Bend? Information Sources and Venue Choice in Policy-Making," *Quarterly Journal of Political Science* 1: 139-169.

Thomas Holyoke. 2009. "Interest Group Competition and Coalition Formation," *American Journal of Political Science* 53 (2): 360-375.

Matilde Bombardini, and Francesco Trebbi. 2012. "Competition and Political Organization: Together or Alone in Lobbying for Trade Policy?" *Journal of International Economics* 87 (1): 18-26.

Frederick J. Boehmke, Sean Gailmard, and John Wiggs Patty. 2013. "Business as Usual: Interest Group Access and Representation Across Policy-Making Venues," *Journal of Public Policy* 33 (1): 3-33.

Christine Mahoney, and Frank R. Baumgartner. 2015. "Partners in Advocacy: Lobbyists and Government Officials in Washington," *Journal of Politics* 77 (1): 202-215.

Week VII: Impacts of Lobbying (March 4th)

Brian Kelleher Richter, Krislert Samphantharak, and Jeffrey F. Timmons. 2009. "Lobbying and Taxes," *American Journal of Political Science* 53 (4): 893-909.

Daniel E. Bergan. 2009. "Does Grassroots Lobbying Work?: A Field Experiment Measuring the Effects of an e-Mail Lobbying Campaign on Legislative Behavior," *American Politics Research* 37 (2): 327-352.

Matt Grossmann, and Kurt Pyle. 2013. "Lobbying and Congressional Bill Advancement," *Interest Groups & Advocacy* 2 (1): 91-111

Stephane Wolton. 2015. "Lobbying, Inside and Out: How Special Interest Groups Influence Policy Choices," working paper.

Deniz Igan and Prachi Mishra. 2014. "Wall Street, Capitol Hill, and K Street: Political Influence and Financial Regulation," *Journal of Law and Economics*: Vol. 57: No. 5, Article 7

Karam Kang. 2015. "Policy Influence and Private Returns from Lobbying in the Energy Sector," *Review of Economic Studies* (forthcoming).

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Week VIII. Personnel: The Revolving Door (March 11th)

Bruce E. Cain and Lee Drutman Lee. "Congressional Staff and the Revolving Door: The Impact of Regulatory Change," *Election Law Journal*. 13(1): 27-44.

Jordi Blanes i Vidal, Mirko Draca, and Christian Fons-Rosen. 2012. "Revolving Door Lobbyists." *American Economic Review*, 102(7): 3731-48.

Jin-Hyuk Kim. 2013. "Determinants of post-congressional lobbying Employment," *Economics of Governance* 14 (2): 107-126.

Ed deHaan, Kevin Koh, Simi Kedia, and Shivaram Rajgopal. 2014. "Does the Revolving Door Affect the SEC's Enforcement Outcomes? Initial Evidence from Civil Litigation," working paper.

Simon Luechinger, and Christoph Moser. 2014. "The Value of the Revolving Door: Political Appointees and the Stock Market," *Journal of Public Economics* 119 (November): 93-107.

David Lucca, Amit Seru, and Francesco Trebbi. 2014. "The Revolving Door and Worker Flows in Banking Regulation," *Journal of Monetary Economics* 65 (July): 17-32, and Comment by Edward J. Kane, 33-35.

Week IX. *Political Contributions—Motivations for Giving* (March 25th)

Gene Grossman and Elhanan Helpman. 1994. "Protection for Sale," *American Economic Review* 84: 833-50.

Nolan McCarty and Lawrence S. Rothenberg. 2000. *Political Analysis*. "The Time to Give: PAC Motivations and Electoral Timing," 8:230-259.

Sanford Gordon, Catherine Hafer, and Dimitri Landa. 2007. "On the Motivations for Political Giving," *Journal of Politics* 69 (4): 1057-1072.

Matilde Bombardini and Francesco Trebbi. 2011. "Votes or Money? Theory and Evidence from the US Congress," *Journal of Public* 95(7-8): 587-611.

Michael Barber, Forthcoming. "Donation Motivations: Testing Theories of Access and Ideology," *Political Research Quarterly*.

Kishore Gawande and Christopher Magee. 2012. "Free Riding and Protection for Sale," *International Studies Quarterly* 56 (4): 735-747.

Week X. *Political Contributions—Impacts* (Apr. 1st)

Randall L. Kroszner and Thomas Stratmann. 1998. "Interest-Group Competition and the Organization of Congress: Theory and Evidence from Financial Services' Political Action Committees." *American Economic Review* 88: 1163-1187.

Michael J. Cooper, Huseyin Gulen, and Alexei V. Ovtchinnkov. 2010. "Corporate Political Contributions and Stock Returns," *Journal of Finance* 65 (2): 687-724..

Justin Fox and Lawrence Rothenberg. 2011. "Influence without Bribes: A Non-Contracting Model of Campaign Giving and Policymaking," *Political Analysis* 19, 325-341, 2011. [Note is an available supplemental appendix]

Alexei V. Ovtchinnikov, and Eva Pantaleoni. 2012. "Individual Political Contributions and Firm Performance," *Journal of Financial Economics* 105 (2): 367-392.

Rajesh K. Aggarwal, Felix Meschke, and Tracy Yue Wang. 2012. "Corporate Political Donations: Investment or Agency?" *Business and Politics* 14 (1): Article 3.

NO CLASS April 8th

Weeks XI-XII. Lobbying the Courts and Bureaucracy. (Apr. 15th and 22nd).

Ernest del Bo and Rafael Di Tella. 2003. "Capture by Threat," *Journal of Political Economy* 111: 1123-1154.

Daniel P. Carpenter. 2004. "Protection without Capture: Product Approval by a Politically Responsive, Learning Regulator," *American Political Science Review* 98: 613-631.

Sanford Gordon and Catherine Hafer. 2005. "Flexing Muscle: Corporate Political Expenditures as Signals to the Bureaucracy," *American Political Science Review* 99: 245-261.

Sanford C. Gordon, and Catherine Hafer. 2007. "Corporate Influence and the Regulatory Mandate," *Journal of Politics* 69 (2): 300-319.

Amy McKay and Susan Webb Yackee. 2007. "Interest Group Competition on Federal Agency Rules," *American Politics Research* 35 (3): 336-357.

Richard L. Hall and Kristina C. Miler. 2008. "What Happens After the Alarm? Interest Group Subsidies to Legislative Overseers," *Journal of Politics* 70 (4): 990-1005.

Sean Gailmard and John W. Patty. 2012. "Information & Contestation: A Formal Model of Notice and Comment," working paper.

Janet Box-Steffensmeier, Dino P. Christenson, and Matthew P. Hitt. 2013. "Quality Over Quantity: Amici Influence and Judicial Decision Making," *American Political Science Review* 107 (3): 446-460.

Paul M. Collins, Jr., and Wendy L. Martinek. 2015. "Judges and Friends: The Influence of Amici Curiae on U.S. Court of Appeals Judges," *American Politics Research* 43 (2): 255-282.

Haeder, Simon and Susan Webb Yackee. 2015. "Influence and the Administrative Process: Lobbying the U.S. President's Office of Management and Budget," *American Political Science Review* 109 (3): 507-522.

Week XIII. Private Politics and Student Presentations (April 29th [if possible]).

David Baron and Daniel Diermeier. 2007. "Strategic Activism and Nonmarket Strategy." *Journal of Economics & Management Strategy* 16 (3): 599-634.

David P. Baron. 2012. "The Industrial Organization of Private Politics," *Quarterly Journal of Political Science* 7: 135-174.

Thomas Lyon and John Maxwell. 2004. "Astroturf: Interest Group Lobbying and Corporate Strategy," *Journal of Economics & Management Strategy* 13: 561-597.

Brian Kelleher Richter. 2011. "'Good' and 'Evil': The Relationship between Corporate Social Responsibility and Corporate Political Activity," unpublished manuscript.

Craig Volden and Alan E. Wiseman. 2009. "A Theory of Government Regulation and Self-Regulation with the Specter of Nonmarket Threats," working paper.

Gregory Egorov, and Bård Harstad. 2015. "Private Politics and Public Regulation," working paper, Kellogg.

Some Overview Pieces on Interest Groups (for your files):

Marie Hojnacki, David C. Kimball, Frank R. Baumgartner, Jeffrey M. Berry, and Beth L. Leech. 2012. "Studying Organizational Advocacy and Influence: Reexamining Interest Group Research," *Annual Review of Political Science*.

John M. de Figueiredo and Brian Kelleher Richter. 2014. "Advancing the Empirical Research on Lobbying," *Annual Review of Political Science* 17: 163-185.