

# PARTISAN POLARIZATION AND CORPORATE LOBBYING: INFORMATION, DEMAND, AND CONFLICT

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## *Interest Groups and Advocacy*

Abstract:

How do political environment and organization characteristics combine to impact lobbying behavior? I answer this question using a time series analysis of an original dataset comprised of corporate lobbying disclosure reports, made available through the Lobbying Disclosure Act of 1995. I theorize that polarization will drive increases in lobbying efforts toward Congress in particular, due to the increasing challenges of legislating under such conditions. The findings indicate that polarization does appear to increase lobbying in Congress, while firm wealth, combined with constituency-based connections to members of Congress decreases lobbying efforts, perhaps due to increased efficacy of efforts (quality over quantity). These findings, when paired with recent evidence regarding the relationship between leadership and non-leadership members of Congress, suggest that lobbyists may be becoming an increasingly integral source of information for members of Congress who do not hold leadership positions.

## INTRODUCTION

Interest groups, associations, businesses - and the lobbyists they hire - rely on a remarkably diverse toolbox of strategies to achieve their desired public policy outcomes. The term ‘lobbying’ has been used to refer to activities as wide ranging as grassroots campaigns, media use, face-to-face contacts, and even interest-group contact with bureaucracies, all in effort to influence the policy process to some end (Baumgartner and Leech 1998). These tactics have been the subject of extensive study in the field of political science, but recent changes in the political landscape have opened new questions for the field to examine.

Partisan polarization has been increasing in Congress since the early 1990s (Theriault 2013), reshaping a rapidly evolving political environment and presenting new challenges for those who wish to influence public policy. How do interest groups react to partisan polarization, if they do at all? Further complicating the process of studying the relationship between lobbying and partisan polarization is the limited and recent nature of data on lobbying. Lobbying Disclosure data on lobbying has only been available since the Lobbying Disclosure Act of 1995, which went into effect in 1996. This makes it difficult to observe the impact of party polarization on lobbying behavior because we generally lack the data to compare behavior under conditions of polarization to behavior under conditions of bipartisanship. While there are a variety of theories explaining why and how lobbyists approach their jobs, not enough is yet known about how modern partisan polarization is changing political advocacy.

Agricultural policy is one of the longest standing subsystems in American Politics and it represents a classic case study for interest group advocacy in political science (Bosso 2017; Browne 1995; Hansen 1991; Sheingate 2003). As an issue area, it presents an ideal case for considering the impacts of partisan polarization. Until the early 2000s, the agricultural subsystem

held firm as one of the last bastions of true bipartisanship (Browne 1995). However, during the last decade (2009-2019), there has been a gradual breakdown of bipartisanship in the House and Senate Agriculture committees. For anecdotal evidence, contrast the two-time bipartisan Congressional override of a presidential veto in 2008 (Walsh 2008), with the contentious battles over SNAP funding that resulted in near failure of the farm bill in 2018 (Snell and Naylor 2018). The agricultural subsystem therefore presents a unique opportunity; because the breakdown of bipartisanship in agriculture has occurred so recently in Agriculture (post 2008), it is possible to observe the behavior of lobbyists and interest groups under conditions of rapid polarization. In the agricultural subsystem, in particular, we can compare lobbying behavior under these conditions of intense disruption to lobbying behavior under previous, more bipartisan conditions. By looking at interest group behavior changes over the last 10 years, particularly in reaction to this brave new world of partisan breakdown, political scientists have a rare opportunity to watch lobbyists adjust, strategize, and maneuver to keep their heads above water.

This research uses business, or firm, lobbying in the agricultural subsystem to assess how lobbying behavior has changed between 1998 and 2013. Firm-level analysis is particularly useful because the additional available data on firms, such as headquarters location and revenue, allow for the possibility that resources and political connections further complicate the impact of partisan polarization on behavior.<sup>1</sup> I ask how firm lobbying behavior has changed over time – are they increasing their lobbying toward some institutions, but not others – and who is advantaged and disadvantaged in this new political context? In addressing these questions, I suggest that political polarization has particularly significant implications for whose voice is heard on Capitol Hill.

**INFORMATIONAL SUBSIDY: CORPORATE LOBBYISTS ARE THE ‘BRAINPOWER’ OF CONGRESS**

It is well established that lobbying has been increasing over time (see for example Drutman 2015), and that one of the primary roles of lobbyists is to provide informational subsidies to members of Congress (Baumgartner et al. 2009; Baumgartner and Leech 1998; de Figueiredo 2002; Hansen 1991). A legislative, or informational, subsidy by a lobbyist is, “a matching grant of policy information, political intelligence, and legislative labor to the enterprises of strategically selected legislators... to assist natural allies in achieving their own, coincident objectives” (Hall and Deardorff 2006, 69). There are several explanations for why lobbying is increasing over time, and regarding what kind of information and value these lobbyists are contributing.

One answer as to why lobbying is increasing over time is that it is a self-perpetuating industry. Legislators welcome the informational subsidies provided by lobbyists, and lobbyists are incentivized to create demand for their services (Drutman 2015). Another explanation for increased lobbying is conflict expansion. As government expands to legislate a greater variety of issues, greater numbers of industries and businesses are affected by regulation, the discussion over who laws will impact, and how they will be operationalized, means a near endlessly expanding conflict space (Baumgartner and Jones 1993; Schattschneider 1975). Further, as the scope of conflict expands, so does the variety, depth, and complexity of the information that Congress needs to do its job, while simultaneously members spend increasingly large amounts of time on campaign activities and constituency services; lobbyists increase their activity in response to governmental demand for the information that they are so adept at providing (LaPira and Thomas III 2017; Leech et al. 2005). Finally, lobbying may be expanding simply because it is profitable, particularly for corporations (Alexander, Mazza, and Scholz 2009; Drutman 2015; Waterhouse 2015). Lobbyists are sensitive to policy windows such as major regulatory reforms

(Alexander, Mazza, and Scholz 2009) and budgeting discussions (de Figueiredo 2004), and they are cognizant of the potential profitability of lobbying during these times.

These explanations are not necessarily competing explanations; they describe the moving parts of the current political climate and they work together to generate business for the advocacy industry. I add an additional component to that: partisan polarization. Beginning in the 1990s, House and Senate Republicans became increasingly extreme partisans and began voting much more coherently as a party bloc, rather than as individual members of Congress with unique interests (Theriault 2013). The intensification of partisanship, particularly among the Gingrich Senators, has resulted in a marked decline in collegiality and a corresponding uptick in hostility in Congress (Theriault 2013). Specifically, Congress has experienced a rise in “combative conservatism” (Grossmann and Hopkins 2016, 285).

As partisan hostility has increased, Congress itself has experienced a decline in its institutional capacity. New research on Congress indicates an alarming decline in the institutional capacity for gathering and assessing information (Curry 2015; Drutman 2015; LaPira and Thomas III 2017). This decline is occurring for two main reasons. First, Congressional leadership has begun restricting information to rank and file members (Curry 2015); and second, members spend increasingly large amounts of time on campaign activities and constituency services (LaPira and Thomas III 2017). Increasingly, Congressional leadership has used information restriction as a key exercise of power and party control over other members; this strategy ensures that legislators, often lacking the time and resources to study the legislation themselves, are forced to turn to their party leadership for information and guidance (Curry 2015). Additionally, Congress has diminished its own capacity at information gathering and analysis over the years by reducing employment of nonpartisan committee staff and

allocating resources away from research in favor of performing more constituency services and seeking reelection (LaPira and Thomas III 2017). Congressional staffers, overworked and underpaid, are often forced to play “intellectual catch-up” on more technical matters of policymaking, and they often turn to lobbyists to explain increasingly complex policy for them, giving lobbyists enormous power over policy details and content (Drutman 2015, 233). In short, lobbyists function as adjunct staffers (Boehmke, Gailmard, and Patty 2013; Hall and Deardorff 2006; LaPira and Thomas III 2017), and provide information in response to Congressional demand for that information (Leech et al. 2005).

As LaPira and Thomas III say, ‘the government has essentially outsourced its brainpower to the lobbying community’ (2017, 51). In this environment, Corporate America is one of the primary communities that is providing that brainpower. Business and corporate interests are disproportionately over-represented among groups lobbying Congress (Baumgartner and Leech 1998; Boehmke, Gailmard, and Patty 2013; Drutman 2015; de Figueiredo 2004). Even within the agricultural subsystem, policy images dredge up small town family farmers, but companies and trade associations are powerful actors. Tobacco, for instance, consistently rates among one of the highest spending industries, and nearly 100% of that spending is done by companies in the industry (Drutman 2015, 111). Lobbying in the sector of “crop production,” represents a more diverse playing field, in the sense that both farmers and companies are politically active. Yet still around 40% of all lobbying done in this sector is done by companies (Drutman 2015, 111), and the farmers themselves are not necessarily those folksy family farmers, given that over 66% of US farm goods are produced from just a few large-scale production farms (Klein and Locke 2014).

## **POLARIZATION AND LOBBYING: THE CONNECTION**

If lobbyists provide necessary information (both policy and electoral) to members of Congress, then how does party polarization change that relationship, if at all? Polarization has certainly changed which issues attract the most attention – partisan issues are often more salient, and receive more news coverage, than nonpartisan issues (Baumgartner et al. 2009). But does polarization change how lobbyists themselves behave?

Agribusiness interests are lobbying in an environment in which rank and file members of congress have both less time and less information. Further, as members spend less time on the Hill, they enjoy fewer relationships and less collegiality amongst themselves, a condition exacerbated by party polarization (Theriault 2013). Lobbyists are providing information that members of Congress once communicated amongst themselves, including vote counts; “lobbyists fill the vacuum created by partisanship. Polarization has strengthened their hand in a process where information – particularly intelligence about what is happening on the other side of the aisle – is a highly valuable commodity” (Andres 2009, 116). This aligns with the established wisdom that skilled agricultural and agribusiness lobbyists are providing not only policy expertise, but also valuable political information (Hansen 1991). In short, lobbyists no longer provide just an information subsidy, they also provide a *communication subsidy* – lobbyists increasingly provide key communications to and between members of Congress, evening including legislative strategy information such as vote counts and other insider details that members once communicated directly to each other or that would have been communicated by committee leadership. Indeed, members of Congress count on this. Evidence suggests that as partisan hostility has increased, conservative members, in particular, developed a strategy of cultivating corporations and encouraging them to hire Republican lobbyists in order to bolster their influence on legislation (Grossmann and Hopkins 2016, 292). In other words, members of

Congress make a deliberate choice to rely on lobbyists, particularly those who share their ideological preferences and particularly corporate and business interests. The increased hostility in Congress, decreased flows of information, and political reliance on lobbyists has expanded the opportunity for interest groups, especially business, to have powerful influence in the constructing of public policy. Party polarization is leading to increased influence over legislation (Andres 2009).

The idea that polarization has increased the political demand for the informational and communicative subsidies is not a novel or surprising idea to lobbyists in the agricultural sector; it is a new reality that they are abundantly aware of. In interviews, lobbyists suggested that they have changed how they approach Congress, and Washington more broadly, since the era of party polarization. The results of these interviews, conducted as part of a broader research project,<sup>ii</sup> will not be discussed in full in this article. However, one quote in particular is notable. An agribusiness trade association lobbyist baldly explained, “[polarization] is making things harder. And I think it’s making people work harder and making them have to spend more time.” In practical terms, what this quotation suggests is that while polarization may give lobbyists increased influence over legislation (Andres 2009), it also forces them to work harder and longer for desirable political outcomes. Research regarding lobbying in state governments has also indicated that conflict and hostility between parties gives lobbyists more power over legislation, but simultaneously that advocacy groups must dedicate more resources and work harder to be successful in influencing state legislators (Bullock and Padgett 2007). Given this, then we should expect that interest groups will lobby Congress (the bastion of partisan tension), but not the White House or Bureaucracy, at a higher volume during times of partisan polarization.

**Hypothesis:** Partisan polarization in Congress increases the amount of lobbying directed at Congress, but not the amount of lobbying directed at the White House or agencies.

This is not a venue shopping argument, in which lobbyists are looking for a receptive institutional audience and therefore shift their focus, though this certainly occurs (Holyoke 2016). Rather, I am using lobbying of the White House and bureaucracy as comparison points for advocacy behavior. Consistent with existing findings in the literature, I expect that lobbying in Congress will be closely related with lobbying in other venues (Boehmke, Gailmard, and Patty 2013); however, in the agricultural sector in particular, the Congressional environment has changed – it is increasingly characterized by bitter partisanship and the accompanying “gridlock” so frequently associated with these fights.

Given the constant lament about gridlock in Congress, we should perhaps not be surprised that lobbyists must work harder now than ever before, even if that hard work is possibly rewarded by greater influence. However, political science has yet to clearly show the link between partisan polarization and increased reports of lobbying. The following sections will test whether this phenomenon is simply perception of bedraggled lobbyists, or if it is the new political reality facing policy advocates.

#### **THE DATA:**

In order to answer the question ‘how is polarization impacting lobbying in the agricultural sector?’, I combine Lobbying Disclosure Act (LDA) data with data from the Compustat Database (both are described in detail shortly), to create an original time series cross sectional database of lobbying firms.

The original LDA of 1995 required lobbying reports from any organization spending or earning more than \$10,000 in a six-month period on lobbying the federal government; the

legislation has since been updated to cover organizations that spend more than \$3000 on lobbying activities during a given quarter (“Lobbying Disclosure Act Guidance” 2013). While these disclosure reports are limited in what they contain, they provide useful, quantifiable measures on lobbying activity, including the issue area interests lobbied in, the number of lobbyists they hired, the institution the lobbyists targeted, and the total amount of money an organization spent on lobbying efforts in a given quarter. However, the data are also “nested and duplicative,” meaning that lobbying issue area and lobbying expenditure (for example) cannot be used simultaneously (Thomas and LaPira, n.d.). The Center for Responsive Politics (CRP) has compiled and cleaned all registered lobbying expenditures that have been disclosed through the LDA. This cleaning includes name disambiguation and it excludes legal and other non-lobbying expenditures.<sup>iii</sup>

Analysis for this research begins with the year 1998 and extends through the year 2013. However, one example of the complex nature of the data is that prior to 2008 lobbying interests were required to report semi-annually, rather than quarterly, meaning that the number of reports of lobbying (the dependent variable in this analysis), sharply doubles in 2008. If a lobbyist was working for a corporation in 2000, they would file two reports a year, under the new rules beginning in 2008, the same lobbyist began filing 4 reports a year. To account for the sudden doubling of lobbying reports, a dummy variable was created for the law-change in 2007 and in effect beginning in 2008.<sup>iv</sup>

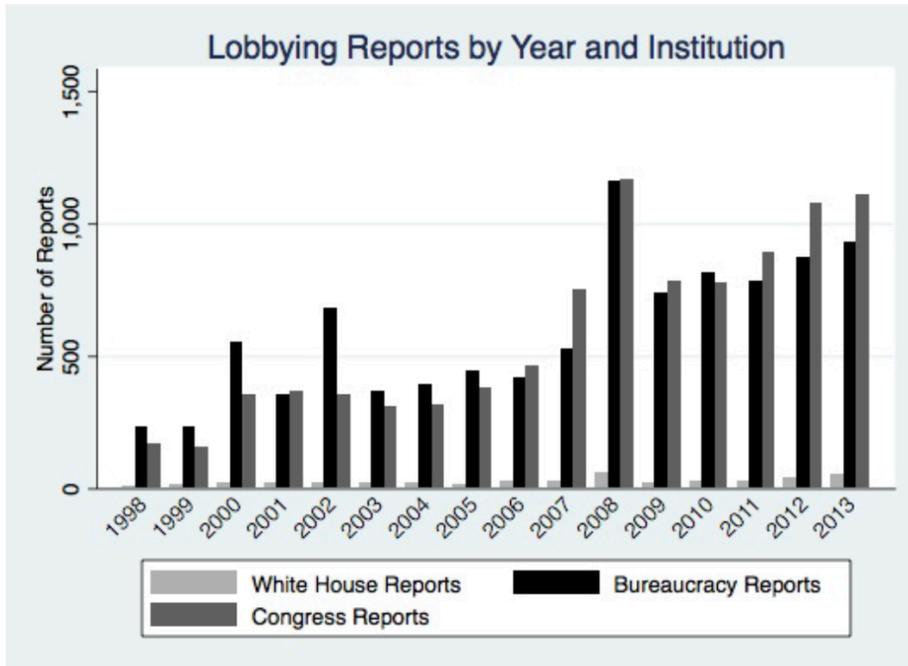
This provides me with a cross-sectional time series data set of lobbying firms from 1998-2013. I then matched this set of lobbying firms to a dataset downloaded from WRDS KnowledgeBase Compustat database. The Compustat dataset includes historical descriptive information (headquarter location and revenue, among other things) on stocks from both active

and inactive companies from the NYSE, NYSE MKT, NASDAQ and Arca exchanges. Because firms were named inconsistently in the lobbying data (a function of how firms fill out their reporting forms), I hand-matched the two datasets, resulting in a combined data set including 277 unique publicly traded firms who reported lobbying in the agriculture sector over the 15-year time period.

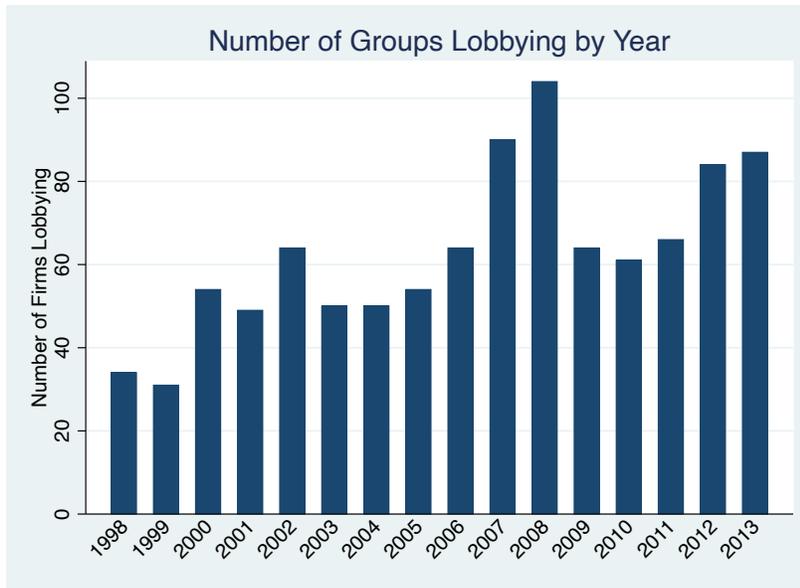
The dependent variable in the analysis that follows is described as “reports” of lobbying, by institution.<sup>v</sup> Report counts are aggregated by firm, each year. As previously noted, a firm may file a single report each quarter, or it may file multiple reports in a quarter if it employed multiple lobbyists, worked on multiple issue areas, or lobbied in multiple venues. In total this yields 980 observations. However, firms enter and exit the dataset with high frequency, as most firms do not lobby on a consistent basis. Additionally, some firms who lobby regularly choose to report yearly, whether or not they actually lobbied in that issue area, while other firms choose not to. To correct for these variations in firm reporting, I fill in the dataset with zeros for those firms who are present lobbying in the data set but did not lobby in a particular year. In other words, a firm may report 3 lobbyists advocating on farm issues in 2002, and 0 in 2003. In the data as originally structured, a firm would simply not be present in the data during 2003. However, I have added the firm into the dataset during that year with a 0 as their reported number of lobbyists working on agricultural issues. Adding these 0s increases the total number of observations from 940 to 4,992.<sup>vi</sup>

Between 1998 and 2013 lobbying reports increased steadily, across all institutions. Figure 1 illustrates that the number of reports made by firms during that time span, by institution. It is important to note that the number of reports filed (the dependent variable) nearly doubles in 2008, as new reporting requirements went into effect. As previously mentioned, I do control for

this change in reporting requirements in the regression analysis that follows. Simultaneously while the volume of lobbying done by individual firms was steadily increasing, so was the number of firms engaged in lobbying in the agricultural space (see Figure 2). There are noticeable spikes in the number of firms engaging in advocacy during those years when Congress was considering a Farm Bill.



**Figure 1.** Lobbying Reports by Institution and Year



**Figure 2.** Number of firms lobbying, by year.

### THE DEPENDENT VARIABLE AND METHODS

In order to test the hypothesis that polarization increases the quantity of lobbying directed toward Congress, I perform a negative binomial regression on the cross sectional, time series data described here (Table 1). The dependent variable for each regression, respectively, is the number of lobbyists a firm reported hiring to lobby Congress, the bureaucracy, or the White House, in a given year.<sup>vii</sup> Lobbying the White House includes those groups who reported lobbying ‘White House,’ ‘Joint Chiefs of Staff,’ and ‘Vice President’s Office.’ A group has lobbied Congress if they reported lobbying either the ‘US Senate’ or the ‘US House of Representatives.’ Finally, lobbying the bureaucracy is considered lobbying any other federal agency. Agencies include the US Fish and Wildlife Service, US Immigration and Customs Enforcement, the Food and Drug Administration, and many others.<sup>viii</sup> No agencies were excluded. As noted above, while it would be ideal to measure money spent lobbying these institutions, the way that lobbying disclosure reports are structured does not allow for the

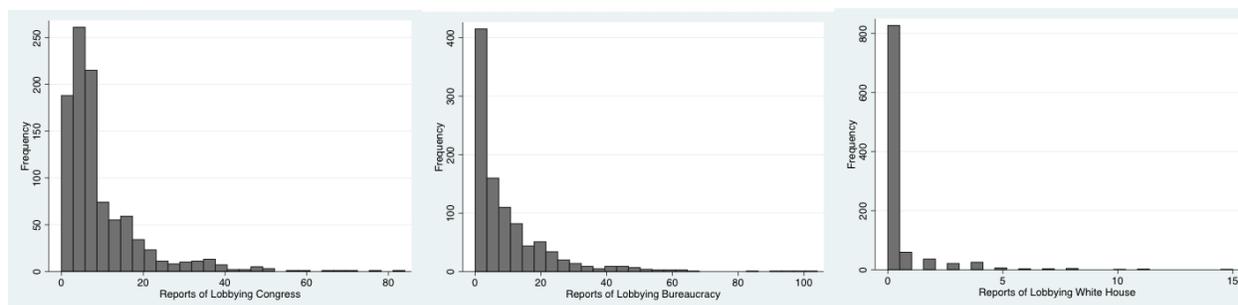
possibility of distinguishing how much money was spent on lobbying a particular issue area.

Therefore, the number of lobbyists hired in a particular issue area is the best proxy measure for the relative intensity of lobbying a group is engaging in at any given time.

Analysis of this cross sectional, time-series dataset relies on count data for the dependent variables (see previous paragraph). The data distribution on all of the dependent variables (number of lobbyists, by firm-year) is non-normal and skewed, as indicated in Figure 1. While time series analysis approaches can control for serial-dependence in the data, they do not appropriately cope with non-normally distributed data. I have chosen to address the over dispersion of the dataset, rather than the serial dependence problem. A Harris-Tzavalis test provides overwhelming evidence against the presence of a unit root in any of the dependent variables (Lobbying Congress, Lobbying the White House, or Lobbying the Bureaucracy), making autocorrelation less of a concern than overdispersion. A Pearson goodness-of-fit test indicates that the data is too over-dispersed for a Poisson regression, making a time series negative binomial regression appropriate. I also performed an examination of the variance inflation factors and did not find multicollinearity between variables.<sup>ix</sup>

One important characteristic of the data, as might have been indicated by the overdispersion of the data, is that most groups lobby somewhat inconsistently, and often lobby relatively little when they do report lobbying (meaning that the data is skewed). Figure 3 illustrates this skewedness by showing histograms of the number of firms that file just one or two reports over the 15 years, and the very few number of firms who file many more reports during that same time period. Among the universe of firms that reported lobbying, the mean number of lobbying reports that a firm filed for lobbying Congress in a given year was 10, with the minimum number being 0 and the maximum number being 84. The mean number of reports that a firm

filed for lobbying the bureaucracy during the same time period was also 10 and the minimum 0, but the maximum was 104. The White House saw much less lobbying activity, with the mean number of reports at only .5 (most firms reported 0 lobbying in the White House), the minimum being 0, and the maximum being 15 reports.



**Figure 3.** Histogram of lobbying reports filed for each institution

## INDEPENDENT VARIABLES

The independent variables in this analysis are as follows. First, I include a dummy variable for those years in which a farm bill is considered by Congress. This accounts for the cyclical nature of decision making in the agricultural policy space, a characteristic of farm bill re-authorization. This is important to account for, given that during these years more groups are likely to lobby, and lobbying groups are likely to lobby more intensely. Similarly, the variable entitled “number of agricultural hearings” (ranging from 10 to 69) is an additional measure of agenda crowding, accounting for other occasional large pieces of legislation may attract a sudden influx of advocacy, as well as the possibility that some farm bill years are more contentious than others. This is consistent with a theory of Congressional demand for lobbying, which indicates that lobbyists are more active at times when Congress is more attentive to their issue areas (Baumgartner et al. 2011; Leech et al. 2005).

An additional measure of agenda crowding is the number of other groups lobbying each year, ranging from 31 to 104 groups. Inclusion of the number of groups lobbying each year

accounts for the possibility that as more firms begin to lobby, each individual firm will increase their advocacy efforts, lobbying more vociferously due to competition – in short, this variable captures the known phenomenon of bandwagoning (Baumgartner and Leech 1998).

The next independent variable, Congressional polarization, is a key explanatory variable and is measured as an average of Rosenthal and Poole’s House and Senate polarization means on the first dimension (2015).<sup>x</sup> Partisan polarization quantifies the ideological distance between the most far left Liberal, and the most far right Conservative in each chamber.

The measures of divided Congress and Unified government are both dummy variables accounting for partisan control over government. Divided partisan control over Congress, in which the House and Senate are controlled by different parties, and Unified Government, in which Congress and the executive are controlled by the same party are not overly correlated – they are correlated about 50% of the time. The inclusion of these dummy variables accounts for the possibility that lobbyists respond to party control of government (Bullock and Padgett 2007), particularly in a highly polarized partisan environment.

The next set of independent variables account for variation across firms. Only a limited set of firms, generally those with higher revenue, choose to go beyond what can be accomplished through trade associations (Lux, Crook, and Woehr 2011; Mathur and Singh 2011). For this reason, the relative ability of an organization to expend resources on lobbying independently of trade organization (or organizational capacity) is captured by revenue, as reported in Compustat. In the dataset, the mean firm revenue is just 21.5 thousand, but the maximum firm revenue is 433.5 thousand. The majority of firms in this dataset fall well below the mean. Firms below the mean include Kellogg, Hershey’s Horizon Organics, and Land O’ Lakes. Firms above the mean include CocaCola, Tyson, McDonalds, and Walmart. ConAgra is an example of a firm that falls

above the mean some years and falls below it, others. To account for this extreme variation, I normalize firm revenue by taking the log.

Within Congress, lobbyists generally target issue relevant committees, rather than initiating broad, institution-wide efforts (de Figueiredo and Richter 2013; Hojnacki and Kimball 1998b; 1999). Following from this, evidence suggests that when groups enjoy strong constituent ties to a legislator's district they will pursue lobbying, regardless of legislator position (Hojnacki and Kimball 1999). Therefore, I include an independent variable capturing the number of representatives on relevant committees that a firm can claim to be a constituent of, based on the location of a firm's headquarters (retrieved from Compustat).<sup>xi</sup> I consider 'relevant committees' to be the Agriculture Committee, the Appropriations Committee, the Budget Committee, and Party Leadership. While these are not the *only* committees that have influence over the agricultural policy area, they are arguably the most influential. I also include a second model with an interaction term between firm revenue and firm location (congressional connections measure).<sup>xii</sup> While increased resources provide firms with the capacity to lobby outside of trade associations, on their own behalf, and makes them more likely to do so (Lux, Crook, and Woehr 2011; Mathur and Singh 2011), lobbying organizations (of all kinds) also benefit enormously from the ability to make a constituency-based argument to legislators (de Figueiredo and Richter 2013; Hojnacki and Kimball 1998a). The interaction term is intended to capture this phenomenon by accounting for the possibility that firms who are *both* wealthy and particularly well connected may have more influence or power than other firms.

Finally, in each regression, I include the firm reports of lobbying in the other two institutions as independent variables. Lobbying in one institution is a strong predictor of lobbying behavior in another institution because the interest group has already overcome the

start-up costs of engaging in advocacy, and because lobbyists are incentivized to create additional markets for themselves (Drutman 2015).

## **RESULTS**

The hypothesis suggested that polarization would lead to increased agribusiness lobbying in Congress, as lobbyists responded to a more ‘gridlocked’ environment, but not increased lobbying in bureaucracies or toward the White House. The results presented in Table 1 confirm this hypothesis by showing that polarization has an enormous effect on lobbying behavior directed toward Congress, but not toward the other two institutional venues. The first set of regressions in Table 1 is the model without an interaction between firm revenue and committee connections, the second model includes the interaction.

Table 1. Incident Rate Ratios Time Series Negative Binomial Regression Analysis of the Number of Lobbyists Hired to Approach Congress, Bureaucracies, and the Whitehouse

	Congress	Congress Model 2	Bureaucracy	Bureaucracy Model 2	Whitehouse	Whitehouse Model 2
Farm Bill Year	0.827 (0.107)	0.832 (0.108)	0.926 (0.141)	0.930 (0.141)	0.826 (0.296)	0.830 (0.297)
Average Polarization	10.627* (11.213)	10.868* (11.482)	0.305 (0.379)	0.297 (0.370)	1.535 (4.223)	1.564 (4.306)
Divided Congress	1.007 (0.133)	1.010 (0.134)	1.112 (0.168)	1.114 (0.169)	1.438 (0.488)	1.436 (0.488)
Unified Government	1.201 (0.148)	1.191 (0.147)	0.940 (0.130)	0.936 (0.129)	0.906 (0.301)	0.906 (0.301)
Committee Connections	1.002 (0.008)	1.065** (0.024)	1.011 (0.010)	1.053 (0.031)	0.981 (0.027)	1.016 (0.135)
Revenue, Normalized	1.131** (0.019)	1.195** (0.032)	1.133** (0.024)	1.177** (0.040)	1.587** (0.121)	1.627** (0.195)
Connections & Revenue Interact	--	0.992** (0.003)	--	0.995 (0.003)	--	0.996 (0.014)
Number of Firms Lobbying	1.017** (0.003)	1.017** (0.003)	1.013** (0.004)	1.013** (0.004)	1.021* (0.009)	1.021* (0.009)
Number of Agriculture Hearings	0.993 (0.005)	0.993 (0.005)	0.995 (0.005)	0.995 (0.005)	0.985 (0.014)	0.985* (0.014)
Congress Lobbying	--	--	1.059** (0.005)	1.059** (0.003)	1.009 (0.007)	1.009 (0.008)
Bureaucracy Lobbying	1.066** (0.002)	1.066** (0.002)	--	--	1.055** (0.006)	1.055** (0.006)
Whitehouse Lobbying	0.928** (0.022)	0.928** (0.022)	1.102** (0.026)	1.104** (0.003)	--	--
2007 Law Change Dummy	0.543** (0.078)	0.542** (0.078)	0.857 (0.135)	0.856 (0.135)	0.245** (0.100)	0.245** (0.100)
Constant	0.002** (0.002)	0.001** (0.000)	0.040** (0.039)	0.029** (0.029)	0.000** (0.001)	0.000** (0.000)
N	4,992	4,992	4,992	4,992	4,992	4,992
Wald Chi-Square	1919.51**	1943.26**	1358.14**	1356.81**	317.35	317.87
Log Likelihood	-5246.290	-5242.514	-4424.292	-4423.279	-749.681	-749.645

Notes: Standard errors appear in parentheses

\* $p \leq 0.05$ ; \*\* $p \leq 0.01$

Table 1 indicates that party polarization, taken across both chambers, has a large and significant effect on lobbying reports. As predicted by the hypothesis outlined above, as polarization increases, agricultural corporation reports of lobbying Congress experience a ten-fold increase. However, reports of lobbying directed toward the bureaucracy and White House do not similarly increase. This suggests that polarization is not increasing lobbying across all venues, but rather, that agribusiness firm lobbyists are working harder specifically to achieve preferred outcomes in Congress.

Additionally, regression results across both models show that firm revenue has a considerable and significant impact on lobbying behavior toward all institutions. Firms with higher revenue engage in additional lobbying. This finding is consistent with existing literature on the subject, suggesting that firm resources are a major determinant of corporate lobbying decisions (Drope and Hansen 2006). Predictably, connections to legislators on relevant committees impacted lobbying in Congress, but not in other venues. Similarly, the connections and revenue interaction is significant in Congress only, though with a negative effect. This could perhaps be taken to indicate that firms who enjoy both strong relationships to important members of Congress and high revenue have more political leverage, and therefore enjoy more effective lobbying, facilitating a reduced quantity of advocacy. However, without further investigation such a supposition cannot be proven. This remains an area ripe for future research.

Finally, the bandwagon effect is clear, as evidenced through the fact that lobbying in in any institution is positively associated with lobbying in other venues as well. It is important to note that the regression results offer very little insight in to lobbying directed toward the White House, in part because this venue was defined narrowly, and few lobbying reports fell into this category.

## **DISCUSSION AND CONCLUSIONS:**

This article finds that as polarization in the agricultural subsystem has increased, corporations have correspondingly increased the amount of lobbying that they have reported toward Congress, but not toward other venues. Increased firm lobbying toward Congress as a reaction to polarization has two drivers. The first is, as the quoted lobbyist described, that advocacy groups are working much harder and lobbying much more for the same outcomes. The second, which political scientists have worried about, is that polarization and party conflict increase the potential influence of special interests (Andres 2009; Bullock and Padgett 2007), therefore increasing the incentive to lobby. This is consistent with the logic that lobbying is the result, rather than the cause, of governmental activity (Baumgartner et al. 2011).

Additionally, the finding that resources and legislative connections are significant predictors of lobbying behavior aligns with existing literature on the subject (de Figueiredo and Richter 2013; Hojnacki and Kimball 1998a). Paired with evidence that party polarization creates additional space for influence, but also requires a greater investment in lobbying, these results suggest that a more polarized political environment also favors, even more drastically, large and well-resourced corporations. In the agricultural sector such a finding is particularly notable due to the already lopsided nature of the subsystem. For example, current farm subsidies already reinforce economic disparities between farmers, with the 54 percent of all payments going to just the wealthiest one-tenth of farmers (Reiley 2019). Substantively speaking, the agricultural sector has great influence over American diets, food prices, food access, and conservation policy.

The potentially increased power of wealthy groups, relative to less well-resourced groups, posts a significant concern about the future of American food and agriculture policy. However, lobbying efficacy is notoriously hard to measure (Baumgartner and Leech 1998), and

it is worth noting that the number of lobbyists a that firm employs does not necessarily indicate the relative quality, connections, or expertise of those lobbyists.<sup>xiii</sup> Further, due to the nature of the LDA data, it is impossible to estimate the amount of money that is being spent by these firms solely on agricultural lobbying, relative to other issue areas, nor do we know specifically which bills industry actors are targeting. In short, LDA data does not give us any way to measure the substantive influence of interest groups on legislation, we can only measure the ways and amount in which influence was attempted. We should therefore be cautious in making dire predictions about the ability of business to determine agricultural legislation, particularly since corporate ability to “buy” legislation has simply not been shown. There is still considerable work to be done in the future to discover just how much power lobbyists do (or do not) have to influence the substance of legislation.

While agriculture is a traditional case study for lobbying literature, there are other issue areas that may be distinct, such as finance or healthcare. Given that the agricultural subsystem experienced the deterioration from bipartisanship to party polarization so rapidly, it posed a unique opportunity to observe corporate behavior under conditions of rapid change. However, this study could be replicated in other issue areas, or across all issue areas, to further explore the consequences of political polarization on firm lobbying behavior.

Interestingly, research on the lobbying of agencies has shown that businesses often prefer to lobby bureaucracies over Congress (McKay 2011). Given the findings of this paper that partisan polarization is increasing the amount lobbying directed toward Congress, but not toward the bureaucracy, future research should consider whether business advocacy is an indefinitely expanding behavior, or whether lobbyists are making tradeoffs and reallocating their advocacy efforts in response to the evolving political environment.

In investigating corporate lobbying under conditions of rapid partisan polarization, this study has moved the field toward thinking more specifically about how firm characteristics interact with political environment (such as partisan polarization) to influence how these organizations operate in the larger, moving political context. The research demonstrates that partisan polarization has the consequence of increasing the amount of lobbying that agribusiness does in Congress and suggests that political partisanship has the dual consequence of making advocacy groups work harder while also allowing them greater influence over legislative affairs. Ultimately, party conflict may be exacerbating inequalities in who has a voice in Washington.

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<sup>i</sup> Firms are certainly not the only types of groups who lobby. Public interest groups, trade associations, and even state governments also engage in lobbying. However, businesses dominate the lobbying landscape across every industry. In lobbying, broadly, businesses have spent between \$22 to \$35 dollars on lobbying for every one dollar spent by diffuse interest groups and unions combined (Drutman 2015, 13). Agriculture holds out as a relatively less corporate sector, and yet, nearly 25% of lobbying done in the livestock sector can be attributed to companies; around 30% of crop production & basic processing lobbying is done by companies; and almost 100% of tobacco lobbying can be accounted for by looking at company lobbying (Drutman 2015, 111). Corporate lobbying is, by no means, the only type of lobbying, but it is significant and worth study on its own merit.

<sup>ii</sup> I conducted a set of 17 interviews with lobbyists, legislative staffers, and reporters. I interviewed five trade association lobbyists, four congressional staffers, three corporate lobbyists, two contract lobbyists, two journalists, and one formal coalition lobbyist. Interview subjects were first chosen randomly from a dataset of all lobbyists work worked on the 2008 Farm Bill. Further subjects were recruited using snowball sampling. All interviewees were asked a set of pre-determined, basic questions; however, the conversation was fairly free form and allowed

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interviewees to largely steer the conversation. Interviews were recorded with permission and transcribed at a later date.

<sup>iii</sup> A full detailing of this dataset, its uses, and its vagaries and shortcomings can be found in the previously cited Thomas and LaPira working paper.

<sup>iv</sup> All reports filed before 2008 have a 0, while all reports filed during or after 2008 are designated with a 1. To fully understand the necessity of this dummy variable, it is necessary to thoroughly understand the structure of LDA forms and the data that they produce. See the cited Thomas and LaPira working paper.

<sup>v</sup> The actual physical form used to report lobbying, filed by a corporation or interest group, may include multiple lobbyists, issues, and interactions with multiple institutions. However, it is nonetheless useful and descriptive to refer to any specific report of lobbyist-legislature interaction as being a “report,” with the understanding that the terminology is not synonymous with the physical form that an interest group fills out.

<sup>vi</sup> While using a zero inflated model would be desirable under these conditions, it is not possible to use both a zero inflated model and control for the time-series element. I have chosen to address the time-series nature of the data, rather than the problem of zero-inflation.

<sup>vii</sup> Firms fill out lobbying reports 4 times per year, assuming they meet the minimum requirements. Each report includes an appropriate place to disclose institution lobbied, as well as which lobbyists interacted with that institution. For instance, a report might indicate that contract lobbyist A lobbied the House and the Senate; and in-house lobbyist B lobbied the FDA.

<sup>viii</sup> Data was not restricted based on which agencies were lobbied. If the lobbying issue reported was categorized as ‘agriculture,’ then it was included in the database. An exhaustive list of all agencies found in the data would be quite long. Examples of additional agencies lobbied include the Department of Energy, Department of Homeland Security, Office of US Trade Representation, Department of Commerce, Department of Advanced Research Projects Agency, Department of Interior, Department of Treasury, and many, many others.

<sup>ix</sup> During previous iterations of this research, various commenters and reviewers have asked to see the model with a lagged dependent variable. Though autocorrelation is not a problem in this dataset, critical readers may nonetheless wish to see the regression including this lagged measure. Accordingly, it may be found in the Appendix of this article.

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<sup>x</sup> Including separate measures of polarization in the House and Senate, as opposed to averaging the two made no appreciable difference in regression results.

<sup>xi</sup> It would be ideal to use employment at various corporate locations, rather than simply corporate headquarters location, to determine constituency relationships. Unfortunately, collecting this data is highly impractical, if not impossible.

<sup>xii</sup> The interaction term is the firm revenue (normalized by logging), multiplied times the number of ‘constituency connections’ a firm has to members of Congress on relevant committees.

<sup>xiii</sup> One proxy for measuring lobbyist efficacy is to look at how much these lobbyists are paid. Lobbyists, for instance, who enjoy more connections to legislators and staffers on Capitol Hill enjoy higher salaries and are in more demand professionally (LaPira and Thomas III 2017). However, due to the nature of lobbying disclosure reports, it is impossible to disambiguate lobbying salary while also specifically looking at lobbying activity in a particular policy area. Lobbying disclosure forms report total amount paid to a lobbyist for all advocacy, across all policy areas, and do not allow researchers to see how a lobbyist was paid for their work on a single issue-area. Trying to match lobbyist salary to lobbying activity in a single issue would present challenges in particular for including contract lobbyists in the dataset, who may have been paid ‘less’ in a year for their work for a particular company, but earned a higher per-hour fee than their in-house counterparts.