Strategic Lobbying:
Demonstrating how Legislative Context Effects Interest Groups' Lobbying Tactics

Jennifer Nicoll Victor

Assistant Professor
University of Pittsburgh
Department of Political Science
4600 Posvar Hall
Pittsburgh, PA 15260
(412) 648-7250
(412) 648-7277 (fax)
jnvictor@pitt.edu

Author's Note: A previous version of this paper was presented at the Midwest Political Science Association Meetings in Chicago, Ill in 2002. I am indebted to Steven S. Smith, Gary J. Miller, Scott D. McClurg, E. Scott Adler, Jonathan Hurwitz, George Krause, Chris Bonneau and anonymous reviewers for their helpful comments on earlier drafts of this work. I take responsibility for all errors. This research has been supported, in part, by a grant from the Dirksen Congressional Center.

Abstract: Do interest groups strategically select lobbying tactics in response to the legislative context of policies they wish to influence? As rational actors, interest groups should be keen to spend their resources wisely by responding strategically to legislative contexts. This research suggests a theoretical and empirical framework through which to explain variations in interest group behavior at the policy level. The empirical design associates direct and indirect interest group lobbying activities with specific policies and tests the hypothesis that interest groups use legislative context as a part of their decision calculus when considering how to lobby Congress. I find that measures of legislative context are important components of models of direct and indirect lobbying.

I. Introduction

Do interest groups alter their lobbying strategies according to the legislative circumstances surrounding individual policies they wish to affect? If we assume interest groups have limited resources and wish to maximize their impact on policy through the legislative process, we should expect groups to make lobbying choices strategically, or in response to the legislative context of policies. Existing literature on lobbying suggests that an interest group makes strategic lobbying choices based on its available resources, its lobbying target, the characteristics of the issue, and the characteristics of other groups; however, evidence suggests that the characteristics of the legislative context may also be important factors for groups to consider.

This paper takes the perspective that interest groups select their lobbying tactics strategically in response to the legislative *context*. I use the term *context* inclusively, to refer to

the various aspects of the environment that can describe the political situation of any policy. Put plainly, the legislative context includes any political information that might affect how an interest group perceives a policy it wishes to affect. In this study I consider four theoretically important aspects of this context: congress members' knowledge about an issue, public awareness about an issue, pre-existing political consensus on an issue, and procedural obstructions in the legislative process. Legislative context is an important factor in groups' decisions about lobbying. For example, an interest group that wishes to kill a bill about Medicare might wish to know that the party leadership has been particularly active regarding the bill. The group might select different strategies if the leadership were inactive on the bill. Of course, a group's resources, membership, history, experience, and expertise will also determine the tactics in which it chooses to engage; however, models of interest group influence *must* include measures of legislative context to fully and accurately capture the determinants of interest group behavior.

In this paper, the primary hypothesis I test is whether interest groups consider legislative context when determining their lobbying tactics. I group lobbying tactics into two categories: direct lobbying or indirect lobbying. Direct lobbying, sometimes called insider lobbying, is defined as "…close consultation with political and administrative leaders, relying mainly on financial resources, substantive expertise, and concentration within certain congressional constituencies as a basis for influence" (Gais and Walker 1991, 103). Direct lobbying is therefore made up of one-on-one contact and the provision of information to try to influence legislators. Indirect, or "outside," lobbying tactics are aimed at influencing the views of the general public, which will in turn affect the preferences of legislators. These two activity types serve as dependent variables. Independent variables include measures of legislative context and

group resources. The hypothesis is tested using data collected from mailed surveys of interest groups sent in 2001 and 2002. The results demonstrate that measures of legislative context are significant and important to models of lobbying activity.

II. Strategy, Context, and Existing Literature

The process of influencing decision makers is complex and interest group scholars have long known that predicting group behavior is based on a muddied series of known and unknown variables. Studies of organized groups typically look at three questions: how groups solve the collective action problem and maintain their membership, the decision of whether or not to engage in lobbying on an issue, and the question of how to engage. A great deal of theory and evidence exists for the first two questions and they are not at issue in this paper. Here, I am concerned with the group that has solved the collective action problem, decided to take action on a policy, and is then faced with the question of how to lobby.

For lobbyists, the question of how to lobby is broken into two parts: whom to lobby and what tactic to use. This project only addresses the second question. Historically, scholars have understood interest groups to primarily be purveyors of information for members of Congress and have examined groups' choices about lobbying tactics through this lens. Much evidence supports the idea that groups provide various types of important information to legislators. Interest groups are seen as the purveyors of information for members of Congress (Milbrath 1963; Kingdon 1989; Hall and Wayman 1990; Hansen 1991; Caldeira and Wright 1998). Wright (1996) shows that groups provide specialized and strategic information to legislators that help them decide how constituents might react to certain policies. Berry notes that interest groups must maintain credibility and provide useful, factual information in order to be persuasive (1997, 98-99). A lobbyist that provides false information or useless information will both be

unpersuasive and will likely destroy any relationship he or she has fostered with a legislator who finds them out (see also Ainsworth 1993).

We know that groups choose categories of lobbying tactics for strategic purposes. For example, groups may use direct lobbying and grassroots, or indirect, lobbying in different circumstances. Some groups may choose direct or indirect lobbying based on their organizational resources and prior history with using the tactics (Berry 1997; Wright 1996). Groups with more Washington resources, that are coalition members, or that have PACs are more likely to use direct lobbying (Berry 1997; Hula 1995; Schlozman and Tierney 1986; Wright 1996). However, groups that wish to bring more widespread attention to an issue, that wish to change the status quo, or that are non-membership groups are more likely to engage in indirect, grassroots lobbying (Bacheller 1977; Gais and Walker 1991; Evans 1991, 1996).

Some scholars view the strategic choice of *whom* and *how* to lobby as inseparable. For example, Hojnacki and Kimball (1999) demonstrate the conditions under which lobbyists choose to engage in direct lobbying or grassroots lobbying with a particular individual legislator based on characteristics about the legislator, the lobbyist, and the issue of debate. They conclude that lobbyists "select targets and tactics strategically to provide committee members with the type of information that is most likely to help groups achieve their legislative objectives" (1021). Groups select targets and tactics, they find, based on their policy preferences, their capacity for lobbying, and the probability that an individual legislator will help them achieve their goals. This research makes a significant contribution to our understanding of how groups select lobbying tactics, but does not fully take into account how the legislative environment in which a bill exists affects lobbying choices.

In a related study, Hojnacki and Kimball (1998) show that the dyadic relationship between lobbyists and legislators is dependent on characteristics of the legislator (such as prior policy position and committee and party leadership), characteristics of the lobbyist (primarily resource capacity), and characteristics of the issue of debate (such as how important the issue is perceived to be). Also, Evans (1996) measures the success of group lobbying based on group priorities, lobbying targets, PAC contributions, group type, level of conflict, and whether or not the lobbyist sought a policy change. She finds that conflict among interest groups has a negative effect on group success. Characteristics of groups are important, but not in all cases. These studies do not control for characteristics of the legislative context.

One potential answer to the question of how lobbyists decide to lobby is that they don't—that is, they never consciously decide. Interest groups, some argue, are reactionary and exist in a rapidly changing political world in which they have to respond quickly in order to capitalize on a change in the political status of an issue.

> The diversity of tactics used by interest groups may give the mistaken impression that a wide range of choices are open to a group when it contemplates how it is going to approach government. The issue at hand, the stage it is at in the policymaking process, and the organizational constraints of the group limit the choices. Many such decisions are automatic, and no alternatives other than the tactic eventually used are given serious consideration (Berry 1997, 184).

When a political situation changes quickly on an issue, Berry finds that a political scenario may demand a particular lobbying tactic and there is no time to debate alternative tactics. In this sense, groups often do not choose their lobbying tactics in a way that suggests deliberative selection; rather, the legislative context demands a particular choice. His perspective, however,

does not portray interest groups as non-strategic. On the contrary, he finds that groups respond to the political circumstances that affect the issues on which they are active. The challenge is to be specific about which situations demand which tactics. That groups of all sizes and resources tend to be reactionary suggests that a group's organizational characteristics are not the pivotal factor in determining group behavior.

Clearly, groups are strategic actors. They have limited resources and seek to maximize the impact of their actions. Existing literature shows how groups make strategic decisions about how to lobby based on information about the targets of their lobbying, their own group characteristics, the characteristics of other groups lobbying on the issue, and the characteristics of the policy they seek to influence. What is missing from these explanations is an account of the *legislative context*. Ample evidence suggests that policies (or bills) are constrained by the legislative context in which they exist and surely groups take this information into account when devising their lobbying tactics. Below I outline a theoretical and empirical approach to describe this process.

III. A Theory of Legislative Context

As an interest group desires to receive a maximum payoff for its lobbying expenditures of time and resources, it strategically selects tactics in response to the legislative context. There are numerous factors that contribute to this legislative context that groups may find relevant. Theoretically, everything from the policy statements of the President, to international developments, to rules on the floor of the House could affect and describe the context of a bill. While it would be impossible to make an exhaustive list of relevant features, it is prudent to recognize the most important categories of context that are likely to matter to groups. Here, I outline four categories of legislative context as they relate to interest group strategy selection:

knowledge of members of Congress, public awareness, political consensus, and procedural obstructions. These categories outline the theoretically important aspects of legislative policy making that interest groups take into account when designing their lobbying approaches.

First, given that most lobbying is informational, it is logical then to assume that interest groups who must decide how to lobby would want to know how much *a priori* knowledge a member of Congress has on a particular issue. Prior research shows that groups prefer direct lobbying over indirect lobbying when members have consensual preferences on an issue (Evans 1991; Gais and Walker 1991; Hojnacki and Kimball 1999). This is because grassroots lobbying is seen as somewhat erratic or producing unpredictable results. An interest group assesses the degree of knowledge their targets have about an issue in order to determine which lobbying approach would be the most effective. Groups therefore gather a measure of how much legislators need to know before they devise a lobbying scheme. *When members require more information about a topic I expect groups to engage in direct, rather than indirect lobbying.*

Second, groups consider how the public views an issue before selecting a lobbying tactic. When lobbyists cannot win the information game they may attempt to expand the public awareness of an issue to attempt to persuade Congress—akin to Schattschneider's "expanding the scope of conflict" (1975, 2). When more attention is drawn to an issue, some groups may be more successful bringing an issue onto the government's agenda or increasing the level of importance ascribed to an issue on the agenda. Kollman notes, "the salience of policy issues to constituents, an often-overlooked characteristic of public opinion, lies at the center of interest group politics" (1998, 9). When the public is highly aware of an issue, it is more difficult for Congress to ignore the demands of groups regarding that issue. Berry also notes that groups spend many resources in an attempt to educate the public so that Congress will be more

persuaded to pay attention to an issue (1997, 121-122). Interest groups that are advantaged by conflict expansion, or public awareness, are best suited to achieve this goal through indirect lobbying. Therefore, an interest group will assess how knowledgeable the public is about an issue before selecting a lobbying tactic. Public awareness is an important component of the legislative context of an issue. *I would therefore expect groups to engage in indirect lobbying for highly salient issues.*

Third, the level of *a priori* political consensus that exists on an issue will contribute to an interest group's perception of the legislative context and, in part, determine its lobbying strategies. The goal of lobbying is persuasion; a non-persuasive lobbyist is an ineffective lobbyist. Whether an interest group lobbies allies or adversaries, if the information they provide is not persuasive, their time has been wasted. All else being equal, members of Congress are easier to persuade when there is less consensus among the members. If Congress is unanimous in its preferences over a policy, lobbyists will likely not spend many resources contacting legislators on such an issue; however, where there is dissention, interest groups have the opportunity to be persuasive. For example, the conditional party government hypothesis tells us that party leaders are more likely to exert influence over a bill and members' votes over that bill when the rank-and-file are relatively consensual in their preferences (Rohde 1991). Further, potential party strength is best measured by the homogeneity of the preferences of rank-and-file members (Cox and McCubbins 1993, 6-7). Therefore, if the whip organizations for the parties are actively "whipping" members and their voting behavior, groups can use this observation as an indication that members of Congress are relatively unified in their preferences over the issue. Members will be unlikely to change their preference when their party leadership and elected cohort stand with them. Members can bear costs when they stray from the party-line (Cox and

McCubbins 1993). The level of consensus of members of Congress is an important cue that interest groups use to help determine which lobbying strategies to employ. *When members are perceived to have consensual preferences, interest groups will engage in direct lobbying.*

The final theoretically important element of the legislative context that helps determine groups' lobbying strategies is the level of procedural obstruction that stands in the way of legislation. When the legislative environment is particularly unfriendly, interest groups have a more difficult time making inroads on legislation. All else being equal, interest groups would rather expend lobbying efforts using tactics they believe have a positive probability of success. If a bill does not receive hearings, does not get referred to subcommittee, or has been threatened with a veto, groups may be restricted in terms of how much access they can get to influence a bill. If the legislative environment is lined with procedural obstructions that limit interest group participation, groups are less likely to lobby directly (and could be more likely to lobby indirectly). Decisions on legislative obstructions are, of course, endogenous to the legislative process. Groups may lobby to *create* (or prevent) obstructions (*a priori*); however, once the legislative process has been constructed to prevent access to changes in legislation, groups are less likely to use direct lobbying to affect such a bill (*post hoc*). *I therefore expect to see indirect lobbying on bills considered under suspension of the rules in the House or bills that have been threatened to be vetoed by the President.* Likewise, when the legislative environment provides opportunities for interest group involvement, making lobbying less costly, groups are more likely to participate. A bill that has been referred to multiple committees, for example, provides more avenues of access to interest groups that desire to make comment on a bill or make contact with relevant legislators. Multiple referrals lend a bill to increased participation among members and

interested groups (Sinclair 2000). *Bills that have been multiply referred should see direct lobbying.*

Finally, the primary hypothesis of this study is whether measures of legislative context, as a whole, contribute significantly to our understanding of interest groups' lobbying choices. *I therefore expect that measures of legislative context are important components of models of direct and indirect lobbying behavior.*

Variations of legislative context should lead some groups to use direct and indirect lobbying tactics more frequently, and I have highlighted the expectation above; however, I want to be careful not to overstate these expectations. Decades of large-scale lobbying activity surveys reveal that interest groups tend not to specialize their lobbying tactics—groups engage in a variety of lobbying activities and make changes to their behavior willingly, and in response to the legislative context of bills (which I demonstrate here). I would not expect, however, an interest group to shun whole categories of lobbying strategies very frequently. In general, groups that actively lobby do so by a variety of means (see Baumgartner and Leech 1998, 153-4). I am primarily interested in demonstrating that accounts of variations in lobbying behavior must include measures of legislative context.

IV. Data and Methods

Data to test the hypothesis that groups consider legislative context when determining their lobbying strategies, comes from a mailed questionnaire to interest groups in the fall of 2001 and spring of 2002.[i] The survey sample consists of interest groups that presented evidence or testified before four House legislative committees (and all their subcommittees) in the 106th House (1999-2000). The committees included Agriculture, Education and the Workforce, Energy and Commerce, and Ways and Means Committees. The committees were chosen for

three reasons: these committees primarily deal with legislative issues, they have a high rate of holding legislative hearings as compared to other committees, and they addressed a variety of issues that were of interest to many constituent groups. In addition to recording interest group participants from the hearings of these committees, I determined which pieces of legislation were associated with each hearing. In this way, I used legislative hearings as a venue in which to associate interest groups with active legislation. The sampling procedure is imperfect because hearing participation can be considered a form of direct lobbying and groups that participate in congressional hearings already demonstrate a capacity and willingness to engage in direct lobbying; however, congressional leaders go to great lengths to invite a variety of participants and usually leave the hearing record open for several days for any group to contribute to the record. Moreover, numerous surveys of interest group behavior have shown "hearing participation" to be the most common and frequent activity used by all groups (see Baumgartner and Leech 1998). While this sampling procedure necessarily introduces some bias, I argue that the benefits of being able to associate groups with the specific policies on which they lobbied outweigh the costs of sampling groups that are active lobbyists.

Surveying all the interest groups that were involved with this cross section of legislative committees included examining 281 legislative hearings that were related to 408 bills. There were 1853 non-unique interest groups that participated in these hearings (many groups participated multiple times). The questionnaire was mailed to 1190 interest groups, but some groups received more than one survey because of their multiple-means of participation. I therefore sent 1550 surveys. The response rate was 22 percent; I received 340 returned surveys, 324 of which contained usable data. While seemingly low, this response rate is not atypical of interest group surveys of this kind. Moreover, I undertook several strategies to increase the

response rate. Specifically, I adopted the *total design method* (TDM) developed by Don Dillman (1978) (Weisberg, et al 1996, 120).[ii] The unit of analysis for the estimation is an individual interest group as it lobbied on a particular bill.[iii] I, somewhat awkwardly, refer to this as the "group-bill," for lack of a better term. Groups were asked to respond to questions about a particular policy area and were provided related bill numbers as a reference. The total number of observations for the study is 316 group-bills. There are 107 different pieces of legislation represented in the study and there were 14 groups that responded to surveys about more than one bill. Therefore, there are 301 unique groups in the dataset.

Dependent Variables

There are two dependent variables used in this study. As is shown in much prior literature groups generally engage in two types of lobbying behavior: direct lobbying and indirect lobbying (see for example Hojnacki and Kimball 1999). To measure groups' lobbying tactics, I used a series of questions on the mailed questionnaire that simply asked the respondent to indicate whether or not they engaged in a particular activity with regard to a specific issue. Respondents indicated whether their group had participated in 23 individual lobbying activities ranging from engaging in protest to making financial donations.[iv] To construct measures of direct and indirect lobbying I summed the dichotomous responses to the following survey questions to create an additive measure that describes group behavior of each type.

<Table One Goes About Here>

Independent Variables

Measures of legislative context and groups' organizational characteristics were developed from the survey instrument. First, I use two measures to capture the level of knowledge legislators have about an issue. Groups were asked to indicate whether or not they perceived an

issue to be "new."[v] Legislators are less likely to be knowledgeable about an issue that has recently arisen on the political agenda. Each group-bill is coded 1 for groups that indicated an issue was new (36 percent), and 0 otherwise (64 percent). Groups also indicated the stage in the legislative process in which they were most active. While this is an admittedly imperfect measure of member knowledge, the measure assumes that members of Congress are much more likely to be knowledgeable about pieces of legislation that are further along in the legislative process. Members are unlikely to be familiar with a bill that has just been referred to committee, but are more likely to know about a bill that is about to come up on the floor, for example. I further assume that groups are more likely to engage in direct lobbying when bills are at the committee and post-committee stage; whereas, they will be more likely to engage in indirect lobbying when bills are at the floor stage. Therefore, the *legislative stage* variable has different coding schemes in each model. In the "direct lobbying" model group-bills are coded 1 for groups that put forth the most effort at the House or Senate committee or post-committee (pre-floor) legislative stage (64 percent), and 0 otherwise (36 percent). In the "indirect lobbying" model group-bills are coded 1 for groups that put forth the most effort during the House or Senate floor stage (5 percent), and 0 otherwise (95 percent). These measures of knowledge capture perceptions of the legislative context.

The second relevant aspect of the legislative context is public awareness. To measure public awareness on an issue, groups indicated whether they perceived public opinion to be weak or strong on the particular issue. Group-bills were coded 1 when groups indicated they perceived the issue to be salient (29 percent) and 0 otherwise (65 percent).

The third relevant feature of legislative context has to do with political consensus. Survey respondents were asked to indicate whether or not they perceived Congress to be unified

or divided on the bill. Group-bills that indicated Congress was unified were coded as 1 (18 percent) and 0 otherwise (82 percent).

The final relevant aspect of legislative context concerns whether or not a bill faced procedural obstructions. I have three measures to capture this effect—two objective, one subjective. I collected information about each bill that indicated whether or not it was considered under suspension of the rules and whether or not it was referred to multiple committees. Bills considered under suspension of the rules require a two-thirds vote to pass and are severely limited on the floor. Group-bills that were considered under suspension of the rules were coded as 1 (22 percent) and 0 otherwise (78 percent). Bills referred to multiple committees, on the other hand, are easier to access from an interest group's point of view because there are more avenues of access. Multiply-referred bills place *fewer* restrictions on group's lobbying behavior. Group-bills that were multiply-referred were coded as 1 (44 percent) and 0 otherwise (56 percent). Finally, I collect a subjective measure of veto threat. Groups were asked to indicate whether or not President Clinton threatened to veto the legislation of interest. Group-bills that perceived a presidential veto were coded as 1 (18 percent) and 0 otherwise (82 percent).

I included control variables that measure groups' organizational characteristics based on responses to the questionnaires. The measures of budget, membership size, and staff size are natural logs of raw data provided by respondents. This scaling provides for more easily interpretable coefficients. I have few expectations about these variables, except that I would expect groups that use indirect lobbying to have large memberships. I measure the tax-exempt status of group-bills by coding a 1 for interest groups that are tax-exempt (64 percent) and 0 otherwise (36 percent). I expect this variable to be negative in both models because of the legal restrictions placed on lobbying for groups with tax-exempt status. Groups with Political Action

Committees are coded as 1 (29 percent) and 0 otherwise (71 percent). Groups also indicated whether they supported or opposed the legislation in question. In general, I expect groups that support legislation to use direct lobbying and opposition groups to use indirect lobbying. Groups that favored the bill were coded as 1 (78 percent) and those who opposed were coded as 0 (22 percent). I expect this variable to be positive in the direct model and negative in the indirect model.

I include dummy variables that indicate group-type for each group-bill. I include citizen groups, corporations, educational groups, labor unions, lobbying or law firms, and trade associations. The only categories about which I make predictions are corporations and citizen groups. The literature strongly suggests that citizen groups use indirect strategies and corporations use direct strategies. The predictions are not as strong for other group types.

I also include a variable that indicates whether the group-bill participated in coalitions with other interest groups. Group-bills are coded as 1 if they participated in coalitions (56 percent) and 0 otherwise (44 percent). The literature suggests that I should observe coalition behavior in both models, so I expect a positive sign on these coefficients.

Finally, in each model I include, as an independent variable, the dependent variable from the other model. In other words, indirect lobbying is a predictor in the direct lobbying model and vice-a-versa. Theoretically, this is sensible because, as stated earlier, I would not expect an interest group to ever eschew an entire category of lobbying tactics. Groups that use one type of lobbying strategy are likely to use another type of strategy (see Baumgartner and Leech 1998, 153-4). In this sense, lobbying activity begets lobbying activity. A group engaged in direct lobbying is likely to also be engaged in indirect lobbying, and vice-a-versa. Methodologically, I

assume these variables are exogenous to the model and use a Hausman-style test of exogeneity to demonstrate this.[vi]

Model

To determine whether or not legislative context affects interest group decisions about lobbying tactics, I estimate two negative binomial models—one for direct lobbying and one for indirect lobbying. To test the hypothesis that legislative context matters, I use a joint conditional hypothesis of the legislative context variables. I assume the data are best described by a negative binomial distribution because the dependent variables are counts of the number of lobbying activities in which groups engage. Furthermore, the variance of each type of lobbying is much greater than the mean (see table 1). I use robust (Huber/White) standard errors to correct for heteroskedasticity in the distribution of the error term. Also, I do not assume that observations are wholly independent from one another. Groups that lobby on the same piece of legislation are likely to have similar characteristics or be related in some way. I therefore cluster observations on bill numbers.[vii]

Missing data is a common problem associated with survey data. These data contain a number of missing values caused by respondents answering "don't know" or "NA" to survey questions. Of the 58 total variables and 316 observations, there are approximately 694 missing cells. This means the missing values are about 4 percent of the data. I opted to deal with the missing data by substituting missing values with variable means. I chose this method because of its simplicity and the ease with which I can evaluate the results. I also estimated the models substituting missing values with zeros and the results were not significantly different.[viii]

V. Results

Table Two shows the results of the negative binomial regressions. The lower portion of the table shows the results from a joint probability chi-square test that the legislative context variables are statistically significant. In both models, I can reject the null hypothesis that the context variables jointly are insignificant from zero. This provides support for my primary hypothesis that interest groups consider legislative context when determining their lobbying strategies.

<Table Two Goes About Here>

In the Direct Lobbying Model I find the expected sign on all the legislative context variables except congressional consensus. This variable is likely problematic in its measurement. It may not be good measure of legislative context and it may be the case that a more objective measure would provide superior information. I find statistical significance on the variables for new issue and multiple committee referrals. Interest groups therefore are more likely to use direct lobbying tactics when they perceive issues are new and when bills are referred to multiple committees. While I do not find statistical significance on the other context variables in this model, the joint probability that all the context variables are significant, bolsters the overall results. The organizational characteristics measures do not reveal surprises. Groups with larger budgets are likely to engage in direct lobbying activities, as are groups that favor legislation, coalitions, education groups, and trade associations.

The Indirect Lobbying Model shows the expected sign on all the legislative context variables except congressional consensus, again. I find statistical significance on the variables for issue age, rules suspension, multiple referral, and veto threats. As expected, groups that perceive an issue to be new are *less* likely to use indirect lobbying tactics, as are groups that

lobby bills referred to multiple committees. Groups are likely to use indirect lobbying for bills considered under suspension of the rules and those threatened by veto.

Somewhat surprisingly, I find that groups with larger budgets are less likely to engage in indirect lobbying. This is a counter-intuitive result; however, when taken into context with other results paints a picture of groups that use indirect lobbying tactics. For example, groups with larger memberships use indirect lobbying, as well as coalition groups. Groups that tend to oppose legislation use indirect lobbying. Thus it seems that groups that use indirect lobbying may be less organized (at least less funded), larger, and more oppositional than those that use direct, or insider, tactics. This, more or less, fits the stereotype of outsider lobbying.

To provide further interpretation of these results, Graphs One and Two show predicted probabilities generated from these models (Tomz, et al. 2001; King, et al 2000). In Graph One I show the predicted probability of groups using direct lobbying under favorable and unfavorable legislative context. A favorable legislative context for direct lobbying is one in which there is a new issue, committee stage lobbying, low issue salience, high consensus, no rules suspension, multiple referrals, and no veto threat. The graph shows that under unfavorable conditions groups are likely to engage in few instances of direct lobbying—0, 2, or 4 behaviors are the most likely under unfavorable conditions. Under favorable conditions, groups are likely to engage in more direct lobbying—4 or 6 direct lobbying tactics being the most likely.

<Graphs One and Two Go About Here>

Graph Two shows the predicted probability of groups using indirect lobbying tactics under favorable and unfavorable conditions. A favorable condition for indirect lobbying includes an old issue, floor stage lobbying, high issue salience, low consensus, bills under suspension, single committee referrals, and veto threatened bills. Under unfavorable conditions

groups are most likely to engage in no indirect lobbying. Under favorable conditions group are most likely to engage in 3 or 5 indirect lobbying behaviors. The predicted probability graphs demonstrate that legislative context indeed affect groups' decisions about the conditions under which they should choose to lobby using direct and indirect tactics.

VI. Conclusion

The factors that contribute to an interest group's decision about when and how to lobby are complex. Previous answers to this question include those factors relating to the size, resources, and expertise of the interest group making the decision. This research shows that legislative context is an important component of lobbyists' tactical choices. The argument is simple. Interest groups have limited resources and want to spend them wisely. A group will make its decision about how to spend its resources based not only on its own characteristics and history, but also on the legislative context that surrounds the bill it wishes to influence. Groups spend their resources *strategically*.

Using a mailed questionnaire of interest group participation on specific legislation in the 106th Congress, results show that legislative context is important for predicting interest group behavior. Many scholars have noted the need to include such features in empirical models of interest group behavior (see Baumgartner and Leech 1998) and the results here suggest that such a recommendation is well founded. Future research in this area should attempt two primary achievements. First, scholars should attempt to advance our theoretical understanding of *how* groups make lobbying decisions. This study, for example, does not address *trade-offs* that groups might make in their decisions about how to spend resources. Might a particular legislative context lead a group to choose a direct tactic *over* an indirect tactic? Such questions should be explored with more rigorous theory. Second, a broader sample of interest groups that

lobbied over a longer period of time would make a more robust test of this theory. Random samples of interest groups that lobby on particular legislation are time consuming to construct and must be done with the utmost of care. The sampling procedure used in this study was adequate, but perhaps inferior to one that could make inference to a larger population of interest groups.

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Table 1
Direct and Indirect Lobbying Tactics

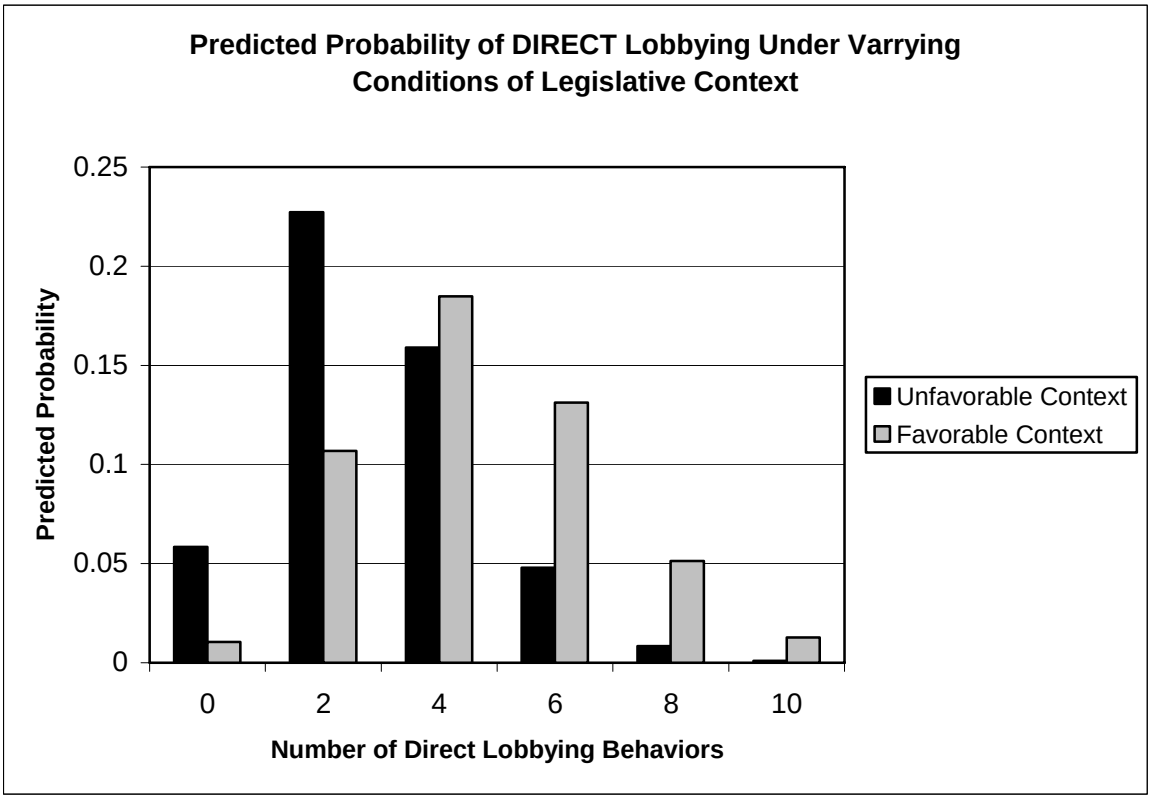
	Direct Lobbying	Indirect Lobbying
	• Presented research or technical information to members of Congress • Lobbied Members of the committees to which the bill was referred • Contacted government officials to present view point • Helped to draft legislation • Consulted government officials on legislative strategy • Spoke with congressional leaders • Alerted Members to the effects of the issue in their districts • Made financial contributions to candidates • Contributed work or personnel to candidates • Engaged in informal contact with officials, such as going to lunch	• Engaged in protests or demonstrations • Engaged in grassroots lobbying • Ran advertisements • Spoke with the press • Publicized a candidate's voting record • Made public endorsements of candidates likely to favor your position • Encouraged citizens to contact members of Congress
Mean	4.2	1.78
Median	4	2
SD	2.9	1.5
Variance	8.5	2.2
Min/Max	0/10	0/7

TABLE 2
Negative Binomial Analysis: Legislative Context and Group Organizational Characteristics on Direct and Indirect Lobbying

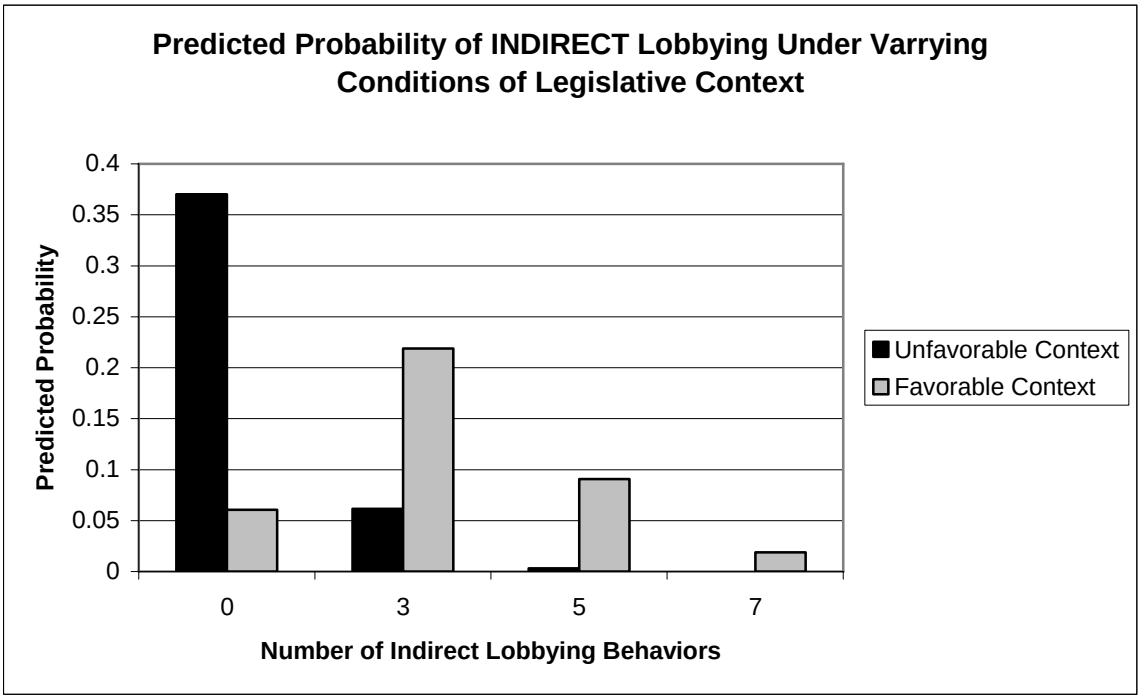
Independent Variables	*Dependent Variables*					
	Direct Lobbying			**Indirect Lobbying**		
	Pred. sign	**β**	**SE**	*Pred. sign*	**β**	**SE**
Legislative Context						
New Issue	+	0.120 *	(0.063)	-	-0.214 ***	(0.072)
Legislative Stage	+	0.085	(0.058)	+	0.109	(0.099)
Salient Issue	-	-0.015	(0.066)	+	0.094	(0.058)
Cong. Consensus	+	-0.004	(0.065)	-	0.025	(0.078)
Suspended Rules	-	-0.014	(0.086)	+	0.144 ***	(0.053)
Multiple Referral	+	0.182 ***	(0.067)	-	-0.244 ***	(0.062)
Veto Threat	-	-0.052	(0.076)	+	0.268 ***	(0.062)
Organizational Characteristics						
Budget		0.029 *	(0.016)		-0.042 **	(0.019)
PAC		0.076	(0.079)		-0.012	(0.085)
Tax Exempt Status	-	-0.047	(0.062)	-	-0.061	(0.087)
Staff Size		-0.009	(0.015)		0.013	(0.019)
Membership Size		0.002	(0.007)	+	0.022 ***	(0.008)
Position	+	0.244 ***	(0.081)	-	-0.248 ***	(0.086)
Coalition	+	0.606 ***	(0.086)	+	0.478 ***	(0.121)
Citizen Group	-	0.098	(0.098)	+	0.121	(0.113)
Corporation	+	0.101	(0.117)	-	-0.106	(0.154)
Education Group		0.238 **	(0.12)		-0.240 *	(0.136)
Union		-0.096	(0.128)		0.128	(0.125)
Lobbying/Law Firm		0.014	(0.192)		-0.599 **	(0.242)
Association		0.225 ***	(0.088)		-0.122	(0.084)
Direct Lobbying		-			0.121 ***	(0.013)
Indirect Lobbying		0.211 ***	(0.029)		-	
Constant		-0.309			0.485 **	
F		21.628			21.376	
DF		14, 301			13, 302	
Prob (F)		0.000	(0.25)		0.000	(0.225)
(ln) alpha		-15.367	(1.437)		-17.634	(0.273)
Log pseudo-likelihood		-657.219			-429.538	
Wald Chi-square (19)		749.220			615.260	
Prob. Chi-square		0.000			0.000	
N		316			316	
Joint Probability that Political Context Variables = 0 (new issue, legislative stage, salient issue, congressional consensus, suspension of rules, multiple referral, veto)						
Chi-square (7)		14.280 **			69.510 ***	
Prob. Chi-square		0.047			0.000	

*Pr(Z) < 0.10, ** Pr(Z) < 0.05, *** Pr(Z) < 0.01
Robust (Huber/White) standard errors in parentheses
Observations clustered on bills
Missing Values are Means

Graph 1


Predicted Probability of DIRECT Lobbying Under Varrying Conditions of Legislative Context
Predicted Probability
0.25
0.2
0.15
0.1
0.05
0
0
2
4
6
8
10
Number of Direct Lobbying Behaviors
Unfavorable Context
Favorable Context

Graph 2


Predicted Probability of INDIRECT Lobbying Under Varrying Conditions of Legislative Context
Predicted Probability
0.4
0.35
0.3
0.25
0.2
0.15
0.1
0.05
0
0
3
5
7
Number of Indirect Lobbying Behaviors
Unfavorable Context
Favorable Context

[i] The survey was repeated in spring 2002 because the first round was tainted by anthrax that was discovered in the U.S. mail system in fall 2001.

[ii] I conducted the survey in three phases. In phase one, each potential respondent received a pre-letter that announced to them the purpose of my project and that they could expect to receive the survey shortly. Phase two included mailing the actual questionnaires, which were professionally designed. The survey cover included the seal of the sponsoring University, as some research suggests that University sponsorship increases response rates by up to 9% (Weisberg et al, 1996, 120). The surveys were also mailed with a signed cover letter and a self-addressed enveloped, postage paid. In phase three of the mailings, I sent each potential respondent a reminder postcard a few weeks after mailing the surveys.

[iii] The sampling procedure does not produce a random sample of *all* interest groups that participated on legislation; therefore, the inferences drawn from the analyses do not apply to *all* interest groups. However, it is impossible to draw a random sample of *all* interest groups. Any sample of interest groups necessarily misses some group types, be it small groups or only those that engage in indirect lobbying. The sampling criteria for this study included one that would allow me to associate interest groups with legislation and one that would include various types of interest group behavior. The sampling procedure I used accomplishes these goals and represents a good cross-section of participating groups. I recognize the shortcomings of the sample and find it to be a reasonable alternative given the available sampling options.

[iv] Most of the questions were adopted from Schlozman and Tierney's 1986 survey.

[v] I constructed two measures of "issue age," one objective and one subjective. The objective measure was constructed by identifying language in the title of the bill. If one of the bill titles on Thomas reads "To amend…," or if it is a supplemental spending bill or consolidated appropriations bill, or if it reads "to restore…," "to modify…," "to reauthorize…," "to require changes…," or "to rename…," the bill was coded as old (0); otherwise, policy was considered new "yes" (1). The subjective measure was created from the survey instrument and asked respondents to indicate whether they thought the issue was new or old. Both measures have 36 percent new issues and 64 percent old issues. The measures do not operate differently in the models. Given no substantive or methodological difference I consistently chose to use the subjective measures when given the option of objective or subjective measures.

[vi] For each dependent variable, I estimate predicted values using a reduced form equation with only predetermined variables on the right-hand side. Then, I estimate a second model with the other dependent variable, including the predicted values as a predictor. Finally, using the F-test I test the hypothesis that the coefficient for the predicted values of the hypothesized exogenous variable are not statistically different from zero. In both cases, I am unable to reject the null hypothesis, $pr(chi^2) = .814$, $pr(chi^2) = .339$. (see Gujarati 1995, 672-3)

[vii] It is also likely that there is dependence within groups in the dataset. Fourteen of the 301 groups appear more than once in the dataset. It is theoretically likely that groups' selection of lobbying tactics over one bill will affect their lobbying choices over another bill. Given the choice to cluster on bills or groups it seems more prudent, theoretically and statistically, to cluster on bills (there are 107 different bills represented in the data). To verify this choice, I estimated the models (with clustering on bills) with dummy variables for each of the groups that appear more than once in the data and again with a dummy variable for any group that appears more than once. The results of these models are not appreciably different from those presented above. In the "direct" model four groups have significant coefficients on the dummy and in the "indirect" model three (different) groups have significant dummies. However, there is no theoretical reason to believe one group should be more important to the models than any other group.

[viii] Common methods of dealing with missing data include listwise deletion and multiple imputation. These methods were less than satisfactory for me. Listwise deletion may be the least preferred method, because unless missingness is random this method certainly introduces bias into the data. Multiple imputation methods result in multiple datasets, which make post-estimation analysis cumbersome and inconclusive.