

Ryan Blackburn

Independent Study and Mentorship

Speice 4B

27 October 2017

## **Interest Groups - Motives and Influence**

### **Research Assessment 6**

#### **Subject:**

State Public Policy

#### **Works Cited:**

Binderkrantz, Anne Skorkjaer, et al. "A Privileged Position? The Influence of Business Interests in Government Consultations." *Journal of Public Administration Research and Theory*, 12 June 2014, pp. 880.

#### **Assessment:**

Encompassing a variety of topics, Binderkrantz's scholarly article both reviews a variety of established topics as well as raises new theories concerning the relationship between business groups and public policy. The article, in aiming to establish a basis for the significance of businesses in the public policy realm, begins by discussing in detail the degree to which corporations exercise more influence on elected representatives than nonprofits or social

movements. Rather, businesses establish a greater presence in the political arena due to its heightened economic standing and greater possibility of relevance to a topic issue. Binderkrantz and her colleagues articulate voluminously on this concept of relevance, explaining that corporations are far more likely to be valuable in many areas of policy than other groups (mostly due to interest groups' specificity in working towards a specific cause). Not only that, but the article also continues to justify this theory through relevant, real-world examples, citing a recent analysis of Denmark's creation of legislation to outline how to apply such thought to practice.

This article is beyond helpful as I finalize my understanding of the topic of hand and split into sectors the various groups that compete for relevance to policymakers in the United States. From learning more of the justification behind their claims, I am able to clearly establish what I hope to see proved in both my future research and interviews with local professionals. Indeed, business groups are one of three types of organizations that compete for influence with elected officials - the others being those of cause groups (organizations that work exclusively to back a singular cause they deem significant) and sectional groups (assemblies of citizens that promote policy that favors their place in society). From learning more of the relationships behind businesses and public officials, I can derive what is missing from that of cause and sectional groups to relay how best to take part in politics.

Alongside a clearer vision of where I will take my research, I also have solidified, from this article, a greater cause for my topic that adds both to my mission statement and the impact I hope to make in my local community. From this program, I now understand that through my research and firsthand experience of professionals who work with the government for each organization type, I can encourage those around me to carry these lessons into their future to

promote a greater sense of political awareness in others. In relaying this information to others through this program, future business leaders and civil rights advocates will understand how to better appeal to their locally elected officials.

In the future, I hope to further delve into the specifics of what methods can be taken by each organization type to influence policy, which method works more efficiently, and how each in particular can reform specific areas of American policy. Not only that, but as I approach the drafting of my original work, I hope to be able to apply the motives and knowledge I have gained from this passage into an impactful community project as well.

When it comes to the issue of which interests are heard, it has often been argued that sectional groups—and in particular business groups—are better equipped to lobby than cause groups. The costs and/or benefits associated with government policy are more concentrated for business firms than for members of cause groups; business groups are well endowed with informational resources, and their members control society's production capacity (Dur and de Bievre 2007; Lindblom 1977). Empirical results concerning the influence of business in government consultations are mixed. Yackee and coauthors find that businesses often come out as winners (McKay and Yackee 2007; Yackee and Yackee 2006) and so do Jewell and Bero (2006), whereas Golden and Kliiver find that issue characteristics are more important than group type (Kluver 2012a, 1129; Golden 1998, 261).

Based on a resource exchange logic of influence (Bouwen 2004; Pfeffer and Salancik 1978), we propose a new argument linking the effects of group type to policy area. According to this argument, the likelihood that business groups mobilize and are successful depends on how valuable their resources are to decision makers who regulate a specific policy area. Business groups' lobbying resources are not equally relevant to decision makers across all issues. Specifically, we expect business groups to be more successful than other groups in relation to business regulation, but not in relation to what we define as general regulation or public sector services. The role and importance of external interests thus depend on the type of policy a particular government agency is dealing with. This implies that a potential pro-business bias may not be found across all policy areas, but only in relation to policies where the specific resources of business groups put them in a favorable position.

This possible interaction effect is tested in a study of Danish government consultations. We apply the method used in US studies by Golden (1998) and Yackee (2005) and link group consultation responses to agency reactions. Influence is defined as changes in a policy proposal in response to a group demand, or more simply: Does a group get what it wants—or at least part of what it wants—by responding to a specific consultation? The setting is different from previous studies because Denmark is a parliamentary democracy with a corporatist legacy and because our study focuses on bills in a pre-parliamentarian phase rather than on administrative rule making.

The analyses are based on a unique dataset covering all bills introduced in the Danish parliament during the parliamentary session 2009/10. In Denmark almost all bills are introduced by the government. Draft bills are routinely sent out for consultation before being presented to parliament. We have registered all interest group responses in these consultations and linked them to agency reactions as specified in detailed ministerial consultation reports. This provides us with a measure of interest group influence across a large number of groups and consultations.