Are Large Corporations Politically Moderate?
Using Money in Politics to Infer the Preferences of Business

Jacob M. Grumbach[1]
Paul Pierson

UC Berkeley

July 13, 2019

Abstract: Recent measures of corporate political preferences have focused on campaign contributions to legislative candidates from corporate political action committees (PACs). We investigate an alternative source of evidence: contributions to politically-engaged intermediary organizations. We argue that these expenditures—often substantially larger than traditional PAC expenditures—are important sources of information about corporate political preferences. Compared with traditional analyses, they suggest a corporate community that is both more conservative and more closely aligned with the Republican Party.

[1]Corresponding author, jakegrumbach@berkeley.edu

1

Large American corporations are often portrayed as politically moderate. In common depictions, major firms and their allies in the "establishment" battle liberal Democrats on taxes and many regulatory matters, and conservative Republicans on issues like the Ex-Im Bank, debt ceiling negotiations, infrastructure spending, trade, immigration, and LGBT rights. Corporations' moderate politics have been further dramatized in recent statements of concern from corporate executives about Trump administration initiatives.

But is this portrayal accurate? The answer is of major consequence for our understanding of American politics. Prominent scholars have argued that the behavior of corporate actors has not contributed to polarization and may even reduce polarization (e.g., La Raja 2014). Pildes is representative in associating corporate America, through its PAC spending, with a centrist, transactional style of politics that fosters moderation:

> PACs tend to focus on moderate candidates, as well as incumbents; individual donors focus on more ideologically polarized candidates. In general, groups that give for access-oriented reasons tend to finance moderates and incumbents, while ideological donors favor challengers and more extreme candidates. Put another way, the most ideologically extreme money to campaigns comes from individual donors (Pildes 2014, 804).

In this view, a growth of business influence would, all else equal, contribute to greater moderation and diminished polarization.[2] Thus in discussions of political reform, arguments about the moderation of business groups are closely linked to analyses that advocate the strengthening of connections between party leaders and big-spending groups as a normatively desirable path to diminishing polarization and improving the American political system (Schuck 2014; La Raja and Schaffner 2015; Pildes 2014; Rauch 2015). As economist Gregory Mankiw

[2] The need for an "all else equal" clause is evident, since empirically the shift of organized clout to business and the wealthy has coincided with increasing polarization.

(2019) argued recently, “[t]he Trump phenomenon is not an argument that the moneyed elites have too much influence on politics. If anything, it is an argument that they have too little.”

In this article we reexamine corporate political preferences. Recent empirical analyses have relied heavily on evidence from PAC contributions (e.g., Bonica 2013, 2014). Yet, as we detail below, there are strong reasons to question whether PAC spending offers an unbiased window into corporate preferences. To address this bias, we introduce a category of political expenditures that we call *grey money*—spending that rests somewhere between hidden “dark money” and transparent (hard) PAC money. We collect data on two types of grey money spending: contributions to politically active business organizations like the U.S. Chamber of Commerce, and contributions to political party intermediary groups like the Republican (RGA) and Democratic (DGA) Governors Associations.

Our case study of the Chamber of Commerce, as well as empirical analysis of grey money spending, suggest a corporate community that has more conservative policy preferences and is more closely aligned with the (increasingly conservative) Republican Party. Even though the available data is quite incomplete, we find through tax disclosures that many major corporations contribute more to the Republican-aligned Chamber than to political candidates. We then analyze contributions to governors’ and state legislative associations.[3] Corporate contributions to these associations are significantly more partisan and Republican than are their PAC contributions.

These expenditures are not only more substantial in many cases than PAC spending. They also allow us to develop a more accurate assessment of corporate political behavior. The rules governing PAC contributions – especially spending caps and public disclosure

[3] As we describe later, these groups are classified as 572 organizations, distinct from traditional party organizations such as the Republican Senatorial Campaign Committee and the Democratic Congressional Campaign Committee.

requirements – make them unattractive vehicles for achieving many corporate goals. Instead, the efforts of firms to move the policy agenda in a conservative direction often operate through intermediary organizations that perform valuable services that PAC contributions cannot. Use of these intermediary organizations simultaneously obscures corporate accountability, diminishes collective action and credible commitment problems, and increases political capacity by exploiting economies of scale and the efficiency gains of specialized expertise.

When we widen our view beyond PAC contributions, we find that many major U.S. firms are devoting substantial efforts to influencing the policy agenda, and they often do so by offering support to a Republican Party that is increasingly conservative on the policy issues of greatest interest to them. Systematic corporate influence over the economic policy agenda may generate legislative deal-making or even the appearance of consensus on economic policy (La Raja 2014; Rauch 2015). But if support for such deal-making follows vigorous and effective efforts to move the agenda-space towards conservative policy outcomes, such behavior should not be confused with moderation.

2. Deriving Corporate Preferences from Political Activity

Traditionally, political scientists often described an American business community that was conservative and loosely aligned with the Republican Party (Vogel 1975). Schattschneider (1956, 196-197) famously argued that big business desires "autonomy in the pursuit of profit," and that the Republican Party is the "political instrument of business." Numerous scholars published case studies of corporate campaigns for tax cuts (e.g., Martin 1989), free trade and support for exports (e.g., Bauer, de Sola Pool, and Dexter 1967), and other policies.

Recent assessments of business preferences have grown more methodologically sophisticated. The empirical cornerstone has been the *CF score* measure, a set of unidimensional ideal points that are understood to represent the ideological positions of candidates and political donors. Using a methodology similar to that used by Poole and Rosenthal to generate DW-NOMINATE scores for members of Congress, Bonica (2013) argues that we can place campaign contributors and politicians on a similar left-right scale. For those who frequently donate to national campaigns, we can treat contributions to political actors as roughly equivalent to a legislator's roll-call vote, and in similar fashion use the multiple contributions to place the donors on an ideological scale.[4] Scholars have been attentive to the validity of CF scores and other measures of *politicians'* preferences that rely on different sources of data (e.g., Tausanovtich and Warshaw 2017). Recent inquiries into *corporations'* preferences, however, have relied largely on evidence from PAC contributions.[5]

Indeed, an effort to accurately characterize business preferences has been prominent in Bonica's development and analysis of the CF score measure (Bonica 2013, 2014, 2015).[6] Bonica (2013, 2) offers an extended discussion of the CF scores of corporate PACs, concluding that "the distribution of PAC ideal points is unimodal and centered between the parties, a finding that runs counter to the claim that corporations and special interests are polarizing forces in American politics." While some industries appear to lean a bit rightward, he concludes that the evidence

[4] CF scores open the prospect of estimating the ideological positions of political actors who are difficult to pin down—such as state legislators and challenger candidates who never win office—all on a single scale (e.g., Bonica 2013; Bonica 2014; Nyhan and Montgomery 2015).

[5] Two additional measurement strategies for interest group preferences have emerged. Thieme (2019) uses lobbying data from the three states in which groups are legally required to disclose their position (for or against) bills upon which they lobby. Crosson, Furnas, and Lorenz (2018) use data from the non-profit MapLight, who code interest groups' positions on "newsworthy" congressional bills based on public statements. Each represents a major advance in our understanding of interest group preferences, but each also has drawbacks. Geographic heterogeneity in political context limits the generalizability of lobbying positions from just three states. Public statements used for MapLight bill positions may be strategic rather than sincere reflections of group preferences.

[6] Although Bonica often uses the term "ideology" we substitute preferences here, reflecting our view that it makes more sense to view corporate leaders as favoring certain end-states (e.g., policies) that they believe enhance firm profits rather than having (as the term ideology suggests) some sort of broad world-view.

from donations is most consistent with actual moderation on the part of most corporate PACs: "the majority of PACs locating in the center are better described as centrist than nonideological" because they tend to focus more on moderate legislators rather than giving uniformly across the ideological spectrum (2013, 392).[7]

Corporate PAC contributions certainly are more bipartisan than contributions from individuals and activist organizations. The average PAC from a *Fortune 500* company, for instance, spent about 62 percent of its funds on Republicans in 2012 (the money weighted average is a similar 61 percent Republican). Corporate PACs are also more likely to contribute to moderate Democrats than strong liberals. By contrast, other kinds of interest group PACs, as well as individual donors, tend to concentrate their spending on a single party. For example, fully 99 percent of PAC spending by anti-abortion organizations went to Republican candidates in 2012.[8]

3. The Difficulty of Deriving Corporate Preferences from PAC Contributions

But does this evidence support the conclusion that business is generally moderate? Corporations and corporate donors are different from many other kinds of donors – different in what they want from political action, and different in what they can do to achieve their goals. Those differences, we argue, make it difficult to use PAC contributions to legislators as a proxy for corporate policy preferences.[9]

[7] However, more recent scholarship from Bonica (e.g., Bonica 2016) suggests that PAC contributions can mostly be understood as an effort to gain access to legislators.

[8] Estimate is from the Center for Responsive Politics, available from: https://www.opensecrets.org/pacs/industry.php?txt=Q14&cycle=2012

[9] Some of the issues raised here could be applied to other organized actors who share the characteristics of (1) a focus on only a restricted part of a legislator's voting behavior; and (2) the capacity to engage in a wide range of political action, of which PAC contributions represent only a modest part. We leave these issues of generalizability aside for this paper.

3.1 The Restricted Policy Concerns of Profit-Oriented Firms

We begin with a simple challenge to the idea that PAC contributions to a single legislator reflect an affinity with that legislator's ideology (measured by their full slate of roll-call votes or their complete slate of donors). There is in fact little reason to think that ideological proximity to a legislator (or candidate) dictates the decision to donate. Indeed, matching corporate policy preferences to legislators on a single-left right dimension based on the legislator's entire set of contributors (or entire voting record) makes little sense. Legislators, serving a heterogeneous set of constituents who care about a diversity of issues, must vote on a very wide range of matters. Given this structure of incentives, it makes some sense to derive an ideological position for a legislator from a model of their roll-call votes or donors. Corporations are not legislators.[10] They face strong incentives to focus *only* on those matters germane to maximizing profits. A legislator's ideal point will be influenced by many, many issues (e.g. abortion rights) about which corporations will be indifferent. Apple CEO Tim Cook, for instance, has tweeted opposition to the ending of the Deferred Action for Child Arrivals (DACA) immigration program—but immigration does not appear among the many issues on which Apple spent its $45 million in lobbying expenditures in recent years. Taxes, copyright law, and trade, by contrast, feature prominently.[11] Whatever corporate PAC contributions to a particular politician reveal about that firm's policy preferences, it probably has little to do with the politician's overall voting record or set of contributors.

3.2 Situating PACS within the Toolkit of Corporate Political Action

[10] Here we stylize corporations as a collective entity making rational, profit-maximizing decisions. This is obviously a gross oversimplification, but a reasonable and conventional starting point for the analysis of corporate political behavior, especially in the era of shareholder control (e.g., Davis 2009).
[11] Lobbying data is from the Center for Responsive Politics, available from: https://www.opensecrets.org/orgs/lobby.php?id=D000021754

A second issue is even more fundamental: PAC contributions represent a very small part of corporate political behavior. Major corporations are not just a generic "organized interest." Instead, their centrality in capitalist political economies gives them extensive and varied tools of exerting influence.[12] They possess vast financial resources—far in excess of those of other organized actors in American politics. One of the advantages of money is that it is fungible: it can be aggregated and transformed into a range of diverse and valuable organizational resources, such as policy expertise, infrastructure-supporting political mobilization, or tools for shaping public opinion. In addition, corporations are hierarchically organized. Those in executive positions have considerable autonomy over the allocation of resources. Consequently, firms are largely free of many of the difficult internal collective action problems that hamper most organized interests, which constrain strategic capacity and diverting scarce resources towards "organizational maintenance" (Moe 1984). Corporations also possess important informational resources; they can exploit the complexity of their industry environment to move policy toward their preferences (e.g., Hall and Deardorff 2006; McCarty 2017). Corporate America's remarkable resources and capacities are most evident in the sphere of lobbying. Rather than representing one interest among many, corporations spend uniquely large amounts on lobbying, seeking to shape the political agenda, the content of legislation and bureaucratic rules (Baumgartner et al 2009; Bertrand, Bombardini, and Trebbi 2014; Drutman 2015). PAC contributions generally represent a relatively small portion of corporate political activity, and often a fairly modest part of even their election-related activity.

[12] Although it is outside the scope of our analysis, a rich tradition in the social sciences also argues that the centrality of corporations in market economies endows them with the structural power of exit or disinvestment, giving them a formidable form of low-visibility leverage over government decisions (Lindblom 1977).

3.3 The Limitations of PAC Spending as a Form of Corporate Political Action.

The limited scale of PAC spending would matter less if those expenditures were broadly representative of overall corporate political activity. We now consider why this is very unlikely to be the case. PAC contributions face unusually severe legal constraints, which profoundly shape how corporations use this distinctive part of the broader toolkit of corporate political action. As a result, PAC contributions must be seen as occupying a modest and specific niche within a diversified portfolio. Treating them as an unbiased window onto corporate policy preferences is akin to looking at a family's savings account and assuming that it represents an unbiased sample of their broader investment behavior.

The scale of firms' lobbying efforts – which dwarf their PAC contributions – already suggests one explanation for patterns of PAC spending: large corporations have the ability to use PAC contributions *in conjunction with* other strategies of political influence. PAC contributions may facilitate lobbying by "buying access" to strategically important legislators (Gordon, Hafer, and Landa 2007; Grimmer and Powell 2016; Fouirnaies and Hall 2016, 2017; Barber 2016b). While PAC contributions are unlikely to produce clear, direct influence, they may serve as a signal of friendliness, the political equivalent, as Drutman describes it, to "bringing wine to a dinner party." Given this modest purpose, such donations are likely to be spread widely.

The persuasiveness of this access-facilitating interpretation of PAC spending is bolstered by an examination of two important legal constraints on PACs: donations are severely limited, and they must be made public. As others have noted, spending limits remain tight enough that corporations cannot hope to contribute enough through PAC contributions to have much direct influence on a legislator's votes. These limitations on PAC contributions diminish the potential benefits of this form of political activity, "pricing most services out of the market" as Bonica puts it (2016, 370).

Such smallish contributions from a single, isolated firm also generate acute collective action and commitment problems (Ansolabehere, de Figueiredo, and Snyder 2003). The collective action challenge is straightforward: to the extent that the policy desired is a "public good" for the larger corporate community or some sector of it, firms have an incentive to free-ride. The credible commitment issue is equally problematic. It is difficult for a firm making smallish, one-shot contributions to enforce any kind of obligations on politicians, thus limiting the prospect for legislative vote buying. These problems—PAC contributions are too small and uncoordinated to be effective—have led some analysts to suggest that they are a form of political expression that reveals the true preferences of the donor. As Ansolabehere, de Figueiredo, and Snyder (2003) famously argued, they should be seen as a form of "consumption." Yet the limitations of PAC spending suggest that we might want to treat it as a small and distinctive tool, while looking elsewhere if we wish to understand what large corporations want and how they try to get it.

An additional reason why PAC contributions might provide a distorted window onto the political thinking of large corporations is their public nature. There is growing evidence that direct open spending on candidates risks generating a backlash from shareholders, customers, politicians, and bureaucrats (Werner 2017). In a number of prominent cases, firms have suffered significant adverse publicity related to publicly-identified campaign contributions. Survey experiments provide further support for this concern (Panagopoulos et al. 2016; Li 2018).

Panagopoulos et al. (2016) find that respondents' revealed consumer preferences change according to perceptions of the partisanship of corporate campaign spending.[13]

If visible electoral expenditures represent a significant risk for most companies, PAC spending becomes highly problematic. Since PAC contributions present a direct, public link between corporate funding and a specific candidate, public relations considerations are likely to be prominent. The risk of backlash may encourage significant adjustments within a firm's portfolio: it is helpful if the firm's most *visible* political behavior can be credibly described as non-partisan. This transparency issue makes PAC contributions a potentially misleading guide to the true policy preferences of the firm. By contrast, "quieter" forms of spending—those that are less likely to be observed by mass publics or where there is a less direct link between funding and a specific political activity—become both more attractive to the firm *and* more revealing about the firm's true political preferences.

The distinctive characteristics of PAC spending provide good reasons to question whether corporations' hard money donations reflect sincere preferences. For firms, campaign contributions are likely to represent only the tip of the iceberg. Crucially, not only do PAC contributions offer a very limited window on corporate preferences; the distinctive features of these outlays render make that view biased. There are, however, alternative venues for engaging in the electoral process that lack the drawbacks for corporations associated with PAC spending.

4. "Grey" Money

Corporations are uniquely positioned to spend money in multiple ways designed to move policy toward their preferences. Beyond their PAC contributions, major corporations spend millions on lobbying, think tanks, public relations "outside lobbying" campaigns (Kollman 1998;

[13] Even if corporate campaign spending *increases* sales among copartisans enough to balance out *decreasing* sales among outpartisans, this would increase the variance of corporate sales, disincentivizing PAC spending by risk-averse firms.

Walker 2014), 527 soft money organizations, dark money conduit organizations, and "bill mills" like the American Legislative Exchange Council. For firms, these alternative forms of spending have considerable advantages over PAC contributions. They also potentially offer considerable insight into the policy preferences of large corporations.

One alternative way to engage in electoral politics that has received far less attention from political scientists than PAC contributions is "dark money" spending. Here a firm gives anonymously to some other entity, like a 501(c)4 "social welfare" organization that in turn engages in campaign spending (Oklobdzija 2019). But groups like these are not the only option for indirect corporate spending. Firms can give money to party organizations, such as governors', legislators', and attorneys' general associations that spend heavily on campaigns. And they can give money to trade associations, which engage in a range of political activities (including heavy investments in lobbying) but often allocate considerable funds to campaign efforts.

Moving corporate money through intermediary organizations potentially attenuates all the major liabilities associated with PACs. It simultaneously eliminates spending caps and diminishes collective action and credible commitment problems. Firms (especially if they combine forces) can deploy resources on a scale that can matter in campaigns and command the attention of policymakers. Because intermediaries can deliver substantial funds, on a repeat basis, their presence greatly increases the cost of reneging for politicians. Because they both collect funds from many firms and have strong and long-term links with elected officials they play a brokering role that can potentially deter free-riding on the part of firms as well.[14]

Moreover, expenditures of this kind are far less transparent than PAC spending—sometimes completely invisible, and almost always at least obscured. Because the use of a pass-

[14] That is, intermediaries working with public officials may be able to turn a public good into a club good, available only to those who contribute.

through organization pools the contributions of many actors, which are used to finance many activities, it is impossible to say definitively that a funder desires a specific organizational expenditure. For funders, this feature of "deniability" is a feature rather than a bug.

Thus, allocating firm resources to intermediaries potentially sidesteps *all* the major issues that analysts have argued make PAC spending ineffective for most political purposes. This probably explains why many of the largest American corporations donate more to politically active intermediary organizations than they do to candidates through PACs. For the current analysis the question is whether these entities give us leverage for re-examining corporate preferences.

Crucially, these pooled expenditures actually range from "dark" to various shades of grey. By "grey" we mean expenditures where it is possible to track at least part of what is being spent by some firms, even though these funds are being passed through other organizations. In this section we focus on what can be gleaned from examination of various kinds of corporate "grey" spending. As with PAC spending, a focus on these political activities involves trade-offs. Indeed, the advantages and disadvantages are almost the mirror image of those connected to the study of PAC spending. PAC spending is direct and transparent: a transfer, publicly reported, from the organization of interest to a specific candidate. "Grey" spending is, as the term implies, less transparent. Unlike in the case of PAC spending, we may have little way to know whether what becomes publicly available is a complete accounting of expenditures. Moreover, the existence of an intermediary or broker who pools many contributions and deploys them for many purposes unquestionably raises difficulties for observers.

Although there are still limits to inferring preferences from contributions, we argue that the problem is less severe for donations to intermediary organizations than for PAC contributions to candidates. While candidates receiving corporate money must balance competing pressures from donors, party organizations, and the electorate, industry groups face incentives to be responsive to those whose very large contributions provide their principal financial support. Corporate contributions buy more direct influence over political intermediary organizations like the Chamber than they do of legislative candidates—while also providing greater shielding from public scrutiny.

What is known about "grey" spending represents a significant undercount of pass-through corporate expenditures. Nonetheless, the use of pass-through organizations is, for many if not most corporations, the preferred way to participate in electoral politics. Moreover, because firms can worry less about bad publicity, and because grey spending is less subject to collective action and commitment problems it probably offers a more accurate measure of the firm's true political preferences. These advantages should make the exploration of "grey" money a central to the study of corporate political behavior.

At a minimum, the examination of Grey Money provides an important check on conclusions one might draw from PAC spending alone: *If PAC expenditures reflect "true" corporate preferences (e.g., a desire to support moderates and produce "moderate" outcomes) then a reduction of transparency should make little difference*. Patterns related to "grey" spending should look like those associated with more transparent spending. The more these patterns diverge, the more we should question the use of PAC spending as markers of corporate preferences.

We focus on *Fortune 300* firms both because of the intrinsic significance of large companies and to take advantage of data from the Center for Public Integrity (CPI). The CPI collected data from 2012 tax returns. 111 of the 300 firms disclosed grey money contributions to political intermediary organizations. The CPI data are voluntary disclosures, although it is important to recognize that the disclosures in many cases resulted from shareholder pressure. They are the most visible elements of grey money, but significantly less visible to voters and consumers than FEC-registered hard money PAC contributions. It is likely, of course, that undisclosed contributions (real "dark" money) would provide a more accurate indicator of firm preferences. It probably makes sense to regard this data on "grey" spending as lying somewhere in between the patterns revealed by PAC spending and those that might be revealed if we had access to completely unobservable spending.

These firms give considerable funds to intermediary organizations engaged in political activity. We investigate two kinds of recipient organizations: 1) the U.S. Chamber of Commerce and other politically active industry groups, and 2) 527 party organizations, including governors' and state legislator organizations. Our estimates are probably undercounts given the opacity of inter-organizational money transfers and the rise of 501(c)4 dark money conduits. Nonetheless, we find that in an average election cycle covered in the data, *Fortune 300* companies gave at least $26 million to the RGA and DGA, at least $16.5 million to the U.S. Chamber of Commerce, and at least $161 million to other politically active industry groups.[15] "At least" deserves emphasis, since the true totals are likely far greater. If non-disclosing firms spent at equal rates the totals would be almost triple these amounts. In contrast, at their peak in the 2012 cycle, *Fortune 300* PACs spent about $232 million on candidates for Congress and the

[15] The RGA and DGA data spans the cycles between 2004 and 2010. The CPI data on the Chamber and industry groups covers the 2012 fiscal year. We considered using the Bonica DIME dataset for information on RGA and DGA contributions in additional years, but find that the Torres-Spellicy (2012) data more accurately aggregates up to the total RGA and DGA budgets estimated by the Center for Responsive Politics. To our knowledge, no study systematically analyzes the DIME dataset for 527 organizations like the RGA and DGA.

presidency.[16] In other words, despite the greater difficulty of uncovering "grey" money, the total amount of observable money in our data rivals the total amount of traditional corporate PAC spending.

5. The U.S. Chamber of Commerce[17]

The United States Chamber of Commerce is one of the most powerful political organizations in the United States and one of the most important pathways through which corporate money enters American politics. Indeed, as we shall see, some firms see the organization as so important to their goals that they contribute more to the Chamber than to all political candidates combined. Heavy corporate reliance on this "pass-through" entity provides significant evidence about the policy preferences of major firms. We provide evidence that the Chamber, essentially an umbrella group for the combined political activities of very large American corporations, attempts to move policies relevant to business interests in a very conservative direction and to shift control of government in favor of the Republican Party. Rather than constituting a moderating force "between the parties", the Chamber of Commerce is closely aligned with major conservative forces in American politics.

In 2015 the United States Chamber of Commerce raised over $270 million (Public Citizen 2016). It engages in a wide range of political activities. No organization comes close to the Chamber's reported lobbying expenditures over the past twenty years. But the Chamber also spends *a lot* of money on elections—roughly $35 million in outside spending on national races in recent election cycles. In recent national elections the Chamber has been a leading conduit for "dark money." In both the 2014 and 2016 Congressional elections it was the largest non-disclosing outside spender. In 2016 it spent more than the *combined* totals of the number two

[16]*All U.S. companies combined* contributed at most $400 million in hard money to federal political candidates during the 2012 election cycle (Center for Responsive Politics).
[17] This section draws in part on work with Jacob Hacker.

spender (the Koch-supported Americans for Prosperity) and the number three spender (the National Rifle Association). In recent election cycles, the Chamber has also been far and away the largest single donor to the Republican State Leadership Committee, which helps bankroll GOP state legislative races and orchestrated the crucial "Redmap" redistricting/gerrymandering initiatives following the 2010 census. In 2016 the Chamber donated $5.4 million to the RSLC – more than the next *seven* largest donors (most of them major corporations) combined (Center for Responsive Politics nd).

The Chamber's spending on federal elections looks nothing like the PAC contributions of large corporations. Rather than spreading the money widely to facilitate access, the Chamber placed big bets on the most hotly-contested races, especially in the Senate.. In 2014 it invested heavily in twelve senate elections,, and was the top outside spender in seven, with average expenditures of $1.7 million (Public Citizen 2014b). In 2016, it again focused on tight Senate races, spending $6 million in the Pennsylvania contest alone. In each of the top five races it invested in (Pennsylvania, Ohio, Nevada, New Hampshire and Indiana) the Chamber was the largest non-disclosing donor (Public Citizen 2016).

This large and carefully targeted intervention into electoral politics was not about "consumption." Nor does the narrow targeting (which focused neither on incumbents nor those with influential committee positions) suggest a preoccupation with "access." The spending patterns reveal no evidence of a preference for moderates. Instead, they point to a concerted effort to influence outcomes in order to push American governance to the right. To be more precise, it was an attempt to gain influence over policy by swinging the handful of tightly-contested elections that could determine party control over the U.S. Senate in favor of the GOP. In 2016, the Chamber made that partisan fixation explicit by labeling its efforts, undertaken in collaboration with other conservative organizations, the "Save the Senate" campaign. For the first time, the Chamber in 2016 did not give even token sums to Democrats. It aggressively (and successfully) went after moderate Democrat Evan Bayh (who had assiduously cultivated a Chamber-friendly record and had received Chamber support in the past).

The Chamber's electoral interventions look strikingly similar to those of the National Rifle Association – no one's idea of a moderate, non-partisan organization. This explicitly partisan spending reflects an extraordinary transformation of what has long been the most prominent American business association (Hacker and Pierson 2016). Since Thomas Donahue became head of the Chamber in 1997, it has become a major vehicle for political spending, including on elections, on behalf of many of the nation's largest corporations. Its annual budget has more than tripled. We do not have anything like complete information on its revenue sources. Yet the available evidence suggests that a massive growth of contributions from very large firms has largely fueled this dramatic increase in revenue.. When Donohue took over in 1997 the Chamber still raised only $600,000—about 1 percent of its total budget—from its largest corporate members. Just seven years later they were reported to provide at least $90 million (Birnbaum 2005).

The Chamber's tax forms reveal every donation over $5,000, but not the source. Yet even these opaque documents make clear that while the organization claims to represent 300,000 companies it relies on a small number of donors. Its 2008 returns, for instance, listed 21 contributions exceeding $1 million, including one for $15 million. All told, just 45 donors gave nearly half of the $145 million in contributions reported (Lipton, McIntire and Van Natta Jr. 2010). In 2012, 43 donors contributed $1 million or more (the top three were for $7.2 million, $5 million and $4.1 million). Once again, these donations accounted for just under half the

Chamber's total reported contributions of $179.4 million (Public Citizen 2014a). The Chamber's Institute for Legal Reform (IRL), which keeps separate accounts, is also a political vehicle for the nation's largest corporations. Indeed, its funding sources are even more concentrated than those of the Chamber itself. Tax returns reveal that in 2009 it received 20 donations of $1 million or more, plus another 12 of $500,000 or more—all told, 84 percent of its revenues. Nor was 2009 an aberration. In 2012, almost two-thirds of donations to the ILR were in the form of $1 million-plus contributions (Public Citizen 2014a).

We can probably get some sense of the big contributors to the Chamber by looking at its Board of Directors, which includes representatives from companies such as Verizon, Phillips, Xerox, Alcoa, IBM, UPS, Allstate, and the Las Vegas Sands Corporation (run by Sheldon Adelson, a staunchly conservative Republican and the single biggest known donor in American politics in 2012). The ILR's 2009 tax returns also reveal a list of independent directors. It includes current or former CEOs, top executives, or general counsel of many of the nation's largest firms, including Honeywell, Caterpillar, G.E., Johnson and Johnson, Chevron, Prudential, Wal-Mart, and JPMorgan Chase, along with the heads of PhRMA and the Financial Services Roundtable. There is likely considerable overlap between this list of directors and the ILR's anonymous financial backers.

Of course the "greyness" of corporate contributions to intermediary organizations like the Chamber makes it challenging to assess not just the sources of this money but to draw inferences concerning the political and policy preferences of those contributors. The Chamber, however, is an important organization to focus on precisely because of the relative clarity of its behavior. If there are ambiguities about what corporate PAC behavior reveals about firm preferences there are fewer ambiguities about the political behavior of the Chamber of Commerce.

A generation ago, the Chamber of Commerce was a conservative organization, but it strove to maintain a degree of bipartisanship. Today, it is tightly affiliated in multiple ways with the Republican Party. Crucially for any assertions about the moderation of its preferences, that partnership strengthened even as the GOP turned sharply to the right on economic policy (Hacker and Pierson 2016).[18] As the Chamber has expanded its spending, the dollars have flowed overwhelmingly to the GOP. The shift began in the early 2000s, when large donations from the Chamber helped knock off Senate Majority Leader Tom Daschle of South Dakota. By 2012, the Chamber would endorse just five Democrats for Congress nationwide. By 2014, more than 95 percent of its reported independent spending supported Republicans or attacked Democrats (Public Citizen 2014b). The Chamber also intervenes occasionally in Republican primaries to favor candidates viewed as reliable and electable ("no fools on our ticket" in the memorable and revealing statement of one Chamber leader), but these intra-party disputes attracted a very small portion of the Chamber's election-related spending (Center for Responsive Politics).

Beyond these financial ties, the Chamber's political leadership now meshes with that of the Republican Party. The Chamber's political director, Rob Engstrom, was previously the political director of the Republican National Committee (Palmer 2012). Scott Reed, one-time Executive Director of the RNC, thereafter assumed the title of "Senior Political Strategist" for the Chamber (Stolberg 2013). Former Bush official Karen Harbert became President of the Chamber's Institute for 21st Century Energy. Margaret Spellings, Bush's Secretary of Education, became Senior Advisor at the Chamber in 2009 and later President of the Chamber of Commerce Foundation. A recent Public Citizen analysis was able to identify the prior work careers of 380

[18] The Chamber's open partisanship may reflect a change in incentive structures related to heightened polarization. A generation ago, passing legislation required crafting coalitions from the middle out, which required support among members of both parties. Now legislation typically rests on lopsided party majorities and thus requires committed partisan allies

Chamber employees; 145 had work experience with Republican or conservative organizations; just 14 had work experience with Democratic or liberal organizations (Public Citizen 2018).

There are also very substantial linkages between the Chamber and the other major conduits for outside money into Republican electoral politics. Especially clear is the connection between the Chamber and Karl Rove's American Crossroads and Crossroads GPS. In the run-up to the critical 2010 elections, as the Chamber ramped up its conflict with the Obama administration, its general counsel, Steven Law, met privately with former Bush adviser Ed Gillespie. Law had a long history with the GOP, having served as Mitch McConnell's Chief of Staff, Executive Director of the National Republican Senatorial Committee, and Deputy Secretary of Labor under George W. Bush. Law and Gillespie discussed plans for what became American Crossroads, the Karl Rove-headed group that has become a massive conduit for Republican campaign funding. Indeed, American Crossroads' leadership looked like a shadow Republican National Committee, dominated by former RNC heavies. The Chamber and American Crossroads coordinated their spending and messaging in the 2010 election. Law would then leave the Chamber to become CEO of Crossroads (Hacker and Pierson 2016). In 2014, while it would spend a reported $45 million on the election, all in support of Republicans, American Crossroads would also contribute $5.2 million to the U.S. Chamber of Commerce (Creswell 2016).

The Chamber's connections to the Koch brothers' network are somewhat more complicated. As Hertel-Fernandez and Skocpol have documented, that network has become an even larger pathway for conservative political money than the Chamber (Hertel-Fernandez and Skocpol 2016). While the Chamber's money derives largely from huge corporations, the Koch network's funds come mostly from individuals and families with huge fortunes and, by most accounts, extreme and intense political views. As a result, the Chamber and Koch network share substantially overlapping but distinct preferences and priorities. As Hertel-Fernandez and Skocpol have documented, there are splits between the two groups, revealed for example in the "scorecards" they use to rate members of Congress. On some issues related to particular areas of government spending (e.g. infrastructure) and budgetary policy (funding for the Ex-Im Bank, raising the debt ceiling) the preferences of the two groups diverge (Hertel-Fernandez and Skocpol 2016).

While these points of divergence are genuine and non-trivial, it is important to put them in context. "Scorecards" are often designed to highlight any point of division, separating perceived loyalists from non-loyalists and potentially exerting pressure on particular roll-call votes that are viewed as up-for-grabs. There is nothing about these splits with the Koch network that implies a "moderate" policy stance on the part of the United States Chamber of Commerce or its funders. Occasionally conflicting expenditures between the Chamber and the Koch network in primaries pale in comparison to their vastly greater spending in races pitting Republicans against Democrats, where they have exclusively backing the former. In those races, the Chamber and the Kochs have at times coordinated their efforts (Hacker and Pierson 2016). Moreover, the Koch network has also provided substantial subsidies to the Chamber of Commerce, totaling at least $5.5 million since 2010 (Center for Responsive Politics). This is a small share of Koch spending, but it is a substantial subsidy for the Chamber nonetheless. It suggests that whatever their differences, the Koch brothers see the Chamber as a political ally. Hertel-Fernandez and Skocpol's conclusion is apt:

> Although the gap between Koch network goals and the preferences of most Americans is enormous, we do not want to overstate tensions between Koch network priorities and the policy goals of corporate America, particularly as expressed in recent times by the U.S. Chamber of Commerce … Koch and corporate priorities are largely aligned on matters

> such as curbing labor unions, reducing taxes and social spending, and weakening government regulation … (Hertel-Fernandez and Skocpol 2016).

Deriving insights about corporate preferences from the Chamber's activity is not straightforward. Of course, the majority of corporations do not reveal their contributions to the Chamber. In addition, the Chamber is a multi-faceted organization, making it impossible to establish definitively that a specific contribution was given for a specific purpose. Although the opacity of funds channeled through the Chamber makes the political analyst's job more difficult, it also suggests that these expenditures come closer than PAC spending to reflecting the true preferences of those donating the money. Indeed this political money-laundering is a vital service the Chamber provides: "I want to give them all the deniability they need," Donohue has said (quoted in Verini 2010). In recent years, as shareholder groups have lobbied firms to release more information about their political expenditures, the Chamber (along with other trade associations like the Business Roundtable and the National Association of Manufacturers) has advocated strongly for the preservation of anonymity.

In addition, the Chamber solves or diminishes some of the other problems that bedevil PAC contributions. The Chamber can spend much larger amounts on a particular campaign—this is not bringing wine to a dinner party. It can pool the resources of multiple firms, helping to surmount collective action problems. The scale of these resources, along with the Chamber's deep and durable relationships with Republican leaders diminish the problems of free-riding from firms and shirking among politicians. As already noted, it is the single largest dark money spender in many of the most expensive and hotly contested congressional races. Moreover, while the Chamber is required to reveal its federal campaign spending (although not where the money came from), it can rely on pass-through mechanisms of its own to spend considerable additional money on elections. Money can be funneled to state races, for instance, through the Republican Governors' Association and the Republican State Legislative Committee.

The Chamber reported spending $35.7 million on political campaign spending in 2012. Its Institute for Legal Reform reported spending another $7.1 million. The ILR also donated $3.7 million to the Republican State Leadership Committee and $1 million to the Republican Governors Association. These organizations are largely devoted to state-level campaign activity (CPI 2013). All told, that is probably $48 million in campaign spending, and it is almost certainly a conservative estimate of the Chamber's total electorally-oriented activity. Given the scale of the Chamber's spending and its deep and enduring connections to the Republican political establishment, a candidate benefiting from its largesse would have to think carefully before dismissing its preferences.

For all these reasons, it makes sense to consider the possibility that many huge corporations are using the Chamber, rather than their PAC contributions, as their primary vehicle for engaging in electoral politics. If so, we may want to look to the Chamber's behavior to assess corporate political preferences. And when we do so, there is no evidence that the Chamber deploys its financial resources to privilege the prospects of political moderates. Instead, the evidence suggests that the Chamber has used its campaign dollars for one overriding purpose: to secure or strengthen GOP majorities whenever possible. In 2014, for instance, it concentrated resources on the decisive, tightly-contested Senate races on behalf of Republican candidates. In the crucial states of Colorado (Cory Gardner, $3.7 million in Chamber expenditures), Iowa (Joni Ernst, $3.1 million in Chamber expenditures) and North Carolina (Thom Tillis, $5.6 million in Chamber expenditures), the Chamber heavily funded the successful candidacies of very conservative Republicans. Victories in these races helped swing the Senate majority to the GOP, with major consequences for public policy. In short, a focus on corporate spending through the Chamber identifies just the kind of focus on decisive, hotly-contested races that political scientists have found to be absent in their analysis of PAC spending, which was one of the findings leading Bonica (2016, 36) to conclude that "the attention given to corporate influence in elections is far in excess of its actual importance."

6. Corporate Gifts to the Chamber and Other Industry Organizations

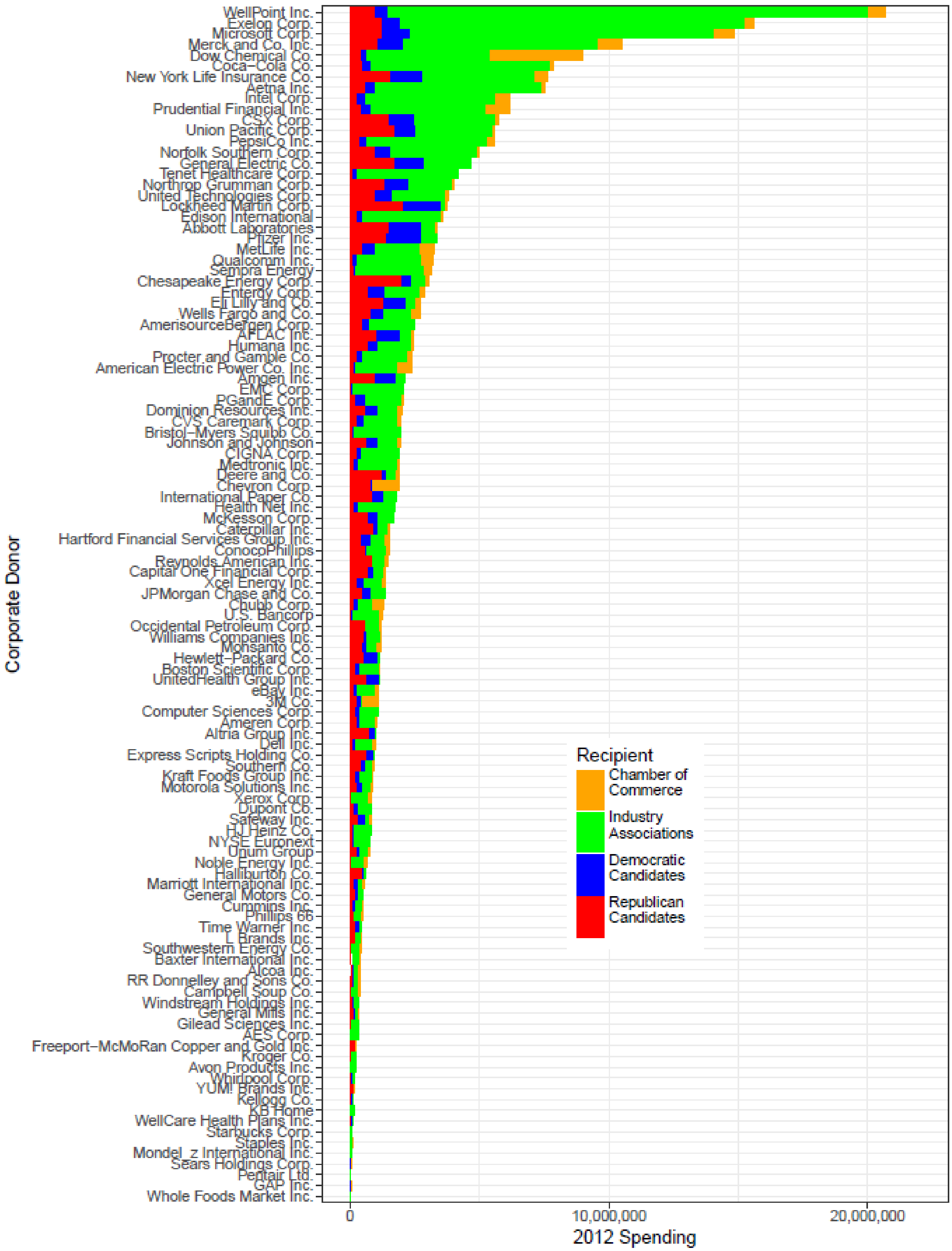
In this section we use data on corporate contributions to the Chamber and other politically active industry groups as an additional source of information about the preferences of big business. The Chamber's legal status has made data on its corporate contributors difficult to find and analyze systematically. We employ a dataset from the Center for Public Integrity (CPI). The CPI used corporate IRS filings to construct a dataset of grey money contributions from the largest 300 companies in the United States, the *Fortune* 300, to politically active non-profits during the 2012 fiscal year. Of these 300 companies, 111 disclosed information in their tax filings about the size of contributions to specific politically active non-profit organizations.

Our analysis of the CPI data suggests that contributions to politically active intermediary organizations represent a large proportion of major corporations' political expenditures. Figure 1 compares corporate contributions to candidates and political intermediary organizations during 2012. The red and blue bars represent corporate PAC donations to Republican and Democratic candidates, respectively. We find that these PAC expenditures are usually eclipsed by contributions to the Chamber of Commerce (the yellow bars) and other intermediary organizations and trade groups (the green bars).[19] Of the sample of 111 firms, a majority (66)

[19] Contributions to the U.S. Chamber of Commerce are displayed in a separate color from those to other intermediary organizations for clarity. The yellow bars only represent donations to the U.S. Chamber of Commerce; gifts to state level chambers like the North Carolina Chamber of Commerce are counted in the green bars as contributions to other intermediary organizations.

contributed more to intermediary non-profit organizations than to all political candidates combined. This estimate represents a lower bound: It is possible that additional contributions to intermediary organizations went undisclosed because, unlike PAC contributions to candidates, their disclosure is voluntary.

Figure 1
Corporate Contributions to Candidates and Political Intermediary Organizations



The organizational recipients of corporate contributions in the CPI data are a “who’s who” of key industry advocacy organizations. Organizations like America’s Health Insurance Plans (AHIP), the American Council of Life Insurers, and the Grocery Manufacturers Association are among the largest recipients of corporate donations. Of the 66 companies that contributed more “grey” money to organizations than hard money to candidates, 13 donated more to a single key industry group—the U.S. Chamber of Commerce—than to all political candidates combined. Given the Chamber’s political behavior described above, large contributions to the Chamber are likely to be consistent with economically conservative policy goals and a preference for Republican Party control of government.

Corporations tend to balance their PAC contributions to Republicans with contributions to Democrats, but they do not counterbalance their donations to the Chamber. Major corporations do not contribute grey money to analogously (i.e., symmetrically) liberal, Democratically aligned intermediary organizations. The exceptions are remarkably minor. Dell and Google each gave $25,000 to the Center for American Progress. One firm gave a small donation to the labor- and environmentally-affiliated BlueGreen Alliance. The Center for American Progress is the only liberal group in the data that is involved in electoral politics.

This new data on corporate gifts to the Chamber suggests that existing measures of corporate ideology may overestimate corporate moderation. Figure A.3 in the Appendix displays the CF scores of the corporations in our sample that contributed more to the Chamber alone than to all political candidates combined. Crucially, all but one of these corporations, Noble Energy, receives a CF score to the left of John Boehner. Consistent with Bonica’s broader depiction of corporate political behavior, most have scores that fall in between most Democrats and Republicans. Yet if these companies may “bring wine to the party” in the form of PAC contributions to candidates from both parties, they put more of their money into the markedly conservative and highly partisan Chamber.

7. Corporate Contributions to Governors and State Legislative Organizations

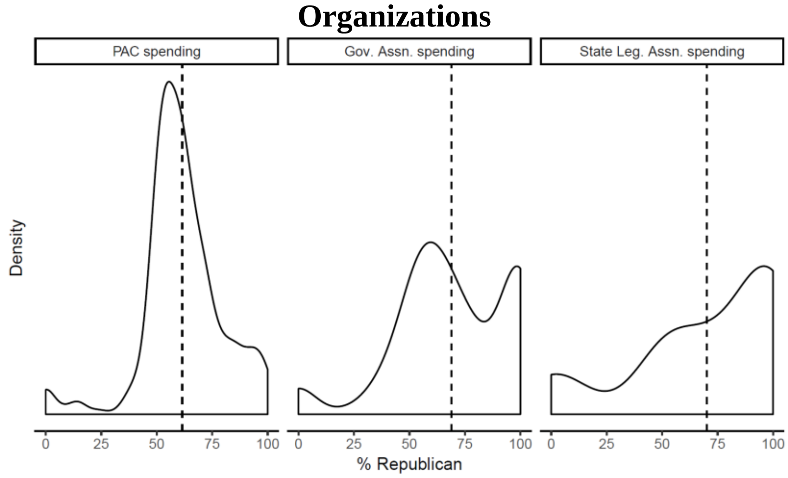
Another window into business preferences is investment in party intermediary organizations like the Democratic Governors Association (DGA) and Republican Governors Association (RGA) for governors, and the Democratic Legislative Campaign Committee (DLCC) and Republican State Leadership Committee (RSLC) for state legislators. As with the Chamber, gifts to these organizations can provide insights into corporate preferences beyond what can be gleaned from direct PAC contributions to candidates. Firms can contribute *unlimited* sums of money to the DGA, RGA, DLCC, and RSLC. Because these contributions pass through an organizational black box, they are far less likely to generate negative publicity or backlash from customers or shareholders. And again, the structure of these organizations not only generates useful opacity but potentially reduces collective action and credible commitment problems for corporations hoping to influence political outcomes.

Political elites view the DGA and RGA—but especially the RGA—as highly influential, in part due to their legal status (Robillard 2015). For decades, these 527 organizations had been exempt from most of the restrictions on direct hard money contributors like PACs, as long as they did not primarily engage in "express advocacy" for or against specific candidates. Supreme Court rulings in *Emily's List* v. *FEC* and *Citizens United* v. *FEC* allowed the groups unlimited contributions and expenditures provided they did not "coordinate" directly with campaigns. In turn, the RGA and DGA established affiliated 501(c)4 organizations with the power to raise anonymous dark money contributions. We thus focus our attention on contributions to the RGA and DGA in the years prior to legal rulings that expanded the role of dark money from undisclosed sources.

Substantial funds flow through the DGA and RGA. The RGA spent over $131 million in the 2010 cycle that helped usher in a wave of Republican governorships and state legislative majorities. The DGA spent less than half as much, $64 million. The RGA has increased its financial advantage over recent cycles, even as it has expanded its solicitations of corporate money. Moreover, these expenditures are more visible than dark money contributions and this visibility is a deterrent to naked partisanship. For all these reasons, our focus on contributions to these intermediaries during the 2004-2010 period almost certainly understates the conservative partisan leanings of large corporations (Torres-Spelliscy 2012).

Like our analysis of contributions to the Chamber, our investigation of the governors' and state legislative organizations indicates that major corporations have goals more closely aligned with the contemporary Republican Party than previous analyses suggest. 195 *Fortune 300* companies contributed to either the DGA or RGA between 2004 and 2010, which suggests that most major firms see the DGA and RGA as important facets of their political strategies.

Figure 2
Partisanship of Corporate Contributions to PACs vs. Governor and State Legislative Organizations



As we did with contributions to the Chamber and other industry groups, we can compare firms' PAC spending to their spending on party-affiliated organizations. Firms' contribution patterns to these organizatons are systematically different than their federal PAC contributions to candidates. Figure 2 displays the percentage of *Fortune 300* firms' partisanship of PAC contributions versus governors association contributions and state legislative organization contributions. The left panel reports the density of firms' *percentage of (two party) PAC spending that goes to Republican candidates* (as opposed to Democratic candidates). The middle panel shows the *percentage of contribution to governors associations that goes to the Republican Governors Association* (as opposed to the Democratic Governors Association). The rightmost panel reports firms' percentages of state legislative association spending that goes to the Republican State Legislative Association.

Major corporations are more partisan—that is, more supportive of the Republican Party over the Democratic Party—in their contributions to party-affiiliated organizations than in their PAC contributions to federal candidates. The average company contributed about 43 percent more of their contributions to the RGA than to the DGA. Over 60 percent of the firms in the sample give a larger proportion of governors association money to the RGA than their PACs give to Republican candidates.As Table 1 shows, the average company spent about 69 percent of its contributions to governors associations on the RGA, and over 70 percent of its contributions to state legislative organizations to the RSLC—but only 62 percent of its PAC money on Republican candidates. T-tests (paired and unpaired) confirm that this difference in average partisanship of contributions is statistically significant.

Table 1
Difference in Contribution Partisanship by Recipient Type

Type of Contribution	Average Amount($1000s per Election Cycle)	Percent Republican	*95% CI of Difference from Partisanship of PAC spending*
PAC contributions to federal candidates	831	61.52	--
Contributions to governors associations	90	68.92	2.64, 11.63 (paired) 3.11, 11.68 (unpaired)
Contributions to state legislative organizations	21	70.18	1.14, 18.51 (paired) -0.70, 18.00 (unpaired)
Contributions to U.S. Chamber of Commerce	221	--	--
Contributions to other political industry orgs	1,481	--	--

One reasonable concern is that contributions to party-affiliated organizations, like PAC contributions, might be driven purely by nonpartisan and nonideological access motivation. In this case, firms are expected to contribute more to incumbents and the majority party, so a preponderance of Republican governors relative to Republican members of Congress could explain the difference in the partisanship of these two kinds of contributions. Fortunately, the time period we analyze is not susceptible to this problem. Our governors' and state legislative organization data cover the fiscal years from 2004 to 2010, prior to the wave of Republican governors and legislators who took office in 2011 (as a result of the 2010 election). In this period, no more than 24 of 50 governors were Republican. Similarly, a majority of state legislative chambers were Democratic; only 36 of 99 state legislative chambers were majority Republican in 2010. By contrast, the election cycle in which we measure PAC contributions to candidates features a large Republican majority in the House (242 seats) and a strong minority in the Senate (47 seats). In sum, to the extent nonpartisan access motivations introduce bias, the bias runs *against* our argument.

Conclusion

Many political scientists and legal scholars now assert that corporations, owners, and executives are mostly moderates and that their contributions can encourage moderation among legislators (e.g., Bonica 2013; La Raja 2014; Masket 2014, 2015; La Raja and Schaffner 2015; Barber 2016a). Because understanding business preferences is critical to understanding contemporary politics, the claim that large corporations are a moderating influence is significant. We have offered evidence that casts doubt on this characterization, suggesting that mobilized corporate money in politics is deeply intertwined with the contemporary Republican Party in Congress and the states.

This assessment is preliminary and incomplete; it signals the need for more research on the full range of corporate political behavior. PAC contributions are one part of a multifaceted set of strategies that corporations use to generate preferred political outcomes. To understand the preferences of corporations, it is important to look at how corporations use all of their tools—including those that are less visible. To be clear, it is not just that a wider view is a more comprehensive one; it is that comparisons among multiple forms of activity with distinct characteristics and limitations increases our analytical leverage for determining firm preferences. PAC spending is not just a subset of corporate political behavior; it is a highly skewed subset because of the distinctive characteristics of this form of political action.

Investigating corporate spending to political intermediary organizations like the Chamber of Commerce and party-affiliated organizations like the RGA generates a distinctive take on corporate money in politics. It suggests that many large corporations may be far from moderate. Their behavior points to conservative – perhaps very conservative – economic policy preferences and a clear partisan alignment with the Republican Party, an attachment that may have strengthened even as the GOP has itself moved rightward on economic issues.

There is great potential for further research into corporate preferences. Previously untapped sources of data can shed light on the political strategies and goals of business. Unlike data on PAC contributions, however, these other sources of data are incomplete. Under current campaign finance laws, researchers will be unable to obtain data on the entire population of grey, dark, and lobbying money. Scholars can, however, analyze leaks, voluntary disclosures, accidental releases of information, undesired and unanticipated disclosures associated with litigation, and other subsets of the vast universe of money in politics. In 2011, for example, Aetna accidentally released documents detailing a $3 million donation the prior year to the Republican-linked American Action Network and $4.5 million to the Chamber of Commerce (these contributions were not reported in corporate IRS filings and are therefore not counted in the CPI data we analyzed in the earlier sections). Based on considerably lower spending amounts ($1 million total hard money contributions to federal candidates in the 2012 cycle), Aetna's two PACs received relatively moderate CF scores of 0.39 and 0.227.

Further research should investigate the relationships of firms to political intermediary organizations, and back out further information on the preferences of corporate donors from the behavior of these organizations. The CPI data that we employ shows connections between major corporations and many of the biggest organizational players in American politics, including ALEC, the Club for Growth, PhRMA, American Health Insurance Plans (AHIP), and many others. Many of these groups provide legislators with model legislation and produce public relations campaigns in favor of specific policies—two rich sources of information on their political goals.

Scholars working through this complex empirical material must contend with issues of incompleteness and selection bias. Despite these drawbacks, this sort of analysis has notable advantages for understanding corporate preferences. Even if incomplete, such evidence provides a critical check on assessments drawn from a fixation of PAC spending. Most of all, the scattered but illuminating data points to the need for a research strategy of triangulation, combining multiple observations while developing clear expectations about what particular patterns might reveal about firm preferences. Within this broad effort, and along the lines explored in recent research by Hertel-Fernandez and Skocpol, we would stress the likely significance of collective organizations. Bonica, Ansolabehere et al and others have rightly pointed to the difficulties individuals, as well as individual firms, face in acting on their own to shape big political outcomes. Yet too little attention has been paid to the prospect that rather than giving up in the face of these obstacles, well-resourced actors might find organizational solutions. Political scientists interested in the impact of substantial inequality on politics need to focus attention on the formidable organizations that those with vast economic resources utilize to pursue their shared goals.

References

Ansolabehere, Stephen, John M De Figueiredo, and James M Snyder. 2003. "Why Is There So Little Money in Us Politics?" *The Journal of Economic Perspectives* no. 17 (1): 105-130.

Barber, Michael. 2016. "Donation Motivations Testing Theories of Access and Ideology." *Political Research Quarterly* no. 69 (1): 148-159.

Barber, Michael J. 2016. "Ideological Donors, Contribution Limits, and the Polarization of American Legislatures." *The Journal of Politics* no. 78 (1): 296-310.

Bauer, Raymond Augustine, Ithiel de Sola Pool, and Lewis Anthony Dexter. 1967. *American Business and Public Policy: The Politics of Foreign Trade. With a New Prologue*: Transaction Publishers.

Baumgartner, Frank R, Jeffrey M Berry, Marie Hojnacki, Beth L Leech, and David C Kimball. 2009. *Lobbying and Policy Change: Who Wins, Who Loses, and Why*. Chicago: University of Chicago Press.

Bertrand, Marianne, Matilde Bombardini, and Francesco Trebbi. 2014. "Is It Whom You Know or What You Know? An Empirical Assessment of the Lobbying Process." *The American Economic Review* no. 104 (12): 3885-3920.

Bonica, Adam. 2013. "Ideology and Interests in the Political Marketplace." *American Journal of Political Science* no. 57 (2): 294-311.

———. 2014. "Mapping the Ideological Marketplace." *American Journal of Political Science* no. 58 (2): 367-386.

———. 2016. "Avenues of Influence: On the Political Expenditures of Corporations and Their Directors and Executives." *Business & Politics* 18(4): 367-394.

Bonica, Adam, Nolan McCarty, Keith T Poole, and Howard Rosenthal. 2013. "Why Hasn't Democracy Slowed Rising Inequality?" *The Journal of Economic Perspectives* 27(3): 103-123.

Center for Public Integrity. 2013. "Top U.S. Corporations Funneled $173 Million to Political Nonprofits". Available from https://iw-files.s3.amazonaws.com/apps/2014/01/darkmoneyinc/data/transactions.csv.

Creswell, Julie. 2016. "Trump and U.S. Chamber of Commerce Pull No Punches on Trade Policy," *The New York Times*, July 11.

Crosson, Jesse, Alexander Furnas, and Geoff Lorenz. 2018. "Estimating Interest Group Ideal Points with Public Position-Taking on Bills in Congress." *Working Paper*. https://www.researchgate.net/publication/324040699_Estimating_Interest_Group_Ideal_Points_with_Public_Position-Taking_on_Bills_in_Congress

Culpepper, Pepper D. 2010. *Quiet Politics and Business Power: Corporate Control in Europe and Japan.* New York: Cambridge University Press.

Davis, Gerald F. 2009. *Managed by the Markets: How Finance Re-Shaped America*. Oxford: Oxford University Press.

Drutman, Lee. 2015. *The Business of America Is Lobbying: How Corporations Became Politicized and Politics Became More Corporate*: Oxford University Press.

Fouirnaies, Alexander, and Andrew B. Hall. 2016. "The Exposure Theory of Access: Why Some Firms Seek More Access to Incumbents Than Others." *Working Paper*. http://www.andrewbenjaminhall.com/Fouirnaies_Hall_Regulation.pdf

———. 2017. "How Do Interest Groups Seek Access to Committees?" *American Journal of Political Science* no. 62 (1): 132-147.

Gimpel, James G, Frances E Lee, and Michael Parrott. 2014. "Business Interests and the Party Coalitions Industry Sector Contributions to Us Congressional Campaigns." *American Politics Research* no. 42 (6): 1034-1076.

Gordon, Sanford C, Catherine Hafer, and Dimitri Landa. 2007. "Consumption or Investment? On Motivations for Political Giving." *Journal of Politics* no. 69 (4): 1057-1072.

Grimmer, Justin, and Eleanor Neff Powell. 2016. "Money in Exile: Campaign Contributions and Committee Access." *Journal of Politics* 78(4), 974-988.

Hacker, Jacob S., and Paul Pierson. 2002. "Business Power and Social Policy: Employers and the Formation of the American Welfare State." *Politics & Society* 30 (2): 277-325.

———. 2010. "Winner-Take-All Politics: Public Policy, Political Organization, and the Precipitous Rise of Top Incomes in the United States." *Politics & Society* no. 38 (2): 152-204.

_____ ,2014. "After the "Master Theory": Downs, Schattschneider, and the Rebirth of Policy-Focused Analysis." *Perspectives on Politics* no. 12 (03): 643-662.

———. 2016. *American Amnesia: How the War on Government Led Us to Forget What Made America Prosper*: Simon and Schuster.

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

Hertel-Fernandez, Alexander, and Theda Skocpol.2016. "Billionaires against Big Business: Growing Tensions in the Republican Party Coalition."

Keller, Eric, and Nathan J Kelly. 2015. "Partisan Politics, Financial Deregulation, and the New Gilded Age." *Political Research Quarterly*: 1065912915591218.

Kollman, Ken. 1998. *Outside Lobbying: Public Opinion and Interest Group Strategies*. Princeton, N.J.: Princeton University Press.

La Raja, Raymond J. 2014. "Campaign Finance and Partisan Polarization in the United States Congress." *Duke Journal of Constitutional Law and Public Policy* no. 9: 223.

La Raja, Raymond J, and Brian F Schaffner. 2015. "Campaign Finance and Political Polarization: When Purists Prevail." Ann Arbor: *University of Michigan Press*.

Li, Zhao. 2018. "How Internal Constraints Shape Interest Group Activities: Evidence from Access-Seeking PACs." *American Political Science Review*, 112(4): 792-808.

Lindblom, Charles Edward. 1977. *Politics and Markets: The World's Political Economic Systems*. New York: Basic Books.

Lipton, Eric, Mike McIntire and Don Van Natta Jr. 2010. "Top Corporations Aid U.S. Chamber of Commerce Campaign." *The New York Times*, October 21.

Martin, Cathie Jo. 1989. "Business Influence and State Power: The Case of Us Corporate Tax Policy." *Politics & Society* 17 (2): 189-223.

Masket, Seth. 2014. "Are the Super-Wealthy Buying Democracy?" *Mischiefs of Faction*, May 16.

———. 2015. "Superdonors Are Not Pulling Us Rightward." *Vox*, October 11.

McCarty, Nolan. 2017. "The Regulation and Self-Regulation of a Complex Industry." *The Journal of Politics* 79 (4): 1220-1236.

Nyhan, Brendan, and Jacob M Montgomery. 2015. "Connecting the Candidates: Consultant Networks and the Diffusion of Campaign Strategy in American Congressional Elections." *American Journal of Political Science* no. 59 (2): 292-308.

Oklobdzija, Stan. 2019. "Public positions, private giving: Dark money and political donors in the Digital Age." Research & Politics 6(1): 1-8.

Palmer, Anne. 2012. "Super PACs Rival Chamber." *Politico*, March 23.

Panagopoulos, Costas, Donald P. Green, Jonathan Krasno, Michael Schwam-Baird, Eric Moore, and Kyle Endres. 2016. "Risky Business: Does Corporate Political Giving Affect Consumer Behavior?" *Presented at the American Politics & Public Policy Workshop, Yale University*.

Pildes, Richard A. 2014. "Romanticizing Democracy, Political Fragmentation, and the Decline of American Government," *Yale Law Journal,* 124, 804-52.

Public Citizen.2014a. "The Gilded Chamber." http://www.citizen.org/documents/us-chamber-of-commerce-funders-dominated-by-large-corporations-report.pdf. February 26.

______. 2014b. "The Dark Side of Citizens United." http://www.citizen.org/documents/us-chamber-of-commerce-dark-money-spending-report.pdf. October 29.

Rauch, Jonathan. 2015. *Political Realism: How Hacks, Machines, Big Money, and Back-Room Deals Can Strengthen American Democracy*: Brookings Institution Press.

Robillard, Kevin. 2015. "Republican Governors: A Winning Machine." *Politico*, November 11.

Schuck, Peter H. 2014. "Money Won't Buy You Votes." *Los Angeles Times*, April 20.

Skocpol, Theda, and Alexander Hertel-Fernandez. 2016. "The Koch Effect." *Inequality Mini-Conference, Southern Political Science Association*.

Tausanovitch, Chris, and Christopher Warshaw. 2017. "Estimating Candidates' Political Orientation in a Polarized Congress." Political Analysis 25(2): 1-21.

Thieme, Sebastian. 2019. "Moderation or Strategy? Political Giving by Corporations and Trade Groups." *Journal of Politics*, forthcoming.

Torres-Spelliscy, Ciara. 2012. "The $500 Million Question: Are the Democratic and Republican Governors Associations Really State PACs under Buckley's Major Purpose Test." *NYUJ Legis. & Pub.Pol'y* no. 15: 485.

Verini, James. 2010. "Show Him the Money." *Washington Monthly*, July/August.

Walker, Edward T. 2014. *Grassroots for Hire: Public Affairs Consultants in American Democracy*. New York: Cambridge University Press.

Werner, Timothy. 2017. "Investor reaction to covert corporate political activity." *Strategic Management Journal*, 38(12): 2424-2443.

Appendix

Figure A.1
Comparing Partisanship of Corporate PAC and Governors Association Spending

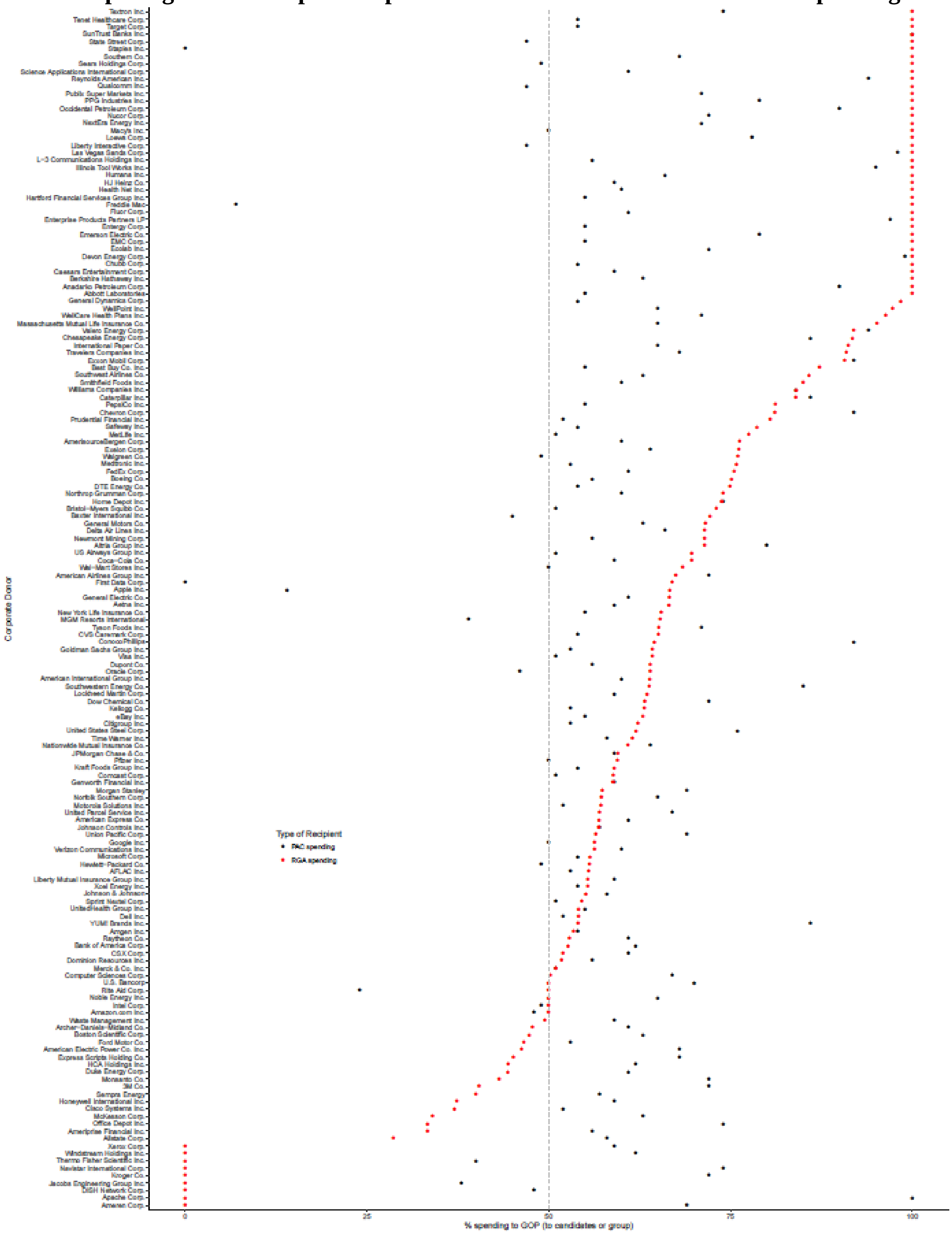


Figure A.2
Comparing Partisanship of Corporate PAC and State Legislative Association Spending

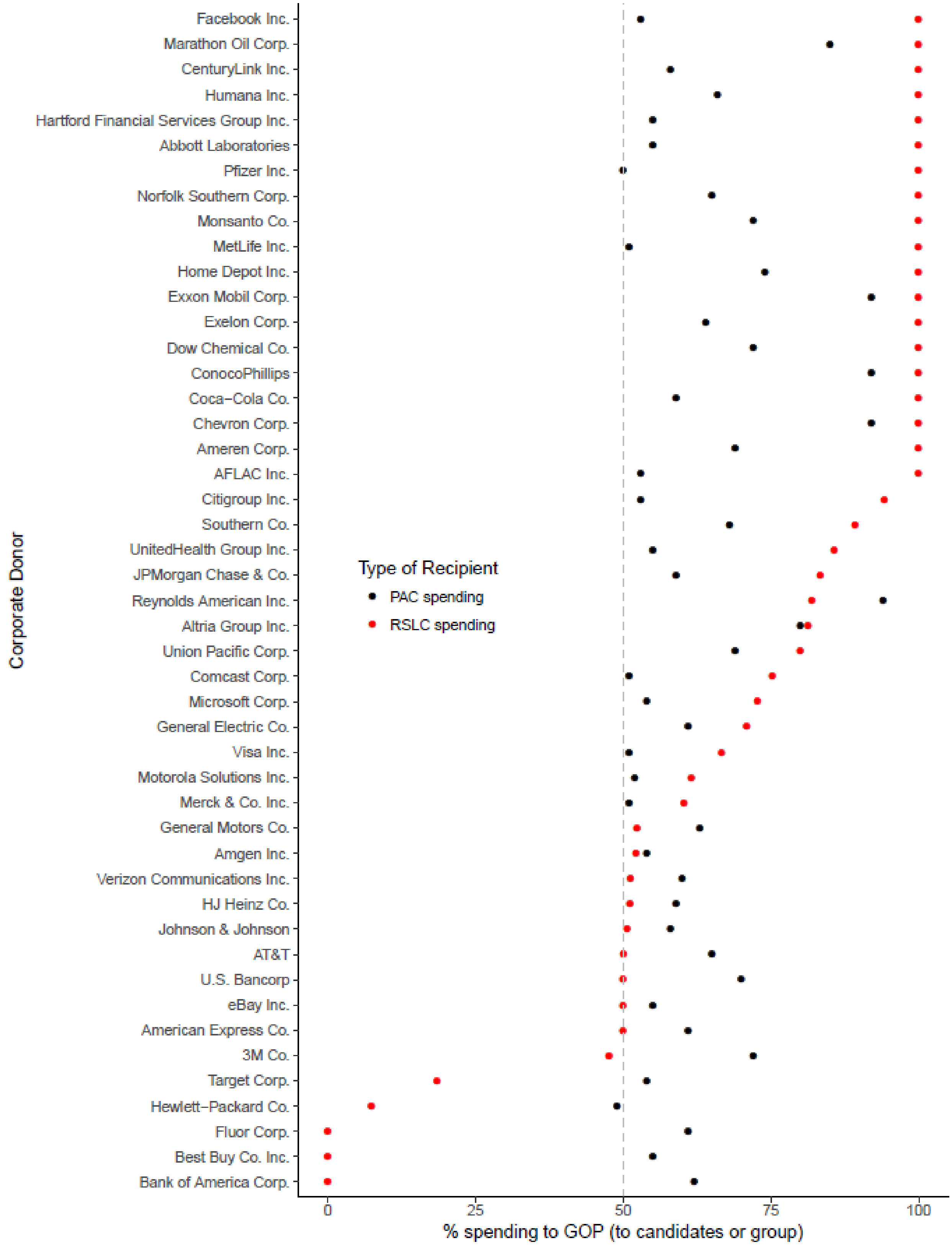
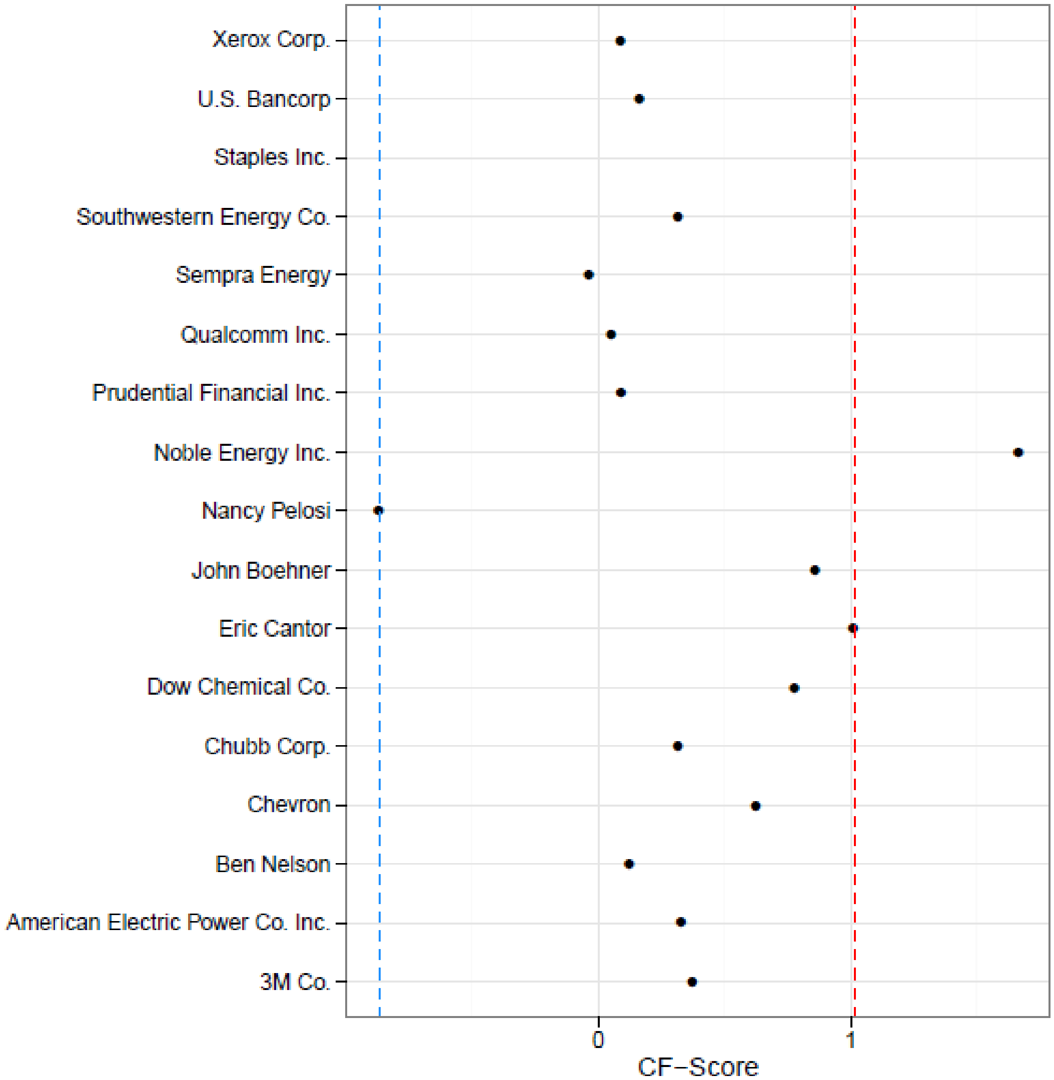


Figure A.3
CF Scores of Legislators and Corporate PACs



Note: Dotted lines represent 2010 legislator party medians.