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Cox & McCubbins

Conditional Party Government and Campaign Contributions: Insights from the Tobacco and Alcoholic Beverage Industries

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(Snyder 1992). In turn, patterns of corporate and trade PAC giving can tell us a lot about who the influential members and institutions are in the House and whether they have changed over time. CPG, of course, says that they are the majority party and its leadership, which have become only stronger during the 1980s and 1990s.

Congressional scholars have already utilized campaign contributions as a way of examining House organization. Some have shown that PACs give disproportionately to members who sit on committees with jurisdictions that are of interest to them (Grier and Munger 1991, 1993; Hall and Wayman 1990; Kroszner and Stratmann 1998; Romer and Snyder 1994) and who are effective at turning proposed legislation into law (Box-Steffensmeier and Grant 1999)—something which is largely a product of the member's affiliation with and leadership of important committees. Others have explicitly substantiated partisan cartel theory by revealing that members of the majority party receive a disproportionately large amount of corporate and trade contributions (Cox and Magar 1999; Rudolph 1999).

My aim here is to see whether patterns of giving are dynamic and have matched expectations produced by a House supposedly characterized by burgeoning CPG. Specifically, this article looks at contributions by manufacturer and trade PACs in the tobacco and alcoholic beverage industries to House members from 1975 to 2000. Giving by the tobacco and alcoholic beverage industries is an especially useful way of testing for the presence of CPG because the legislative objective of these industries is largely to protect existing law from efforts by opposing interests to change it. The federal agenda on these issues was, throughout 1975–2000, set largely by adversaries of tobacco and alcoholic beverage producers, trade associations, and their allies. Put another way, the PACs I examine generally "play defense." A short contemporary history of the two industries quickly highlights this fact.

Tobacco. The tobacco industry spent the 1975–2000 period protecting price supports and quotas and resisting attempts to increase excise taxes on and strengthen mandatory warning labels for tobacco products (Taylor 1985). Indeed, this pressure was sometimes so great that the industry actually advocated minor changes detrimental to profits in order to dilute criticism.[1] Tobacco was put under further pressure in the 1990s with the release of documents that revealed tobacco executives to have known nicotine to be addictive and to cause a variety of diseases (Glantz et al. 1996). What is more, in 1996 the Food and Drug Administration declared nicotine a drug and cigarettes drug-delivery devices—a statement that justified the agency's regulation of the industry (Derthick 2002, 50–70). Within Congress, pressure on the industry continues, despite the defeat of heavily punitive legislation in 1998 and a deal with states' attorney generals to settle suits to recover the costs of Medicare (Derthick 2002, 118–81; Meier 1998).[2]

Alcoholic beverages. The alcoholic beverage industry was resisting federal attempts to raise the minimum drinking age, strengthen blood-alcohol limits for drunk driving, create health warning labels, and increase excise taxes (Meier 1994).[3] It was not always successful.[4] Most of the defensive posturing can be traced to two pivotal sets of events. The first was the highly publicized report by the Cooperative Commission on the Study of Alcoholism in 1967 that focused attention on the fact that Americans were drinking too much (Meier 1994, 165–7). The second surrounded the President's Commission on Drunk Driving and the creation of Mothers Against Drunk Driving (MADD) in the early 1980s. This led to legislation that withheld federal highway funds from states that did not use 21 as the minimum drinking age (Meier 1994, 167–9).[5]

By "playing defense" these industries ought to contribute money to lawmakers who belong to institutions capable of preventing bills from making their way through the legislative process.[6] That is, the PACs of these industries should be most attracted to members who exercise veto power.

[1] In 1982, for example, the industry supported legislation that obligated tobacco growers to reimburse the federal government for losses resorting from loans made to them (*Congressional Quarterly Almanac* 1982, 357–9).

[2] The tobacco industry bill would have cost manufacturers $516 billion and given the federal government control over the regulation of nicotine.

[3] A 1982 Gallup Poll in which respondents were asked, "Which of these do you favor as ways of reducing the federal budget deficit?" reveals both industries' problems during the period of deficits. While only 19% called for "increase tax on gasoline," 40% to "reduce spending for social programs," 43% to "reduce military spending," and 44% to "postpone tax cuts scheduled for 1982 and 1983," 76% wanted to "increase tax on cigarettes and liquor" (Gallup 1982).

[4] The industry suffered a significant defeat in 1988 when Sen. Strom Thurmond (R-SC) finally saw his health-warning label legislation turned into law (*Congressional Quarterly Almanac* 1988, 326–7). Moreover, in the 1990 budget beer taxes were doubled.

[5] The alcoholic beverage industry has not played "defense" exclusively, however. In the 1990s a number of bills were introduced to revert the excise taxes on beer, wine, and distilled spirits to pre-1990 levels (Kranish 1998). There were also several attempts in the 1970s to reduce the excise tax on beer.

[6] The PACs connected to these industries are not completely monolithic, of course. Liggett's decision in March 1997 to admit to the health problems related to smoking is an example of intraindustry division.

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