

Industry Politicization and Interest Group Campaign Contribution Strategies

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In this article we develop a new theory that interest group donation behavior will vary based on the politicization of industries that a particular group works in. With this theory, we develop a new empirical measure of industry politicization using mentions of contributor industry and partisan keywords in newspapers in the United States from 1999 to 2014. We show using a difference-in-differences model that as industry politicization increases, the likelihood of a political action committee (PAC) using an access-oriented donation strategy decreases and the likelihood of a PAC using an ideologically oriented donation strategy increases. Our results indicate that there is significant variation across interest groups that is often ignored when considering PACs' donation strategies as parts of broad subgroups. Furthermore, these results illuminate the policy areas in which interest groups seek access to the legislative process via strategically placed campaign contributions.

Studies of the two largest sources of campaign contributions in the United States consistently find that individuals and interest groups give money for very different reasons. While individuals are primarily motivated by ideological, partisan, and issue congruence with the candidates that they support, the motivations behind interest group donations look dramatically different (Barber 2016a; Francia et al. 2003; Gimpel, Lee, and Pearson-Merkowitz 2008; Grimmer and Powell 2016). The existing literature surrounding political action committee (PAC) donation strategies suggests that interest group donations are predominantly access-oriented, and empirical confirmation of this motivation is typically seen in bipartisan support of incumbent legislators (Fourinaies and Hall 2014; Grier and Munger 1993; Hall and Wayman 1990). However, there remains a significant amount of variation in the giving patterns of interest groups. What factors can explain these differences in how interest groups choose to allocate their campaign contributions?

We suggest that these differences are partly based in variation of the politicization of the industries and issue areas that interest groups work within. While donation strategies are occasionally considered with a divide between ideolog-

ical and nonideological PACs, we aim to take this a step further by using a much more fine-grained, original measure of industry politicization to evaluate the effect of politicization on donation strategies. In particular, we theorize that interest groups who work in industries that are highly politicized will exhibit donation behavior that is less access-oriented and more similar to individual donation behavior. Conversely, PACs in industries that are largely nonpoliticized will exhibit more access-oriented donation behavior. We hypothesize that this relationship exists because access-oriented giving is most valuable when the group's contributions increase the opportunity for them to shape the policy-making process in a way that benefits them. In industries where either political party has a well-developed policy portfolio (i.e., politicized issues), the possibility of access leading to policy influence decreases. Likewise, in industries when the parties have not established firm positions (i.e., nonpoliticized issues), the opportunity for influence as a result of access to politicians increases.

We test this theory by creating an original measure of industry politicization that classifies PACs according to the level of politicization of the industry they work in. We do this

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by searching millions of newspaper articles that mention words associated with each of more than seventy industries in the *New York Times* and the *Washington Post*. We then calculate the percentage of these mentions that are accompanied by references to politics and political parties. As we discuss later, industries that are highly politicized are likely to appear in the press alongside discussion of the major political parties, their policies, and their involvement in that particular industry. The idea behind this novel measure is that industries that are discussed in the news in tandem with politics are more likely to be politically charged. If a particular industry is rarely mentioned alongside politics or the major political parties in media reporting, it is much less likely to be entangled with the political process than an industry that is nearly always discussed together with the political and legislative process. To our knowledge, no other measure exists to gauge the politicization of different issue areas in which PACs work.

We create this measure for each industry over 16 years from 1999 to 2014, which we then group by two-year election cycles from 2000 to 2014.¹ This provides us with a dynamic measure of politicization that changes from year to year as industries become more or less politicized.² This measure of industry politicization is consistent across various robustness checks. First, we replicate the measure using different newspapers and find a high correlation between each outlet. We also replicate the measure using different sets of political keywords and find robust correlations of industry politicization across these search terms. Finally, we find correlations across time, indicating that industry politicization exhibits strong temporal trending. We note, however, that the correlations are not so high as to suggest that politicization does not change over the course of several decades. We discuss each of these tests in greater detail later in the article.

We then show that levels of politicization are directly related to the degree of access-seeking donation behavior that a PAC exhibits. Previous scholars have identified several different contribution patterns that are consistent with access-seeking donation strategies. These include donating to incumbents over challengers (Jacobson 2013), a preference for safer seats over competitive races (Ansolabehere and Snyder

2000; Bonica 2013; Milyo, Primo, and Groseclose 2000; Welch 1980), a partiality for majority party candidates (Cox and Magar 1999; Rudolph 1999), and contributions directed to legislators in valuable positions such as committee chairs (Fournaies and Hall 2018; Grimmer and Powell 2016). We find robust empirical support across all four behaviors for our hypothesis that interest groups in nonpoliticized industries are more likely to exhibit access-seeking donation behavior. Our preferred specification is a difference-in-differences model that uses industry and election cycle fixed effects. This approach leverages changes in politicization across time and accounts for differences across industries that may also be correlated with campaign contributions. Our results are also robust to several other approaches, including the systematic omission of different industries to ensure that our results are not driven specifically by a single interest group or industry.

Overall, our article offers three primary contributions to the study of campaign finance, interest group behavior, and the influence of money in politics more generally. First, the results of this study provide a more complete view of interest group donation behavior and the systematic ways in which hundreds of millions of dollars are passed from PACs to political candidates. We take this further by showing that different donation strategies are not used equally by all PACs and vary systematically with the important factor of industry politicization. Second, our measure of politicization provides a new (and much more fine-grained) way of considering differences across PACs, where previous work has considered PACs to be either monolithic in their motivations or has provided only coarse differentiations.³ Finally, our results shed light on the ways in which groups use their financial resources to influence politics and the policy-making process. Scholars have struggled to directly identify ways in which campaign contributions directly affect policy outcomes, and our results lend unique evidence to the theory that PACs use their financial resources to influence the policy-making process. Additionally, our results indicate that an access-oriented contribution strategy is not equally available to all PACs. By showing that access-seeking behavior varies with the politicization of industries, we show that PACs are strategic in their decision making in a way that is consistent with donations providing interest groups with something of value. Simply stated, if donations provided nothing of value, we would not expect PACs to give in such a measurably systematic way. Given this, our results show one way in which

1. We consider the two-year period prior to each election. For example, the 2000 election cycle includes donations from 1999 and 2000.

2. Furthermore, previous measures of issue politicization have typically used campaign contributions as a measure of politicization. However, any attempt to explain contributions as a function of politicization will inevitably suffer from endogeneity problems as contributions are a function of both sides of the equation. Our measure of politicization, however, does not use campaign donations in its creation, but rather news mentions that capture the overall public discourse around an industry at the time.

3. See Fournaies and Hall (forthcoming) for an interesting exception to this, wherein they consider differences in interest group exposure to government regulations.

campaign contributions are directed to those people who interest groups perceive to be of most value.

LITERATURE AND THEORY

The dominant theory of interest group donation strategies suggests that most PACs use their contributions as a way to gain access to the legislative process (Grier and Munger 1993; Hall and Wayman 1990; Kalla and Broockman 2016). Furthermore, most scholars argue that contributions are not directly buying lawmaker's votes but rather that access allows interest groups to participate in the legislative process from beginning to end (Hall and Deardorff 2006). In fact, there is little evidence to suggest that a vote-buying relationship exists (Ansola-behere, de Figueiredo, and Snyder 2003; Milyo et al. 2000; Stratmann 1991). Instead, donations are often considered the price of admission to the lobbying process (Nownes 2013; Wright 1996). To illustrate this idea, in a rare moment of candor Mick Mulvaney, a former member of Congress and current interim head of the Consumer Financial Protection Bureau, recently stated in a speech to banking executives, "if you were a lobbyist who never gave us money, I didn't talk to you. If you were a lobbyist who gave us money, I might talk to you."⁴ In this access-seeking model, PACs that donate to legislators are therefore involved in the legislative process much earlier than when a final vote is cast on a piece of legislation (Grier and Munger 1993; Grimmer and Powell 2016; Hall and Wayman 1990). This earlier involvement may take the form of building momentum for taking up the interest group's particular issue(s), providing legislators with model legislation, suggesting amendments to be offered in committee markups, and providing expertise and public support that can help in building a larger coalition in favor of a particular piece of legislation. Mulvaney also echoed these sentiments in his speech by saying, "they [members of Congress] will never know as much about your industry as you do. They will never know as much about your issues as you do. And they will not know that it is as important to you as it is until you tell them."

Setting Mr. Mulvaney's unusually candid remarks aside, directly observing how campaign contributions influence policy is often very hard to identify. In fact, Mr. Mulvaney's comments were so newsworthy precisely because legislators are extremely circumspect about their relationships with contributors. And while who contributes to a legislator is a matter of public record, who a legislator meets with on a day-to-day basis is not. Thus, scholars have suggested that con-

tributors influence the policy-making process by observing donation behavior that is consistent with contributions buying access to the legislative process. To this end, we focus on four such behaviors in this article. First, interest groups seeking access place a premium on incumbency (Fourinaies and Hall 2014). Incumbency is important to access-seeking PACs because incumbents have a significant advantage in elections, meaning they are highly likely to be reelected (Snyder 1990, 1992; Wright 1996). Furthermore, incumbency is a necessary condition for having any influence at all in the legislative process. Nonincumbent candidates are only involved in the legislative process insofar as they are successful at winning the election and becoming an incumbent. Second, access-seeking PACs prefer candidates in safer seats when donating (Cassie and Thompson 1998). We expect this because access-oriented giving requires that the recipient candidate is actually elected. Any contributions made to losing candidates is wasted money since these candidates fail to provide the PAC an opportunity to influence the legislative process. Third, PACs with access-based strategies are more likely to donate to candidates who have greater influence over the legislative agenda. Given the procedural power afforded to the majority party, access-seeking interest groups tend to focus their contributions on members of the majority party, regardless of which party controls the gavel (Cox and Magar 1999; Li 2018). This is especially true if the possibility exists for bipartisan agreement on the issue. Fourth, in addition to considerations of which party is in the majority, access-seeking interest groups also focus their contributions to legislators who hold positions of influence, such as the chairs of powerful committees (Grier and Munger 1993; Grimmer and Powell 2016). Since much of the work of drafting legislation takes place in the committee room rather than the floor of the chamber, committee chairs are instrumental in the success or failure of a piece of legislation. Furthermore, the committee markup process is where interest groups can exert influence on the content of legislation.

While some distinctions are made regarding how different interest groups exhibit the aforementioned access-seeking behavior, these distinctions are mostly based on broad classifications between groups such as candidate-centered PACs, business PACs, and labor unions (Brunell 2005).⁵ While there are obvious differences between each of these types of PACs, only classifying groups within these three categories mask a large amount of variation across all interest groups. We

4. See https://wapo.st/2qW8f4n?tid=ss_tw-bottom&utm_term=.9a1db4e476e3.

5. Fourinaies and Hall's (forthcoming) work distinguishes among groups by investigating how groups are more likely to seek access to an incumbent when they are in areas exposed to greater amounts of government regulation.

suggest that one source of previously unconsidered variation is the politicization of the industries in which interest groups work.

We broadly define industry politicization as the degree to which certain industries are regularly discussed in the context of politics and policy making, while at the same time being discussed along dimensions and cleavages that largely align with the existing partisan camps. For example, the firearm industry is regularly discussed in the media and contemporary society, while also being frequently mentioned in tandem with political factors, possible regulatory legislation, and the policy positions of the parties and legislators. Furthermore, guns are an issue on which the two parties have distinct and well-formed opinions—both at the elite and mass levels. This is an example of a highly politicized issue area. At the other end of the spectrum, dairy farming is an industry that is not as frequently discussed alongside politics and on which there is not a clear nor calcified Republican or Democratic position. This is an example of a nonpoliticized industry.⁶ While the previous examples highlight two particular industries, we suggest that politicization varies dramatically across all PAC industries, and that variation in levels of politicization shape the way that PACs interact with candidates, legislators, and the campaign finance system.

Simply stated, we expect that for industries that are more politicized, interest group contributions will mirror individual donors' contribution patterns, where giving is less access-oriented and more ideologically motivated (Barber 2016a; Bonica 2014, 2016). We have identified three specific reasons to expect interest group donation strategies to shift as industry politicization changes. First, as issues become more politicized, parties are more likely to have developed well-formed and differentiated positions on these issues. This creates a situation in which the value of speaking to or working with members of both parties in the legislative process is diminished for PACs who work in this area. Given that members of the party holding an opposing view to the group is more likely to ignore or dismiss the group regardless of whether they donated to their campaign, we would expect groups in highly politicized industries to focus their donations toward friendly legislators (Hall and Deardorff 2006).

Second, as an industry becomes more politicized, legislators may be less inclined to meet with, consider potential legislative language from, or trust information from interest groups, regardless of their ideological differences. Highly politicized issue areas are often accompanied by strongly held

opinions, policies, and partisan stances related to the policies that interest groups may be lobbying for. This means that legislators may be more inclined to only listen to “friendly” groups who agree with their position (Hall and Deardorff 2006). Alternatively, policy makers may be more likely to believe they already possess the information they need to introduce a piece of legislation or come to an opinion on an upcoming markup or floor vote. Furthermore, they may mistrust groups that are not on their side of the issue (Snyder 1992).

Finally, as an industry becomes more politicized and parties develop well-formed positions on these issues it becomes more valuable for PACs to use their money to try to replace legislators who do not support their cause. Donations from PACs become less about gaining access to legislators and more about putting legislators into office that already agree with the positions the PAC holds. This pattern of donations mimics the primary donation strategy of individual donors who report electing ideologically like-minded candidates as a high priority when deciding where to invest their money (Barber 2016a).

Given these expected differences in PAC motivations based on the politicization of industries, we expect that PACs' donation strategies should also change with differences in politicization. We expect that an access-oriented strategy becomes less useful as politicization increases. We note that ideologically motivated giving is not the only alternative to access-oriented giving and that PACs could pursue an alternative strategy for investing their contributions as industry politicization increases. However, as we show in our empirical results, the strategy of giving that we observe as politicization increases closely resembles that of individual donors who frequently report being focused on supporting ideologically similar legislators and influencing the outcome of competitive races in favor of their chosen party (Ansolabehere et al. 2003; Barber 2016a; Gimpel et al. 2008).

This theory leads us to the following four hypotheses:

Incumbency hypothesis. Interest groups in politicized industries will be less likely to value incumbency when making donations to candidates. PACs that work in nonpoliticized industries will be more likely to support incumbent legislators.

Competitiveness hypothesis. Interest groups in politicized industries will be more likely to contribute to competitive races where their money may help elect ideologically like-minded candidates. PACs that work in nonpoliticized industries will be more likely to support candidates who are likely winners.

6. We discuss in more detail our conception and measurement of industry politicization and our proposed measure in the section Measuring Industry Politicization.

Majority hypothesis. Interest groups in politicized industries will be more willing to contribute to candidates from the minority party. PACs that work in nonpoliticized industries will prioritize giving to candidates from the majority party, regardless of party.

Committee hypothesis. PACs that work in industries that are more politicized will be less likely to donate to committee chairs. PACs that work in nonpoliticized industries will value access to the committee process and are therefore more likely to focus their donations toward committee chairs.

In the following sections we describe the new measure of industry politicization that we have created using the frequency of industries appearing in newspaper articles alongside partisan language. We provide a series of validation measures for the measure. We then use this measure to test each of the hypotheses in turn. In each case, we find evidence in support of the hypotheses.

MEASURING INDUSTRY POLITICIZATION

This article employs an original measure of issue/industry politicization based on annual newspaper reporting on interest group industries from 1999 to 2014. This measure intends to capture two main outcomes: the degree to which politics is an active part of any given industry in the public discourse of the industry and the degree to which political parties have a well-defined position on the issues surrounding the industry. In order to create this measure, we search the LexisNexis News database for newspaper articles that mention industry-based keywords for each of 75 broadly defined industry categories. We create these categories by first referencing a set of industry classifications created by the Center for Responsive Politics (CRP). The CRP uses donation data from the Federal Elections Commission (FEC) to classify all interest groups who contributed to congressional candidates as belonging to one of hundreds of different categories that fall within nearly one hundred industries. For example, an automobile-related interest group may be classified by the CRP as belonging to the “auto manufacturers,” “auto dealers,” or “auto repair” category. Following previous work (Bonica 2014), we use the CRP categories as a starting point and consolidate these hundreds of categories into industries as appropriate to create 75 broad industry classifications. These industries cover a host of different issues and include categories such as “agricultural services,” “automotive,” and “food and beverage.” A list of each of the 75 industries and the various categories that belong to each industry is included in the appendix, available online. Using LexisNexis, we search

specifically for any mention in the *New York Times* or the *Washington Post* for keywords associated with each of these 75 industries in each annual period. We later collapse the 16-year measure to look at eight two-year periods to coincide with the two-year election cycle and the fact that FEC contribution data are collected by election cycle. However, the measure can be disaggregated to vary annually if future researchers were to find it more useful to have an annual measure of industry politicization. We use these two newspapers because of their national readership and coverage of issues around the country. A regional newspaper may give too much focus to a particular industry or policy area that is dominant in the area. For example, *The Seattle Times* may have an unrepresentative focus on the aeronautical industry given its proximity to Boeing, while *The Des Moines Register* may have an overemphasis on agricultural policy. We also conduct a series of robustness tests, which we discuss below, to validate the measure. After searching for any articles mentioning the industry keywords for that year, we then performed the same search over the same time period, narrowing the results to only include articles that mentioned the same keywords that also included the words “Republican” or “Democrat.”⁷ We then calculate the industry politicization score by taking the fraction of these two search results. More formally, industry politicization score for industry i in election cycle t is calculated as follows:

$$\text{Politicization Score}_{it} = \frac{\text{articles}_{it} | \text{mentions Republican}^* \text{ or Democrat}^*}{\text{articles}_{it}}. \quad (1)$$

The specific keywords used in these searches are based on keyword stems related to interest groups within each of these industries and the overall topic covered by groups in the particular industry. For example, we include “Agricultural Products and Services” as one of the 75 industries. Within this category, we define the search terms “agriculture,” “farm,” “grain,” “fertilize,” and “pesticide.” Any variations of these terms, such as “farming” or “agricultural,” would also be included. We derived these specific search terms by looking at the different interest group categories that CRP places within this industry and we were careful to ensure that each category could be covered by at least one search term in the list. In most cases each group is covered by several specific

7. We stem the words and include wildcards so that Republican, Republicans, and Republicanism would all be included.

search terms. The exact keywords for each of the 75 industries are included in the appendix. We also include additional information about each of the 75 industries such as which PACs that are contained in each industry in the appendix.

Figure 1 shows the distribution of politicization scores for all 75 categories in all eight election cycles (2000–2014). As one would expect, certain industries are highly politicized. These include abortion policy, lobbyists, and PACs focused on gun control (for or against) and foreign and defense policy. At the other end of the spectrum are industries that we

would not expect to be politicized. These include the food and beverage industry and construction services to name a few. Overall, there is significant variation in the politicization of industries. The most politicized industries contained political words in more than half of all articles that appeared in the newspapers over these 16 years. This indicates that partisan politics is tightly connected to any discussion of these issues. However, the least political industries have scores in the single digits, indicating that discussion in the newspapers of these industries is only rarely connected to partisan politics.

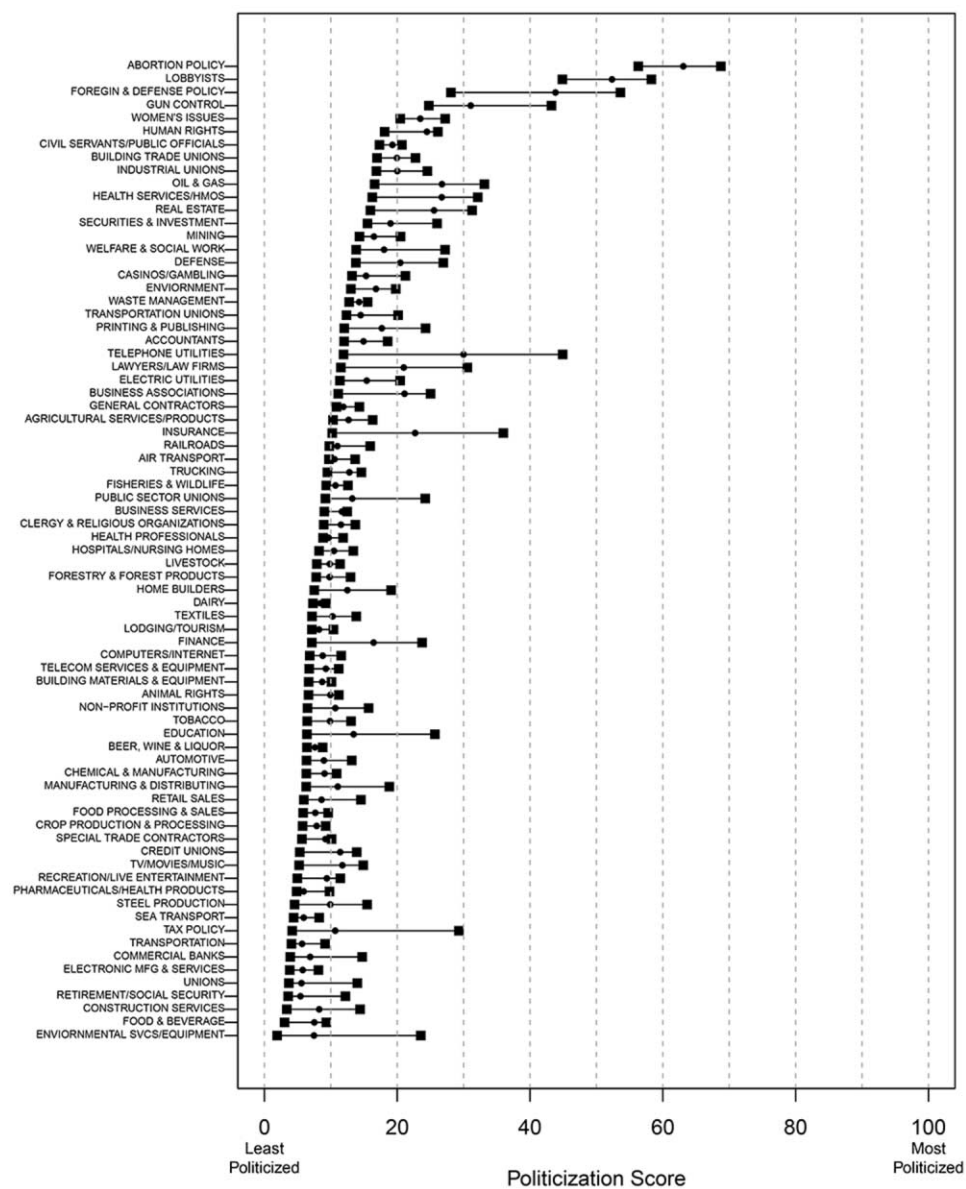


Figure 1. Industry politicization scores. Distribution of politicization scores based on the original measure created from newspaper articles in the *New York Times* and *Washington Post*. Each square point shows the minimum and maximum score for each industry over the eight election cycles for which the data were collected (2000–2014). The circles show the median politicization score for each industry. The within industry change over election cycles accounts for 13% of the total variance with the remaining 87% being across industry variation in scores.

The square points in figure 1 show the minimum and maximum politicization score for each industry over the eight election cycles. The circles show the median score for each industry. The overall distribution shows that most PACs work in industries that are not highly politicized and where politics is infrequently discussed in tandem with their various concerns and interests (nearly all industries score less than 20). The median politicization score across all election cycles is 12, meaning that for the median interest group industry, newspaper articles discussing these industries contained references to either of the major political parties 12% of the time.

Given that this is a new measure of industry politicization, it is difficult to validate the scores because no similar measure of this concept exists against which to benchmark the results. We do, however, perform myriad validity checks to show that we are capturing a systematic measure of industry politicization and not something idiosyncratic to a particular year, newspaper outlet, or set of search terms. We outline these robustness checks and show that each has a high correlation with the original measure. This provides evidence that this novel measure is indeed capturing politicization or the degree to which politics and the policy-making process are intertwined with different issues and industries.

As an initial check on the validity of our measure, figure 2A shows the two-year cycle-to-cycle correlations between the politicization measure. Unless a particular industry were to suddenly become highly politicized, we would expect the politicization of an industry to change gradually over time. Erratic or highly variable politicization scores across time would cause concern and would cast doubt on the veracity of this new measure. However, we see in figure 2 that this is not the case. In any two years, the politicization scores are quite strongly correlated. The average correlation across all election cycles is 0.77.

We also test for any unique effects that using the *New York Times* and the *Washington Post* has on this measure of industry politicization. Figure 2B shows the strong correlations between our original measure and different measures calculated using slightly different search terms or alternative newspapers. For the politicization measure to be valid, it should be the case that the choice of newspaper outlet would not have a systematic effect on the politicization score for any one, or group, of industries. As mentioned earlier, this is why we avoid local or regional newspapers. To further assuage this concern, we replicate the measure using two other national newspapers for 2014. We did not initially include the *Wall Street Journal*, the other obvious national newspaper, in the original measure because the *Wall Street*

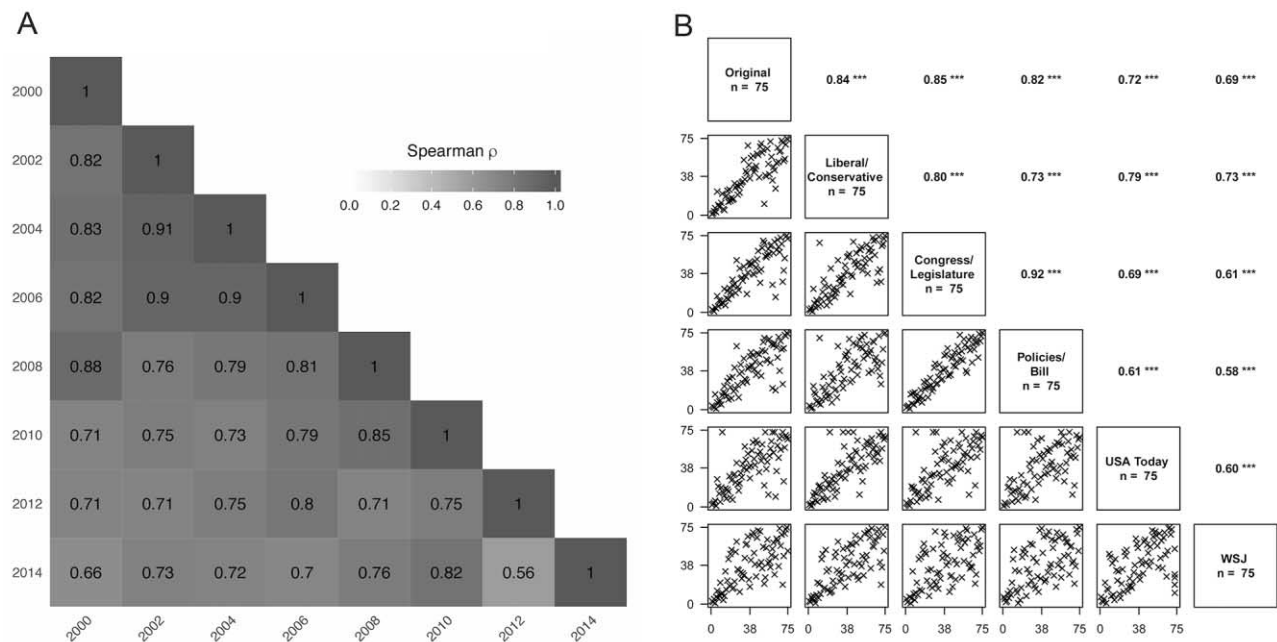


Figure 2. Validity checks of industry politicization scores. Correlation plots show that the industry politicization measure is highly correlated across time and to other, similar methods of calculating politicization. A, Across-time correlation of the original politicization measure. B, Original measure against three different variations in industry search terms (liberal/conservative, congress/legislature, policies/bill) and two alternative newspaper sources (*USA Today* and *Wall Street Journal*). In all cases the correlations are quite high, ranging from .60 to .92.

Journal is not available in the LexisNexis archives. However, when we conduct the exact same process using the *Wall Street Journal* archives in 2014, the correlation between the measure we use and the measure made using the *Wall Street Journal* is .83. We also reproduce the measure by conducting the identical procedure using *USA Today* for the year 2014 and find a similarly high correlation (.83) with the original measure that uses the *New York Times* and *Washington Post* in that same year. This provides us with assurances that the measure of industry politicization is robust to the use of any particular national newspaper. Figure 2 shows scatter plots of the original measure, and these alternative measures were created using the *Wall Street Journal* and *USA Today*.

Furthermore, we test the measure for its robustness to the particular political keywords that we use in the numerator of the measure. For example, an article could mention a particular issue and also contain political content without mentioning the words “Republican” or “Democrat.” If this were the case, our measure would omit this article in the numerator and artificially deflate the politicization measure for this particular industry. To gauge if this is the case, we reproduce the measure of politicization with the *New York Times* and *Washington Post* for the year 2014 using a variety of alternative politicization keywords and correlate each of them with our original measure. The first alternative replaces the original terms “Republican” and “Democrat” with the words “Congress,” “legislature,” “House of Representatives,” and “Senate.” If an article mentioned any of these particular keywords, it would be counted in the numerator when calculating this particular variation of the politicization score. This alternative measure correlates with our original measure at 0.85. Using the terms “liberal” and “conservative” correlates with the original measure at 0.84, and the terms “policy,” “policies,” and “bill” correlates with the original measure at 0.82. Figure 2B shows the relationship between all of these various validity checks on the original measure. In each plot the correlations are very high, ranging from .60 to .92.

Because there is an inherent need to identify a limited number of keywords for each industry, it is virtually impossible to identify a fully comprehensive set of keywords that would allow us to identify every article in the *New York Times* or *Washington Post* that discussed every topic encompassed within these industries. Inevitably, type I and type II errors will occur. However, this problem, if it exists, is likely to occur at random, or at least be uncorrelated with the overall politicization of an industry. This type of measurement error would bias against any relationship between this measure and contribution behavior. While it is still possible that measurement error could introduce bias toward finding a relationship, it would need to be the case that the inclusion/

omission of particular search terms is systematically related to the change in the politicization of industries over time. While possible, this seems to us to be unlikely.

One final potential concern with our politicization measure is the effect of varying differences among the size and scope of the industries being measured with the politicization scores. Some industries have very few groups associated with them. For example, the “animal rights” category contains nine interest groups who made donations, while the “abortion policy” category has more than 130 groups associated with it. These differences in size could be correlated with the frequency with which these industries are mentioned in the news. This could, in turn, lead to industry categories with more groups being more likely to be mentioned in the newspapers to begin with. While this is certainly possible, it is important to remember that our measure is the proportion of articles about the industry that also mention either of the two major parties. This accounts for some issues simply being more or less prominent in the news, regardless of their politicization. Since we are not concerned with the raw amount of newspaper coverage, calculating the proportion of those stories that are politically connected captures the degree to which industries are politicized rather than how frequently the industry appears in the media overall. Additionally, there is a weak correlation ($r = -0.08$) between the frequency of an industry appearing in the news (the denominator of our measure) and the proportion of those articles that also mention political keywords. Thus, the industries that most pervade the news are not necessarily those that most frequently also contain political references. In the appendix we show the relationship between an absolute number of stories and the proportion of those stories that contain political keywords (fig. 1). The low correlation (-0.05) indicates that our measure is not conflating ubiquity in the news with the politicization of an industry. Furthermore, the number of groups operating within an industry is endogenous to the politicization of that industry. Thus, politically charged topics may lead to more groups forming and working in this area.

Nevertheless, we address this concern in the empirical section of the article in several ways. We include controls in our models for the number of groups in an industry in each two-year election cycle as well as the total amount of money contributed by groups in each industry in each election cycle. We also account for the total number of newspaper articles written about each category in each two-year cycle. Additionally, in our preferred specification, we use election cycle and industry fixed effects. These estimates are therefore identified by changes in politicization within industries rather than differences in politicization across industries.

They also account for any time-invariant differences across industries that could affect our results. We also include election cycle fixed effects to account for temporal shifts in contribution behavior, such as differences between midterm and presidential election years or national partisan tides.

INDUSTRY POLITICIZATION AND DONATION STRATEGIES

As previously discussed, this article focuses on how issue politicization affects PAC donation behavior. Our theory and hypotheses center on the idea that PACs in nonpoliticized industries are more likely to donate to candidates using an access-oriented strategy. Given these hypotheses, we expect that these PACs will have a strong preference for incumbent candidates in relatively safer seats. Furthermore, we hypothesize that majority party and committee chair status should be important in their donation strategy. We also theorize that as industry politicization increases, contribution behavior consistent with an ideologically motivated strategy becomes optimal. In other words, as the politicization of industries increases, the importance of partisanship and ideology grows, while the importance of access to incumbents and committee chairs decreases for PACs.

We test these theories by looking at the relationship between industry politicization and four different outcome variables. First, while groups in nonpoliticized industries are likely to support incumbents, PACs in politicized industries should be more likely to support challengers and candidates in open seat races. Second, while groups in nonpoliticized industries are likely to target electorally safer seats, groups in politicized industries are more likely to target competitive seats for the same reasons they will donate to challengers and open seat candidates—a desire to fill the seat with an ideological ally. Third, while groups in nonpoliticized industries are likely to favor legislators in the majority, groups in politicized industries should be more willing to put their money toward candidates in the minority party. Fourth, we expect groups in politicized industries to focus their donations toward legislators who are committee chairs.

In order to test these hypotheses we merge the new industry politicization scores with PAC donation data from FEC contribution records processed by Bonica (2017) and the Center for Responsive Politics. These data provide information about donations to candidates by PACs for each two-year election cycle. We use data from 1999 through 2014 (grouped into eight two-year election cycles) and measure the donation behavior of each PAC in the database over each election cycle. In each of our models our key independent variable of interest is the politicization score of a PAC in

industry i in election cycle t . We then include four different dependent variables:

- The proportion of a PAC's donations that went to nonincumbent candidates.
- The average competitiveness of races that a PAC contributed to in an election cycle.
- The degree to which a PAC contributed to candidates from the majority party in either the House or Senate.
- The proportion of a PAC's donations that went to committee chairs.⁸

Each of these analyses include 5,249 unique interest groups across 16 years, grouped into eight election cycles (1999–2014). However, not all groups are present across all cycles due to different groups choosing not to donate in some elections. Ultimately, there are a total of 17,938 interest group-year observations.⁹

Our results show a consistent pattern. Increases in politicization are related to contribution behavior that is less access-oriented and more consistent with ideological giving. In other words, as politicization increases, interest groups are more likely to support nonincumbent candidates, more likely to contribute to competitive races, less likely to contribute to candidates from the majority party, and less likely to give to committee chairs.¹⁰ These results hold across a number of different specifications and models. Our preferred models include election-cycle and industry fixed effects and also include controls for the number of donations a PAC made in each election cycle (logged), and the total amount of money (logged) contributed by the PAC in that cycle. We also include controls for the amount of money contributed by the

8. Data for committee chairs come from Charles Stewart and Jonathan Woon's Congressional Data Page: http://web.mit.edu/17.251/www/data_page.html#2.

9. The FEC reporting threshold of \$200 prohibits us from including PACs that contributed less than \$200 to any one candidate. Furthermore, we do not include SuperPACs in the analysis due to the lack of comparability between donations of PACs and SuperPACs. While PAC contributions are subject to contribution limits and sent directly to candidates, SuperPAC contributions are not subject to limits and are ostensibly separate from candidates control. Furthermore, the overwhelming majority of SuperPACs are overtly partisan and candidate-centric in nature. Because our dependent variables are averages/proportions, in our main analysis we include groups that contributed to at least five different candidates in an election cycle. However, our results are similar when we include groups that made fewer contributions. This increases the number of observations to 23,220.

10. This result is less robust, as shown later in the analysis.

broader industry in each election cycle (logged), the number of interest groups that belong to each industry in each election cycle, and the number of newspaper articles about that industry that appeared in the newspaper during that cycle (logged). These controls help account for differences across PACs and industries that may relate to their contribution behavior—namely, their size, ability to support multiple candidates, and how many other PACs that might be working on similar issues. We present each of the four different analyses and discuss the results and implications of each model in turn.¹¹

The appendix also shows robustness checks that are consistent with the results presented here. We include specifications that include no fixed effects and are thus identified by differences in politicization across industries rather than changes within industries (table A3). In our main analyses we exclude groups that made fewer than five contributions; however, in the appendix we show results that include these smaller groups (table A2). In our main analysis we exclude partisan groups given that they are singularly focused on aiding a particular candidate or party. Because they are inherently partisan, they would score a 100 on our measure of industry politicization, and their contribution behavior would also be unanimously partisan. Thus, there is no variation in politicization or donation behavior. In the appendix, we extend this logic to also omit labor unions (table A1). We do this because of unions' unique history of strongly supporting Democratic candidates. This ensures that their lopsided partisan support is not driving our results. We also conduct the same analysis as in the main article but weight observations by the amount of money contributed by each PAC in each election cycle (table A4). Furthermore, rather than conducting the analysis at the PAC level, we estimate models where the donations of all PACs in an industry are aggregate by election cycle and conduct the analysis at the industry-cycle level. In these models we are estimating the effect of changes in politicization on

the donation behavior of the industry as a whole (table A6). Finally, to further test the sensitivity of our results to any particular industry, we also conduct analyses that sequentially omit each of the 75 interest group categories and show the distribution of effects when each industry is omitted. Across all of these different models, the results are nearly identical to those presented here in the article. This leads us to be confident in the robustness of the relationships that we identify herein.

Support for incumbent candidates

Our first dependent variable is the proportion of donations given to incumbents by PAC i in election cycle t . We investigate the level of incumbent support because previous scholarship suggests that incumbency is a leading indicator of access-motivated contributing (Baron 1989). Figure 3A shows the distribution of this variable across all interest groups and election cycles. We see that many groups give all of their donations to incumbent legislators (a score of 0), while fewer groups give all of their donations to nonincumbent candidates (a score of 100). Most groups fall somewhere between these two extremes. Figure 3B shows the bivariate relationship between our measure of industry politicization and nonincumbent giving. Each point on the figure represents one PAC's donations in one election cycle. Larger circles indicate groups that contributed larger amounts of money in that election cycle. The line shows the nonparametric Lowess relationship between these two variables.

The bivariate relationship in figure 3 is consistent with the incumbency hypothesis outlined earlier in the article. PACs in politicized industries are more likely to support nonincumbent candidates, and the relationship between these two variables is quite strong. Among the least politicized industries the average group contributes approximately 20% of their money to nonincumbent candidates with the remaining 80% targeting incumbents in the House and Senate. This would be largely consistent with access-seeking donation behavior. In politicized industries the average group gives more than half of their money to nonincumbent candidates (challengers and open seat races). This is consistent with a donation strategy that focuses on installing ideologically sympathetic legislators rather than a strategy of access seeking.¹² These groups' donations more closely mirror the donation patterns of ideologically motivated individuals (Barber 2016a).

11. While we cannot completely rule out the possibility that contributions are affecting politicization (rather than the other way around) for certain—aside from finding a random shock to politicization, which we have been unable to identify—we find this possibility unlikely for a few reasons. Recent research suggests that groups face significant constraints from their members in pursuing a donation strategy that favors one party over the other. Li (2018) shows that when groups allocate more money to one party's candidates, contributions to the PAC from employee donors who favor the other party decrease dramatically. This suggests that groups, if anything, have incentives for nonpoliticization. Also, it is unlikely that a single group's contributions could affect the politicization of an entire industry. The median PAC made 12 contributions for a total of \$20,000 in donations in our data set. Most groups are relatively small in comparison to the overall network of groups in their industry.

12. As mentioned earlier, these donation patterns are consistent with access-seeking and/or ideologically motivated giving. While there could be other motivations that exhibit similar behaviors, we cannot separate them with the data we have here.

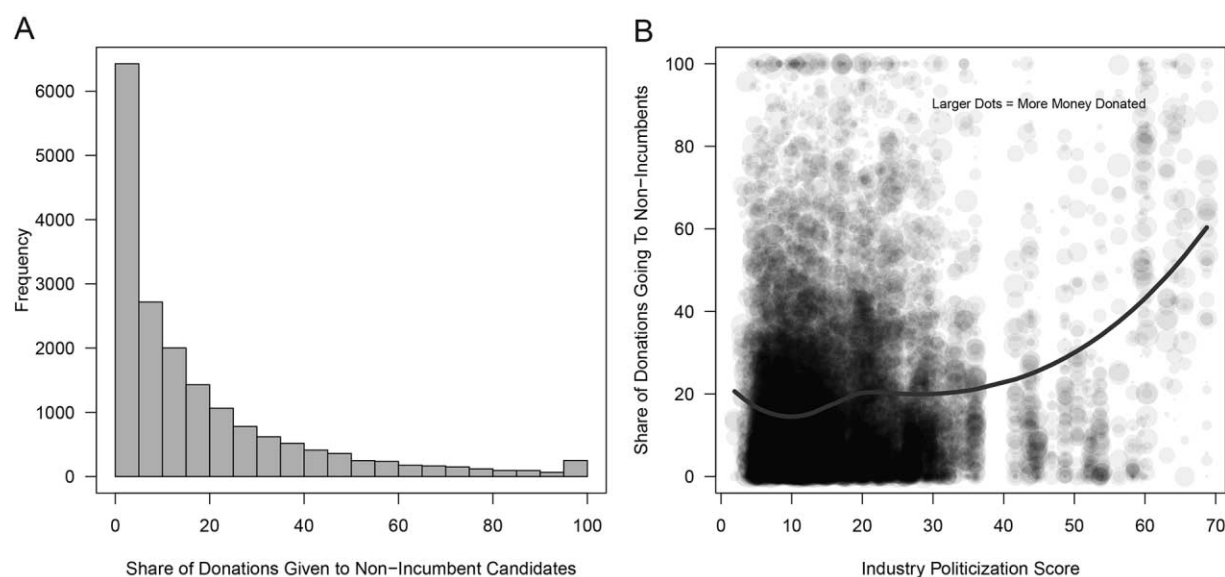


Figure 3. A, Distribution of donations by PACs to nonincumbent candidates. Higher values indicate a larger share of a group's donations going to nonincumbent candidates. B, Relationship between the measure of industry politicization and the level of nonincumbent giving among PACs in those industries. Line shows a Lowess curve and indicates that groups in industries that are more politicized support more nonincumbent candidates, on average.

Table 1 columns 1 and 2 show the same results as figure 3 using a linear regression model with additional controls. Here we regress the percentage of a group's donations going to nonincumbent candidates on the politicization score of the PAC's covered industry. In both models higher politicization is correlated with a PAC directing a larger share of its donations to nonincumbent candidates. The coefficient on politicization in our preferred specification, model 2, is .11 ($p < .01$) and corresponds to a predicted 21% increase in donations to nonincumbent candidates (16.3%–19.6%) by a PAC in the 5th percentile of politicization versus a group in the 95th percentile of politicization, with all other variables held at their observed values. This difference in politicization scores is roughly similar to the difference between the politicization score of the real estate industry (15.9) and the business associations industry in 2000 (20.1).

Each model also includes additional control variables. First, each regression model accounts for the number of donations made by each PAC in that election cycle and the total amount of money contributed (logged) by the group in that cycle. This accounts for differences in size and resources available to each PAC that may affect their donation strategy. We also account for the number of interest groups in each of the 75 categories in each election cycle and the total amount of money contributed by PACs in each category in each cycle (logged). These variables account for differences that may exist between industries and PACs, their size, and their ability to collectively contribute more or less money to candidates in each election cycle. To account for differences in

how frequently these industries appear in the media, we also control for the number of articles that appeared in the newspapers for each category in each election cycle. Moreover, the first model accounts for time-related factors by including election cycle fixed effects while the second model adds fixed effects for industries. In this second model we are measuring the “within” industry effect of changing politicization, which account for concerns that the politicization scores may be systematically biased across industries. However, the results are consistent in both models and align with the bivariate results shown in figure 3. Higher levels of industry politicization are associated with a donation strategy of targeting fewer incumbent legislators and more nonincumbent candidates.

As mentioned earlier, we also include other robustness models in the appendix. These include models without controls or fixed effects, models that weight observations according to the total contributions of each PAC, and models run at the industry level rather than at the individual PAC level. We also systematically omit each industry category to show that the results are robust to the omission of any particular industry.

Donations to competitive races

In this section we consider how politicization affects the types of congressional races that PACs choose to contribute to. We specifically look at the average competitiveness of the races a group donates to in each election cycle. If an interest group is pursuing an access-oriented strategy, we should

Table 1. Politicization and Interest Group Giving Patterns

Dependent Variable	Share to Nonincumbents		Average District Competitiveness		Share to Majority Party Candidates		Share to Committee Chairs	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Politicization score	.38*** (.03)	.11*** (.04)	-.07*** (.01)	.001 (.02)	-.12*** (.02)	-.37*** (.05)	-.08*** (.01)	-.05** (.02)
Group: log(no. of donations)	-4.78*** (.63)	-4.13*** (.55)	.91*** (.21)	.93*** (.21)	.29 (.49)	-.65 (.47)	.32* (.19)	.14 (.19)
Group: log(donation \$)	2.62*** (.57)	2.42*** (.49)	-.67*** (.19)	-.70*** (.19)	-.20 (.44)	.50 (.42)	-.59*** (.17)	-.49*** (.17)
Industry cycle: no. of groups	-.05*** (.01)	-.05** (.02)	.0004 (.004)	.02* (.01)	.05*** (.01)	.06 (.03)	.01*** (.003)	-.004 (.01)
Industry cycle: log(donation \$)	2.60*** (.40)	1.26* (.72)	.56*** (.16)	-.10 (.31)	-3.20*** (.36)	1.11 (1.09)	-.97*** (.15)	.20 (.34)
Industry cycle: log(no. of articles)	-1.65*** (.24)	-.04 (.49)	-.07 (.10)	.26 (.29)	.68*** (.18)	-1.06 (.76)	.46*** (.10)	-.86*** (.31)
Election cycle fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry fixed effects	No	Yes	No	Yes	No	Yes	No	Yes

Note. Relationship between industry politicization and interest group contribution patterns, with standard errors in parentheses. We measure contribution patterns in four different ways that all address a different aspect of access-oriented giving. Models 1 and 2 measure donations to nonincumbent legislators. Models 3 and 4 show how industry politicization is related to the average competitiveness of the races that groups contribute to. Models 5 and 6 measure the degree to which contributions go to majority party candidates. Models 7 and 8 show the share of donations given to committee chairs in each chamber. In each model we consider interest groups who gave to at least five distinct candidates. Models 1, 3, 5, and 7 include election cycle fixed effects. Models 2, 4, 6, and 8 estimate difference-in-differences and include election cycle and industry fixed effects. Data span from 1999 through 2014. $N = 17,938$.

* $p < .1$.

** $p < .05$.

*** $p < .01$.

expect their PAC to favor races in which the outcome is more certain. In this way, a group's money is flowing toward candidates who are more likely to become incumbents following the election (Milyo et al. 2000). Competitive elections, however, contain much more uncertainty, and money intended to open the door to a post-election relationship between a PAC and legislator may be wasted on a losing candidate. We measure the average competitiveness of contributors' donations as the mean prior vote margin of each district in which a PAC contributed. Thus, if a group gave exclusively to highly competitive races, their competitiveness score would be close to 0. Likewise, if they gave exclusively to previously uncontested races, the group's competitiveness score for that election cycle would be 100. Figure 4A shows the distribution of this variable across all interest groups in every election cycle. Most groups tend to support relatively uncompetitive races (mean = 32.5), where the winning margin is more than 30 points. Some groups, however, contributed to races in districts where the partisan balance is at or nearly at parity. Approximately 1% of the observations are

from groups who gave to races where the average candidate won with less than a 10-point margin. Lopsided races, however, are much more common. More than 35% of PACs gave to races where the average candidate won by a margin of greater than 35 points.

Figure 4B shows the relationship between this variable and the measure of industry politicization. The Lowess line shows a modest decrease across the range of politicization scores. PACs in highly politicized industries are more likely to contribute to more competitive races. This pattern is consistent with the theory described earlier: as the industry a PAC works in becomes more politicized, contributions from the group begin to look more and more like the donation patterns of individuals whose donations are directed toward filling seats with partisan and ideological allies rather than establishing working relationships with legislators already in power. Previous work in this area shows that individual donors are largely ideological in their giving and report that helping to tilt the balance in a competitive race is an important motivation for their contributions (Barber 2016a).

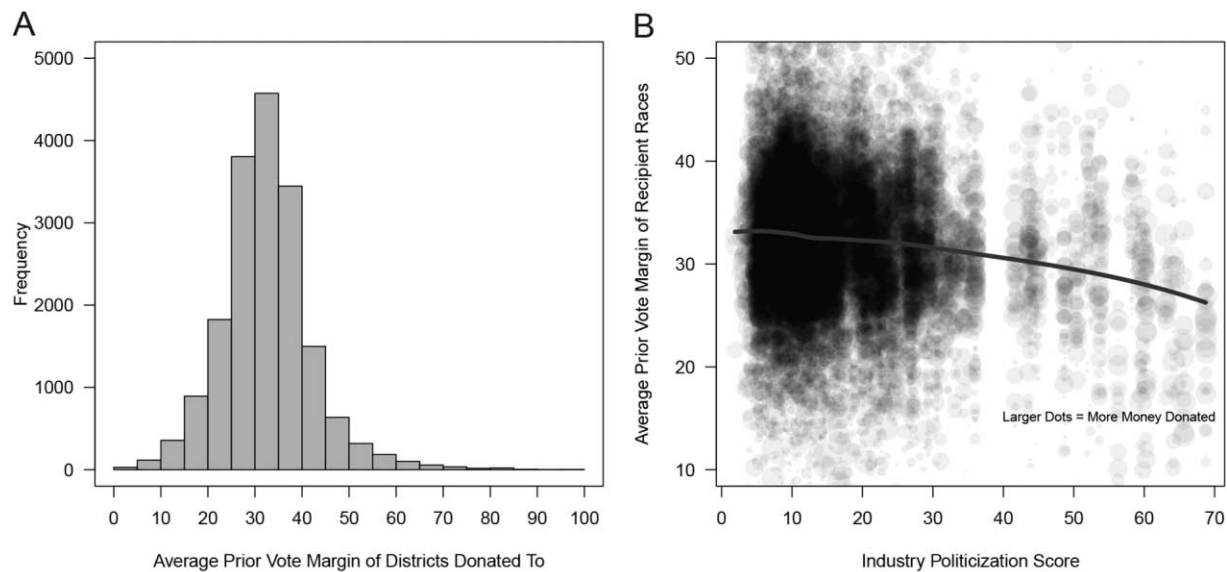


Figure 4. A, Average district competitiveness of districts where PACs made donations. Competitiveness is measured using the average prior vote margin in all districts that an interest group contributed. Higher values indicate less competitive races. Lower scores indicate more competitive districts where the outcome was less certain. B, Relationship between the politicization of an interest group and the ideological spread of their donations. Line shows a Lowess curve and indicates that PACs in industries that are more politicized are more likely to contribute to races that had been decided by smaller margins, on average.

The results in figure 4 suggest that politicized PACs could be doing something similar.

Table 1 columns 3 and 4 test the relationship shown in figure 4 in a linear regression with the same control variables and fixed effects used in previous specifications. The coefficient on politicization is negative and statistically significant in the first model, indicating that higher politicization across industries within election cycles is correlated with contributing to more competitive congressional races. However, in the difference-in-differences model, this relationship does not hold. Given this difference, the relationship between industry politicization and donations holds when comparing across different industries, but not when looking at changes in politicization within industries over time.¹³ We note that the relationship also holds when including industry fixed effect, but not election cycle fixed effects. Only when including both time and industry fixed effects does the relationship disappear. As in the previous models, each model includes controls for the number of donations given by the PAC in each election cycle, the log of the total amount of money contributed by the PAC, and controls for the size, financial contributions, and frequency of newspaper appearances of the industry. As with the previous results,

robustness checks in the appendix test a variety of different models and are consistent with the results in table 1.

Donations to majority party

We now turn from considering electoral factors to factors related to procedural power. Our next dependent variable is the proportion of a PAC's contributions that go to majority party candidates in each election cycle. The majority party changed multiple times (and at different times) in both the House and Senate during the 16-year period we study here (1999–2014). We use these changes to estimate the difference in the premium placed on majority party status by interest groups as politicization changes across time for these PACs. Under an access-oriented strategy we would expect PACs to favor candidates in the majority party, regardless of which party that happens to be, since majority party members can be of greater service to PACs than their colleagues in the minority. In this way, a group's money is flowing toward candidates who have greater procedural power and institutional capital (Cox and Magar, 1999). These benefits include holding the chairmanships of committees, additional committee staff, the speakership (Majority leadership in the Senate), and the positive and negative agenda-setting power that comes with those positions. Furthermore, members of the majority who do not occupy these valuable positions can also benefit by their shared partisanship with these powerful gatekeepers. Thus, the benefits of being in the majority extend to all members of the party.

13. One possible reason for this is our measure of district competitiveness, the prior election result in the district. The appendix shows the correlation between district results to be above .7 in nearly all instances.

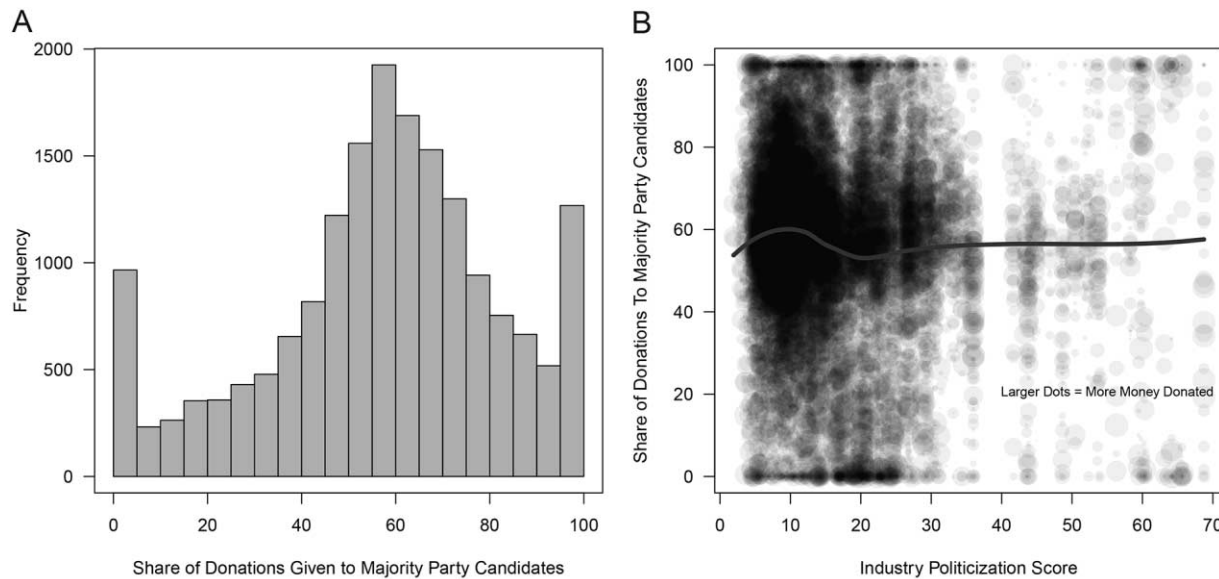


Figure 5. A, Average balance of PACs' contributions to candidates from the majority party. Score of 100 indicates that all contributions go to majority party candidates. B, Relationship between giving to the majority party and the politicization of an interest group industry. Line shows a Lowess curve and indicates that there is little relationship between these two variables in the cross-sectional data. This relationship, however, becomes strongly negative when considering the difference-in-differences estimates.

We measure this variable as the proportion of an interest group's contributions that go to members of the majority party in each two-year election cycle. Figure 5A shows the distribution of this variable across all interest groups in every election cycle. Figure 5 shows that many groups exclusively support candidates from the majority (5%), while others choose to exclusively support minority party candidates (4%). However, the vast majority of groups contribute to candidates from both the majority and minority parties (mean = 57.4).

Figure 5B shows the relationship between our measure of industry politicization and contributing to majority party candidates. The figure plots the proportion of a PACs donations that went to majority party candidates (*y*-axis) against the industry politicization score for that PAC (*x*-axis). The Lowess line shows that there is essentially no relationship between these two variables in the bivariate case.¹⁴ While the cross-sectional, bivariate model shows no relationship, the models that include additional controls show a strongly negative relationship. We suspect that the reason for the difference is due to majority party contributions being conflated with donations from PACs who would support one party all of the time regardless of whether or not they are in the majority, which also happens to be the case from time to time. When

those parties happen to also be in the majority, it is impossible to differentiate a donation made due to majority party status versus one made because of the party of the candidate. By testing the relationship using the difference-in-differences model, we can disentangle these two factors by measuring how *changes* in politicization and majority party status within industry over time relate to changes in donation behavior among PACs.

Table 1 columns 5 and 6 test the relationship shown in figure 5 in a linear regression with additional controls. The coefficient on politicization is negative and statistically significant in both models. The difference-in-differences results (model 6) show that changes in politicization within industries is associated with smaller proportion of contributions going to majority party candidates and a larger proportion of contributions flowing to candidates in the minority. At the 5th percentile of politicization, the model predicts that PACs will allocate an estimated 61% of their contributions to majority party candidates. Among the most politicized industries (95th percentile), the model predicts these PACs will allocate approximately 50% of their contributions to majority party candidates. This represents a nearly 20% decrease in support for majority party candidates between the 5th and 95th percentiles of politicization. A "back-of-the-envelope" calculation indicates that these marginal changes could represent a shift in millions of dollars away from the majority party's candidates from an industry due to increases in the politicization of that industry. As in

14. In the appendix we also dichotomize the *y*-axis to be whether a PAC makes any contribution to the majority party. There we see a modest decline in majority party contributions across politicization scores.

the previous models, each model includes controls for the number of donations given by the interest group in that election cycle, the total amount of money contributed by the group and controls for the size, financial contributions, and frequency of newspaper appearances of all groups in each broader industry.

As with the previous results, robustness models in the appendix test a variety of different models and are consistent with the results in table 1. We also note two additional robustness checks. First, we code the dependent variable as the share of contributions given to majority party incumbents rather than all candidates from the majority party. The results in table A5 are consistent with the main results shown here. Second, as a validity check we code majority party status for the party that will control the majority in the future session of Congress. We would not expect to find the same result here given the uncertainty surrounding which party will control the majority in the future. Given the slim majorities in Congress over the last several decades and the frequent changes in majority control, it would be hard for PACs to confidently predict which party to support. In fact, we find a small positive coefficient in this model, indicating that, if anything, PACs in nonpoliticized industries are supporting the future majority party less often than PACs in politicized industries.

Donations to committee chairs

The final dependent variable is the proportion of a PAC's contributions that are allocated to committee chairs in the House and Senate. If an interest group is pursuing an

access-oriented strategy, we should expect their PAC to favor legislators with power over the policy-making process. A committee chair is one of the most powerful positions in Congress. Chairs control the committee's agenda, markup, and amendment process and therefore having access to the person who has policy jurisdiction over issues affecting an interest group is extremely valuable. However, for a PAC in a highly politicized industry, the value of access to a committee chair—and the associated ability to shape legislation in the committee process—should diminish as the parties are more likely to have well-formed policies on these highly politicized issues. Figure 6A shows the distribution of the share of PACs' contributions to committee chairs across all election cycles. Figure 6 shows a wide range of values with many PACs allocating very little money to committee chairs while others allocate nearly half of their contributions to these key legislators (mean = 9.03%).

Figure 6B shows the relationship between contributions to committee chairs and the measure of industry politicization. The y-axis indicates the proportion of a PAC's contributions that went to committee chairs in each election cycle. The Lowess line shows a stark decrease across the range of politicization scores. PACs in politicized industries are very unlikely to make any contributions to a committee chair (around 2%). On the other hand, nonpoliticized groups are significantly more likely to contribute to committee chairs. The proportion among PACs in the least politicized industries is near 10%. This is more than 5 times the increase in the financial support from PACs to committee chairs.

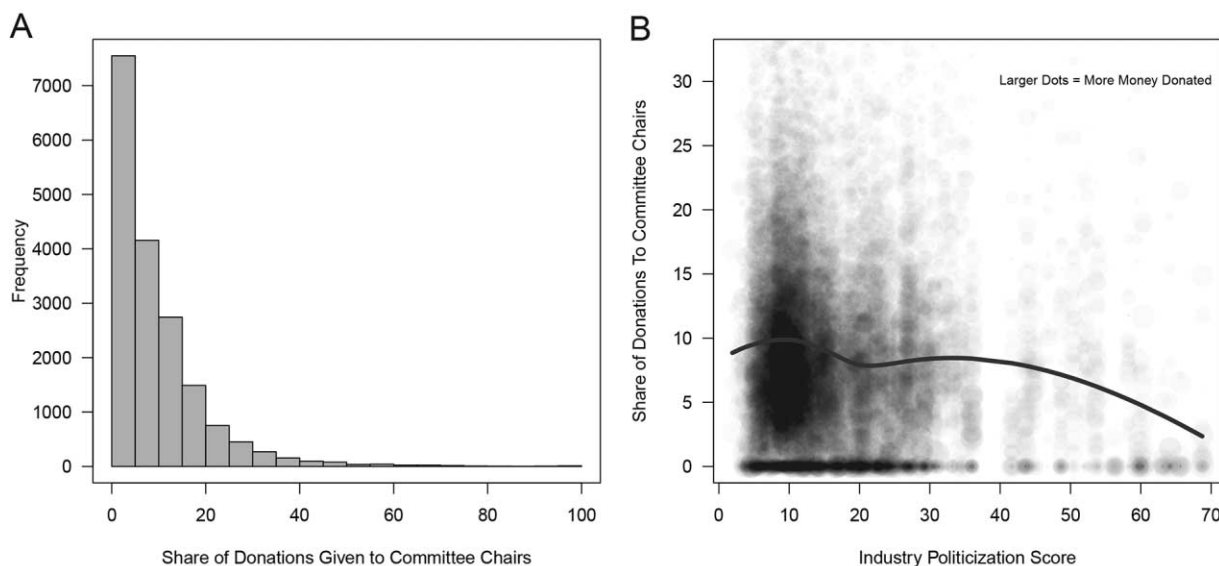


Figure 6. A, Share of PACs' donations to committee chairs in the House and Senate. Score of 100 implies that all contributions go to committee chairs. B, Relationship between giving to committee chairs and the politicization of an interest group industry. Line shows a Lowess curve and indicates that PACs in industries that are more politicized are much less likely to contribute to committee chairs.

Table 1 columns 7 and 8 test the relationship shown in figure 6 and include the same control variables and fixed effects used in previous specifications. After accounting for these other factors, the coefficient on politicization remains negative and is statistically significant in both models. The difference-in-differences model shows that changes in politicization within an industry are associated with a lower propensity to contribute to committee chairs. As with the previous dependent variables, we show the predicted change between groups in the 5th percentile of politicization and groups in the 95th percentile on the politicization measure. This change is associated with a 15% decrease in contributions directed toward committee chairs (9.5%–8.1%). While a substantively smaller effect when including other control variables, the predicted decline in support for committee chairs aligns with the theory that access to the legislative process and key players in that process are less valuable for PACs whose industries are highly politicized. As an industry become less politicized, the value of these relationships increases. As such, we observe an increase in contributions directed to committee chairs as politicization decreases. As in the previous models, each model includes controls for the number of donations given by the interest group in that election cycle, the total amount of money contributed by the group and controls for the size, financial contributions, and frequency of articles in the media of all groups in each industry category.

DISCUSSION AND CONCLUSION

In this article, we have outlined how PAC donation strategies vary systematically based on the politicization of a PAC's industry. To do this we use the FEC's exhaustive database of interest group's PAC donations alongside an original measure of industry politicization based on newspaper reporting of issues in conjunction with references to partisan politics. Our original measure of industry politicization is robust to a number of different search parameters and newspaper outlets. The measure spans from 1999 to 2014 and provides a dynamic measure of industry politicization. We leverage this over time change in politicization to estimate difference-in-differences estimates of the relationship between politicization and contribution patterns consistent with theories of access-seeking and ideological giving. We present four different tests that each indicate that as an industry becomes more politicized, groups within that industry are less likely to exhibit access-oriented giving and are more likely to behave similarly to ideologically motivated individual contributors. The results show that PACs in more politicized industries (1) contribute a greater proportion of their dona-

tions to nonincumbents, (2) are more likely to contribute to competitive races, (3) are less likely to contribute to majority party candidates, and (4) are less likely to contribute to committee chairs.¹⁵ Each of these findings support the hypothesis that interest groups in more politicized industries are less likely to exhibit access-consistent donation strategies and more likely to mirror the giving of ideologically motivated donors. Furthermore, these results are robust to the inclusion of a variety of control variables and different empirical specifications. Our preferred models are difference-in-differences estimates that account for time and industry fixed effects.

Overall, this article offers several contributions to the study of campaign finance and the ways in which money is used to influence the political process. First, we offer a new way of considering differences across interest groups. To our knowledge, no other measure exists to gauge the politicization of different industries that PACs advocate for and against. Our measure of politicization provides a new way to empirically think about the different industries that interest groups occupy. The measure provides a systematic accounting of political differences across industries that are often easy to acknowledge but hard to measure. No one doubts that some issues and industries are more politicized than others, but until now, measuring those differences has eluded scholars of interest groups. We remedy this by providing a systematic and dynamic measure of industry politicization. The differences we find across industries have important implications for the donations that PACs offer to political candidates, which we measure in this article. However, this measure of industry politicization could be used by scholars of interest groups for future research, which we hope will be the case.

In addition, our results uncover ways in which PACs use their financial resources to influence politics and the policy-making process. If groups are strategic in their donation behavior (which our results support), then this suggests that they are using their resources to obtain something of value. The patterns we observe in our empirical analyses suggest that groups that have the option of pursuing an access-oriented strategy do so when deciding who to support financially. These results therefore suggest that groups' contributions are providing them something valuable in return—or at least the perception that they are obtaining something of value. Previous research suggests that this objective is access to legislators, the legislative process, and the possibility to influence policy in a direction that is favorable to their interests. Our results

15. However, this result is not robust across all specifications.

lend unique evidence to this finding. However, they also go further by showing that this access-oriented contribution strategy is not equally available to all PACs. The politicization of each industry dramatically affects the value of an access-driven approach.

Our results also speak to the rise in polarization and the increasing number of issues on which the parties are divided. As more and more issues are brought under the umbrella of partisan conflict (Layman et al. 2010), we would expect the behavior of groups in these industries to adjust their donation strategies accordingly. As we observed above, groups working in highly politicized industries are more likely to resemble individual donors in their contribution behavior. Previous scholarship suggests that individual donors, who now make up the largest share of campaign contributions, are one contributing factor to rising polarization and partisanship in American legislatures (Barber 2016b; Bonica 2014). If PAC contributions begin to mirror the donation behavior of individual donors, we may see an acceleration of polarization as contributions from individuals and PACs, the two largest sources of campaign funds, both take on an ideological rather than access-seeking orientation.

Finally, this article is only one step in understanding how interest groups take different strategies in allocating their campaign contributions. Recent work by Fourinaies and Hall (forthcoming) shows that differences across groups' perceptions of regulation are another key factor differentiating the degree to which groups take an access-oriented strategy. Future work could pursue additional ways of disaggregating interest groups or perhaps investigate how particular industries are unique in their contribution strategies. Exploring these and other factors opens up the possibility to further understand the nature of money's influence in the political process as well as the myriad other ways in which different actors exert influence over the policy-making process.

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