CHAPTER 2

Interest Groups: A Theoretical Construct

**Definition**

The definition of interest groups by the scholars shows an obvious absence of shared vocabulary. The earlier definitions were more likely to be extremely encompassing. Arthur F. Bentley defined a group as any subsection of society "acting or tending towards action". He further said "there is no group without interest. An interest is the equivalent of the group......The group and the interest are not separate".\(^1\) Even David Truman, often regarded as a pioneer of interest group studies in the post World War II era, gave a broad connotation, defining interest groups as "any group that, on the basis of one or more shared attitudes, makes certain claims upon other groups in society".\(^2\) Each of the two parts of this definition is important to our understanding of interest groups. First, the organization is composed of individuals who share some common characteristic or interests. Second, an organization would be called an interest group when it becomes active in its interaction with other groups in society and seeks to have an impact on them.

Later political scientists, however, define interest groups only in the context of government. Heinz, Laumann, Nelson and Salisbury write, "It is at the intersection of public policy and the wants and values of private actors that we discover interests. It is only as these (interests) are affected, potentially or in fact, by public policy, by the action of authoritative public officials, that the valued ends are transformed into political interest that can be sought or opposed by interest groups...... The very conception or the definition of the group must be framed in terms of public policy goals and objectives it seeks.”\(^3\) A similar definition has been given by the British political scientist, Wyn Grant explaining interest group as “an organization which seeks as one of its functions to influence the formulation and implementation of public policy, public policy representing a set of authoritative decisions taken by the executive, the legislature, and the judiciary, and by the local government...”\(^4\) Thus interest groups can be understood as such only when they make claim on government, its policy, process and functions.

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Interest groups must be differentiated from social & political movements. The social and political movements are emergent groups that propose change in the status quo and need to become some form of action group to effect this change. These social movements thus have spontaneity and structure, arising from the perceived needs of some sections of society and are persistent organized versions of collective behavior that separates them from fads, riots etc. Herbert Blumer defines social movements as developing by “acquiring organization and form, a body of customs and traditions, established leadership, an enduring division of labour, social rules and social values”\(^5\). Eventually some social movements may develop into interest groups when they start interacting with the political process and making claims on the government. Similarly successful political movements may also evolve into formal established interest groups, though most movements tend to be inherently unstable and often contain the seeds of their own destruction.

Interest groups should also be classified separately from the political parties. Although both serve as communication links between citizens and their government, each is inherently a different type of political organization. Political parties have as their major reason of existence the objective of capturing control over the institutions of government. Parties want to occupy government physically, whereas interest groups aim to influence such decisions of government which affect them. Additionally, political parties focus their attention on elections, and the selection of candidates to fill the public offices. Parties are regulated by laws of the country and in terms of membership are usually broad–based coalition of individuals or groups, who may be ideologically close, but are certainly united over their most important objective – that of capturing of government. Interest groups, in contrast, are almost totally free from the legal restriction on their activities and would tend to influence the governmental process, but only from outside, without they themselves holding the reins of power.

**Group Theory in Political Analysis**

Arthur Bentley is credited with the first modern articulation of politics through the concept of groups. His 1908 book, *The Process of Government*,\(^6\) contrasted sharply with the standard political science literature of that period which was largely concerned with the study

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6 Bentley op cit.
& description of governmental structures, institutions and laws. Bentley, however, argued that "society itself is nothing other than complexity of the groups that compose it... When the groups are adequately stated everything is stated". In 1958, David Truman in his *The Government Process*, a classic reinterpretation and defence of the significance of groups – comprehensively explained the American government and politics using group approach. Truman portrayed groups in a positive manner, as an essential and supportive element to the democratic process.

Group theory relied on the assumption that the best political outcomes would arise as a result of group conflict. Free and active group life was seen as crucial to the functioning of a democracy, in which the role of state was not to dictate outcomes, but rather to arbitrate among various outcomes. The best functioning democracy would not necessarily be the one with best constitutional structure, but rather the one with the most blamed, active and responsive group system. Among other major works during this period utilizing the group approach especially in the field of comparative politics, included Ehrmann's edited volume *Interest Groups on Four Continents* 8, Almond's *Comparative Study of Interest Groups* 9, LaPolombara's *Interest Groups in Italian Politics* 10, Lijphart's *The Politics of Accommodation* 11. These studies shared the perspective that one could understand how a country 'really' works not by analyzing its constitutional structures but by observing group-state interactions. Thus, interest groups were the vehicle that these political scientists utilized for political understanding as they abandoned the then predominant constitutional/legal framework.

There have been however, certain strong objections to this approach. From the normative viewpoint, it appeared as if the group theorists were apologists for status-quo, because, with large corporations, highly organized and moneyed interests, there was no longer even a semblance of 'free' competition among the various groups for a particular political outcome. As E. E. Schattschneider sarcastically remarked, "the flaw in the pluralist heaven is that the heavenly chorus sings with a strong upper-class bias". 12

Second, there was the methodological issue of measuring power and influence, stemming from the unending debates about where power was located in the political system.

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7 Truman op. cit
8 Ehrmann, Henry, 1958 *Interest Groups on Four Continents*. Pittsburgh University of Pittsburgh Press
9 Almond, Gabriel A. 1958 *Comparative Study of Interest Groups*. American Political Science Review 52:270-82
and how to recognize when, by whom, and how influence was wielded. As Robert Dahl writes, “One who sets out to observe, analyze and describe the distribution of influence in a pluralistic democracy will encounter formidable problems”. 13

But most important, it was Mancur Olson’s simple and yet elegant demonstration of the dilemmas of organizing for collective action that showed the critical flaw in the pluralist assumption that all potential groups would have an equal chance of participating in the group system. 14 The economically disadvantaged, the jobless, the poor would never overcome the obstacles to mobilization with the ease of other notably small, business groups. Some interest would always be more equal than others.

Despite all these criticisms, groups approach still remains a significant tool for political understanding of state’s behavior. The group system may not be as ‘free’ and perfect as Truman had posited, but certainly the conclusion reached by Olson that a nation’s group system would inevitably and increasingly become so biased as to clog a nation’s political arteries with an ever more voracious set of narrow-minded interest groups 15, has also failed the test of time. In fact our study of why the Gujarat State government should continue to give such huge power (electricity) subsidy to the agriculture sector, at a massive financial cost to its budget, would be difficult to understand except through the group approach of understanding and analyzing the various facets of the existing agricultural interest group in Gujarat, its strength, strategy and tactics and its influence. The group approach, despite all its above mentioned shortcomings, indeed goes beyond the mere constitutional/formal/legal framework of the state and government to understand who the non – governmental actors are in the political decision–making process, and how they influence the entire process. It may be difficult to quantify their exact power and influence statistically, but the broad contours of the political process can certainly be outlined for understanding the political outcomes.

Theories of Origin & Organisation of Interest Groups.

In one of the earliest works explaining the origin and organization of interest group, David Truman explained that formal interest groups emerge largely as a means of ordering internal relations among group members or their relations with other groups. In addition, organization is strongly encouraged by threats to the groups' welfare, arising either from other groups or from changes in the socio-economic environment. Thus most trade associations, professional groups, and farmers' organization emerged as a result of normal interaction among people with shared concern and in response to social disruptions, often in the business cycle. This explanation is often thus called "Truman's Social Order and Disturbance Theory".

A big jolt to Truman's theory was Mancur Olsons' theory of political interest groups. While Truman assumed that man is a social animal naturally drawn to interact with like-minded people, Olson began with the premise that individuals are autonomous and seek to maximize their own material well-being. Because the provision of collective benefits from a group's lobbying activities will accrue by definition to non-members as well as members, rational individuals will 'free-ride' rather than join – thus leading to the dilemma of organizing for collective action. As a result, groups are more likely to get organized where the number of beneficiaries is small, and where the organization costs are low relative to an individual's share of the collective benefits.

Olson's perspective on membership recruitment has been extended by emphasizing different types of incentives that a group might offer. Clark and Wilson distinguish three types of membership incentives: material, solidary and purposive. Material incentives are the same types of tangible selective benefits described by Olson. Solidary incentives arise from the act of associating, and 'depend for their values on how the recipients appears in the eyes of other'. They include such intangibles as social relationship with other group members and increased status. Purposive incentives are even less tangible than the solidary benefits, including the good feelings people get from contributing to a cause in which they believe.

16. Truman David B op. cit ch 2 & 4
Robert Salisbury illustrated how such incentives could help understand group origins as also group maintenance. He introduced the term ‘expressive benefit’ to focus on its selective nature; one can feel good about one’s contribution to a group because the group expresses the values that one holds dear. This is similar to a purposive benefit, but is selective rather than collective in nature, providing value only to those who contribute to it. He further proposed that individual entrepreneurs create groups, offering potential members selective incentives to join. In ‘exchange’, entrepreneurs whose groups succeed benefit by controlling potentially substantial resources and getting an opportunity to push their own political agenda as the leader of an organization rather than as a private citizen. Jack Walker highlighted the role of patrons, philanthropies etc. in setting up of several citizen groups especially for public causes like wildlife, environment, pollution etc.

The group literature of recent times aims to integrate Truman’s social context and disturbance model with Olsonian dilemma of collective action; that is, integrating the models of individual behavior with their social context. Truman’s group approach to the origin and maintenance of interest groups placed its emphasis on contextual factors, generally to the exclusion of the internal factors that Olson demonstrated to be so important. However, if Truman’s theory was inadequate in the sense of ignoring important internal dynamics in the mobilization of potential groups, Olson’s view was also inadequate because of its focus only on internal factors. Recent scholars like Jack Walker and John Mark Hansen emphasize on a fuller view of the problems of group mobilization combining elements of the individual and the contextual. Individual behavior does not take place in a vacuum, but in the context of large social forces, institutions, governmental policies, existing interest, and several other factors that temper the dilemmas of collective action for many groups in society. In conclusion we can say that “we have oscillated from a position of ignoring the importance of individual, to focusing on individuals to the exclusion of broad social forces...... to (presently) include both perspectives into our understandings of how the interest group system generates support”. Thus a systematic approach to group behavior must include both perspectives into our understandings of how an interest group system generates support, we have to see why rational individual joins a group as also what are the overall societal, political and economic context which facilitate his joining the group.

Classification of Interest Groups

Interest groups can be described in terms of the structural forms in which these interest groups find expression. The most significant effort in this direction has been made by Almond Powell et al who categorized interest groups into

(a) Anomic groups which are generally spontaneous groups that form suddenly when many individuals respond similarly to frustration or other strong emotions without previous organization or planning and may take to streets to vent their anger.
(b) Non-associational groups also are rarely well organized and are episodic. But they have greater continuity than anomic groups as they are based on common interest of ethnicity, region, religion, occupation etc.
(c) Institutional groups are formal and have other political or social functions in addition to interest articulation. They may include groups within political parties, bureaucracies, armies etc. which represent the interest of their primary organization.
(d) Associational groups are formed explicitly to represent the interests of a particular group and represent interest groups as we normally understand them. They would include trade unions, agriculture interest groups, manufacturers association etc. Bharatiya Kisan Sangh, the group we are presently studying, would fall under this category of interest group.

Interest Group Strategy and Tactic

As interest groups do not have the power to make authoritative decisions themselves, their success in achieving their objectives depends on influencing political institutions to adopt the policies and measures they advocate. In this quest they would use their influence at all wings of government, including executive, legislature and judiciary.

For influencing government, Jeffrey Berry notes that interest groups adopt four different types of strategies which he defined as a “general, long – term approach to lobbying.”24 These four strategies are (1) legal, which includes the tactic of litigation and

administrative intervention, (2) confrontation, which includes protest, whistle-blowing, direction, actions etc utilization of media etc., (3) information which includes such tactics as releasing research results, making personal representation, and (4) constituency influence, which covers such tactic as organizing letter-writing campaigns, protests in the constituency etc.

Ronald J. Hrebenar 25 in his chapter on strategy and tactics of lobbying mentions four types of lobbying efforts

(1) Traditional lobbying which means the communication of data or opinion by someone other than a citizen acting on his own behalf to a government decision maker in an effort to influence a specific decision. It is direct when the flow of the communication process between the group and the governmental decision maker is uninterrupted.

(2) Indirect and Media Lobbying – the lobbying is indirect when media is used to reach the decision maker or to would the public opinion, which in turn would influence the decision maker. It also includes boycotts, protests, demonstrations and even violence in an attempt to influence the government.

(3) Grass Root Lobbying includes mobilization of supporters on the sub-national levels as also election tactics in both candidate centered and ballot propositions and the electronic communications necessary to make these tactics successful.

(4) Money and lobbying includes not only the crassest form of bribery but through Political Action Committee (PAC) support political friends in election campaigns. As Jessie Unruch, an ex-Speaker of California State Assembly said, “Money is the mother’s milk of politics”.26

Gais and Walker divide the tactics groups used into ‘inside strategies’ and ‘outside strategies’, depending on whether the strategy would be used by the groups that are insiders to the political process or groups that are outside the dominant political subsystem. 27 Insider tactics included legislative lobbying, administrative lobbying, electioneering etc. while outsider tactics included protesting boycotts etc. Working with the media could be both an insider and outsider tactic depending on whether the purpose is to inform or vociferously protest.

26 Quoted in Hrebenar. op. cit p. 191
Influence & Effectiveness of Interest Groups.

Any study of interest groups is concerned not only with how they operate, but also with what they are able to achieve. Issues of who gains and who loses are normally at the core of this research. However, difficult methodological issues arise in the analysis of effectiveness of the interest-group. What is the pattern of cause and effect? Do groups become more effective because government policy changes in a way as to give them prime importance? Are groups responding to an agenda and policy opportunities created by government, or do groups themselves bring about changes in government policy which in turn give them new opportunities to exert influence? In part it is to explain these hurdles that Robert Dahl wrote, “one who sets out to observe, analyze and describe the distribution of influence in a pluralistic democracy will encounter formidable problems”. 28

A problem in measuring the effectiveness of group arises from the objectives of the group itself, because very few groups have relatively simple objectives. Rather, most cause group has multiple objectives. Again, due to internal politics within groups some issues may be pressed hard, while some other issues may just be enunciated. Even supposing, however, that it was possible to attach weights to the various policies being advocated by a group, one would still be grappling with the issue of measuring the degree of success attained.

There are also problems in deciding what the government priorities really are. Policies often emerge as a series of compromises based on inter-departmental arguments over which interest groups may have little or no influence at all. It is also possible to have the policy which the interest group had advocated, but this may wholly be the result of internal government arguments, over which the interest groups influence is only tangential, if at all.

Evaluation of interest group influence over government has elicited great concern as also fascination among scholars and general public alike. Conventional wisdom suggested that “the lobby” wielded extensive power in government decision-making. Hugo Black, a senator vented this view in 1935, “contrary to tradition, against the public morals and hostile to good

government, the lobby has reached such a position of power that it threatens government itself. Its size, its power, its capacity for evil, its greed, trickery, deception and fraud………..” 29

However, by the 1960s the evidence of research suggested that the influence of interest-group on government had been overstated. Milbrath’s survey of lobbyist suggested “relatively little influence or power in lobbying per se” 30. Similar conclusion was drawn by Baner, Pool and Dexter in their study of the influence of American business interests in shaping up American foreign policy. 31

This, however, hardly means that interest groups are without influence. Such a conclusion would be totally removed from the apparent reality. In effect, rather than using strong arm tactics to get what they wanted, the primary role of interest group was information gathering and providing that to allies within government. At the same time, the interest-group also carries out direct action as part of their strategy. What has really happened is the shift in the functional emphasis of interest group from plain influence-wielding to information-gathering and providing it to their allies in government, the aim however remaining the attainment of its objectives. Strategy has changed, the influence, however, has certainly not waned.

Determinants of Effectiveness of Interest groups

There are both internal and external factors which determine the effectiveness of any interest group. The internal factors basically mean the resources available to the group in terms of financial resources, membership mobilization capabilities, marketing skills in terms of recruitment and retention of members, staffing resources etc., while the external factors would include public opinion/attitude, the political party in power, sponsorship/opposition by a government department, economic circumstances, especially in relation to public expenditure.

Financial resources are very important for any interest group, as they need to retain a large, capable staff which can monitor government policies/programmes, present alternative cases or views, etc. Buksti & Johansen suggest on the basis of Danish research that the size of the secretariat of an interest group is a very important determinant of group effectiveness. 32

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To be effective, the interest group has also, to go out and "sell its product" to potential member. Olsonian collective action theory substantially explains why potential members may rather choose to free ride rather than contribute to group activities. Naturally, general-purpose interest group may face problems in membership recruitment.

In the internal operating environment of a group, public attitude and opinion play a significant role in determining a group's effectiveness. Thus in the economically pre-liberalized India of the 1960s and 1970s, the trade unions had a greater chance of succeeding in any action, than in the 1990s and in the present decade, when the public opinion is more sympathetic to the employer than to the labor. As succinctly put by Rose, "The likelihood of any group gaining wide popular support for its demands depends upon the congruence between group demands and the values, beliefs and emotions widely diffused in the culture."³³

Similarly, the party in power can also make considerable difference to the political influence exerted by an interest group. It is very obvious how a right wing or a left wing political party would react to any demand by a labor group. However, even two government having the same party label can also be very different in their approach to interest group activity. Wyn Grant gives the example of the conservative Heath government in Britain which tried to develop a close working relationship with the trade unions, while the Thatcher government of the same conservative party was keen to distance itself from them.³⁴

Economic circumstances facing the government or the state unavoidably have an impact on government willingness to accept interest groups demands. Against a background of continued pressure on public expenditure, demands for increases in services provisions, or other changes in policy requiring more expenditure, are unlikely to be met. This issue is of particular relevance in our case as the pressure of budget changed the view of the Gujarat State Government towards agriculture power subsidy.

**Interest groups and Democracy.**

It is often too easy to assert that interest groups, because of the fact that they represent narrow sectional interests, are an anathema to the democratic process. But political scientists, while conceding the inevitability of interest-group in a democratic society, also realise that the

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³⁴ Grant, Wyn op cit p 208
interest groups perform important functions for their individual members and clients, for the well-being of the political community, and to the process of government policy making.  At their most basic level, these groups represent the interests of constituents and clients to the government and, in the process aggregate interests for presentation to the government officials. They create opportunities for political participation whereby individuals’ learn the skill necessary to be effective citizen. They also educate their individual members and the general public policy issues through the various outreach programs, mobilization, publicity etc.

For the benefit of political community, interest groups provide an important outlet for the impression of the concerns and frustration by the individual, assist the individual in identifying with the political system, and link group members with broader community values.

Finally, interest groups also make significant contribution to the formal process of government decision-making. They help shape the agenda of issues that will receive serious attention by government officials; provide useful information and expertise to the various wings of government, designate members to serve on government bodies, and serve as watchdogs during the implementation of public policy.

It should also be remembered that few of the above functions are performed exclusively by interest groups; and political parties and socio-political movements also play important roles as well. There is also what McFarland identifies as four major sources of “countervailing power” –issue networks, patrons, social movements and solutions to the problems of collective action – that save the political system from the interest group stasis as predicted by prominent pluralist critics.

Thus there is a limit to the role of interest group in any democracy: it is based on its ability to persuade and to inform, rather than to take decisions or, with some exceptions, to veto them. Groups which have enjoyed significant power at particular period of time have often experienced some reaction against them. To some extent this is true of the agricultural interest group in Gujarat.
