

Public and Private Interest Groups, PACs, and Labor Unions

Special Interest Groups, Political Action Committees (PACs), and Labor Unions engage in lobbying to influence governmental actions or policies through oral or written communications and spending huge amounts of money to support candidates and causes. Activities examine the labor history of the Pullman Strike and discuss how to regulate the role of money in elections. A Media Literacy Connection looks at how PACs, SuperPACs, and labor unions are presented in the media.

Standard 4.13: Public and Private Interest Groups, PACs, and Labor Unions

Examine the influence of public and private interest groups in a democracy, including policy organizations in shaping debate about public policy. (Massachusetts Curriculum Framework for History and Social Studies) [8.T4.13]

FOCUS QUESTION: What Roles do Public and Private Interest Groups, Political Action Committees, and Labor Unions Play in American Politics?



"Lobbying" by OpenClipart-Vectors is licensed under [Pixabay License](#)

Special Interest Groups and **Political Action Committees** engage in policy lobbying while supporting candidates for local, state, and federal offices through cash contributions. You can explore the topic more at our wiki page on [Interest Groups and Political Action Committees](#).

Labor Unions engage in lobbying as well as in direct action for change including strikes. A **strike** is an "organized stoppage or slow down of work by employees" intended to force employers to meet the strikers' demands for change ([Denver Classroom Teachers Association, 2019, p. 1](#)). As established by the [National Labor Relations Act of 1935](#), employees have a [Right to Strike](#) for economic benefits or against unfair labor practices.

Lobbying can be very effective in enacting or changing public and government policy. In 2018, there were 11,651 registered lobbyists in the United States and total lobbying spending was \$3.49 billion ([Lobbying Database, OpenSecrets.org](#)). Learn more about [Lobbyists from OpenSecrets.org](#).

Money is a key to action for all these organizations. Being able to spend large sums of money means the voices public and private interest groups are heard more often and more directly by political leaders than are the opinions of everyday people.

What are the ways public and private interest groups function within the United States system of government?

Modules for this Standard Include:

1. [INVESTIGATE: Special Interest Groups, Political Action Committees \(PACs and SuperPACs\), and Labor Unions](#)
 - MEDIA LITERACY CONNECTIONS: PACs, Super PACs, and Unions in the Media
2. [UNCOVER: The Pullman Strike of 1894 and the History of Labor Day](#)
3. [ENGAGE: How Can We Regulate the Role Money Plays in Our Elections?](#)

1. INVESTIGATE: Special Interest Groups, Political Action Committees (PACs and Super PACs), and Labor Unions

Special Interest Groups

Special interest groups, also called "pressure groups," are organizations formed to influence public policy and advance the beliefs and interests of the group's members.

Special interest groups regularly seek financial contributions from their members and use those funds to give political donations to politicians who are favorable to their point of view. Interest groups also use "lobbying" as a means of reaching their goals. Lobbying involves using pressure, or other means, to convince policymakers to pass legislation benefiting the groups or its causes.

Economic interest groups have a primary aim to improve the economy, including Labor groups, Professional groups, Business groups, and Farm groups.

Cause groups direct their efforts to achieve particular benefits to their members such as Veterans' groups, religious organizations, and disability support groups.

Suggested Learning Activity

- **Investigate**
 - Select an issue from the following list of [Special National Interest Groups](#) from [OpenSecrets.org](#), an organization that seeks to inform and engage Americans by exposing disproportionate or undue influence on public policy by special interests.
 - Examine the special interest groups (SIGs) related to that issue to understand why they seek to influence policymakers. What did you uncover?

Online Resources for Interest Groups

- [Interest Group Learning Plan](#), iCivics
- [Why Lobbying is Legal and Important in the U.S.](#)
- [Civic Engagement Checklist](#), Business Alliance for Effective Democracy (Founding Members: Citi, CVS Health, Delta Air Lines, Prudential Financial, Southern Company)

Political Action Committees (PACs and Super PACs)

Political Action Committees (PACs) are organizations that collect and donate funds to political candidates. PACs can be formed by corporations, labor unions, trade unions, and various groups of people. They are widely used in elections for the House of Representatives, Senate, and President, and in some state elections.



Symbol for the *Stand with Orlando* Campaign by the MoveOn.org Interest Group

[Credit: Wikimedia Commons](#) | Public Domain

The first PAC was formed in 1944 by the Congress of Industrial Organizations (a labor union group) to help reelect President Franklin D. Roosevelt. To reduce the amount of influence of money on elections, the [Federal Election Campaign Act](#) of 1971 limited the amount of money a person, group, or corporation could give to a candidate. The legislation actually had the opposite effect as more PACs sought many smaller donations from more people. While there were about 600 PACs in the early 1970s, today there are more than 4,600 ([What is a PAC?](#) Open Secrets.org).

Citizens United Supreme Court Decision

While in the past political action committees were created by businesses or unions, today there are many types of PACs established by politicians and interested citizens who want to raise money for political purposes. The 2010 [Citizens United v. Federal Election Commission](#) Supreme Court decision changed the rules about how candidates can raise money to run for office. This 5 to 4 decision established that corporations and organizations have the constitutional right to spend money to promote candidates and their policies.

Super PACs and Dark Money

Two new terms—Super PACs and Dark Money—have dramatically changed how individuals and groups go about influencing public policy and participating in elections:

- **Super PACs** (or Independent Expenditure-Only Committees) may raise unlimited sums of money from corporations, unions, associations, and individuals, then spend unlimited amounts to overtly advocate for or against political candidates. The spending of Super PACs has increased tremendously since the Citizens United Supreme Court decision. During the past four elections, for example, Sheldon Adelson and his wife Miriam Adelson gave a total of *\$297 million* to Super PACs to support Republican candidates. For the 2020 Presidential election, "As of June 17, 2020, 1,816 groups organized as super PACs have reported total receipts of \$819,992,651 and total independent expenditures of \$175,849,611 in the 2020 cycle" ([Super PACs](#) from OpenSecrets.org, para. 3).
- **Dark Money** is political spending meant to influence the decision of a voter, but the donor is not disclosed and the source of the money is unknown. Super PACs and Dark Money organizations do not have to disclose the names of their donors. Individual political candidates must keep records of the names and addresses of anyone who makes a contribution of more than \$50 to their campaign.

Democracy for All Constitutional Amendment

Critics of the Citizens United decision including 20 state legislatures, more than 260 members of Congress, and millions of individual citizens have proposed an amendment to the Constitution designed to establish rules to limit campaign contributions and campaign spending, especially by corporations.

One effort to curb the influence of money in politics is to pass a 28th Amendment to the Constitution. Read a [text of the proposed Democracy for All amendment](#), introduced by Senator Ben Cardin (D) from Maryland.

You can go here to learn more about [money in American politics](#).

Suggested Learning Activities

- **Research and Report**
 - How Do Political Candidates Finance Their Election Campaigns?
 - [Public Financing of Presidential Elections](#), Federal Election Commission
 - [How Does Campaign Financing Work?](#) California Institute of Technology
 - [Who Funds Political Campaigns?](#) *ThoughtCo* (January 17, 2020)
- **State Your View**
 - Did the Supreme Court rule correctly in the Citizens United case?
 - [Lesson Plan on the Citizens United case](#) from Bill of Rights Institute
- **Prepare an Investigative Journalist Report**
 - Students visit [Interest Groups](#) | [OpenSecrets](#) and type in their information to find their own representatives, or choose a politician that they want to research.
 - Students read information about the different categories of donors and amounts donated.
 - For their chosen politician students will analyze their top 3-5 donors and make inferences about how these donations might affect the politicians' votes, including what types of laws or actions the interest groups might want to influence. (This activity suggested by University of Massachusetts Amherst student Carolyn Byrne)

Online Resources for PACS and Campaign Finance

- [Campaign Finance Laws: An Overview](#)
- [Data on Campaign Finance, Super PACs, Industries and Lobbying](#), from OpenSecrets.org
- [Overview of State Laws on Public Financing of Elections](#)
- [Stephen Colbert's Super PAC Lessons: Long Story Short](#), NBC News
 - [Stephen Colbert and the Role of Political Satire](#), Morningside Center for Teaching Social Responsibility

Labor Unions

A **labor union** is an organization of workers who negotiate with employers to gain better wages, benefits, working conditions, and on-the-job safety. Unions also engage in political activities including endorsing candidates and lobbying for the passage of legislation.

The first U.S. labor union is reported to have been the [Federal Society of Journeyman Cordwainers](#) (cordwainers were shoemakers) in Philadelphia in 1791. The first union of working women was the [Lowell Female Labor Reform Association](#), formed in 1844 by women who worked in the mills in Lowell, Massachusetts.

In 2020, there are 14.6 million union members with another 1.8 million workers covered by a union contract ([U.S. Bureau of Labor Statistics](#), 2019). But only 11.9% of American workers belong to a union; just 6.9% of those are in the private sector.

African Americans were involved in labor unions and labor actions from before the Civil War ([African Americans and the American Labor Movement](#)). [Isaac Myers](#) was one of the early Black labor leaders. He founded the Caulkers Association, one of the first Black trade unions in 1838 (caulkers were important workers in the shipbuilding industry). In 1925, the Brotherhood of Sleeping Car Porters led by A. Philip Randolph became the first African American labor union to be recognized by the American Federation of Labor. Randolph was aided greatly by the organizing efforts of [Rosina Corrothers Tucker](#) who founded the Ladies' Auxiliary (Women's Economic Councils) also in 1925.

Unions use **collective bargaining** to negotiate contracts with employers. Collective bargaining involves a give and take as both sides advance proposals and work to achieve a compromise acceptable to everyone.



1975 U. S. Stamp

(Credit: [U.S. Postal Service](#) | Public Domain)

When collective bargaining fails to achieve results, unions may restore to a strike. A **strike** is a labor action where workers refuse to go back to work until progress is made in meeting their demands for change. The first recorded strike in world history was by Egyptian tomb workers around 1170 B.C.E. ([Global Nonviolent Action Database](#)).

Many important events in U.S. history involve the causes and consequences of labor strikes. A [Labor Unions and Radical Political Parties in the Industrial Era](#) wiki page has material on key moments in labor history including the [Lowell Mill Girls](#), The Great Railway Strike of 1877 (see below), the [Atlanta Washerwoman Strike of 1881](#), Bread and Roses

Strike (1912), the [New York Shirtwaist Makers Strike of 1909](#), the Knights of Labor, the Haymarket Riot of 1886, the American Federation of Labor headed by Samuel Gompers, and the Industrial Workers of the World (IWW) union.

Learn more about labor history from the 1840s to the present day in *Fight Like Hell: The Untold Story of American Labor*, Kim Kelly (One Signal Publishers, 2022).



Freight train, under a guard of United States marshals, at East St. Louis, Illinois

Credit: [Image from Frank Leslie's Illustrated Newspaper](#), April 10, 1886/Public Domain

Media Literacy Connections: PACs, Super PACs, and Unions in the Media

Special Interest Groups, Political Action Committees (PACs), and Labor Unions are constantly engaging in political advocacy through advertising. They devote enormous amounts of time and resources to persuading voters and citizens to support their positions on issues and candidates.

In the past, these organizations relied mainly on newspapers, direct mail, and television advertising to influence voters and citizens.

However, when running for President in 2008, Barack Obama's campaign changed the political advertising landscape by using social media posts and online ads to reach voters. Since then, the amount of money spent on online ads has gone from the millions to the billions and continues to grow with every election cycle on Facebook and Google and other online platforms. Many of these ads are carefully designed to microtarget specific groups with specific messages.

In these activities, you will examine the relationship between PACs and labor unions and the media and consider how these organizations' use of and inclusion in the media influences voters and shapes democracy.

- [Activity 1: Evaluate Political Action Committee \(PAC\) Advertisements](#)
- [Activity 2: Investigate the Portrayal of Unions in the News](#)



[Watch on YouTube](#)

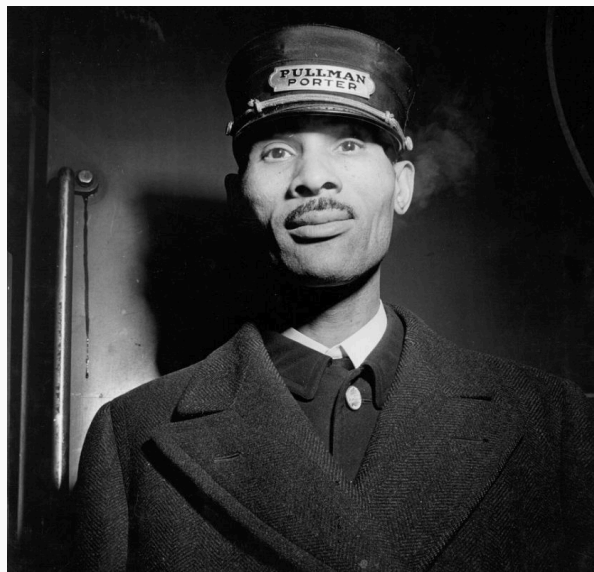
Suggested Learning Activities

- **Create a Sketchnote of The Great Railway Strike of 1877**

- The Great Railway Strike of 1877 was the nation's first major national rail strike initiated by railroad workers in Martinsburg, West Virginia.
- Explore the following resources and capture what you learn in a sketchnote drawing or graphic of the event:
 - [Great Railroad Strike of 1877](#), Ohio History Central
 - [Great Railway Strike of 1877: Historical Background](#), New York State Library
 - [The Great Railway Strike of 1877 and Newspaper Coverage](#), University of Nebraska Lincoln
 - [The great railroad strike, 1877 - Howard Zinn](#)
 - [The Strike of 1877: Primary Documents](#)

- **Write a People's History of [A. Philip Randolph \(1889-1979\)](#) and the [Brotherhood of Sleeping Car Porters](#)**

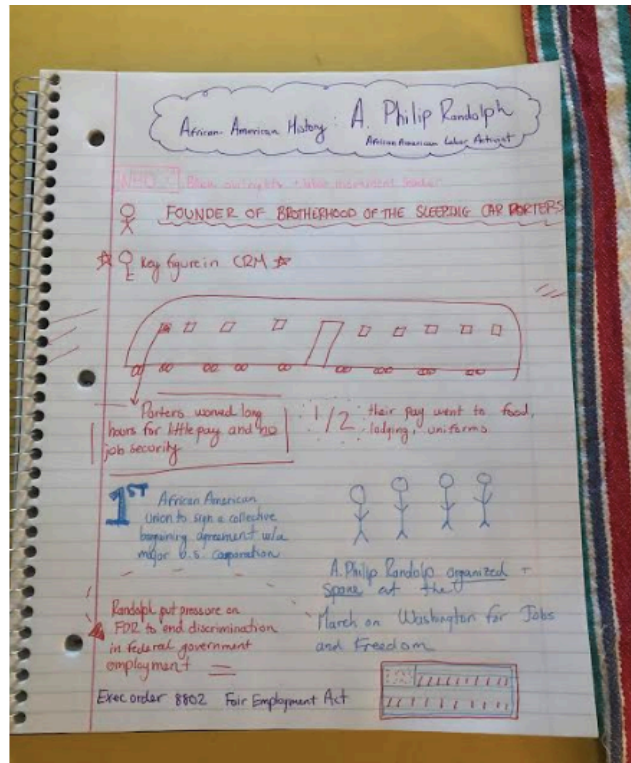
- The Brotherhood of Sleeping Car Porters, formed in 1925 under Randolph's leadership, signed the first ever collective bargaining agreement between a Black union and a U.S. corporation in 1937.
- Explore these resources: [A. Philip Randolph, African American Labor Activist](#) and [The Pullman Porters Win](#)



A sleeping car porter employed by the Pullman Company at Union Station in Chicago, Illinois, 1942

Credit: [Photography by Jack Delano](#)/Library of Congress | Public Domain

Online Resources for Labor Unions



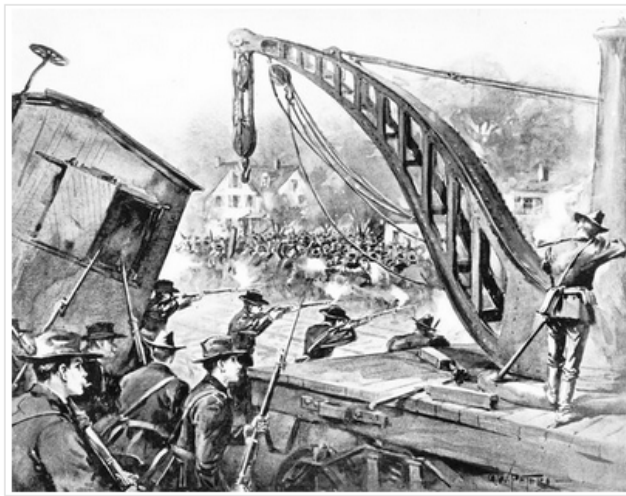
SketchNote by Sydney Turcot (September 2020)

- **Labor Unions**

- [Inspiring Children's Books About Labor Rights](#)
- **BOOK:** *Beaten Down, Worked Up: The Past, Present and Future of American Labor*, Steven Greenhouse, 2019
- [Rise and Fall of Labor Unions in the U.S.](#) from G. William Domhoff's *Who Rules America?*
- [Labor Unions and Working Conditions: United We Stand](#) learning plan from the Library of Congress
- [The Job Jungle: A Labor Market Game](#) shows a competitive labor market

2. UNCOVER: The Pullman Strike of 1894 and the History of Labor Day

The [Pullman Strike](#) was a labor action and boycott that caused a nationwide railroad crisis in June and July of 1894. The largest worker strike of the 19th century, it featured key historical figures, pressing social issues, and the changing roles of labor unions and big businesses in American society.



National Guard troops firing on Pullman strikers, 1894

Credit: [Harper's Weekly](#) | Public Domain

The strike began as a walkout by workers at the Pullman Palace Car Company in the town of Pullman just south of Chicago, Illinois. George Pullman was an industrial entrepreneur who gained fame and fortune by developing luxury passenger and dining cars for railroad passengers.

In the decades after the Civil War, Pullman employed former slaves as porters at minimal wages in his railroad cars, becoming the largest employer of African Americans in the country at the time. He made huge profits by leasing Pullman cars to railroad companies and he also received a portion of the money the railroads charged passengers for riding in them. At the time of the strike, Pullman had made an enormous fortune.



Interior of Pullman Palace Sleeping Car

Credit: [Photo by Carleton E. Watkins](#) | Public Domain

The workers who built the passenger cars lived in a company town controlled by Pullman. He paid very low wages and charged very high rents. The striking workers were members of a newly formed American Railway Union whose President was [Eugene V. Debs](#). A former railroad fireman, Debs was an outspoken political activist who was the Socialist Party candidate for President of the United States in 1900, 1904, 1908, 1912, and 1920 (Debs and the Socialist Party received 6 percent of the national vote in the 1912 Presidential election).

Led by Debs, the American Railway Union voted to boycott Pullman cars. 125,000 workers went on strike, shutting down many of the nation's rail lines. After George Pullman refused to negotiate, President Grover Cleveland sent in federal troops to confront the strikers. Violence followed, 30 workers died, Eugene Debs was arrested, and the strike ended. But popular opinion turned against Pullman and toward Debs and the Socialist Party's fight for worker rights and economic justice.

To quiet potential public unrest, President Cleveland established **Labor Day** as a holiday for workers. The first Labor Day holiday was celebrated on Tuesday, September 5, 1882, in New York City. There is more information about the history of Labor Day and its connections to the Pullman Strike of 1894 from Samuel Gompers' 1910 article [The Significance of Labor Day](#) and [Labor Day's Violent Beginnings](#), a YouTube video from CNNMoney.

Railroad Strikes in History

In late November 2022, a rail strike threatened the nation's economy when railroad worker unions and railroad corporations were unable to agree on a new contract due to differences over the amount paid sick time leave for employees. A strike would cripple supply chains of almost every item from food to medicine to goods for holiday shopping. President Biden urged Congress to pass legislation that would settle labor differences between the unions and the companies.

Railroad strikes have been a ongoing and impactful part of the nation's history, beginning with the [Great Railroad Strike of 1877](#) that began in West Virginia and spread across the country. This was the first general strike in U.S. history. President Rutherford B. Hayes sent federal troops to reopen the railroads in several states.

To learn about other times of labor unrest and economic crisis, view the following interactive [Rail Strikes That Changed the Nation](#) from *The Washington Post* (November 21, 2022).

Find out what goods are transported to and from your community by rail. What would be the impact of a rail strike on your family? What conditions or policies might lead you to participate in a strike?

Suggested Learning Activities

- **Draw a Political Cartoon Using Primary Sources**
 - [Letters on the Pullman Strike](#)
 - [The Great Railway Strike of 1894](#), Library of Congress
 - [Pullman Strike](#) lesson from Stanford History Education Group (login required)

Online Resources for the Pullman Strike

- [Service and Grace Amid a Class Struggle: The Story of the Pullman Porters](#), Museum of the American Railroad
- [5 Things to Know About Pullman Porters](#), Smithsonian (June 30, 2016)
- [Brotherhood of Sleeping Car Porters \(1925-1978\)](#), BlackPast.org

3. ENGAGE: How Can We Regulate the Role Money Plays in Our Elections?

The 2020 Election was the **most expensive ever** ([Brennan Center for Justice](#), November 11, 2020). Candidates and campaigns spent nearly \$14 billion. State elections involved almost \$2 billion. A billion is a huge number; if you began saving \$100 a day it would take you 27,397.26 years to reach just 1 billion ([How Big is a Billion?](#)).



The Assemblyman Is Perplexed, Political Cartoon (1891)

Credit: [Wikimedia Commons](#) *The Wasp* (San Francisco) Vol. 26, 1891 | Public Domain

Democracy is not free, observed French economist Julia Gage in *The Price of Democracy* (2020), her cross-national study of how different countries including the United States, India, and Belgium finance elections. While democracy is about political equality for all, notes Gage, elections in most modern democracies are decided by which candidates can spend the most money – and it is wealthy individuals and well-funded organizations (including PACs and Super PACs in the United States) that have the most money to spend. It is as if some get to vote and then vote again and again with their wallets.

In the U.S., according to the watchdog organization OpenSecrets.org, only a tiny fraction of the population give money to political candidates, parties, or political action committees (PACs) – less than 2% give \$200 or more; less than 1% give \$2700 or more. Instead, billionaires give billions. Just 12 megadonors have accounted for 7.5% of all political giving over the past decade ([ABCNews](#), April 20, 2021). Las Vegas casino mogul Sheldon Adelson and his wife Miriam Adelson led Republican donors (they gave \$90 million to a pro-Trump super PAC during the 2020 election cycle). Michael Bloomberg and Tom Steyer – who both ran for President – topped Democratic givers.

Corporate Donations

With deep pockets and few checks and balances, corporations are a "dominant source of political funding today" ([Center for Political Accountability](#), para. 1). By law, corporations cannot make direct contributions to candidates for President, Congress, or national political parties.

However corporations can fund:

- Advertising that supports or opposes a candidate;
- 527 groups (tax-exempt political committees that must disclose from whom they get their funds);
- Super PACs which can accept and spend money without limits (these donations can include dark money - contributions made with disclosing where they came from).

You can see where 492 companies made donations to at the [Center for Political Accountability's Track Your Company](#) site.

Almost every political candidate, no matter how great their personal wealth, relies on political donations to fund their campaigns for office. In these situations, politicians are reluctant to offend their donors. One dramatic impact of the 2021 Attack on the Nation's Capitol by an insurrectionist mob were announcements by many major corporations that they were suspending donations to members of the Congress who voted against certifying the 2020 Presidential election results. Firms included Marriott, Blue Cross Blue Shield, Commerce Bancshares, Amazon, AT&T, Comcast, Airbnb, Mastercard, Verizon, and Dow. However, other companies such as McDonald's and Bank of America chose not to halt donations ([A Corporate Backlash](#), *The New York Times*, January 12, 2021).

Impacts of Money on Election Outcomes

In present day American politics, **the candidate who spends the most money usually wins** in races for Congress ([Koerth, 2018](#)). But the story is more complicated than a wealthy individual or a well-funded group buying an election by spending the most money.

Looking more deeply, researchers found that while money alone is not always the deciding factor in who wins, it often determines who gets to run for office. A typical member of Congress has a median income of \$1.1 million (Senator: \$3.2 million; Representative: \$900,000) which is **12 times richer than the typical American household** ([Quartz](#), February 12, 2018). Put simply, those who are wealthy can afford to run for state and national office, so they do. In many instances, potential candidates who do not have lots of money are unable to afford to seek a political office.

Being a candidate, especially at the state and national level, requires large amounts of money. According to the election monitoring organization OpenSecrets.org, the total [cost of elections](#) in 2016 was \$2,386,876,712 for the Presidential race and \$4,124,304,874 for all the races for Congress. \$1.2 million was the average amount spent by a candidate for the U.S. House of Representatives in 2016. Republicans and incumbents spent more than challengers. The more a challenger spends, the more likely they win.

Nationally, candidates have [Four Ways to Fund a Presidential Campaign](#). They can rely on either:

- **Big Money/Big Donors** (Candidate is personally wealthy and is supported by wealthy contributors)
- **Some Money/Big Donors** (Candidate has some personal finances and is supported by wealthy contributors)
- **Some Money/Small Donors** (Candidate has some personal finances and is supported by many small money contributors)
- **Self-Funding by Candidates** (Candidate funds their own campaign without contributions from donors)

Members of Congress and Political Donors

Political donors are individuals and organizations that give money to politicians. The impact of those donations can have a huge impact on how elected officials vote on different measures. In one study, two political scientists concluded that members of the U.S. House of Representatives do adjust their votes based on what donors want for public policies ([Out-of-District Donors and Representation in the U.S. House](#)).

Reviewing data on donations, the study showed that House members – all of whom are under intense pressure to raise money for their own reelection campaigns as well as for their political party – increasingly turn to out-of-district donors, who are motivated to give money based on national and ideological concerns rather than local in-district issues. These donors are older, more wealthy, more White, and more male than the overall voting population. The result is that "when the national donor base prefers a different outcome than a representative's general and primary electorates, overwhelmingly the member chooses the donor-favored position" (Canes-Wrone & Miller, forthcoming, p. 38).

Suggested Learning Activities

- **Collect and Analyze Data**

- [Explore the Distribution of Money](#) in the Presidential 2016 elections.
 - Which presidential candidates used outside money or candidate committee money on their campaign?
- [View Lobbyist spending](#) over the course of over 15 years.
 - Browse the tabs to view top spenders and ranked sectors.
 - Then consider what role does money play in our elections?

- **Investigate and Report**

- Examine [Presidential Tax Returns](#) from Richard Nixon in 1974 to Barack Obama in 2009, as well as those of Franklin Roosevelt and the 2010 presidential and vice-presidential candidates. Presidents began releasing tax returns in the 1970s. Neither President Donald Trump nor Presidential candidate Gerald Ford (in 1976) released their tax returns ([Politifact Wisconsin, 2016](#)).
 - What conclusions do you draw from the tax returns?
 - Should presidential candidates or candidates for other public offices be required to release tax returns? Why or why not?

Online Resources for Money in Politics

- [How Bloomberg and Steyer's Money Dwarfs the Other 2020 Democrats' War Chests - In One Chart](#), *MarketWatch* (February 7, 2020)
- [10 Things Every Voter Should Know about Money-in-Politics](#), OpenSecrets.org
- [Money in Elections Doesn't Mean What You Think It Does](#), Suzanne Robbins, University of Florida (October 29, 2018)
- [How the 15 Richest Members of Congress Made Their Money](#), Business Insider (February 6, 2019)
- [Money raised by Super PACs](#)
- [2016 Top Donors to Outside Spending Groups](#) to liberals and conservatives

Standard 4.13 Conclusion

Public and private interest groups play significant roles in American politics. **INVESTIGATE** looked at how interest groups, political actions committees, and labor unions seek to influence public policy through lobbying, political campaign contributions, and, in the case of unions, direct action strikes. **UNCOVER** reviewed the Pullman Strike of 1894 and its connections to the nation's Labor Day holiday. **ENGAGE** asked what role does money play in our elections.



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