# The Power of Economic Interests and the Congressional Economic Policy Agenda\*

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#### Abstract

There is an oft-noted "bias" toward upper income groups in the U.S. organized interest system, but based on existing research it is debatable whether this bias matters very much for policy outcomes. How bias may shape which economic problems are addressed or neglected in the first place has seldom been studied, however. We argue that in order to receive resources from organized interests members of Congress must "signal" their support for these interests by discussing the economic problems that they prioritize, resulting in greater congressional attention to the economic problems of concern to upper income interests and a relative neglect of economic problems that concern other groups. To examine this argument we develop measures of attention to various economic problems using congressional speech in the Congressional Record from 1995-2012. We find that during this period of relatively high upper class bias in the interest system there was a great deal of attention to the concerns of the wealthy, and far less attention to some of the concerns of lower income groups. At the micro-level, using a differencein-differences analysis we observe that when individual MCs become more reliant on the resources of upper income interests they subsequently discuss the problems prioritized by these interests more.

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#### Introduction

In the aftermath of the 2008 economic crisis there were widespread public concerns about foreclosures, unemployment, slow economic growth, the growing deficit, and economic inequality. Yet, even while unemployment remained high and growth remained sluggish, the focus in Congress turned quickly to the deficit. Why?

Deciding which problems to tackle and which ones to ignore are among the most consequential policy choices that Congress makes (Baumgartner & Jones 1993, Baumgartner & Jones 2005), and we think interest groups play an important role in this process. Most existing studies of interest group influence take the composition of the policy agenda as a given, and conclude that interest group influence over policy is surprisingly modest (Ansolabehere, De Figueiredo & Snyder 2003, Baumgartner, Berry, Hojnacki, Kimball & Leech 2012, Wawro 2001, Witko 2006). But taking the agenda as fixed causes us to overlook how organized interests may shape policy outcomes by shaping which problems are addressed or neglected. We argue that organized interests want their problems addressed and MCs have incentives to prioritize the problems of well-resourced interests.

To investigate our arguments we identify important economic problems of the last few decades and then measure whether they are prioritized more by upper or lower income interests. We then measure congressional attention to these economic problems at both the macro and micro-level using speech from the *Congressional Record*, which we argue is a valid and broad indicator of the congressional agenda. Based on our theory, we expect to see that in the contemporary U.S. the concerns of upper income groups dominate the congressional agenda. We also test the micro-foundations of our theory by examining how changes in the reliance on different interests for campaign contributions translates into changing discussion of the problems that concern upper versus lower/middle class interests.

# How Groups Shape the Congressional Economic Agenda

At any one time the potential number of problems that policy making institutions could be focused on is more or less infinite, but attention is finite and very limited (Baumgartner & Jones 2005). Research finds that policy making institutions do respond to the objective scope of problems and salient events like wars and economic crises are likely to attract attention (Baumgartner & Jones 2005, Edwards III & Wood 1999). But even within particular crises there are choices about which problems deserve focus. In an economic crisis, like that experienced in 2008, should the primary focus be on reducing unemployment or preventing larger deficits?

Because economic problems affect groups differently, economic interests seek to get policy making institutions to focus on different problems. But we have a limited understanding of how groups do this. Though there is some skepticism about how money shapes policy outcomes in the literature, we think that the mobilization of competing economic interests is critical to shaping the issue agenda.

#### **Interest Group Resources and Congressional Problem Attention**

Prioritizing certain problems over others and attempting to make the government also prioritize those issues is the *defining feature* of organized interests. Furthermore, because most issues never get serious consideration, let alone advancing all the way to a hearing or roll call vote (Krutz 2005), trying to shape the issue agenda is a cost-effective approach for groups, and it is a necessary first step before other policy actions can be taken in any case. In addition, a lot of what organized interests appear to want to do in the policy process is to keep certain policy changes from happening (Baumgartner et al. 2012) and even if groups never achieve tangible policy goals merely having their issues on the agenda and discussed prominently in Congress can help to acquire the resources needed to survive as an organization (Lowery 2007). Overall, then, organized interests value having their preferred problems addressed.

MCs rely on organized interest campaign contributions and lobbying assistance to achieve their goals (Fenno 1973, Hall & Deardorff 2006, Witko 2006) and one way that MCs can attract interest group support is by discussing the problems they prioritize. Indeed, speech about particular issues or problems is perhaps the broadest way to conceive of and measure the Congressional agenda. While there is nothing necessarily wrong with these existing measures for certain purposes, since much of what elected policy makers do on a daily basis is speak, speech has good face validity as a measure of the priorities of various institutions (Edwards III & Wood 1999, Quinn, Monroe, Colaresi, Crespin & Radev 2010, Wood 2009). For issues that are not yet on the agenda, it is an important way to get them there (Rae 1998). Even within the context of legislative debates on "old" issues like abortion or food stamps MCs can emphasize certain problems rather than others, and this can influence the structure of policies that are enacted (Bessette 1997, Schonhardt-Bailey 2008). What issues MCs discuss and how they discuss them may also influence the President's issue attention and media coverage (Eshbaugh-Soha & Peake 2005), which can indirectly affect policy making by influencing public or elite opinion. Thus, if organized interests shape the issues that MCs discuss, then they are exerting control over the legislative agenda.

The idea that organized interests value MCs discussing their problems may seem surprising since many observers view congressional speech as cheap talk (Mayhew 1974). But speech is actually an informative signal of support to interest groups because it is both informative and costly to MCs (Spence 1973). MCs not only communicate what they do, but explain why they do the things that they do to external audiences (Grimmer

<sup>&</sup>lt;sup>1</sup>Existing studies tend to use either bill sponsorships or committee hearings to measure the agenda's composition (Baumgartner & Jones 1993, Baumgartner & Jones 2005, Woon 2008), each of which has advantages and disadvantages. The advantage of hearings is that they usually measure meaningful policy making activity, but the disadvantage is that hearings occur relatively late in the legislative process and issues that might have been the subject of quite a bit of congressional attention may never actually have an official hearing. The disadvantage of using bill sponsorship is that writing a bill is not always very meaningful for policy since most bills are never going to be seriously considered after they are written (Krutz 2005). In addition, the mere sponsorship of a bill does not indicate that a particular issue received any serious attention beyond that act or even that a MC invested much time in the issue. On the other hand, the advantage is that bill sponsorship is often a necessary first step to meaningful policy action, and it is relatively less constrained by institutional gatekeepers than committee hearings, meaning it is potentially a broader measure of the issue agenda.

& Stewart 2013) because many actions have ambiguous meaning. Because speech is also less constrained by institutional gatekeepers organized interests can more reasonably view speech as the result of the effort of an individual MC. Finally, speaking about one group's problem priorities is costly for MCs because the amount of time MCs have to speak is limited. Overall, the problems that MCs discuss become important ways for organized interests to determine who their allies are and reward them, and speaking about particular problems becomes an important way for MCs to signal their support for different organized interests. The implication is that groups with numerous resources will have their issues discussed more often.

There is a well-known "upper class bias" in the U.S. organized interest system. Groups that represent lower income and middle class interests, on a sustained basis mostly labor unions, are active in politics, but their numbers and resources are simply dwarfed by those of organizations representing firms, business associations and affluent individuals, and this bias appears to be growing (Drutman 2015, Schattschneider 1975, Schlozman 1984, Schlozman, Verba & Brady 2012). To the extent that upper and lower/middle class interests prioritize different problems (and we present evidence that they do below) then after controlling for the objective scope of economic problems we should see greater attention to "upper class problems" and decreasing attention to "lower/middle income problems" in recent years. At the MC-level, if our theory is correct, MCs that are more reliant on the resources of upper income interests will be more likely to address their preferred problems, and less likely to address other economic problems.

#### Bias, and the Dynamics of Responsiveness to Economic Problems

In order to study how group prioritization of serious economic problems is associated with issue attention it is necessary to identify important economic problems and then determine which ones are prioritized by upper and lower income interests. Because, at this stage, we are interested in the prioritization of different issues rather than directional preferences for different policies, we focus on "valence" issues on which virtually everyone

shares the same directional preference, e.g. for lower unemployment or faster economic growth.

We first identified important economic problems of the last few decades by using the Baumgartner and Jones Policy Agendas Project's New York Times Index database, which provides a systematic random sample of all stories included in the New York Times (see http://www.policyagendas.org/page/datasets-codebooks#new\_york\_times\_index).<sup>2</sup> We identified the following valence issues during this time period: economic growth, inflation, stock market performance, inequality, poverty, unemployment, wages/income, productivity, consumer spending/confidence, the deficit/debt, and interest rates/monetary policy.

To determine which issues were prioritized by different groups we considered the "logical" impact of problems (for instance, poverty clearly affects the lower income), the academic literature, and interest group websites and key votes issue justifications for the mention of these different problems.<sup>3</sup> Though each of these approaches has its drawbacks, taken together we can be confident that we have identified important economic problems upper and lower income actors prioritize them.

<sup>&</sup>lt;sup>2</sup>We examined all macroeconomic policy items (topic code 1) from 1990 to 2008 (the last year for which data are available), and using the index key words in the story description we developed a list of the major economic problems that existed over this period. We then pared the list down to only valence issues, which led to the removal of some important economic issues like taxation and regulation, on which different groups have different directional preferences (for more or less regulation or taxation). On taxation or regulation, simply discussing these issues does not indicate whether someone wants more or less of them.

<sup>&</sup>lt;sup>3</sup>First, we considered which groups different economic problems impact the most. For many problems this is fairly obvious. For instance poverty obviously affects lower income groups, while stock prices affect the income of the wealthy more, since less-affluent wage earners earn virtually all of their income from wages and have limited equity investments. Second, we draw on existing academic literature. For instance, it has long been argued that unemployment disproportionately impacts and concerns lower income actors, while inflation impacts and concerns upper income actors (Hibbs 1977, Kelly & Witko 2014). Academic literature is not clear on all of the problems, however. Third, we have consulted the websites and published lists of key votes of one group that most prominently represents the lower and middle classes, the AFL-CIO, and a number of groups that represent business and the affluent: the U.S. Chamber of Commerce, the Club for Growth, the National Association of Manufacturers, and the Business Roundtable. The websites for these groups list key issues or policy concerns and we have examined these for mentions of the different economic problems. In addition, for groups that have published key congressional votes over a long period of time (the AFL-CIO, the National Association of Manufacturers, and the U.S. Chamber of Commerce) we examined these lists of key votes and the justifications of the group's positions on these issues to determine problem prioritization. For instance, if they said that a bill would negatively affect the income of workers, we concluded that this group was concerned with wages and income.

Table 1: Upper and Lower/Middle Class Problem Priorities

Problem	Problem Im-	Academic	Organized In-	Overall
	pact	Literature	terest Docu-	Conclusion:
	1		ments	Whose Prob-
				lem?
Economic	Upper Class,	n/a	Upper Class,	Upper and
Growth	L/M Class		L/M Class	L/M Class
Inflation	Upper Class	Upper Class	Neither	Prioritized by
				Upper Class,
				but limited
				attention
Stock Market	Upper Class	Upper Class	Neither	Upper Class,
Performance				but limited
				attention
Inequality	L/M Class	n/a	L/M Class	L/M Class
Poverty	L/M Class	n/a	Neither	L/M Class,
				but limited
				attention
Unemployment	Lower Class	Lower Class	Upper Class,	Upper and
			L/M Class	L/M Class
Wages/Income	L/M Class	L/MClass	L/M Class	L/M Class
Productivity	Upper Class	n/a	Upper Class (	Upper Class,
			limited atten-	but limited
			tion overall)	attention
Consumer	L/M Class	n/a	Upper Class	Upper class,
Spend-			(limited	but limited
ing/Confidence			attention	attention
			overall)	
The	Upper Class	Upper Class	Upper Class	Upper Class
Deficit/Debt		(Page et al.		
		2013)		
Interest	Upper Class	Upper Class	Upper Class	Upper Class,
Rates/Monetary			(limited	but limited
Policy			attention	attention
			overall)	

As we can see in Table 1, of the issues that received a lot of attention -unemployment, economic growth, inequality, the deficit and wages/income - the latter three demonstrate divergent prioritization, while economic growth and unemployment seem to be of concern to both upper and lower/middle income interests.<sup>4</sup>

In this time of high bias we expect to see, therefore, that as the deficit grows congressional attention will also increase, but we do not expect to see the same response to inequality or wage/income stagnation. At the MC level, we expect that as MCs that become more reliant on the resources of upper class interests they should subsequently discuss the deficit more, but wages/income and inequality less. Because both actors are concerned about unemployment and economic growth, i.e. these problems are almost universally salient, we do expect to see aggregate responsiveness to changes in these indicators, but not any MC-level relationship between resources and discussion of these problems since all MCs have incentives to focus on these issues.

For other issues, neither upper nor lower class interests seemed to care much about them (inflation, stock market performance, and poverty). In the case of inflation, this could simply reflect that the scope of this problem between the late 1990s and 2015 when the scorecards and website were examined was not very severe. But certainly stock market performance was often volatile and poverty remained a serious problem in the U.S. Productivity, consumer spending/confidence and interest rates/monetary policy showed a prioritization by upper class interests, but they received very limited attention overall (in fact, only one key vote justification for each of these issues referred to these problems).

<sup>&</sup>lt;sup>4</sup>It is a bit surprising that unemployment was frequently mentioned by upper class interests, but often times they advocated for or against particular policies on the basis of how they would affect employment. In contrast, it is not particularly surprising that both labor and upper class interests prioritized economic growth, as strong economic growth has universal benefits.

The issues that demonstrated different levels of prioritization by upper and lower class interests and which received a lot of attention were: inequality, wages/income, and the deficit. Inequality was mentioned as an important problem on the AFL-CIO website and was highlighted in the group's position on 14 different key votes. In contrast, none of the business groups ever highlighted this issue on their websites or in their justifications for why legislation should be supported or opposed. This is the most polarized economic issue. On the deficit and debt, the AFL-CIO did mention it five times in their justification for their positions on key issues between 1998 and 2015, but did not highlight the issue on their website. In contrast, all of the business/upper income groups highlighted the deficit/debt as a key issue and frequently noted the deficit/debt implications of policies as a reason to support of oppose them. Furthermore, ? found that the wealthy are very concerned about the deficit and debt, while the mass public are relatively unconcerned about this issue. Wages and income received some attention from both business/upper class interests and the AFL-CIO, but the attention was fairly lopsided. The AFL-CIO mentioned wages on its website and also mentioned wages and income in more than two-thirds of the years examined for key votes. In contrast, business groups never mentioned wages on their websites. They did mention wages and income several times in their discussion of key votes, but it was usually in the context of discussing opposition to the Lilly Ledbetter Fair Pay Act or opposition to minimum wage increases. These interests were not arguing against higher wages per se, but were arguing against these particular laws by usually saying they would be counterproductive or ineffective.

## **Analysis**

Thus far we have collected and coded problem discussion data relating to inequality, the deficit and unemployment and we present the results of an analysis covering the years 1995-2012, which we are currently extending the data back to 1980 and forward to 2016.

# Developing Speech-Based Measures of Congressional Issue Attention

One reason that speech has not typically been used to measure the congressional issue agenda is that until recent innovations in text mining it was virtually impossible to develop systematic agenda measures from speech. To create speech-based measures of issue attention we used the *Congressional Record.*<sup>5</sup> We generated variables measuring discussion of inequality and the income distribution, the deficit, and unemployment using key word searches and the tm (text mining) package in R (Feinerer 2014) for 1995-2012. Though there are number of ways to measure issue attention using Congressional speech, as an initial step we focus on this intuitive approach which is used in the literature on Presidential issue attention (Edwards III & Wood 1999). Nelson & McCall (N.d.) show that our approach identifies explicit discussion of inequality reasonably well compared to human coders reading texts. One may object that because inequality is such a touchy issue that is upsetting to the wealthy (Freeland 2012), MCs are hesitant to openly discuss

<sup>&</sup>lt;sup>5</sup>In order to test our argument about the link between resources from upper-income interests and discussion among political elites regarding economic inequality, we need a text-based measure of congressional discussion of distributional issues. Since 1995, the Government Printing Office (GPO) has made HTML versions of the *Congressional Record* available to the public. The Sunlight Foundation (SF) provides, via an Application Program Interface (API), a parser that converts the raw HTML files provided by the GPO into XML files that are structured and tagged in a way that makes text analysis a fairly straightforward task. From the XML files it is possible, for example, to read the text into a software package such as R, with the text separated by paragraphs that are each associated with a member of Congress. However, we found some problems with the SF parser and we have made improvements to it to accurately attribute speech to the correct MC. Most importantly, we found several MCs whose speeches were excluded entirely from the SF database due to name recognition issues. For instance, Alfonse D'Amato and any other MC with a punctuation mark in their name was excluded from the XMLs for 1995-2012. We made modifications to the regular expressions (REGEX) utilized to identify MC speeches/entries in the *CR* in order to capture the text more accurately and link that text to the appropriate MC.

it and discuss it in a more "coded" manner because they do not want to offend the rich, which our search approach would not identify. But if this is the case, this is simply evidence in favor of our argument. More detail on the approach can be found in the Appendix.

#### Testing Aggregate Expectations

To generate congressional-level measures of speech-based issue attention we simply aggregate across individual MCs to compute the sum of all terms spoken about each issue in a given year. Because we rely on data covering 1995-2012, upper class bias in the interest system is always relatively high during this time period. Thus, to understand the nature of aggregate responses to growing economic problems we simply plot the relationships between issue attention and the underlying economic indicators rather than do any formal statistical tests with such a small sample size. If our theory is correct we should not see a large response to inequality even as it increases, but we do expect responsiveness to increases in the deficit, and unemployment (which is prioritized by both upper and lower/middle class groups).

#### Testing MC-Level Expectations

We also create analogous MC-level measures of issue attention by summing the number of terms at the MC-level in an analysis of two-year election cycles, since we use campaign contributions from labor unions and small contributors (as measures of lower and middle class support) and all other contributors (as measures of the support of upper income actors). Contribution data are measured in \$100,000s from 1995-2012, comprising nine two-year election cycles and hundreds of cases.

<sup>&</sup>lt;sup>6</sup>Because there is not a single widely accepted indicator of inequality we use two indicators of inequality, the top 1% income share excluding capital gains (including it produces a great deal of volatility) and the Gini coefficient. For unemployment we use the unemployment rate, and for the deficit we use the dollar amount of the deficit (constant 2009 \$) such that surpluses have negative values. The former two indicators were obtained from the Bureau of Labor Statistics website, while the latter indicator was obtained from the Office of Management and Budget website.

To test these possibilities, we use a difference-in-differences analysis where we model changes in speaking about inequality, the deficit, and unemployment (i.e. the change in the number of terms related to each issue spoken by an MC) as a function of reliance on different interests for resources (and controls).<sup>7</sup> The contribution variables are our main theoretical interest, but we control for the lagged level of issue attention and a number of other factors.<sup>8</sup> Because the decision to discuss one issue affects the amount of discussion of other issues we use a simultaneous estimation approach to estimate these regression models which are estimated using standard errors that are robust to clustering on individual MCs. We also include time fixed effects in all models to control for the variation in the economic context and other temporal factors.

### Results

#### Aggregate Responsiveness

We begin by examining the relationship between inequality (dashed line) and Congressional discussion of inequality (solid black line) in 1. We see that using either the Gini coefficient or top 1% share there is very little relationship between the two series in either panel, reflecting a very low or negative correlation depending on which measure is used.<sup>9</sup>

<sup>&</sup>lt;sup>7</sup>The diff-in-diffs approach is useful because it prevents constant, but unobservable MC-level variables from confounding our inferences, zeroing out the effects of these fixed characteristics on both the variable measuring reliance on upper class interests and speech about certain issues. This is important in studying the effect of campaign contributions because unobserved individual-level factors almost certainly impact the allocation of campaign contributions among different candidates/MCs (Wawro 2001). As with other research, we assume that campaign contributions are indicative of a broader set of interactions between groups and MCs (Witko 2006). Due to the diff-in-diffs approach we omit any MCs serving only one term from the analysis.

<sup>&</sup>lt;sup>8</sup>Specifically, the lagged change in ideology of the MC (measured using DW-Nominate, 1st dimension). We also control for whether the MC has transitioned into party leadership or switched chambers in the current cycle, which can affect how much they speak overall (since Senators typically speak more). We also control for whether the MC's party has assumed the majority or won the presidency. We expect that members of the majority party and members of the President's party are less likely to discuss economic problems overall, and that minority party and out-party members are more likely to highlight the economic problems that exist in the country. To control for the changing economic conditions over time we also include cycle fixed-effects. We do not control for party because our diff-in-diffs analysis makes this a zero for almost all MCs because there are so few party switches for sitting members.

 $<sup>^9</sup>$ The correlation between the Gini coefficient and discussion of inequality is -0.08, and for the top 1% share the correlation is 0.14.

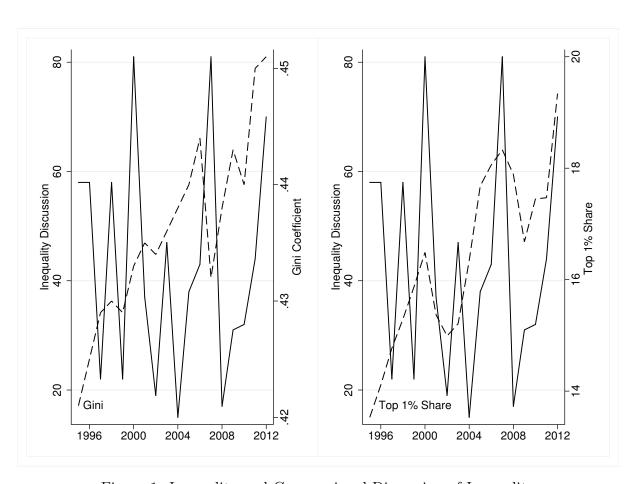


Figure 1: Inequality and Congressional Discussion of Inequality

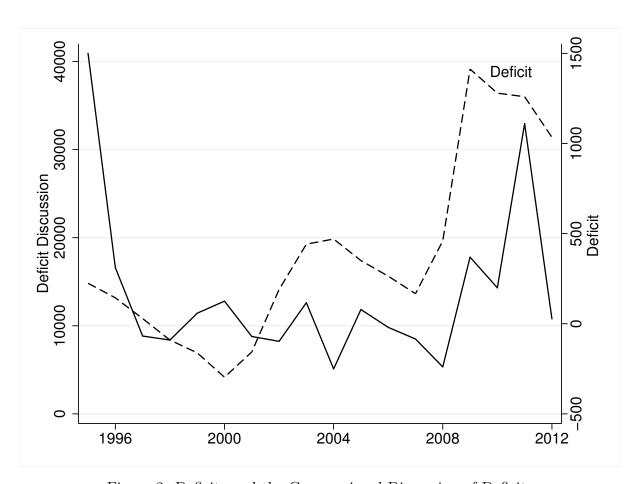


Figure 2: Deficits and the Congressional Discussion of Deficits

This finding for inequality stands in contrast with the other series where we see a fairly close correspondence between objective conditions and congressional discussion. Turning to the deficit we see a close connection between discussion and the actual deficit.<sup>10</sup> With unemployment we also see a high degree of correspondence between the unemployment rate and discussion of unemployment in 3.<sup>11</sup> Overall, we see that the aggregate patterns match our expectations. When issues are prioritized by the upper class they receive more attention controlling for the objective scope of the problem.

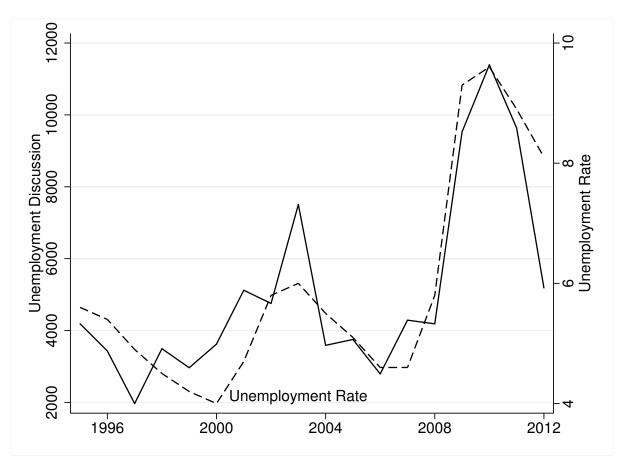


Figure 3: Unemployment and the Congressional Discussion of Unemployment

Table 2: The Determinants of Economic Issue Attention

Variable	Inequality	Deficit	Unemployment
$\Delta$ Labor PAC $\$_{t-1}$	0.009**	-0.511*	0.168
	(0.003)	(0.272)	(0.189)
$\Delta$ Upper Class $\$_{t-1}$	0.000	0.283**	0.005
$\Delta$ c pper Class $\psi_{t-1}$	(0.000)	(0.011)	(0.006)
$\Delta$ Small Contributor $\$_{t-1}$	-0.002	-0.223	-0.497
$\Delta$ Simuli Collettisator $\phi_{t-1}$	(0.002)	(0.633)	(0.316)
$\Delta \text{DW-Nom1}_{t-1}$	-1.111	18.070	-90.166
$\Delta D$ W $10m_{t-1}$	(0.730)	(116.956)	(51.553)
$\Delta$ Majority Party <sub>t-1</sub>	-0.011	-14.287***	-3.197**
$\Delta majority 1 arty_{t-1}$	(0.019)	(3.312)	(1.163)
$\Delta \text{Pres. Party}_{t-1}$	0.019) $0.027$	-35.995***	-5.374*
$\Delta 1$ les. I alty <sub>t-1</sub>	(0.027)	(4.929)	(3.036)
$\Delta$ House	-0.629	-29.6682**	-28.822*
ΔHouse			(8.882)
A Loo don	(0.368)	(11.437)	,
$\Delta$ Leader	-0.181	-5.313	-9.464*
A	(0.226)	(24.016)	(5.641)
$Attention_{t-1}$	-0.672***	-0.059	-0.476***
	(0.087)	(0.137)	(0077)
Constant	0.131***	15.527***	5.597***
0	(0.037)	(3.265)	(0.862)
$R^2$	0.27	0.07	0.35
n	2721	2721	2721

Models estimated with cycle fixed effects; standard errors in parentheses

<sup>\*</sup> p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01

#### MC-level Results

We see see support for the micro-foundations of our theory in Table 2. An increase in labor contributions is associated with an increase in the discussion of inequality and a decrease in discussion of the deficit in the next two-year cycle/Congress.<sup>12</sup> Increases in contributions from small contributors are not associated with change in the discussion of any of these issues, but increases in contributions from large contributors and non-labor interest groups are associated with increased attention to the deficit, and the effects are substantively quite large.<sup>13</sup>. There is no direct negative relationship between upper income contributions and inequality, but discussing the deficit a great deal certainly crowds out attention to other issues. Attention to unemployment is not associated with campaign contributions from any type of actor.

#### Conclusion

We argued that organized interests can use their resources to shape which economic problems are addressed or neglected. We found that an issue of concern to the wealthy but not lower and middle class actors, the deficit received a lot more attention as it increases, but for inequality the same relationship was not found. We also found MC-level results consistent with the idea that high bias in the interest system would produce more attention to "upper class problems", in so far as aggregate bias translates into a greater reliance on business and wealthy individuals at the micro-level. We are currently coding other issues and extending the analysis to cover more time.

<sup>&</sup>lt;sup>10</sup>If we omit the first time point where there was a lot of discussion of the deficit even with a relatively small deficit (due to debate about the deficit reduction deal), the correlation between the two series is 0.57, if we include that observation the correlation is 0.31.

<sup>&</sup>lt;sup>11</sup>The correlation is similar to the correlation between the deficit and the discussion of the deficit (excluding the first observation), at 0.54.

<sup>&</sup>lt;sup>12</sup>A standard deviation increase in contributions from labor can be expected to result in an increase of 0.06 inequality terms (0.07 standard deviations in the outcome variable) and a decline of 3.6 deficit terms (0.03 standard deviations, p<sub>i</sub>0.05). These are not huge effects, of course, but distributed over hundreds of MCs they aggregate to have a substantial effect on which issues are discussed.

<sup>&</sup>lt;sup>13</sup>A standard deviation increase in contributions from these other sources would produce an expected increase of 82.6 deficit terms spoken, which is almost a standard deviation change (sd=106.4)

This research indicates that the emerging conclusion that money does not matter much for policy outcomes is premature; money probably exerts a powerful influence on policy but the excessive focus on roll call votes in the literature has obscured this. The development of powerful text analysis tools in recent years allows us to explore different avenues of influence, and this will be very useful in understanding how money shapes policy outcomes. Because the private financing of elections in a system with a resource bias toward upper income actors and upper class bias in the lobbying system will tend to result in an emphasis on the problems prioritized by upper income interests (at least for less-salient issues), our results suggest that reforms or actions aimed at reducing this bias are necessary to prevent this outcome. Since restricting the use of resources by upper class interests is legally and practically difficult reformers may be better served by focusing on increasing the capacity of lower/middle class interests to mobilize resources.

## Appendix

#### Issue Attention Search Procedures and Terms

To generate the initial list of search terms two scholars worked independently to identify sets of terms related to the four issues. The scholars drew from their own knowledge of relevant synonyms, online thesauruses, as well as two online resources for identifying sets of related terms: semantic-link.com and Wordnet. Next we compared the two lists identified by each scholar. Terms initially identified by both scholars were typically retained as were other central terms jointly agreed upon by both scholars. Our goal was to specify a refined set of term stems that would form the basis for developing complete sets of terms of phrases for each topic category. We aimed to keep the core set of terms for each topic equivalent (7-10 stems) in order to achieve comparability across topics and thus promote rough equivalence in the possibility that each topic might appear in a speech (or news article). Based on the refined, time-extend term lists, we then constructed a complete set of search terms and phrases (up to three words) that

specifically captured content pertaining to the topic at hand. We elected to use search phrases in an effort to identify speeches (or news stories) that specifically referred to the issue at hand and to avoid unintentionally capturing alternative uses of individual words (e.g. references to "equality" pertaining to gender or race rather than economic differentials). The final search lists are not meant to be exhaustive, but are designed to capture a roughly equivalent set of relevant search terms for each topic category.

One might object that we should include the discussion of any policies that affect the income distribution, even if they do not include explicit discussion of economic inequality because all of the participants are aware of the implications. But this entirely misses the point, since the dimensions along which policy proposals are debated is critical to their outcome (Schonhardt-Bailey 2008) and how the public views competing policy positions (Clifford & Jerit 2013). For instance, objecting to tax cuts for the wealthy on the grounds that they will increase the deficit will lead to a different type of debate than one focused on how they will lead to the rich becoming even richer. This may influence the positions that elites take on tax cuts, but will also influence how the public views the policy proposal. It seems that when the unequal income distribution features prominently in debates the public is more likely to connect their own economic interests to positions on tax cuts for the wealthy (Franko, Tolbert & Witko 2013). Of course, many times even in the context of debates that have important implications for the income distribution such dimensions are never discussed, indeed they are actively avoided (Hacker & Pierson 2005, Mettler 2011). This is not to say that it is unimportant to examine the "hidden" ways that the U.S. Congress has addressed growing inequality (and there are many) but it is also important to understand the extent to which inequality is explicitly tackled as a problem, and that is our concern here.

Inequality Terms: Gini, income quintile, income decile, top incomes, inegalitarian income, inegalitarian wealth, egalitarian income, egalitarian wealth, income disparity, wealth disparity, income disparities, wealth disparities, income stratification, wealth stratification, unequal income, unequal wealth, income inequality, wealth inequality, in-

equality of income, inequality of incomes, inequality of wealth, income equality, wealth equality, equality of incomes, equality of income, equality of wealth, income distribution, wealth distribution, distribution of income, distribution of incomes, distribution of wealth, redistribution of income, redistribution of incomes, redistribution of wealth, income redistribution, wealth redistribution, equitable income, equitable wealth, equitable distribution, inequitable income, inequitable wealth, inequitable distribution, equity of incomes, equity of incomes, equity of incomes, equity in incomes, equity in income, equity in wealth, equality of income, equality of wealth, concentration of income, concentration of wealth, income concentration, wealth concentration, equalize incomes, equalize income, equalize wealth, equalizing incomes, equalizing income, equalizing wealth, income equalization, wealth equalization, unequal income, unequal incomes, unequal wealth, inequity of incomes, inequity of wealth, income inequity, wealth inequity, uneven distribution, income polarization, wealth polarization, distributional, maldistribution

Unemployment Terms: job, jobs, jobless joblessness, unemployment, unemployed, underemployed, employed, employed, employed, employe, employee, employees, laid off, layoff, layoffs, cutbacks, hire, hired, hiring, worker, workforce, work force, labor, livelihood, out of work, without work, idleness, unemployment, dole, unemployment doles, disemploy, disemployed

Deficit Terms: Deficit, deficits, budget shortfall, budget shortfalls, balanced budget, balance the budget, balance a budget, budget reform, budget reforms, budget surplus, unbalanced budget, budget balancing, national debt, public debt, debt limit, debt ceiling, of the debt, indebted, red ink, in the red, spending cuts, spending limits, spending caps, spending reductions, spending cut, spending limit, spending cap, spending reduction, pay as you go, pay-as-you-go, PAYGO, bond issue, issue of bonds, government bonds, Treasury bills, T-bills

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