Factions and the Public Interest:
Federalist No. 10 in 2001

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For the Wilson Center’s Congress Project Seminar
on Congress, Lobbyists, and the Public Interest
Friday, May 18, 2001

The American public as a whole is aggressively suspicious of lobbyists and lobbying. Journalists have found a ready market for lurid accounts of the machinations of the “pressure boys.” Politicians in search of a telling argument regularly charge that the opposition is backed by unseen and sinister “interests.” Even the academics often view lobbying with alarm. The competition between interest groups is likened to “ignorant armies clashing by night.” To many others, the power of organized interests results in the triumph of organized greed over the public interest and rule by unseen and irresponsible minorities behind the facade of democracy.¹

- Donald R. Matthews (1960)

Most Americans see “lobbyists” and “the public interest” as diametrically opposing forces in our political universe. “Lobbyists” are viewed as slick, well-paid manipulators who represent the special interests (a.k.a., “the forces of evil”) before the councils of government. The “public interest,” on the other hand, is seen as the higher or greater good, almost holy in nature. According to this view, the public interest would be readily apparent to citizens, and easily attainable by legislators, if only the special interest lobbyists didn’t get in the way and befog things with their highly technical, confusing, and often misleading information and arguments.

Put quite simply, according to this view, lobbyists, by definition work for particular interests and therefore are constantly working at cross-purposes with what is in the public interest (which also goes by such names as the public good, the national interest, the common good, the general interest, the greater good, and the general welfare).

In exploring whether these popular perceptions of lobbyists and the public interest reflect reality or are grossly distorted images, it is useful to go back to the beginning, if not to the Garden of Eden and the fall of man, then at least to the founding of the Republic and the Framers’ understanding of man.

Madison on Factions

There can be no better guide for this journey back into time than James Madison, the great thinker behind the Constitution’s complicated and complex arrangements. In The Federalist No. 10, Madison did not view special interests, or “factions” as he also called them, as an evil to be eradicated. He believed they were as natural to liberty as fire is to oxygen. He saw the latent causes of factions in the nature of man—specifically in the different faculties men possess for acquiring property. Madison argued that the first object of government is to protect these different and unequal faculties and the rights of property which flow from them. Different interests and parties arise out of these differing faculties and the views and sentiments of those possessing them. He defined a faction as a group of citizens “united and actuated by some common impulse of passion, or of interest, adverse to the rights of other citizens, or to the permanent and aggregate interests of the community.”² The danger lay not in the existence of parties or factions, but in the prospect that one or more would become a majority faction that would adversely affect the rights of minorities and of
property. The duty of government was not only to protect the rights of citizens to fully develop their differing faculties, but then to regulate the resulting factions so that they did not do harm to others: “The regulation of these various and interfering interests forms the principal task of modern legislation and involves the spirit of party and faction in the necessary and ordinary operations of government.”

Here was an extraordinary theory of effective governance in which the principal legislative task of government is to regulate competing interests by involving the spirit of those interests in the ordinary operations of government. How can such diverging interests be integrated into the ordinary operations of government? The best that could be hoped for was that the effects of faction could be controlled.

Madison concluded that a republican remedy, rather than “pure democracy,” was the best hope for controlling the effects of passion. In a republic the public’s views are refined and enlarged by being passed through the medium of a body of elected citizens “whose wisdom may best discern the true interests of the country” rather than sacrificing it to temporary or partial considerations. It may even happen, said Madison, that the public voice expressed by the representatives of the people “will be more consonant to the public good than if pronounced by the people themselves convened for that purpose.”

How could it be that the elected representatives of the people might better be able to pronounce the public good than the people themselves? Madison thought it was foolish to think that “enlightened statesmen will be able to adjust these clashing interests and render them all subservient to the public good. Enlightened statesmen will not always be at the helm.” He recognized that the representatives of the people would themselves be self-interested politicians rather than disinterested statesmen: “What are the different classes of legislators but advocates and parties to the causes which they determine?”

But he also felt that the more the country and legislative districts grew in size and population, the more representatives would be required to represent a diversity of interests, and thus the less likely it would be that a majority faction would emerge:

Extend the sphere and you take in a greater variety of parties and interests; you make it less probable that a majority of the whole will have a common motive to invade the rights of other citizens; or if such a common motive exists, it will be more difficult for all who feel it to discover their own strength and to act in union with each other.

One of the reasons Madison thought that citizens of common interests would not act in union was his belief that only the great and aggregate interests would be referred to the national government, while more local and particular interests would be referred to state governments. Therefore, it would be at these scattered points, the state and local seats of government, where most factional activities would be conducted.

Madison and the Public Good

Madison gives us little sense in Federalist No. 10 as to what the “public good” is, other than that it is what factious parties seek to undermine along with the rights of other citizens. Notice that Madison does not equate the public good with protecting the rights of citizens. Both are important duties of government. But he speaks of them separately, e.g., factions “are adverse to the rights of
other citizens, or to the permanent and aggregate interests of the community;” “disregarding the rights of another or the good of the whole;” “sacrifice to its ruling passion or interest both the public good and the rights of other citizens;” and, “secure the public good and private rights against the danger of such a faction.” In short, to Madison the public good seems to be a collective or communal interest that is different from the individual rights, though the government is responsible for protecting and promoting both.

In Federalist No. 45 Madison elaborates: “It is too early for politicians to presume on our forgetting that the public good, the real welfare of the great body of the people, is the supreme object to be pursued; and that no form of government whatever has any other value than as it may be fitted for the attainment of this object.”

Is the public good thus whatever a majority in Congress considers to be in the permanent and aggregate interests of the nation? It is improbable that Madison was abandoning the constitutional proscriptions on Congress before the document had even been ratified. In referring to the “real welfare” of the people, he was simply paraphrasing the term “general welfare” that is used at several points in the Constitution. And in Federalist No. 41 Madison made clear that, contrary to what some critics of the Constitution had charged, the “general welfare” clause in Article I, section 8, was not an open-ended grant of authority that somehow superseded the enumerated powers that follow:

For what purpose could the enumeration of particular powers be inserted, if these and all others were meant to be included in the preceding general power? Nothing is more natural nor common than first to use a general phrase, and then to explain and qualify it by a recital of particulars.

So the “general welfare,” which is the same as the public good and the public interest when it comes to the legitimate ends or objects of national legislation, is limited to the specific powers delegated to the Congress and those laws necessary and proper for carrying out those powers.

The Emergence of Lobbyists

In fashioning legislation that is in the public interest, the national legislature has always been assisted, whether by choice or not, by persons who have argued that their particular interests should be taken into account as essential to the public good. These so-called “special pleaders” were present at the seat of the government dating back to the Continental Congress. They practiced their trade by waiting in the hallways outside the legislative chambers, and by frequenting the same boarding houses and taverns where members took their meals and libations. Many of these special pleaders were solely dependent on fees from their clients for income.

The term “lobby” was first used in its political sense in the U.S. in 1808 when it appeared in the annals of the 10th Congress. The term is thought, though, to have its antecedent in the late, 17th Century British Parliament and the large public waiting room, known as the “lobby,” just off the Chamber of the House of Commons. It was there that members could meet with special pleaders. In the U.S. the term “lobby-agents” was being used as early as 1829 to refer to favor-seekers in the New York state capitol in Albany. By 1832 the shortened version, “lobbyists,” was widely used in the U.S. Capitol to refer to such people.

The practice of interested persons meeting with public officials to influence legislation and public policy had long been established, tracing as far back as the Magna Carta in 1215 when the
barons successfully petitioned King John for certain rights. This right to petition the crown was subsequently exercised by the Parliament in return for meeting the financial needs of the monarch. By 1669 the House of Commons had resolved that every commoner had the inherent right to prepare and present petitions to it “in case of grievance.” And, in 1689, the English Bill of Rights asserted the right of subjects to petition the king and made it illegal to commit or prosecute anyone for exercising the right.13

It’s little wonder, then, that the American colonists assumed the same right was theirs in their new land. It took root early in the colonial and later state legislatures, and was a part of the declarations or bills of rights adopted by many of these bodies. Thus, the right to petition was well established and understood long before it was enshrined in the First Amendment to the Constitution as part of the Bill of Rights in December of 1791. In fact, over two years before that, on April 7, 1789, one of the first rules adopted by House of Representatives of the First Congress provided for the disposition of “petitions, memorials and other papers addressed to the House.”14

Shortly before that rule was adopted, John Fitch of Philadelphia sent a petition to the House requesting a patent on a method of steam locomotion. It was laid before the House on May 13. The Fitch petition and several other petitions from citizens seeking patents led to enactment the following year of the Patent Act of 1790.

An early example of what today is the burgeoning business of association lobbying occurred on April 11, 1789, when a petition from a group of “Tradesmen, Manufacturers, and Others of the Town of Baltimore” was laid before the House seeking some form of protection for new industries against unfair trade practices. These entreaties and others like them led to House consideration and passage of the Impost Act in July of that year.15

All told, during the first two Congresses (1789-1793), the House received 217 citizen petitions. They became an important vehicle for citizen communication, involvement and influence in the new republic, as well as a source of many of our early laws.16

The emergence of special interest representatives as an important force to be reckoned with by Congress developed during the tariff debates of the 1820s and the fights over President Jackson’s removal of funds from the national bank to state banks in the 1830s. Both instances were directly tied to well-coordinated petition drives--what today would be referred to as “grass-roots lobbying.” In the tariff debates, spokesmen representing the commercial and manufacturing interests in different parts of the country filled the Rotunda and halls corridors of Congress to present their petitions and press their case.

In the national bank controversy, entire delegations of affected parties from the states descended on Washington simultaneously to air their complaints of tight money prompted by the President’s actions. It was not just outside lobbyists who assisted in this cause. Senator Daniel Webster of Massachusetts, who was also a paid agent of the national bank, did all he could to promote their position--at one time ushering 30 of the protestors onto the Senate floor while he read aloud their petition. Jackson’s supporters soon launched a counteroffensive, arriving in Washington in great numbers to present their own petitions.

The upshot of all this activity was that Jackson’s popularity soared. The Senate in frustration censured the President but could do nothing to reverse his dismantlement of the national bank.17 The other consequence, of course, was a new awareness of how lobbyists could play a major role in
influencing policy by coordinating grass roots movements or protests by affected parties at the most opportune times. Lobbyists became important facilitators in activating “the right of the people to peaceably assemble and to petition their government for a redress of grievances.”

Reactions Against Lobbyists

During and after the Grant Administration, the so-called Gilded Age, corruption in Washington was so rampant that the press and public reacted with outrage against lobbyists and their business clients. Walt Whitman characterized “lobbyers” as “crawling serpentine men, the lousy combings and born freedom sellers of the earth.” The 1888 Dictionary of American Politics defined “the lobby” as “a term applied collectively to men that make a business of corruptly influencing legislators.”

Woodrow Wilson, in his 1885 doctoral dissertation, Congressional Government, was no kinder in his assessment:

The voter . . . feels that his want of confidence in Congress is justified by what he hears of the power of corrupt lobbyists to turn legislation to their own uses . . . [And] he is not altogether unwarranted in the conclusion that these are evils inherent in the very nature of Congress, for there can be no doubt that the power of lobbyist consists in great part, if not altogether, in the facility afforded him by the committee system.

This foreshadowed a theme Wilson would use in his run for President as a newly minted progressive, pointing in one speech to the reactionary forces in the Nation as “embodied in the Interests.” And he went on to define “Interests” not as legitimate, “but the illegitimate interests—those which have not adjusted themselves to the public interest, those which are clinging to their vested rights as a bulwark against the adjustment which is absolutely necessary if they are to be servants and not masters of the public.”

The Gilded Age gave way to the reforms of the Progressive era which included among its aims a frontal assault on lobbying. The assault was led by so-called “muckrakers” whose sensational books and articles exposed the special interests and politicians responsible for all manner of injustice and corruption. Reform minded politicians like Theodore Roosevelt, and later Woodrow Wilson, joined in the Progressives’ attack on big corporate interests–oil, railroads, and banks. In fact the first campaign finance reform legislation, the Tillman Act, which prohibited corporate campaign contributions, was signed into law by Roosevelt in 1907.

The special focus on lobbyists culminated in a 1913 Senate Judiciary Committee investigation of a lobbyist for the National Association of Manufactures. Not only did he have an office in the Capitol, but the chief House page was on his payroll as an informant. The investigation revealed a pattern of abuses by Washington lobbyists. The Committee’s recommendation that all lobbyists register with the House Clerk passed the House but was defeated in the Senate.

Notwithstanding Wilson’s enmity towards “the Interests,” “the Lobby,” and “the bosses,” his administration actually witnessed an acceleration in the trend towards institutionalized interest group representation, prompted mainly by the Executive agencies under his control. With the outbreak of World War I, Federal agencies officially requested the creation of trade associations in many industries that previously did not have such coalitions. The purpose of the request was to mobilize
the private sector to participate in the war effort through cooperative planning and the standardization of products. New groups like the National Coal Association were established in many segments of the economy. And, when the war ended, they followed the predictable pattern of bureaucracies: they redefined their mission in order to survive and grow. The new mission of the associations was to promote the interests of their members in peacetime, including keeping government policies and benefits towards them favorable.22

The further growth in government during the New Deal brought even more new lobbyists to Washington. It also brought the first government laws to regulate lobbying by such groups as public utility holding companies (1935), shipping firms (1936), and agents of foreign causes (1938). A broader piece of legislation during this period, designed to regulate lobbying through disclosure, was passed by both Houses, but was not enacted. It was not until, 1946 that such a bill was enacted with the support of President Truman. A 1954 Supreme Court decision, however, rendered the law generally ineffective.23 It wouldn’t be until 41 years later, in 1995, that Congress was finally able to enact a comprehensive rewrite of the 1946 law with stricter registration and disclosure requirements.24 Whereas only 6,000 individuals and organizations were registered as lobbyists just before the 1995 law took effect, the number soared to 15,000 after the law took effect, including 10,612 new registrants.25

The Modern Lobby Establishment

The contemporary Washington lobby establishment would not be recognizable to those who worked during earlier periods in which there was considerable growth in the lobbying community--whether post-World War I, post-New Deal, or even post-World War II. The lobby industry in Washington experienced exponential growth during the 1960s and 1970s as the proliferation of government programs and activities produced a corresponding explosion of groups around the policy areas affected. Today lobbying is probably the third largest enterprise in our nation’s Capitol after government and tourism. Political scientist James Thurber has estimated that in the early 1990s, the number of persons employed in the Washington, D.C. area who are either lobbyists or associated with them is 91,000. As of 1993, the Encyclopedia of Associations listed approximately 23,000 organizations in the U.S., over a 50 percent increase since 1980 and nearly a 400 percent increase since 1955. Between 1961 and 1982, the number of corporations with Washington offices grew tenfold.26

Moreover, various entities associated with state and local governments have been opening Washington offices. Whereas at one time it was considered sufficient for each state to have a single Washington office to look after the state’s interests, today there are separate Washington offices for most large cities as well as for elected state or local officials. This is in addition to the numerous associations representing cities, mayors, counties, governors, and state legislatures.

The Washington lobbying community has not only changed in size over the last quarter century but in its techniques and impact on the policy process. These changes have been especially assisted by vast improvements in communications technologies. For one thing, the new technologies have made it easier and less expensive for more groups to organize and mobilize their members in a timely fashion. Whereas 20-30 years ago the most common device groups would use to generate grassroots contacts from their members to Congress was the pre-printed postcard, today it involves a wide variety of devices both to contact a group’s members and for them in turn to contact their representatives and senators–everything from blast faxes, phone trees, and E-mails, to talk radio,
cyber chat rooms, and instant opinion polls. Moreover, modern computer technology makes it relatively simple for a lobby group to transmit to their membership seemingly individualized letters to be sent to members of Congress, making the sudden flood of “real mail” seem all the more spontaneous and heartfelt.

The increase in constituent E-mail messages alone has virtually overwhelmed most congressional offices. A recent report revealed that the volume of E-mail to congressional offices has risen dramatically over the last two years, rising from 20 million messages in 1998 to 48 million in 2000, and that it continues to grow on average by one million messages per month. The report attributes this growth in E-mail messages to “the ease and speed of online communications, the electorate’s growing interest in national politics, and the grassroots activities of lobbyists and e-businesses that are electronically motivating the public to ‘make their voice heard in Washington.’” Unfortunately,” the report continues, “these advocacy groups are encouraging the public to engage in E-mail practices—like spamming congressional offices—that result in unmanageable demands on Congress.”

What makes this volume of E-mail particularly unmanageable for many offices is the fact that they still have a policy of answering e-message with regular letters (snail mail) signed by the member of Congress.

Perhaps more worrisome to the policy process in Congress than constituent mail overload is the information overload members must contend with as the number of interest groups and their issues grows. Members and staff must be more discerning in separating the wheat from the chaff—the genuinely useful information from the misleading or downright false propaganda. The amount of information flow combined with its rate of speed make this filtering process all the more difficult. Moreover, the creation of counter-lobbying groups to offset the effects of existing groups makes any kind of policy action all the more problematic. And, in some ways, that suits the recruitment, fund-raising, and survival needs of the organizations all the more. As long as the threat is there that either side may break the stalemate and prevail, both sides must redouble the efforts to prevent that from happening.

Jonathan Rauch, in his book Government’s End: Why Washington Stopped Working (formerly titled Demosclerosis) says the result of this “hyperpluralism” is the death of lobbying by the special interest elites—the old-fashioned privileged influence peddlers. “Today,” Rauch writes, “everyone is organized, and everyone is part of an interest group. We have met the special interests, and they are us.”

As Rauch observes, hyperpluralism does not produce “special interest gridlock,” as some have asserted. There is still plenty of movement and activity in Washington; lots of laws still get enacted in every Congress. Instead what has happened as a result of all this interest group activity is that the government loses the capacity, flexibility, energy, time and resources to address some of the larger problems facing the country.

**Interests and Political Parties**

Another significant change that accelerated but did not originate in the last quarter century is the relationship between the political parties, the special interests, and the people. Most historians agree that political parties began their decline in the United States at the beginning of the last century with the wave of progressive reforms aimed at replacing the political bosses and their corporate cronies with experts, a non-partisan civil service, and a new breed of good government advocates
and statesmen. But they also point to many of the party and campaign reforms of the 1970s as further accelerating this weakening of the parties while at the same time strengthening the hands of the interests. The 1974 authority to establish political action committees (PACs), and their subsequent proliferation is just one example of this. Today there are roughly 4,000 PACs in existence.  

Whereas at one time parties served as a buffer between the candidates and the interests and were responsible for aggregating the various mass interests, today they are taking on more of the characteristics of the special interests by advocating narrower policy goals. At the same time, parties are less active in mobilizing voters and running campaigns, while some interest groups are filling the vacuum by becoming more involved in recruiting candidates, organizing campaigns, and running advertisements. In some of the recent tight election races it has not been unusual for dueling interest group advertisements to drown out the voices of the actual candidates.  

Moreover, interest groups have become increasingly adept at “problem definition” and agenda control—two aspects of the policymaking process that were traditionally exercised by party or committee leaders in the Congress. Closely associated with this development is the mushrooming of allied groups within the Congress, so-called informal member caucuses representing all manner of particular industry, regional, ethnic, and “pet cause” interests. The number of such caucuses has grown from just a handful in the early 1970s to nearly 180 today.  

Central to issue definition and agenda status is the information lobbyists provide to elected officials through a variety of means, including traditional lobbying techniques, advertising, and public relations campaign. One scholar of the process, Jack Wright, asserts that lobbyists achieve influence on the legislative process not by applying electoral and financial pressures, but rather “by developing expertise about politics and policy, and by strategically sharing this expertise with legislators through normal lobbying activities.”  

Cigler and Loomis are quick to point out that even if information, rather than favors and contributions, is the source of interest group influence, this does not mean that money is unimportant or that all information is equal. “Inevitably,” they write, “some interests have much greater resources to develop information that shapes policy debates,” and therefore “a disproportionate share of the policy and political information that is collected reflects the views of well-heeled interests that subsidize think tanks, pay for surveys, and engage public relations firms.”  

The Public Interest Today  

Given these realities of the modern, interest group-driven policy process, is it even realistic to talk about some “common good” or a higher “public interest” as the aim of our national policymaking machinery? Is it realistic to expect our legislators to find ways to actually achieve what is in the best interests of the nation as a whole—especially in an era that has variously been characterized as being dominated by “hyperpluralism,” “hyperpolitics,” “hyperdemocracy, and a “permanent campaign”?  

Was Madison’s fear misplaced of a majority faction undermining individual rights and the common good when one considers that our two major factions, the political parties (and the governmental branches they ostensibly control) seem to be tied-down like Gulliver by a multitude of special interest Lilliputians, and therefore unable to speak or act in the public interest?
There are two views on this question that depend on one’s perception of the “public interest.” One view is that the “public interest” is a convenient construct to describe, justify and legitimate whatever a majority decides. This is not meant to be a cynical or critical representation but rather a realistic recognition that man is a self-interested animal and will usually act in self-interested ways instead of for some abstract ideal or altruistic purpose. The way in which rational actors are able to arrive at a decision that they view in the public interest is through bargaining and compromise until majority support has been obtained. Seldom will all the interested parties involved get all or even most of what they want. But usually they will support an outcome if they are satisfied that they’re better off than they were before (or at least not worse off; support now can be traded later for self-benefits—a form of log-rolling).

The other view is that there is a “public interest” that is greater than the sum (or reconciliation) of the parts (or competing interests). That is not to say that it is some absolute ideal or fixed good that can be divined through meditation and revelation. Instead it is the product of a deliberative process in which people, reasoning together, undertake a genuine and open exploration of the nature of a problem and options for solving it before making a final decision. Or, as Madison described it, it is a process of enlarging and refining public views by filtering them through a body of elected representatives whose wisdom may best discern what is in the best interest of the country.

Which view of the public interest will be the operating model for the 21st Century Congress? Chances are it will not be one or the other, but rather a hybrid of the two. Despite the growing numbers and influence of special interests and their lobbyists, there will still be issues on which the American people will demand more of the Congress than a mere a bargaining and balancing act among competing interests. Issues of war and peace, national economic crises, environmental and public health perils, and the ability of the nation’s educational system to keep us competitive in a new global economy, are all examples of issues on which the people will expect a fuller debate, a more rational, understandable, and supportable decision-making process, and real solutions.

For the Congress to regain the trust and confidence of the people, it will have to find new ways to engage the people and their associated interests in a national dialogue on truly national problems—something Madison thought, after all, was the sole responsibility of the national government. Only then will the government be able to cut a clean path through the tangled undergrowth of variegated interests and restore a clear-eyed vision of democratic governance in the public interest.

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Notes


3. Ibid, 79.

4. Ibid, 80.

5. Ibid, 82.

6. Ibid, 80.

8. Ibid, 83.


10. It should be noted, however, that in *Federalist* No. 38, Madison did admit that the Congress of the Confederation had, at times, exercised extra-legal authority that it considered to be in the “public interest:” “The public interest, the necessity of the case, imposed upon them the task of overleaping their constitutional limits.”

11. Ibid, No. 41, 263.


22. Ibid, 1304.


33. Ibid.