Purchasing Protection? The Effect of Political Spending on U.S. Trade Policy

JEFFREY M. DROPE and WENDY L. HANSEN, UNIVERSITY OF NEW MEXICO

The issue of whether or not money influences policymaking has been widely debated in American politics. While a direct link between money and policy outcomes has proven difficult to make, bureaucratic decisions on trade protection provide an opportunity to link politically active firms and industries to policy outcomes. The U.S. International Trade Commission (ITC) and the U.S. Department of Commerce both play a major role in making trade policy by administering several important trade laws, including the U.S. antidumping law. Firms can petition the ITC and Commerce for protection from foreign firms that are alleged to engage in the unfair practice of dumping their goods on the U.S. market. Evidence suggests, however, that firms use this law as a means of seeking protection from foreign competition, even when that competition is fair. As the stakes are high for both domestic and foreign firms, there is the potential for political influence. Focusing on lobbying activities and campaign contributions, we analyze the influence of domestic and foreign monies on bureaucratic decision making on trade policy.

The issue of whether or not money influences policymaking has been widely debated in American politics. While a direct link between money and policy outcomes has proven difficult to make, bureaucratic decisions on trade protection provide an opportunity to link politically active firms and industries to policy outcomes. In recent decades, increased global competition has led U.S. firms and industries to seek protection from foreign imports. One popular statute, the U.S. Antidumping Law, allows firms or industries to seek protection through the U.S. bureaucracy from the alleged practice of dumping, where dumping is defined as selling goods at below home market price or cost of production. We seek to determine the effect of domestic and foreign political spending on trade policy outcomes.

By examining lobbying expenditures, soft money, and Political Action Committee (PAC) contributions of firms, industry associations, and other interested parties involved in a petition, we seek to determine whether or not such activities affect trade policy decisions. We are also interested in the role of foreign lobbying as a counter pressure to domestic interests. While it has been argued that foreign corporations are influential in U.S. politics (Choate 1990; Prestowitz 1988), very little systematic research has been done on policy impacts.

Decisions under U.S. Antidumping Law involve two bureaucratic agencies. The International Trade Administration (ITA), an executive agency in the Department of Commerce, investigates dumping petitions and makes the decision on the unfair foreign practice of dumping. The International Trade Commission (ITC) is an independent regulatory agency with six politically appointed commissioners who make decisions, by majority vote, on the existence of injury to the U.S. industry by the alleged dumped imports. Affirmative decisions by both bodies result in the imposition of higher tariffs, as determined by the ITA, in order to counter the alleged dumping. Also, prior to a decision, a public hearing is held before the ITC on each petition in which both domestic and foreign parties may present their case before the commission. Evidence suggests that both agencies are susceptible to external political pressure (Baldwin 1985; Hansen 1990; Hansen and Park 1995; Hansen and Prusa 1996).

Politically active firms and/or their associations may influence trade policy decisions in at least two ways. First, PAC contributions, soft money donations, and lobbying could be used to affect policy indirectly through the legislature. For example, the principal-agent and congressional dominance literatures as well as trade policy studies more specifically provide compelling evidence that members of the House and Senate have a stake in bureaucratic decisions and are active in influencing those decisions. In the case of trade policy, Senators and Representatives have attended public hearings held by the ITC to express their positions in favor of protection for a firm or industry. Also, numerous hearings have been held in Congressional committees and subcommittees regarding the decisionmaking of the ITC and Commerce Department, and much legislation has been proposed and adopted, modifying the rules under which these bureaucracies operate in order to increase the likelihood that certain firms or industries will receive trade protection (e.g. see Hansen and Prusa 1996). Furthermore, public records exist of the contributions that firms give to specific congressional candidates, and firms must list in their lobby disclosure reports whether or not they are lobbying Congress directly and the reasons why. Thus a reasonable link may exist between firms' contributions and lobbying efforts, and policy outcomes via Congress.

NOTE: Wendy L. Hansen thanks the Joyce Foundation for providing summer research support.

Political Research Quarterly, Vol. 57, No. 1 (March 2004): pp. 27-37

Second, firms or industry associations may directly lobby the executive branch or the bureaucracy to affect policy outcomes. Again, firms are supposed to disclose if and why they are lobbying the executive and/or specific bureaucracies. Political appointees in the Commerce Department ultimately make decisions on unfair foreign practices. And ex-ITC commissioners (e.g. Paula Stern) have even become lobbyists for firms seeking protection. As profit-maximizers, firms and industry associations may spend time and money directly lobbying for favorable policy outcomes.

In a case that neatly highlights the "politics" of antidumping disputes, state and federal-level politicians spoke publicly to the media and testified at hearings concerning alleged steel dumping by Japan (ITC case 731-TA-807). Representatives Regula and Murtha and Senators Specter and Rockefeller testified before the ITC requesting punitive duties against Japanese steel exporters, while Senators Rockefeller, Byrd, and DeWine spoke out publicly to the media in favor of protection (Rushford 2000). Notably, among Senator Rockefeller's largest campaign contributors were five of the petitioners in this and several other steel cases: Bethlehem Steel, USX, Geneva Steel, Weirton, and the United Steelworkers of America. Additionally, at the time, the Senator was the third-ranking Democrat on the Senate Finance committee, which oversees the ITC. But politicians' relationships with industry constituents are more than just campaign contributions—simple shared interests also dominate their actions and interactions. While firms and industries promote their own health ultimately for maximization of profits, politicians care about the general welfare of their larger constituency because of the possibility of future support—either financial or more implicitly, in industries' voting employees.

Shared interests happen on both sides of a policy debate. In a somewhat similar scenario, a firm opposed to protection was successful at securing a negative bureaucratic policy decision. In a set of three rubber cases (USITC Investigation numbers 731-TA-794, 731-TA-795, and 731-TA-796), Michelin North America, a U.S. subsidiary of a French tire manufacturer, actively lobbied the executive, Congress, and the Department of Commerce ($167,000 in the year of the decision), successfully blocking protection against rubber imports from Brazil, Korea and Mexico. Unlike consumers who generally do not organize against protectionist policies, firms—domestic or foreign—that, for example, sell or use the imports as inputs into their production processes should have a stake in the policy outcome.

The main purpose of this article is to build upon the literature that examines the behavior of the bureaucracy, while incorporating the theoretical logic and relevant empirical tests of the extensive literature that explores the relationship between political contributions and policy decisions. Moving beyond anecdotal evidence, we seek to examine systematically the political activities of firms and industry associations working both for and against the imposition of antidumping duties, in order to predict the impact of political contributions and expenditures on policy outcomes. The remainder of this paper is organized as follows. We begin with a brief discussion of the prior research, followed by a discussion of how it specifically relates to our theoretical framework and research design. Next, we highlight the general characteristics of antidumping cases, and outline the model and measures that we use to test these theoretical propositions. Finally, we summarize the main findings and the broader implications.

LITERATURE

There is still no definitive winner in the lively debate that explores if and how political contributions influence policy-making making. The evidence for and against the notion that "money matters" continues to accumulate on both sides of the debate. Researchers have tended to focus on PAC contributions in their search for a connection between money and influence. Much of this research explores the concept of "vote buying." Taking a different theoretical approach, research exploring lobbying influence has sought to identify causal mechanisms where analysts attempt to demonstrate whether or not lobbying can increase access, and whether or not access actually leads to influence.

Much of the early quantitative work suggests and tests for causal links between political contributions—particularly from PACs—and legislative results (Gopoian 1984; Saltzman 1987). More recently, Smith (2000: 139-40) concurs that business "does exert some overt leverage over the outcomes of unifying issues," though he concludes that his empirical analysis suggests that this leverage is limited and that favorable public opinion and election outcomes are most important in determining legislative outcomes. Other scholarly efforts have avoided attempts to establish direct links between contributions and legislative outcomes, and have instead sought to establish links between patterns of giving and "access" to legislators. These approaches explore the notion that "access" is positively related to influence (e.g. Langbein 1986; Wright 1990).

While scholars have made important connections between political influence and both PAC spending and lobbying, the theoretical and empirical literature, with some notable exceptions (Ansolabehere and Snyder 2000; Dwyre 1996; Magleby and Holt 1999), on the political influence of soft money is limited. Because the money goes from firms to the political parties and then specific candidates or causes, it is difficult to identify links accurately (Ansolabehere and Snyder 2000: 616). Nonetheless, soft money contributions are an important part of firms' overall political spending activities and we include them in our analysis.

Other theoretical approaches emphasize the relationship between Congress and the bureaucracy. The principal-agent model places central emphasis on major political institutions' (the principals) influence over public agencies (the agents). The model's ability to predict is predicated strongly upon the principal's control of the agent's resources (Wood 1988). Another major approach, the theory of congressional dominance, explores the regulatory process by focusing on

the indirect pressures that interest groups exert on the bureaucracy through Congress (Shepsle 1979; Shepsle and Weingast 1984; Weingast 1981). Scholars have refined this theory by hypothesizing that, in particular, congressional oversight committees—through control of agency budgets—play a critical intervening role in the relationships between interest groups and the bureaucracies (Seidman 1970; Weingast 1984; McCubbins and Schwartz 1984; Wood and Waterman 1991).

We suggest that a combination of these approaches and theories will have the most utility in explaining the variation in bureaucratic decision making on trade policy. Our objective, similar to Wright (1990: 417), "is to integrate lobbying efforts and campaign contributions from coalitions of groups into an equation of group influence. . . ." Furthermore, this research seeks to integrate the literature that explores empirically the impacts of different kinds of political spending on policy outcomes with theory that establishes links between politically active firms, members of congress, and the relevant bureaucracies.

THEORETICAL ORIENTATION AND RESEARCH DESIGN

Recognizing Baumgartner and Leech's (1996a, 1996b) concern that analysts studying the effects of contributions and/or lobbying on the political process have a propensity to make broad generalizations using narrow case studies, we propose that analyzing dozens of cases across one major bureaucracy allows for excellent variation on both the involved actors (i.e., different firms, industries, members of Congress, interest groups, etc.) and our substantive point of interest—the size of different types of political contributions and expenditures. We expect that firms will use some or all of the ways in their powers to influence government decisions that impact them. Thus, we look at the impact of all three spending measures, and also a combination of the three as a proxy for politically activity more generally. Furthermore, our study controls for other factors that could confound the results, including institutional and economic variables.

In order to explore the relationships between the major actors—firms, congressional representatives, and the bureaucracies—it is necessary to identify ways to link both political spending and patterns of representation to the outcomes of these antidumping cases. Increased transparency and accessibility of political activity data can help to facilitate this task. First, in terms of PACs, we can track exact spending from specific firms to members of Congress. This information illuminates exactly who is giving, who is getting, and how much money is changing hands. Furthermore, in order to shed some light upon "why" firms are giving to Congressional members through their PACs, and consistent with principal-agent and congressional dominance theories, we can track amounts of PAC monies to the specific trade policy oversight committee members. While linking committees to specific policies or issues is not always straightforward (Romer and Snyder 1994: 747-48), at least it is clear in the case of bureaucracies that implement trade policy that oversight lies with the House Ways and Means and Senate Finance Committees. Other research on trade policy has demonstrated the link between PAC spending, representation on oversight committees, and policy outcomes (Hansen and Prusa 1997; Moore 1992).

Establishing reasonable links between firms' lobbying expenditures and Congress, the executive and relevant bureaucracies is also feasible using the data offered by lobbying disclosure reports (United States Senate 1999). For example, in 1999 (the only relevant year for which data are readily available), the reports indicate that in all but 1 of the 27 cases that involved lobbying (of a total of 34 cases that year), firms and associations in our sample explicitly cite international trade rules, domestic trade legislation, trade-related political appointees, import monitoring (the direct responsibility of the ITC), and import quotas as their reasons for lobbying.[1] Finally, taking advantage of a recent change in disclosure rules that compel every firm to describe more clearly in these reports to whom they lobby and how much they spend, we can actually begin to track the links directly. In 1999, firms disclosed in all but one of the 27 cases involving lobbying that they had lobbied all three of the executive branch, Congress and the Department of Commerce. Similarly, from ITC reports we have a record of all parties—firms, associations, lobbyists, expert witnesses, and members of Congress—that participated in each formal hearing.

Generally, scholars have found that linking soft money to these outcomes is less straightforward particularly because of the circuitous route that money takes from the donor to the recipient. We do, however, have information on who gives soft money and how much they give. What is not known is to whom this money goes, and why. Nonetheless, because the firms and associations involved in our sample clearly participate in this type of political activity, we include it in the empirical analysis as a type of political spending.

Finally, precisely because firms attempt to influence policy through different types of political spending, we argue that combining the different types of spending is also worthwhile. While previous literature has overwhelmingly emphasized the impacts of PAC spending, it is reasonable to expect that firms are using multi-faceted strategies that often rely on more than one type of political activity.

DATA

Our data consist of 108 antidumping petitions filed between 1996 and 1999. We use 1996 as our starting date in order to take advantage of the new and better data afforded by the Lobbying Disclosure Act of 1995.[2] Among these cases, 59 percent of decisions were affirmative versus 41 percent

[1] Thus far, Congress has made these reports readily available for only 1999-2001.

[2] We cut off after 1999 because due to government information lags, a number of our key independent variables are not yet available for inclusion.

negative. In our empirical analysis, we focus on the final outcome of a case, which in our sample is essentially the ITC's decision on injury, since in the time period of our study, only one of the 108 cases received a formal negative ITA decision on dumping. As the ITC has final veto power over the policy outcome (the ITC moves last in the decision process), its injury determination is the decisive factor in our sample.[3] We incorporate the role of the ITA by using the degree of protection as an independent variable in predicting the final outcome (Devault 1993; Hansen and Prusa 1997).

Our sample is ideally suited to an analysis of interest group influence. Scholars have demonstrated that campaign and PAC contributions appear to influence the policy process more when the issues are less visible (Jones and Keiser 1987; Morton and Cameron 1992; Schroedel 1986; Wright 1990). "Less visible" issues are thought to be more susceptible to interest group pressures. With only a few exceptions, the general public has very little knowledge of the activities of agencies like the ITC or ITA. Therefore, we should expect that these antidumping cases would be particularly vulnerable to this kind of pressure.

Despite the relatively short time period, the institutional variation that might affect the policy outcomes is conspicuous. First, the composition of the commission changes dramatically from 1996 to 1999. Specifically, four new members (of a total of six) were appointed in this period. Additionally, because of vacancies on the commission and/or because commissioners sometimes recuse themselves, there are examples where, in only a one- or two-year span, entirely "different" commissions (i.e., different collections of commissioners) voted on separate cases.[4] The composition of the commission also speaks to variation in presidential administrations—for nearly 40 percent of the cases in this study the ITC was comprised of a majority of commissioners appointed by a Republican administration. That being said, we anticipate that changes in presidential administrations do not necessarily make for differences in antidumping policy outputs. Scholars argue that presidents—regardless of ideology—due to their broader constituency and the need to implement effective foreign policy, are more interested in the widespread benefits of policies that favor free markets as opposed to the particularistic domestic benefits of protectionist policies (Keech and Pak, 1995; Lohmann and O'Halloran, 1994). Finally, though we do not have variation across control of congress by party, we do not expect partisan politics to be a significant issue. For example, bipartisan tension appears to dissolve as we witness Republican and Democratic members of Congress testifying at public hearings for the same side (e.g., USITC Investigation No. 731-TA-768, Atlantic salmon from Chile). Nevertheless, we collect and analyze appropriate political spending data on the two major parties in order to examine any possible relationship between dumping policy outcomes and congressional control.

The general characteristics of the antidumping cases demonstrate both reasonable variation and several notable features and patterns. In terms of geographical representation across cases, almost every region of the globe is represented. The European Union countries are the most frequent targets, comprising nearly 15 percent of the cases. The majority of the remaining cases are spread relatively evenly among the NAFTA countries, Japan, China, Korea, the non-EU European nations, Taiwan, South America and the Southeast Asian countries. It is notable, however, that East Asia (China, Japan, Korea, and Taiwan) is a disproportionate target: they account for 41.7 percent of cases but roughly only one quarter of U.S imports during the time period of our study (United Nations 1996-1999).[5] In contrast, NAFTA products account for close to 30 percent of U.S. imports and only 11.1 percent of antidumping cases (UN 1996-1999). This discrepancy, however, may be an indication that these countries typically resort to NAFTA mechanisms that address problems such as dumping.

The nature of the industries involved in the antidumping cases also demonstrates both distinct patterns and variation. Overall, the 108 cases represent ten different broad industry categories. Each of construction products and steel products make up nearly a quarter of the antidumping petitions in the period of our study, while the plastics and chemical industry, and raw steel manufacturing combine for another quarter of the cases. The remainder of the cases is spread among the processed food sector, primary agricultural goods, electronics, textiles, minerals, and the auto/machinery sector.

While many previous studies emphasize the large number of steel and steel-related cases, few pay sufficient attention to the heterogeneity of the traditional definition of "steel" when assigning each case to an industry category. While raw steel and steel products comprise 67 (62 percent) of the cases in this study, any overarching category of "steel" does not begin to capture the wide variation in production processes and/or the firms that produce these goods. Using the Harmonized Tariff Schedule of the U.S., the ITC reports make a clear distinction between 191 different steel and steel-related products in the antidumping cases in this time period. These cases involve dozens of domestic firms that vary considerably in size from small, highly technical and specialized manufacturing operations to multi-billion dollar conglomerates. Particularly relevant to this study, the distribution of political spending of the participating actors over the set of steel and related cases demonstrates tremendous variation with a range of $800 to over three million dollars. Also, 28 different countries are the targets of these petitions.

[3] The ITA's recent propensity to rule that there is evidence of dumping contrasts somewhat with its pattern in 1980 to 1990 when they found dumping in 91 percent of cases (Hansen and Park 1995).

[4] Only two commissioners are required in order to enter a decision. Furthermore, a 50 percent split of voting commissioners by law goes to the affirmative (in favor of protection).

[5] It is important to note that the percentage of decisions involving these four countries in favor of protection is 63 percent, which is scarcely higher than the 59 percent of the overall sample.

Finally and most importantly, steel and steel-related cases do not appear to receive more favorable treatment than other industries—59 percent of steel cases received protection, which is identical to the larger sample. Nonetheless, we incorporate several different specifications of a steel dummy variable in the multivariate analysis to test for different treatment of that industry.

There is also considerable variation across cases with regard to political spending more generally. Overall, "politically active" firms participate in the ITC hearing process in 85 of the 108 cases in the sample. As Table 1 shows, on average, political contributions (either separately or as a sum of all three types of spending) by interests in favor of protection far outweigh contributions by interests opposed to protection. Much of the political spending opposed to protection comes from foreign firms. Though U.S. law does not constrain foreign corporations' lobbying expenditures, there are prohibitions on PAC and soft money contributions; therefore we might expect opposition spending to be somewhat less. Interestingly, domestic firms opposed to protection, present in over 90 percent of the cases, are not as big of spenders as proponents of protection despite not having any of the constraints of their foreign allies and despite the potentially high stakes. Also interesting, the average total contributions by firms and industries in favor of protection are nearly twice as high in successful cases as it is for unsuccessful petitions.

TABLE 1
POLITICAL CONTRIBUTIONS AND ANTIDUMPING CASES, 1996-1999

Final Ruling	In Favor of Protection	Opposed to Protection
Average PAC Contributions		
Affirmative—62 (59%)	$ 780,829*	$ 40,497
Negative—43 (41%)	$ 477,367	$ 19,610
Average Lobbying Expenditures		
Affirmative	$1,056,831*	$218,798
Negative	$ 515,842	$107,302
Average Soft Money Contributions		
Affirmative	$ 143,624	$ 28,791
Negative	$ 79,357	$ 6,559
Average Total Political Contributions		
Affirmative	$1,981,284*	$288,086
Negative	$1,072,566	$133,471

*Difference in means tests between affirmative and negative decisions within each spending category, $p < .05$.

MODEL AND MEASURES

We seek to model bureaucratic decisions on trade policy. We expect that several key general factors—political and economic—will condition these policy outcomes. Politically, we anticipate that domestic factors like political spending and patterns of representation will affect decisions to protect. Economically, we predict that the economic merit of the case (the ITC explicitly considers measures of economic injury) and trade relations with the foreign countries will likely affect the provision of protection. Working from these factors, we hypothesize the following general model:

$$\text{Protection Decision} = \beta_0 + \beta_1 \times (\text{Domestic Political Factors}) + \beta_2 \times (\text{Merits of Case}) + \beta_3 \times (\text{Foreign Trade Relations})$$

The dependent variable is dichotomous, indicating whether or not the petitioner(s) was successful at receiving protection. We remove cases from the analysis that a firm has withdrawn with no explanation (a total of three cases). In the six cases where the Department of Commerce negotiated a settlement, we count the case as an affirmative decision because an agreement indicates that the firm or industry received enough favorable terms to suspend their request for protection (typically a price increase by the foreign party). We believe that such agreements result in a policy similar to an affirmative decision (Prusa 1992).

Domestic Political Factors

One of the principal aims of this article is to incorporate direct measures of political pressure into the model. Previously, Hansen and Prusa (1996: 755) utilized industry-level PAC contributions as a crude measure of industry pressure. We refine this measure considerably by identifying the political contributions and lobbying activities of every interested party—firm or association—involved in the petition during the year leading up to the final bureaucratic decision.[6] Because we believe that firms and associations employ various and varying tactics to enhance their "access" to politicians, we explore the effects of each type of spending (PAC contributions, soft money contributions and lobbying expenditures) and also a composite measure of all three types of political spending to capture the overall impact of all spending activities. We have measures of firm and association spending for both "in favor of" and "in opposition to" implementing dumping duties for each type of political spending. We expect that higher contributions in favor of protection—regardless of the "type" of money—will increase the likelihood of an affirmative decision. By the same logic, we predict that the greater the contributions from firms opposed to the imposition of an antidumping duty, the more likely the decision will be negative.

[6] We use the year prior to the final policy decision for all of our data because the ITA and ITC typically take a minimum of 280 days to produce a decision, and this process can take up to 420 days.

In an effort to explore more systematically the logic of theories of political spending that focus on Congress, we track PAC money from firms and associations to the members of the relevant congressional oversight committees—House Ways and Means and Senate Finance.[7] We seek to link political spending to specific, highly relevant members of Congress in order to examine how spending might influence their decision making. We anticipate that greater contributions by firms in favor of protection to oversight members will enhance the likelihood of an affirmative decision. Similarly, we expect that contributions to oversight members from those opposed to protection will increase the probability of a negative final case decision.

The ability of firms or industries to influence policy outcomes might not be limited to the amount of money that they spend. Relationships with powerful and influential members of Congress can potentially serve their needs. Because congressional committees often have a more direct relationship with bureaucrats in government agencies due to their oversight responsibilities, we expect that the broad representation of the concerned industries in the constituencies of the appropriate House and Senate committee members will influence the outcome of petitions for protection. This relationship is consistent with the endogenous protection theory, and specifically the hypothesis that suggests industries enjoying broad political representation are more likely to receive favorable decisions to protect (Pincus 1975; Caves 1976). Furthermore, this relationship is also consistent with both principal-agent and congressional dominance theories. In our research, we are exploring specifically the breadth of representation of the affected industries on the appropriate oversight committees. Therefore, we use one measure to determine how many representatives from the House Ways and Means Trade Subcommittee have the specific industry in their district, and a similar measure to indicate how many senators from the Senate Finance Trade Subcommittee have the industry in their state. We predict that the greater the number of representatives or senators that have the industry in their district or state, the greater the likelihood that there will be an affirmative decision. We also want to test if money still matters when we control for representation.

Finally, we utilize a measure of industry size to approximate interest group strength. We assume that larger industries, particularly because they tend to employ more people, will have more resources, and wield more political clout (Finger, Hall, and Nelson 1982). Therefore, we use employment as a measure representing industry size. We predict that industries that employ more people will be more likely to receive an affirmative decision.

Merit of the Case

By statute, the ITC is directed to take into account the overall economic health of the petitioning industry. Because quantitative, industry-level data provide the commissioners with a reasonably good measure of the relative merit of a case, evidence of economic hardship should impact the decision making of the Commission. In order to capture this dynamic, we use the percentage change in capacity utilization. Similar to Hansen and Prusa (1996), we expect that a decrease in this measure will increase the likelihood of an affirmative decision.

The overall pattern of import flows is another variable related to relative case merit and economic injury that previous studies have consistently found to influence an ITC decision (Baldwin and Steagall 1994; Hansen and Prusa 1997; Moore 1992). We assume that evidence of substantial dumping and injury will appear in the presence of major changes in import flows. Specifically, sudden increases in a country's share of U.S. imports in a particular sector may be evidence to suspect dumping and injury to the domestic industry. Therefore, we utilize the change in U.S. import share in the specific industry from the named country to represent this concept. This measure best reflects change that is not indicative of more general market shifts.

Foreign Trade Relations

While at the microeconomic level, the change in U.S. import share from the named country may affect bureaucratic decisions on injury reflecting the merit of a case, at a macroeconomic level, the broader trade relationship with the target country may also condition decision making on antidumping petitions. We use the U.S. trade deficit with the target country as a control measure of foreign trade relations. Though economists have yet to reach a consensus on the real effects of trade deficits, the public perception of these deficits tends to be negative. We expect that larger trade deficits will positively affect the probability of an affirmative decision.[8]

ANALYSIS AND RESULTS

The results from our probit analyses, reported in Table 2, demonstrate some interesting general findings. From an economic perspective and consistent with our expectations, the measures of case merit are often significant in the models and always in the predicted direction. Also, the relationships between representation in the House and Senate oversight committees and the final decision to protect prove to be positive and statistically significant. Most importantly, even when controlling for economic merit of a case and congressional oversight, we find that there is a statistically significant positive relationship between petitioners' political activities and affirmative decisions on antidumping cases.

We find that each individual measure of "political activity"—PAC contributions, lobbying expenditures, and soft money donations—of firms and/or industry associations

[7] It is not possible to track either soft money or lobbying to specific members of Congress.

[8] Outside lobbying strategies may come into play here (see Kollman 1998).

TABLE 2
PROBIT ANALYSES OF U.S. ANTIDUMPING PETITIONS FOR PROTECTION, 1996-1999

Variable		PAC Model Coefficient (S.E.)	LOBBY Model Coefficient (S.E.)	SOFT Model Coefficient (S.E.)	Combined Model Coefficient (S.E.)	To Oversight (PAC only) Coefficient (S.E.)
Constant		–2.89** (0.72)	–2.56** (0.70)	–2.48** (0.69)	–2.67** (0.71)	–2.57** (0.70)
Contributions in Favor of Protection ($millions)		0.76** (0.24)	0.47** (0.17)	1.77* (0.85)	0.28** (0.10)	6.36* (3.26)
Contributions Opposed to Protection ($millions)		1.59 (1.37)	0.07 (0.38)	5.72 (4.97)	0.16 (0.27)	14.55 (16.60)
Ways & Means Trade Subcommittee Representation		0.25** (0.08)	0.19* (0.08)	0.17* (0.08)	0.22** (0.08)	0.19* (0.08)
Senate Finance Committee Representation		0.16** (0.05)	0.16** (0.05)	0.16** (0.05)	0.15** (0.05)	0.16** (0.05)
Employment (thousands)		–0.003 (0.002)	–0.003 (0.002)	–0.002 (0.002)	–0.003 (0.002)	–0.003 (0.002)
% Δ Capacity Utilization		–0.04** (0.02)	–0.03* (0.02)	–0.03* (0.02)	–0.04* (0.02)	–0.04* (0.02)
% Δ Import Share		0.05 (0.03)	0.06* (0.03)	0.06* (0.03)	0.05* (0.03)	0.05 (0.03)
Country Deficit ($billions)		0.01 (0.007)	0.01 (0.007)	0.009 (0.007)	0.01 (0.007)	0.01 (0.006)
Number of Cases	100					
Number of Affirmative Cases	59					
Percent Affirmative	59					
Percent Correctly Predicted		81%	78%	74%	78%	73%

* p < .05, ** p < .01

seeking protection is positively related to affirmative decisions for protection.[9] We also find that our combined measure of political spending of firms and/or associations seeking protection is positive and statistically significant. The results suggest that, with all other variables held at their mean, one million dollars more in overall political spending increases the likelihood of an affirmative decision by 10 percent. In all models, the measure of political spending by firms and/or associations in opposition to protection is positive, which run contrary to expectation, though it is never statistically significant.[10]

[9] We also test for the possibility that a fourth type of political spending—individual contributions to campaigns from firms' senior executives—can affect the antidumping policy process. Using Dun & Bradstreet's *Million Dollar Directory* (various years) to record the executives from the pro- and anti-protection firms in our data set, we track their "personal" political spending using the Center for Responsive Politics' individual donor search engine. When we run a model that replaces the spending variables with the new measures of individual contributions, we find that the individual contribution coefficients are positive but not significant. Furthermore, when we try adding these measures to the overall spending measures, and re-run the model, we find only minute differences. Perhaps because the quantity of money involved in individual donations tends to be very small in comparison to firm or industry spending, the added contribution is minimal.

[10] In a separate effort to simplify the models, we replace the pair of spending—both "in favor of" and "opposed to" protection—variables with one measure that represents the difference between the two. In otherwise identical models, the new spending variables have positive coefficients that are similar in strength to the "in favor of protection" variable in the original models; the soft money measure is significant at the .05 level, while the other three measures are statistically significant at the .01 level. The models otherwise remain stable wherein all of the independent variables demonstrate coefficients with the same direction and similar strength and statistical significance. We also try the spending variables as logged ratios of money in favor of money opposed to protection. Excluding the cases in each model where opposition money equals zero, we find that the new money ratio measures are positive and significant at the 5 percent level. However, the house representation and change in capacity utilization measures lose significance in both the PAC and the overall models. Similarly, if we replace zero opposition spending values with a value of one dollar in order to include all cases, the results are comparable.

In order to examine the role of foreign lobbying as a counter pressure to domestic interests, we make a distinction between foreign and domestic monies opposed to protection. In this model, using overall political spending, we find as expected that foreign spending has a negative impact on the likelihood of protection, though it is not statistically significant. Similar to the measure of the overall opposition variable in our general model, the measure of domestic contributions opposed to protection is insignificant.

Our two political measures that capture the breadth of representation in congressional oversight committees are both positive and statistically significant in all four models. Industries that operate in more districts/states of congressional oversight members enjoy a higher probability of trade protection. On the other hand, our general proxy measure for political power—the size of the industry—always has a negative coefficient, contrary to expectation but consistent with previous research (Hansen and Prusa 1997), but the results are also statistically insignificant.[11]

As we predict, both measures of economic hardship are significant across the models, with the exception of the PAC-only model where the measure for change in import share is not statistically significant. Generally however, an increase in capacity utilization means a petitioner is less likely to get protection, and if import share increases, the petitioners are more likely to get protection.[12] From these results, it is reasonable to suggest that the bureaucracy does favor industries facing economic hardship, consistent with their mandate. In order to test the role that the ITA plays in the overall policy outcome, we include a measure that represents the tariff (antidumping duty) that will be collected on foreign imports in the case of an affirmative decision. Literature on the ITC suggests that the tariff rate, as an indicator of the severity of dumping and therefore, presumably, its relative overall merit as a genuine case of unfair trade or economic activity, may affect the final bureaucratic outcome (Hansen and Prusa 1997). This measure is positive but insignificant in all four models. We do not include this variable in our final model because we lose cases due to missing data.

Our foreign trade relations variable, country deficit, is positive, consistent with our predictions, but the results are not statistically significant. In an alternative specification, we include three variables that test for other country effects. Historically, strong ties between Western Europe and the U.S. may lead to more favorable treatment, hence negative decisions; whereas cases against non-market economies, which typically rely on "constructed value" measures of home market performance, may be more successful (see Tharakan 1991 for a discussion). Additionally, a recently contentious trade relationship with Japan suggests that it might be a more frequent target of protection. None of the dummy variables prove to be statistically significant.[13]

As reported in the last column of Table 2, in a more direct test of congressional dominance and principal-agent theories, we replace the total PAC spending measure with a measure of PAC contributions by firms or industry associations for or against protection only to the relevant congressional oversight committee members. Our results indicate that these more specific PAC measures behave similarly in the model when they replace the overall PAC measures—they are both positive and the "in favor" money is statistically significant. All other coefficients are in the same direction as and are of similar strength to the overall PAC model. These results further buttress our theoretical contention that political contributions by these firms to congressional committee members and patterns of representation of these members related to the firms' industries can influence protection decisions.

Because the Republicans control Congress during the time period of our sample, we test for party effects by separating the pro- and anti- protection PAC contributions to oversight committee members by political party. Because contributions to Republicans and Democrats are highly correlated, it is not possible to include them in the same model. Instead we run separate models for each party. Only the measure of contributions to Democrats in favor of protection is statistically significant. Since money to Democrats during

[11] The results are the same if we use value of shipments as a measure of size instead of employment. In other specifications, we include a dummy variable to control for the fact that steel and steel related industries represent the preponderance of cases. By virtue of its economic size, its employment base, and its tradition of successful labor organizing, it is possible that this industry enjoys special treatment. Though we expected a positive relationship between steel industry involvement and affirmative decisions, no matter how we define steel (both with and without manufactured products of steel), the dummy variable is not significant for any of the four models. Further, it is highly correlated with our measures of oversight. Similarly, because of the possibility of highly efficient organizational abilities, we control for the participation of unions. Like the steel dummy, the variable is signed positively, as expected, but is never significant. It is also highly correlated with our measures of political contributions.

[12] When we add percentage change in employment as an alternative measure of economic hardship to our models using 4 digit SIC level data (matched as closely as possible to the cases across the years of our study), the variable is never significant and our other results are virtually unaffected.

[13] Despite the breadth of countries involved, substantive evidence suggests that larger foreign policy goals do not have an impact on policy outcomes in our sample of cases. Unlike the Escape Clause law (e.g. most of the recent steel cases involving Europe), which involves the president in the decision process and allows foreign retaliation, the antidumping law is administered solely by the ITC and ITA, and does not, by law, allow foreign retaliation, and cannot be overturned by the president. While foreign policy considerations may play a larger role, particularly in the ITA decisions, which allege an unfair foreign trade practice, there is no variance in our sample because, as discussed above, in only one of the 108 cases did the ITA rule against U.S. firms. Though the NAFTA countries attempted to resolve other trade difficulties in either the Binational or Arbitral Panel processes, none of the 12 cases that involved either of the two NAFTA countries—Canada and Mexico—became cases in these NAFTA dispute resolution mechanisms (we also controlled for participation of a NAFTA partner in separate specifications, and though the dummy variable is always negative as expected, it is never significant). Similarly, while national governments are allowed to appeal U.S. decisions to the World Trade Organization's Dispute Settlement Body, only one of the 108 cases was so appealed.

a Republican controlled Congress has a significant effect on protectionist decisions, one might expect similar patterns of influence during a Democrat-controlled time period.[14]

In the interest of exploring the stability of the effects of the independent variables in our overall model, we analyze two additional specifications of the dependent variable. First, we use an ordinary least squares model to analyze the percentage of commissioners voting in favor of trade protection. The direction and levels of significance of our independent variables do not change from the original models (Table 2). As a further test, we create a four-point quartile scale of the percentage vote in order to use ordered probit. These results are also similar to the original models.

The nature of an antidumping decision suggests that self-selection could be a potential problem (Blonigen and Bown 2003; Hansen 1990). Since firms choose whether or not to petition the bureaucracy for protection, they may base that choice on what they perceive as their likelihood of success. We test for self-selection and find little effect on the overall results. Due to data constraints, resulting from the SIC to NAICS switch, we are only able to test for self-selection using 1998 and 1999 cases. Using STATA's Maximum-Likelihood Probit Model with Sample Selection we incorporate a model for a firm's decision of whether or not to apply for protection predicted by the percentage change in shipments and imports for each type of spending. While the models demonstrate self-selection, the decision stage yields coefficients of the same direction and similar levels of significance as our original probit models.[15]

DISCUSSION AND CONCLUSIONS

Literature on the influence of political spending on policy outcomes is decidedly mixed. Typically, studies utilize congressional decisions, in some form, as the dependent variable, and PAC spending to operationalize political activity. Perhaps, it is the complex nature of congressional decisions generally that has produced such inconsistent, and sometimes contradictory, results. We argue that the specific characteristics of our set of cases and outcomes make it more suitable to explore the relationship between money and politics without succumbing to the confounding nature of the many variables that affect congressional decisions.

It is also possible that analysts have often underreported political activity in previous studies because PAC activity only captures one part of overall political spending. While the literature has focused overwhelmingly on the influence of PAC contributions, we have extended the analysis to other types of spending including lobbying and soft money. Moreover, by making a distinction between the different types of spending, we have begun to explore the causal relationships between the different types of money and policy outcomes. We also argue that our combined measure of spending—PAC contributions, lobbying expenditures, and soft money—is extremely useful because it recognizes that firms and industry associations employ different kinds of strategies to obtain access and possibly influence. Finally, our study uses firm level rather than the typical industry level political spending data and includes relevant associational spending, a variable that analysts often overlook.

Because most of the cases that we use in our study have a low public profile, we expect that firms and politicians have both incentives and opportunities to attempt to influence outcomes. Firms engage in political activities in a profit-maximizing manner to enhance their revenues and reduce their costs, while politicians have incentives to please important industrial constituents because of the potential for direct contributions and the votes of the industry's employees (Kollman 1998). Both parties recognize that low profile policy decisions are ideal because there are few observers to judge their activities. Simply, if a relationship between spending and policy outcomes exists, we would expect that it would show up in a set of cases such as requests to bureaucracies for protection. Thus, testing for this relationship in a "most likely" scenario suggests that subsequent research should strongly seek to identify a set of policy outcomes in "least likely" circumstances—testing for the relationship in a set of highly public cases where we expect behavior on both sides to be affected.

The data demonstrate an unmistakable pattern across different types of political spending that the winners of antidumping cases tend to outspend the losers. Furthermore, the results indicate that industries that are located in more oversight committee members' districts or states enjoy a greater probability of favorable treatment from these regulatory agencies. Systematic analysis of policy outcomes suggests that, even when controlling for economic hardship, the more money that firms and associations that favor protection spend, and the more favorable the patterns of congressional representation, the more likely is it that they will enjoy an affirmative decision.

Interestingly, spending—foreign and domestic—in opposition to protection is not significant. While it is not surprising that foreign money alone is not significant, considering that domestic firms or associations are listed in over

[14] Also, particularly to test for party effects, we run the original models with year dummies. Only 1996, the year when more than half of the ITC commissioners were appointed by a Republican administration—the "Bush" dummy—is positive and significant at the .001 level, while other coefficients are unaffected.

[15] Though previous research neither acknowledges nor treats the potential for error correlation, we address this by re-running each probit analysis using STATA's "Cluster" technique. Specifically, cases filed by the same firm(s) against different countries but about the same set of products may share some of the same values across independent variables and are therefore assigned to the same cluster. The results for each model are similar to the "non-clustered" models in terms of the direction of the coefficients. However, in cases where the level of significance was at the 1 percent benchmark, the level drops to 5 percent. In the model that examines oversight monies, the level of significance of the measure of PAC spending to oversight members in favor of protection drops from the 5 percent level to the 10 percent level. Furthermore, because most clusters of cases involve the steel industry, our tests with the various specifications of a steel dummy would also have picked up separately any error correlation difficulties.

90 percent of the formal ITC petitions as opposing protection, the lack of significance of the opposition spending variables is surprising. There are several plausible explanations for the lack of significance of the findings for "opposition" monies. First, domestic industries that use the protected product may be able to rely on cheap goods from other sources. When a dumping case is filed and won against a particular country, higher tariffs may raise prices and reduce imports from that country, but other countries may pick up the slack with greater exports and lower prices. One of the major complaints about the usefulness of the antidumping law in protecting U.S. industries is the problem of other countries simply increasing their exports. Thus, when multiple countries export the product to the U.S., opponents of protection may not always face significant enough losses to justify large expenses to counteract the policy.

A second reasonable explanation lies more in the differences in the general characteristics of those parties lined up for and against protection. In all cases, the firms in favor of protection are seeking protection for a specific commodity that they produce—presumably the decision to protect will greatly and directly impact their competitor's price and therefore, most probably, the profits of both groups. In contrast it is possible that many of the firm-level actors opposed to protection use the soon-to-be protected item as one input in a much larger process, and therefore have less to gain from actively seeking to block protection. While protection will negatively affect their profits, the effects may be fewer and smaller in magnitude in many circumstances. Developing meaningful measures of the cost versus the benefits to each firm opposed to protection is, unfortunately, far from straightforward.

This challenge relates closely to another notable limitation of this and earlier research—the model's measures of interest group strength and representation are really only representative of the parties in favor of protection. In other words, there are no measures of the inherent strength of the parties opposed to protection or their relationships to members of Congress. Unfortunately, because the interests lined up against protection tend to be considerably more varied (e.g. different industries using the same imported inputs), it is methodologically challenging to develop these corresponding measures. All that being said, precisely because opposition forces are potentially more fragmented and potentially have less at stake, we strongly suspect that these "missing" variables would have only minimal impacts on the overall results. Nonetheless, future research will have to attempt to address the complexities of developing better opposition measures in order to identify more definitively when, and how much, money "matters."

REFERENCES

Ansolabehere, Stephen, and James M. Snyder, Jr. 2000. "Symposium: Law and Political Parties: Soft Money, Hard Money, Strong Parties." *Columbia Law Review* 100 (April): 598-619.

Baldwin, Robert E. 1985. *The Political Economy of U.S. Import Policy*. Cambridge, MA: MIT Press.

Baldwin, Robert E., and Jeffrey W. Steagall. 1994. "An Analysis of United States International Trade Commission Decisions in Antidumping, Countervailing Duty and Safeguard Cases." Discussion Paper No. 990. Great Britain: Centre for Economic Policy Research.

Barone, Michael, and Grant Ujifusa. 1996-1999. *Almanac of American Politics*. Washington, DC: Times Mirror.

Baumgartner, Frank R., and Beth L. Leech. 1996a. "The Multiple Ambiguities of Counteractive Lobbying." *American Journal of Political Science* 40 (2): 521-42.

_____. 1996b. "Good Theories Deserve Good Data." *American Journal of Political Science* 40 (2): 565-69.

_____. 2000. *Lobby Disclosure Data Set—1996*. http://polisci.la.psu.edu/faculty/Baumgartner/welcome.htm#research.

Blonigen, Bruce A., and Chad P. Bown. 2003. "Antidumping and Retaliation Threats." *Journal of International Economics* 60: 249-73.

Caves, Richard. 1976. "Economic Models of Political Choice: Canada's Tariff Structure." *Canadian Journal of Economics* 9: 278-300.

Center for Responsive Politics. 1995-1999. *Donor Lookup, Lobbying Data, Political Action Committees, and Soft Money Donor Search*. www.opensecrets.org

Choate, Pat. 1990. *Agents of Influence: How Japan's Lobbyists in the United States Manipulate America's Political and Economic System*. New York: Knopf.

Devault, James M. 1993. "Economics and the International Trade Commission." *Southern Economic Journal* 60 (2): 463-78.

Dun & Bradstreet. 1997-1999. *Million Dollar Directory*. Bethlehem, PA: Dun & Bradstreet.

Dwyre, Diana. 1996. "Spinning Straw into Gold: Soft Money and U.S. House Elections." *Legislative Studies Quarterly* 21 (3): 409-24.

Executive Office of the President of the United States. 1997. *North American Industry Classification System—United States*. Washington, DC: U.S. Government Printing Office.

Federal Election Commission. 1995-1996. *FEC Disclosure Reports—Political Action Committee*. http://herndon1.sdrdc.com/fecimg/index.html

Finger, Michael J., H. Keith Hall, and Douglas Nelson. 1982. "The Political Economy of Administered Protection." *American Economic Review* 72 (3): 452-66.

Gopoian, J. David. 1984. "What Makes PACs Tick? An Analysis of the Allocation Patterns of Economic Interest Groups." *American Journal of Political Science* 2 (2): 259-81.

Hansen, Wendy L. 1990. "The International Trade Commission and the Politics of Protectionism." *American Political Science Review* 84 (1): 21-46.

Hansen, Wendy L., and Kee Ok Park. 1995. "Nation-State and Pluralistic Decision-Making in Trade Policy: The Case of the International Trade Administration." *International Studies Quarterly* 39: 181-211.

Hansen, Wendy L., and Thomas J. Prusa. 1996. "Cumulation and ITC Decision Making: The Sum of the Parts is Greater than the Whole." *Economic Inquiry* 34 (October): 746-69.

_____. 1997. "The Economics and Politics of Trade Policy: An Empirical Analysis of ITC Decision Making." *Review of International Economics* 5 (2): 230-45.

International Monetary Fund. 2000. *Direction of Trade Statistics Yearbook*. Washington DC: International Monetary Fund.

Jones, Woodrow Jr., and K. Robert Keiser. 1987. "Issue Visibility and the Effects of PAC Money." *Social Science Quarterly* 68: 170-16.

Keech, William R., and Kyoungsan Pak. 1995. "Partisanship, Institutions, and Change in American Trade Politics." *The Journal of Politics* 57 (4): 1130-42.

Kollman, Ken. 1998. *Outside Lobbying*. New Jersey: Princeton University Press.

Langbein, Laura I. 1986. "Money and Access: Some Empirical Evidence." *The Journal of Politics* 48 (4): 1052-62.

Lohmann, Susanne, and Sharyn O'Halloran. 1994. "Divided Governments and U.S. Trade Policy: Theory and Evidence." *International Organization* 48: 595-632.

Magleby, David, and Marianne Holt. 1999. "Soft Money and Issue Advocacy." *Campaigns and Elections* 20 (4): 22-28.

McCubbins, Matthew D., and Thomas Schwartz. 1984. "Congressional Oversight Overlooked: Police Patrols Versus Fire Alarms." *American Journal of Political Science* 28: 165-69.

Moore, Michael. 1992. "Rules or Politics? An Empirical Analysis of ITC Antidumping Decisions." *Economic Inquiry* July: 449-66.

Morton, Rebecca, and Charles Cameron. 1992. "Elections and the Theory of Campaign Contributions: A Survey and Critical Analysis." *Economics and Politics* 4 (1): 79-108.

Pincus, J. J. 1975. "Pressure Groups and the Pattern of Tariffs." *Journal of Political Economy* 83: 757-78.

Prestowitz, Clyde. 1988. *Trading Places*. New York: Basic Books.

Prusa, Thomas J. 1992. "Why Are So Many Antidumping Petitions Withdrawn?" *Journal of International Economics* 33: 1-20.

Roka, Fritz M. 2001. "Estimating the Demand and Availability of Seasonal Agricultural Labor in the Southwest Florida Tomato Industry." Immokalee: Southwest Florida Research and Education Center. www.imok.ufl.edu/veghort/pubs/workshop/Roka.htm.

Romer, Thomas, and James N. Snyder, Jr. 1994. "An Empirical Investigation of PAC Contributions." *American Journal of Political Science* 38 (3): 745-69.

Rushford, Greg. 2000. "Tariff Walls: Incentivizing Protectionism." *The Asian Wall Street Journal* (October 20).

Saltzman, Gregory M. 1987. "Congressional Voting on Labor Issues: The Role of PACs." *Industrial and Labor Relations Review* 40 (2): 163-79.

Schroedel, J. 1986. "Campaign Contributions and Legislative Outcomes." *Western Political Science Quarterly* 39: 371-89.

Seidman, Harold. 1970. *Politics, Position, and Power*. New York: Oxford University Press.

Shepsle, Kenneth A. 1979. "Institutional Arrangements and Equilibrium in Multidimensional Voting Models." *American Journal of Political Science* 23: 27-60.

Shepsle, Kenneth A., and Barry R. Weingast. 1984. "Uncovered Sets and Sophisticated Voting Outcomes with Implications for Agenda Institutions." *American Journal of Political Science* 28: 49-74.

Smith, Mark A. 1999. "Public Opinion, Elections, and Representation within a Market Economy: Does the Structural Power of Business Undermine Popular Sovereignty?" *American Journal of Political Science* 43, No. 3 (July): 842-63.

_____. 2000. *American Business and Political Power: Public Opinion, Elections, and Democracy*. Chicago: University of Chicago Press.

Tharakan, P. K. M. 1991. "East European State Trading countries and Antidumping Undertakings." In P. D. M. Tharakan, ed., *Policy Implications of Antidumping Measures*, pp. 143-73. Amsterdam: North Holland.

United Nations. 1996-1999. *International Trade Statistics Yearbook*. Geneva: United Nations Press.

U.S. Census Bureau. 1993-1999. *Annual Survey of Manufacturers*. www.census.gov/prod/www/abs/industry.html

U.S. Census Bureau. *1997 Economic Census Summary Statistics for the United States*. www.census.gov/epcd/www/econ97.html

U.S. Census Bureau. 1993-1998. Table 1a—*Capacity Utilization Rates by Industry*.

U.S. Census of Agriculture. 1992 and 1997. *Cattle Calves—Sales 1992 and 1997*. www.nass.usda.gov/census/census97/volume1/us-51/us1_25.pdf

U.S. Census of Aquaculture. 1998. *Census of Aquaculture*. www.nass.usda.gov/census/census97/aquaculture/aquaculture.htm

U.S. International Trade Commission, *Dataweb*. http://dataweb.usitc.gov (Imports by Harmonized Tariff Schedule codes for 1995-1999).

U.S. International Trade Commission. 1996-2000. *Investigations (Antidumping) 731-TA-740 to 731-TA-851*.

U.S. Senate—Office of Public Records. 1999. http://sopr.senate.gov.

Weingast, Barry R. 1981. "Regulation, Reregulation, and Deregulation: The Political Foundations of Agency Clientele Relations." *Law and Contemporary Problems* 44: 147-77.

_____. 1984. "The Congressional-Bureaucratic System: A Principal-Agent Perspective with Applications to the SEC." *Public Choice* 41: 147-92.

Wood, B. Dan. 1988. "Principals, Bureaucrats, and Responsiveness in Clean Air Enforcements." *American Political Science Review* 82 (1): 213-34.

Wood, B. Dan, and Richard W. Waterman. 1991. "The Dynamics of Political Control of the Bureaucracy." *American Political Science Review* 85, No. 3 (September): 801-28.

World Bank Indicators. 2000. *Table 6.6—Tariff Barriers*. www.worldbank.org/data/wdi2000/pdfs/tab6_6.pdf

Wright, John R. 1990. "Contributions, Lobbying, and Committee Voting in the U.S. House of Representatives." *American Political Science Review* 84 (2): 417-38.

Received: December 11, 2002
Accepted for Publication: March 4, 2003
jdrope@unm.edu
wlhansen@unm.edu