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Julia Rabinovich

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ABSTRACT

Administrative Responsiveness to Public Opinion

Julia Rabinovich

This dissertation project is one of the first to explicitly study the theoretical and empirical relationship between public opinion and the policies of unelected administrative agencies in the United States. This research addresses two important questions: (1) given the absence of a direct electoral connection between bureaucrats and the public, should we expect administrative policies to be responsive to the public's wishes and (2) if we do expect responsiveness, to what extent does the interaction between bureaucrats and elected officials affect the scope of responsiveness? I develop a formal theoretical model of administrative policymaking and test its empirical implications using time-series data on regulatory policies of the Federal Communications Commission, the Equal Employment Opportunity Commission, and the International Trade Commission.

The theoretical and empirical results of this study demonstrate that administrative agencies may be responsive to public opinion even in the absence of an electoral connection between citizens and bureaucratic agencies. However, the findings also suggest that the relationship between legislative and administrative responsiveness to public opinion is conditional on the success of legislative oversight of bureaucracy and on the gatekeeping powers of congressional committees. As a result, a strong correspondence between administrative policies and public opinion is not always guaranteed in a democratic system, even when the legislature itself is responsive to the public's wishes. Furthermore, issue salience plays an

important role in administrative responsiveness. For issues that are easily accessible to citizens, such as equal employment policy, issue salience increases administrative responsiveness. However, for complex issues, such as foreign trade policy, issue salience instead appears to strengthen the relationship between administrative policies and interest groups' preferences.

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Chapter 1

Administrative Policy Responsiveness: Beyond Electoral Connection

This dissertation aims to answer what might appear like a rather straightforward, yet fundamental question: what role does the general public in policymaking process? At first glance, this question appears to be almost trivial, given that the study of the role of the citizens in democratic politics has always been central to social science research. Political philosophers have established normative basis for public's participation in democracy. Other scholars provided theoretical explanations and empirical evidence about the extent of public's influence on legislative policy decision (e.g., Page and Shapiro 1983, Erikson, MacKuen and Stimson 2003). The main emphasis of these studies was on the electoral connection between the legislators and their constituencies. Indeed, when we think about democratic theory and, consequently, the public's involvement in policy, the first thing that comes to mind is the most prominent of all democratic institutions: free and fair elections. The public elects its representatives, and they, in turn, formulate policy that is reflective of public opinion. Therefore, it is not surprising that empirical literature embedded in the democratic theory focuses exclusively on policymaking of elected officials.

What remains unexplored, though, is policymaking that is delegated to the executive branch and its administrative agencies. In my opinion, one cannot fully understand the involvement of the public in politics without accounting for its influence on administrative policy. While elections provide a direct connection between the public and *legislative* policy, policy decisions extend far beyond the legislative arena. Many important policy decisions are

made not on the congressional floor, but within numerous executive institutions in charge of implementing legislative policy. This research addresses an important, but unexplored aspect of policy responsiveness: the relationship between public opinion and policies implemented by unelected bureaucratic institutions.¹ As mentioned earlier, whether examining legislative responsiveness (e.g., Miller and Stokes 1963, Fiorina 1981, Page and Shapiro 1983, Erikson, MacKuen and Stimson 2003) or presidential responsiveness (e.g., Canes-Wrone 2006, Canes-Wrone and Shotts 2004, Jacobs and Shapiro 2000), scholars have paid little attention to the policymaking delegated to and implemented by bureaucratic agencies. At the same time, public administration scholars have largely ignored the electorate and have focused almost exclusively on the role of political elites, thus, rarely including the preferences of the general public in their analyses (e.g., Weingast and Moran 1983, McCubbins, Noll, Weingast 1987, Moe 1989, Moe and Caldwell 1994). As a result, these studies overlook an important aspect of administrative policymaking. Given that evidence demonstrates that administrators do not function in a political vacuum and are not immune to political pressures, it is surprising the scholars have not been paying more attention to the role of electoral pressures from the general public on administrative policy decisions.

Administrative institutions including independent commissions and executive branch agencies are responsible for regulation of many economic and social aspects of our lives. Baron (2005) provides a detailed list of policy areas that are regulated by administrative institutions:

- controlling prices (electrical power, local telephone service)
- setting price floors (crops, minimum wages)

¹ One aspect of this relationship was addressed by Alvarez and Brehm (1998). Their study focuses on the public's expectations of the IRS's responsiveness to circumstance of specific cases versus citizens' expectations of the agency's fairness in treating individuals. Hence, Alvarez and Brehm's study does not examine whether the actual treatment of citizens by the IRS corresponds to the public's preferences concerning taxation policy implementation.

- ensuring equal opportunity (banning discrimination in employment)
- regularizing employment practices (overtime)
- specifying qualifications (occupational licensure)
- providing for solvency (financial institutions, insurance, pension plans)
- controlling for number of market participants (broadcast licenses, taxi medallions)
- limiting ownership (media, airlines)
- requiring premarketing approval (toxic chemicals, pharmaceuticals)
- ensuring product safety (pharmaceuticals, toys, food)
- mandating product characteristics and technology (automobile safety standards)
- establishing service territories (local telephone service)
- controlling toxic emissions and other pollutants (sulfur dioxide emissions trading)
- specifying industry boundaries (insurance, banking, and stock brokerage boundaries)
- allocating public resources (spectrum allocation)
- establishing standards (telecommunications interconnection)
- controlling unfair international trade practices (antidumping)
- providing information (labeling)
- rationing common pool resources (fisheries) (Baron 2005, p. 323-324)

Prominent examples of administrative policy decisions include: the Fairness Doctrine and its subsequent abolition by the Federal Communication Commission (FCC), decisions about birth control pills, drug safety, consumer advertising of prescription drugs and drug labeling by the Federal Drug Administration (FDA), telephone communication regulation by the FCC, environmental regulation by the Environmental Protection Agency (EPA) and many others. But unlike legislative institutions, most bureaucratic agencies, especially on the federal level, are not elected by the public and are, thus, not directly accountable to it through electoral process.

The bureaucratic power is further increased by the fact that legislators often use policy delegation as a strategic tool to further their electoral goals. As such, legislators might choose to leave legislation purposely vague and delegate policymaking powers to administrative agencies that are less scrutinized by the media and, consequently, by the general public. Vague legislation is particularly useful to legislators when major competing interest groups and domestic industries are affected by the policy. For example, the 1996 Telecom Act legislation affected major media outlet benefiting some at the expense of the others. To minimize the negative effects of the

legislation on legislators' relationship with the industry, the implementation of most controversial aspects of the telecommunications reform was left to the Federal Telecommunications Commission. "... [T]he final 1996 Telecom Act established little more than rough parameters for deregulating and achieving competition in the telecommunication sector, set no date for abolishing regulatory hurdles to competition for the Baby Bells (much less for abolishing the regulators themselves), and left the details of the law's intentions and how it was to be implemented to the FCC and the courts" (Rich 2007, p.249). Additionally, one of the most controversial features of the Telecommunications Act of 1996 – the media ownership rules – was left intentionally vague.

Section 202 [of the Telecommunications Act] instructed the Commission to revise particular ownership rules and waiver policies, but the newspaper/broadcast cross-ownership rule and waiver policies were not among them. In fact, the legislative history of the 1996 Act shows that Congress expressly considered but rejected making changes to the newspaper/broadcast cross-ownership policies. At the same time, section 202(h) of the 1996 Act instructs the Commission to review each of its ownership rules biennially, to determine whether the rule is "necessary in the public interest as a result of competition" and repeal or modify any rule it finds is no longer in the public interest. In sum, Congress has directed the Commission to review its newspaper/broadcast cross-ownership rule as part of its biennial review process, but has not directed it to take any particular action (Federal Telecommunication Commission 2001).

While we have a rather good understanding of the role of interest groups in the administrative process, we know very little about whether the general public affects bureaucratic agencies' decisions. Some anecdotal evidence helps us understand how the general public might affect administrative policy via legislative oversight. Kerwin (2003) provides an interesting illustration of how the potential pressure from the public influenced the Federal Aviation Administration policy decisions despite the wishes of the industry affected by the regulation. He states that "[w]hen the [Federal Aviation Administration], reacting to a fire that killed passengers

on an Air Canada flight, issued regulations governing fire extinguishers, congressional pressure for action completely eclipsed any influence by industry” (Kerwin 2003, p.203).

On the other hand, two additional examples – the changes in the media ownership rules by the FCC and the state of Illinois electricity deregulation – provide evidence that administrative policy might not always be attentive to the wishes of the general public. In July 2003, after more than 3 years of deliberation, the FCC issued an order and notice of proposed rulemaking changing the cap on the media ownership in a single media market from 35% to 45%. The decision has attracted enormous amount of public attention: more than 500,000 brief comments and letters from citizens were submitted in response, most of them objecting the decision. Despite the widespread public opposition to ownership rules changes, the Commission ignored public opinion and accepted the change. In fact, in an earlier interview Michael Powell (then the chairman of the FCC) responded:

It is interesting to receive public opinion through e-mail, but e-mails do not count as evidence....The comments are nice to know people's sentiments, but they tend to be at a very generalized level (Mulkern, Denver Post, March 23, 2003).

At the same time existing public opinion surveys clearly indicated that public discontent expressed in the comments was a good evidence of public’s opposition to the policy. Surveys conducted by Pew Research Center indicated that the majority of public was opposed to the changes in the media ownership and the opposition just continued growing. The survey data in Table 1 clearly demonstrate public’s growing dissatisfaction with the changes in media ownership rules with 50% of citizens objecting the decision in June 2003. The amounting pressure from the public was not left unnoticed by the legislature: in the following year Congress modified the rule and reduced the ownership cap to 39%.

Table 1. Public Opinion on Media Ownership Changes

“Currently federal rules limit how many outlets a company can own nationally and in any one community. What is your opinion – do you think allowing companies to own more TV, radio and newspaper outlets in a community would have a positive or negative effect on the country, or wouldn’t it make much difference?”	February 2003*	June 2003**
Positive	11%	10%
Wouldn’t make much difference	46%	36%
Negative	34%	50%
Don’t know/No Opinion	9%	4%

Sources:

* Survey by Pew Research Center for the People & the Press, conducted by Princeton Survey Research Associates, February 12-February 18, 2003 and based on telephone interviews with a national adult sample of 1,254.

** Survey by Pew Research Center for the People & the Press, conducted by Princeton Survey Research Associates, June 19-July 2, 2003 and based on telephone interviews with a national adult sample of 1,201.

Another example refers to the deregulation of electricity prices in the state of Illinois. The state of Illinois, like many other states across the country, regulated electricity prices via electricity price caps that put a freeze on the rates since 1996.² With the date of the rate freeze expiration approaching, public opinion data showed that 57% of the Illinois residents supported the extension of the freeze rate with only 27% opposing it.³ However, in January 2007, despite substantial public opposition, the Illinois Commerce Commission (the state public utility

² The rationale behind the rate freeze was that it would allow for a competitive market for electricity to develop within 10-year period. Once the market is deregulation, the competition was expected to drive the prices down.

³ Survey conducted by Mason-Dixon Polling and Research Inc., October 30-31, 2006.

commission) removed the price caps on electricity rates, resulting in electricity prices increases in the range of 40-55%.

The two aforementioned examples demonstrate that unelected bureaucrats might not always be responsive to the wishes of the general public. Given that bureaucratic institutions are not directly elected by the general public, the assumption of electoral connection theory – the foundation of legislative responsiveness literature – is not directly applicable to administrative responsiveness. As a result, we are missing both a theoretical account of the relationship between administrative policy and public opinion and the empirical evidence of the existence of such a relationship. Consequently, this research addresses two questions: (1) in the absence of an electoral connection, should we expect administrative policies to be responsive to the public's wishes? and (2) if we should expect responsiveness, to what extent do political institutions affect the scope of administrative responsiveness to public opinion?

In this dissertation project, I develop a theoretical model, presented in Chapter 2, that examines how congressional oversight - the main mechanism connecting legislative and bureaucratic institutions - affects both administrative policymaking and, accordingly, administrative responsiveness to public opinion. The theoretical results demonstrate that, contrary to conventional wisdom, administrative responsiveness to public opinion is neither uniform nor does it necessarily follow from legislative responsiveness. Rather, the relationship between public opinion and administrative policies is contingent on the structure of institutional preferences. In some cases, legislative responsiveness induces administrative responsiveness; however, under certain political circumstances, such as a divided government, greater legislative responsiveness to public opinion can lead to less responsiveness from administrative agencies.

Chapters 3 to 5 present three empirical case studies that test different aspects of the theoretical model. Chapter 3 focuses on the relationship between public opinion and broadcasting policies implemented by the Federal Communications Commission from 1966 to 1995. This chapter presents the most direct test of the theoretical model offered in Chapter 2. The empirical results suggest that the interaction between political institutions is a very important determinant of administrative responsiveness to public opinion. As predicted by the theoretical model, I find a stronger correlation between administrative and legislative responsiveness when the interaction between political institutions permits successful congressional oversight, particularly in the case of broadcasting license revocations. Telecommunications regulation appears to be much more congruent with public opinion when the legislature (and not the oversight committees) is able to exert substantial control over FCC decision-making.

In Chapter 4, I examine the enforcement of anti-discrimination laws by the Equal Employment Opportunity Commission (EEOC) over the past 30 years. Unlike the first case study, which focuses on economic regulation, EEOC policy constitutes social regulation, which is both more salient and often considered more contentious than economic regulation. Using data on litigation and charge resolutions in areas of civil rights discrimination, equal pay, and sexual harassment, I analyze the relationship between public opinion on racial policy and EEOC decision-making. Moreover, in this case study I explore how issue salience affects the relationship between public opinion and administrative policy. The results of equal employment policy analysis demonstrate that EEOC litigation practices are responsive to public opinion and policy responsiveness increases with media attention to issues of civil rights and civil liberties. In

addition, the empirical results indicate that stronger oversight by congressional committees reduces administrative policy responsiveness to public opinion.

In Chapter 5, I focus on foreign trade policymaking and examine the International Trade Commission's (ITC) antidumping policy decisions since 1980. In this study, I take advantage of a series of elite and public opinion surveys conducted by the Chicago Council on Global Affairs (formerly Chicago Council on Foreign Relations) that asked political elites – such as legislators, bureaucrats, business leaders, and labor unions leaders – and the general public a series of identical questions about foreign policy preferences, particularly on issues of foreign trade. Thus, in this case study I am able to examine the competing influences of public opinion and interest groups on administrative policy. The results of this study confirm that public opinion can affect administrative policy via legislative oversight. However, the findings also show that on issues as technical and complex as foreign trade media attention to the issue appears to increase administrative responsiveness to interest groups instead of to public opinion.

The concluding chapter compares the results from all three empirical case studies, discusses the implications of the results to the study of democratic politics and provides some suggestions for future research.

Literature Review

Studies of Legislative and Presidential Responsiveness to Public Opinion

The expectations of policy responsiveness to public opinion go back to the rational choice literature of electoral politics. Starting with Downs (1957), scholars have accepted the notion that politicians derive electoral benefits from following the public's wishes, or making

policies in accord with public opinion while in office (Fiorina 1981). Most public opinion-policy studies find considerable correspondence between public preferences and public policy.⁴ Page and Shapiro (1983, 1992) find that a majority of major policy changes in the post-WWII era were preceded by significant changes in public opinion. Monroe (1998, 1979), in cross-sectional studies, finds that policy outcomes were consistent with the preferences of majorities of the public 63% of the time in 1960–1979, but the consistency declined to 55% in the 1980s and early 1990s. Erikson, MacKuen, and Stimson (2003) and Stimson, MacKuen, and Erikson (1995) find impressive evidence of responsiveness to public opinion by all federal political institutions (for the evidence of high levels of responsiveness of state legislatures see Erikson, Wright and McIver [1993]).⁵

While these studies constitute notable evidence of policy responsiveness to public opinion, what they mean by “policy” varies widely, and virtually never includes actual policy implementation. For example, the seminal “collective representation” study by Page and Shapiro (1983), while implying that it focuses on legislative policy outputs, does not provide a detailed account of how exactly the policy was measured. Monroe’s (1998, 1979) measure of policy appears to be similar to Page and Shapiro’s (1983): the author chose a series of public-opinion survey questions and identified policies corresponding to those questions. Policy outcomes were recorded using annual *Congressional Quarterly Almanac* and *Weekly Report* together with news

⁴ Wlezien and Soroka (2007) provide an excellent extensive review of the public opinion and policy literature.

⁵ Similar findings were reported with respect to legislators’ responsiveness to their own constituencies (districts or states). The pioneering study of constituency influence on legislative policy by Miller and Stokes (1963) found that representatives’ voting behavior, especially in the realm of civil rights, matched the preferences of the constituency in their districts. Following Miller and Stokes’ lead, scholars have demonstrated that constituency opinion is a powerful determinant of votes on defense spending (Bartels 1991, Wlezien 1996) and trade policies (Bailey 2001). They also found that the economic interests of the general public were central to congressional votes on various issues over time (Poole and Rosenthal 1997, Bishin 2000).

and documentary sources. The measure was later dichotomized into either maintenance of the status quo or a change in policy.

A more complex version of legislative policymaking is presented by Smith (1999), who develops six different annual measures of congressional activity with regards to business-related legislation. In addition to voting records, his measure includes indicators of policy as reflected in legislative agenda and committee proposals. Another specification of policy usually involves some measure of congressional appropriations, annual budgets, or spending authorized by the legislature in various policy realms, such as welfare (Wlezien 2004) and military and defense spending (Hartley and Russett 1992, Eichenberg and Stoll 2003).

At the state-level policy analysis, studies of welfare policy find that the variation in welfare policies across the states can be explained by different characteristics of state electorates: state public opinion liberalism (Erickson, Wright and McIver 1993, Brown 1995, Berry et al. 1997), the levels of lower-class mobilization (Hill and Leighly 1992, Hill, Leighly and Hinton-Andersson 1995), racial composition (Hero and Tolbert 1996, Fording 1997, Soss et al. 2001), or a combination of these factors (Fellows and Rowe 2004).⁶ Here again, the policy mostly refers to legislative actions, such as variation in policy choices and spending on Aid to Families with Dependent Children program (AFDC) and its successor the Temporary Aid to Needy Families program (TANF).

Erikson, MacKuen, and Stimson (2003) and Stimson, MacKuen, and Erikson (1995) offer one of the most comprehensive studies of policy responsiveness, by examining policy responsiveness to public opinion across all federal political institutions. While these studies

⁶ While not all the studies focus their attention on the specific role of public opinion, two (out of three) that include a measure of state ideology in their analyses find public opinion to have a significant impact on welfare policies (Hill, Leighly and Andersson 1995, Fording 1997).

disaggregate policy outputs among different political institutions—House, Senate, the President and the Courts—they again focus only on voting behavior of the members of each institution and the President. As such, their measure of policy incorporates different aggregations of interest groups voting scores, presidential positions on key congressional votes, and votes cast by Justices in the Supreme Court, but no measure of policymaking by executive agencies. The only executive actor besides the President that is analyzed in this study is the Solicitor General and his policymaking proposals in the *amicus* briefs submitted to Supreme Court.

Many scholars also study presidential responsiveness to public opinion (e.g., Canes-Wrone 2006, Canes-Wrone and Shotts 2004, Jacobs and Shapiro 2000). Unlike, most congressional responsiveness studies, scholars of presidency traditionally emphasize the strategic calculations involved in presidents' decisions to follow the public's wishes. As a result, they often identify political circumstances that are particularly conducive to presidential responsiveness. For example, Cohen (1997) demonstrates that presidents tend to be more responsive to public opinion in the early stages of policymaking – mostly as part of their rhetoric, before committing to a particular policy solution. Jacobs and Shapiro (2000) show that presidents often try to strategically change public opinion before promoting policies that might not be popular with the general public. Yates and Whitford (2005) argue that presidential responsiveness depends on electoral circumstances, such as the proximity of elections and policy salience. Finally, Canes-Wrone and colleagues (Canes-Wrone 2006, Canes-Wrone and Shotts 2004, Canes-Wrone, Herron and Shotts 2001) put forward a general theory of presidential responsiveness. This theory identifies when a president will follow public opinion (even when it is contrary to her perception of the public good) and when a president will adopt a leadership

position by enacting policies despite the public's preferences. These studies show that a president will "pander" to the public only when she is neither very popular nor very unpopular and when the outcome of the policy will not be revealed before the following election.

While the aforementioned studies propose different strategies for measuring policy responsiveness to public opinion, none examines the impact of public opinion on policies implemented by executive agencies. The focus on legislative policies should not be surprising given the underlying theory of the democratic responsiveness literature. The view of the electoral connection as the main (in fact, the only) mechanism connecting the public to legislative behavior does not provide clear, straightforward hypotheses about the link between public opinion and administrative policies. What is surprising is that, given the extent and the importance of policy delegation from legislature to the executive, public opinion scholars have not extended the electoral connection theory to include causal mechanisms that link the general public to administrative policies.

Studies of Bureaucratic Politics

Studies that do analyze policymaking by administrative agencies tend to ignore the role of the general public in the process. Instead, the administrative decision-making literature tends to focus on the role of political elites—the legislature, the President, interest groups, and the Supreme Court—as the main determinants of the decisions made by bureaucratic agencies.

First, scholars of congressional-bureaucratic relations have examined mechanisms that Congress employs to overcome informational disadvantages and to exert control over agencies with better policy expertise. Earlier studies of bureaucratic policymaking emphasized above all

the informational advantages of administrative agencies over the legislature and thus ascribed to these agencies a dominant role in the inter-branch relationship (e.g., Lowi 1987, Niskanen 1971). However, later studies of delegation to and control of bureaucracy have not viewed Congress as powerless in the face of the information asymmetry, but instead modeled the strategic interaction between Congress and bureaucracy as a “principal-agent” problem, which defines procedural mechanisms that can mitigate Congress’ informational disadvantages (e.g., Weingast and Moran 1983, Moe 1984, McCubbins, Noll, Weingast 1987, Lewis 2003). McCubbins, Noll, and Weingast (1987) argued that ex-ante administrative procedures adopted by Congress can be used to enfranchise important constituencies and incorporate their interests into the agency decision-making process, assuring that agencies are responsive to their interests. Congress may also assign the oversight mission to other actors, allowing them to sound “fire-alarms” in case of bureaucratic shirking (McCubbins and Schwartz 1984). In addition, the legislature can control the bureaucracy with ex-post mechanisms, such as appointments, budgets, and specific sanctions imposed on those bureaus that fail to provide congressional benefits (Weingast 1984).⁷

Empirical studies provide evidence that Congress (or more accurately congressional oversight committees) indeed influences bureaucratic decisions, despite the informational asymmetry. Weingast and Moran (1983) provide empirical evidence of substantial congressional control and show that regulatory policy making by the Federal Trade Commission was quite responsive to changes in congressional preferences. They conclude that “congressional institutions, including interest groups and ex-post sanctions afford considerable influence over bureaucratic agencies” (p. 792, but c.f., Moe 1987). Other studies provide similar evidence. For

⁷ See Moe (1987) for a critique of this approach.

instance, empirical analyses have demonstrated that the preferences of relevant congressional committees (and subcommittees) are positively correlated with the policy output/enforcement activities of the Environmental Protection Agency (Ringquist 1995), and the National Labor Relations Board (Moe 1985a). Also, studies of the International Trade Commission have found that petitions involving constituencies from states/districts with representatives on oversight committees were systematically favored in the process of injury determination (Hansen 1990, Hansen and Prusa 1996, 1997; Drope and Hansen 2004, but see Goldstein and Lenway 1989) and individual commissioners' voting patterns (Moore 1992). Furthermore, Ferejohn and Shipan (1989) argue that the legislature can affect agency decisions by signaling its preferences to the agency via hearings and floor debate. They show that such signals altered FCC's decisions about access charges for phone services following 1982 AT&T divestiture. Thus, all these studies demonstrate that Congress can have a significant influence on administrative decisions despite agencies' preferences and informational advantages.

Second, as Moe (1982) argues, presidents' desire to use the bureaucracy to achieve policy goals gives them incentives to politicize it as much as possible. In keeping with this argument, studies of various administrative agencies have shown that presidents are successful in exercising control via appointments, budgets, and policy review (e.g., Wood 1990, Wood and Anderson 1993, Wood and Waterman 1991, Snyder and Weingast 2000). Additional evidence come from interviews with senior federal government officials that indicate that Congress and the President are perceived to be the most influential political actors in their decision making Furlong (1998).

Interest group influence on administrative policies is usually attributed to the fact that organized interests, particularly those representing regulated industries, provide valuable

information to both legislative policymakers and regulators (see Smith 1995 for a review).

Given the high levels of uncertainty surrounding many policy decisions, relevant and often exclusive information can be wielded to powerful effect on regulatory decisions (Moe 1989, Moe and Caldwell 1994). Interest groups can also affect agency decisions by threatening to use “fire-alarms” to alert the legislature to agency policy choices (Potoski 1999, Epstein and O’Halloran 1995). Of course, money is another avenue for interest groups to affect administrative policymaking: wealthier groups frequently get preferential treatment from agencies (Carpenter 2002). Moreover, interest groups’ expenditures are used to signal regulators of groups’ willingness to fight unpopular decisions if necessary (Gordon and Hafer 2005). Interestingly, studies that compare interest groups influence, as represented by industry ties, find that presidential and congressional influence had more influence on the agency’s policy decisions than did previous occupation and positions held after finishing work with the commission (Cohen 1986).

Lastly, courts are expected to play an important role in administrative policymaking. Since many administrative decisions are subjected to judicial review, the mere threat of litigation can alter the administrative decisions. The literature demonstrates that the policy preferences of courts often have a significant effect on bureaucratic policies (e.g., Ferejohn and Shipan 1990, Melnick 1993, Canes-Wrone 2003). Moreover, judges can achieve their policy goals by manipulating agencies’ resources through the imposition of process requirements on regulation (Tiller 1998).

Limitations of Previous Research

A comparison between the public opinion literature and the literature on congressional-bureaucratic relationship reveals substantial gaps in our understanding of the role of the general public in administrative policymaking. One of the central implicit assumptions of the public opinion literature is that the link between the general public and policy is based on the electoral connection between citizens and their elected representatives. Yet, such a connection is absent when administrative policies are concerned. Given the political nature and high profile of many decisions that agencies make, it is surprising that current models of administrative policymaking ignore the electorate and focus exclusively on congressional oversight or the influence of interest groups. For example, the high-profile regulatory decisions by the Federal Communications Commission, such as the now defunct Fairness Doctrine and the more recent changes in the rules governing media ownership, clearly affect the quality of political news that citizens consume. Another example is litigation practices of the Equal Employment Opportunity Commission (EEOC), especially in high-profile Supreme Court cases. Many EEOC enforcement activities result in substantial monetary compensation for large groups of citizens. For instance, under a 1985 consent decree with Allstate Insurance Company, \$5 million was distributed to approximately 3,200 women. In addition to providing immediate financial compensation to the victims of discrimination, such cases deter other companies and industries from violating equal employment opportunity rules and regulations. Deregulation of electricity providing services by state public utility commissions prompted hikes in the electricity rates in 17 states and the District of Columbia; hikes that sometimes exceeded 50% increase within a few months

following the deregulation. The average price increase in electricity rates in deregulated states was 15% higher than the increase in rates in the regulated states (Davidson 2007).

Of course, the nature of congressional control over the bureaucracy may not be uniform across time and policy areas, but conditional on political circumstances and constrained by the preferences of different political actors at different times (Shipan 2004). Consequently, even if we accept the premise that the public's preferences and the legislative policies are congruent most of the time, the responsiveness of bureaucratic agencies to public opinion may still vary with the degree of control the Congress is able to exercise over administrative policy decisions. Alternatively, the influence of public opinion on legislative behavior may also vary with different political conditions. Studies suggest that the impact of the public's preferences on the legislative process varies according to citizens' levels of information about a policy (Denzau and Munger 1986, Lohman 1998, 2003), or with the structure of political pressure, budgetary requirements, media attention, and the importance of the issue to the general public (Manza and Cook 2002).

Empirical Studies of Public Opinion and Administrative Decision-Making

Despite emphasizing the importance of the interaction between political institutions and the role of interest groups, the literature is mostly silent about the role of the public in administrative policymaking. The major exceptions are the studies of state public utility commissions, which are mostly appointed. Even here, however, the research usually does not include a direct measure of public opinion. These studies either use consumer advocacy and public interest groups (Gormley 1983, Teske 1991) or state ideology (Teske 2004) as a proxy for

the public's impact on telecommunication regulatory policies. Other research looks at the effect of public comments process on the final policy decisions by the agency. However, these studies again focus on the effect of comments provided by public interest and citizen advocacy groups (Golden 1998). Analyses that do focus on comments from individual citizens find them to be too general and uninformative and thus inconsequential for administrative policymaking (McGregor 2006, Kim 1995). It is difficult, however, to assess the relevance of these findings to the study of policy responsiveness. Since citizens who tend to respond to agencies' calls for comments are not a representative sample of the electorate, it is not clear whether we can conclude from this evidence that bureaucratic agencies' are unresponsive to public opinion.

Moreover, one study that surveyed state officials involved in public assistance policymaking showed that majority of the social service agency directors indicated that they seek "a great deal" (30%) or "a moderate amount" (55%) of input from the general public in their work as policymakers (Shaw 2000). However, other public officials, such as elected state politicians, indicated greater levels of general public's input in their work (53% - "a great deal" and 41% - "a moderate amount" among legislators and 39% - "a great deal" and 44% - "a moderate amount" among governors' aides). Even though the respondents to such surveys have clear incentives to exaggerate their responsiveness to the public opinion, the fact that unelected officials report lower level of responsiveness indicates that electoral connection is a powerful mechanism of policy responsiveness. On the other hand, this evidence also suggests that we need to investigate how administrative responsiveness comes about without the existence of the electoral connection.

The only two studies that, to my knowledge, explicitly estimate the effect of public opinion on administrative policies do not find the effect to be a significant one (Nicholson-Crotty and Meier 2003, Napoli 1997, 2000). Napoli (1997, 2000) used content analysis of all major final broadcasting policy decisions made by the FCC from 1966 to 1995 to analyze the influence of legislative preferences, public opinion, and interest groups. The author coded each decision as either decreasing or increasing the regulatory role of the FCC or the regulatory requirements for broadcasters or both. He then matched each decision with a ratio of self-designated liberals to conservatives in a public opinion poll conducted in the closest month. However, it is not reasonable to expect agencies to be responsive to the public so quickly or to be responsive in every single decision, especially in decisions that involve technical issues. It is more realistic to expect that agency's general policy, such as the levels of enforcement in a given year, to be in sync with the preferences of the public.

Nicholson-Crotty and Meier (2003) examine the determinants of the implementation of federal criminal justice sanctions, such as the number of commitments, the average length of sentences, and the annual number of paroles. They find the criminal justice outputs to be largely uncorrelated with the national crime rates, but strongly related to agency enforcement capacity, the president's attention to the issue of crime, and changes in criminal justice legislation. The authors also find that public opinion, measured as the percentage of the public that described "crime or drug use" as the most important problem facing America, does not affect policy outputs. However, while this measure clearly captures issue salience, it does not measure the preferences about the proper ways to deal with crime. Thus, it is difficult to use these empirical results to assess the influence of public opinion on criminal justice implementation.

Most importantly, neither study develops a theoretical framework for studying the relationship between public opinion and administrative policies. Both analyses assume, as with the legislative responsiveness literature, we should observe a strong relationship between the public and the policy. Thus, they do not account for the intervening role of congressional oversight in inducing congruence between public opinion and policy. However, as the theoretical model developed and the empirical case studies presented in the following chapters suggest, we should not expect administrative responsiveness under all political circumstances.

The following chapter offers a theoretical explanation of the relationship between public opinion and administrative policy. Given the absence of direct electoral connection between citizens and administrative agencies, the existing theories of policy responsiveness are not directly applicable to the case of administrative responsiveness. I argue that, in order to understand administrative responsiveness, we need to account for the institutional structure within which administrative agencies function. The theoretical model developed in the next chapter focuses on congressional oversight as the main institutional mechanism linking administrative policy and the general public.

Chapter 2

A Theory of Administrative Responsiveness to Public Opinion

As the literature review in the previous chapter reveals, we are lacking a good theoretical foundation for the study of administrative responsiveness. Given that administrative agencies are not directly elected by the general public, the assumption of an electoral connection theory is not directly applicable to administrative responsiveness. Therefore, in order to understand administrative responsiveness we need to analyze the institutional structures within which agencies make their policy decisions and to examine the effects of the interaction between elected and appointed political institutions on the relationship between public opinion and policy.

In this chapter, I develop a theoretical model that attempts to unify the theoretical and empirical insights from the policy responsiveness literature and the congressional-bureaucratic relationship literature. The model examines how congressional oversight - the main mechanism connecting legislative and bureaucratic institutions - affects both administrative policymaking and, consequently, administrative responsiveness to public opinion. As such, it accounts not only for the electoral connection between legislators and the public, but also for the interactions among political actors such as Congress, the President and executive agencies.

The theoretical model has new, surprising predictions with respect to the relationship between legislative and administrative responsiveness to public opinion. The theoretical results suggest that the preferences of elected politicians and their responsiveness to the general public can have significant implications for administrative responsiveness. Contrary to conventional wisdom, once congressional oversight mechanisms are taken into account, congressional

policymaking that closely reflects citizens' preferences does not necessarily translate into administrative policy responsiveness. In some cases, legislative responsiveness indeed induces administrative responsiveness; however, my model identifies certain political conditions under which legislative policies that closely reflect citizens' preferences do not necessarily increase the likelihood of administrative-policy responsiveness to the general public. For example, when the government is divided – i.e. when the respective preferences of the executive and legislative branches are on opposite sides of the political spectrum – a shift of legislative preferences toward the preferences of the general public will result in less congruence between the public's preferences and the actual policies enacted by the administrative agencies.

Previous theoretical and empirical models have already studied strategic interaction between legislative and administrative institutions. The main innovation of this model is an explicit account of a unique role of public opinion in legislative decision-making. The emphasis on the independent role of public opinion in legislative policymaking makes it possible to derive comparative statics with respect to the influence of public opinion on administrative policy decisions. Thus, my theoretical models provides explanations of when the electoral pressures on legislators from their constituencies move administrative policy closer to the wishes of the general public.

In addition, the assumptions of the model allow me to consider two conceptual frameworks for policy responsiveness: (1) policy responsiveness that results from the policy and the public moving in the same direction—responsiveness that is usually estimated as a correlation coefficient, and (2) policy responsiveness as proximity between public's preferences

and policy. I will refer to these two types of responsiveness as *correlation* responsiveness and *proximity* responsiveness, respectively.

This research also has several important implications for the study of democratic politics. First, it addresses an issue that has rarely been tackled by scholars of public opinion or institutions. By explicitly including political institutions in a model of administrative responsiveness, I provide a more accurate depiction of the policy-implementation process and show how citizens can influence administrative policy decisions. Moreover, and as will become clear, this research contributes to the debate about the proper way to measure and analyze policy responsiveness in a democratic political system. Finally, by explicitly modeling the role of congressional committees in linking legislative and administrative responsiveness, this study sheds light on the role of the U.S. committee system in democratic representation process.

A Model of Conditional Administrative Responsiveness to Public Opinion

Overview of Assumptions

The theoretical model incorporates policy preferences of political officials as well as of the general public.⁸ Both legislators and bureaucrats are assumed to have their own (possibly divergent) policy preferences. Due to electoral and other pressures, legislators are concerned with the public's preferences and would like to see policies enacted that are as congruent as possible with their own preferences and those of the general public. Thus, electoral incentives encourage greater legislative responsiveness.

⁸ In this version of the model I focus on the role of the legislature in linking bureaucratic policies and the general public. I think that focusing on the legislature is a good starting point in modeling and understanding administrative responsiveness. Moreover, when testing the theoretical predictions, I incorporate presidential preferences in the model in the following way: commissioners are assumed to have preferences identical to the preferences of a nominating president in a year of nomination.

Notice that it is assumed that the general public monitors legislative decisions and, more importantly, policy outcomes that often have a direct and immediate effect on their everyday lives. This assumption might appear somewhat controversial, especially to public opinion scholars who emphasize the public's limited political expertise (e.g., Delli Carpini and Keeter 1996). The basic logic of the model can accommodate the notion that the public is "rationally ignorant" of most specific policies if we accept that public possesses identifiable general ideological preferences that are used to guide the decisions of political actors and institutions.⁹ Moreover, as long as there are additional actors present in the political system (not directly modeled here) who can alert the public to legislative shirking, the legislature will follow the general wishes of the public. These actors may include interest groups, potential challengers, the opposition party, and the media. Thus, these actors perform the *de facto* function of monitoring policies for the general public.

Bureaucratic agencies, on the other hand, are not directly affected by the preferences of the general public. Instead, agencies are mainly concerned with the impact of direct legislative control on their policy decisions.¹⁰ That is, bureaucrats want to propose policies that best represent their own preferences, without triggering legislative intervention in their decision-making.¹¹ The policy responsiveness results are derived by simultaneously considering the

⁹ In fact, recent research demonstrates that, on less important issues, politicians often choose not to collect policy-specific public opinion data and instead rely on general ideology data (Druckman and Jacobs 2006).

¹⁰ Congress can exercise considerable influence over administrative agencies through various channels. Congress has budgetary authority over agencies; it writes and reauthorizes legislative mandates. Most importantly, "Congress and its committees also provide oversight of regulatory agencies and can pressure regulators through oversight hearings in which regulators can be called to task for their actions. Members of Congress also frequently call or write regulatory agencies asking for explanations of agency actions. The agencies always answer" (Baron 2005, p. 331).

¹¹ Other scholars have identified additional goals as especially important for bureaucrats; for example, as budget maximization (Niskanen 1971, Wilson 1989), the protection and nurturance of agencies (Fiorina 1977), and personal

preferences and agenda-setting powers of the committees overseeing agencies' decisions and legislators' responsiveness to public opinion attributable to electoral pressures.¹²

Formal Model

The formal representation of the model is an extension of a Setter model (Romer and Rosenthal 1978) and of the conditional congressional control model developed by Shipan (2004). The model includes four actors: a legislature (H), a committee with jurisdiction over the agency's policy realm (C), an agency (A) and the general public (P). The key tension in the model stems from the fact that actors may have preferences (over policy or other political benefits) that diverge from those of other actors. The payoff functions of the actors can be formalized as follows:

The decisive member of the agency: $u_A(x) = -(x - A)^2$

The decisive member of the oversight committee: $u_C(x) = -(x - C)^2$

The decisive member of the legislature: $u_H(x) = -\alpha(x - P)^2 - (1 - \alpha)(x - NP)^2$.

As all policy decisions are made by majority vote, the decisive member of the legislature, the oversight committee and the agency (independent commission) is the median member of each body. The variable x represents a proposed policy; A and C represent the ideal points of the agency and the oversight committee, respectively. The utility function of the legislature is a convex combination of two negative quadratic functions. In the first function, P represents the

prestige (Wilson 1989), or some combination of all these (Bendor and Moe 1985). None these goals can be achieved without agencies being independent and Congress's trust in their decision-making.

¹² The model presented in this paper is not directly applicable to individual legislators' responsiveness to their own constituencies. Since the model focuses on executive agencies whose policymaking is affected by the aggregate outcomes of legislative voting, the results of the model are mainly applicable to policy responsiveness to the national electorate.

ideal point of the general public,¹³ and in the second function, NP represents a combination of additional sources of the legislature's utility. These sources may include legislators' own ideological preferences, pressure from their party, or pressure from the interest groups. The parameter α ($0 < \alpha < 1$) reflects a weight the legislature assigns to public opinion in any given point in time. This weight can be interpreted as a measure of the extent of legislative responsiveness to public opinion versus other potential sources of influence on legislative decision-making. The parameter α incorporates various aspects of legislative responsiveness, such as policy salience, the proximity of election, and the presence of a strong challenger.¹⁴

Notice that while the legislature's utility function explicitly incorporates the preferences of the general public, the committee is not directly accountable to the general public in the theory. Committee members are attentive to the preferences of constituencies in their districts; however, their districts might have preferences that are significantly divergent from the general voting population. Nonetheless, the model does not constrain the committees to be different from the floor. In fact, as will become clear, the extent to which committees and the legislature differ from each other plays an important role in determining the scope of administrative responsiveness to public opinion. Thus, the model does not require us to make assumptions about whether committees are preference outliers (Weingast and Marshall 1988) or representative of the floor serving a more informational role (Krehbiel 1990, 1991).

¹³ The public's ideal policy can be interpreted as either the preferences of the median voter or as the opinion held by the majority of the public.

¹⁴ In addition, α can be interpreted as a distortion in policy responsiveness due to the process of policy aggregation in the legislature. Since American legislators are elected from small districts and their primary concern is with their own constituencies, the final aggregate legislative policy outcome might not closely reflect the wishes of the general public even when each individual legislator is strongly responsive to its constituents.

As mentioned before, the main feature that sets this model apart from existing models of congressional oversight is the assumption that the legislature (unlike the agency and the oversight committee) is faced with electoral pressures that directly affect its payoff function. To address the issue of the unique role that the public plays in legislators' reelection, the payoff function of the legislature is divided into two separate components: the utility derived from serving the public and the utility derived from any source other than the responsiveness to the general public. Thus, while the public is not a strategic actor and does not propose any policies, its preferences are modeled explicitly. The main advantage of using this approach is that it allows us to derive comparative statics with respect to the public's preferences independently of other considerations that affect legislative decisions. Previous models of congressional oversight have black-boxed the sources of pressure on legislative decisions. As a result, the existing models were only able to account for the influence of the induced legislative preferences on bureaucratic policymaking; they could not examine the impact of the general public on administrative decision making. In other ways the model is very similar to Shipan's (2004).

Given the set of actors (H, C, A, P) and the assumptions outlined above, I present the sequence of actions in the game and the set of strategies available to each actor.

Stage 1: The agency makes a policy proposal (x).

Stage 2: In response to the agency's proposal, the committee either introduces a bill (b) or refrains from introducing a bill (gatekeeping). If the committee decides not to propose a bill, the game ends and the outcome is the originally proposed policy (x).

Stage 3: If the committee decides to introduce a bill to the floor, the legislature can either accept, or reject or amend the proposed legislation. If the legislature rejects the

legislation, the outcome is the originally proposed policy (x). If the legislature accepts the legislation, the outcome is the committee's proposal (b). If the legislature decides to amend the legislation, it will amend it to reflect its ideal policy (assuming an open rule) and the final outcome will be an amended bill (b').

Given that this is a sequential game with complete information,¹⁵ it is natural to solve for the subgame perfect equilibrium. Intuitively, the subgame perfect equilibrium of the game can be described as follows. When the agency makes a policy proposal, it anticipates how the committee will react, and the committee's reaction is, in turn, conditioned on the action taken by the legislature. This is to say, the agencies will propose policies that best represent their own policy preferences while refraining from creating situations that will encourage legislators to interfere in their decision making.

The important feature of the model is that it reflects the fact that congressional organization does not always provide for a direct link between the legislature's policy preferences and those of the agency. Often committees with jurisdiction over an agency's policymaking can use their gatekeeping powers to prevent legislation from being introduced on the floor (Shipan 2004, Denzau and Mackay 1983, Shepsle and Weingast 1987, but c.f., Cronbez, Groseclose and Krehbiel 2006, Pearson and Schickler 2007). If the committee prefers

¹⁵ The assumption of complete information is not without controversy, especially given the fact that principal-agent models of congressional-bureaucratic relations are based on the assumption that agencies possess private information about policy. I assume that even though Congress does suffer from an informational disadvantage, administrative procedures designed by Congress will substantially mitigate the informational problems. I believe this model presents a good starting point for examining administrative responsiveness to public opinion. The consequences of relaxing the complete information assumption are addressed in the discussion section.

the status quo over policy amended (under the open rule) by the legislature, it will refrain from introducing any legislation in the first place.¹⁶

The ideal policy preferences of the agency and the oversight committee, given the payoff functions specified above, are A and C , respectively. However, the payoff function of the legislature is more complex. Given the pressures from the electorate and other sources, the induced ideal policy of the legislature is defined as $X(P, NP) = \arg\max_{x \in \mathbf{R}} U_H(x) = \alpha P + (1-\alpha)NP$.

Solving by backward induction, the following equilibrium policy arises:

$$X^* = \begin{cases} A, & \text{if } A \in (\min(X(P, NP), C(X(P, NP))), \max(X(P, NP), C(X(P, NP)))) \text{—regime 1} \\ \max(X(P, NP), C(X(P, NP))), & \text{if } A \geq \max(X(P, NP), C(X(P, NP))) \text{—regime 2} \\ \min(X(P, NP), C(X(P, NP))), & \text{if } A \leq \min(X(P, NP), C(X(P, NP))) \text{—regime 3} \end{cases}$$

where $X(P, NP) = \arg\max_{x \in \mathbf{R}} U_H(x) = \alpha P + (1-\alpha)NP$, and $C(X(P, NP)) = 2C - X(P, NP)$

Notice that, in equilibrium, we do not expect policies proposed by the agency to be overruled by the legislature. It follows that there are only three policies that are proposed by the agency in equilibrium: one located at its ideal point (A), one located at $C(X(P, NP))$, or one located at $X(P, NP)$.

¹⁶ It is true that committees' gatekeeping powers are not unlimited. Since 1931, House rules allow an absolute majority of House members (218 members) to offer a motion to discharge the bill from the committee after it has been there for more than 30 days. While discharge petitions certainly weaken committees' gatekeeping powers, they also carry high transaction costs. In fact, from 1931 to 1998 only 26 discharge motions were successfully voted in the House (Stewart 2001). Patty (2007) shows that discharge petition procedures are not entirely majoritarian, but require *de facto* support of either the Speaker of the House or a majority of the Rules Committee. Thus, the likely effect of discharge petitions would not be critical to the model's conclusions. Moreover, as Krehbiel (1985) suggests, the discharge petitions are used much less frequently, when status quo policies are more representative of the floor in the first place. In this model, the status quo policies are set by the agency and would often be representative of the floor, especially when committees and the floor have rather similar preferences.

The Impact of Public Opinion on Administrative Policies

The equilibrium policies proposed by the agency in this model are no different than the equilibrium policies presented in congressional oversight model by Shipan (2004). However, the definition of legislature's payoff function—the separate utility derived from serving the preferences of the general public—allows us to construct comparative statics that will clarify the impact of public opinion on administrative policies.

There are several ways to derive comparative statics for this model. The substantive interpretation of comparative statics, though, depends on the conceptualization of policy responsiveness in the democratic society. This paper focuses on two notions of policy responsiveness proposed by public opinion scholars.¹⁷ The first approach views responsiveness as a (subsequent) movement of policy in the same direction as the (prior) movement of the public's preferences (Page and Shapiro 1983, Erikson, MacKuen and Stimpson 2003). The alternative approach to policy responsiveness focuses on the absolute distance between public opinion and policy (Achen 1977, 1978).¹⁸

¹⁷ Of course there are other ways to conceptualize policy responsiveness or congruence between the public's preferences and policy (see Golder and Stramski 2007 for a review). One of the most interesting concepts of congruence is the one that accounts not only for the distance between policy and public opinion, but also for the dispersion of the public's preferences. However, as Golder and Stramski (2007) mention, it is extremely difficult to find appropriate data to test this hypothesis in an American context.

¹⁸ Achen's (1978) study is a cross-sectional analysis of Miller and Stokes's (1963) interviews with constituencies, representatives, and challengers in a sample of districts in the United States. This analysis incorporates the notion of dispersions of views in each district into the measures of proximity and centrality of representatives and challengers to the preferences of their districts. My model does not directly account for the variance in the public's preferences within electoral districts.

1. Responsiveness as *correlation*

The notion of responsiveness resulting from policy and public opinion moving in the same direction has been prevalent in the legislative responsiveness literature. The basic logic behind this assumption is that, in a democratic society, policy should follow changes in the public's preferences. Most existing public opinion-policy studies estimate the degree of responsiveness as a regression coefficient in the model where a measure of legislative preferences or legislative voting behavior appears on the left-hand side of the model and a measure of the public's preferences on the right-hand side. Such specifications assume the following mathematical form: responsiveness is a result of a partial derivative of legislative behavior with respect to public's preferences. Thus, we can derive comparative statics by solving $\frac{\partial X^*}{\partial P}$ for each one of the equilibrium regimes. The mathematical solutions are presented in the

Appendix 1. The entire set of solutions can be categorized into three exhaustive conditions.

Condition 1: When $X(P, NP) > A > C(X(P, NP))$ or $C(X(P, NP)) > A > X(P, NP)$, the expectation is that there is no relationship between public opinion and policy. I call this condition *nonresponsiveness*.

Condition 2: When $A > X(P, NP) > C(X(P, NP))$ or $C(X(P, NP)) > X(P, NP) > A$, we should expect public opinion and policy to move in the same direction. I call this conditions *responsiveness*.

Condition 3: When $A > C(X(P, NP)) > X(P, NP)$ or $X(P, NP) > C(X(P, NP)) > A$, we should expect to find a negative relationship between public opinion and policy. I call this condition *adverse responsiveness*.

Arguably, the best way to interpret the comparative statics results is to depict the conditions graphically. The graphs in Figures 1a-1c depict three possible combinations of institutional ideal points.¹⁹ X^* represents the location of the policy chosen in an equilibrium. Notice that since the location of public opinion does not enter the calculations of each one of the responsiveness conditions, its initial location is inconsequential for the responsiveness conditions. The location of the public's ideal point is depicted for expositional purposes only.

Figure 1a represents the condition of *nonresponsiveness*. When an agency's ideal point lies in the committee's indifference interval, the agency can set the policy at its ideal point and can get away with any policy choices following as long as the policy is located within the interval between $C(X(P, NP))$ and $X(P, NP)$. Figure 1b represents the condition of responsiveness. Since the equilibrium policy should track the induced preferences of the legislature, the changes in public opinion should be followed by the changes in induced legislative preferences and subsequently in administrative policies. This dynamic is possible because an oversight committee is closer to the legislature than to the agency. Thus, if the agency were to propose a policy closer to its ideal point than to the ideal point of the legislature, the committee would introduce another bill to the floor that would override the agency's policy.

The opposite is true, however, when the preferences of the political actors are arranged in a way that is depicted in Figure 1c. In such a case, the agency and the oversight committee are located close to each other (the committee is closer to the agency than the legislature). Any change in the location of the general public will induce changes in the legislature's induced preferences. As a result, the indifference interval of the oversight committee will either increase

¹⁹ Because utility functions are symmetric, we only need to demonstrate the results for one of the two possible cases (cases are mirror images of each other).

or shrink depending on the direction of the change in public opinion. Regardless of a direction of a move in public opinion, the change in the interval will shift the equilibrium administrative policy in the opposite direction.

Figure 1a: Nonresponsiveness.

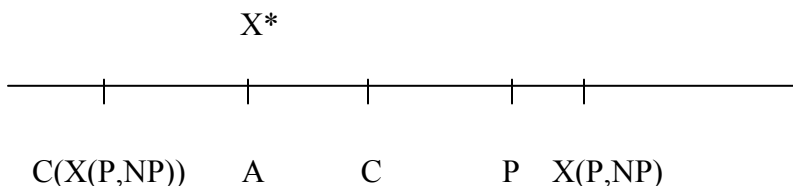


Figure 1b: Responsiveness.

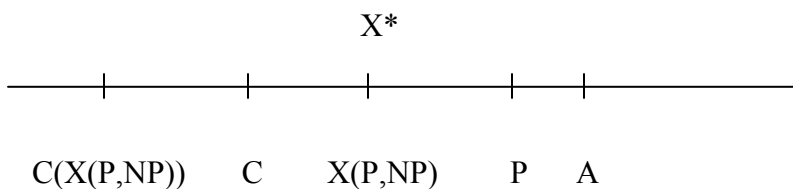
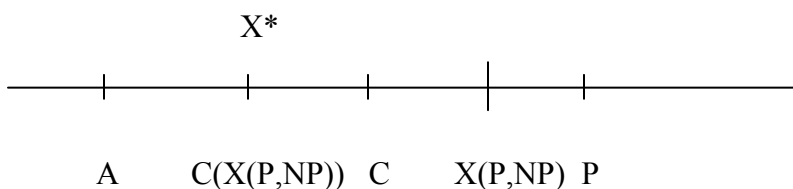


Figure 1c: Adverse Responsiveness.



The results of modeling responsiveness as *correlation* indicate that administrative responsiveness to public opinion is conditional on the extent of control the entire legislature can exercise over administrative decisions. When the chamber is successful in controlling

bureaucratic decisions, public opinion and administrative policies should be positively correlated. However, when the agency has complete control of its agenda, public opinion has no effect on administrative policies. Lastly, when an oversight committee (as oppose to the chamber) has a substantial control over agency's decisions, administrative policies are negative correlated with public opinion. These results are somewhat different from what is found in the congressional oversight literature, which usually refer to a positive relationship between the oversight committees and administrative policies as successful congressional oversight. This paper shows that from the point of view of democratic theory, oversight committees' control of agency policymaking does not necessarily correspond to policy responsiveness to public opinion.

2. *Responsiveness as "proximity"*

While the notion of responsiveness as *correlation* is standard in the literature,²⁰ it leaves open many important aspects of democratic representation. First, mere movement in the same direction does not guarantee that policy is moving any closer to what the public wants. In fact, sometimes policy can move faster and farther than the public. In such cases, scholars will interpret the changes as responsiveness when, in reality, policy has become more distant from the public than it was before. Furthermore, the movement of policy and public opinion toward each other will be interpreted as nonresponsiveness.

To address this issue, I consider responsiveness as "proximity," i.e., an absolute distance between the ideal point of the public and the implemented policy. Under this notion of responsiveness, I examine the impact of legislative responsiveness, which is represented in the

²⁰ In fact, Golder and Stranski (2007) claim that with the exception of two studies—Achen (1978) and Blais and Bodet (2006)—all studies of the public opinion-policy nexus define responsiveness as a movement of public opinion and policy in the same direction.

legislature utility function as α , on the absolute distance between the public's preferences and

policy, i.e., I derive comparative statics by analyzing $\frac{\partial |X^* - P|}{\partial \alpha}$ for each of the equilibrium

regimes. Mathematical solutions for conditions of responsiveness are presented in detail in the Appendix 1. All the derived conditions for responsiveness as proximity can be divided into three categories according to the effect of legislative responsiveness on administrative responsiveness to public opinion.

1. *Nonresponsiveness condition*: legislative responsiveness has no effect on administrative responsiveness to public opinion when either $X(P, NP) < A < C(X(P, NP))$ or $C(X(P, NP)) < A < X(P, NP)$.

2. *Convergence condition*: legislative responsiveness induces greater administrative responsiveness to public opinion when either $A > X(P, NP) > C(X(P, NP))$ or $C(X(P, NP)) > X(P, NP) > A$ or $X(P, NP) < P < C(X(P, NP)) < A$ or $A < C(X(P, NP)) < P < X(P, NP)$.

3. *Divergence condition*: legislative responsiveness induces less administrative responsiveness to public opinion when either [1] $P < X(P, NP) < C(X(P, NP)) < A$ or [2] $A < C(X(P, NP)) < X(P, NP) < P$ or [3] $X(P, NP) < C(X(P, NP)) < P$ and $C(X(P, NP)) < A$ or [4] $P < C(X(P, NP)) < X(P, NP)$ and $A < C(X(P, NP))$.

As in the case of responsiveness as correlation, it is straightforward to present the results of comparative statics using graphical examples. First, consider the case of $A > X(P, NP)$.²¹ For expositional purposes, I present an example of the model with the public's ideal point (P) located between $X(P, NP)$ and C ($C < P < X(P, NP)$), but it is easy to see that the results hold regardless of

²¹ As mentioned before, due to the fact that utility functions are symmetric, we need only demonstrate the results for one of the two possible cases.

the location of the public's ideal policy. Figure 2a shows that given the institutional preferences the agency will optimally propose policy $X^*=X(P, NP)$ and the committee will not be able to introduce legislation that, given the possibility of amendments, could make the committee better off. We now need to consider the implications of a change in the value of the parameter α —that is, an increase or decrease in the legislature's responsiveness to public opinion. Notice that an increase in the legislature's responsiveness to public opinion—that is, an increase in α —would shift $X(P, NP)$ closer to P . As the equilibrium policy proposed by agency is located at the legislature's induced ideal point, increased legislative responsiveness should correspond to greater administrative responsiveness to public opinion (I call this condition *convergence*).

Figure 2a.

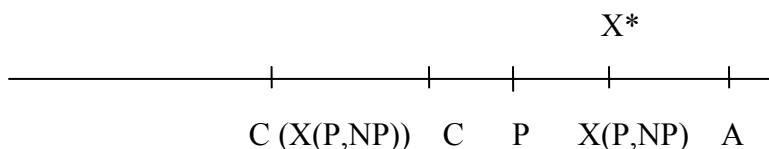
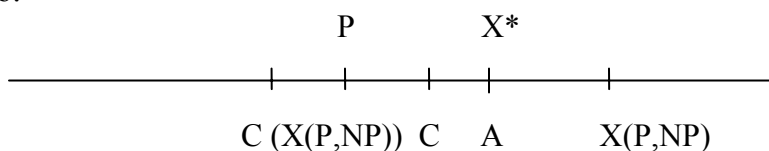


Figure 2b.



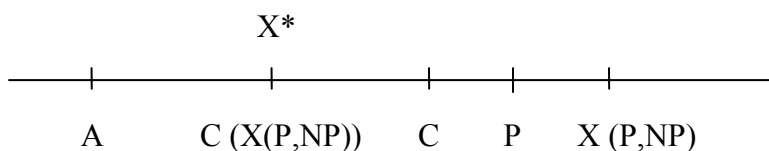
Next, consider the case where $C(X(P, NP)) < A < X(P, NP)$, i.e., where the agency's ideal point is located within the indifference interval of the oversight committee. As in the previous case, the divergence/convergence results will hold regardless of the location of the public's ideal point. Hence, the location of the public's ideal point is included for expositional purposes only (Figure 2b). The agency's equilibrium strategy is to propose the policy $X^*=A$. Since in this case

the agency has complete discretion over policy choices, the changes in the parameter α (which represents legislative responsiveness) will have no effect on the administrative responsiveness to public opinion. (I call this condition *nonresponsiveness*).

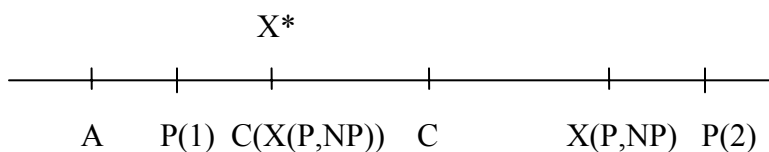
Lastly, consider the third equilibrium regime ($A < C(X(P, NP))$). Here the location of the public's ideal point is central to the divergence/convergence results. Figure 2c(1) presents the scenario whereby $C(X(P, NP)) < P < X(P, NP)$. In this case, a shift in the parameter α will decrease the distance between the public's ideal policy and the policy proposed by the agency. Thus, an increase in legislative responsiveness will induce an increase in administrative responsiveness to public opinion. The results are identical to the convergence results discussed above.

Figure 2c.

(1)



(2)



The results are very different when we consider the situation depicted in Figure 2c(2). If $P < C(X(P, NP))$ or $P > X(P, NP)$, an increase in the parameter α will now *increase* the distance between the public's ideal point and the policy proposed by the agency. The main mechanism behind this dynamic is the indifference interval of the oversight committee. When the induced

ideal point of the legislature ($X(P, NP)$) shifts closer to the public, the indifference interval either shrinks (as in case of $P(1)$) or extends (as in case of $P(2)$). In either case, the location of $C(X(P, NP))$ —which defines the equilibrium policy—will shift the policy proposed by the agency further away from the public's ideal point. Thus, in this case, increased responsiveness of the legislature to public opinion produces less responsiveness by the agency. I call this condition *divergence*.

This finding is particularly problematic for democratic theory, when we consider the case of $P < C(X(P, NP))$. In comparison to other conditions, here the preferences of the general public are the closest to the ideal points of the agency. Yet, the institutional structure of administrative policymaking induces divergence between the public's preferences and administrative policies. On the other hand, the possibility of $P > X(P, NP)$ is, perhaps, a better reflection of political reality. It is not difficult to imagine a situation where the public is very close to the legislature, while the executive agency is much more extreme than the legislature and the public. The current composition of an agency is often a function of past presidential appointments. Commissioners are often appointed to five-year terms and can rarely be fired by the President. Accordingly, it is not unusual to see a legislature that is significantly more liberal or conservative than the agency responding to changes in public opinion while the agency still represents either previous presidential regimes or current presidential regimes that are very different from the legislature (as in the case of a divided government). What the model predicts is that in such cases the division of labor in the U.S. Congress—the delegation of administrative policy oversight to the committees—prevents a responsive legislature from affecting administrative policies by moving them closer to the general public.

Discussion

The theoretical model in this paper reveals that the interaction between political institutions (bureaucracy and legislature) is crucial for understanding the relationship between public opinion and administrative policies. The theoretical results demonstrate that administrative responsiveness to public opinion is neither uniform nor does it necessarily follow from legislative responsiveness. Rather, administrative responsiveness is contingent on the structure of institutional preferences and the location of public opinion. These results indicate that a strong correspondence between administrative policies and public opinion is not always guaranteed in a democratic system, even when the legislature itself is responsive to the wishes of the general public.

The general results of the theoretical model can be summarized as follows. Depending on how we conceptualize policy responsiveness,²² the model produces slightly different predictions of the extent and direction of administrative responsiveness to public opinion. Under some political circumstances, administrative policies are expected to be responsive to public opinion. However, under different circumstances administrative policies can be entirely unresponsive to the changes in public opinion or changes in legislative responsiveness to public opinion. Or, worse yet, administrative policies can become adversely related to public opinion or legislative responsiveness.

The conditions for responsiveness are most often fulfilled when the legislature and the agency are more liberal/conservative than the oversight committee and the agency is more

²² As mentioned before, this paper adopts two different approaches to the definition of policy responsiveness. First, I consider responsiveness as “correlation,” i.e., as responsiveness resulting from policy and public opinion moving in the same direction. Second, I consider policy responsiveness as “proximity,” i.e., as an absolute distance between the public’s preferences and the policy proposed by the agency.

extreme than the legislature. These results hold regardless of the location of public opinion.

However, if we view responsiveness as proximity, we can identify additional conditions for responsiveness. Under this notion, administrative responsiveness is predicted even when the legislature and the agency are far away from each other (and the committee is located between the two). Administrative policies will be responsive to public opinion when the general public is rather moderate and located between the two institutions (but closer to the legislature).

The lack of responsiveness occurs mainly when the agency is more moderate than the legislature, but not extreme. That is, the agency's ideal point lies within the indifference interval of the oversight committee. In this situation neither the oversight committee nor the legislature has any impact on administrative policymaking. Thus, as long as the agency does not cross the boundaries of the committee indifference interval it can set policies at its ideal point regardless of where the general public is located.

As for the possibility of adverse responsiveness (or divergence results), the negative relationship between public opinion/legislative responsiveness and administrative policies occurs when the agency is significantly more extreme than both the legislature and the oversight committee and the legislature is more extreme than the committee. Here again the predictions depend on the conceptualization of responsiveness. When we consider administrative responsiveness to public opinion as proximity, the divergence results are predicted to occur less often, suggesting that we are able to account for a movement of policy and public opinion towards each other. The divergence results are only expected when public opinion is close to either the legislature or the agency.

The theoretical predictions demonstrate that the difference between the two notions of responsiveness is central to understanding the dynamics of administrative responsiveness. These results suggest that we would underestimate responsiveness if we do not account for the possibility of the movement of policy and public opinion towards each other. On the other hand, we should be careful not to overestimate responsiveness—as a result not taking into account the various conditions identified in the model.

The theoretical model also yields insights about the role of the committee system in democratic politics. When the mechanisms of congressional oversight are taken into account, the preferences of oversight committees can sometimes allow for administrative shirking. The agency can take advantage of the fact that the oversight committee is not representative of the entire legislature and use it to set policies that are located farther away from the public than the legislature would have preferred.²³ These results emphasize important policy implications of committees' gatekeeping powers. When an executive agency is more extreme than its oversight committee and the legislature, respectively, the oversight committee can exercise a strong influence on the agency's policies. If the committee is a significant outlier with respect to the legislature, such an influence can significantly diminish policy responsiveness to public opinion. However, the power of committees, even with gatekeeping, is not unlimited. The model does identify conditions under which a committee's gatekeeping powers have no impact on administrative responsiveness to public opinion. Empirical analysis is required to establish how often either condition occurs in various policy realms.

²³ On the other hand, the closer the committee and the floor medians are, the less opportunity there is for the agency to make policy decisions that disregard the preferences of either the oversight committee or the entire legislature.

There are several possible extensions to the model that require special attention. One interesting extension would be the introduction of incomplete information. There are several ways to incorporate uncertainty into the model. First, we can introduce incomplete information about policy preferences of political actors as well as about public opinion. The results of the model would likely not be affected if we assume that the public is not completely informed about administrative and/or legislative policies. The public does not play a strategic role in the model and it is assumed that the legislature monitors the public because of electoral pressure.²⁴ The introduction of incomplete information about an agency's preferences, again, should not affect the results. Since the agency itself knows its preferences, it will be able to determine which oversight regime it finds itself in. The model does not assume that the legislature and the oversight committee will strategically change their preferences to induce a regime switch.

A more interesting case is the introduction of incomplete information about the preferences of the legislature and/or the oversight committee. Since in the current version of the model the agency knows the exact location of both the legislature and the oversight committee, it can determine the regime without error and, thus, does not face any risk from setting policies that diverge from either institution. There are reasons to think that the introduction of uncertainty about the preferences of the legislature or committee would, under some circumstances, moderate the agency's behavior.²⁵

²⁴ The legislature is concerned that interest groups, a strong challenger, or media might reveal its shirking.

²⁵ The introduction of uncertainty (modeled as an error distributed uniformly over some interval) would introduce the notion of risk in the agency's policymaking. The more uncertainty the agency faces the larger the interval and the greater the risk. If we assume the agency is risk-averse, the likely effect of incomplete information would be a moderation of its behavior. The interesting implication of this result is that the legislature and the oversight committees, under some circumstances, are better off not revealing their preferences to the executive agencies. Specifically, these circumstances should include regimes under which either institution or both have no influence on administrative decision-making.

Second, as the bureaucratic politics literature suggests, agencies often possess private information about policy outcomes. Thus, the next stage in the development of this model would be to relax the assumption that the legislature and/or the oversight committee have complete information about the outcomes of policies proposed by the agency. Such uncertainty would likely provide agencies with more leeway in introducing policies with more extreme outcomes. Although the principal-agent literature provides insights about how Congress can address issues of informational asymmetry, the effects of imperfect congressional oversight on administrative responsiveness are not clear.

Another natural extension would be to explicitly model the role of interest groups in administrative policymaking. In the current setting interest groups are implicitly modeled as part of legislative payoff function. The implicit theoretical result is that interest groups might have a greater influence on administrative policies when parameter α is low (i.e., when the legislature is not very responsive to the general public). This finding is consistent with empirical and theoretical literature on the influence of interest groups on legislative and administrative policies (e.g., Denzau and Munger 1986, Lohmann 1998, 2003, Jones 1994). However, to make explicit claims about the role of interest groups on administrative policies, the model needs to account for the direct impact of interest groups on agency's decisions through the provision of information and lobbying.

Courts also play an important role in administrative policymaking. Given that the Administrative Procedure Act of 1946 (APA) grants parties affected by regulatory decision a right to sue for a judicial review of an administrative action, agencies often take the preferences of the courts into account when making their decisions (Baron 2005). Brandice Canes-Wrone

(2003) provides an excellent example of the Army Corps of Engineers decisions to issue a permit for the development of wetlands being affected by the composition of the appellate and district courts. Consequently, future models will benefit considerably from introducing the preferences of the Supreme Court or even lower courts in their analyses of administrative responsiveness.

The theoretical results presented in this chapter provide an excellent starting point for examining administrative responsiveness to public opinion. The counterintuitive findings about the relationship between legislative and administrative responsiveness definitely deserve an empirical scrutiny. In the next three chapters, I test the theoretical predictions, derived in this paper, using data on federal telecommunications regulation, equal employment opportunity policy and international trade regulation.

Chapter 3

An Analysis of the Federal Communications Commission

This chapter examines the impact of public opinion on broadcast telecommunications policy of the Federal Communications Commission. In the previous chapter, I proposed a theory of administrative responsiveness that suggests that legislative responsiveness does not always guarantee a strong correspondence between administrative policies and the public's preferences. In this chapter, I test predictions of my theory using data on broadcasting policies implemented by the FCC between 1966 and 1995. Using data on the preferences of political actors involved in broadcast regulation, I identify political conditions that induce FCC policy responsiveness and political conditions that impede such responsiveness. I then conduct tests to determine the extent to which policy responsiveness varies according to political circumstances.

The empirical results suggest that the interaction between political institutions is an important determinant of administrative responsiveness to public opinion. As predicted by the theoretical model, I find a stronger correlation between administrative and legislative responsiveness when the interaction between political institutions permits successful congressional oversight, particularly in the case of broadcast license revocations. Telecommunications regulation appears to be much more congruent with public opinion when the legislature (and not the oversight committees) is able to exert substantial control over FCC decision-making.

The Federal Communications Commission and Broadcast Policy

The Federal Communications Commission (FCC) was established in 1934 and charged with regulating telecommunications so as to make them consistent with “the public interest, convenience, and necessity.”²⁶ However, very little is known about the extent to which FCC decisions are actually consistent with the *public interest* as defined by the public itself. Economists, political scientists, and political pundits often offer policy analysis based on *their* perception of the public interest. Yet there is almost no systematic account available for the impact of *public opinion* on FCC policymaking, or on policymaking by any other federal agency, for that matter.

The FCC is charged with regulating broad areas of telecommunications, including interstate and international communications involving radio, television, wire, satellite, and cable. The FCC is an independent United States government agency, directly responsible to Congress. It was established by the Communications Act of 1934, which provides a basic framework for federal communications regulation. The Commission consists of five commissioners (seven before 1983) appointed by the President and confirmed by the Senate for 5-year terms, except when filling an unexpired term. Only three commissioners may be members of the same political party.

The FCC is charged with regulating a wide range of policy areas within the realm of broadcast and cable media, and telephone communications. Zarkin and Zarkin (2006) summarize the effect of the FCC on broadcasting politics as follows:

²⁶ The Communications Act of 1934 (<http://www.fcc.gov/Reports/1934new.pdf>). In fact, the phrase “public interest, convenience, and necessity” is so central to the definition of the agency mission that it appears in the Telecom Act for 35 times.

The FCC's expansive legislative mandate makes the agency the principal policymaking organization in the realm of federal communications regulation. Over the decades, the FCC has used this broad delegation of authority to do such far-reaching things as limiting and expanding competition in the telephone industry, constructing and later doing away with public interest requirements for broadcasters, introducing new technologies into the market place, and making rules concerning the broadcast of indecent messages over the airways (p. 26)

Understanding the impact of public opinion on telecommunications policies is important for several reasons. First, telecommunications regulation affects not only the economy, but also citizens' attitudes and values (Napoli 1997). Television news are the main source of political information. In a recent public opinion survey conducted by the *Pew Research Center for the People & the Press and Opinion Research Corporation*, network television news was the most mentioned source of news among American adults (29%), followed by cable TV news (28%), newspapers (13%), and radio (10%).²⁷

While the FCC does not have an explicit or broad mandate to regulate the content of the broadcasting media, its actions with respect to implementing regulatory policies with accordance to "public interest" often have direct and considerable impact on the content of the programming. The Fairness Doctrine, established in 1949, required licensees to devote a reasonable amount of time to the discussion of controversial issues of public importance, allowing reasonable opportunities for opposing viewpoints to be presented.²⁸ The FCC also has statutory authority to regulate political content of broadcast media. Section 315 of the Communications Act includes

²⁷ Survey by Pew Research Center for the People & the Press and Opinion Research Corporation, April 5-April 9, 2007. Retrieved August 9, 2007 from the iPOLL Databank, The Roper Center for Public Opinion Research, University of Connecticut. <<http://www.ropercenter.uconn.edu/ipoll.html>>.

²⁸ After President Ronald Reagan's appointment in 1981 of Mark Fowler as FCC chairman, the now conservative commission began a process of revoking the Fairness Doctrine. The commission argued that since there was no longer a scarcity of media sources, the Fairness Doctrine actually discourages broadcasters from covering controversial issues. Despite opposition from Congress, the FCC abolished the doctrine by a 4-0 vote in the Syracuse Peace Council decision in August 1987, after the Congress failed to pass a bill to give it statutory force. The Congress passed the Fairness Doctrine legislation in June 1987, but the bill was vetoed by President Reagan. The Congress was unable to override the presidential veto.

rules that state that “when a qualified candidate for public office has been permitted to use a station, the Communications Act requires the station to afford equal opportunities to all other such candidates for that office” (Mass Media Bureau, the FCC 1999). In addition, the Act prohibits broadcasters and cable systems from editing and altering the content of political advertisements or refusing to air an advertisement that they consider offensive.

Second, telecommunications industry is very well organized and has very deep pockets. For example, in recent years the telecommunications industry, collectively, has spent more than any other industry on lobbying and campaign contributions (Rich 2007). “This financial leverage combined with the industry’s success in maintaining a low public profile in the reform debate [Telecom Act] provided the ‘regulated’ parties significant political power in influencing the course of that debate” (ibid, p. 248). Thus, it is particularly important to study whether public opinion has ever had any influence on American telecommunications policy.

Third, despite some claims that general public might be neither informed nor capable of understanding complicated regulatory policy, recent public opinion data indicate that general public does seem to comprehend telecommunications regulation, at least with respect to non-technical issues of broadcasting regulation. The results in Table 2 demonstrate that public holds clear opinions about regulation with majority of the public dissatisfied with the extent of regulation of TV programming (45%) in 1996 or TV content (41%) in 2000. On the other hand, in 2004, the majority of the public (58%) was satisfied with the regulation of entertainment programming on TV. These results indicate that public distinguishes between the regulation of entertainment and the general regulation of television programming that includes TV news,

children and education programming, and advertising.²⁹ Furthermore, the results of 1996 elections that followed the passage of the 1996 Telecommunications Act suggest that the general public is not oblivious of telecommunications policy legislation. The public, dissatisfied with the outcomes of the new telecommunications legislation, punished its main architects in the voting booth. Larry Pressler (R-SD) - the only Senate incumbent to lose in 1996 - was the chairman of the Senate Commerce Committee, which wrote the Telecom Act and the law's main champion on the Senate floor. Pressler "was told by his pollster after the election that the telecommunication issue had cost him between 5 and 6 percent of the vote" (Rich 2007, p. 248).

Table 2. Public Opinion on Telecommunications Regulation

Do you think government is doing too much, too little or about the right amount...	Regulation of TV Programming (January 1996)*	Regulation of TV content (May 2000)**	Regulation of Entertainment programming on TV (May 2004)***
Too much	14%	20%	16%
Right amount	38%	36%	58%
Too little	45%	41%	21%

Sources of data:

* Knight –Ridder survey

** National Public Radio/Keiser Foundation/Harvard's University School of Government

***Freedom Forum, American Journalism Review

Existing literature on bureaucratic politics, including that on the FCC, has rarely examined the role of public opinion in administrative policymaking. Even when studies do include public opinion (Nicholson-Crotty and Meier 2003, Napoli 1997, 2000), they provide no

²⁹ Alternative explanation might be that the public opinion has changed between 2000 and 2004. However, the lack of additional data prevents me from distinguishing between two explanations. Nevertheless, both explanations point to the fact that public is attentive to the trends in telecommunications regulation.

satisfying theoretical basis for their predictions with respect to the role of public opinion in the political process. These studies do not take into account how the interaction between political institutions, such as Congress, the President, courts and interest groups, affects the relationship between public opinion and administrative policy. This study focuses on the role of congressional oversight as the main mechanism linking administrative policies and general public.³⁰ Congress has traditionally been extremely involved with the FCC, deeming it an “arm of Congress.” Devins (1993) provides illuminating examples of strong congressional involvement with the agency:

House Speaker Sam Rayburn’s (D-TX) advice to President Kennedy’s FCC Chair Newton Minow: “Just remember one thing, son. Your agency is an arm of the Congress; you belong to us. Remember that and you’ll be alright.” . . . Senator Robert Packwood (R-OR), for example, admonished Reagan FCC Chair Mark Fowler: “[Y]ou are a creature of Congress and you attempt to administer . . . [the] laws in accordance with what you think Congress has intended.” Along the same lines, Senate Commerce Committee Chair Ernest Hollings (D-SC) warned President Bush’s FCC nominees Alfred Sikes, Andrew Barrett, and Sherrie Marshall that “[t]he Commission must follow *our* lead” and that “[y]ou folks take an oath to regulate, not deregulate” (p. 148–149).

Moreover, presidents are able to exercise less control over the FCC commissioners after their appointments, since the commissioners cannot be fired by the president even if they do not follow her ideological preferences.

Political Influence on the FCC Policymaking

Several studies of the FCC policymaking focus on the influence of congressional oversight on the agency decisions. Consistent with other theoretical and empirical findings about the role of congressional oversight in administrative policymaking, scholars find that FCC

³⁰ While the preferences of the President are not directly incorporated into the theoretical model, they are included indirectly in the empirical analysis in the following way: FCC commissioners are assumed to have preferences identical to those of a nominating president in a year of nomination.

decisions are correlated with the preferences of members of relevant congressional subcommittees (Napoli 2000). Ferejohn and Shipan (1989) also show that hearings and legislative floor debates were used to signal the FCC to alter its policies with regard to the change in cross-subsidies between long-distance and local phone services.

However, the control the Congress is able to exercise over the FCC is not unlimited. Freedman and Cameron (2006) demonstrate that the FCC autonomy depends on the differences in preferences between the legislature and the agency. Congress tends to delegate more powers to the agency when the preferences of members of both institutions are closely aligned. But, when the distance between the preferences of the members of the two institutions is substantial, the legislature tends to interfere more directly in the FCC decision-making. Moreover, Napoli (2000) finds that the agency enjoys much greater autonomy when it deals with highly technical issues. However, on high-profile issues the FCC decisions are much more closely correlated with congressional preferences.

Other studies of political influence on the FCC focused on the role of interest groups in the process. These studies show that industry is heavily involved in both legislative and administrative decisions with regards to telecommunication policy (e.g., Baron 2005, Rich 2007, de Figuerdo and Tiller 2001). Conversely, studies that looked at the impact of industry ties on the FCC commissioners' decision-making do not find much support for the "revolving door" hypothesis (Gormley 1979, Cohen 1986, Napoli 2000). These studies conclude that party differences (Gormley 1979) and presidential and congressional influence (Cohen 1986) had more influence on the agency's policy decisions than did prior occupation and positions held by commissioners after finishing their work with the FCC.

The studies of telecommunications regulation rarely look at the role of the general public in policymaking process. The only available study to include an analysis of the impact of public opinion is Napoli (2000) study of broadcast policy decisions between 1966 and 1995. Despite his expectations to find a positive relationship between public opinion and agency's policy decision, Napoli only finds null results. However, as mentioned in the previous chapter, these results might be due to a lack of a theoretical framework that would account for the interactions between legislative and administrative institutions and public opinion.

A Theoretical Perspective on Administrative Responsiveness to Public Opinion

In the previous chapter, I developed a theoretical model that examines the effects of legislative-bureaucratic interaction on the congruence between public opinion and administrative policies. As such, the theoretical model incorporated policy preferences of political officials as well as those of the general public. Both legislators and bureaucrats are assumed to have their own (possibly divergent) policy preferences. Due to electoral and other pressures, legislators are not only concerned with their own preferences but would like to see policies enacted that are as congruent as possible with their own preferences, preferences of other political elites, and those of the general public. Bureaucratic agencies, on the other hand, are mainly concerned with the effect of direct legislative control on their policy decisions. That is, bureaucrats want to propose policies that best represent their own preferences, without triggering legislative intervention in their decision-making.³¹

The policy responsiveness results are derived by simultaneously considering (a) the preferences and agenda-setting powers of the committees overseeing agencies' decisions and (b)

³¹ Formal representation of actors' utility functions is detailed in the Chapter 2.

legislators' responsiveness to public opinion attributable to electoral pressures. The theory thus does not assume that bureaucratic agencies are explicitly concerned with the public's preferences. Instead, it posits that agencies are affected by interaction with other political institutions. As a result of such interactions, administrative policies sometimes become more congruent with the public's wishes. The theory holds that administrative policies are most congruent with the public's preferences when the entire legislature can exercise substantial control over administrative policies. However, when either the oversight committee is able to control bureaucratic policymaking or the agency enjoys almost complete independence, administrative policies are less likely to be responsive to the public.

Note that the theory does not assume that administrative policy will be overridden by the legislature, which (sometimes) cares about the preferences of the general public. Instead, the theoretical model posits that strategic political actors anticipate potential reactions of other actors and act accordingly ahead of time.³² Thus, we should not expect to see agency's decision to be congruent with public opinion only when Congress interferes directly with agencies decisions, but to observe positive correlation (or smaller distance) between public opinion and agency's decision under the conditions predicted by the theoretical model. In fact, the direct congressional intervention indicates a failure of an agency to respond to changing political circumstances promptly. This is also the impression of the former FCC commissioner Harold Furchtgott-Roth:

In the past few decades, the FCC has promulgated tens of thousands of orders and issued hundreds of thousands of letters, notices, and other written documents. Perhaps only one of these – charges in broadcast ownership rules in 2003 – resulted in Congress taking swift action to reverse an FCC decision, and it did so largely in response to strong public involvement in the issue. (Furchtgott-Roth 2006, p. 74)

³² This is the exact explanation of the ex-ante congressional control theories that demonstrate correlations between congressional preferences and administrative decisions even in the absence of direct congressional interference.

The general results of the theoretical model can be summarized as follows. Under some political circumstances, administrative policies are expected to be responsive to public opinion. However, under different circumstances administrative policies can be entirely unresponsive to the changes in legislative responsiveness to public opinion. Or, administrative policies can become adversely related to legislative responsiveness. The conditions for responsiveness are most often fulfilled when the legislature and the agency are more liberal or conservative than the oversight committee and the agency is more extreme than the legislature. These results hold regardless of the location of public opinion. In addition, administrative responsiveness is predicted even when the legislature and the agency are far away from each other (and the committee is located between the two). Administrative policies will be responsive to public opinion when the general public is moderate and located between the two institutions (but closer to the legislature).

The lack of responsiveness occurs mainly when the agency is more moderate than the legislature, but not extreme. That is, the agency's ideal point lies within the indifference interval of the oversight committee. In this situation neither the oversight committee nor the legislature has any control over on administrative policymaking. Thus, as long as the agency does not cross the boundaries of the committee indifference interval it can set policies at its ideal point regardless of where the general public is located. As for the possibility of divergence results, the negative relationship between legislative and administrative responsiveness occurs when two conditions are satisfied simultaneously: (1) the agency is significantly more extreme than both the legislature and the oversight committee and the legislature is more extreme than the committee, and (2) public opinion is close to either the legislature or the agency.

Data

Administrative responsiveness (telecommunications policy): To test the predictions of the theoretical model I analyze the policymaking of the Federal Communications Commission from 1966 to 1995. One of the most widespread ways to measure regulatory policy outputs in the literature is to count the number (or the proportion) of regulatory decisions, such as inspections, litigations, recalls, and other similar decisions made by an agency each year (e.g., Wood and Anderson 1993, Olson 1996, Carpenter 1996, Shipan 2004). The research usually finds that more liberal ideological preferences of political actors are associated with more active enforcement. Thus, higher levels of enforcement typically indicate a choice of more liberal regulatory policies. Moreover, public opinion survey results indicate that, with the exception of indecency regulation, more liberal ideology is associated with greater demands for telecommunications regulation (see Appendix 2).³³

One of the major enforcement activities performed by the FCC is monitoring compliance with the federal broadcasting rules.³⁴ Section 312 of the Communications Act maintains that the FCC can deny license renewals and revoke licenses for a variety of reasons, including foreign ownership, criminal activity by licensees, interference with other broadcasting signals, false statements in the application process, willful or repeated failure to allow candidates for federal office to purchase air time, broadcasting of obscene and indecent materials, and other “public interest issues.”³⁵ While the FCC can deny license renewal and revoke a license for a variety of

³³ The opposite correlation between citizens’ ideology and preferences for indecency regulation does not present a problem for this study. Indecency regulation was almost absent from the FCC regulatory agenda till the late 1990s. Since my analysis ends in 1995, it is safe to assume that liberal ideology and preferences for greater regulation are positively correlated.

³⁴ While initial decisions about these matters are made by the agency’s Media Bureau, the ultimate authority to grant, deny, or revoke broadcasting licenses is held by the FCC’s commissioners (Zarkin and Zarkin 2006).

³⁵ For an extensive discussion of the FCC organization and procedures see Zarkin and Zarkin (2006).

reasons, the considerations of "the public interest" are the main determiners of the level of enforcement. For example, the commissioner Michael J. Copps described what he considers the FCC's failure to promote public interest via license renewal process as follows:

Before the deregulatory mania in the 1980s—when an F.C.C. chairman described television as a "toaster with pictures"—the commission gave license renewals a hard look every three years, with specific criteria for making a public interest finding. Indeed, broadcasters' respect for the renewal process encouraged them to pay for hard-hitting news operations. That was then. (Copps, *New York Times*, June 2, 2007)

In this paper I use three measures of the FCC enforcement activities collected by Napoli (1997) using the *FCC Annual Reports*. These measures include annual (fiscal year) numbers of broadcast license revocations, broadcast license renewal denials, and broadcast license revocation hearings.³⁶

Napoli also collected and content-analyzed all final rulemakings and policy statements concerning broadcasting regulation made by the FCC during this time period. The decisions were coded as pro-regulatory if they increased the regulatory role of the FCC, the regulatory requirements for broadcasters, or both. For the purposes of this research, I calculated the proportion of all the pro-regulatory decisions out of the sum of pro-regulatory and deregulatory decisions.³⁷

The theoretical model provides guidance about the ways to conceptualize policy responsiveness.³⁸ In this paper, I adopt the definition of responsiveness as proximity, i.e., a

³⁶ The FCC changed the format of reporting its enforcement activities in the late 1990s, making it nearly impossible to collect data on enforcement activities in recent years.

³⁷ Some decisions could not be classified as either pro-regulatory or deregulatory. These decisions were excluded from the analysis.

³⁸ The theoretical model in the previous chapter identifies two ways to measure responsiveness. The first approach views responsiveness as *correlation*: a (subsequent) movement of policy in the same direction as the (prior) shift in the public's preferences (Page and Shapiro 1983, Erikson, MacKuen and Stimpson 2003). The alternative approach focuses on the proximity of policy to the public's preferences, i.e., the absolute distance between public opinion and policy (Achen 1977, 1978). Depending on the way in which we conceptualize policy responsiveness, the model

distance between the public's preferences and policies. The main advantage of viewing responsiveness this way is that we are able to account for the pace of policy and public opinion movements and the possibility of the two moving towards each other. Moreover, this approach provides an opportunity to examine variations in legislative responsiveness and analyze how those variations affect the proximity of public opinion and administrative policies.

In the theoretical model, I derive comparative statics using $\frac{\partial |X^* - P|}{\partial \alpha}$, where X^* represents a policy chosen in the equilibrium, P represents public opinion and α represents legislative responsiveness.³⁹ Thus, the ideal measure of administrative responsiveness would consist of the estimators of policy outputs and the public's preferences on the same policies. Since historical public opinion data on specific telecommunications regulations are not available,⁴⁰ I use the (absolute) residuals from the regression of measures of policy outputs on a measure of public opinion (discussed later) as a proxy for the distance between public opinion and policy.⁴¹ Thus, larger residuals signify greater distance between public opinion and policy.

Since we do not have a prior about the level of administrative responsiveness to public opinion, the predicted administrative responsiveness is our best guess of the expected mean of policy responsiveness. Thus, measuring the distance between policy and public opinion captures the deviations from the expected administrative responsiveness. As such, it provides evidence

produces slightly different predictions about the extent and direction of administrative responsiveness to public opinion.

³⁹ See Chapter 2 for detailed formal definitions.

⁴⁰ A survey data on the ideology of the general public might arguably be a better measure for responsiveness analysis. This is because studies show that politicians pay more attention to the general trends in public opinion (general ideological predispositions) than specific policy preferences, especially when the issues are not high on public agenda (Druckman and Jacobs 2008).

⁴¹ The measurement of administrative responsiveness in such a way also solves the problem of measuring administrative policies and public opinion in different units.

about the extent of agency's shirking from what the public would have wanted irrespective of other political constraints.⁴² However, the estimation of the proximity of administrative policies and public opinion in this way surely introduces an additional measurement error. Fortunately, the measurement error in the dependent variable should not introduce bias in the estimators (Gujarati 2003). To address the issues of larger estimated variances, I calculate standard errors using bootstrapping techniques.

Legislative responsiveness: The theoretical model also provides a formal definition of legislative responsiveness to public opinion. As defined in the previous chapter, the parameter α in the legislature's utility function⁴³ can be interpreted as the extent to which the public's preferences affect the induced ideal point of the legislature (defined $X(P, NP)$). Thus, we can calculate $\alpha = \frac{X(P, NP) - NP}{P - NP}$. However, to estimate α directly would require measures of legislative preferences as they are independent of the influence public opinion. Since such measures are not readily available, I approximate legislative responsiveness using legislative slack. Similarly to the way I measured administrative responsiveness, I am using the (absolute) residuals from the regression of induced legislative preferences on public opinion. These residuals have been shown to reflect legislators' ideological shirking: shirking is greater among

⁴² Unfortunately, since there is no existing research on the relationship between public opinion and administrative policies, it is difficult to validate my estimation of administrative responsiveness. In the future research, I intend to use original survey data on specific telecommunications preferences in order to assess the validity of measuring administrative responsiveness using regression residuals. See the discussion section for more information on the new survey data.

⁴³ The legislature's utility function is defined as follows: $u_H(x) = -\alpha(x-P)^2 - (1-\alpha)(x-NP)^2$. Thus, the induced ideal policy of the legislature is $X(P, NP) = \text{argmax}_{x \in \mathbf{R}} u_H(x) = \alpha P + (1-\alpha)NP$. Where P represents policy preferences of the general public, and NP represents pressure from other sources, such as interest groups, political parties, and the legislators' own ideological preferences.

members of powerful committees and it decreases as elections get nearer (Kalt and Zupan 1990).⁴⁴

To identify the preferences of the legislature ($X(P, NP)$) and the oversight committee (C), I use ADA scores⁴⁵ of the median members of the House and the House Commerce Committee, which traditionally oversees FCC regulatory decisions (excluding the antitrust cases, which are overseen by the House Judiciary Committee).⁴⁶ Scholars often use ADA scores to measure legislative preferences (e.g., Moe 1985, Eisner and Meier 1990, Canes-Wrone, Brady and Cogan 2002, Napoli 2000).⁴⁷ ADA scores, unlike NOMINATE scores, allow for variation in legislative preferences over time. Second, the choice of ADA scores addresses potential concerns about the role of information in my model, particularly the assumption that citizens possess full information about legislative decisions. Because ADA scores are based on relatively salient votes in each year, they are more reflective of the effect of electoral constraints on legislators' policy choices than scores based on all votes.

⁴⁴ Kalt and Zupan (1990) conclude that ideology residual “displays philosophical consistency—the explanation it contributes is consistent with a view of it as a choice along the liberal-conservative ideological spectrum. [And], it responds, like on-the-job consumption, to slack in the principal-agent bond. For these reasons, we have denoted the explanatory role of the ideology residual as ideological shirking” (p. 127–128).

⁴⁵ ADA scores are given annually for each congressional member by Americans for Democratic Action, an independent liberal lobbying organization. These scores are based on 20 key votes identified by the organization. The score runs from 0 to 100.

⁴⁶ Some scholars caution against using raw ADA scores since scales can shift and deform over time (Groseclose, Levitt and Snyder 1999). However, since I use presidential ADA scores, which cannot be easily adjusted, I use raw ADA scores for legislative preferences as well.

⁴⁷ Some believe that alternative measures of legislative preferences, such as NOMINATE scores (Poole and Rosenthal 1997), whose calculations are based on all votes in each legislative session, are better measures of legislative ideology. I argue that NOMINATE scores are not the most appropriate measures of legislative ideology in the context of my theoretical work. First, Common Space NOMINATE scores, used for inter-institution comparison, are estimated under the assumption that a legislator's ideology does not change over the course of her political career (see Bailey 2007). Such an assumption is problematic because in my model legislative behavior is presumed to change in response to the public's wishes even within a single electoral cycle. The induced preferences of the legislature can change either as a result of changes in public opinion or as a result of a change in the parameter α (i.e., legislative responsiveness), especially when an election looms or particular issues become especially salient for the public.

Public Opinion: As a measure of the public's preferences I use the annual "policy mood" scores compiled by Erikson, MacKuen and Stimson (2003).⁴⁸ Their measure aggregates "global preferences for a larger, more active government as opposed to smaller, more passive one" from many domestic policy areas, excluding some, such as those of abortion and crime (Stimson, Mackuen, and Erikson 1995, p. 548). The scale is from 0 to 100 and reflects the percentage of citizens who are liberal among liberal and conservative citizens.

Administrative preferences: To estimate administrative preferences as defined in the theoretical model developed in the previous chapter one needs to devise a way to measure commissioners' personal ideology independent of actual policymaking. This is because the theoretical model predicts that institutional constraints, such as the threat of congressional intervention, induce agencies to enact policies different from the policies they would enact in the absence of institutional constraints. In this paper I estimate FCC commissioners' preferences using the ADA scores for the nominating president in the year of nomination.⁴⁹ These scores, like congressional ADA scores, reflect how often the president supported bills identified by the ADA during a legislative session (Zupan 1992, Grafton and Permaloff 2004).⁵⁰ I use the median score in each year as a proxy for the preferences of the entire agency.⁵¹

⁴⁸ <http://www.unc.edu/~jstimson/time.html>.

⁴⁹ There are several alternative ways to measure administrative preferences. One way is to conduct a survey of commissioners' policy preferences. But while several studies have surveyed the preferences of federal government officials in various bureaucratic agencies (e.g., Golden 2000, Furlong 1998, Waterman and Rouse 1999) or used experts opinions to assess agency policy preferences (Clinton and Lewis forthcoming), none of the samples are comparable over time. Another alternative is to scale commissioners' policy votes (Gormley 1979, Ho 2007) or to use a bridging technique using commissioners' voting scores during their tenures in the legislature (Nixon 2004). Since these measures are not directly comparable with the ADA scores, I use presidential ADA scores as a proxy for administrative preferences.

⁵⁰ Presidential ADA scores do not count the bills on which the president did not take a position. Thus using this approach, the denominator is the total number of bills on which the President took a position. I have updated presidential scores for more recent years, using the same technique.

⁵¹ The use of the ADA score of the chairperson of the FCC does not change the substantive interpretation of results.

Even though the nomination process requires partisan balance on the commission, presidents have been found to be significant predictors of commissioners' behavior (Moe 1985), with Republican-appointed commissioners casting more pro-industry votes than Democrat-appointed ones (Cohen 1986, but c.f., Ho 2007).⁵² To address the concern about the use of ADA scores and the possibility that cross-party appointments do not reflect preferences of the nominating president, I have estimated a correlation between my measure of commissioner ideology and two alternative measures: presidential Common Space NOMINATE scores and Nixon's voting scores.⁵³ The ADA-based measure used in this research is correlate strongly with both measurement method: $r=.95$ and $r=.63$, respectively.

Control Variables: I include a number of control variables to account for other factors that could affect administrative responsiveness to public opinion. These variables include the following.

Issue Salience. The extent of policy discretion that the agency enjoys is often considered to be a function of the importance and visibility of the issue to the constituencies (Calvert, McCubbins and Weingast 1989, Bawn 1997, Ringquist, Worsham and Eisner 2003).⁵⁴ I measure issue salience by counting the annual number of *New York Times* articles discussing any topic of

⁵² But see Nixon (2004) on the importance of Senators' ideology in the appointment process. However, even Nixon's analysis points out that the party of the president is the single most important determinant of appointee ideology (p. 451).

⁵³ Nixon uses a bridging technique for estimating the ideology of independent regulatory commissioners, based on the collection of 72 independent commissioners who have previously served in Congress since 1937. The scores are scaled in a metric identical to the first dimension of the "common-space" NOMINATE scores (for more details, see <http://www2.hawaii.edu/~dnixon/PIMP>).

⁵⁴ Moreover, when issues are salient to the public, the direct influence of the interest groups on administrative policies is considerably diminished (Jones and Keiser 1987, Bacheller 1977, Grenzke 1990).

government regulation. The articles appearing on the front page of the newspaper are weighted three times that of regular articles.⁵⁵

Electoral Proximity. The legislative responsiveness literature also suggests that the proximity of an election can have a positive influence on legislative, and perhaps administrative, responsiveness (e.g., Wood and Andersson 1998, Kuklinski 1978, Levitt 1996). To control for this effect, I created a dichotomous variable coded “1” for an election year and “0” other years.

Agency’s Budgets. I also control for the agency’s budget, which plays an important role in defining its resources for enforcing broadcast policies. The appropriations data was collected by Napoli (1997) using information obtained from the *FCC Annual Reports* and adjusted to 1995 dollars using the Consumer Price Index.

A Statistical Model of Administrative Responsiveness to Public Opinion

In the previous chapter, I developed a formal-theoretic model of administrative policymaking that accounts for the interaction between legislative and bureaucratic institutions. The theoretical model identifies three conditions that affect the relationship between administrative and legislative responsiveness. It provides guidance about the conditions under which administrative policies and the preferences of the general public diverge, converge, or do not change their relationship as a result of increased legislative responsiveness. A formal representation of these conditions is found in Chapter 2. Using the theoretical results, we can specify the general statistical model as follows:

⁵⁵ The data on the content of *New York Times* articles was downloaded from the “Policy Agendas Project” (<http://www.policyagendas.org/>) directed by Brian Jones, John Wilkerson and Frank Baumgartner.

$$Y_t = \beta_0 + \beta_1 \text{convergence} * \text{legislative responsiveness}_t + \beta_2 \text{divergence} * \text{legislative responsiveness}_t + \beta_3 \text{nonresponsiveness} * \text{legislative responsiveness}_t + \beta_4 \text{nonresponsiveness} * \text{agency}_t + \beta_5 \text{divergence} * \text{committee}_t + \beta_6 \text{convergence} * \text{committee}_t + \beta_i X_{i,t} + \epsilon_t$$

where Y_t is a measure of administrative responsiveness to public opinion at time t . Convergence, divergence and nonresponsiveness are dummy variables set equal to one when the condition is present and zero otherwise. Agency and committee represent ideal policy locations of the agency and the oversight committee,⁵⁶ respectively. $X_{i,t}$ represents a vector of control variables, and ϵ_t is an error term.

Results

Since we have time-series data on FCC policymaking, it is useful to examine trends over time in the agency's policies and in political actors' preferences. Figure 3 exhibits three time series representing different the FCC's enforcement activities.

The most interesting feature of the data is the paucity of enforcement actions undertaken by the agency. On average the Commission only held 3.3 license revocation hearings a year, only 2.9 license renewals were denied a year, and an average of less than 1 license was revoked per year.⁵⁷ In two years only, 1992 and 1993, were more than 2 licenses revoked.⁵⁸ The data on renewal denials and revocations does not reveal any unpredicted patterns. As expected, both of these methods of enforcement decrease in the 1980s—the deregulatory years of Ronald

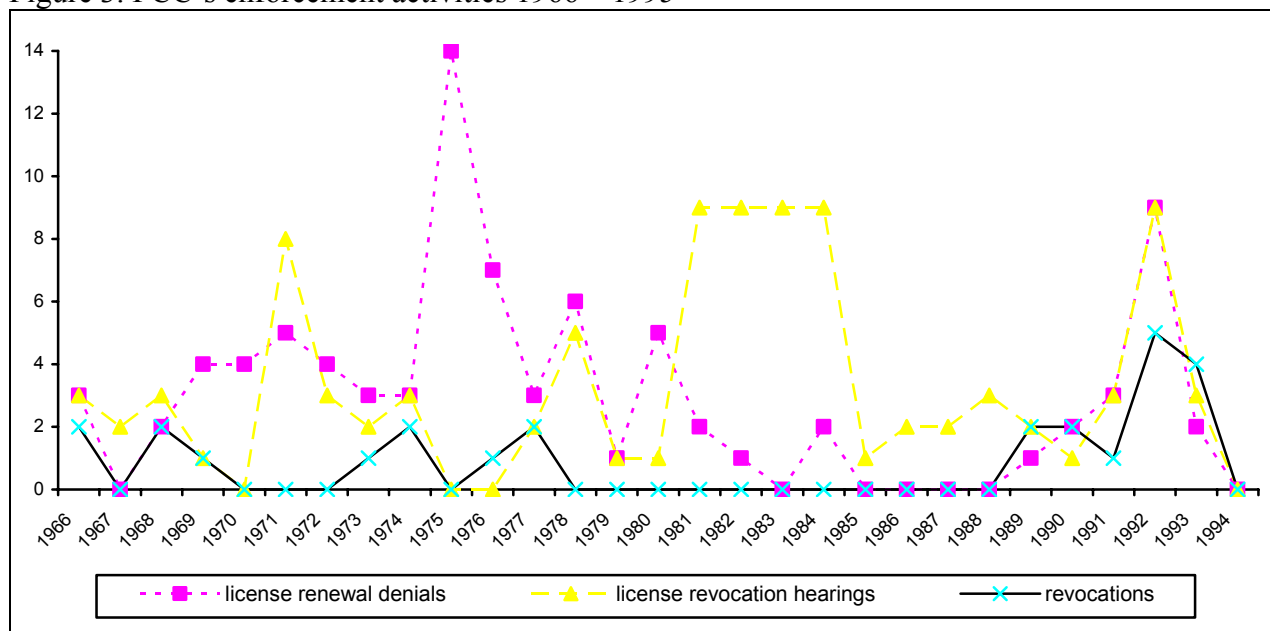
⁵⁶ Convergence/divergence conditions for oversight committee and the agency were calculated separately using comparative statics analysis with respect to committee's preferences.

⁵⁷ Currently the broadcasting licenses are granted for terms up to 8 years, but the FCC has the authority to grant shorter licenses. The lengths of the license term have changed over time, but it was always clearly determined by the FCC. Moreover, shorter license terms clearly indicate the commission's preference for more proactive regulation. All stations whose licenses are up for renewal are notified about an upcoming renewal.

⁵⁸ For comparison consider that 19,939 broadcasting stations were licensed in the United States in 1991.

Reagan—and then become more aggressive in the 1990s during the Clinton presidency. These results suggest that the enforcement level is a plausible measures of the degree of regulation performed by the FCC.

Figure 3. FCC's enforcement activities 1966—1995

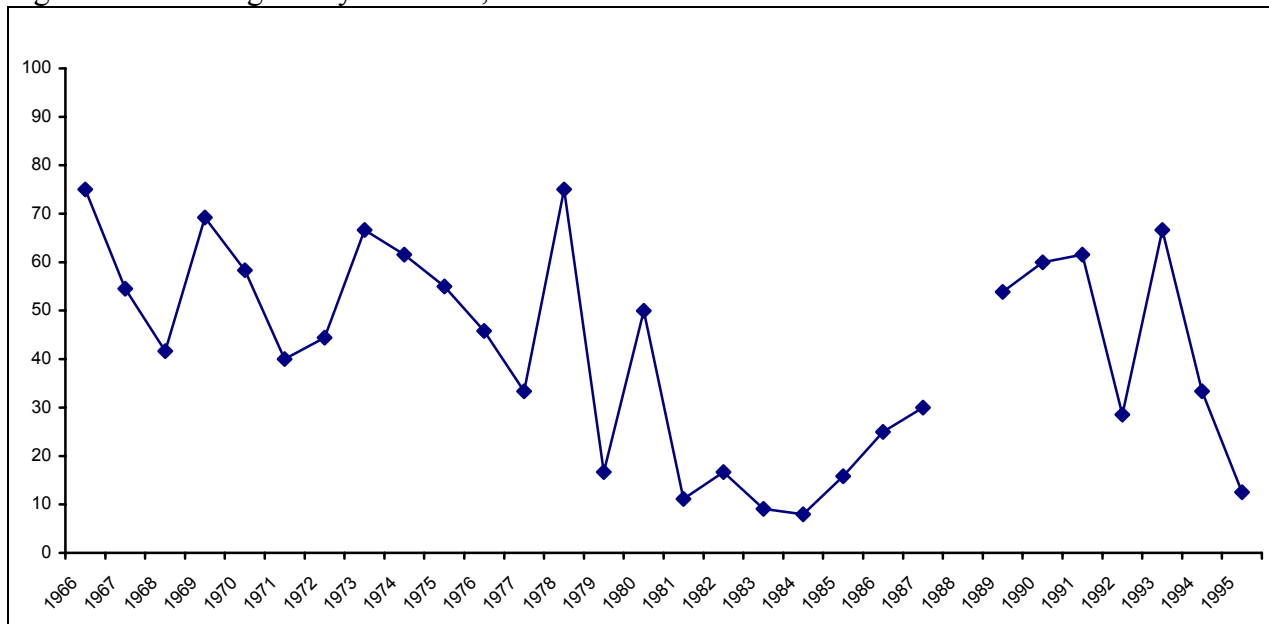


The trends in the license revocation hearings, however, do not seem to follow the same pattern. Most importantly, the number of license revocation hearings appears to spike in the early 1980s and (to a lesser extent) in the early 1990s. This result is even more puzzling given the fact that before revoking a license the FCC is obliged to hold hearings within the period of thirty days of notifying the licensee (Zarkin and Zarkin 2006). One possible explanation is the fact that the deregulatory Commission of the 1980s, faced with the more liberal and pro-regulatory Congress, kept holding hearing (and even increasing their number), but just didn't revoke licenses. Consequently, it is difficult to interpret whether the larger number of hearings indicates

policymaking that is more regulatory or less regulatory. As a result, I did not include this measure in my analysis of administrative responsiveness.

Figure 4 displays the annual proportion of pro-regulatory decisions (out of the sum of pro-regulatory and deregulatory decisions).⁵⁹ The trends in Figure 4 are similar to those in the license-renewal-denial and license-revocation data presented in Figure 3. The proportion of regulatory decisions fluctuates in the 1960s and 1970s, but stays above 40% most of the time. The proportion of pro-regulatory decisions drops dramatically in 1980s and stays below 30% until 1988. As expected, in the 1990s the proportion of pro-regulatory decisions goes up again.⁶⁰

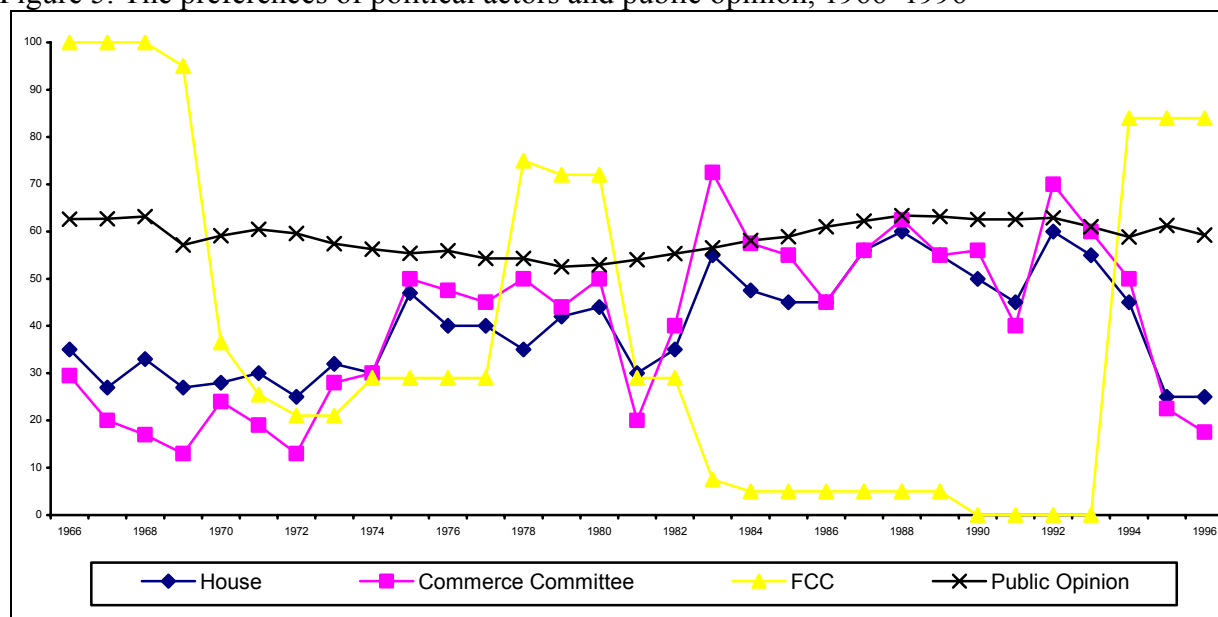
Figure 4. FCC's regulatory decisions, 1966–1995



⁵⁹ This analysis included all final policy decisions by the FCC from 1966 to 1995 coded as decisions that either decreased or increased the regulatory role of the FCC and/or the regulatory requirements for broadcasters.

⁶⁰ To put the results into perspective: the number of policy decisions by the FCC that qualify as significant varies significantly from year to year, ranging from 6 decisions in 1979 to 31 decisions in 1984. On average, the agency has made 14.9 decisions per year (s.d. 6.2).

Figure 5. The preferences of political actors and public opinion, 1966–1996



The main independent variables in my model are the preferences of the political actors involved in administrative policymaking and those involved in policy oversight. Figure 5 shows the historical trends in the ideological preferences of the median members of the House, the Commerce Committee, the FCC and the general public.⁶¹ First, the empirical results show that the House and the Commerce Committee (which oversees the FCC) appear to be in sync most of the time. The Committee appears to be slightly more conservative in the 1960s and early 1970s and somewhat more liberal most of the time since 1976. The preferences of both the House and the Commerce Committee appear to be more stable in the early years. The ideological preferences of both become more liberal starting in the mid-1970s (probably due to the disappearance of the Southern Democrats) and then take a sharply conservative turn after the Republican takeover of the House following the 1994 congressional elections.

⁶¹ The data points presented in Figure 3 are the “public mood” score and the ADA scores of the median member of the House, the Commerce Committee and the FCC, respectively. All scores run from 0 to 100; the larger the value the more liberal the ideology.

Second, the preferences of the FCC (by definition) reflect the preferences of the presidents in office. The changes in FCC preferences usually follow changes in presidential regimes, with a short delay indicating the period of time until the president has an opportunity to nominate new commissioners. Interestingly, the preferences of the FCC are not entirely uniform over the presidential term. This indicates that the FCC's preferences are not only a function of a particular president, but are also a function of commissioner turnover and the changes in presidential preferences during the time in office. Lastly, the preferences of the general public appear to be much less volatile than the preferences of other political actors. However, even small movements in public opinion appear to correspond to shifts in the preferences of the House and the Commerce Committee.

Table 3. Conditions for Administrative Responsiveness

year	regime	year	regime
1966	convergence	1982	convergence
1967	convergence	1983	convergence
1968	convergence	1984	convergence
1969	convergence	1985	convergence
1970	convergence	1986	convergence
1971	nonresponsiveness	1987	convergence
1972	nonresponsiveness	1988	convergence
1973	divergence	1989	convergence
1974	convergence	1990	convergence
1975	convergence	1991	divergence
1976	convergence	1992	convergence
1977	convergence	1993	convergence
1978	convergence	1994	divergence
1979	divergence	1995	convergence
1980	convergence	1996	convergence
1981	nonresponsiveness		

After obtaining the data on public opinion and administrative and legislative policy preferences, I was able to classify each year into one of the three categories corresponding to the

theoretical conditions identified in the model.⁶² The results in Table 3 summarize the expected relationship between legislative and administrative responsiveness.

The most striking feature of the data is that most of the time the political system satisfies the conditions for policy responsiveness. The empirical results show that between 1966 and 1995 (30 years) in only 3 years we should expect nonresponsiveness, and in only another 3 years should we expect to see divergence between legislative and administrative responsiveness. The changes in presidential regime arguably explain most switches between responsiveness conditions. The nonconvergence conditions are present in the early 1970s, 1979, 1981, 1991 and 1994. All these times (with the exception of 1991) represent a change of party in the White House. However, it appears that the nonconvergence conditions do not always reflect an immediate change; instead, they indicate delays in updating of commissions' composition after a new president takes office. These results suggest that even after the system goes through significant changes, it quickly adjusts to allow for successful congressional oversight and administrative policy responsiveness to public opinion.

A Multivariate Analysis of FCC Policymaking

To test the hypotheses presented in the previous section, I have analyzed the effect of legislative responsiveness on the FCC's policy responsiveness to public opinion.⁶³ To address

⁶² While the comparison between ADA scores of median members of the FCC, the Commerce Committee, and the House required for convergence and nonresponsiveness regimes was straightforward, the main problem was to identify the divergence regime. The central difficulty with the accurate identification of this regime stems from the fact that we need to compare ADA scores used to estimate legislative and administrative preferences with the "policy mood" scores used to measure public opinion. While both scores (theoretically) measure the percentage of agreement with particular liberal policies and run from 0 to 100, they do not measure the precisely the same thing and do not share the same denominator. Even though some scholars used similar techniques to study congressional impact on Supreme Court decisions (e.g. Segal 1997, Moraski and Shipan 1999), others have shown that the use of different scales can introduce biases in the estimation of spatial models (e.g., Bailey 2007, Bailey and Chang 2001, Bergara, Richman and Spiller 2003).

the possibility of the first-order autocorrelation frequently found in the time-series data, the full empirical model was estimated using the Prais-Winsten autoregressive technique.⁶⁴ Based on the augmented Dickey-Fuller and Phillip-Perron tests for unit roots, no presence of non-stationary time-series data had been detected. Hence, we can proceed with using the data in its original form, without transforming the data into first-differences. Lastly, because the dependent variable (administrative responsiveness) and one of the independent variables (legislative responsiveness) were obtained using residuals from different regressions, there are reasons to believe that the error terms in the final statistical model might not be normally distributed. To address this issue and the difficulty of making asymptotic claims in a small size sample, I calculated standard errors using non-parametric bootstrapping.

Moreover, unlike other agencies, the FCC's mandate requires it to initiate enforcement activities on a regular basis without waiting for input from industry. For example, any license for broadcasting has to be reviewed initially and then reevaluated every eight years.⁶⁵ Thus, a regulated industry cannot strategically choose when to apply for license renewal. The fact that the FCC acts without industry requesting action allows us to ignore the problem of endogeneity between the industry requests for policy decisions and the agency's final decisions.⁶⁶

⁶³ As mentioned in the data section, I estimate administrative responsiveness using residuals from regression analyses of three policy measures on the "policy mood" variable. The three policy measures included in the analysis are: number of license renewal denials, number of license revocations, and the proportion of pro-regulatory decisions. Because the data generating the process of license renewal denial and license revocations data is a count process, I used negative binomial regressions (with heteroskedasticity and autocorrelation corrected errors) to measure the effect of public opinion on these policies. The relationship between the proportion of pro-regulatory policies and public opinion was estimated using Prais-Winsten autoregressive regression techniques. The results were robust to different regression specifications.

⁶⁴ Values of the transformed Durbin-Watson statistic indicate that first-order autocorrelation would have been present in the OLS regression and was accounted for in the Prais-Winsten regression.

⁶⁵ As mentioned before, the term of a broadcasting license had varied over the years.

⁶⁶ Studies of the regulatory agencies, such as International Trade Commission (Hansen 1990) and National Labor Relations Board (Moe 1985), clearly indicate that without accounting for the endogenous decisions by the industry to file complaints we cannot estimate the determinants of administrative policymaking without bias.

The results of the regression analysis of administrative responsiveness are presented in Table 4. The results provide some support for the key hypotheses presented in this paper. The strongest results are those regarding broadcasting license revocations. Despite the small sample, which works against statistical significance, the results indicate that legislative responsiveness does not always translate into administrative responsiveness.⁶⁷ The coefficient for legislative responsiveness when convergence is expected is positive and significant ($p < .1$, two-tailed test). On the other hand, the coefficient is close to zero when no responsiveness is expected and negative when divergence is expected. Thus, all of the signs for the key variables are in the expected direction.⁶⁸

All the signs for the effect of other political institutions are in the expected direction as well. The effects of the oversight committee preferences and agency's preferences on administrative responsiveness were derived from the theoretical model. However, it is difficult to interpret the meaning of these relationships. Under different conditions, the preferences of the oversight committee have opposite effects on administrative responsiveness. On the other hand, a more conservative agency appears to be more responsive to public opinion, even when legislative responsiveness does not have any effect on administrative responsiveness. With respect to other control variables: as predicted, the FCC is more responsive to public opinion on the more salient issues. However, contrary to expectations, the agency appears to be less

⁶⁷ The correlations between the independent variables and Variance Inflation Factor tests do not reveal serious problems with multicollinearity. The results were not substantially changed after excluding one variable that has a potential to cause multicollinearity problems (agency's preferences).

⁶⁸ One might be concerned with the possibility that the number of enforcement actions is also a function of the number of stations licensed to broadcast in the United States in a given year. The results are robust to the alternative specifications of the dependant variables adjusted for the annual number of broadcasting stations. Moreover, the fact that the number of broadcasting stations constantly increases from year to year, but the number of enforcement activities fluctuates, suggests that we can use the raw annual number of enforcement activities as a good measure of telecommunications regulation policymaking.

responsive during election years. The size of the agency's budget does not have an effect on administrative responsiveness.

Table 4. The Federal Communication Commission Responsiveness to Public Opinion

	The distance between public opinion and policy		
	Annual # of license revocations	Annual # of license renewal denials	Annual Percent of stricter regulation decisions
<i>Convergence condition</i>			
The distance between public opinion and legislative ideology	.07 (.04)*	.02 (.08)	.003 (.005)
Commerce Committee	.012 (.02)	.03 (.03)	-.0007 (.002)
<i>Divergence condition</i>			
The distance between public opinion and legislative ideology	-.016 (.017)	-.27 (.63)	.003 (.05)
Commerce Committee	-.004 (.038)	.007 (.16)	.001 (.12)
<i>Nonresponsiveness condition</i>			
The distance between public opinion and legislative ideology	-.0003 (.23)	.08 (1.62)	-.02 (.18)
FCC	.034 (.16)	-.014 (.96)	.006 (.10)
Saliency	-.014 (.066)	.32 (.18)*	.002 (.008)
Election Year	.22 (.29)	-.004 (1.22)	.009 (.04)
Appropriations	.0009 (.008)	-.0005 (.013)	.0003 (.001)
Constant	-.23 (.92)	-.89 (1.56)	.15 (.11)
N	30	30	29
R ²	.45	.45	.26
Adjusted R ²	.19	.20	-.08
rho	.46	-.30	.15
Wald χ^2 (10)	19.23**	48.92***	51.45***
Durbin—Watson original	1.34	2.38	1.62
Durbin—Watson transformed	1.68	2.12	1.76

Note: The coefficients are estimated using Prais-Winsten time-series regression

For two-tailed tests *** p<.01, **p<.05, * p<.1

Bootstrapped Standard errors are in the parentheses (1000 replications)

The results are weaker for the two other measures of FCC policymaking. However, the results of the license renewal denial analysis still suggest that the relationship between legislative and administrative responsiveness to public opinion varies under different conditions. The coefficient for legislative responsiveness under divergence condition is rather large and negative.

One possible explanation for such weak results, beyond small sample and the quality of data, is the level of salience of these decisions to the general public. License revocations are the most drastic enforcement action available for the commission in regulating the broadcasting industry. It is plausible that the FCC is concerned with the publicity involved with license revocations enforcement. These cases are usually appealed in courts, often reaching the Supreme Court.⁶⁹ Therefore, the agency is both subject to a greater oversight and much more attentive to congressional preferences with respect to license revocations.

Discussion

This chapter has analyzed the determinants of FCC responsiveness to public opinion. The empirical results suggest that public opinion does affect administrative policymaking, but the public's input is conditional on the preferences of the political actors involved in policymaking. Because the FCC is not elected, it does not have direct incentives to follow public opinion. However, because the commission is affected by interactions with other political institutions, particularly the legislature, administrative policies will sometimes be congruent with the public's wishes. Such congruence is not to be expected under all political circumstances.

⁶⁹ The examples include such cases as *CBS, Inc. v. FCC* 453 U.S. 367 (1981) and *Red Lion Broadcasting Co., Inc. v. FCC* 395 U.S. 367 (1969).

The empirical results provide some support for the theoretical claims presented in the previous chapter. As predicted by my theoretical model, I found a stronger correlation between administrative and legislative responsiveness when political institutions permitted successful congressional oversight, particularly in the case of broadcasting license revocations. While the small sample and the limitations on the data preclude making stronger empirical claims, the empirical results indicate that such a line of thinking about the public's role in administrative policymaking is promising and warrants further empirical investigation.

One of the main weaknesses of this analysis is the limitation of a small data set. The data in this study consists of only 30 observations used to estimate a complex system of inter-institutional interactions. Using historical data often limits a researcher's ability to collect large data samples; nevertheless, there are several ways to increase the sample size of the FCC policy decisions. One way is to increase the time span. Unfortunately, the changes in the FCC's reporting of its enforcement activities in the late 1990s make it difficult to update the dataset to include more recent years. Moreover, the increased attention of the FCC to indecency violation makes it much more difficult to distinguish between liberal and conservative regulation. Thus, the assumption that greater enforcement activity is associated with liberal ideology loses its validity.

Despite some data weaknesses, this study introduces a new way of studying administrative responsiveness to public opinion. It contributes to the theories of representation by explicitly including political institutions in a model of administrative responsiveness and offers a new link between public opinion and elected and unelected political institutions. While results with respect to conditions of public opinion influence on administrative policy are not as

strong s many would like, they are indicative of the importance of accounting for institutional interactions in understanding administrative responsiveness to public opinion. Thus, this study provides a more complete and accurate picture of agency decision-making and shows how citizens can have an effect on these decisions.

The data limitations also reveal that a complex structure of the theoretical model and the statistical model derived from it requires a large and detailed data set. Since large data sets with greater variance in theoretical conditions are not available,⁷⁰ the rest of empirical tests will only focus on more limited aspects implied by the theoretical model. Specifically, instead of looking at the three different conditions, the subsequent empirical case studies will assess only two of them: when the public opinion influence on administrative policy is stronger and when it is weaker.

⁷⁰ Particularly because there is no systematic measure of public opinion that goes either further back in time and there are no measures of legislative behavior that are more frequent than voting scores in each legislative session.

Chapter 4

Americans' Racial Attitudes and Equal Employment Opportunity Policy

In the previous chapter I tested the direct prediction of the full theoretical model using the data from the 30 years of the FCC telecommunications policy. However, as the results indicated the data does not allow drawing strong conclusions about the accuracy of the model. Nevertheless, the results suggest that the analysis of interaction between legislative and administrative institutions is essential in understanding administrative responsiveness to public opinion. Telecommunications regulation was found to be more responsive to public opinion as congressional oversight of agency policymaking increased. In this chapter, I continue testing theoretical predictions of the administrative responsiveness model and examine the enforcement of anti-discrimination laws by the Equal Employment Opportunity Commission (EEOC) over the past 30 years. Using data on litigation and charge resolutions in areas of civil rights discrimination, equal pay, and sexual harassment, I analyze the relationship between public opinion on racial policy and EEOC decision-making.

Unfortunately, due to the data limitations explained in the previous chapter I am unable to test the entire theoretical model. Since EEOC is a relatively young agency, we do not have enough variation in the data to estimate each one of the three conditions for responsiveness identified in the theoretical model. Moreover, empirical results in the previous chapter clearly indicate that to identify conditions properly we need more precise measurements of the preferences of political actors involved in policymaking process. Thus, instead of testing the predictions of the theoretical model about the conditions for administrative responsiveness, this

chapter focuses on another aspect of the model – the implications of the model predictions to the relationship between issue salience and policy responsiveness. The theoretical model suggested that under conditions of responsiveness we should expect administrative policy to be more reflective of public opinion when the legislature is expected to be particularly attentive to the general public. Accordingly, in this chapter I focus on one mechanism that increases legislative responsiveness - issue salience; I test whether greater media attention to the issues of civil rights and civil liberties affects equal employment policy responsiveness to public opinion.

This case study also addresses one other weakness identified in the telecommunications empirical analysis. In the case of the telecommunications policy I was only able to use general ideology as a proxy for public's preferences on telecommunications policy. While general ideology might be a more appropriate measure of policy preferences in the area of economic regulation, in the case of social regulation a more policy-specific measure would be more suitable. In this chapter, I am able to use a measure of public opinion that focuses on the specific preferences of the public about racial policy.⁷¹ Even though equal employment policy deals with different realms of social injustice, including gender, age, religion and disability discrimination, racial discrimination is one of the most salient ones. Moreover, racial policy preferences are closely correlated with attitudes toward other types of discrimination and liberal ideology (Kellstedt 2003).

The analysis of the EEOC litigation practices presented in this chapter demonstrates that public opinion affects EEOC litigation practices and, to a lesser extent, its charge resolution practices. Moreover, the role of public opinion is even more prominent when the issues of civil rights and civil liberties receive greater media attention. The empirical evidence also implies that

⁷¹ I thank Paul Kellstedt of Texas A&M university for providing me with these data.

administrative oversight is mostly done by the congressional committees and not by the entire legislature, with the agency enjoying more policy leeway when the oversight is weaker. Thus, the results suggest that congressional committees that might represent a narrow set of interests exert more control over agency policymaking. On the other hand, the legislature, that is a body that is supposed to represent a national electorate, does not seem to exert much control over equal employment policy implementation. The oversight by congressional committees appears to be weaker when the influence of public opinion on policy is stronger. Since public opinion and oversight committees affect administrative policy in the same direction, the results imply that congressional committees step up their oversight when the public is not very attentive or informed about a policy.

The Equal Employment Policy and the EEOC

The EEOC is a United States federal agency that is tasked with enforcing laws prohibiting employment discrimination under the Title VII of the Civil Right Act of 1964, the Equal Pay Act of 1963, the Age Discrimination in Employment Act of 1967, and American with Disabilities Act of 1990.⁷² The EEOC was created by the Civil Right Act of 1964, but until 1972 could only pursue informal methods of resolving employment discrimination disputes via

⁷² The definition of the all statues as provided by the EEOC (see EEOC website www.eeoc.gov): [Title VII of the Civil Rights Act of 1964](#) (Title VII), which prohibits employment discrimination based on race, color, religion, sex, or national origin; the [Equal Pay Act of 1963](#) (EPA), which protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination; the [Age Discrimination in Employment Act of 1967](#) (ADEA), which protects individuals who are 40 years of age or older; [Title I and Title V of the Americans with Disabilities Act of 1990](#) (ADA), which prohibit employment discrimination against qualified individuals with disabilities in the private sector, and in state and local governments; [Sections 501 and 505 of the Rehabilitation Act of 1973](#), which prohibit discrimination against qualified individuals with disabilities who work in the federal government; and the [Civil Rights Act of 1991](#), which, among other things, provides monetary damages in cases of intentional employment discrimination.

conference, conciliation and persuasion (Doggett and Doggett 1990). The Equal Employment Opportunity Act of 1972 empowered the agency to bring suits against a party charged with discrimination. Yet, only after a substantial reorganization of the agency in 1978, when the EEOC was granted a “lead agency” status as well as additional responsibilities for enforcing the Age Discrimination in Employment Act and the Equal Pay Act,⁷³ the agency became a central player in combating discrimination in employment in the United States (Rose 1989).

The EEOC consists of five commissioners, who are appointed by the President, with approval of the Senate, for five-year, staggered terms. The agency headquarter offices are located in Washington, DC. The headquarters include the commissioners’ offices, the Office of the General Counsel – a body that conducts the litigation on behalf of the EEOC, the Office of Legal Counsel that provides legal advice on matters other than enforcement litigation, and additional administrative units. In addition, the agency has a large number of field offices that process complaints from the general public.⁷⁴

The EEOC can act on its own to require compliance with anti-discrimination laws or respond to complaints filed by individuals. If attempts to resolve the issue fail, the agency may file a law suit in the federal court (Baron 2005). After a case is brought to the local office, the staff decides whether the case has a merit and whether the agency would like to get involved in the resolution of the case.⁷⁵ The EEOC does not have a statutory authority to compel an employer to refrain from unfair employment practices. Consequently, the district offices in charge of the case will usually attempt conciliation by persuading the employer to correct the

⁷³ See President Carter’s Reorganization Plan No. 1 and Executive Order 12067.

⁷⁴ Currently EEOC consists of 11 offices at headquarters and 50 field offices nationwide (U.S. Commission on Civil Rights Report 2000).

⁷⁵ Majority of the case are processed quickly and the letter of right-to-sue is issued to a complainant which allows him/her to pursue the case in the courts, but without further assistance from the EEOC.

discriminatory practices and offer compensation to the injured party. However, if the efforts of conciliation fail, the EEOC may decide to resolve the dispute by filing a lawsuit on behalf of the injured party in federal district court (Doggett and Doggett 1990).

The EEOC can pursue several remedies for the individuals who are being discriminated against. The individual complainant may be awarded payment of back wages, reinstatement, promotion or other awards. In addition, the agency or courts can pursue injunctions or mandated changes in practices for the firms or entire industry sectors involved in discriminatory practices (Baron 2005). The following examples demonstrate the extent of the EEOC influence on the business practices in the United States. In 1993, EEOC pursued a racial discrimination case against a restaurant chain Shoney's Inc. The agency reached a \$105 million settlement in addition to Shoney's Inc. agreement to institute an aggressive affirmative action program. In 1996, Texaco – an oil company from Texas - settled another racial discrimination suit for \$176.1 million. It also allowed EEOC to monitor its hiring and promotion policies and established an “equality and tolerance task force” (Baron 2005). Furthermore, in 1998, EEOC has resolved two prominent sexual harassment suits that required Mitsubishi Motor Manufacturing of America and Astra USA to pay the victims of harassment \$34 million and \$10 million, respectively.⁷⁶

While all of these cases involve specific companies and specific individuals, their influence on the overall business culture and social conditions of employees around the country cannot be underestimated. First, most companies involved in the EEOC investigations are national companies with presence in many states. Second, these cases are used to send a signal to

⁷⁶ “In EEOC v. Mitsubishi Motor Manufacturing of America, the company agrees to pay \$34 million in monetary relief to a class of 300 to 400 female employees. EEOC's lawsuit had alleged that the company engaged in a pattern of sexual harassment and retaliated against female employees. In EEOC v. Astra USA, the agency alleged that Astra engaged in a continuous pattern of sexual harassment of its female employees. The company agreed to pay nearly \$10 million to 80 to 100 female victims.” (<http://www.eeoc.gov/abouteeoc/35th/milestones/1998.html>).

the rest of the business community about the priorities of the EEOC and about the proper conduct with respect to equal employment rules. Lastly, the instances of considerable compensation to wronged employees and changes in hiring and promotion procedures and workplace environment receive widespread media coverage. Extensive attention to these issues in the media helps to further promote awareness about the equal employment protection to both employees and employers across the United States.

Equal Employment Policy Responsiveness to Public Opinion

Despite a large literature on racial politics and race discrimination in general, there is a scarcity of quantitative social science studies about equal employment law, particularly about the role of public opinion in this political process. This is particularly surprising given that public opinion played an important role in creating equal employment legislation in the first place. Burstein (1987) demonstrated that public opinion was one of the key determinants of the Equal Employment legislation. He concluded that civil rights movement's main contribution to the legislative reform was not on changing attitudes, but in bringing the issues of civil rights to the public agenda. As the issues of civil rights became salient, the legislature felt obliged to follow public's preferences in enacting civil rights and employment anti-discrimination laws. However, there is no existing evidence on the role of public opinion in implementation of employment antidiscrimination laws, especially at the national level. Studies that examine EEOC legal practices tend to focus on the changes in political conditions, such as presidential administration (Wood 1990), formal legal characteristics and social attributes of the individual cases (Lancaster, Nielson and Nelson 2007), the impact of racial, ethnic or gender composition of the EEOC

personnel (Hindera 1993, Hindera and Young 1998, Meier, Pennington and Eller 2005), or study the effects of the organizational structure of the agency (Pedriana and Stryker 2004).

Some of the lack of studies on the topic can be attributed to the fact that there is very little data available on the public's preferences about equal employment opportunity. However, from the little data that is available in the 1980s, it is clear that the general public overwhelmingly supports equal employment enforcement. In 1983, 49% of the American public were satisfied with Equal Employment Opportunity laws were about right with another 17% agreeing that the laws do not go "quite far enough" and 8% saying "not nearly far enough".⁷⁷ In 1982, only 14% of the public thought that the government should not play a role to ensure that private businesses provide equal employment opportunities for minorities and women.⁷⁸ Unfortunately, we do not have data on how these preferences change over time. Even more importantly, we do not have systematic evidence about how public's sentiments are translated into administrative decisions.

In this chapter I study the direct impact of public opinion on litigation and case-handling practices of the EEOC. If, as the theoretical model in Chapter 2 suggests, political process play a very important role in agency decision-making, a strategic agency should not ignore the preferences of the public when legislature becomes more responsive to the citizens' preferences. Thus, if legislature is concerned with public opinion, the responsiveness features should be

⁷⁷ Survey conducted by Roper Organization, February 12-February 26, 1983 and based on personal interviews with a national adult sample of 2,000.

⁷⁸ Survey by American Council of Life Insurance. Methodology: Conducted by Yankelovich, Skelly & White, April 24-May 23, 1982 and based on personal interviews with a national adult sample of 1,252.

embedded in the agency design and produce administrative policy responsiveness, at least under some conditions.⁷⁹

If we accept, as the theoretical model suggests, that in many cases legislative responsiveness does translate into administrative responsiveness, then the same factors that affect legislative responsiveness should affect administrative responsiveness as well. In the theoretical model the extent of the legislative responsiveness to public opinion is denoted α .⁸⁰ The parameter α ($0 < \alpha < 1$) reflects a weight the legislature assigns to public opinion in any given point in time. This weight can be interpreted as a measure of the extent of legislative responsiveness to public opinion versus other potential sources of influence on legislative decision-making, such as legislators' own ideological preferences, pressure from their party, or pressure from the interest groups.

One of the interpretations of the parameter α is the extent of the salience of the issue to the general public.⁸¹ Several theoretical accounts of policy responsiveness suggest that the impact of the public's preferences on the legislative process may vary according to citizens' levels of information about policy (Denzau and Munger 1986, Lohmann 1998, 2003, Jones 1994). These theoretical findings are supported by empirical studies of legislative responsiveness. Page and Shapiro (1983) find that policy congruence with public's preferences is

⁷⁹ The theoretical model identifies separate conditions defining relationship between legislative and administrative responsiveness to public opinion. However, in this chapter I only test the prediction of the positive relationship between the two types of responsiveness.

⁸⁰ As a reminder to the reader, I repeat the formal definition of the legislature's utility function. The utility function of the legislature is a convex combination of two negative quadratic functions: $u_H(x) = -\alpha(x-P)^2 - (1-\alpha)(x-NP)^2$. In the first function, P represents the ideal point of the general public, and in the second function, NP represents a combination of additional sources of the legislature's utility. These sources may include legislators' own ideological preferences, pressure from their party, or pressure from the interest groups.

⁸¹ The parameter α incorporates various additional aspects of legislative responsiveness, such the proximity of election, and the presence of a strong challenger.

higher on salient than on nonsalient issues. Geer (1996) shows that with regard to the abortion policies, politicians shifted their positions closer to the median voter when the issue became more salient. In a similar fashion, Arnold (1990) shows that legislators tend to serve interests of well-informed minorities only when an issue is important to the minority and not potentially salient to the substantial number of inattentive citizens. Moreover, when issues are salient to the public, the direct influence of the interest groups on administrative policy is considerably diminished. Because the success of lobbying by special interests is undermined on issues of substantial salience to the public (Jones and Keiser 1987, Bacheller 1977, Grenzke 1990) and the threats of “fire-alarms” are much less credible (McCubbins and Schwarz 1984), the influence of interest groups on agency’s future is compromised. Consequently, self-interested agency is better off being more responsive to the preferences of the general public versus the interests of the industry.

Data

EEOC Policies. In this study I employ three different measures of equal employment law enforcement in the years 1980 – 2004, which are available from *EEOC Annual Reports*. The first and second measures refer to the litigation practices of the agency. I collected annual data on the number of suits filed by the EEOC under all the statutes that the agency enforces and, separately, on those filed only under the Title VII of the Civil Rights Act.⁸² I chose to analyze the Title VII suits separately, because these discrimination cases are especially relevant to the study of public preferences about racial policy. Because the majority of the Title VII cases involve race-based

⁸² As mentioned earlier, under Title VII of the Civil Rights Act the EEOC considers cases involving employment discrimination based on race, color, religion, sex, or national origin.

discrimination and the general public and the media often view Title VII statute as synonymous with race discrimination issues, Title VII litigation is expected to be more responsive to public opinion on racial policy than the litigation practices in general.

The third measure of equal employment law enforcement deals with the outcomes of the EEOC enforcement activities. Here I collected annual data on the number of Title VII cases with outcomes favorable to charging parties and/or charges with meritorious allegations (as defined by the EEOC). These charges include negotiated settlements, withdrawals with benefits, successful conciliations, and unsuccessful conciliations. In order to control for the volume of complaints handled by the EEOC, appropriate control variables are included in each model.⁸³

While the actual decision on which cases should be filed for litigation or which cases are found to have a merit and recognized as discriminatory are made at the local level, the members of the EEOC are very much involved in overseeing field offices and formulating general policy that guides their decisions. The EEOC district offices are usually instructed to pursue cases that will serve as a precedent and will be used as future guidelines for many other employers (U.S. Commission on Civil Rights Report 2000). For example, the commissioners in Washington, DC initiate policies that detail methods of charge handling procedures, they endorse interpretations and clarifications of case law drafted by the Office of the Legal Counsel, and approve cases eventually selected for litigation by the Office of the General Counsel (U.S. Commission on Civil Rights Report 2000).

⁸³ I include in the model the following controls: (1) in the total number of suits analysis I control for the total number of cases received by the agency in the same year; (2) in the Title VII suits analysis I control for the total number of Title VII receipts or the total number of suits filed in the same year; (3) in the Title VII merit resolutions analysis I control for the total number of cases classified as merit resolution in the same year.

Public Opinion on Racial Policy. As a measure of public opinion I use an aggregate indicator of racial policy preferences compiled by Paul Kellstedt (2000, 2003). This measure is similar to the “policy mood” measure developed by Erikson, MacKuen and Stimson (2003), but, instead of aggregating all available measures of domestic policy preferences, it aggregates only the preferences that are directly related to the civil rights and racial policy issues. The final measure of public opinion includes survey items on issues such as busing, minority aid, government involvement in civil rights and others.⁸⁴ The scale runs from 0 to 100 with higher values representing greater racial policy liberalism.

Issue Salience. I use media attention to the issues of civil rights and civil liberties as a proxy for equal employment policy salience. As such, I measure issue salience by calculating the percent of *New York Times* articles discussing issues of civil rights and civil liberties from all the articles that appear in the random sample of articles compiled by Brian Jones, John Wilkerson and Frank Baumgartner in any given year.⁸⁵ Given that articles in each year are a random sample of the universe of articles published by the *New York Times*, the calculated percent of the civil rights articles in the sample should correspond to the actual proportion of civil rights coverage in the media.

Legislative Preferences. Similarly to the FCC case study, I use ADA scores of the median members of the House and the House Education and Labor Committee, which traditionally oversees EEOC policymaking to identify the preferences of the legislature and the oversight committee. ADA scores are given annually to each congressional member by Americans for Democratic Action, an independent liberal lobbying organization. These scores are based on 20

⁸⁴ For more information on the measure see Kellstedt (2000) and Chapter 3 from Kellstedt (2003).

⁸⁵ The data on the content of New York Times articles was downloaded from the “Policy Agendas Project” (<http://www.policyagendas.org/>) directed by Brian Jones, John Wilkerson and Frank Baumgartner.

key votes identified by the organization. The score runs from 0 to 100 with 100 referring to the most liberal political ideology.

Administrative Preferences. Again, similarly to the telecommunications case study, I estimate EEOC preferences using the ADA scores for the president who nominated the commissioner in the year of nomination. These scores, like congressional ADA scores, reflect how often the president supported bills identified by the ADA during a legislative session (Zupan 1992, Grafton and Permaloff 2004). I use the median score in each year as a proxy for the preferences of the entire agency.

Control Variables. In addition to appropriate controls to adjust for the magnitude of case volume (discussed above), the analysis includes two additional controls. First, I control for the capability of the agency to deal with the case volume by including the EEOC annual budget. The budget data was obtained from the Commission's website www.eeoc.gov/abouteeoc/plan/budgetandstaffing.html. Second, I include a dummy variable for the time period after 1992. This dummy variable serves several purposes. On the one hand, it helps to account for the introduction of the enforcement of the American with Disabilities Act. On the other hand, it also accounts for the partisan switch in the White House and the reorganization efforts introduced by the Clinton Administration.

After describing the data, I can now construct an empirical model that will test the theoretical predictions with respect to the role of public opinion in equal employment policy:

$$Y_t = \beta_1 \text{Public Opinion}_t + \beta_2 \text{Public Opinion}_t * \text{issue salience}_t + \beta_3 \text{House}_t + \beta_4 \text{Education Committee}_t + \beta_5 \text{Agency}_t + \beta_i X_{it} + \varepsilon_t$$

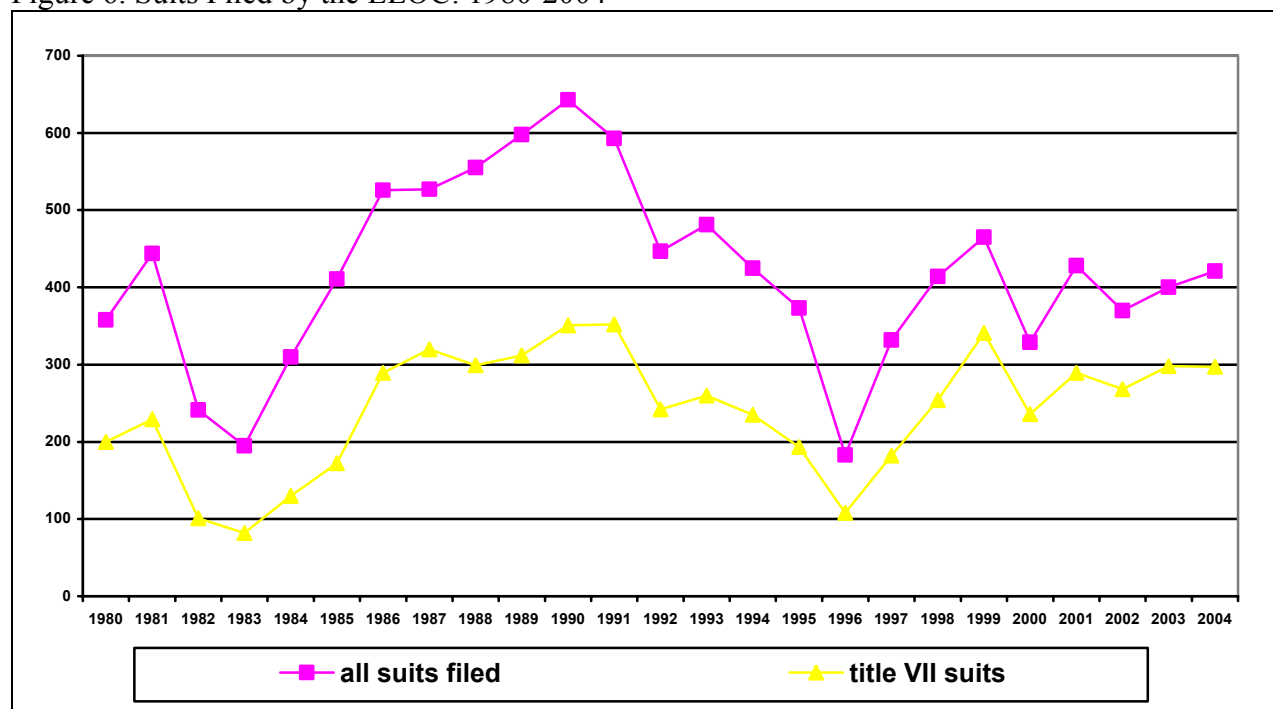
where Y_t is a measure of administrative policymaking by the EEOC at time t . **House**, **Agency** and **Education Committee** represent ideal policy locations of the House members, the oversight committee and the EEOC commissioners, respectively. X_{it} represents a vector of control variables, and ε_t is an error term.

Results

Before proceeding with the analysis of equal employment policy responsiveness, it is useful to examine the general trends in the data. As mentioned before, I include three measures of EEOC policymaking in this study. Figure 6 shows the trends in the EEOC litigation practices. The Equal Employment Opportunity Commission files on average 419 suits annually; however, the time-series exhibits clear variation over time. Surprisingly, the most productive era of the EEOC litigation was the mid 1980s and early 1990s. After a short decline in the volume of litigation in early 1980s, the number of suits filed by the agency had increased consistently, reaching its peak in the 1990 with more than 600 suits filed. One of the explanations of such a phenomenon is that early years are characterized by a flood of complains from citizens who never before had an access to a government agency that deals with discrimination issues. The first half of the 1990s is best characterized by a steady decline in the volume of litigation, reaching its all time low of less than 200 suits in the 1996. The more recent years are characterized by more stability in litigation practices with the volume of litigation staying at around 400 suits a year.

More than half of the suits are Title VII cases (mean proportion of Title VII suits is 58%). Generally, Title VII suits tend to track the total number of suits rather well with the proportion of Title VII suits dropping below 50% during the early Reagan era and rising again above 50% again after 1986. However, despite the surge in the total number of suits filed by the agency in the 1980s, we can clearly identify Reagan's policy agenda according to which agency deemphasized its efforts to reduce Title VII employment discrimination.

Figure 6. Suits Filed by the EEOC: 1980-2004



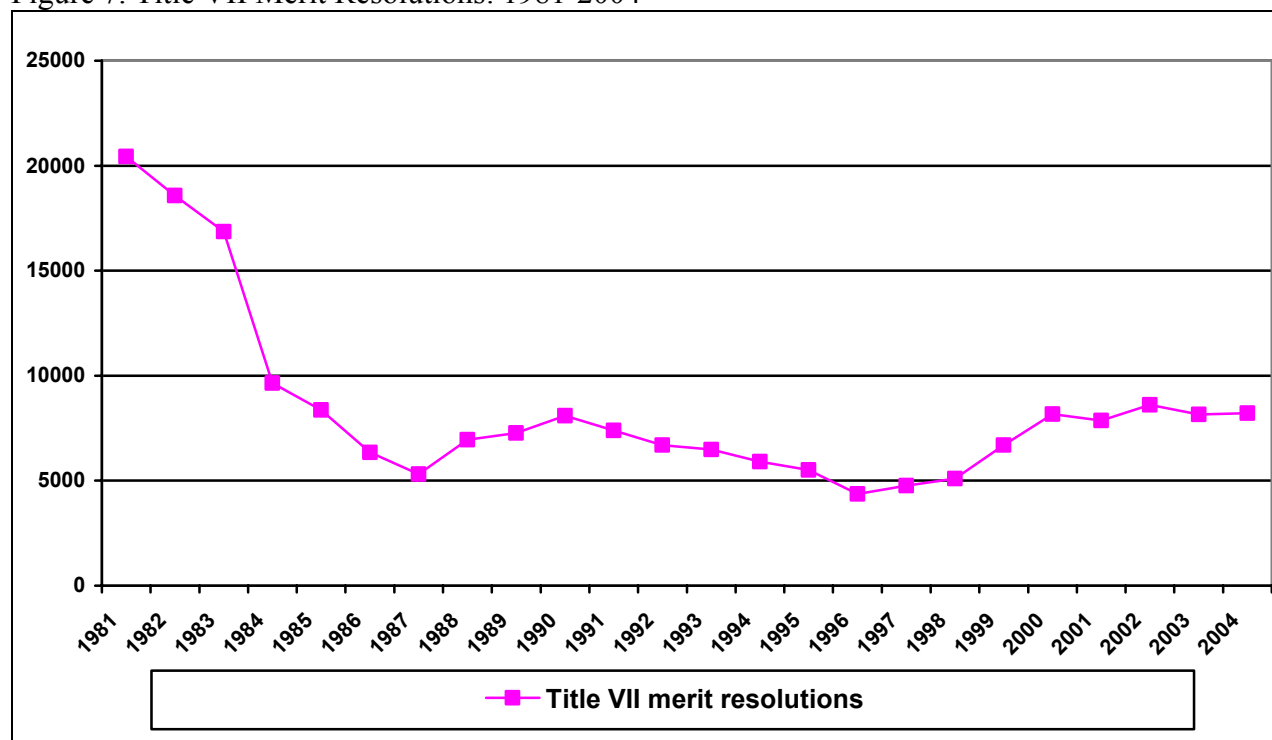
Source: Equal Employment Opportunity Commission

The last dependent variable is the annual number of Title VII merit resolutions. As Figure 7 suggests, after peaking in 1981⁸⁶ the number of Title VII merit resolutions dropped sharply from more than 20,000 cases in 1981 to less than 10,000 cases in 1984. Afterwards, the number

⁸⁶ The first year the EEOC documented the number of Title VII merit resolutions.

of resolutions stayed relatively stable averaging about 7000 cases a year. The sharp drop in Title VII merit resolutions reflects the general decline in the number of merit resolutions over time (not shown). However, it appears that decline in the number of Title VII merit resolutions is somewhat steeper than the decline in the total number of merit resolutions. This indicates that agency might have diverted its resources somewhere else, in particular toward the American with Disability cases.

Figure 7. Title VII Merit Resolutions: 1981-2004

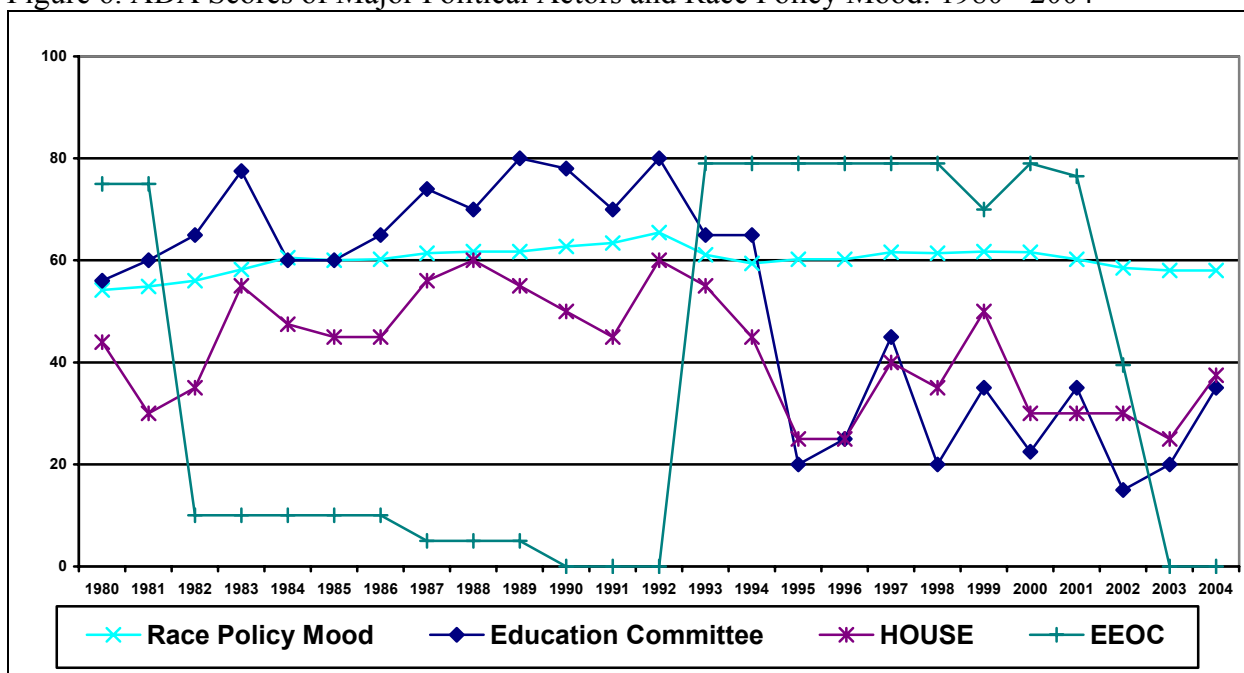


Source: Equal Employment Opportunity Commission

The data on the main independent variables is presented in Figure 8. The primary independent variable – public opinion on racial policy – appears to be rather stable over the time

period discussed here.⁸⁷ In general, the American public appears to express rather liberal racial policy attitudes, with an average 60% of the public supporting liberal policies. After a slight increase in liberalism in mid-1980s, the public's support of liberal racial policy seems to stabilize around its average. Interestingly, the public's race policy attitudes remain stable and do not undergo a significant change after a conservative turn in Congress following the 1994 Republican takeover of the House.

Figure 6. ADA Scores of Major Political Actors and Race Policy Mood: 1980 - 2004



Source: American for Democratic Action and Paul Kellstedt

The remaining independent variables - preferences of the main political actors – exhibit rather predictable trends. Given the specification of the EEOC commissioners' preferences, the median ADA score of the agency follows the presidential preferences rather closely with a slight

⁸⁷ The race policy mood is also strongly correlated with the measure of the general public liberalism (Erikson, MacKuen and Stimson 2003): $r=.67$

delay in regime switches due to the turnover timing. Thus, the EEOC appears the most conservative in the 1980s during Reagan years and very liberal during Clinton years after 1992. With the most recent change in the White House administration, the EEOC again appears to be heading in a conservative direction.

As for preferences of the Education and Labor Committee and the rest of the House, the two follow similar trends. Both the House and the oversight committee take a sharply conservative turn after the Republican takeover of the House following the 1994 congressional elections. Interestingly, prior to 1994, the Education and Labor Committee appears to be much more extreme (in the liberal direction) than the rest of the House. The average difference between the oversight committee and the floor is 19 points prior to 1994 and minus 5 point thereafter. This indicates that the Republican House assembled Education and Labor Committees that were more representative of the House floor than in the period prior to 1994. This is consistent with the notion that the Republican party was more cohesive ideologically than the Democratic party in the 1980s.

To test the empirical model presented in the previous section, I have analyzed the influence of public opinion and other independent variables on the three measures of the EEOC policymaking. A number of statistical diagnostic tools revealed that the time-series follow second order autoregressive stochastic process and a first-order moving average process. In addition, all time-series variables included in the analysis are stationary.⁸⁸ As a result, the Autoregressive Integrated Moving Average (ARIMA) regression models were used to estimate

⁸⁸ Specifically autocorrelation function and partial autocorrelation function and the resulting correlograms, as well as analyses of residuals were used to identify ARMA processes. In addition, augmented Dickey-Fuller and Phillip-Perron tests for unit roots were used to test the stationary nature of the variables included in the analysis.

the impact of public opinion on equal employment policy (see Gujarati 2003 for more technical explanations).

Table 5. The Influence of Public Opinion on Equal Employment Policy

	All Suits	Title VII Suits		Title VII Merit Resolutions
		Model 1	Model 2	
Public Opinion on Racial Politics	35.63 (8.49)***	24.59 (5.38)***	18.40 (5.58)***	-5.11 (38.4)
Public Opinion X Saliency	.49 (.29)*	.45 (.15)***	.32 (.17)**	4.6 (.73)***
House preferences	-.71 (2.55)	-1.12 (1.30)	.24 (1.40)	1.59 (8.20)
Education Committee Preferences	2.39 (1.26)*	1.92 (.61)***	1.23 (.76)*	10.91 (4.19)***
EEOC commissioners preferences	1.29 (.69)*	.82 (.39)**	.92 (.40)**	.32 (2.01)
Budget (in million \$)	.002 (.0004)***	.002 (.0002)***	.002 (.0002)***	-.013 (.001)***
1992-2004 dummy	-.293.6 (52.5)***	-236.7 (29.5)***	-193.4 (26.4)***	-521.6 (157.7)***
# of total receipts	-.0005 (.002)	-----	-.001 (.001)	-----
# of Title VII receipts	-----	.001 (.002)	-----	-----
# of total merit resolutions	-----	-----	-----	.91 (.022)***
AR(1)	.62 (.18)***	.67 (.16)***	.74 (.18)***	.56 (.32)*
AR(2)	-.65(.22)***	-.82 (.12)***	-.74 (.17)***	-.70 (.16)***
MA (1)	-1.00 (.000)***	-1.00 (.000)***	-1.00 (.000)***	-1.00 (.000)***
Sigma	58.05 (6.95)***	28.70 (3.91)***	31.33 (3.71)***	150.52 (19.2)***
Log pseudolikelihood	-128.28	-107.92	-.114.35	-143.96
N	23	23	23	22

The entries are ARIMA (2,1,1) regression coefficients with robust standard errors in parentheses
 * p<.1, ** p<.05, *** p<.01

The results of the regression analyses are presented in Table 5. Because I use first-differences to make time-series stationary, the interpretation of the coefficients is not in the

original units, but in the difference between the value in time t and time $t-1$. The interpretation of the direction of the relationship and levels of significance⁸⁹ are not affected by the transformation. Moreover, since all the variables are coded in the same way for all models, we can compare coefficients across models.

The results indicate that public opinion plays an important role in EEOC policymaking, at least with regard to the agency's litigation practices. For both the total number of suits filed and for Title VII suits filed (both specifications) the coefficients are positive and significant. Accordingly, more liberal public opinion on racial policy is associated with a larger number of suits filed by the EEOC. More specifically, the change of 1 point in the public opinion in liberal direction should be translated, *ceteris paribus*, into about 35 more suits filed by the agency, from which about 20 suits are expected to be Title VII suits. Furthermore, as expected, the influence of public opinion on equal employment policy is enhanced when issues of civil rights and liberties receive greater attention in the media. However, somewhat unexpectedly, the influence of public opinion on Title VII suits, which include specifically race-based discrimination charges, was smaller than the influence on the total number of suits filed by the EEOC.

The public opinion on racial policy has a much smaller effect on the number of Title VII cases that reach merit resolutions. In fact, the main effect of public opinion is not significantly different from zero. However, since the interaction coefficient is positive and significant, we can infer that public opinion influences EEOC case-handling practices only when the issues of civil rights receive more extensive media coverage. Moreover, in comparison to litigation practices the effects of salience on merit resolutions are much greater.

⁸⁹ Because the sample is very small and decreased even further due to ARIMA processes, I am allowing more flexibility with the interpretation of levels of significance. Thus, I consider $p < .1$ to be a significant result.

The preferences of the EEOC commissioners appear to play an important role in determining the number of suits filed by the agency, including Title VII suits. More liberal commission is associated with greater volume of litigation. This is not the case with respect to charge-handling practices though. The preferences of the EEOC commissioners do not exert significant impact on the number of Title VII merit resolutions. The preferences of the members of the House do not influence administrative policymaking: all coefficients are indistinguishable from zero. On the other hand, the impact of the preferences of the oversight committee – the Education and Labor Committee – is positive and significant for both litigation practices and case-handling practices. Furthermore, the influence of the oversight committee on Title VII merit resolutions is much greater than on the litigation practices ($\beta=10.91$ versus $\beta=2.39$, $\beta=1.92$, $\beta=1.23$).

Two main control variables appear to have effects in the predicted direction (with one exception being the impact of the agency's budget size on Title VII merit resolutions). Greater annual budgets are associated with more suits, but with less Title VII merit resolutions. In any case, these effects are rather small. The significant and negative effects of the dummy variable for a time period after 1992 indicate that the EEOC had undergone substantial changes in its litigation and charge-handling practices. The addition of the American with Disabilities Act litigation had diverted agency's attention away from Title VII cases. On the other hand, the reorganization of the case-classification process in the Clinton years had changed agency's practices from focusing on the volume of cases to emphasizing the nature of cases and alternative ways of solving employment disputes.

Discussion

The findings of this case study indicate that public opinion is an important determinant of the volume of litigation practiced by the Equal Employment Opportunity Commission. Liberal public opinion on racial policy was found significantly correlated with a greater number of suits filed by the EEOC each year as well as a greater number of Title VII suits filed. In fact, public opinion appears to be the strongest predictor of the volume of litigation in comparison to the preferences of the commissioners themselves and the preferences of the oversight committee. In addition, as expected, issue salience plays an important role in policy responsiveness: the influence of public opinion on policy increases with more extensive media coverage of the civil right and civil liberties issues.

The results of this case study indicate that, as predicted by the theoretical model, policy responsiveness is possible even in the absence of a direct electoral connection between the general public and policymakers. A strategic agency responds to political conditions and, in anticipation of potential congressional interference, adjusts its policy to be more responsive to the wishes of the general public. When the agency observes more considerable coverage of civil rights and civil liberties issues in the media, it anticipates that legislative preferences will change to reflect public opinion more closely. Consequently, equal employment policy becomes more responsive to public opinion.

Somewhat contrary to expectations, the general public appears to have less influence on Title VII litigation than on the EEOC litigation in general, even though Title VII litigation is the most relevant to racial policy issues. This implies that agency is more concerned with its general visibility and not only its visibility on racial policy. Furthermore, while the majority of the Title

VII suits do involve racial policy, other issues, such as gender and religion discrimination are included in the count of Title VII suits. Thus, some of these issues might cross liberal-conservative ideology and, subsequently, decrease the correlation between policy and public opinion on racial policy.

Public opinion appears to have much less influence on the case-handling practices of the agency. The direct main effect of public opinion on Title VII merit resolutions is not significantly different from zero. However, even in this case, we again find that a potential for greater legislative responsiveness associated with issue salience plays an important role in administrative responsiveness. The influence of public opinion on Title VII merit resolutions becomes significant as the media coverage of civil rights and civil liberties increases.

The findings of this case study have important implications for understanding the relationship between public opinion, policy and media. First, consistent with the literature on issue salience, I find that media coverage of a particular policy area provides a cue to legislators and administrators about the preferences of the general public and about the potential of the public to become aware of policy decisions and their implications. As a result, the agency adjusts its behavior to be even more representative of the public's wishes. Second, understanding of the importance of media coverage helps us to explain the differences in the influence of public opinion on different aspects of equal employment policymaking. Given that law suits and potential monetary benefits, particularly in class-action cases, receive greater attention in the media than other, more obscure, procedures, it is not surprising that if the agency will pay any attention to the general public it will be with regards to litigation practices.

The findings of this study also have important implications to our understanding of the role of congressional oversight in administrative policymaking and, subsequently, administrative policy responsiveness. Consistent with the literature we find congressional committees to be the main actor in congressional oversight. As the congressional oversight literature suggests, information asymmetry is one of the most important factors that allows the agency to implement policies of its choice and disregard legislative wishes. Oversight committees clearly possess needed expertise and sustain close relationship with the agency to overcome such informational disadvantages. Thus, we find that the preferences of the oversight committee and not the entire House are the one that are most reflected in administrative policy. Moreover, the tighter congressional oversight is directly related to agency's policy discretion. The regression analyses show that the preferences of the EEOC commissioners are only influential in litigation practices where the congressional oversight is weaker, but are insignificant in the case of Title VII merit resolution where the oversight is stronger.

Another finding worth pointing to is the much stronger influence of the Education and Labor Committee on the less salient issue of Title VII merit resolutions versus litigation practices. The analysis shows that the committee tends to step up its oversight when the public does not play as important role in administrative policymaking. Thus, a strategic oversight committee chooses to monitor mainly the policies that are left unmonitored by the general public. This implies that the committee, knowing that its preferences differ from the entire House (and general public), exploits the opportunity to have a larger effect on the policy in favor of its members' constituents and, perhaps, at the expense of the general public. Alternatively, the EEOC, knowing that oversight committees are responsible for its budgets and legislative

mandates, might strategically choose to become more responsive to the preferences of the oversight committee on issues that are less visible to the general public and, consequently, less costly to the legislature.

These empirical results have several implications to the theory of democratic representation. First, even though the public opinion plays an important role in the agency decision-making, the legislature itself does not seem to affect equal employment policy. What we do see is the oversight committee directing agency decisions to much greater extent than the floor of the House. The question that arises is to what extent oversight committees are representative of the entire legislature. As the theoretical model suggests and the empirical results here indicate, this might not be the case. Thus, the delegation of congressional oversight to unrepresentative committees might have adverse impact on democratic responsiveness. This is particularly true if the oversight committee monitors the policy that is not very visible to the general public. On the other hand, if the oversight committees are representative of the entire legislature and they compensate for the monitoring that is not done by the public due to low issue salience, than congressional oversight compliments democratic representation. In this case, even when public does not pay much attention to a particular policy realm, the administrative policy remains consistent with the public's wishes.

Second, the empirical evidence suggests that the EEOC behaves in a strategic matter. Knowing that the legislature is concerned with the wishes of the general public, the administrative agency – even though not elected by the public directly – keeps its policy consistent with the preferences of the general public. Accordingly, this study presents interesting insights about the interaction between bureaucratic preferences, congressional oversight and

policy responsiveness. The willingness of the legislature to interfere in the agency decision-making provides for administrative policy responsiveness to public opinion even in the absence of the active oversight by the entire legislature. This is particularly evident because of the fact that the EEOC adjusts its policy to be more reflective of the general public as the public becomes more aware of the issue.

In the next chapter I continue to explore the role of issue salience in administrative responsiveness. As mentioned early in this chapter, issue salience can affect administrative policy in two ways. One way is through increased legislative oversight attributed to electoral pressures. Another way is through the decreased influence from the interest groups on administrative policymaking on salient issues. The empirical analysis in the next chapter includes the effects of issue salience on the involvement of public opinion and interest groups on foreign trade policy, which allows me to estimate competing influence of interest groups and public opinion on administrative policymaking.

Chapter 5

The Impact of Public Opinion on Foreign Trade Policy

This chapter presents the last of the three case studies in the dissertation. In this chapter, I analyze the impact of public opinion on foreign trade policymaking. More specifically, I examine the International Trade Commission's (ITC) antidumping policy decisions between 1982 and 1999 and analyze whether citizens' attitudes toward foreign countries affect legislative attitudes toward these countries and, subsequently, the ITC antidumping decisions involving these nations.

What sets this empirical study apart from the other two cases is the inclusion of the preferences of interest groups involved in foreign trade policy. Even though the theoretical model and the literature on interest groups suggest that organized interests play an important role in legislative and administrative policymaking, data limitations prevented me from including these actors in previous empirical analyses. In this chapter, I take advantage of a series of elite and public opinion surveys conducted by the Chicago Council on Foreign Relations that asked political elites – such as legislators, bureaucrats, business leaders, and labor unions leaders – and the general public a series of identical questions about foreign policy preferences, including questions about attitudes toward various international partners. As a result, I am able to explore the ways in which competing influences of public opinion and interest groups affect administrative policymaking.

Moreover, as in Chapter 4, I investigate the influence on issue salience on policy responsiveness. The increased media attention to foreign trade policy is assumed to strengthen

policy responsiveness through two, closely related, channels: by increasing (potential) congressional involvement in administrative decision-making, and by weakening the link between the regulated industry (and/or other special interests) and administrative decision-makers.

One might ask why we need to study a link between public opinion and foreign trade policy decisions that appear to be objective economic determinations. The answer is that, despite what looks like a purely economic policy, political economists agree that administrative decisions regarding protection of domestic industry from foreign competition are heavily influenced by political considerations, mainly due to the ITC's vague political mandate (e.g., Moore 1992, Hansen and Prusa 1996, 1997). The broad discretion that the ITC enjoys originates from the legal definition of what constitutes a material injury to domestic industry as a result of unfair pricing by the country from which the import originates. The law defines material injury to domestic industry as a "harm which is not inconsequential, immaterial, or unimportant."⁹⁰ Thus, the law does not provide any specific details about the process or criteria to be used in determining the injury. In addition, "[d]omestic parties can urge politicians to pressure the bureaucratic agencies by using rhetoric of foreign unfairness to provide a vehicle for building a political use of protection" (Blonigen and Prusa 2003, p. 252).

Furthermore, the impact of trade protection, including the antidumping laws, on consumer prices is considerable. For example, scholars have estimated that in 1990 special trade protection cost consumers over \$70 billion, or about \$280 per consumer (Hufbauer and Elliot 1994). The import quotas on the Japanese cars in the early 1980s cost consumers \$4.3 billion with prices of Japanese and American new cars rising an average of \$940 and \$ 1,300,

⁹⁰ Section 771(7) of the Act (19 U.S.C. § 1677(7)).

respectively (Langran and Schnitzer 2006). Lastly, the impact of administrative foreign trade decisions on international relations should not be underestimated. For example, U.S. relations with Japan are substantially affected by the trade relations between the two countries. Moreover, foreign trade relations are often retaliated by targeted countries creating a need for additional negotiations between international trade partners.

The empirical results in this chapter suggest that ITC's decisions are responsive to both the preferences of the interest groups (mainly through direct link) and to the preferences of the general public, which are expressed through congressional oversight. Both public opinion and interest groups seem to have a similar impact on legislative preferences; however, contrary to expectations, the salience of foreign trade issues does not appear to have an effect on the relationship between the public opinion and legislative preferences. On the other hand, the foreign trade salience appears to increase the direct influence of interest groups on antidumping policies; again, contrary to the theoretical expectations. The explanations for these results are discussed in further details in the last section of this chapter.

Foreign Trade Policy: International Trade Commission and Antidumping Decisions

A large proportion of the regulation of international trade is administered through multilateral tariff agreements negotiated and subsequently amended under the General Agreement on Trade and Tariffs (GATT). The main purpose of GATT is to encourage free trade between member states by regulating and reducing tariffs on traded goods. However, GATT rules allow for a certain leeway for participating countries to protect their domestic industry from potential harms caused by predatory trade practiced by other countries. Under Article VI of

GATT (Antidumping and Countervailing Duties), countries are allowed to levy duties on any product that is deemed as sold at less than the normal value, and causes or threatens material injury to domestic industry. In the U.S. dumping is defined as “the sale or likely sale of goods at less than fair value” (19 U.S.C. § 1677(34)). Antidumping basically compares the domestic price of a product in the exporting country with the price of the same (or analogous) product in the importing country, so antidumping actually pertains to price discrimination rather than to dumping (Baron 2005, p. 608).

The U.S. antidumping laws are administered jointly by the U.S. International Trade Commission (ITC) and the Department of Commerce International Trade Administration (ITA): both agencies were established by the Trade Agreements Act of 1979 in response to the Tokyo round of GATT negotiations in 1974.⁹¹ The International Trade Commission (ITC) is an independent, quasi-judicial federal agency with broad investigative responsibilities on matters of foreign trade. One of its main responsibilities involves investigations of instances of dumping of imported goods in order to decide whether domestic industry had suffered a material injury from the dumping. The ITC process petitions simultaneously with the Department of Commerce, with statutory time limits imposed on the decision-making process.⁹² The decisions by both agencies

⁹¹ The International Trade Administration in the Department of Commerce is responsible for deciding whether the dumping had in fact occurred. If the ITC determines that dumping of a product causes or threatens to cause material injury to domestic industry, ITA decides on the duty to be levied on the imported product. However, this study focuses on ITC decision-making. This is mainly due to the fact that most ITA determinations about dumping are positive. For example, Drope and Hansen (2004), who analyzed antidumping petitions from 1996 to 1999, found that only one of the 108 petitions analyzed received a formal negative ITA decision on dumping.

⁹² The overall investigation process for antidumping and countervailing duty cases can be divided into five stages, each ending with a determination by either Commerce or the Commission: (1) initiation of the investigation by Commerce, (2) the preliminary phase of the Commission’s investigation, (3) the preliminary phase of Commerce’s investigation, (4) the final phase of Commerce’s investigation, and (5) the final phase of the Commission’s investigation. There is a partial overlap in some of these stages as explained below. With the exception of Commerce’s preliminary determination (stage 3), a negative determination by either Commerce or the Commission results in a termination of proceedings at both agencies. The statutory deadlines relating to the five stages are as follows: initiation (20 days after the filing of the petition), preliminary determination by the Commission (45 days

do not require presidential or Congressional approval, but are potentially subject to a judicial review.

The ITC is comprised of 6 commissioners appointed by the President with the consent of the Senate. No more than three Commissioners may be of any one political party. All ITC's decisions are decided by commissioners' vote; in case of a tie, the final decision is considered to be affirmative. Between 1980 and 2005 the ITC has reviewed 1,102 antidumping cases, in 42.4% of which the Commission had determined that domestic industry had suffered material injury due to dumping practices (International Trade Commission, 2008).

Foreign Trade Policy Responsiveness to Public Opinion

As mentioned before, ITC is considered to enjoy a significant discretion, mainly due to the vague legislation concerning the definition of material injury. Such substantial discretion opens ITC decision-making process to considerable political pressures (Blonigen and Prusa 2003). Studies have frequently found political factors to be important in both individual commissioners' voting patterns (Moore 1992) and ITC injury determinations (Hansen and Prusa 1996, 1997; Drope and Hansen 2004, Liebman 2004). Moore (1992) showed that while ITC commissioners' votes were consistent with instructions set forth in the U.S. legislation, their decisions were also influenced by the pressures from congressional oversight committees. He demonstrated that petitions involving constituencies of the members of Senate oversight committees are systematically favored in the process. In addition to finding more protection

after the filing of the petition), preliminary determination by Commerce (115 days after the Commission's preliminary determination in antidumping cases or 40 days in countervailing duty cases), final determination by Commerce (75 days after Commerce's preliminary determination), and final determination by the Commission (120 days after Commerce's preliminary determination or 45 days after its final determination, whichever is later) (International Trade Commission 2007).

being afforded to industries with representatives in the House Ways and Means Committee, Drope and Hansen (2004) observe that industry groups had exerted significant influence on policy decisions through industry-level PAC contributions, lobbying expenditures and other campaign contributions. The winners of antidumping petitions tend to considerably outspend the losers.

These studies, while correctly identifying political pressures as important determinants of administrative decision-making, focus exclusively on political pressure originating from the relationship between Congress and interest groups. Virtually no work exists assessing the role of the general public in foreign trade policymaking. Most foreign policy public opinion studies are based on a widespread assumption that the presidents are the most crucial players in foreign policy and, therefore, focus on the impact of foreign policy attitudes on presidential vote (Aldrich, Sullivan and Bordiga 1989) and presidential evaluations (Nincic and Hinkley 1991).⁹³ However, given the centrality of the executive in foreign policymaking, it is surprising that scholars rarely looked at the impact of foreign policy preferences on the actions taken by political leaders. The exceptions being the studies of congressional foreign policymaking that examine the effects of public opinion on voting behavior of individual legislators in the area of defense spending (Hartley and Russett 1992; Eichenberg and Stoll 2003) and defense appropriations votes (Bartels 1991).

Most existing research on antidumping decisions has focused on the interests of domestic industry as the main determinant of political pressures on ITC's decisions. However, the attitudes toward trading partners might also be an important factor in agency's decisions due to

⁹³ These studies mostly look at the public attitudes toward the role of the U.S. in international affairs and the extent of the U.S. involvement in specific international military and humanitarian crises.

political pressures from the legislature and the general public. Some studies show that indeed political pressure can take a form of a bias against certain trading partners. Blonigen and Prusa (2003) find that Japan and especially non-market economies are often discriminated against in antidumping decisions. These countries are more likely to be found guilty of causing “injury” to domestic industries: the determination that results in duties on the imported goods. Liebman’s analysis (2004) reveals apparent bias against Chinese competitors and other poor nations. On the other hand, Moore (1992) and Hansen and Prusa (1996, 1997) show that Western European countries are looked upon more favorably and cases against them are biased toward rejection.

This evidence suggests that research should examine other sources of political pressure. While domestic industry has its own profits directly affected by the competition with foreign industries, the legislature and the general public might have other considerations directing their foreign trade policy preferences. These considerations might include general political ties between the countries, humanitarian help, help to the economies of new democracies, punishment of dictatorial regimes and so on. Thus, I argue that biases in favor or against some countries indicate that public’s attitudes toward these countries might play an important role in foreign trade decision-making. Accordingly, in this study, I test whether citizens’ assessment of the importance of a particular country to U.S. vital interests affects how favorably this country is treated by the ITC.

Data

Antidumping Policy. The data for the dependent variable – the antidumping policy decisions – is based on the information gathered from the ITC investigations. The entire dataset

of ITC and the Department of Commerce decisions between 1980 and 2005 is available through Global Antidumping Project (http://people.brandeis.edu/~cbown/global_ad/). The decision-making process in ITC involves two separate stages of investigation – preliminary and final investigations – each culminating in the vote by the Commissioners. Since I am interested in the final policy outcome, I included in the dataset all affirmative and negative final decisions. In addition, all preliminary negative decisions, which terminate any further antidumping investigations, were coded as negative final decisions. Decisions that were terminated before reaching the final stages of Commission voting were eliminated from the dataset.

The unit of analysis is the proportion of affirmative decisions out of the sum of all affirmative and negative decisions with respect to each country. Since elite and public opinion surveys were usually conducted in the late fall, I decided to include antidumping decision data aggregated over two years following the year of each elite and public opinion survey.⁹⁴ For the purposes of this study and due to other data restrictions the dataset includes ITC injury decision between 1983 and 1999.

Attitudes toward Foreign Countries. The first set of independent variables includes identical measures of attitudes toward foreign countries among the elites and the general public. These attitudes were estimated using data from the 1982-1998 quadrennial elite and public opinion surveys sponsored by the Chicago Council on Global Affairs (formerly known as Chicago Council on Foreign Relations). Every four years, researchers at Chicago Council have asked political elites – such as legislators, bureaucrats, business leaders, labor unions leaders, and members of interest groups – and the general public a series of identical questions about

⁹⁴ Due to the fact that ITC does not investigate many cases involving each particular country in the dataset and because it takes up to 8 months for a petition to reach ITC final voting stage I decided to aggregate cases over two-year period following the survey date instead of one year.

their ideological and policy preferences with regard to foreign policy issues, particularly issues of foreign trade. These data provide a unique opportunity to directly estimate the preferences of governmental officials in the executive branch and the general public over the same set of foreign policies.

To estimate the impact of interest groups and the general public on foreign trade policy I calculated the percentage of members of the specific elite group – Congress and special interests groups – and the general public that consider a country to be of a vital interest to the United States.⁹⁵ The list of countries includes: Brazil, Canada, China, France, Germany, Great Britain, Indonesia, Israel, Italy, Japan, Mexico, Russia, South Africa, South Korea, Taiwan, and Ukraine.

The general public samples are national representative samples drawn from the population of American adults 18 and older. The samples of interest groups are purposively drawn samples from *National Trade and Professional Associations of the United States and Canada*, published by *Columbia Books Incorporated*. Congressional members from all committees in the House and the Senate with at least some jurisdiction over foreign policy were sampled. The list of committees included those directly responsible for ITC's oversight: House Ways and Means Committee and Senate Finance Committee. Thus, in fact, my measure of legislative preferences estimates the preferences of oversight committees and not the preferences of the entire legislature.⁹⁶

⁹⁵ The actual question wording is as follow: "Many people believe that the United States has a vital interest in certain areas of the world and not in other areas; that is, certain countries of the world are important to the U.S. for political, economic or security reasons. I am going to read a list of countries. For each, tell me whether you feel that the U.S. does or does not have a vital interest in that country."

⁹⁶ Studies of trade policy demonstrate that Congress is extensively involved in antidumping administration. In addition to holding hearing in congressional committees and subcommittees about ITC decisions, Senators and Representatives often attend ITC hearings to express their positions in favor of protection for a firm or industry (Drope and Hansen 2004).

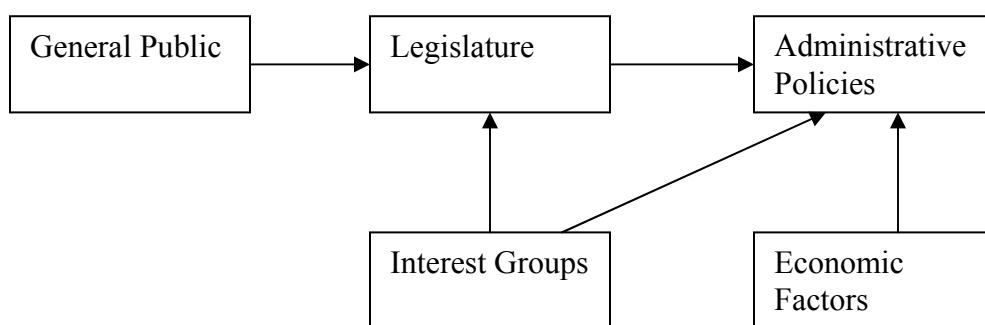
Issue Salience. I use a visibility of foreign trade issues in the media as a proxy for the salience of the issue to the general public. I use the New York Times articles index dataset compiled as a part of the *Policy Agendas Project* developed by Frank R. Baumgartner, Bryan D. Jones, John Wilkerson, and E. Scott Adler. I use multiple indicators of issue visibility including the number of articles on foreign trade in a given year, the number of pages devoted to foreign trade and the number of pages mentioning the agency involved in foreign trade regulation.

Economic Indicators. As a set of control variables, I include two economic indicators that should play an important role in trade policy decisions. First, I calculated an annual trade deficit between the United States and every country included in the dataset. Larger trade deficit should be positively correlated with the probability of affirmative “injury” decision (Drope and Hansen 2004). The trade balance results were calculated using data from the *Annual Statistical Abstracts of the United States* published by the *U.S. Census Bureau*. The second economic indicator is a measure of market penetration by a specific country. This measure was calculated by dividing the annual total imports from a country by the annual total domestic consumption. The data on imports and domestic consumption is available at the *Annual Statistical Abstracts of the United States* and *U.S. Department of Commerce Bureau of Economic Analysis*.

The general model of administrative decision-making is depicted in Figure 9. As described in Chapter 2, this model takes into account the electoral connection between the general public and the elected legislature, the legislative impact on administrative policymaking, and the impact of interest groups on both the legislature and administrative agencies decisions. Moreover, the model assumes that the impact of public opinion and interest groups on policy is not uniform. The relative impact of public opinion versus organized interests is conditioned on

the visibility of the issue to the general public. When the issue is salient, the public opinion should have a greater impact on policy via actual or potential congressional oversight. At the same time, during the times of significant media coverage, the pressure from the interest groups should have a lesser effect on policy.

Figure 9. Theoretical Model of the Impact of Public Opinion and Interest Groups on Policy



The formal statistical model is defined as follows:

$$Y_{ti} = \beta_1 \text{Interest Groups}_{ti} + \beta_2 \text{Interest Groups}_{ti} * \text{issue salience}_{ti} + \beta_3 \text{Legislature}_{ti}^{\S} + \beta_i X_{it} + \varepsilon_{ti}$$

$$\text{Legislature}_{ti}^{\S} = \gamma_1 \text{Public Opinion}_{ti} + \gamma_2 \text{Public Opinion}_{ti} * \text{issue salience}_{ti} + \gamma_3 \text{Interest Group}_{ti} + \delta_{ti}$$

where Y_{ti} is a measure of ITC's antidumping policy (proportion of affirmative decisions) at time t with respect to country i . Interest Groups, Legislature and Public Opinion represent the preferences of the interest groups, legislature and the general public, respectively. X_{it} represents a

vector of economic indicators – trade deficit and market penetration, and ϵ_{ij} and δ_{ij} are error terms.

Results

Before estimating the relationship between public opinion and foreign trade policy, it is informative to examine the general trends in the data.⁹⁷ Since we have identical measures of preferences between the legislature, interest groups and the general public, we can calculate gaps between the three groups. In general, among the countries included in the survey, Americans consider Brazil, France, Italy, Taiwan and South Korea to be the least important countries to the U.S. vital interests. Japan, Canada, Great Britain and, in later years, Russia are all considered to be extremely important by the general public (as well as the legislators and the interest groups). The rankings of the countries by the general public are rather similar to the rankings of the members of Congress and the interest groups. The main exception is Mexico, which is considered to be one of the most important countries by legislators and the interest groups, but it is regarded as less important by the members of the general public.

While the rankings of the countries by general public do appear similar to the rankings of the elites, the degree of importance that is attributed to foreign countries differ quite significantly. On average, the preferences of the legislature are much closer to the preferences of the interest groups (mean difference=.016, std. =.12) than that of the general public (mean

⁹⁷ All the raw data on antidumping decisions and preferences of the political actors is presented in Table 3A in Appendix 3.

difference=.172, std. = .13).⁹⁸ Interest groups tend to consider many countries to be only slightly less important to U.S. vital interests than the members of Congress: the gap is less than 2%. On the other hand, the public considers many countries to be much less important to the U.S. interests: the gap between the preferences of the general public and the Congress is about 17%. The main exception is the Middle Eastern countries of Kuwait and Syria: American public considers both these countries to be more important to the United States than the members of Congress.⁹⁹ Moreover, the preferences of the general public appear to be almost as different from the preferences of the interest groups (mean=.156, std. =.13) as they are from those of the legislature. These findings suggest that, all else being equal, it should be much easier for Congress to be responsive to the wishes of special interest groups; such responsiveness would require much less of a compromise on the part of the legislature.

The theoretical model developed in Chapter 2 and presented here in Figure 9 assumes that policy influence process occurs in two steps. First, electoral incentives induce congressional responsiveness to public opinion (and the responsiveness varies with issue salience). At the same time, interest groups are expected to affect legislative preferences through campaign contributions and direct lobbying. At the second stage, the legislature, addressing the political pressure from interest groups and the general public, is expected to shape policy implementation by the ITC. Moreover, in the second stage antidumping decisions are also expected to be

⁹⁸ Only the difference between the general public and Congress is statistically significant. Curiously, the difference in gaps between the legislature and interest groups and the legislature and the general public does not vary much with the changes in foreign trade media coverage.

⁹⁹ These countries were not included in the final analysis, since no petitions were filed with respect to trade with these countries.

influenced by interest groups (again conditioned by the issue salience), and the economic factors used in policy decisions' calculations.¹⁰⁰

The results of two-stage regression analysis are presented in Table 6. In the first stage, legislative attitudes toward foreign countries were regressed on the attitudes of the general public and interest groups. Moreover, the interactive term between the attitudes of the general public and a measure of foreign trade salience was included in the model.¹⁰¹ The model appears to be a good fit for the data: interest groups and general public preferences together explain about 65% of the variance in the attitudes of the members of Congress. As expected, both the preferences of the interest groups and the general public have a significant effect on legislative preferences and the effects of both groups are very similar. The greater importance the public and the interest groups attribute to a country the more important this country is considered by the legislature. The 10 percent point increase in the perception of importance of a country by interest groups and the general public is associated with respective 4.6 and 4.9 percent point increases in the number of congressmen who consider the country to be important to U.S. vital interests.

Contrary to theoretical expectations, the strength of public opinion influence on legislative preferences does not vary with the increase in the salience of the issue. The coefficient for the interaction term, while in the predicted direction, is not significantly different from zero. One possible explanation is that the use of New York Times coverage of foreign trade as a proxy

¹⁰⁰ One of the central assumptions of this analysis is that the Congress, the agency and the interest groups know each other preferences and the preferences of the general public. Thus, there is no expectation to actually observe congressional intervention in agency policymaking. Instead, the agency is aware that its decisions might get overruled or its budget cut if the chosen policies significantly diverge from legislative preferences. Thus, the agency will adopt policies responsive to legislative preferences even though, given greater discretion, the agency would have preferred to implement different policies.

¹⁰¹ The measure of salience that was included in the model is specified as the number of pages in New York Times devoted to the coverage of executive agencies administrating foreign trade. Additional specifications of salience produced very similar results.

for issue salience is not the most appropriate measure of salience corresponding to public's attitudes toward international community. Perhaps, a more detailed measure, the one that distinguishes between the media attention to each country will provide a better test of the theoretical predictions about the role of issue salience. Another explanation is the possibility that the issue of foreign trade is considered to be so complex and remote from the citizens agenda that the legislators believe that even extensive media attention to the issue will not affect their electoral fortunes.

Table 6. Two-Stage Regression Analysis: The Impact of Public Opinion and Interest Groups on Antidumping Policy (Robust Standard Errors in Parentheses)

	Legislative Preferences	Antidumping Policy
<u>First Stage</u>		
General Public	.49 (.22)**	
Interest Groups	.46 (.21)**	
General Public x Salience	.003 (.01)	
<u>Second Stage</u>		
Induced Legislative Preferences		-1.80 (.90)*
Interest Groups		1.59 (.81)*
Interest groups x Salience		.09 (.02)***
Trade Deficit		.008 (.002)***
Foreign Penetration		-15.09 (5.30)***
Constant	.14 (.11)	.65 (.35)*
R ²	.65	.27
Adjusted R ²	.63	.18
F	22.03 (3,48)***	7.71 (5,42)***
N	52	48

Note: For two-tailed tests *** p<.01, **p<.05, * p<.1

Sources: CCFR elite and general public surveys 1982-1998; Global Antidumping Dataset

To estimate the second stage of the model, I calculated predicted values of legislative attitudes toward foreign countries using the regression model estimated in the first stage. The

predicted values were then used as an independent variable in the second regression model.

The dependent variable in the second stage model is the proportion of “material injury” decisions in the two years following the survey data. Additionally, the second stage model included interest groups preferences (the model predicts that interest groups should have a direct influence on policy via direct lobbying), the interaction between the interest groups preferences and foreign trade salience, and controls for economic indicators relevant to antidumping policy decisions. The independent variables in the second model explain 27% of the variance in the antidumping policy, providing a rather good fit for the data.

First, as shown in Table 6, induced legislative attitudes toward countries are negatively related to the antidumping policy decisions. The increase in 10 percent points in induced legislative preferences translates into 18% less affirmative antidumping decisions in the two years following the year of the survey. Combined with the results of the first model, we can calculate the impact of public opinion and interest groups as it is mediated through the congressional oversight. Multiplying the coefficients from both models, we observe that public opinion’s impact on policy is negative ($b = -.88$). Thus, the increase in 10 percent points in the number of citizens who consider a particular country very important to U.S. vital interests is associated with an almost 9% decrease in the number of affirmative antidumping decisions. The results indicate that countries the general public considers to be of particular importance enjoy more of a free trade with the United States.

The impact of interest groups on policy is quite different. The regression results suggest that the direct impact of interests groups on foreign trade policy is positive ($b = 1.6$) and significant. The greater importance interest groups attribute to a particular country, the more

protection the domestic industry enjoys while trading with this country. The 10 percent point change in the importance interest groups attribute to a country translates into 15% increase in affirmative injury decisions over the two years following the year of the survey. However, one needs to be cautious with the interpretation of interest groups' impact on foreign trade policy. The general impact of interest groups on policy is moderated by the indirect impact of interest groups through congressional oversight, which is negative. Nonetheless, the total impact is rather strong and positive, indicating that domestic industry appears to be mostly protected from competition with countries they deem to be the most important.

It is important to note the limitations of using general attitudes toward foreign countries as a proxy for preferences for trade relations with a country. While we have some indications that respondents account for some aspects of international trade in their evaluations of the foreign countries,¹⁰² these evaluations are surely multidimensional and mean different things to different people. However, the fact that interest groups and the general public affect policy in opposite direction provides additional evidence that such specification captures groups' attitudes toward protection and competition with foreign trade partners.

Interestingly, while the interaction term between interest groups preferences and the measure of issue salience is significant, the coefficient sign is in the opposite direction. Contrary to theoretical expectations, the impact of interest groups appears to increase with salience. This finding indicates that interest groups manage to exert even more direct impact on antidumping policy when foreign trade issues receive greater coverage in the New York Times. One possible

¹⁰² The positive and significant correlation coefficients between the evaluations of countries and the potential threats of economic competition with Japan, European countries and low wage countries, as well as the threat from the rising power of China demonstrate that attitudes toward foreign countries capture evaluations of countries as trade partners as well as other aspects of international relations.

explanation for such a finding is that the measure of salience does not necessarily capture aspects of policy that emphasize the difference in preferences between interest groups and the general public. Moreover, as mentioned earlier, if legislators do not consider issues of foreign trade to be important enough to the general public to affect election results, they might believe foreign trade to be important enough to organized interests responsible for campaign contributions.

The central assumption about the role of salience is that interest groups and citizens have diverse preferences. In many instances, public might care very little about policy or possess very limited information about it, thus, opening the door for interest groups influence. However, when public becomes more informed about a policy and more involved in policy debate, policymakers can no longer ignore public's wishes at the expense of interest groups policy preferences. It is possible that currently employed measure of salience, which counts the number of pages devoted to executive agency foreign trade policymaking, does not provide good enough distinction between interest groups and the general public preferences. Perhaps a better measure would identify media coverage of the impact of international competition with particular country on consumer prices and other aspects of domestic economy, or media coverage of the relationship between the United States and a given country in general.

The economic indicators, used as controls for economic conditions that affect ITC's decisions, were found significant. However, only the sign of the trade deficit coefficient was in the right direction.

Discussion

The empirical results presented in this chapter provide support to the theoretical claims about the impact of public opinion on administrative policy via congressional oversight. The two-stage regression model analysis demonstrates that Congress is affected by both the general public and interest groups and is able to exert significant control over foreign trade policy. The results indicate that the general public indorses free trade with countries that it considers to be particularly important to the Unites States vital interests. On the other hand, interest groups see some countries as a threat to domestic industry and would like the ITC to protect domestic economy from competition with these countries. The ITC's decisions appear to be responsive to both interest groups (mainly through direct link) and to the preferences of the general public, which are expressed through congressional oversight.

While the empirical results about the role of issue salience are not consistent with the findings in the literature, they provide important insights about legislative responsiveness and administrative policymaking. The lack of the influence of issue salience on legislative responsiveness and the positive interaction between issue salience and the preferences of the interest groups imply that foreign trade issues might be different from other policy areas usually covered by public opinion and interest groups scholars. This is consistent with Paul Burstein's (2006) claim that statistical studies of legislative responsiveness often overestimate the impact of public opinion and underestimate the impact of interest groups because they focus on the issues that are important to the public and on which the government is likely to be responsive. Foreign trade policy falls into a category of less important issues to the public. Thus, media coverage of foreign trade policy draws mainly the attention of the interest groups instead of the general

public. Given that the legislators are not concerned with the effects of the foreign trade policy salience on the electoral results, they use their political resources to influence administrative policy in favor of the interest groups that contribute to their campaigns. The same logic is applicable to the effect of salience on the relationship between interest groups and administrative policy. Knowing that interest groups might affect agency's future through the pressure on the legislature, the agency adjusts its policy to reflect the preferences of organized interests more closely.

It is difficult to compare these results with findings from public opinion-policy literature in other policy areas: very few existing studies account for the impact of public opinion and interest groups as well as salience. One of the reasons for the paucity of studies in this area is the unavailability of proper data. This study takes advantage of a unique dataset – the Chicago Council on Global Affairs survey series – which includes comparable measures of policy preferences by the general public and many elite groups. However, the Chicago Council surveys are conducted only every four years, making it much more difficult to estimate their impact on policy decisions in the periods between the surveys. Furthermore, since the issue has not been extensively studied, there is a significant shortage in public opinion data on preferences for regulatory policy. Very few public opinion surveys included time-series data on public preferences with respect to administrative policies, particularly regulatory policies.

Despite these data weaknesses, we still find evidence of public opinion influence on foreign trade policy administration. Taken together with the findings from other two empirical case studies we can conclude that administrative responsiveness to public opinion exists even though the agencies are not elected by the general public. As the results of this study demonstrate

administrative responsiveness results from legislative responsiveness to public opinion and the interaction between legislative and administrative institutions.

Chapter 6 - Conclusions

This project is one of the first to explicitly study the theoretical and empirical relationship between public opinion and the policies of unelected administrative agencies. While democratic theory clearly provides a blueprint of how public opinion should affect administrative policies, very little theoretical and empirical work has been done on this topic. Public opinion scholars have typically paid little attention to the policy-making delegated to executive agencies, while public administration scholars have largely ignored the electorate and focused almost exclusively on the role of political elites, such as legislators and interest groups.

Understanding the role of public opinion in policy implementation process is crucial for the study of democratic politics. Legislation often provides only general directions on how policy goals are to be achieved, while unelected administrative agencies develop detailed policy and apply it in real-world political situations. Moreover, the superiority of administrative agency expertise in a given policy area makes agency decision-making even more independent of legislative preferences. Thus, if we restrict our research of policy representation to legislative politics alone, we risk ignoring a large share of policymaking, which is not directly accountable to the general public via electoral connection.

This study proposed a theoretical approach to analyze the relationship between public opinion and administrative policy. I argue that to understand administrative responsiveness we need to examine the relationship between public opinion and policy within the framework of the interaction between elected and appointed political institutions. Consequently, this study focused on the role of congressional oversight as the main mechanism linking general public to administrative policy. The primary rationale for this model is the notion that the legislature is

responsive to public opinion (due to the electoral connection) and, at the same time, is able to exert control over administrative agency.

The theoretical results presented in Chapter 2 demonstrated that administrative responsiveness is possible even in the absence of electoral connection between citizens and bureaucratic agencies. When administrative policy is aligned with legislative preferences and the legislature is responsive to public opinion, the preferences of the general public and administrative policy appear in tandem. However, the theoretical results also implied that administrative responsiveness is not always guaranteed. The theory indicated that the structure of congressional oversight, mainly the delegation of oversight responsibility to congressional committees provide agency with a leeway to disregard legislative preferences. Under these conditions, agency only needs to be attentive to the preferences of the congressional committee that oversees its activity. Moreover, the theoretical model identified conditions that provided agency with full discretion: under these conditions, agency can follow its own preferences without worrying about legislative retribution. Thus, when the entire legislature is not able to exert strong control over agency's decision-making, administrative responsiveness to public opinion is considerably diminished.

The theoretical results also suggested that when legislative control of bureaucracy (by the entire chamber and not only oversight congressional committees) is successful, the legislative responsiveness to public opinion should be positively correlated with administrative responsiveness. Thus, greater legislative responsiveness should lead to stronger relationship between public opinion and administrative policy. These results are derived using the notion that legislative responsiveness varies accordingly to political conditions facing the legislators. Issue

salience, proximity to elections, interest groups pressure and other factors have been shown to affect legislative responsiveness. This study focuses on the role of issue salience. The theoretical results with respect to issue salience suggested that, given a positive relationship between legislative responsiveness and administrative responsiveness, we should expect stronger relationship between public opinion and administrative policy when policy issue are more salient to the general public.

The different aspects of theoretical model presented in this study were tested in Chapters 3-5 using data from three areas of administrative policy: telecommunications regulation, equal employment opportunity policy, and foreign trade policy. The empirical results provide supporting evidence to the theoretical claims about administrative responsiveness: democratic representation extends beyond the legislative policymaking realm. The results of the telecommunications study, their weaknesses notwithstanding, show that while administrative responsiveness to public opinion is possible, it varies according to political conditions identified in the theoretical model. Telecommunications regulation appears to be much more congruent with public opinion when the legislature (and not the oversight committees) is able to exert substantial control over FCC decision-making. The other two case studies also demonstrate that public opinion significantly influences administrative policy. Liberal public opinion on racial policy is associated with larger volume of equal employment opportunity litigation and (under some conditions) with Title VII merit case resolutions. Furthermore, public's attitudes toward specific foreign countries affect the treatment of those countries by the International Trade Commission in handling antidumping petitions. Countries that are considered by the general

public to be particularly important to the U.S. vital interests are treated more favorably by the ITC.

Moreover, the study of equal employment policy and foreign trade policy also examined the role of issue salience in the relationship between public opinion and administrative policy. The empirical results from both case studies demonstrate that issue salience plays an important role in administrative responsiveness to public opinion. However, the effects of issue salience in each case study are different. The influence of public opinion on equal employment policy is stronger when media pays greater attention to the issues of civil rights and civil liberties. On the other hand, in the case of foreign trade policy, media attention to these issues does not affect legislative responsiveness. Additionally, contrary to the findings in the literature, interest groups' influence on administrative policy increases with greater issue salience. These contradictory results teach us that the specific characteristics of a policy issue are another important factor that should be taken into account when studying administrative responsiveness. On the issues that are easily understood by the general public, such as equal employment policy, increased media attention induces stronger policy responsiveness. Alternatively, on the technical and complex issues, such as foreign trade, greater issue salience has an opposite effect. In this case, the legislators are not concerned with this particular issue affecting citizens' choices on the Election Day, but are concerned that interest groups might reduce their campaign contribution due to the dissatisfaction with administrative policy. Thus, one needs to account for the interaction between issue salience and issue complexity when analyzing the relationship between salience and administrative responsiveness.

The differences between three case studies provide additional insights about the nature of administrative responsiveness. Much stronger results with respect to equal employment policy responsiveness in comparison to two other policy areas indicate that administrative responsiveness is stronger in the area of social regulation than in the area of economic regulation. Social regulation is much more accessible to the average citizen and thus is expected to affect legislators' electoral fortunes to a greater extent than obscure economic regulation. It is much easier for an average citizen to understand how equal employment opportunity policy will affect his or her everyday life. For example, prominent victories in cases of sexual discrimination will have great effect on many women's workplaces. Changes in promotion rules in leading corporations will change fates of million of workers across the country. On the other hand, it is much less clear how a decision on antidumping duty on specific goods from a particular country will affect individuals' well-being.¹⁰³ As a result, legislature will be more concerned with public opinion in policy areas that are easily understood by the public and will play a greater role in electoral decisions. As a result, the implementation of these policies will be more responsive to the wishes of the general public. This conclusion is further supported by the contradictory results of the influence of issue salience discussed above.

Foreign trade policy case study focuses on the issue of foreign policy, while two other case studies examine domestic policies. The results indicate that the main differences in administrative responsiveness are not attributable to the distinction between domestic and foreign policy, but are mainly attributable to the complexity of the policy in question. Thus, scholars who often dismiss the relevance of public opinion on foreign policy in legislative

¹⁰³ This is particularly true with respect to goods that are used in the production of other consumer products that are not available to the average consumer directly, such as steel or rubber products.

behavior, and attribute it to the centrality of the president in foreign policy, should rethink whether foreign policy is indeed a unique policy realm in the eyes of the general public or, perhaps, foreign policy is just another case of a complex policy area.

The main contribution of this study to the literature is the evidence that public's influence on policy extends to policies implemented by unelected administrative agencies. The empirical results of course are only applicable to the policy areas discussed in this research project. However, they clearly suggest that when thinking about policy responsiveness we should not ignore administrative policy. The empirical findings fit well with the public opinion-legislative policy literature and the administrative policymaking literature. First, the empirical results confirm that public preferences affect legislative preferences. Second, the study shows that legislature can exert significant influence on administrative policymaking. Third, the results emphasize the importance of congressional committees in legislative oversight process. Fourth, when interested groups are included in the analysis as in case of foreign trade policy study, they are shown to have a significant affect on administrative policy. Lastly, the last two empirical case studies demonstrate that issue salience is an important mechanism of policy responsiveness; yet, it can also be used by interest groups in their favor in highly complex policy areas.

This research has several important implications for the study of democratic politics. First, it contributes to the theories of representation and addresses an issue that has rarely been tackled by scholars of public opinion or institutions. By explicitly including political institutions in a model of administrative responsiveness, I provide a more accurate depiction of the policy-implementation process and show how citizens can influence administrative policy decisions. Theoretical and empirical evidence indicate that legislative institutions are crucial mechanisms

of administrative responsiveness. The results also show that public opinion plays an important role in administrative policymaking. Thus, disregarding the preferences of the general public in models of administrative policymaking will lead to biased estimators and other problems related to model misspecification.

Second, by explicitly modeling the role of congressional committees in linking legislative and administrative responsiveness, this study sheds light on the role of the U.S. committee system in democratic representation process. The theoretical model and the empirical results of telecommunications policy and equal employment policy case studies show that administrative policy is more responsive to the general public when committees are less successful in influencing administrative decision-makers. These findings can be interpreted in two ways. On one hand, if committees are representative of the preferences of the entire legislature they might be good substitutes for congressional oversight by the entire chamber helping to assure administrative responsiveness to public opinion. On the other hand, if committees are more of preference outliers and do not represent the electorate at large, then committees' control of agency policymaking might prove to be detrimental to policy representation.

Finally, the findings about the role of issue salience highlight the role of information in democratic politics. Extensive media coverage induces legislatures and administrators to pay closer attention to the preferences of the general public due to the fear of electoral retribution for legislators and congressional punishment for administrative agencies. Thus, the more informed the public becomes the more influence it would have on administrative policy. Even in the case of foreign trade policy, where issue salience increases interest groups' power, information can

still empower citizens. More informed and better educated citizens will make greater number of policy decisions to be more relevant to public's electoral choices.

The study of the impact of public opinion on administrative policy is certainly in a need of a further research. A lack of firm theoretical foundation and data restrictions, prevented many scholars from examining the policy representation beyond legislative policies. However, as the theory and empirical results presented in this study clearly demonstrate, there are many research agendas still in need to be explored to better understand administrative responsiveness to public opinion. The theoretical model presented in this study is one of the first attempts to estimate the influence of institutional interaction on administrative responsiveness. As such, the model includes only a limited number of political actors and makes simple assumptions about the role of information. Future research would greatly benefit from exploring the implications of relaxing the assumption of complete information. It seems reasonable to hypothesize that incomplete information might affect the agency's incentives. On one hand, if the agency is uncertain about the preferences of the legislature and/or the oversight committee, the agency will moderate its behavior. On the other hand, if the actors are uncertain about the relationship between policy and outcomes, greater policy expertise could provide the agency with substantial leeway to introduce more extreme policies.

Another apparent extension of the theoretical model would be the inclusion of the preferences of the president and courts in explaining administrative responsiveness. If the agency splits its loyalties between the president and the Congress, then the ideological distance between these two institutions will have a considerable effect on administrative responsiveness. In order to survive and prosper the agency will have to compromise between the preferences of the

legislature and the preferences of the president. Thus, the administrative responsiveness to public opinion will depend on which institutions is more representative of the general public and how each institution reacts to the changes in public opinion.

Courts also play an important role in administrative policy. Many administrative agencies have judicial review built into their legislative mandates. Thus, agencies cannot ignore the preferences of the courts that will potentially review their decisions. While federal courts are appointed by the president and are not elected by the general public, their influence on administrative policymaking might diminish administrative responsiveness if the preferences of the courts and the preferences of the general public differ greatly. This is especially true in cases where public's attitudes change faster than the composition of federal courts.

As mentioned in previous chapters, one of the difficulties with estimating predictions from the entire theoretical model is the difficulty to obtain proper data. The main data limitation is the fact that systematic historical data on public opinion and policy is very rarely available. For example, the EEOC only started its litigation and case handling practices in its current form in the early 1980s. Public opinion data is of course also difficult to obtain going back in time, particularly if one is interested in policy-specific preferences. There are several ways to address these issues. First, one can take advantage of variation in regulatory policy across American states and study the influence of state-level public opinion on state-level administrative policy. In another study, I am examining telecommunications regulatory decisions by state public utility commissions. Using a National Science Foundation Grant, I have conducted state-level representative sample surveys of citizens' attitudes toward telecommunications regulatory policies. Thus, I will be able to explore the impact of public opinion on state agencies' decisions

on redistributive programs, rate structures, and regulations of competition between telecommunication providers.

Another way to address the problem of limited historical data is to collect very detailed information on a specific policy decision and study the role of different political actors in the process. One methodology to be used to study such decision would be to analyze texts produced by political actors involved in decision-making process. For example, in an ongoing project I develop a computer-based automated content coding algorithm to analyze all rulemaking decisions of the FCC with respect to the changes in media ownership rules.¹⁰⁴ The law requires federal agencies them to provide a public forum to respond to policy decisions proposed by the agency. Thus, there is a rich textual data available that includes written opinions from various organized interests, including industry groups and public advocacy groups. Moreover, congressional influence can be studied by analyzing texts of congressional hearings on the subject.

Lastly, this study presented intriguing results with respect to the influence of issue salience on administrative responsiveness. In this study, issue salience was interpreted as media attention to a particular policy issue. While media attention is probably an easier indicator of public opinion for the policymakers to use, it is possible that citizens' views of which issue is important and relevant to their electoral decisions differ from what is covered in the media. Scholars often use these two concepts of salience interchangeably; however, no theory has clearly addressed whether the two indeed capture the same aspects of salience. The findings of the equal employment policy and foreign trade policy case studies suggested that media attention might not be the only

¹⁰⁴ This is a joint project with Daniel Diermeier and the members of the Ford Motor Company Center on Global Citizenship in the Kellogg School, Northwestern University.

indication of citizens' attention to policy as interpreted by political leaders. Thus, it is important to incorporate the two notions of salience both in the study of administrative responsiveness, but also in future works on legislative responsiveness.

This dissertation project has started a new research agenda. This research addressed a rarely studied issue of administrative responsiveness to public opinion. The results of the study offer supporting evidence of the notion that democratic politics extend beyond electoral connection. Administrative responsiveness to public opinion is feasible, as long as the legislature is successful in controlling administrative agencies. However, as with any new research agenda, there are more questions remain than answered. The study of administrative responsiveness will prove to be an exciting journey for many studies and scholars to come.

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Appendix 1 – Conditions for Administrative Responsiveness

1. Responsiveness as a movement of public opinion and policy in the same direction.

To devise comparative statics for this notion of responsiveness, I am solving $\frac{\partial X^*}{\partial P}$ for each one of the equilibrium regimes.

For Regime 1, $\frac{\partial X^*}{\partial P} = \frac{\partial A}{\partial P} = 0$. Thus, public opinion will have no influence on policy under

Regime 1.

For Regime 2, we need to assume two conditions:

2.1. If Regime 2 holds and $X(P, NP) \geq C(X(P, NP))$, then $\frac{\partial X^*}{\partial P} = \frac{\partial X(P, NP)}{\partial P} = \alpha > 0$.

Thus, more conservative public opinion should be associated with more conservative policy.

2.2. If Regime 2 holds and $C(X(P, NP)) \geq X(P, NP)$, then $\frac{\partial X^*}{\partial P} = \frac{\partial C(X(P, NP))}{\partial P} = -\alpha < 0$. Thus, more conservative public opinion should be associated

with more liberal policy.

Two conditions need to be explored for Regime 3.

3.1. If Regime 3 holds and $X(P, NP) \geq C(X(P, NP))$, then $\frac{\partial X^*}{\partial P} = \frac{\partial C(X(P, NP))}{\partial P} = -\alpha < 0$. Thus, more conservative public opinion should be associated with more liberal policy.

3.2. If Regime 3 holds $C(X(P, NP)) \geq X(P, NP)$, then $\frac{\partial X^*}{\partial P} = \frac{\partial X(P, NP)}{\partial P} = \alpha > 0$.

Thus, more conservative public opinion should be associated with more conservative policy.

2. Responsiveness as a change in the distance between public's preferences and policy.

Because I am interested in understanding the relationship between legislative and administrative responsiveness, the comparative statics are derived by analyzing $\frac{\partial |X^* - P|}{\partial \alpha}$ for each of the equilibrium regimes.

The results of comparative statics with respect to Regime 1 are identical for both approaches to responsiveness. $\frac{\partial |X^* - P|}{\partial \alpha} = \frac{\partial |A - P|}{\partial \alpha} = 0$. Thus, in the first regime we should not observe any relationship between legislative responsive and policy outcomes.

For Regimes 2 and 3 we need again to consider two separate conditions, depending on the locations of the $X(P, NP)$ and $C(X(P, NP))$. Since I analyze the absolute distance between public opinion and policy, I examine two cases: $X^* > P$ and $X^* < P$. Note that I assume that $X^* \neq P$ since the function is not differentiable at this point.

2.1. If Regime 2 holds and $X(P, NP) \geq C(X(P, NP))$, then

$$\frac{\partial |X^* - P|}{\partial \alpha} = \frac{\partial |X(P, NP) - P|}{\partial \alpha} = \frac{\partial |\alpha P + (1 - \alpha)NP - P|}{\partial \alpha}. \quad \text{For } X^* = X(P, NP) > P,$$

$$\frac{\partial (X^* - P)}{\partial \alpha} = \frac{\partial (X(P, NP) - P)}{\partial \alpha} = P - NP. \quad \text{Since } X^* = X(P, NP) > P \text{ implies } NP > P,$$

$$P - NP < 0. \quad \text{For } X^* = X(P, NP) < P, \quad \frac{\partial (P - X^*)}{\partial \alpha} = \frac{\partial (P - X(P, NP))}{\partial \alpha} = NP - P. \quad \text{Since}$$

$X^* = X(P, NP) < P$ implies $NP < P$, $NP - P < 0$. Thus, in both case the derivative is negative.

We can, then, conclude that under conditions specified above, greater legislative responsiveness should be associated with greater policy responsiveness, i.e., with a shorter distance between the public's preferences and implemented policy.

2.2. If Regime 2 holds and $C(X(P, NP)) \geq X(P, NP)$, then we need to analyze

$$\frac{\partial |X^* - P|}{\partial \alpha} = \frac{\partial |C(X(P, NP)) - P|}{\partial \alpha} = \frac{\partial |2C - \alpha P - (1 - \alpha)NP - P|}{\partial \alpha}.$$

$$\text{For } X^* = C(X(P, NP)) > P, \quad \frac{\partial (X^* - P)}{\partial \alpha} = NP - P. \quad \text{If } X(P, NP) > P \text{ (which}$$

implies $NP > P$), then $NP - P > 0$. The positive derivative implies that increased legislative responsiveness to public opinion should be associated with greater distances between public opinion and policy.

If $X(P, NP) < P$ (which implies $NP < P$), then $NP - P < 0$. Thus, under Regime 2 and $C(X(P, NP)) > P > X(P, NP)$ legislative responsiveness should induce greater administrative responsiveness to public opinion.

For $X^* = C(X(P, NP)) < P$, $\frac{\partial(P - X^*)}{\partial\alpha} = P - NP$. If $X(P, NP) < P$ (which

implies $NP < P$), then $P - NP > 0$. This result indicates that under the aforementioned conditions we should expect legislative responsiveness to have an adverse effect on administrative responsiveness to public opinion. We do not need to consider $X(P, NP) > P$, since it contradicts the assumption of $C(X(P, NP)) > X(P, NP)$ and $P > C(X(P, NP))$.

3.1 If Regime 3 holds and $X(P, NP) > C(X(P, NP))$, $X^* = C(X(P, NP)) > P$ implies $\frac{\partial(X^* - P)}{\partial\alpha} = \frac{\partial(C(X(P, NP)) - P)}{\partial\alpha} = NP - P$. The conditions $C(X(P, NP)) > P$ and $X(P, NP) > C(X(P, NP))$ imply $X(P, NP) > P$, making $NP - P > 0$. Therefore, under these conditions we again derive an expectation of a negative relationship between legislative responsiveness and administrative responsiveness to public opinion.

For $X^* = C(X(P, NP)) < P$, $\frac{\partial(P - X^*)}{\partial\alpha} = \frac{\partial(P - C(X(P, NP)))}{\partial\alpha} = P - NP$.

$X(P, NP) < P$ implies $P - NP > 0$. Thus, when the preference structure is such that $P > X(P, NP) > C(X(P, NP))$, we should expect a negative relationship between legislative responsiveness and the distance between policy and the public's preferences.

On the other hand $X(P, NP) > P$ implies $P - NP < 0$. This result indicates that when $X(P, NP) > P > C(X(P, NP))$, our expectation is of positive relationship between legislative responsiveness and administrative responsiveness.

3.2 The result of Regime 3 combined with a condition $C(X(P, NP)) > X(P, NP)$ implies that

$\frac{\partial|X^* - P|}{\partial\alpha} < 0$. Thus, under such a preference structure we should expect legislative

responsiveness to be positively related to administrative responsiveness. The proof is identical to the Condition 2.1.

Appendix 2 – Telecommunications Regulations Preferences and Ideology

Table 2A. Telecommunication Regulation Preferences and Ideology

	Ideology 1=liberal	Party ID 1=Democrat
As you may know, the Federal Communications Commission – an agency of the Federal Government – was created to regulate television broadcasting. I am going to read some ways in which the Federal Communications Commission could increase its regulation over television in this country. For each one, please tell me if you would favor or oppose that type of increase in federal government regulation of the television in this country: (1=Favor)		
1. Requiring television networks and stations to broadcast more education, news, information and documentary programs	.049	.101***
2. Regulating more carefully the sexual content of television programs broadcast	-.107***	-.020
3. Regulating more carefully the amount of profanity used in television programs	-.159***	-.056*
4. Regulating more carefully possible bias or distortion in news program	-.063**	.033
5. Regulating more carefully the accuracy of political advertisement which candidates for office can run on television	-.026	-.026
6. Regulating more carefully the rates cable system operators can charge for cable services	.055*	.007
7. Regulating more closely the number of minutes of commercials which can be broadcast by a television station each hour	.097***	.080**
8. Requiring cable systems to carry all local television stations on their cable system	-.008	.017

Source of data: Gallup survey, August 1990

*** Correlation is significant at the .01 level (2-tailed)

** Correlation is significant at the .05 level (2-tailed)

* Correlation is significant at the .1 level (2-tailed)

Appendix 3 – A Summary of Attitudes toward Foreign Countries and Antidumping Policy Decisions

Table 3A. A Summary of Attitudes toward Foreign Countries and Policy Decisions.

		Legislature	Interest Groups	General Public	ITC's decisions
Brazil	1982	73.1	88.9	45	0.80
	1986	54.2	57.1	45	0.67
	1990	38.8	72.7	39	0.67
	1994	38.5	54.5	35	1.00
	1998	69	63.6	33	0.33
Canada	1982	96.2	100	82	0.50
	1986	89.6	95.2	78	0.50
	1990	90	90.9	77	0.25
	1998	89.8	95.5	69	0.25
China	1982	81.1	78.9	64	1.00
	1986	93.8	85.7	61	1.00
	1990	78	81.8	47	0.81
	1994	95.7	88.9	68	0.55
	1998	94.9	95.5	74	0.56
France	1982	86.8	63.2	58	0.75
	1986	89.6	76.2	56	1.00
	1990	62	59.1	45	0.00
	1994	75	50	39	0.00
	1998	57.6	66.7	37	1.00
Germany	1982	100	100	76	0.60
	1986	100	95.2	77	0.67
	1994	81	90.9	66	1.00
	1998	93.2	90.5	60	0.33
Great Britain	1982	98.1	100	80	0.00
	1986	95.8	90.5	83	0.50
	1990	88	77.3	79	0.20
	1994	84.6	66.7	69	0.00
	1998	88.1	86.4	66	0.50
Indonesia	1998	50.8	59.1	33	0.50
Israel	1986	95.8	85.7	76	1.00
	1994	88.9	83.3	64	0.00
Italy	1982	88.7	68.4	35	0.20
Japan	1982	98.1	100	82	0.67
	1986	100	100	78	0.77
	1990	100	95.5	79	0.64
	1994	100	86.7	85	0.83
Mexico	1998	94.9	95.5	87	0.58
	1986	97.9	95.2	74	1.00
	1990	94	90.9	63	0.25
	1994	94.1	100	76	0.67
Russia	1998	94.9	95.5	66	0.50
	1994	100	84.6	79	0.67
	1998	100	95.5	77	0.67
South Africa	1998	44.1	59.1	52	0.50
South Korea	1982	67.3	61.1	43	0.67
	1986	85.4	76.2	58	1.00
	1994	100	57.1	65	0.00
	1998	86.4	81.8	54	0.50
Taiwan	1982	47.1	55.6	51	0.60
	1986	50	57.1	53	0.33

	1990	52	50	46	0.43
Ukraine	1994	81.8	57.1	35	1.00

Sources: CCFR elite and general public surveys 1982-1998; Global Antidumping Dataset