Studying the Power Elite

Fifty Years of *Who Rules America?*

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and Eleven Other Authors

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The Policy-Planning Network, Class Dominance, and the Challenge to Political Science

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This chapter uses G. William Domhoff's concept of a policy-planning network to suggest ways in which political science could better integrate concepts and findings about political economy, class analysis, and the American power structure that mainstream political scientists have called for in recent years. After examining several attempts by prominent political scientists to bring attention to the shortcomings of the discipline, I conclude that their arguments would be strengthened if political scientists overcame their "analytic amnesia" and reengaged with the scholarly tradition within which Domhoff's work has been of central importance. I raise questions about the extent to which political science is equipped to explore the new questions that concern them without considering the analytical perspectives of those who have used the concept of a policy-planning network, and its position within the broader power structure, to explain how corporate power is able to dominate government on many issues of vital importance to American society and its citizens.

Think tanks have become familiar actors in American politics, with their operatives supplying advice to policymakers and analysis to the news media.

On occasion some think tanks have acted as quasi-lobbyists for corporate interests and foreign governments. A *New York Times* investigation found, "More than a dozen prominent Washington research groups have received tens of millions of dollars from foreign governments in recent years while pushing United States government officials to adopt policies that often reflect donors' priorities" (Lipton, Williams, and Confessore 2014). Think tanks involved included the Brookings Institution, the Center for Strategic and International Studies, and the Atlantic Council, with Norway, Qatar, and the United Arab Emirates, among others, providing funds. A later *New York Times* examination of seventy-five think tanks "found an array of researchers who had simultaneously worked as registered lobbyists, members of corporate boards or outside consultants in litigation and regulatory disputes, with only intermittent disclosure of their dual roles" (Lipton, Confessore, and Williams 2016). Such journalistic accounts raise important questions about the links between economic power, agenda setting, and public policy in U.S. politics. To what extent does the academic discipline of political science provide the tools to explore such questions?

In the wake of the economic downturn of 2008, several prominent political scientists called for better integration between concepts and findings about political economy, class analysis, and the American power structure, on the one hand, and the study of U.S. politics more broadly, on the other. For example, in a 2009 article in the American Political Science Association (APSA) journal *Perspectives on Politics*, Jeffrey A. Winters and Benjamin I. Page argued, "our basic point is that political science as a whole and the American politics subfield in particular needs to treat power, especially in its material form, much more seriously than it recently has done" (Winters and Page 2009, p. 732). In a 2010 article in the same journal, Lawrence R. Jacobs and Desmond S. King underscored "the importance of integrating the study of presidency and public leadership with the study of the political economy of the state" (Jacobs and King 2010, p. 793). For their part, Jacob Hacker and Paul Pierson stated, in an article on presidents and the political economy: "Our perspective on presidential leadership is grounded in a simple observation: long-term policy developments are rooted in organized struggles to remake the economy and society in durable ways" (Hacker and Pierson 2012, p. 109). The upshot of these arguments is that American politics is more constrained by the context or system of which they are a part than is often acknowledged. But how should this context or system, and these constraints, best be understood?

In an article published in 2011, referring to the arguments by Winters, Page, Jacobs, and King, I asserted: "While in agreement, I would note that

the tools for doing so have existed for some time, though they have been underutilized in mainstream political science in recent years, to the detriment of critical understandings of U.S. politics" (Peschek 2011, p. 430). However, I only briefly described these "tools" that I claimed had existed for decades. In the 1970s a number of U.S. political scientists and sociologists developed and engaged with radical and non-pluralist theories of the state as a way of better understanding the politics of capitalist democracy in the United States. These are the "tools" that I believe should be critically redeployed in the analysis of American politics. Political economy, class analysis, and power structure research were central to these views.

G. William Domhoff has been the leading exemplar of the "class dominance" approach to understanding American politics, starting with the 1967 publication of *Who Rules America?*, followed by numerous empirically and conceptually rich books and articles up to the present. Class dominance theories are concerned chiefly with the control of the state by a dominant social class that uses the state to achieve its ends. Domhoff was indebted to the work of sociologist C. Wright Mills in the 1950s on the American power structure, especially his analysis of the "power elite" (Mills 1956). Domhoff shows how the role of policy elites in lobbying, opinion-shaping, candidate selection, and—of great importance—policy-planning processes ensure that the corporate-conservative alliance tends to prevail over the labor-liberal alliance on core class issues pertaining to "wages and profits, the rate and progressivity of taxation, the usefulness of labor unions, and the degree to which business should be regulated by government" (Domhoff 2014, p. xvi). His concept of a "policy-planning network," though not the term itself, was sketched in the first edition of *Who Rules America?* and elaborated on in later editions of the book and in other publications. Think tanks and policy-planning organizations are described as "associations" that have been "formed to influence government and public opinion on significant issues" (Domhoff 1967, p. 63). In a chapter on "The Shaping of the American Polity" they are studied as one kind of institution—along with foundations, universities, and the mass media—that are "closely intertwined with each other and the corporate economy" (Domhoff 1967, p. 64). Domhoff describes the Council on Foreign Relations, the Foreign Policy Association, the Committee for Economic Development, the Business Advisory Council, and the National Advertising Council, which he views as "arms of the power elite which have the function of attempting to influence the framework of the American polity" (Domhoff 1967, p. 77). In his 1979 book *The Powers That Be* Domhoff included the "policy-formation process" as one of four "processes of ruling class domination in America," the others being the special-interest process,

the candidate-selection process, and the ideology process (Domhoff 1979). He shows how the power elite use resources, research, decision-making, and opinion making to formulate policy on larger issues. A distinction is made between the core policy-planning groups—the Council on Foreign Relations, the Committee for Economic Development, the Conference Board, and the Business Council—and satellites and think tanks "which operate in specialized areas or provide research information and expert advisors to the Big Four" (Domhoff 1978, p. 75). In the most recent edition of *Who Rules America?*, think tanks include the Brookings Institution, the American Enterprise Institute, and the Heritage Foundation. The policy-discussion groups that Domhoff describes are the National Association of Manufacturers and the U.S. Chamber of Commerce, the Council on Foreign Relations, the Business Council, the Committee for Economic Development, and the Business Roundtable. Finally, Domhoff notes that the policy network is not homogenous and that there are "ultraconservative" organizations such as the National Association of Manufacturers, the Chamber of Commerce of the United States, the American Enterprise Institute, and the American Security Council.

How does this analysis affect our view of who rules? Domhoff argues that, "The ability of the corporate rich to transform their economic power into policy expertise and political access makes them the most important influence on the federal government" (Domhoff 2014, p. xiii). Class dominance theorists use research to demonstrate how the corporate community influences specific policy decisions by the federal government. Domhoff's class dominance theory thus puts great pressure on the pluralist view of the state. As he argues:

> [T]he owners and top-level managers of large corporations—the *corporate rich*—work together to maintain themselves as the core of the dominant power group. Their corporations, banks, and agribusinesses form a *corporate community* that shapes the federal government on the policy issues of interest to it, which are issues that also have a major impact on income, job security, and well-being of most other Americans.
>
> (Domhoff 2014, p. x)

Domhoff does not argue that elite control of the national policy agenda is absolute. Rather the dominant class sets the terms for group competition:

> This combination of economic power, policy expertise, and continuing political access makes the corporate rich a dominant class, not in the sense of complete and absolute power, but in the sense that they have the power to shape the economic and political frameworks within

> which other groups and classes must operate, right down to changing the rules that govern elections and who can vote in them. They therefore win far more often than they lose on the issues of concern to them.
> (Domhoff 2014, p. xiii)

Domhoff acknowledges that the corporate community has important structural power, deriving from the functioning of the capitalist economy, which is independent of attempts to influence government directly. But such power, in his view, is insufficient to ensure that the corporate community dominates the federal government, and thus it is necessary to examine the specific processes, including the policy-formation process, by which the ruling-class rules and fends off challenges:

> Despite their preponderant power in the federal government and the many necessary policies it carries out for them, leaders within the corporate community are constantly critical of it because of its potential independence and its ability to aid their opponents. They know they need government, but they also fear it, especially during times of economic crisis when they need it the most.
> (Domhoff 2014, p. xiii)

During the 1970s, findings and concepts about the inter-relationships of class, power, and the state, including the policy-formation process, began to be incorporated into political science scholarship. Several leading American government and politics textbooks from that decade were shaped by and incorporated radical perspectives, including *American Politics: Policies, Power, and Change* by Kenneth Dolbeare and Murray Edelman, *The Politics of Power: A Critical Introduction to American Government* by Ira Katznelson and Mark Kesselman, *Democracy for the Few* by Michael Parenti, and *The American Political System: A Radical Approach* by Edward S. Greenberg.

As a broad statement, one can say that such analysis has largely been ignored in mainstream studies of American politics since the 1980s. This period saw the emergence of "state autonomy" theory, more recently called "historical institutionalism," as an influential framework. For all the gains of this approach, Brian Waddell is right to ask, "How is it that leading Americanists . . . can overlook so easily what was a sustained effort to understand the ways in which class forces interact with state power in the United States? Indeed, how can we expect that our discipline will be driven forward by the clash of competing theories, as Hacker expects, when the discipline seems expert at ignoring what radical scholarship offers" (Waddell 2012, p. 339).

I now briefly describe several examples of recent scholarship by leading political scientists pertaining to class, power, inequality, and political economy that connect to the perspectives on business dominance of the state that I described previously, and note how they have been received by contemporary adherents of those perspectives, including Domhoff. In 2004 the Task Force on Inequality and American Democracy of the American Political Science Association issued a report on "American Democracy in an Age of Rising Inequality" (APSA Task Force Report 2004). Contending that "the dominance of the advantaged has solidified," the report noted that, "corporations and professions have created a new generation of political organizations since the early 1970s in response to the rise of citizen organizations, global competition, and developments within American business." The report went on to state, "Skewed participation among citizens and the targeting of government resources to partisans and the well-organized ensure that government officials disproportionately respond to business, the wealthy, and the organized when they design America's domestic and foreign policies." According to the task force, "we need to know more about the interactions of economic and social conditions with American politics" (APSA Task Force Report 2004, pp. 657, 659, 661).

While welcoming the report's call for political science to contribute to public understanding of the connection between inequality and U.S. democracy, Frances Fox Piven found it a "timid" document. Rather than seeing the distortions of democratic politics as a result of skewed participation, she argued that "we should pay more attention to the politics of extreme wealth concentration, the culture of greed and arrogance it has encouraged, and the stratagems the wealthy now deploy to control formally democratic institutions" (Piven 2006, p. 43). Task force member Jacob Hacker responded that if the task force was timid, "we were so only in the appropriate sense that we were restrained by the limited state of current knowledge" (Hacker 2006, p. 47). Research reports written by task force members were published in a 2005 book edited by Lawrence R. Jacobs, the task force chair, and Theda Skocpol. In a respectful review Domhoff concluded, "Neither the editors nor the chapter authors offer a conceptual framework that can adequately encompass their findings. No 'class dominance,' 'power elite,' or even a business community and attendant think tanks for them, just citizens, voluntary associations, political parties and interest groups, some of which have greater influence than others" (Domhoff 2007, p. 1591).

The subject of inequality, and its relationship to American politics, has attracted renewed attention by Benjamin Page, Jeffrey Winters, Larry Bartels, Martin Gilens, and others. This research clearly challenges pluralist

assumptions and to some extent is informed by the arguments about class dominance discussed previously. For example, Winters and Page conclude, "We believe it is now appropriate to move a step further and think about the possibility of *extreme* political inequality, involving great political influence by a very small number of extremely wealthy individuals. We argue that it is useful to think about the U.S. political system in terms of oligarchy" (Winters and Page 2009, p. 744). For their part, Page, Bartels, and Jason Seawright find that "if policy makers do weigh citizens' policy preferences differentially based on their income or wealth, the result will not only significantly violate democratic ideals of political equality, but will also affect the substantive contours of American public policy" (Page, Bartels, and Seawright 2013, p. 68). In general, Page shows more awareness of political economy and class explanations than is found in most recent mainstream scholarship. For example, in a review of Bartels's *Unequal Democracy*, he finds that "the chief defect of Bartels's book is a tendency to blame the victim: to suggest that the ignorance and confusion of ordinary citizens is responsible for regressive public policies, when the main fault may actually lie with a surprisingly undemocratic political system and with those who manipulate it and profit from it." He also thinks that Bartels's "focus on policy makers and citizens leads us away from causes of party behavior that may be rooted in the nature of party activists, money givers, and major investors" (Page 2009, pp. 148, 149).

Jacob Hacker and Paul Pierson have, in *Winner-Take-All Politics*, developed a relatively comprehensive and challenging analysis of recent developments in American politics and their relationship to growing inequality and business mobilization (Hacker and Pierson 2010). In an extremely interesting commentary on Hacker and Pierson, Fred Block and Frances Fox Piven demonstrate that many prior political scientists underscored the centrality of business power in American politics, leveling the charge of "analytic amnesia" about this tradition within the discipline. They develop an explanation, involving methodology, left fatigue, and timidity, of why

> while some political scientists who were deeply influenced by the politics of the 1960s have achieved eminent positions and even high office in the American Political Science Association, few of them have made the issue of business power central to their scholarship. Most importantly, these heterodox figures have not been successful in constituting a distinctive school or tendency within the discipline that could exert continuing pressure on other scholars to take business power seriously as a theoretical and empirical issue.
>
> (Block and Piven 2010, p. 207)

Brian Waddell applauds Hacker and Pierson for breaking with the "prevailing view of most American politics scholars that politics and political power are more or less autonomous from economic forces and private power . . ." But he finds that Hacker and Pierson's theme of "politics as organized combat" produces a "modified interest group analysis that stresses the advantages of organization in winning political battles." He too encourages scholars to overcome their analytic amnesia and reengage with the scholarly tradition that raised questions "concerning the interplay of politics and markets, democracy and capitalism, and public and private power" (Waddell 2011, pp. 659–662). Certainly Domhoff's work has been of central importance to that tradition.

One work that focuses centrally on the policy-planning process, and which engages with Domhoff and the class dominance perspective, is sociologist Thomas Medvetz's (2012) book *Think Tanks in America*. This book is grounded in sociological theory and is based on extensive empirical research, including archival work, interviews, databases on the education and career backgrounds of think tank policy experts, and firsthand observation in think tank settings. Medvetz aims to explain what think tanks are and what they do. His central analytical argument is that "think tanks . . . have become the primary instruments for linking political and intellectual practice in American life" (Medvetz 2012, p. 7). He contends that producers of social scientific knowledge have been relegated to the margins of public debate by the growth of think tanks. Lamenting the declining value of "self-directed knowledge in public life," Medvetz asks, "Should money and political power direct ideas, or should ideas direct themselves?" (Medvetz 2012, p. 226).

This conclusion raises the question of whether Medvetz has met one of his main goals, which is to "relate the growth of think tanks to the changing social relations among power holders in the United States" (Medvetz 2012, p. 46). At the outset of his book, Medvetz distinguishes his study from several other perspectives on the role of think tanks, including "elite theory," which derives from the work of Mills and was continued by Domhoff and others (Peschek 1987). Elite theory is said to argue that think tanks should be analyzed as "instruments deployed strategically in the service of a ruling class agenda." Medvetz traces five waves in the growth of "proto-think tanks" from the 1890s through the 1960s. Although connected to the growing emphasis on scientific rationality and expertise in the Progressive Era, Medvetz believes that "nearly all of the proto-think tanks were founded by elites for specific political purposes." This claim would seem to position him close to "elite theory," which argues, according to Medvetz, that "think tanks originated in a ruling class project to manage capitalism and direct American foreign policy in the context of the country's growing international power." Although he states that this theory is "closer to my own view," he distances

himself from elite theory as he understands it in several ways. First, he objects to the view that proto-think tanks were the creation of the ruling class as a whole, contending instead that they were the offspring of a specific faction. Second, he criticizes the elite theory for depicting think tanks as part of a "closed network" that cannot explain "how these networks actually translate into political influence." Third, he states that elite theory cannot account for "the existence of think tanks that orient themselves against ruling class interests" (Medvetz 2012, pp. 8–9).

All these claims are untenable. First, although C. Wright Mills indeed authored *The Power Elite* (1956), he never discussed think tanks, and the elite theorists who partially follow in his footsteps are more accurately described as "class-dominance" theorists in contrast to the classical elite theorists who found the concept of class unwelcome. Class-dominance theorists have always been attentive to conflicts and divisions within the business community and its allies, and to how such differences as well as real-world political concerns shaped the emergence of institutions such as the Brookings Institution, the Council on Foreign Relations, and the Committee for Economic Development in the period of "proto-think tanks." Mills distinguished between old-guard "practical conservatives" and business liberals or "sophisticated conservatives," and Domhoff examines differences between moderate and ultraconservative subgroups within the corporate-financed policy network. Second, far from seeing think tanks as part of a "closed network," class-dominance theorists show their connection to such avenues of political influence as testimony before relevant committees in Congress, service on federal advisory committees, service on specially appointed presidential and congressional commissions, meetings of the Business Council and Business Roundtable with government officials, and appointments of think tank directors and officers to top positions in the major departments of the executive branch. Third, "elite" theorists are not unaware of a liberal-labor policy network funded in part by labor unions and liberal foundations, though their influence is much less than those of centrist and ultra-conservative policy organizations.

For Medvetz it was in the 1960s and 1970s that the contemporary "space" of think tanks emerged, as activists on both the left and right developed critiques of technocratic forms of expertise. But the response was asymmetrical, as funds from the right flooded in. In general Medvetz is correct to link changes in the policy or think tank network to the right turn in U.S. politics dating from the 1970s. However, the dynamics of this process have been more carefully studied by scholars more or less associated with what Medvetz calls "elite theory." For example, using data on the director interlocks of policy-planning organizations, Val Burris shows how in the 1980s and 1990s,

corporate liberals became more isolated from big business "moderate conservatives" and were replaced by several ultraconservative groups. This realignment, combined with a rise in cohesion in the policy-planning network, adds to our understanding of the right turn in U.S. state policy in that period (Burris 2008).

I have argued that the tradition of class analysis, political economy, and power structure research would help political scientists explore the deeper questions about power and politics that some are raising. Thus I find myopic Hacker and Pierson's claim, made in 2012, that "only in the last half-decade have political scientists devoted any real attention to the link between this remarkable transformation of the American economy and patterns of American government, much less to the role of presidents in mediating this link" (Hacker and Pierson 2012, p. 103). American political conflict needs to be situated in the context of the power structure of American society as a whole, within which policy-planning networks and think tanks play crucial roles. In my view, these factors are at least as important as such political science staples as the impact of public opinion, election outcomes, and relations with Congress, important though these are, and probably more so.

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