CHAPTER 7

Activism

In this chapter we examine the behavior of activists. We define activists as those who use substantial amounts of time or money to influence public policy and who clearly proclaim their political position in so doing, but who have no obvious narrow self-interest gain from this behavior. Thus the definition excludes such individuals as lobbyists for price supports for agriculture and the organizations that pay their bills. The behavior of the latter cannot be predicted from the model that we use to predict our kind of activism.

Similarly, voting participation requires a different model, though voting also requires the expenditure of resources in political activity. Voting differs in two important ways from activism. First, given the secret ballot, voting need not disclose the political position of the voter. Given costs to lying, one can learn from others whether they voted without necessarily learning for whom they voted.[1] Second, as developed in chapter 4, there are positive externalities associated with voting. In consequence, voting participation, given its time cost, acts as a signal for trustworthiness just like more traditional charity, even though one might very well prefer lower voting participation among members of the opposition party.[2] Indeed, in chapter 4 we successfully predicted voting participation from our charity model.

Despite increasing information by publicizing grievances, the activism on which we focus does not seem to have net positive externalities, however. Usually those who strongly agree with the political position of the activist believe these external consequences are favorable and those who strongly disagree feel them unfavorable. But there are external costs to demonstrations that affect most people independently of their political position. Demonstrations are often disruptive, frequently involve illegal acts, and sometimes try to circumvent the democratic process.

People's views that there are negative externalities of demonstrations is revealed by the *General Social Surveys 1972–1996* (NORC 1996). A representative sample of the U.S. adult population was asked

in 1985, 1990, and 1996 whether various forms of demonstrations should be allowed. While for some of these a clear majority (between 70 and 80 percent) agree they should be allowed, the form of the question itself is revealing. Respondents are asked whether demonstrations should be allowed, not whether demonstrations should be encouraged. The way the question is asked in that survey assumes that the activity has some costs to others.[3] Moreover, there are some forms of demonstrations that the majority of Americans believe should not, or probably should not, be allowed. Eighty-nine percent in that survey believe that demonstrators that occupy government offices should not or probably should not be allowed to do so. Sixty-eight percent believe that general strikes should not be allowed.

A similar kind of trade-off is manifested in the preaching or activist motivation for occupational choice. The preacher talks about issues of public concern, but he often uses public resources to provide an unbalanced examination of those issues when preaching extends beyond the specific occupation for which it is named. The preaching will be regarded as having negative externalities when the message is at variance with the views of those evaluating the externalities.

Those engaged in forms of activism with negative externalities or no externalities must get some return from their use of resources. Since in most cases there is no financial or even power return from these activities, the returns must be in terms of what the others who count think or would think about the activist's behavior if they but knew of it. Any favorable thoughts must be a function of the political position adopted rather than of the externalities of the activity itself.

One clearly expects a positive response to a particular form of activism for a particular cause from those similarly involved. Unless the activity itself has huge negative externalities, like bomb throwing, say, one expects a positive response from those sharing the cause even though they do not share the activity. But by the logic of the previous chapter, political positions are also determined by goodness and morality "signals," signals that are often in conflict. Activists should also engage in such signaling. In consequence, for asymmetric goodness, causes where morality signaling is inapplicable, we should expect much more activism for "good" causes rather than against them.

There is a reason why this goodness signaling will be particularly important in the kinds of activism we examine in this chapter: demonstrations and public declarations of political positions. These activities differ in an important respect from political discussions with friends; they have a wider audience. Goodness signals are distinguished by

some concern with this wider audience, for they signal generalized trustworthiness at the expense of trustworthiness to any members of one's group that are not also involved in this goodness signaling.

Demonstrations

Our thesis is that people demonstrate for "good" causes, that people signal their goodness by loudly proclaiming their political position. This thesis has implications for both the causes about which people demonstrate and the characteristics of the people doing the demonstrating. For issues about redistribution and the environment goodness is dominantly on the side of those who want a greater role for government.

Demonstrations require not just "good" causes, but something about which to protest. The good cause must not have been fully achieved politically in the eyes of would-be demonstrators. In a world in which political decisions are determined primarily by majority rule, this need to protest will not be very important in determining which side does the demonstrating. One expects extremists on both sides to be more likely to demonstrate, because they are less likely to be satisfied with the kind of compromises generated by majority rule. These results are changed when policy is not the result of majority rule. Take, for instance, the Supreme Court decision *Roe v. Wade.* One expects more demonstrations from antiabortionists than proabortionists, because the proabortionists have less to protest about.

To investigate the nature of the causes that generate demonstrations, we looked at all demonstrations worldwide so listed in the archives of the *New York Times* for three months ending May 25, 1998. Table 7.1 lists these demonstrations by subject matter as we classify them. Undoubtedly, the particular issues that generate demonstrations vary over time, depending on what are the "hot" issues of the moment. However, there is no reason to suspect that the conclusions we draw from these results are particularly sensitive to the time period chosen.

The conclusion is that demonstrations are either about group interest or for "good" causes. In either case people demonstrate their trustworthiness to somebody by demonstrating. In the case of demonstrations for a group they establish their group loyalty. For our purposes the most interesting results are the fourteen demonstrations against either the free market or consequences of that market in operation in contrast to no demonstrations against government interference with the market. The antimarket demonstrations vary from protests against

price increases to disagreements with free international trade. There are also four demonstrations demanding more environmental regulation and no demonstrations opposed to more of this regulation. (The four proenvironment demonstrations are in addition to the fourteen antimarket demonstrations.) In addition to the antimarket demonstrations there are also antigovernment demonstrations. But none of these latter demonstrations are against government regulation of markets. Rather, they are about dictatorship (classified as prodemocracy), police brutality, corruption, and governments' policies toward various ethnic groups (classified in the patriotism and ethnicity category). These results are strong evidence for the one-sided nature of "goodness" over economic and environmental issues.

There is another unsurprising result. There were eight demonstrations in support of student causes, and, of course, no demonstrations against student causes. This shows, at least in part, the impact of age on activism that loudly proclaims political positions. The older one is, the more associates one has acquired from one's nonpolitical activities. Some of these associates are likely to be offended by a friend's partici-

TABLE 7.1. Demonstrations in 1998 by Type[a]

Type	Number
Antimarket[b]	14
Pro-democracy	14
Antidemocracy[c]	2
Special interests[d]	6
Patriotism and ethnicity	18
Antiwar	3
Against corruption and police brutality	5
Pro–environment and animal rights	4
Student causes	8
Antiabortion	4
Pro-religion	2
Human rights[e]	1
Left wing politics[f]	1
Women's rights	1
Pro–drug and needle exchange	2

Source: Data from *New York Times* archives, May 25, 1998.
[a]For three months ending May 25, 1998.
[b]Against unemployment, poverty, and market induced price increases.
[c]For example, pro-Nazi demonstrations in Germany.
[d]For example, Italian farmers, New York cab drivers, California loggers.
[e]Against Chinese violations of human rights.
[f]Summary description too vague to classify more specifically.

pating in demonstrations. Young people, in contrast, start with a much cleaner slate. They can specialize in friends that have the same political views as they do and approve of demonstrations to support such views. This is particularly true of college students, many of whom live and associate frequently with only fellow college students.

Less importantly for our purposes, the demonstration data show more antiabortion demonstrations (four) than proabortion demonstrations (at most one, the women's right demonstration). As previously predicted, there are more pro-lifers unhappy with government policies than free choice advocates, and, hence, the greater number of the former demonstrating in spite of the fact that demonstrating for women's rights also signals "goodness."

The literature on demonstrations relevant for our purposes focuses on who is involved in demonstrations or who has a greater potential for demonstrations. (Researchers often focus on protest potential rather than protests themselves because the proportion of the population that actually engages in protests is so small.) Protest potential is determined by approval or disapproval of various kinds of protests. An example of such work is Marsh's (1977) study of Great Britain. He found that those under thirty had more protest potential than did those older than thirty. He also found that those who identified themselves as leftists had much more protest potential than did rightists. Though he found substantial differences between the two groups, the differences were nowhere as large as the discrepancies between antimarket and promarket demonstrations in our data. The ratios of protest potential by left versus right varied between 1.52 and 1.27, while our result showed a number of antimarket demonstrations and no promarket demonstrations.

There is an obvious explanation for this difference in results. Right-wingers are not simply promarket. They can be patriotic, anticrime, or antiabortion—"good" causes that generate demonstrations. In consequence, we would expect right-wingers to demonstrate more than those who are simply promarket. Evidently the difference in the number of antimarket demonstrations compared to promarket demonstrations is sufficient to produce more left-wing than right-wing demonstrations.

This section, then, provides evidence for asymmetric goodness with goodness being on the side of those who oppose market outcomes. That there are more antimarket than promarket demonstrations is a fairly obvious result. Its obvious validity only means that it has been consistently confirmed by everyday experiences. What is important is

that there are no obvious alternative explanations to asymmetric goodness for this phenomenon.

Activists

There is one "occupation" peculiarly suited to preaching: the occupation of activist. One of the requirements of this occupation is that one is so classified by others. What does one do or not do to be so classified? First of all, one has to publicly declare or otherwise express a political position. But that is not a sufficient requirement. Those whose speech is financed by a business organization are usually classified by others as "business spokesperson."

Activists can be paid or unpaid. What distinguishes them in the public mind from "business spokespersons" is that either they or the contributors to the organization that finances them are not motivated by profits. (The leaders of such organizations, such as Jesse Jackson, can be well rewarded [Timmerman 2002].) However, the public believes that those who finance these organizations do not do so for profit. This is evidenced by the fact that when they are revealed to do so the revelation is considered scandalous (Timmerman 2002). Instead, there is a goodness motive. We predict that for issues where goodness is one-sided, more activists should be on the goodness side.

Levite (1996) presents some interesting relevant evidence. Looking at the *New York Times* from January 1994 to March 1995, he found reference to 289 liberal activists as opposed to 65 conservative activists. But the *New York Times* used an alternative way of describing some people involved in political activity: extremist. Levite found reference to 25 liberal extremists as opposed to 78 conservative extremists. He attributes the more frequent application of the pejorative label *extremist* to conservatives to the liberal bias of the media, the *New York Times* in particular. But whatever the name, there were 314 liberal activists or extremists and only 143 conservatives so titled. The ratio is more than two to one. The magnitude of these results is somewhat suspect as a measure of media bias. The *New York Times* has a more liberal editorial page than an average newspaper and displays more liberal bias in other respects as well. While evidence explored in chapter 9 supports a moderate media bias, it would be difficult to explain the large differentials found by Levite solely by this bias.[4]

We believe that there are two additional reasons why more liberals than conservatives are called "activists." (1) There are more of them, because one signals one's goodness more by liberal activism than con-

servative activism. (2) The very fact that one is more likely to signal one's goodness by liberal activism also implies that others, not just the media, would refer to the liberal activists with that kinder, gentler title. But there may be more conservatives labeled extremists because people think that conservative activists would just be signaling their group identification and not their goodness. Hence, the harsher designation, extremists, for them.

Lichter et al. provide more evidence about the media and activists. Look at table 7.2, where both the data and classifications are from their work. They look at the percentage of times a particular kind of source is cited as reliable by journalists versus being cited as reliable by businesspeople. For the issue "consumer protection" their list of reliable sources includes the Ralph Nader group, Consumers Union, and

TABLE 7.2. Types of Sources Cited as Reliable (in percentages)

	Media	Business
Welfare Reform		
Liberals	75	17
Federal regulatory agencies	51	25
Federal officials	38	25
Conservatives	22	22
State and local agencies	16	30
Consumer Protection		
Ralph Nader/ Nader groups	63	33
Federal regulatory agencies	46	28
Consumer union	44	30
Other activist groups	41	26
State and local agencies	36	40
Business groups	22	49
Pollution and Environment		
Environmental activists	69	25
Activist federal agencies	68	56
Business groups	27	34
Liberal activists and officials	24	8
Other federal agencies	19	11
Nuclear Energy		
Antinuclear	55	—
Technical magazines	40	—
Federal regulatory agencies	39	—
Other government	37	—
Pro-nuclear	32	—

Source: Data from Lichter, Rothman, and Lichter (1986)

"Other Activist Groups." The latter "are nonprofit groups ranging from Consumer Federation of America and Common Cause to social activist groups like the American Civil Liberties Union and Americans for Democratic Action" (Lichter, Rothman, and Lichter 1986). These results confirm that these "Other Activist Groups" are dominantly liberal groups. Forty-one percent of journalists cite these sources as reliable, while only 26 percent of businesspeople do so.

For the issue "Pollution and the Environment" the only nongovernmental, nonbusiness reliable sources cited are "Environmental Activists" and "Liberal Activists and Officials." For "Welfare Reform" Lichter et al. list "Liberals" and "Conservatives" and business groups such as the Chamber of Commerce. Seventy-five percent of journalists cite some liberal sources as reliable, while only 22 percent cite some conservative sources as reliable.

There are two obvious explanations for these results that are not mutually exclusive. (1) The media mistrust conservative activists. (2) There are fewer nonbusiness conservative activists to be cited, or at least there are fewer that journalists have heard about. Lichter et al. find a wide disparity between the sources that businesspeople and the media regard as reliable, and that is what they emphasize: evidence that either the media mistrust conservatives or businesspeople mistrust liberals or some combination thereof.

But the evidence also supports the second hypothesis: there are fewer well-known conservative activists. Lichter et al. list sources regarded as reliable by either journalists or businesspeople. In that light the evidence is striking. It says that businesspeople know of no reliable sources outside of business that represent the conservative position on "Environment and Pollution." Businesspeople also know of few conservative reliable sources outside of business sources for "Consumer Protection," though Lichter's "Activist" classification is somewhat ambiguous. For "Welfare Reform" there also must be few conservative sources in spite of the overly inclusive definition of those sources for "Welfare Reform." Businesspeople cite some conservative sources as reliable with only slightly greater frequency than they cite some liberal sources (22 percent compared to 17 percent). Such similar percentages would probably not prevail if there were as many conservative activists as liberal activists.

Our explanation for these results is simple. Outside of business, the people who bankroll activists (perhaps themselves) want to be "good." Goodness is one-sided for the issues of welfare reform, consumer protection, and the environment.

The most serious alternative hypothesis that could possibly explain some of Lichter's results is the presence of business sources of information. Given such sources, there might be less need for nonbusiness activists. This explanation could possibly be relevant for "Consumer Protection" and for "Environment and Pollution," but not for "Welfare Reform." For the latter, business sources are not listed separately. The total number of conservative sources including business must be greater, not less, as a result of business provision of information. But even so there seem to be more liberal than conservative reliable sources.

Besides, one does not expect business sources of information to be close substitutes for other conservative sources. A serious problem with business-generated information is that, because business interest is often at loggerheads with public interest, it often is not credible. Who believes, for example, that the Tobacco Institute provides trustworthy information? Whatever the problems with activists' information—and we believe them to be serious, indeed—there is not an obvious problem of personal gain if the activists' policies are adopted. Conservative nonbusiness sources are more believable than business sources. If there were enough people who felt "good" about funding such sources, the existence of business sources would not be a major deterrent. On the other hand, even nonbusiness conservative sources will be regarded more skeptically than liberal sources, because people are more likely to assume a hidden agenda for the former. "Is this source being secretly funded by business?" Given that the "good" are generally liberal, something else is suspected to motivate conservative activists, namely, their narrow self-interest.

Philanthropy and Activism

Activism in general involves the use of both time and money resources predominantly, as we have seen, for "good" causes. In this section we focus on the use of monetary resources. Again, in the case of asymmetric goodness we predict that groups will devote more monetary resources for "good" causes than for the opposite side, ceteris paribus. The reason for the Latin qualifier is that the income of the contributors or of the unpaid activist can also play a role. Indeed, that is the most obvious variable determining activism by means of monetary expenditures. The data from NORC (1996) show that individual contributions to political parties are positively related to income. This, by itself, should increase the contributions going to "bad" activists, who tend to

be pro–high income. If, then, one finds that, in fact, there are more "good" activists, that would be strong supporting evidence that asymmetric "goodness" is, indeed, one-sided.

Lenkowsky (1999) seemingly comes to such a such a conclusion. He finds that politically active groups on the left had revenue of nearly $4 billion in 1996 compared with $900 million for their competitors on the right. But, his underlying data—*The Left Guide* (Wilcox 1996) and *The Right Guide* (Wilcox 1997)—have serious problems for our purposes. The revenues of many labor unions are included, as are the revenues of the Chamber of Commerce. The motivations determining their behavior are clearly self-interested rather than "goodness" driven. Furthermore, many of the organizations included in these guides are multipurpose organizations—organizations that engage in both charitable activity and political activism. Counting all their expenditures as political activism vastly overstates the latter.

Fortunately, the underlying data is still useful. We can just count the number of goodness-motivated left- and right-wing organizations. Given this procedure, the charitable expenditures of an organization that is also politically active have no impact on the weight we give that organization. We count 1,283 left-wing activist organizations (not including unions), as compared to 1,108 right-wing organizations (not including the Chamber of Commerce), or nearly 16 percent more.[5] That difference is statistically significant: t = 3.58. That is some confirmation of the "goodness" associated with liberal political positions, especially given the political disposition of those most likely to establish philanthropic organizations—the rich. Of course, this difference in number of organizations is not nearly as dramatic as Lenkowsky's difference in total revenues.

We believe this difference in results arises in part because charitable philanthropies are more likely to become politically active for liberal causes than for conservative causes. Just like activists, philanthropic administration is a "do-gooder" occupation. In particular, these administrators are likely to advocate more government activity in the areas in which they specialize. Self-interest would have them operate differently if government activity crowded out charity. That self-interest, though, would be particularly unimportant if the philanthropy already had its funding—largely the case for the older, larger foundations. Age of the philanthropy would also be relevant in determining its political orientation, especially if the funding of the philanthropy is exclusively generated by preexisting endowments. The original administrators were selected by the founder, whose political bias would

thereby have some impact on the organization. But the longer the organization continues, the greater the effect of the political orientation of potential administrators. Future members of the board are selected by present members of the board, including top administrators usually. This addition to the board of top administrators generation after generation makes the board take on progressively the political cast of top administrators.

There are three testable implications of this process. First, we would expect more charitable activity associated with liberal activist philanthropies than associated with conservative activist philanthropies. We observe two indirect indicators of this phenomenon. Lenkowsky reports that government grants to left-wing organizations were $500 million in 1996, while grants to right-wing organizations were only $19 million. The most obvious explanation for this result is that the government grants were focused on the charitable part of these organizations rather than on their activism. The largest single grant was to the Legal Services Corporation to provide legal services for the poor. While some of the difference in grants could conceivably be explained by a Democratic administration, a similar result cannot. Falk and Nolan (1994) report that in 1993, 78 percent of corporate donations to advocacy organizations went to left-wing organizations, and only 19 percent went to right-wing organizations. Corporations are not notable for their left-wing sympathies.

Second, the more likely a philanthropy is run by professional managers rather than the founders or their family, the more likely that philanthropy will engage in liberal rather than conservative activism. The larger the size of the philanthropy, the more likely it requires professional management. One would, therefore, predict a larger size for liberal activist organizations compared to conservative ones. We believe that this is a reason for the far greater differences observed by Lenkowsky in total revenue than in our observed differences in numbers between the two kinds of organizations. However, we cannot be sure because Lenkowsky includes some unions in his revenue estimates for left-wing organizations.

Third, we would expect any change in the degree of activism not associated with changes in the views of the founder or his heirs over the lifetime of the philanthropy to be toward more liberal or less conservative activism. We looked at the seven foundations that had greater than one billion dollars in assets according to *The Left Guide* (Wilcox 1996) and *The Right Guide* (Wilcox 1997). Four of them are currently liberal foundations that have become more liberally activist over time

independently of changes in the political philosophy of the founding family: the Ford Foundation, the Robert Wood Johnson Foundation, the Rockefeller Foundation, and the Carnegie Corporation. One is now a liberal foundation that became more liberal at least in part because a son was more liberal than the founding father: the John D. MacArthur Foundation. One was a conservative foundation that grew less conservative over time in part because the son was less conservative than the founding father: the Pew Charitable Trust. One was a conservative foundation that grew more conservative through changes in the political position of the founder—the Lilly Foundation.[6]

These results have a larger purpose than simply explaining Lenkowsky's revenue data. They show that both contributors to political causes and philanthropic fund managers want to be "good" and that goodness is dominantly antimarket. This chapter in general provides evidence supporting this latter proposition. We show that there are more antimarket than promarket demonstrations. We show that both the media and business cite as reliable sources more antimarket than promarket activists, strongly suggesting that there are, in fact, more of the former.