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US Foreign Policy, 1981-2002:
The Role of the Policy-Planning Network**

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Abstract

Recent empirical work has offered strong support for ‘biased pluralism’ and ‘economic elite’ accounts of political power in the United States, according a central role to interest groups as a mechanism through which corporate influence is exerted. Here, we propose an additional channel of influence for corporate interests: the ‘policy-planning network,’ consisting of corporate-dominated foundations, think tanks, and elite policy-discussion groups. To evaluate this assertion, we coded the policy preferences of one key policy-discussion group, the Council on Foreign Relations (CFR), on 295 foreign policy issues during the 1981-2002 period. In logistic regression analyses, the preferences of economic elites and the CFR were positive, statistically significant predictors of foreign policy outcomes while interest group preferences were not. These findings were further supported with a qualitative investigation of the patterns of CFR ‘successes’ and ‘failures.’ We conclude that ‘biased pluralism’ models should include corporate influence exerted through the policy-planning network.

Keywords: Council on Foreign Relations; policy-planning network; biased pluralism; corporate power; foreign policy

Introduction

In a widely cited study, Gilens and Page (2014) evaluated four broad theoretical camps on US politics: *majoritarian electoral democracy* theories which hold that the will of the electorate is the key influence on policy formation; *majoritarian pluralism theories*, which argue that the will of the majority asserts itself through conflicts between organised interest groups; *economic elite* theories, which claim that the views of the wealthiest citizens are disproportionately influential; and *biased pluralism theories*, which posit that the organised groups created by the wealthy or by businesses are disproportionately successful in the struggle between interest groups. They assessed the relative influence of the policy preferences of average citizens, affluent citizens ('economic elites'), mass-based interest groups and business interest groups across a wide array of policy issues for the years 1980-2002. Consistent with elite domination and biased pluralism theories, they found that the preferences of the *economic elites* and *business interest groups* were the most important predictors of actual policy outcomes. Their findings represent an important contribution to the theory of the distribution of political power in American society. Further, by bringing together data on public opinions and interest group preferences concerning policy issues over a period of more than two decades, they have helped to develop a new methodological approach for the study of political power in the US.

Their findings on the disproportionate influence of 'economic elites' have attracted considerable attention and engendered lively discussion and debate (e.g., Branham, Soroka and Wlezien 2017; Enns 2015a, 2015b; Gilens, 2015a; Gilens and Page, 2016). Here, however, we would like to focus on the other aspect of their findings, concerning 'biased pluralism.' Gilens and Page found support for a 'biased pluralism' account of political power using the preferences of a few dozen business interest groups. We propose that expanding their definition and measure of

corporate influence would extend our theoretical understanding of how corporate influence is exerted and allow for more accurate predictions of policy outcomes.

Theoretical Framework: A corporate dominance perspective

Fully grasping corporate political influence requires a broader understanding of the mechanisms through which it operates. The ‘corporate dominance’ theory of politics in the US (Domhoff, 1998; 2014; 2020) represents one attempt to provide such an understanding. According to this view, corporate owners and senior executives have been, from the early years of the twentieth century to the present time, the dominant force in establishing the structure, rules and customs of daily life in the US. They have achieved this dominance not only through control of large parts of the economy, but also by wielding disproportionate political power. Following the rise of the corporation as the predominant organizational form within the economy in the late 1900s, the leaders of the corporate community moved to develop *politically oriented* organizations in order to influence public policy. In doing so, they split into relatively distinct, organisationally based moderate-conservative and ultraconservative political camps (Woodhouse and McLellan 1966)¹ and this split, has, at times, offered opportunities for other organised power actors. Nonetheless, collectively, organised corporate elites have dominated US politics.

This view is distinct from other prominent sociological theories of US politics. In contrast to more-or-less ‘orthodox’ Marxist theories, it does not hold that corporate domination emerges inevitably from the development of capitalist production (Poulantzas, 1973) but rather that it was the particular outcome of the historical development of political ‘power actors’ in the United States. Unlike ‘historical institutionalist’ theories, which emphasise the roles of autonomous state actors (Skocpol, 2007), the corporate dominance perspective foregrounds the ways in which

corporate actors not only directly occupy positions within the state, but also actively shape the institutions of the state to further their own ends.

The corporate community exerts political influence through four organised processes: special-interest lobbying, policy-planning, opinion-shaping, and candidate-selection (Domhoff, 2020). Gilens and Page (2014) demonstrated the importance of the first process, special-interest lobbying, by showing that the policy preferences of business interest groups significantly predicted policy outcomes across a wide variety of issues.² Here, we seek to extend their findings with a focus on the second of these processes, policy planning undertaken by the corporate community.

Policy planning is conducted through a network of corporate-financed and corporate-dominated (via memberships on boards of trustees) foundations, think tanks, and elite policy discussion groups (see Figure 1). This *policy-planning network* (hereafter, PPN) started to emerge in the early years of the twentieth century and was already deeply enmeshed in the policy-making process by the 1930s. The organizations within this network provide settings within which the general policy interests of the corporate community are articulated and clarified, where conflicts are discussed, where potential representatives are informally recruited for government service, where policy perspectives are disseminated, and where concrete policy proposals are generated (Domhoff, 2014, Chapter 4; Domhoff, 2020, Introduction).

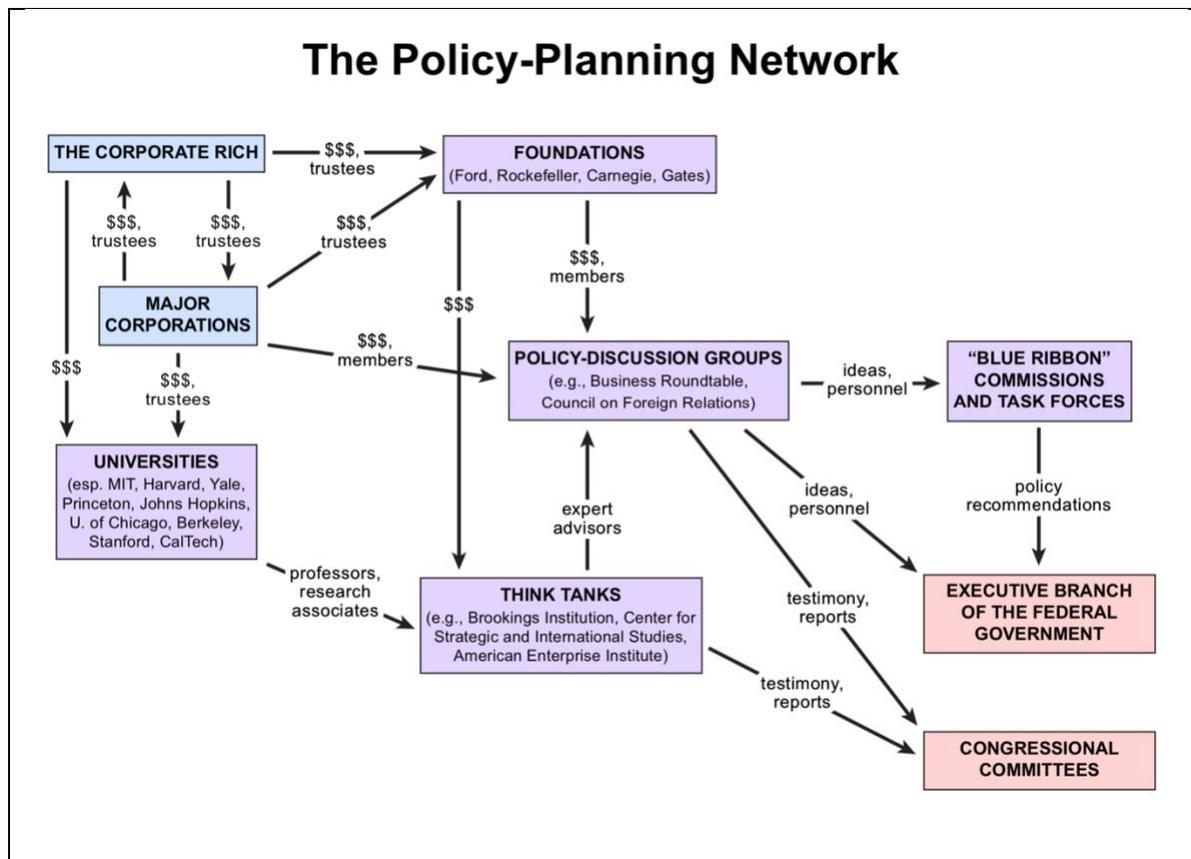


Figure 1. Role of the policy-planning network (PPN) in policy formation.

The PPN is quite distinct in its goals and methods from the special-interest network. The special-interest network is composed of the ‘business interest groups’ which are the main actors in Gilens and Page’s biased pluralism model. Whereas the PPN distills the more general interests of the corporate community into policy proposals, the special-interest network focuses primarily on directly lobbying Congressional committees and regulatory agencies that are important to the *specific* interests of the many dozens of business associations that have been formed by the various commercial sectors of the corporate community, such as the American Bankers Association, the National Petroleum Institute, and the Pharmaceutical Research and Manufacturers of America (Berry, 1997; McConnell, 1970; Schlozman & Tierney, 1986; Schlozman, Verba, & Brady, 2012).³

Earlier research has studied the role played by organizations within the PPN in shaping policy on climate change (Bonds, 2016), the allocation of natural resources (Alpert & Markusen, 1980), environmental affairs more generally (Downey, 2010, 2015; Gonzalez, 2001), the privatization of schooling (Mintz, 2018), domestic economic issues (Burriss, 2008; Peschek, 1987, 2017), and, the focus of the present article, foreign affairs (e.g., van Apeldoorn & de Graaf, 2016; Dreiling & Darves, 2016; Murray, 2017; Whitham, 2016). The present study seeks to contribute to this literature, proposing that mapping the policy preferences of a key organization within the PPN – the *Council on Foreign Relations* – would provide a useful additional measure of corporate influence that goes beyond measuring the impact of business interest groups.

Policy-discussion Groups and the Council on Foreign Relations

The most central of settings through which corporate leaders develop and articulate their general interests are the *policy-discussion groups* within the PPN. Policy-discussion groups bring together corporate leaders, special experts from think tanks and university institutes, and government officials to discuss policy on a wide range of issues, including foreign policy. Their reports carry the status accorded to the prominent corporate directors involved. These groups thus differ clearly from ‘think tanks’, which typically consist of expert employees of organizations focused on particular policy domains.⁴ The operations of the policy-planning network are summarised in Figure 1.

One of the most influential policy-discussion groups has been the Council on Foreign Relations (CFR), the single most important institutional channel through which the corporate community has shaped US foreign policy. Connected to the corporate community through funding and membership, the CFR shapes US foreign policy both through the flow of reports and studies to the government *and* through the direct occupation of government offices by CFR members. The

CFR attained this uniquely important institutional position during World War II, when two critical events occurred. First, a worldview crystallised out of the CFR and State Department discussion groups, which expressed the national interest in a way that was congruent with the perceived interests of the moderates within the corporate community. Second, the CFR emerged as an intermediary organization, linking corporations with the government. As these two events are central to understanding corporate influence on US foreign policy, we briefly outline their development.

The CFR was founded in 1921 by US leaders disappointed with the outcome of the Treaty of Versailles and convinced that the growing economic strength of the US should bring greater involvement in international affairs (Schulzinger, 1984; Shoup, 1974; Wala, 1994, Ch. 1-2). Its purpose, as stated at its founding is clear on this point:

To afford a continuous conference on international questions affecting the United States, by bringing together experts on statecraft, finance, industry, education and science... [in order to] create and stimulate international thought among the people of the United States, and to this end, to cooperate with the Government of the United States and with international agencies, co-ordinating international activities by eliminating, in so far as possible, duplication of effort, to create new bodies, and to employ such other and further means, as from time to time may seem wise and proper (CFR, 1947, p. 7).⁵

To meet these goals, the CFR established the journal *Foreign Affairs* in 1922, which published articles by the leading statesmen of the day and by academic experts, many already affiliated with the CFR. The organization also created informal discussion groups for those who simply wanted to learn more about a topic and to ask basic questions, and – more importantly for our purposes – ‘study groups’ to focus on particular topics (Grose, 1996, p. 11). These study

groups were led by ‘rapporteurs’, typically academic experts on the topic in question, and the members included business leaders concerned with the topic and current and former statesmen with experience dealing with the topic. The study groups thus established direct links between the corporate community and the government. The rapporteurs would often go on to write up a report distilling the study group’s policy suggestions, and these reports were eventually published in *Foreign Affairs*, or as pamphlets or books with the CFR imprimatur. The reports were sent on to relevant government agencies, and often included in the Congressional record when the leader or another member of the group testified before a Congressional committee. Indeed, generating and disseminating such reports became the central focus of the CFR’s efforts.⁶

Although the CFR brought together academic expertise with corporate financing from its outset, it did not achieve access to the highest levels of decision-making related to foreign affairs until the late 1930s (Domhoff, 2020, Chapter 10; Shoup, 1975). Essentially brought in as a partner to the State Department following the start of the war in Europe in September 1939, the CFR established war-peace study groups that, between 1939 and 1942, articulated an internationalist vision for both the conduct of the war and the transition to the post-war world. One of these, the Economic and Financial Group, was tasked with determining the conditions that would allow for a resumption of stable world trade, a challenge made more urgent from May 1940 by the invasion of France and attack on the UK. Faced with exclusion from German-dominated Europe, the group quickly concluded that a ‘Western Hemisphere’ trading bloc would be insufficiently small, containing too many countries with competitive, rather than complementary, economies (Domhoff, 2020, p. 386). They thus focused on the question of determining the ‘minimum world area’ required for ‘security and economic prosperity’ and, on October 19 of that year, issued a memorandum that was remarkable for its coherence and scope as well as for the degree to which it foreshadowed US foreign policy positions across the entire post-war era, down to the present day.

Their position started with the premise that a prosperous global economy – pre-requisite for a prosperous US economy – required sufficient supplies of raw materials and a large number of complementary economies. This could only be realised through an economic ‘Grand Area’ comprised of the western hemisphere as well as the British Empire and the Far East, implying that neither the UK nor Japan could be allowed to exclude the US from their areas of influence. To prevent defections from this ‘Grand Area’ (their own term for this area from the early 1940s, later discontinued), they envisioned two general strategies. On the one hand, monetary, investment and trade arrangements would need to be made to allow the US, the UK and Japan to harmoniously co-exist. On the other hand, attempts to defect and develop exclusive trade zones would need to be prevented through, if necessary, economic and political pressure as well as military coercion.

By 1942, evidence from government archives suggests that this worldview had been accepted within the government (Domhoff, 2020; Shoup, 1975). Although the end of the war brought the need to rebuild and reintegrate Europe and the replacement of Germany and Japan by the Soviet Union and communist movements as the main threats to the world economy, the principles articulated by the CFR study groups continued to steer policy. At the same time, the CFR worked very hard to convince government decision-makers to rebuild Germany as the core of a Western Europe capable of subduing its own national communist movements (Gramer, 1995, 1997; Wala, 1994, Chapter 4).

Working from the key assumptions from the War-Peace Studies, CFR members were central in the construction of all of the pillars of the post-war *Pax Americana*, including the Marshall Plan, the IMF and the World Bank (Domhoff 2020, Ch. 10-11, 13; Helleiner, 2014; Hogan 1987; Steil 2013; Whitham 2016). Further, a broad network of experts and policymakers used these principles to navigate policy throughout the post-war period (usually in the face of strong opposition from corporate ultraconservatives), pressing continually for reductions in trade

barriers, adjustments to monetary mechanisms and military interventions to prevent countries from departing from the US-led global economy. The clarity, depth and coherence of the corporate-backed CFR's vision and the extent of its influence at a number of levels, with its leading members often in government positions implementing these plans, reflect its importance in shaping the post-war world.⁷

As this brief overview of the development of the CFR's unique role suggests, most studies of its influence have been historical case studies. What additional evidence of CFR influence exists that would substantiate the claim that it serves as a mechanism of corporate influence on US foreign policy? The hypothesised connection between the corporate community and the CFR has received empirical support from network studies that have shown the centrality of the CFR within networks of top corporations and major non-profits (Eitzen, Jung, & Purdy, 1982; Salzman & Domhoff, 1983), and in networks that focus exclusively on policy-discussion groups and think tanks (Burris, 1992, 2008). The second hypothesised element in the configuration, the link between the CFR and government, has been supported by studies of CFR members appointed to top government positions over many decades (Burch, 1980; Domhoff, 1998, pp. 250-255, for a detailed account of the CFR appointees in the Reagan and Clinton administrations). These two sets of findings make it reasonable to infer that the CFR has served as a mechanism through which corporate interests are *represented* in government policymaking.

Nonetheless, historical case studies and evidence of stable institutional connections between corporations, the CFR and the government are not, in themselves, evidence that the policy preferences of the corporate community (or rather the moderate conservatives within it) were ultimately implemented. After all, around any given policy proposal, competing forces are able to mobilise in support and opposition. How, then, can we support the further claim that the interests of the internationalist sector of the corporate community were successful in political battles over

policy implementation? At this point, we adopt the analytical method – and the dataset - employed by Gilens and Page (2014). In that study, the authors used regression analysis to compare the relative success of different political actors while controlling for the preferences of competing actors. In their final model, they find that the policy preferences of relatively affluent citizens and business interest groups were significant predictors of actual policy outcomes, while the preferences of ‘average citizens’ and mass-based interest groups were not.

We similarly seek to support the argument of this paper empirically by focusing on the subset of Gilens and Page’s data related to foreign policy issues. In addition to the actors considered by Gilens and Page, we add the policy preferences of one organization from the PPN – the CFR. Since the CFR is both a central and archetypal organization within the policy-planning network, it makes a good test for the latter’s influence. We test whether (1) CFR preferences are indeed associated with policy outcomes and (2) whether adding them to the model proposed by Gilens and Page (2014) enhances the accuracy of predictions of political outcomes on foreign-policy issues. In the second, more qualitative part of the analysis, we seek to shed further light on the patterns of CFR ‘successes’ and ‘failures’ by comparing their preferences with those of ‘economic elites’ and by examining variations across different foreign policy issue areas.

Specifically, we hypothesise that, when entered in a regression model with economic elites and business interest groups,

- 1 The preferences of the CFR significantly predict foreign policy outcomes; and
- 2 The resulting model will be characterised by better overall fit and predictive accuracy than a model that does not include the CFR.

After assessing these hypotheses, we turn to a more qualitative investigation of the outcomes in the dataset. We expect that the patterns identified in doing so can be plausibly

interpreted as being consistent with our argument, while also shedding light on the actual pattern of CFR ‘successes’ and ‘failures.’

Materials and Methods

Much of our analysis adheres to that conducted by Gilens & Page (2014). From their original dataset of 1779 public opinion survey questions covering a variety of policy areas across the 1980-2002 period, we created a subset composed of the 295 questions in the larger dataset related to foreign policy (foreign policy was, by far, the largest of the 18 policy categories in the original dataset). For our independent variables, we used their estimates of the policy preferences of the ‘average citizen’ (those at the 50th income percentile) and the ‘economic elite’ (those at the 90th income percentile). Both variables were on a continuous scale indicating the proportion supporting a policy change. We also used their indexes of the positions of both business interest-groups and mass-based interest groups. Their Interest Group Alignment indexes were created by coding the policy positions of each group on a four-point scale (strongly oppose, somewhat oppose, somewhat favour and strongly favour) and then counting the number of interest groups opposing and favouring policy change (where ‘somewhat’ positions were counted at half the value of ‘strongly’ positions). To adjust for the diminishing influence of additional groups on a given side for any given issue, they used the logarithms of the number of groups in support and opposition, using the below formula (Gilens, 2012, pp. 127-130; Gilens and Page, 2014, p. 569):

$$\text{Net Interest-Group Alignment} = \ln(\# \text{ Strongly Favour} + [0.5 * \# \text{ Somewhat Favour}] + 1) - \ln(\# \text{ Strongly Oppose} + [0.5 * \# \text{ Somewhat Oppose}] + 1)$$

The dependent variable in the analysis was whether or not the policy change proposed in the survey question was adopted within four years of the survey. (For more information on the methods used by Gilens and Page, see our supplementary file and Gilens and Page, 2014.)

For the purposes of our study, we created an additional independent variable, representing the policy preferences of the CFR. As noted, the CFR does not issue formal statements of policy preferences on behalf of the entire organization or all of its members.⁸ We therefore sought out public statements of opinion from ‘senior figures’ associated with the CFR. We first assembled a list of ‘senior figures’ by examining publicly available CFR archival materials on their website and at their archives in Princeton University. These archives included information on directors, senior analysts, and members of study groups. Senior figures were defined as such based on position within the CFR, length of tenure and professional background. Any CFR members or experts that lead study groups resulting in books published by the CFR or testified before Congress with CFR affiliation stated were also included, as such persons provide a good proxy of the position favoured by the leadership of the CFR.⁹ In terms of professional background, any previous work in federal agencies was considered to be a particularly important indicator, as this type of overlapping (‘revolving door’) membership in government and a policy-discussion group is a characteristic feature of the PPN (Domhoff 2014). Most of the ‘senior figures’ thus identified were directors, officers, expert employees, or the leaders of study groups that produced a published report.

Some CFR positions were coded based on preferences expressed *prior* to the survey question being asked. Many foreign policy issues remain salient over a number of years, and in many cases ‘senior figures’ associated with the CFR had presented clearly articulated positions on the issues before they became prominent in public debate.

We then used all of the publicly available opinions of ‘senior figures’ within the CFR identified in steps 1 to 4 on the 295 foreign policy issues using a four-point scale (0 = ‘Strongly

Opposed'; 1 = 'Somewhat Opposed'; 2 = 'Somewhat Favour'; and 3 = 'Strongly Favour'), following the steps below:

(1) We analysed the lectures, and other research, writing and educational projects available on the CFR website or in their archives at Princeton University that contained opinions authored or edited by one or more of the 'senior figures' on our list.

(2) We went through all volumes of *Foreign Affairs*, the CFR's in-house journal, and identified all articles authored by 'senior figures' in the CFR. We coded all such articles for their policy position.

(3) We searched the Congressional archives for testimony by CFR personnel on the topics asked about in the survey questions used by Gilens and Page (for example, testimony on the efficacy of US foreign policy in Central America during the Reagan Administration).

(4) If the codes resulting from steps 1, 2 and 3 agreed, then we used the resulting code. If they did not agree or if they did not provide sufficient information to infer a CFR policy position, we turned to newspaper articles, speeches, and books by senior CFR figures, to resolve the disagreement.

Cases in which all available public documents from the CFR were unqualified in their opposition to or support for a policy were coded as 'Strongly Oppose' ('0') or 'Strongly Favour' ('3'), respectively. In cases where the opinion seemed qualified, or where different CFR authors expressed different opinions, we made a judgment based on how the more 'senior' members of the CFR appeared to lean on the issue, and coded the preference as either 'Somewhat Opposed' ('1') or 'Somewhat Favour' ('2'). In this way, we coded the CFR's positions on all 295 survey questions from 1980 to 2002.

In order to assess the relative predictive power of the preferences of economic elites, mass-based and business interest groups and the CFR, we first examined the bivariate correlations

between the above variables, then followed with bivariate logistic regression models, and finally determined the best-fitting multivariate logistic regression model. For these analyses, we transformed the preferences of average citizens and economic elites from proportions to percentages, to facilitate interpretation of the odds ratios from the logistic regressions. We calculated the interest group index variables in the same way as in the original study. The four-point CFR scale was treated as continuous to generate Pearson Correlations, but as categorical for the logistic regression analyses. We used policy outcomes (re-coded as a binary variable, with no policy change coded as '0' and all changes coded as '1' – replacing the original indicator of the time period in which the change occurred) as the dependent variable. The analyses were performed using R (R Core Team 2019). The R script and data (or links to data) are provided in the supplemental files.

Results

The bivariate Pearson correlations for our subset of 295 foreign policy questions (shown in Online Supplementary File, Table S2), show an interesting pattern of similarities and differences with those in Gilens and Page's full set of 1779 questions.¹⁰ As in their findings, we found no statistically significant correlations between the preferences of the economic elites and the preferences of the interest groups, nor with the preferences of the CFR. The preferences of business interest groups on our subset of foreign policy questions, however, showed a significant *negative* correlation with those of mass public interest groups, as well as a significant positive correlation with the preferences of the CFR.

When bivariate logistic regression models were performed with policy outcomes as the dependent variable, there were significant, positive relationships between the preferences of economic elites (OR = 1.034, 95 per cent CI = 1.019 to 1.048) and business interest groups (OR = 1.706, 95 per cent CI = 1.244 to 2.338) and policy outcomes. The CFR was entered as a categorical variable with four levels. Using the lowest level ('strongly oppose') as the reference category, the odds ratios at the second level (OR = 2.931, 95 per cent CI = 1.366 to 6.285), third level (OR = 4.659, 95 per cent CI = 2.143 to 10.129) and fourth level (OR = 11.722, 95 per cent CI = 5.940 to 23.133) were all positive and significant. There was a significant *negative* relationship between the preferences of mass-based interest groups and policy outcomes (OR = .428, 95 per cent CI = .268 to .685). (See Online Supplementary File, Table S2 for further bivariate results.)

Table 1 shows the multivariate logistic regression results for the best-fitting model (for comparison with other models, see Online Supplementary File, Table S3). When all of the variables are included in the model, only the preferences of the economic elites and the CFR remain significant. From the odds ratios, we can see that for every 1 per cent increase in support from the economic elites, the odds of policy change increase by about 1.04 times. Turning to the odds ratios for the different levels of CFR preferences, we can see that the shift from 'strongly opposes' to 'somewhat opposes' is associated with an increase of 3.25 times in the odds of policy change. The difference between 'somewhat opposes' and 'somewhat favours' is relatively small, while the difference between the latter and 'strongly favours' is dramatic: the odds of policy change associated with the highest level of CFR support are 13.8 times higher than the reference level ('strongly opposes'). Finally, though not statistically significant, we note that the coefficients for the mass-based interest groups and business interest groups variables are negative - support for a policy from both sets of groups is associated with *lower odds* of a policy change. (The strong

correlation between the preferences of average citizens and economic elites created a multicollinearity issue preventing us from including both in our multivariate regression models; we thus included them separately in different models. We found essentially no difference in the results, aside from a slight augmentation of CFR influence when ‘average citizens’ replace ‘economic elites.’)

As the preferences of the CFR and the economic elites (hereafter, EE) were found to be the only significant predictors of policy outcomes, we next performed a further breakdown of cases in which CFR and EE preferences did and did not prevail to shed further light on the possible mechanisms. (In the text and table below, we use the terms ‘wins’, ‘successes’ and ‘failures’ as shorthand to indicate whether or not the policies preferred by citizens or groups were implemented; no causal claims are intended). For the present dataset of foreign policy questions across the 1980-2002 period, if we transform preferences into binary categories, we find that the CFR and economic elites shared the same policy preferences 52.5 per cent of the time and, their shared preferences prevailed on 79.4 per cent of the issues. They disagreed 47.5 per cent of the time, and when they disagreed CFR preferences prevailed 60.7 per cent of the time and those of the EE prevailed 39.3 per cent of the time. Altogether, then, the preferences of the CFR prevailed in 70.5 per cent of cases. The shared preferences of the CFR and the EE failed to prevail in about 20.8 per cent of cases.

Table 1**Logistic regression analysis of 295 foreign policy outcomes***

Predictor	β (<i>SE</i> β)	Wald's χ^2	<i>df</i>	<i>p</i>	<i>OR</i>	<i>OR</i> 95% CI
Economic elites	3.90 (.82)	22.67	1	.000	1.04	1.02 – 1.06
Mass-based interest groups	-.48 (.33)	2.07	1	.151	.62	.33 – 1.19
Business interest groups	-.23 (.24)	.94	1	.331	.79	.49 – 1.27
CFR		41.29	3	.000		
Strongly Opposes (REF)					1.0	
Somewhat Opposes	1.18 (.43)	7.67	1	.006	3.25	1.41 – 7.49
Somewhat Favours	1.35 (.44)	9.68	1	.002	3.87	1.65 – 9.07
Strongly Favours	2.62 (.41)	40.46	1	.000	13.78	6.14 – 30.92

*After running each combination of the independent variables Economic elites, Interest groups (all), Mass-based interest groups, Business interest groups and the CFR, the above model was selected based on fit and predictive accuracy figures (Nagelkerke's Pseudo-R² = .352; predictive accuracy = 75.3 per cent (baseline = 56.9 per cent)). Corresponding values for other models are listed in Supplement, Table S2, below.

Finally, we divided the foreign policy questions into seven broad issue areas, using the full text of the survey questions (kindly provided by M. Gilens). Table 2 presents these issue areas,

ranked by how often CFR preferences prevailed (see attached data file for listing of questions categorized by the seven issue areas). As can be seen, the level of CFR ‘successes’ ranged from 59.5 per cent on the 42 issues related to Central America to 82.6 per cent on the 46 trade-related issues. The CFR, as it has since WWII, took strongly ‘free trade’ positions on trade and aggressively anti-communist positions in Central America. What explains this difference in the degree to which the policies it supported were implemented? One possible explanation involves the level of interest group engagement: interest groups were far more engaged on trade-related issues than on issues related to Central America. On the trade-related issues, the 11 ‘mass-based interest groups’ collectively took a public position on 130 of 506 (25.7 per cent) possible opportunities (46 issues x 11 interest groups), while business interest groups took positions on 295 of 1,334 (22.1 per cent) possible opportunities. In sharp contrast, none of the mass-based interest groups had a publicly stated question on any of the 42 questions related to Central America, while business interest groups took positions on only 5 of 1,218 (0.4 per cent) of possible opportunities.

A further comparison of the coalitions that emerged around the two sets of issues suggests that the overall balance of forces appears to have been more favourable for the CFR positions on the trade-related issues. The decisive factor may have been the support of the business interest groups, which sided with the CFR in opposing penalties on Japanese imports and pushing for NAFTA and WTO-expansion. Although unions were particularly active in supporting penalties on Japanese imports and opposing free trade agreements, and public opinion often supported sanctions on Japan and opposed NAFTA, the CFR’s views prevailed far more often than not on trade.

Table 2**Patterns of CFR and Economic Elite Policy ‘Successes’ across Seven Foreign Policy Issues (Proportions of Preferred Policies Implemented)**

Issue	CFR ‘wins’	CFR and EE both ‘win’	CFR > EE	EE > CFR	CFR and EE both ‘lose’	Total	Total No. Cases
Trade	.826	.457	.370	.130	.043	1.000	46
Miscellaneous Crises	.795	.423	.372	.141	.064	1.000	78
US Gov’t Aid	.667	.364	.303	.182	.152	1.000	33
Mideast / ‘Islamic Terrorism’	.648	.481	.167	.259	.093	1.000	54
Post-communist Transitions	.643	.500	.143	.214	.143	1.000	14
Cold War – USSR/E Europe	.607	.464	.143	.107	.286	1.000	28
Cold War – Central America	.595	.214	.381	.310	.095	1.000	42
Total No. Cases	208	121	87	56	31		295
Total Proportion	.705	.410	.295	.190	.105	1.000	

On the 42 questions related to Central America, primarily involving US efforts directed against the FMLN in El Salvador and the Sandinistas in Nicaragua, the policies supported by the CFR received little support from either ‘average citizens’ or ‘economic elites’ and interest groups were largely unengaged. Despite this lack of interest group engagement and popular disagreement with the CFR’s stances, the CFR’s preferences still prevailed on 59.5 per cent of the issues.

Discussion and Conclusion

Our paper has extended Gilens and Page’s important work on the political influence of business groups and affluent citizens (‘economic elites’) in US politics (Gilens and Page, 2014) in one issue area by adding the policy preferences of senior figures of the Council on Foreign Relations, a leading foreign policy discussion group. Through multivariate logistic regression analysis, we

found that their preferences, both alone and along with those of economic elites, significantly predicted foreign policy outcomes. In the best-fitting multivariate model, none of the original interest group predictors remain significant. Our findings support the assertion that economic elites and the organized corporate community are disproportionately successful in these struggles (Gilens and Page 2014) and that our model, with its inclusion of the policy planning network, has made a contribution to a more complete specification of the mechanisms through which this success occurs.

We believe that our inclusion of the policy-planning network has brought us closer to the actual causal mechanisms through which corporate influence is deployed, at least in the realm of foreign policy. Corporate-backed organizations in the policy planning network seek to articulate the *long-term general interests* of the US corporate community across a wide array of issues. In this, they contrast sharply with business ‘special-interest’ groups, which are engaged only on issues perceived as bearing directly on their operations. In the sample of 295 issues for the 1980-2002 period studied here, senior figures from the CFR had stated preferences on all 295 issues in the dataset, while the average business interest group took a policy stance on only 14.4 of 295 issues (the average mass-based interest groups took a position on 18 of 295 issues).

The policy-planning network also functions to disseminate policy perspectives and designs policy plans that can be made available to political actors, and to select and promote experts and potential political candidates whose opinions are friendly to the corporations that fund these networks and dominate the boards of directors of their constituent organizations. CFR members were members in each administration during the period in question, with Reagan alone appointing 31 CFR members upon taking office (Domhoff 2020, p. 479).

Nonetheless, as we have seen, CFR preferences did not always prevail. What explains this mixed record of successes alongside failures, particularly compared to their stances vis-à-vis those

of the economic elite? While this cannot be fully answered here, the general answer likely lies in the balance of power for the different issues. In the United States, policy proposals are put forward in a context of competition and conflict between different organized power actors (the corporate community with its moderate conservative and ultraconservative wings, liberal and labor groups, etc.), all of whom need to take public opinion into account at least every two years when elections are held. In our account, the corporate community prevails more often than not, and this seems to be clearly supported by our findings above. However, it does not prevail in all cases. Different coalitions, with different levels of political power, take shape across different issue areas.

As we noted in our discussion of the origins and early successes of the CFR, the expansion of international trade was central to the view of the world that the CFR put forth through a variety of channels across the post-war period. This was also the area in which the CFR saw its greatest successes during this period. We suggest that the ultimate success of these policy initiatives was the result of a relatively united corporate community after the Trade Act of 1974 was passed (Domhoff, 2020, Chapter 14). These policies were supported not only by the moderate conservatives in the corporate community who were typically aligned with the CFR, but also by most of the corporate ultraconservatives from the mid-1980s on, whose views were more typically represented by organizations such as the Chamber of Commerce, the National Association of Manufacturers and the American Farm Bureau Federation. These victories contrast sharply with the slow progress of the CFR's trade agenda in the 1950s and much of the 1960s, when ultraconservatives opposed the widening of free trade, while unions, during this period of economic expansion, were more favorable to it. By the 1980s, this pattern had reversed: as corporations turned overseas to reduce labor costs, they supported trade liberalization while unions turned to opposition (Domhoff 2020, Chapter 14). In the face of opposition from labor and tepid public support, this coalition funded and organized efforts to shape public opinion across the

country, with particular focus on key congressional districts. Provisions and side agreements designed to appeal to environmentalists and unions were added to further blunt opposition, which led to support by the large national environmental groups (although not from the unions). In the end, this all-out corporate-sponsored campaign, aimed at both elected officials and the public, was successful, offering a clear illustration of corporate triumph in the face of public opposition (Dreiling and Darves, 2016; Mayer, 1998). In the battles over trade during the 1982-2002 period, a united corporate community prevailed.

These results on trade raise the further question of the relationship between political inequality and other types of inequality, such as inequality in economic and health outcomes. Recent research has demonstrated that the trade deals discussed here have contributed to patterns of regional job loss and subsequently greater levels of economic inequality (Autor, Dorn and Hanson, 2016; Owen and Johnston, 2017; Pierce and Schott, 2016). These trends, in turn, have been associated with broader indicators of social or health-related inequality: higher levels of incarceration, poorer health outcomes and higher levels of mortality from drug use disorders (Dean and Kimmel, 2019; Nosrati et al, 2019).

Indeed, the geographical pattern of job losses has also been associated with increasing levels of political partisanship and may partially explain the outcome of the 2016 presidential election (Autor et al, 2016). The outcome of that election and the Trump administration's apparent departure from the internationalist worldview represented by the CFR raise important questions for future research, concerning whether a long-lasting restructuring of US foreign policy is underway and whether the CFR will maintain the role it has held since WWII.

Central America represents a contrasting case in which the CFR view, although largely triumphant in the end, faced stiff opposition from liberals and an anti-war movement, with fewer corporate allies. With Democrats controlling the House during Reagan's first term and both the

House and the Senate from 1987 on, the aggressively interventionist policies favored by the CFR faced a number of setbacks. Further research into these political struggles promise to offer a better understanding of the limits of the influence of the policy-planning network.

We note that results might differ in other policy areas. Both mass and business interest groups appear to have been more engaged on domestic policy issues. Whereas, the 11 mass interest groups in the dataset took stances on 6.1 per cent of foreign policy issues, they did so on 10.3 per cent of the remaining 1484 issues in the dataset. Likewise, business interest groups took a stance on only 4.9 per cent of foreign policy issues compared to 10.4 per cent of the other issues.

Future research might seek to make greater use of the valuable, publicly available dataset used in this study, which Gilens (2012) first compiled, and which Gilens and Page (2014) and Page and Gilens (2017) have used for studies of the powerful. Such research could, for example, further elucidate the mechanisms through which organised actors influence policy outcomes by grouping the preferences of organizations on the Gilens and Page (2014) list into broader indices representing the views of key coalitions of power actors on various issues. Specifically, some of our own preliminary analyses suggest that grouping the preferences of the American Farm Bureau Federation, U.S. Chamber of Commerce, and National Association of Manufacturers may provide a good indicator of the ultraconservative view within the corporate community (e.g., McCune, 1956; Melone, 1977; Smith, 2000). Urban and regional growth coalitions, which make their profits by intensifying land use in whatever way is possible, might be included in the power equation by creating an index from the preferences of the National Association of Realtors and the National Association of Home Builders. Similarly, the preferences of the labor movement might be proxied by grouping the preferences of the AFL-CIO, the American Federation of State, County, and Municipal Employees, the International Brotherhood of Teamsters, the United Auto Workers and the National Education Association.

Another potentially fruitful research avenue would involve adding to this dataset by investigating the preferences of new groups. For example, the policy positions taken by the Business Roundtable provide the best indicator of the domestic policy preferences of the moderate conservatives in the corporate community during this period (Burris, 1992, 2008; Dreiling and Darves, 2016; Useem, 1986). The preferences of the Mortgage Bankers Association might be added to an index representing urban and regional growth coalitions. The preferences of other unions, such as the American Federation of Teachers and the SEIU might be added to a broader labor index.

Finally, the interest group indexes might be further supplemented with measures of Congressional coalitions. Combining a measure of the votes of Northern Democrats in the House of Representatives with the preferences of labor unions would, for example, allow us to assess claims about the impact of a 'liberal-labor alliance' during the 1980-2002 period. Such research would require more time and effort but would allow for a fuller exploitation of this extraordinary dataset.

We emphasize again that there are many other issues besides foreign policy in the Gilens (2015b) dataset. This data could be further used to assess the predictions of different theoretical perspectives and the result might be an unparalleled picture of the distribution of power in the United States during this important period, from the vantage point of already coded survey data. In this paper, we hope we have contributed to the development of such a picture, by providing evidence of the influence of moderate conservatives in the corporate community, represented by the Council of Foreign Relations, on US foreign policy.

Notes

1. The few wealthy liberals members, or one-time members, of the corporate leadership, although often discussed and lionized in the media, are atypical and do not speak for any corporate group, as shown in a book comparing their visible efforts with the ‘stealth politics’ of ultraconservative billionaires (Page, Seawright, & Lacombe, 2019).

2. We note that the policy-planning process was mentioned by Page and Gilens (2017, pp. 123-124) as one of the mechanisms through which the wealthy transform their economic power into political power.

3. Policy-planning and special-interest networks are complemented by ‘candidate selection’ – primarily large donations to political candidates and ‘opinion shaping’ - attempts to shape public opinion. Although efforts to shape the opinions of the general public have generally failed to demonstrate long term results (Page and Bouton, 2008; Page and Jacobs, 2009), they may help foster doubt, delay, or a sense of crisis in the context of efforts to have specific legislation enacted (e.g., Michaels, 2008; Oreskes and Conway, 2011).

4. In recent decades, some think tanks have provided informal discussion sessions for the benefit of government experts and elected officials. However, policy-discussion groups and think tanks remain distinct and fulfill different functions.

5. For an intimate and documented personal history by one of the members who played a central role in the founding of the CFR, see Shepardson (1960).

6. Thus, the CFR from the start was different from a think tank. In any event, only one or two small think tanks had been created by the early 1920s, when the CFR was founded. Thus, political scientists who study think tanks either do not include the CFR within their purview (e.g., Rich, 2004), or call it a ‘policy research institution’ (Abelson, 1996, p. 24) or a ‘hybrid organization’ (McGann, 2007, p. 93). A sociologist who interviewed members of think tanks about their perspectives called the CFR a conservative ‘activist-expert organization’ (Medvetz, 2012, pp. 92-94, 114).

7. The CFR played a similarly critical role in the reshaping of foreign policy in the early 1970s, beginning with its creation of an organization, the Trilateral Commission, that included CFR counterparts in Western Europe and Japan; this work came to fruition during the Carter Administration, in which ‘at least fifty-four members of the CFR’ directly served (Abelson, 1996, pp. 6-11; Shoup, 1980; Sklar 1980).

8. This point deserves to be emphasized. The CFR has always represented itself as non-partisan and does not take formal or official policy stances. Further, few positions would be likely to represent its entire membership, particularly after its expansion from several hundred into the thousands in the 1970s in reaction to increased social pressures for diversity.

9. To offer examples, we included as ‘senior figures’ the heads of research groups that eventually produced published reports, such as John C. Whitehead (1997 - *Lessons of the Mexican Peso Crisis*, Washington, D.C.; Council on Foreign Relations), Bernard W. Aronson and William D. Rogers (2001 *U.S. – Cuban Relations in the 21st Century: A Follow-On Report*. Washington D.C.; Council on Foreign Relations). They authored the introductions to these reports and were undoubtedly the guiding force in their publication. All three, although never having served as CFR directors, were nonetheless called upon on several occasions to develop reports and deliver testimony on issues pertaining to Latin America.

10. Gilens and Page (2014) sought to correct for correlated measurement error between their independent variables. They report the resulting adjusted correlations and use structural equation modeling in their regression analyses in order to include these adjustments (see Gilens and Page 2014; Supplementary Note, below). Their approach has been discussed and criticized elsewhere (e.g., Enns, 2015a). Here we report unadjusted correlations.

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Supplement to:

Corporate Political Power and US Foreign Policy, 1980-2002:

The Role of the Policy-planning Network

Contents:

Note on Methods

Table S1

Table S2

Table S3

Note on Methods

In their original analysis, Gilens and Page (2014) started with 1779 public opinion survey questions covering a wide variety of policy areas across the 1980-2002 period, for which public survey data (including income level of respondents) existed and for which there was a clear outcome (successful policy change within a four-year window, or, no change). They estimated the policy preferences of the median-income survey respondent as a proxy for the “average citizen”, and the preferences of citizens at the ninetieth income percentile as a proxy for the opinions of relatively affluent citizens (“economic elites”). Both variables were on a continuous scale indicating the proportion supporting a policy change.

Their measure of interest group policy preferences was constructed by starting from Baumgartner et al (2009)’s use of an index of 33 interest groups drawn from Fortune magazine’s “Power 25” lists over a number of years. Baumgartner et al. found that the balance between the members of their list supporting and opposed to legislation correlated at 0.73 with a more comprehensive interest-group index. To this abbreviated list of 33 groups, Gilens and Page added groups from ten key industries reporting the highest lobbying expenditures. They next created their Net Interest Group Alignment index by coding the policy positions of each group on a four-point scale (strongly oppose, somewhat oppose, somewhat favour and strongly favour) and then counting the number of interest groups opposing and favouring policy change (where ‘somewhat’ positions were counted at half the value of ‘strongly’ positions). To adjust for the diminishing influence of additional groups on a given side for any given issue, they used the logarithms of the number of groups in support and opposition, using the below formula (Gilens, 2012, pp. 127-130; Gilens and Page, 2014, p. 569).

$$\text{Net Interest-Group Alignment} = \ln(\# \text{ Strongly Favor} + [0.5 * \# \text{ Somewhat Favor}] + 1) - \ln(\# \text{ Strongly Oppose} + [0.5 * \# \text{ Somewhat Oppose}] + 1)$$

The dependent variable in the analysis was whether or not the policy change proposed in the survey question was adopted within four years of the survey. Using multivariate analyses, they found that only the preferences of the elites and the interest groups (but not average citizens) were significantly associated with policy outcomes. In a secondary analysis, they divided the interest groups into 11 mass-based interested groups (e.g., ACLU, NRA), and 29 business interest groups (with three groups left uncategorized). They found that economic elites had the greatest influence on policy outcomes, followed by business interest groups and mass-based interest groups, with average citizens having no measurable influence (Gilens and Page, 2014).

From the original dataset, we created a subset of the 295 questions related to foreign policy. The foreign policy category was, by far, the largest of the 18 policy categories in the original dataset.

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Table S1**Correlations among independent variables and foreign policy outcomes (n = 295)**

	Average citizens	Economic elites'	All interest groups	Mass public interest groups	Business interest groups	CFR
Average citizens						
Economic elites	.91** [.89, .93]					
All interest groups	-.10 [-.21, .02]	.02 [.09, .13]				
Mass-based interest groups	.12* [.00, .23]	-.03 [-.14, .08]	.00 [-.11, .11]			
Business interest groups	-.15** [.26, -.04]	.04 [-.08, .15]	.74** [.68, .79]	-.67** [-.73, -.60]		
CFR	-.19** [.30, -.08]	.04 [.07, .16]	.29** [.19, .40]	-.35** [-.45, -.25]	.45** [.36, .54]	
Outcomes (binary)	.17** [.06, .28]	.28** [.17, .38]	.08 [.17, .38]	-.22** [-.32, -.10]	.20** [.09, .31]	.44** [.35, .53]

Note: * $p < .05$; ** $p < .01$. Values in square brackets indicate 95% confidence intervals for the correlations. Correlations are uncorrected.

Table S2**Bivariate logistic regression analyses for 295 foreign policy outcomes, 1981-2002**

	Model 1	Model 2	Model 3	Model 4	Model 5
	B (SE)	B (SE)	B (SE)	B (SE)	B (SE)
Economic Elites	.0334 (.007)***				
All Interest Groups		0.257 (0.199)			
Mass-based Interest Groups			-0.848 (0.239)***		
Business Interest Groups				0.534 (0.161)***	
CFR					
REF = CFR Strongly Opposes					1.075
CFR Somewhat Opposes					(.389)**
CFR Somewhat Supports					1.539 (0.396)***
CFR Strongly Supports					2.461 (0.347)***
Pseudo-R ² (Nagelkerke)	0.103	.008	.065	.056	.253
Predictive Accuracy (Baseline = .569)	0.624	0.583	0.583	.637	.705

*p < .05; **p < .01, ***p < .001

Table S3**Multivariate logistic regression analyses for 295 foreign policy outcomes, 1981-2002**

	Model	Model	Model	Model	Model
	1	2	3	4	5
Economic Elites	.03 (.007)***	.03 (.007)***	.04 (0.01)***	.04 (0.01)***	.04 (0.01)***
All Interest Groups	.26 (.21)		-0.28 (0.24)		
Mass-based Interest Groups		-.67 (.31)*		-0.31 (0.29)	
Business Interest Groups		.30 (.21)			-0.05 (.20)
CFR					
REF = CFR Strongly Opposes					
CFR Somewhat Opposes			1.24 (0.42)**	1.10 (0.42)**	1.20 (0.42)**
CFR Somewhat Supports			1.40 (0.43)**	1.28 (0.42)**	1.35 (0.43)**
CFR Strongly Supports			2.75 (0.38)***	2.49 (0.39)***	2.68 (0.41)***
Pseudo-R ² (Nagelkerke)	.110	.172	.349	.349	.345
Predictive Accuracy (Baseline = .569)	.631	.651	.742	.749	.736

*p < .05; **p < .01, ***p < .001