Business as usual: the nonprofit sector in the U.S. national elite network

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BUSINESS AS USUAL:

THE NONPROFIT SECTOR IN THE U.S. NATIONAL ELITE NETWORK

by

Scott V. Dolan

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Abstract

Research on the structure and distribution of power in the United States has focused mostly on the relative power of business, and has largely neglected the nonprofit sector. This is despite evidence that points to the emergence and growth of large-scale, bureaucratic, and elite-led nonprofit organizations. When the political role of the nonprofit sector has been examined, it has come predominantly from two sets of literature: the civic engagement/social capital tradition or the interest group tradition. I argue that both sets of literature, however, start with faulty assumptions about the nature of power and politics, and thereby fail to situate large, national nonprofit organizations within the overall structure of power.

Using an elite theoretical approach to liberal democracy, my research rekindles debates between pluralist and power structure researchers through an examination of one type of elite interaction network—the interlocking directorate. I assess the structural integration, cohesion, and fragmentation of elite networks by conducting social network analyses on the Elite Directors Database II, a new dataset composed of directors and trustees for the largest corporations, foundations, public charities and think tanks in addition to individuals holding positions on federal advisory committees.

A comparison of the corporate sector to each nonprofit domain suggests that all of the networks have some level of integration, but that the corporate sector is the most integrated internally. Analyses of all organizations simultaneously suggest that major corporations and think tanks with centrist political ideologies are the most integrated, while only some public charities—namely arts and culture organizations and private universities—are integrated into the overall elite network. Largely peripheral and
isolated are public charities working in the areas of health and human services. The final analyses show that corporations have disproportionate access to federal advisory committees, while humanitarian public charities have virtually no access to federal advisory committees.

Based on this research, I claim that when it comes to the distribution of power in the United States, the interests of many nonprofits are largely excluded and access is granted disproportionately to business—as usual.
Chapter 1: Introduction

Just a day after the election of Barack Obama on November 4, 2008, leaders from the nonprofit sector wondered aloud about how they would relate to the new administration. Their hope was that his election foreshadowed a shift toward a more bottom-up, grassroots-oriented approach to government. Nonprofit leaders championed and trumpeted the sector as key component and ally in the struggle to bring about the change promised throughout the Obama campaign. The executive director of the National Council of Nonprofits, Tim Delaney, said the election was an “awakening” for the nonprofit sector and argued that Obama’s election was a call to action to individuals working in the sector and nonprofits generally. Other leaders in the sector hoped Barack Obama’s election would bring about an increased focus on partnerships and relationships across the public, private, and philanthropic domains. The founder of the Nonprofit Congress, Robert Egger, saw the election as a significant event marking the first time that presidential candidates “even remotely mentioned” nonprofits during their campaigns, but he argued that the response from Washington was still lacking, as if the presidential candidates’ fundamental understanding of the role that nonprofits play and what nonprofits do was foreign to them (Nonprofit Times “With Obama’s Election, nonprofits aim for a seat at the table” November 5, 2008).

The reality, however, is that both presidential candidates in the 2008 election were fully aware of the roles of nonprofits in the United States. Presidential candidates in the 21st century are cognizant of the importance of political parties, political action committees (PACs), and other independent and politically-oriented nonprofit organizations. They are keenly aware of the sometimes public distrust of specific
nonprofit organizations, as evidenced by a central promise of the Obama campaign to not accept campaign contributions from PACs due to their affiliation with “special interests” with the hope that such a promise would resonate with what the Obama campaign perceived to be an alienated left. National politicians know the role of nonprofits like labor unions and advocacy groups, and their ability to mobilize their members to vote and contribute to political campaigns. As members of Congress, both Barack Obama and John McCain were fully aware of the role and influence of foundations, think tanks, and policy-planning organizations in the development and implementation of public policy.

The fact is that the nonprofit sector is not something foreign to a politician operating at the national level. The nonprofits that elected officials at the national level have direct contact with, though, typically comprise a small proportion of the total number of organizations that operate within sector. Despite being small in number, prominent national nonprofit organizations are disproportionately large in the amount of resources at their disposal relative to other nonprofit organizations. While a wide variety of perspectives analyze large, national nonprofit organizations, few studies have highlighted how nonprofits and the individuals that oversee their operations relate to and interact with large, prominent organizations in other sectors. Thus, the burgeoning literature on the nonprofit sector has failed to systematically study how the largest nonprofit organizations fit into the overall structure of power at the national level in the United States.
**Theoretical Background**

Understanding the structure of power at the national level starts with the recognition that power is unequally distributed. Accepting the empirical reality that power is unequally distributed stems from the acknowledgement that power is contingent upon the control over important resources (e.g. money, political office, influence, expertise, etc), which themselves are unequally distributed. Locating the structure of power, therefore, requires an examination of the formal and informal mechanisms in society used to harness and activate these important resources. There is extensive research that points to the emergence and growth of large, bureaucratic organizations to carry out complex tasks throughout the 20th century, and many have debated whether individuals, known as elites, use their positions at the top of these vast administrative hierarchies to centralize and extend their power (e.g. Weber 1968; Berle and Means [1932] 1962; Michels [1911] 1962; Zeitlin 1974; Perrow 1991; 2002; Roy 1997). For the most part, there is agreement within the literature that elites are an inevitable consequence of the development of large hierarchically structured organizations. Yet despite this agreement on the inevitability of elites, considerable variation exists within the literature regarding how to identify elite groups, the distribution of power among elite groups, and the degree to which elites form a dominant ruling class.

For this dissertation, elites are “persons who are able, by virtue of their strategic positions in powerful organizations and movements, to affect political outcomes regularly and substantially” (Higley and Burton 2006: 7). Since strategic positions within powerful organizations and movements are scarce, elites are a numerical minority of individuals who have the power and authority to make decisions of consequence that the
numerical majority of people in society lack. Even with this definition of elites, there are still questions about how to identify powerful organizations or movements. As John Scott writes, the focus of elite research should be on “…the most central and salient institutional hierarchies and systems of resources in society” (2008: 26). Membership in an elite group, therefore, is contingent upon two factors: the formal positions held by elite members and the characteristics of the organization with which the position is associated. With this in mind, my research identifies elites as those who have a formal position of governance within organizations that control the most resources or are the most prominent across different sectors.

While my approach to the identification of elites is similar to others within the literature, merely identifying elites based on their positions within large and powerful organizations tells us little about how groups of elites interact with one another across organizations or the extent to which groups of elites work together to affect political outcomes regularly and substantially. The question for many researchers, then, turns to the distribution of power among elite groups. In the United States, scholars from the pluralist and power structure perspective waged the most vociferous debates over the distribution of power among elites in the 1950s, 1960s, and 1970s. Arguments between the two approaches hinged on the extent to which elites in the United States formed a unified, socially homogenous, and dominant ruling class or a fragmented, socially heterogeneous, and disparate set of competing interests mediated by a government apparatus and a voting public. For pluralists, both the state and the public kept power relatively balanced and ensured that no one group dominated.
In their debates, however, scholars from the pluralist and power structure traditions focused mostly on the power of corporations and questioned whether corporations and their elites were cohesive and integrated enough to form a ruling class that dominated politically at the national level (see Scott 1991; Mizruchi 1996; 2004 for reviews of this vast literature). Each theory had at least some evidence of support, ultimately leading scholars to treat corporate unity or disunity as a conditional phenomenon given the empirical evidence that sometimes business was capable acting in a unified way and sometimes it was not (Mizruchi and Koenig 1986; Mizruchi 1992; Vogel 1989). Yet, despite these decades-long debates, the arguments between pluralist and power structure researchers have waned more recently as research on economic elites has fallen out of vogue more generally (for notable exceptions see Dreiling 2000; Burris 2001; 2005; Domhoff 2006; Mizruchi 2007; 2010).

For some, the recent decline in research on economic elites is particularly curious because it comes amidst significant changes in the business community, including the declining centrality of banks in corporate interlock networks, the emergence of powerful institutional stockholders, the increasing globalization of financial markets, and the possible disappearance of a moderate corporate inner circle (Davis and Mizruchi 1999; Useem 1999; Mizruchi 2004; 2010). In fact, some scholars go as far to argue that while the potential power of corporations today may be unparalleled historically, the business community has lost its ability to act in any unified or cohesive way, making it incapable of advancing an agenda in its own interests or the interests of the nation as a whole (Mizruchi 2004; 2007). Subsequently, the U.S. political system has become unstable
because big business and the corporate elite are increasingly unwilling or unable to take a stand on significant political issues and social problems.

**An Elite Theoretical Approach**

Nevertheless, the problem for me is that the research in the United States on the distribution of power and level of integration among elites at the national level has been primarily concerned with the relative power of big business. Yet, business does not control all of the most important resources in society and therefore is not the only important component in the structure of power at the national level. Largely omitted from the literature on the structure and distribution of power among elites is the nonprofit sector (see Moore et al. 2002; Salzmann and Domhoff 1983; Domhoff 1979; 2006; Colwell 1980; Burris 1992; Useem 1979; 1984 for notable exceptions). This is despite findings from surveys of elite individuals themselves that point to a central core of influential elites that is inclusive of a wide variety of sectors, including individuals that occupy important positions in the nonprofit sector (Moore 1979; Higley and Moore 1981; Higley et al. 1991; Kadushin 1968). This is also despite evidence that shows that that frequent interaction among elites across a variety of sectors is the foundation of a stable and representative political regime (Higley and Moore 1981; Higley and Burton 2006).

I argue that by not including the nonprofit sector in elite research more recently, we have failed to fully examine whether actors within the nonprofit sector have the capacity to effectively communicate and represent their interests to other elites at the national level. Consequently, we have neglected to study where nonprofit organizations and the elites that govern them fit into the overall structure of power and politics in the
United States. Because of this, researchers operating from an elite theoretical approach have remained relatively silent about whether national elite networks in the U.S. are inclusive of a wide variety of sectors. I would argue that in so doing, we have failed to see whether elites are structurally integrated and whether elites interact in a way that is capable of maintaining a stable and representative political system.

For me, the stability and representativeness of the overarching political system is not merely contingent upon an integrated corporate elite, but rather the integration of elites across a wide variety of sectors. With such an approach, I argue that political representativeness is not solely about the ability of individual voters to place demands on the state. Nor is it based solely on the willingness and ability of elected officials to represent their constituents. Rather, I argue that the U.S. political system can only be representative of a wide variety of interests if prominent organizations and their powerful elites are willing and able to interact and communicate with one another. Ultimately, the stability and representativeness of the overarching political system, and I would argue the level of democracy in the U.S., requires that the structure of interaction among individuals in positions of power be reflective of a political formula that takes into account the interests of a wide variety of sectors. In this way, the structure of power should reflect a system that utilizes and implements a political formula that takes into account the interests of a wide variety of powerful actors in a way that ensures no one group dominates. By failing to examine the interaction networks of elites across a wide variety of sectors, though, we have failed to fully examine the representativeness of the political system at the elite level and thereby have failed to fully examine the nature of democracy in the United States.
My dissertation examines one segment of elite interaction networks—the networks of interlocking directorates formed among organizations through shared boards of directors. My research, therefore, first explores the degree to which nonprofits and business elites are internally characterized by networks of interaction through overlapping board memberships. At the same time, it examines the extent which the networks of nonprofits, businesses, and state elites interlock and overlap with one another such that elites, on the whole, are structurally integrated. In so doing, the dissertation examines which organizations and which specific elites within each of the sectors gain mutual access to one another. That is to say, the research assesses whether or not the overarching national elite network is inclusive of organizations and elites from a wide variety of sectors, such that no one group dominates.

The Nonprofit Sector and its Political Role

There is plenty of evidence for the need to include the nonprofit sector in studies of elite interaction and power at the national level. First, nonprofit organizations are a distinct set of organizations in that they are exempt from federal income taxes by virtue of their orientation toward public purposes. In particular, the set of nonprofit organizations discussed in this dissertation, those exempt under section 501(c)(3) of the Internal Revenue code, are a subset of nonprofit organizations that are permitted to receive tax-deductible contributions from individuals and corporations because of their engagement in educational, religious, scientific, and/or other types of charitable behavior. The organizations in the nonprofit sector, therefore, are typically active in areas in which business and government are often unwilling or unable to participate. Because of this, there is at least the potential for them to attract individual elites with interests that are
distinct from organizations and elites in other sectors. Thus, the organizations and elites operating in the nonprofit sector at least have the potential to have different interests than other sectors because of their distinct goals. Second, the nonprofit sector has grown dramatically in terms of number and diversity of organizations that comprise the sector and the amount of resources flowing through the sector. The sector, therefore, is an arena that is becoming more active in the delivery of goods and services. Its growth points to it as an increasingly important sector of activity and influence. Third, while the sector is comprised of an ever-growing number of organizations, the distribution of resources within the sector is unequal. In this sense, a small number of very large bureaucratic organizations control a disproportionate amount of the resources within the sector. Finally, despite their occupying an analytically distinct segment of society, research increasingly recognizes the interdependence (both in a cooperative and competitive sense) of the nonprofit sector with the state and the economy. While a recognition of these trends have emerged from a wide array of disciplines and research, they are interrelated processes that coalesce around key concerns of the emergence of large, bureaucratically structured nonprofit organizations, the composition of elites within them, the relationships of elites within them to elites in other sectors, and the ability of the elites at the top of nonprofit organizations to give voice to their distinct issues.

The nonprofit sector, then, is important to any understanding of power and politics at the national level, but the research on the political role of nonprofit organizations has come mostly from two divergent sets of literature. On one hand, there is the set of research that examines the nonprofit sector with reference to civil society, civic engagement, and social capital. Within this set of literature, there is generally
agreement that nonprofit organizations are key actors in promoting civic and political engagement among individuals, and thus the sector as a whole is essential to an understanding of the vibrancy and health of U.S. democracy (Putnam 1995; 1996; 2000; Skocpol and Fiorina 1999; Skocpol 2003; 2004). The formal and informal associations and organizations that comprise civil society, then, are said help individuals formulate their common interests and translate those interests to the state. Similarly, the literature agrees that the civic landscape has undergone a transformation in the United States since the 1960s, as large, bureaucratic and professionally-led nonprofit organizations have come to dominate the civic landscape. Researchers within the literature on civic engagement, however, disagree on why such transformations have occurred since the 1950s and the consequences of these transformations for U.S. democracy.

I argue, though, that many civic engagement theorists operate with idealized notions about what civil society should look like, and because of this they have a tendency to bemoan the emergence of large, bureaucratic nonprofit organizations. In so doing, they fail to completely examine the prominent and powerful nonprofit actors that actually do exist. Similarly, I argue that the civic engagement literature either tends to focus too much on how nonprofits relate to individual citizens or too much on how nonprofit organizations relate to the state. The literature, therefore, remains relatively silent about the ability and capacity of nonprofit organizations and their elites to give voice to their issues at the national level to other prominent actors. Thus, the

1 This is not to say that we should disregard ideal notions of the civic sphere. The practice of creating theoretical “utopias” is particularly important when thinking about and enacting social reform and social change. The point I am making here is that the assumptions of the civic engagement literature has left them blind to other important questions about why large nonprofit organizations have arisen in the first place and where they stand in the system of power generally.
preoccupation of the literature with how nonprofit organizations engage individuals or how they relate to the state blinds us to relationship of actors within the nonprofit sector to equally important, if not more important, actors outside of the state, including powerful actors and organizations in the business sector. The civic engagement literature, then, has only focused on certain aspects of the relationship between the nonprofit sector and U.S. democracy. From an elite approach, equally important is the extent to which the powerful actors and organizations within the nonprofit sector, and non-state elites more generally, are structurally integrated in a way that allows for and is reflective of a representative political system.

Paying attention to powerful actors within the nonprofit sector is decidedly not a problem for the second set of literature that has dealt with the political role of the nonprofit sector. This set of literature draws mainly from the power structure tradition and argues that nonprofit organizations are central to an understanding of the conflicts between the power elite and corporate conservatives on one hand and the liberal-labor coalition and progressive social movements on the other (Domhoff 2009: 955). For those operating within this tradition, the nonprofit sector is two-tiered, with the first tier of nonprofit organizations connected to and operating on behalf of the corporate community and the second tier connected to and working on behalf of the liberal-labor coalition. The power of second tier, however, is limited because organizations within the second tier are dependent upon resources and support from the power elite, the corporate conservative coalition, and the nonprofit organizations that make up the first tier. The first tier consists of a set of foundations and think tanks that share board members with large corporations. Through their control over funding and their ability to formulate
policy, these first tier nonprofits work with the power elite and the corporate community to protect and defend their common interests by mediating and ameliorating any challenges that emerge from the second tier nonprofit organizations (Domhoff 2009: 956).

Yet, the problem with the power structure tradition is that their research tends to be limited in its scope, and focuses mostly on certain subsets of nonprofits. Most of the attention is given to foundations and think tanks (Burris 1992, 2008; Colwell 1980; 1993; Domhoff 1979; Salzman and Domhoff 1983). Relatively absent within the power structure literature is a systematic treatment of the relationship between the power elite (i.e. the corporate community and policy-planning network) and elites from other segments of the nonprofit sector. Especially lacking is a systematic treatment of how the power elite relates to public charities. This is despite evidence that public charities are often the most likely actors to work with and for groups that seek to expand democratic participation and economic equality, thereby composing an important component of the second tier of the nonprofit sector and a potential countervailing force or center of power in society (Berry 2003; for a notable exception that includes charities see Moore et al. 2002). In instances where public charities have been included in the research, the samples have been relatively small and inclusive of only some segments of public charities (i.e. universities and arts organizations), or the studies have fallen prone to methodological issues (Useem 1979; 1980; Salzman and Domhoff 1983; Moore et al. 2002).

The main problem with the existing literature is an issue of scope as studies have focused on a small subset of nonprofit organizations. The other main methodological issue has been to examine only one
Purpose

Given the limitations of previous research on the political role of the nonprofit sector, I introduce an elite theoretical approach to an understanding of the nonprofit sector and its role in the national elite network. In so doing, my research examines how the largest organizations in the nonprofit sector fit into the overall structure of power. Thus, my research allows for an understanding of the representativeness and level of democracy of the U.S. political system at the elite level and moves beyond an emphasis on how actors relate to the state and elected officials. At the same time, it examines a broader range of nonprofit organizations and empirically examines the extent to which the nonprofit sector has access to elites in other important domains, including the state and market. Finally, it looks at the characteristics of the individual elites who are responsible for making the connections across sectors. In so doing, it questions whether individual elites are representative of only one segment of society or whether the structure of elites is representative of a wide variety of interests. Such an analysis moves beyond the automatic assumption of power structure tradition that the power elite is dominant at the national level.

Using my approach, the emergence of bureaucratic and professionally-led nonprofit organizations is not automatically detrimental to a vibrant, representative democracy. In the first place, large nonprofit organizations command significant resources, and have the ability to bring these resources to bear on other actors. In other words, large nonprofit organizations and the elites that govern them have the potential mode of the network, with the tendency to focus on organizations or individuals separately, without looking at the dual structure.
capacity to bring their interests to bear on other prominent actors at the national level in ways that individuals, even organized groups of individuals, may not. Furthermore, an elite approach to nonprofits also allows for a focus on the extent to which the emerging (and already existing) bureaucratic and professionally-led nonprofit organizations interact with organizations and elites in other sectors. Hence, my research looks at the degree to which actors obtain mutual access to key decision makers in other sectors. An elite approach, then, allows for an examination of whether the formal nonprofit organizations and the elites that govern them have the ability to give voice to their distinct issues and concerns. The nonprofits discussed in this dissertation are prominent, national organizations in areas like health care, higher education, the arts and the environment, and the delivery of social services; there is no logical reason to assume that they automatically act at the mercy of the corporate community.

The analysis includes a sample of prominent organizations and committees across the three key sectors of U.S. society: the economy, civil society, and the state. Thus it includes the largest corporations to capture the most prominent actors within the economy. To capture the most prominent actors in the civil sphere and in accordance with the power structure literature, the sample also includes the largest foundations and most prominent policy-planning organizations. The research, however, extends previous analyses by incorporating a larger number of organizations in the sample, and by also including public charities, a largely neglected segment of the nonprofit sector (see Moore et al. 2002 for a notable exception).

Because laws often prohibit interlocking among official positions within the federal government and other sectors, this dissertation identifies links from corporations
and nonprofit organizations to the state by examining their ties to federal advisory committees. While not a perfect indicator of how elites in the corporate and nonprofit sectors interact with government officials, federal advisory committees are a very visible access point, and thereby are a mechanism by which organizations and their elites influence the federal policymaking process. Previous research points to evidence that warrants their inclusion in studies that examine how non-state actors relate to the state (e.g. Roose 1975; Priest, Sylves, Scudder 1984; Balla and Wright 2001; Dreiling 2001; Karty 2002). In line with previous research on federal advisory committees, it is assumed that individuals appointed to federal advisory committees not only interact with one another, but also with government officials that work with the advisory body (Moore et al. 2002: 729).

The purpose of my dissertation, then, is to introduce an elite approach to an understanding of the nonprofit sector and to examine the role of the nonprofit sector in the overall national elite network. In so doing, I argue that such an approach is tantamount to an understanding of power and politics in the contemporary United States at the national level. In this way, examining the level of integration among elites remains essential to understanding whether elites in the United States are capable of pursuing a coherent social, economic, and political agenda in the interests of society as a whole. If elites do not communicate and interact with one another across a wide variety of sectors, then they are less likely to take into account the interests of other groups, and are also less likely to partner and collaborate with one another. This makes them more likely, either consciously or unconsciously, to act in their own interests and thereby makes them less representative on the whole. If elite networks lack integration, then powerful actors at
the national level become less capable of working with others or less willing to work with others to pursue long-term policies in line with the broader interests of society.

In summary, my research seeks to overcome some of the shortcomings of two sets of literature: the existing literature on elite structure in the United States and the existing research on the political role of the nonprofit sector. Navigating between these two divergent sets of literatures, it conducts a global mapping of relations among elites from a wide variety of sectors. Instead of focusing on overlapping board memberships in only one sector, or overlapping memberships involving a small number of foundations, think tanks, and arts organizations (e.g. Useem 1979; 1980; DiMaggio and Useem 1980; Salzman and Domhoff 1983; Allen 1992; Burris 1992; Domhoff 2006), this dissertation takes a broader view of patterns of elite interaction among numerous powerful groups across different fields of activity. In that way, it assesses the structural integration or fragmentation of elites broadly across multiple sectors.
Chapter 2: Literature Review

*The Definition of Elites*

For people who study politics and political systems, two fundamental questions consistently emerge: 1) who has the power to influence the political system and 2) where does their power to influence the political system originate? Research in the elite tradition argues that power in society is concentrated in the hands of the numerical minority of people who occupy leadership positions in various institutional arenas in society. There is an assumption that this concentration is inevitable and thereby a feature of all societies characterized by large, bureaucratic organizations.\(^3\) While elite theorists agree that there are a small number of rulers and a larger number of ruled, they differ in their definitions of what constitutes an elite class or group, in their explanations concerning the degree of integration and unity among elites, about the capacity of elites to work together to affect outcomes, and the effects of the existence of elites on wider society.

*The Classical Approach*

For the classical elite theorist, Vilfredo Pareto, an elite group is “a class of people who have the highest indices in their branch of activity” ([1935] 1963: 1423). Elites, then, are sets of people who attain their position because of their talent or capability in a specific branch of activity. In this way, their position at the top of any branch of activity

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\(^3\) Classical elite theorists are writing in response to the idealism and utopian visions of both liberalism and Marxism. The liberalism of eighteenth century Europe is pushing for variations of direct and representative democracy based on their idealistic assumption that all men are created equal. On the other hand, the writings in the traditions of Marx condemn the emergence of a bourgeois capitalist state and look to its downfall and replacement with a more utopian-Communist society. Navigating a middle ground between these two traditions, elite theorists set out to examine political behavior as it actually operates without any conception of how it ought to operate.
is potentially beneficial to society because it reflects their talent or capability. Pareto argues that there are two different types of elite groups, the governing elite and the non-governing elite. He points out that the governing elite rarely consists of the most talented individuals in the real world because obstacles like family wealth and social connections limit the free circulation of the most capable individuals into important positions within the governing elite. In other words, governing elites seek to maintain their positions of power by limiting the challenges posed by other elite groups as well as potential challenges by the masses. Thus, it is normal for any governing elite to seek to reproduce their power and privilege from one generation to the next. They are only successful in maintaining their power, though, to the extent that they are willing to or capable of maintaining their position through persuasion or force. For Pareto “history is the graveyard of aristocracies” and fraught with elites that have met their demise at the hands of elite challengers (1980: 278). As a result, there is always the chance that elites will be unable to maintain and reproduce their power and privilege over time, and for Pareto there is plenty of historical evidence to back this up.

For others like Gaetano Mosca, an elite is a “ruling class” that consists of individuals, or at the very least the heirs of individuals, who have a material, intellectual, or moral quality that make them superior to the mass of people that are ruled by elites (1939: 53). At this point, though, it is important to note that Mosca does not necessarily mean class in its purely economic sense, but rather uses the term class as a reference to a category of people who share similar qualities that allow them to control the political system. The success they have in ruling the system is contingent upon the type of society. In some societies, this ruling group is dominant based on heredity, in others the
class rules by force. Nevertheless, the ruling class is able to rule politically because they are a numerical minority and it is easier for a small number of people to organize and outwit the more numerous and disorganized masses. Being a numerical minority makes it easier for elites to reach common understandings and coordinate their activities, things that are much more difficult if not impossible for the diverse and numerous masses of people to do. According to Mosca, a ruling class is “always the less numerous, performs all political functions, monopolizes power and enjoys the advantages that power brings” (1939: 50). This ruling class is aided by the existence of a more numerous sub-elit composed of intellectuals, managers, and civil servants who act as the “officers” of the ruling class leading the masses or “soldiers under fire” (Mosca 1939: 405). In this manner, Mosca introduces a more sociological and organizational explanation for the inevitability of elites, in that the existence of elites is based on their ability to organize and work in concert, no matter what tactics or skills they use.

Both Mosca and Pareto belong to the conservative school of elite theory where the inevitability of elites does not automatically pose a problem. Rather, both focus on the realist conception that elites are inevitable because they are superior in either their skill or capability to achieve and maintain their position. This does not mean, however, that the motives of elites are always benign or enlightened. It merely means that the inevitability of elites emerges out of their individual and collective capacities to achieve and maintain their power in ways that the masses of people are unable to, and this is the case even if elites in power use their power malignantly. How elites use their power and whether elites are benign or malignant are really empirical questions for both Pareto and Mosca, and is contingent upon how benign and malignant are defined in a given society.
For moderate elite theorists like Robert Michels, the inevitability of elites arises from the functional imperatives of large organizations. He grounds such an argument in the recognition that individuals by themselves are generally powerless in large-scale democracies, and therefore the mass of people need to devise mechanisms that allow them to collectively defend their interests. Yet, the organizations that individuals develop to pursue their collective interests ultimately come to be controlled and ruled by a numerical minority of people, and the tendency is for this numerical minority to use their positions at the top of these organizations to protect their own personal interests.

This argument is most clear in Michels’s work *Political Parties*. First published in 1911, it is in this study of the Socialist parties and trade unions of Germany and elsewhere that Michels introduces his “iron law of oligarchy” thesis. In the work, Michels focuses on Socialist parties and trade unions because the initial goals and missions of these organizations are geared explicitly toward popular participation at all levels. In that sense, these organizations set out to avoid minority rule by being member-controlled and democratic. Yet, for Michels, despite their explicit goals, they end up being controlled by a select group of people who ultimately come to use their positions of authority to extend their own benefits and power.

His main contribution, however, is the recognition that this tendency towards oligarchy arises out of the structure of social organization itself rather than the psychological or personality traits of the rulers. He argues that as the formal organizations created by humans increase in size and complexity, they become more bureaucratic and develop a hierarchical system of communication and decision-making as a means to effectively pursue their goals. This hierarchical system helps large
organizations ensure predictable and rational administration and thereby meet its goals. But through this development, these organizations come to require specialized leaders and experts who can devote their entire time to the coordination of activities within the organization (Michels [1911] 1962: 63-91). Therefore, leaders are delegated the responsibility of decision-making within the bureaucratic structure. This allows the more numerous masses of individuals to leave the specialized decisions at the top of the organization in the hands of the decision-making elite. Once delegated decision-making responsibility, individuals in leadership positions come to devote their entire time to the organization and thereby accrue significant informational and resource advantages. These advantages widen the gap between the leaders and the rank-and-file members of the organization (Michels [1911] 1962: 107-114; 153-166). As the gap between the leaders and the led widens, the leaders have an increased ability to exclude ordinary members completely from the decision-making process. They thereby have an increased ability to make decisions in their own self-interest, and can do so out of the purview of the rest of the organization. As such, even the most radical organizations have the structural tendency to become increasingly conservative and less democratic in a participatory sense as they become larger and more bureaucratic (Michels [1911] 1962: 333-356).

Contemporary Approach

Contemporary approaches to elite studies draw from these classical approaches. Elite approaches recognize that the growth of large complex organizations brings about a corresponding growth of elite rule and authority within organizations. Contemporary elite research defines elites as individuals who hold strategic positions in large
organizations and sociopolitical movements. As John Higley and Michael Burton point out, large organizations and sociopolitical movements are composed of members that share broad interests and goals in common, though very rarely do all members agree on how to achieve these shared goals and objectives (2006: 6). In line with Max Weber’s classical conception of bureaucracy and Michels’ recognition of the tendency towards oligarchy, large organizations implement hierarchical systems of control and coordination, which in turn formalize the roles and responsibilities of individuals within the organization. Such systems of control and coordination come about to increase precision, speed, and efficiency and reduce the friction, uncertainty, and conflict within the organization (Weber 1968). Within these hierarchical systems of control, some individuals by virtue of their positions have the authority to command organizations and the responsibility to make decisions of substantial consequence. Since these large organizations themselves are concentrations of resources and power in wider society, the individuals at the top of the organizations enjoy the advantages of their commanding positions within organizations and have influence in wider society as well (Higley and Burton 2006: 6-7). Unlike the approach of Michels, though, there is no necessary assumption in contemporary approaches that once at the top of these organizations, elites ultimately use their positions to promote their own self-interest.

This dissertation borrows the definition of elites proposed by Higley and Burton where elites are “persons who are able, by virtue of their strategic positions in powerful organizations and movements, to affect political outcomes regularly and substantially. They are the principal decision makers in the largest or otherwise most pivotally situated organizations and movements in a sociopolitical unit” (2006: 7). In other words, elites
occupy commanding positions in organizations across a wide range of arenas, from business and government to political parties and other nonprofits. And even though elites in these various areas are not necessarily involved in all decisions directly and simultaneously, their views and possible responses are taken into account by prominent actors in other areas. This is especially the case when the issues at hand and decisions to be made are salient to the specific goals and objectives of different elite segments.

Synthesis

The definition of elites advanced in this dissertation borrows from the classical and contemporary elite approaches in its focus on the largest organizations and the elites that govern them. Since nonprofit organizations have grown in size and have become increasingly bureaucratic, the sector is an essential component of elite research. My dissertation also borrows the idea that elites are powerful because of their authority within organizations and thereby their ability to direct the resources controlled by the organization with which they are affiliated. The recognition that large organizations and elites are important even though they are not always directly and purposively active in the policymaking process is particularly important to my understanding of the political role of the nonprofit sector discussed later. One of the arguments I am making against scholars like Jeffrey Berry and Theda Skocpol is that power and influence at the national level in the United States across a wide variety of domains. In making such a statement, I start with different assumptions. For me, influence over the policymaking process exists outside of the federal government and Congress and political activity is more than just lobbying.
Large nonprofit organizations are important actors in a variety of different fields. Even though 501(c)(3)’s are limited in their ability to lobby elected officials and even though not all nonprofit organizations are avowedly political organizations according to the definition laid out by Skocpol and Berry, nonprofits do have specific goals and objectives that they wish to advance or protect within the political system (Chaves et al. 2004). The largest nonprofits, no matter what their tax-status, are political actors. Their very institutional presence and their command of significant resources make them potentially visible to other sets of elites. The question becomes how visible are nonprofit organizations to other elites? In other words, are organizations and elites in the nonprofit sector integrated into the overall structure of elites? Answers to such questions can provide evidence concerning the extent to which elites associated with the nonprofit sector are capable of promoting their interests to other prominent organizations and elites at the national level.

**The Structure of Elites and Distribution of Power in the United States**

Elite research has long recognized that the structure and power of elites varies across political systems and over time. Classical and contemporary elite theorists have discussed extensively how elites relate to the masses of people and in some instances they even recognize the need for elite circulation—the movement of groups from below into elite spheres. For some, the circulation of elites strengthens the stability of the overall political system by incorporating groups that seek more radical or revolutionary change into the overall system. By allowing for movement into elite positions by non-elites, elite groups in power keep change incremental and keep the overall system stable.
Thus, a central premise of elite research is that elites inevitably govern, and that the stability and survival of the overarching system is contingent upon elites working together to preserve the system as a whole. To do this, elites must interact with one another and must agree on the basic rules of the game. They must adhere to the same basic principles and work to protect those principles. This does not mean, however, that elites automatically rule according to their own interests and are unrepresentative of the interests of other groups, even though this development is not entirely uncommon historically. Nor does it mean that elites automatically care about protecting the interests of a wide variety of groups. Rather, the degree to which any political system is representative of the interests of a wide variety of groups is contingent upon the political formula elites use to maintain the political system, and the mechanisms that they use both to engage other elites and to relate with nonelites. Thus, representativeness is rooted in the principles to which elites adhere and the mechanisms they use to maintain those principles. If elites value representativeness and implement mechanisms that allow for representativeness, then the political system itself is likely to be representative. I argue, then, that the structure of elite interaction should be reflective of a representative political formula.

In the United States, scholars for the most part agree that elites are important actors in the maintenance of the political system. But they tend to disagree, and have debated extensively in the past, whether elites are representative of a wide variety of interests. The debates in the past revolved around questions regarding the distribution of power among elites in the U.S. political system, and were most hotly debated during the middle of the 20th century. On one side, scholars argued that there was a wide
distribution of power among a number of competing interest groups. On the other side, there were those that saw power as being concentrated among a homogenous set of elites who represented specific class interests. Researchers from both sets of research analyzed the nature of elites at the national level. Such curiosity led them to examine questions about the overall structure and integration of elites and analyze the extent to which elites in the U.S. adhered to and implemented a political formula that was representative of a wide variety of interests. They operated with key questions about the extent to which elites shared similar interests; whether elites had the ability to coordinate their actions to protect those interests; whether those interests were directly related to members of the upper class and whether the interests of elites were different than the interests of the rest of society. At stake in the debates was the nature of democracy in the United States.

Given this overview, I want to lay out the sections that follow. First, I briefly introduce the classical approach to elite variation and elite circulation. In so doing, I show that elite theorists have long recognized the importance of understanding political systems as varying across both time and place. But for elite theorists, the structure of elites is a central component to the understanding of the degree to which political systems vary. The classical approach lays the groundwork for the treatment of elites in the United States during the mid-20th century, and more importantly provides a foundation for this dissertation. Next, I highlight the key debates between scholars in the pluralist and power structure traditions regarding the representativeness of elites and distribution of power among elites in the United States during the middle of the 20th century. In so doing, I demonstrate how such discussions led to a focus on corporate actors generally and interlocking directorates more specifically. Then, I move to an overview of the key
findings of the interlocking directorate literature and show why interlocking directorates are still useful to understanding the behavior of both individual elites and the organizations with which they are affiliated. In so doing, I show that interlocking directorates are an important mechanism for the diffusion of attitudes and behaviors among powerful individuals and organizations. Finally, I focus on more recent debates in the interlocking directorate literature and show how they are limited in their tendency to focus on large corporations. In so doing, I demonstrate that there is a gap in the existing literature because it fails to fully examine a wide variety of sectors active at the national level. In so doing, I argue that elite research fails to fully examine whether the structure of power is reflective of a formula that is geared toward representativeness.

The Classical Approach to Elite Integration and Circulation

Classical elite theorists like Mosca and Pareto long recognized that the level and nature of elite integration varies from one place to the next and also varies over time within a particular place. So too, they recognized that the integration of elites affects the ability of those in power to rule effectively. Mosca reasons that a ruling class loses its energy and vitality of thinking if it remains isolated from other groups of people in society. He writes, “A ruling class is the more prone to fall into errors of this kind the more closed it is, actually if not legally, to the elements rising from the lower classes” (1939: 119). For Mosca, the stability of an elite group is contingent upon its ability to incorporate and respond to groups from below. In fact, allowing for high turnover among elites has the potential to quell frustration and disruption from other groups in society. As Mosca writes, “one could explain the whole history of civilized mankind in terms of the conflict between the attempt of rulers to monopolize and bequeath political power and
the attempt of new forces to change the relations of power” (1939: 64). This at least demonstrates that the power of elites is prone to challenges not only from other sets of elites but also from non-elites.

Pareto argues that power shifts hands between two different sets of elite groups based on their ability to utilize different talents and traits to expand and maintain their power. In this sense, the members of the leading elite typically are skilled in specific techniques that allow them to maintain power. In his theory of elite circulation, Pareto focuses on the “lions,” or those who are most willing to use coercion and violence to maintain their power, and “foxes,” or those that use cleverness, persuasion to legitimate and maintain their power. The talents of elites to maintain their power, however, typically decline over time, as groups in the non-elite begin to expand their talent and capacity to challenge existing elites. Power, therefore, cyclically shifts hands between sets of lions and foxes because of the techniques they use to maintain power. Being adept in one area leaves them prone to challenges from sets of elites adept in opposing techniques. Therefore, one set of elites loses power as their particular capacities prove unsuccessful at legitimating and maintaining their position in the face of challenges from other elites and nonelites (Pareto 1966: 256-260).

In these classical elite theories, there is at least the potential that sets of elites will compete with and replace one another, and there is also potential for disruption and frustration to emerge from below and threaten the power of any existing elite group. In other words, there is no assumption that one class of people or group of people will inevitably dominate society. Rather, the extent to which any set of elites dominates society and maintains its power is contingent upon their ability to maintain their position
at the top despite both potential and real resistance from below. Such ideas emerging from the classical elite tradition are often overlooked, but for me they demonstrate the need to focus on a number of different areas in society that are active in the political system at the national level.

*The mid-20th century debates: Elites and Pluralism*

The question of whether one set of elites dominates the political system was central to the debates waged between researchers operating from the pluralist and power structure traditions in the United States during the 1950s, 1960s, and 1970s. For the pluralists, the elites who have regular and substantial influence at the national level come from a variety of sectors as an outgrowth of the social differentiation found within the U.S. political and class system (Polsby 1963: 112-118; Aron 1950: 6-11; Rose 1967: 18). In other words, sets of elites arise out of the division of labor in society, and therefore the influence of any one elite group is limited to their distinct and narrowly-oriented organizational base. Elites in these autonomous sectors are most concerned with the specific interests of their sector or organization and their influence mostly oriented towards the issues most relevant to their distinct organizational base or membership (Rose 1967: 3). As Robert Dahl writes, “The goals and motives of animate leaders are evidently as varied as the dreams of men…there is no convincing evidence at present that any single common denominator of motives can be singled out in leaders of associations” (Dahl 1961: 95-96). In this way, elites have a number of different interests and goals.

Not only do elites have different goals, but they are typically only active in a few different areas. In other words, elites specialize and are powerful within their own spheres, but not necessarily in others. As Robert Dahl writes in his critique of the ruling
elite model, “Neither logically nor empirically does it follow that a group with a high
degree of influence over one scope will necessarily have a high degree of influence over
another scope within the same system…It appears to be the case, however, that the small
group that runs urban development is not the same as the small group that runs public
education” (Dahl 1958: 465-466). Pluralists argue that substantial and regular influence
over the political system is fragmented and dispersed among a number of competing
interest groups, and that interest groups tend to operate only in specific and narrow
sectors.

But the power of any one group is not only checked by other competing interest
groups. The government or the state also plays an important role as umpire and arbiter
between competing interest groups. For pluralists, it is government that determines
political outcomes and adjudicates the competing demands of a variety of different
groups. And the state itself is checked by the power of the voting public. As Dahl
writes, “Even if the policies of political associations were usually controlled by a tiny
minority of leaders…the decisions of political associations are themselves
influenced…by their assumptions as to what the voting populace wants” (Dahl 1956:
101). While occasionally, some well-organized groups wield disproportionate power
over political decisions; they only hold this power temporarily as the power of elites
within the state is constrained by the ability of the voting public to elect a new set of
elites. Therefore, power is fragmented and dispersed across a wide variety of sectors in a
way that precludes any one elite group from acting in a unified or integrated way.

In making this argument, pluralists of the mid-20th century set out to highlight the
democratic foundations of the U.S. political system by showing a relative balance of
power and by demonstrating that the political system had a number of different power centers representative of a variety of interests.\footnote{Dahl would actually refer to the U.S. political system as a polcyarchy. For Dahl, a polcyarchy is a system where at its ideal there is majority rule, popular sovereignty, and political equality (1956: 4).} Pluralists, though, often started with an ideal conception of a democratic system. For them, an ideal democratic system consists of effective participation that allowed individuals within the system to have an equal and effective opportunity to give voice to their preferences (often through voting) regarding policies based on equal information. At the same time, an ideal democratic system is inclusive of all adult individuals who have an equal ability to place issues on the agenda such that the political system is open to change as long as enough individuals within the system prefer change (Dahl 1956: 84). Yet, they recognize that the political system of every country has fallen short of these ideal democratic criteria. Despite this empirical reality, Dahl argues that it is an important practice to identify “the certain political arrangements, practices, and institutions that would go a long way, even if not all the way toward meeting the ideal democratic criteria” (Dahl 2000: 83).

For Dahl, the sheer size of countries precludes them from meeting the requirements of an ideal democratic system. Similar to arguments made by the elite theorist Michels above, Dahl says that individuals in any nation-state are too numerous and too widely dispersed geographically to make decisions without a representative solution. He writes, “The only feasible solution, though it is highly imperfect, is for citizens to elect their top officials and hold them more or less accountable through elections by dismissing them, so to speak, in subsequent elections” (Dahl 2000: 93). Admittedly, this solution is imperfect, but Dahl says that countries are democratic to the
extent that they develop institutions that allow for a close approximation of an ideal political system. For him and most pluralists, then, democratic systems have important institutional characteristics including: elected officials, free, fair, and frequent elections, freedom of expression, alternative sources of information, associational autonomy, and inclusive citizenship (Dahl 1956: 63-81; Dahl 1971: 1-7; Dahl 2000: 85).

Ultimately, pluralists argue that the United States is clearly a democratic system by this more practical definition, even if not in the ideal sense. As Arnold Rose writes, “We do not say that the United States is completely democratic; we simply say that such statements are more correct for the United States today than any other society” (1967: 492). In saying this, however, they do not deny that power is concentrated in the hands of a small number of individuals in specific spheres within society. In fact, they concede that elites exist in every “organized activity of American life and at every level—national, regional, state, and local” (Rose 1967: 484). Dahl himself shows this to be true at the municipal level in his study of New Haven, where he highlights the political involvement and influence of notables in the social, economic, and political spheres (1961). Dahl notes, “writers from the earliest times have understood that popular regimes, like other regimes, would inevitably have leaders—that is to say, men of more authority, and very likely more power and influence, than ordinary citizens” (1966: 297). Yet despite the existence of these notables/leaders (or elites), the considerable variation among elites, along with the power of the state and the voting public, constrains any one unified, cohesive, and self-conscious elite from pursing its agenda over the alternatives of others and prevents any one elite from being powerful over all issues.
Since the state and political actors are autonomous and because positions within the state are open to contestation, there is a relative balance of power. As Dahl writes, “Clearly [it would be a problem] if the top officials of the government could set the agenda and adopt policies independently of the wishes of citizens” (Dahl 2000: 93). This does not happen, however, because organized oppositional groups have a wide range of interests and often compete with one another while the voting public simultaneously has the ability to check the power of the elected elite through the vote. Ultimately, the United States has the institutional prerequisites of a democracy that maintains the representativeness of the system and stops any one group from dominating.5

The mid-20th century debates: the Power Structure approach

Researchers from the power structure and power elite theoretical framework disagree with these pluralist conceptions of power in the U.S. They do not agree that all groups have the capacity to regularly and substantially affect outcomes in the United States. In the first place and probably most importantly, the power structure approach argues that the United States is not a democracy according to the standards put forth by pluralists, and therefore the political system is not representative. C. Wright Mills argues that the classic democratic system of pluralism sees a democracy where “the people are presented with problems. They discuss them. They decide on them. They formulate viewpoints. These viewpoints are organized, and they compete. One viewpoint wins out. Then the people act out this view, or their representatives are instructed to act it out” (1956: 299-300). But as a counter Mills writes, “But now we must recognize this

5 Some of these institutional prerequisites include: cultural values like the ideals of equality, fairness, and justice; formal laws codified in the Constitution; and a multitude of elite sectors that give voice to a diverse set of interests (Rose 1967)
description as a set of images out of a fairy tale: they are not adequate even as an approximate model of how the American system of power works. The issues that now shape man’s fate are neither raised nor decided upon by the public at large” (Mills 1956: 300). For him, instead the issues of the day are raised by a set of political, economic, and military men “whose positions enable them to transcend the ordinary environments of ordinary men and women; they are in positions to make decisions having major consequences” (Mills 1956: 3-4). Though, it should be noted that this is not entirely different than the recognition by pluralists that “leaders are enormously influential” (Dahl 1961: 89). The major difference between the two frameworks comes mostly from the argument by Mills and others that there is an overarching “coincidence of interest between those who control the major means of production and those who control the newly enlarged means of violence” (Mills 1956: 276). In other words, elites across multiple spheres have shared interests. Because of this, elites do not compete with one another, but rather work together to protect their common interests.

Power structure researchers do not really disagree with pluralists regarding the potential representativeness of the U.S. political system. They concede that there are institutions in place that have the potential to protect the interests of a diverse set of people. They note, however, that the democratic institutional constraints that exist are unable to negate the ability of a unified, self-conscious, and cohesive set of elites from pursuing their agenda over the alternatives of others. Rather than seeing a diverse set of elites, those operating from a power structure approach see a single, unified, and cooperative elite who work together to pursue their self-interests independently of the wishes of citizens and competing power groups. The power of this unified elite, or what
they refer to as the power elite, is virtually unchecked by any other group in society, and its power is maintained by its simultaneous control over a variety of institutional sectors. In this sense, these institutional sectors are not independent and autonomous because there is a significant amount of overlap and interlocking among them (Mills 1956: chapter 12; Domhoff 2006: chapter 4). As Floyd Hunter writes, ‘The nation’s power system is a series of interlaced and coordinated power structures. Those at the apexes of power...become generally known to each other’ (1959: 191).

For power structure research, the individuals that comprise the power elite first become known to each other because they “derive in substantial proportions from the upper classes...[and] in general, the higher the position, the greater proportion of men within it who have derived from or maintain connections with the upper classes” (Mills 1956: 279). At the same time, the upper class creates separate institutions, clubs, neighborhoods, which help foster a community of like-minded people who share distinct lifestyles, beliefs and values (Baltzell 1991; Domhoff 2006: 49-62). But this does not mean that the people in high positions automatically represent their own class interests solely. In fact Mills notes, “Men from high places may be ideological representatives of the poor and humble...[so] we must be careful of any simple and direct inference from origin and career to political character and policy” (1956: 280). At minimum, however,

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6 It is important to note is that Baltzell is different than Domhoff in his interpretation of the upper class in the United States. For Baltzell, the existence of this social upper class of people is not necessarily problematic. In fact, the ability of the social class to assimilate new members into their lifestyle, beliefs, and values is what holds society together. Borrowing from the works of Tocqueville, Baltzell sees a unified and consensual elite as protecting society from the “tyranny of the majority.” The select few elites assume leadership roles and ideally protect the civil liberties of the masses through their established authority and responsible actions. Baltzell points out that the elite needs to be willing to accept new members and argues that this circulation of elites is essential to enlightened leadership. Alternatives to this argument begin with the Karl Marx’s warning about the dangers of consensual and unified elite.
shared similar class origins make the power elite more likely to trust one another and such shared origins increase their willingness to work with one another.

Yet, similar class origins are not the only mechanism that helps create an overlapping, unified, and dominant power elite. The social and personal intermingling of the power elite is not enough to enable them to act in concert nor does it allow them to dominate the political system. Rather, the power elite is able to work together because they are associated with each other in a wide variety of institutions and social arenas and "their association further cements what they feel they have in common" (Mills 1956: 281). In particular, Mills argues that the power elite are interchangeable among the commanding positions of major institutions. He writes, "The inner core of the power elite consists, first, of those who interchange commanding roles at the top of one dominant institutional order with those in another: the admiral who is also a banker and a lawyer who heads up and important federal commission" (1956: 288). Thus, the power elite consists of individuals capable of coordinating their activities across different institutional arenas. Mills writes, "The key organizations, perhaps, are the major corporations themselves, for on the boards of directors we find a heavy overlapping among the members of several elites" (1956: 283). In this way, the power elite is at once a political and economic elite with coinciding and cohesive interests, who have the capacity to act on those interests across a wide variety of sectors "for they are in command of the major hierarchies and organizations of modern society" (1956: 4).

For the most prominent power structure researcher writing after the death of Mills, the fact that the power elite is at once a political and economic elite is the key difference between the pluralist and power structure researchers. G. William Domhoff
makes this claim initially in his 1967 book *Who Rules America?*, in which he highlights the existence of a social upper class consisting of a small number of families whose wealth primarily derives from big business. After demonstrating the existence of a social upper class, Domhoff sets out to show that this social upper class is “closely knit by such institutions as stock ownership, trust funds, intermarriages, private schools, exclusive city clubs, exclusive summer resorts, debutante parties, foxhunts, charity drives, and, last but not least, corporation boards” and that they have “well-established ways of training and preparing new members” (1967: 4-5). In this way, they form a dominant ruling class, a “governing class” or a “power elite” (1967: 3). This power elite is dominant in the United States thanks to its disproportionate amount of wealth and income as well as its disproportionate representation in the top positions of major institutions, including government, business, foundations, universities, mass media, and think tanks (Domhoff 1967: 10). Their disproportionate wealth gives them different interests than the rest of society (1967: 7). Their disproportionate representation in major institutions gives them influence over the shape of these institutions (Domhoff 1967: 63). Both combined allow this economic class to protect their interests against challenges from other groups.

*Synthesis*

In many ways, the debates between pluralists and power structure researchers in the middle of the century highlight the fundamental tension between democracy at the national level and the type of corporate capitalism that emerged in the U.S. during the 20th century. Dahl himself recognizes this tension when he writes, “corporate capitalism…produce[s] inequalities in social and economic resources so great as to bring about severe violations of political equality and hence of the democratic process” (1985:
Yet, the question remains whether the U.S. political system can maintain its representativeness and thereby its level of democracy amidst these large-scale transformations in the economy, or whether the power accruing to actors in the market is so great that their power remains virtually unchecked by the democratic constraints of political culture, formal political rules, or the countervailing power of other groups in society.

Interlocking Directorates and Elite Integration

As we can see from the discussion above, the debates waged between those writing from the pluralist perspective and those writing from the power structure perspective during the mid-20th century hinged on the ability of each to provide evidence that power was concentrated among one group or dispersed among many. In many ways, the frameworks disputed whether there was a coincidence of interests among the elites at the top of these institutional hierarchies, and whether the coincidence of interests among individuals at the top was rooted in their shared upper class origins. Pluralists questioned whether a well-defined ruling elite existed in the first place, whether such a ruling elite was able to coordinate its activities, and whether the ruling elite was able to prevail against the challenges of other groups (Dahl 1958: 466). Empirically, researchers from the power structure approach attempted to show that the ruling elite in fact did exist, that it owned a disproportionate amount of the wealth, and retained a disproportionate amount of influence over important institutions in society (Domhoff 1967: 10). One of the key elements in these debates was an examination of positions at the top of major institutions and the amount of overlap and interlocking among them. The evidence from these
studies was fundamental to the theoretical debates about the representativeness and level of democracy of the U.S. political system during the middle of the 20th century.

Setting the Stage: Why Interlocking Directorates?

As stated above, one of the key elements of a pluralist conception of U.S. democracy was the idea that there were a variety of power centers. Essential to the pluralist approach was an understanding that democratic systems required competition among a variety of groups (Truman 1951; Dahl 1956; 1961; Almond and Verba 1963; Sartori 1987). Leaders, or elites, within interest groups were important because they were responsible for directing the resources controlled by the group. Yet the power of any set of elites was balanced by the power of other elites as well as the independence and autonomy of state actors and voters. The pluralist approach argued that there was too much division among groups for any one fixed group with similar class origins to dominate at the national level. Since this argument hinged on the extent to which elites were divided rather than cohesive, the power structure literature turned to compile evidence for the structural integration and cooperation of elites. In particular, the power structure literature set out to demonstrate that the integration of elites was reflective of shared class interests of the power elite. One of the key components of this evidence for power structure researchers was the existence of interlocking directorates among large corporations in the United States.

In order to use interlocking directorates as evidence in their argument, researchers in the power structure tradition first had to show that boards of directors were important mechanisms of power. Mills, Domhoff, and other power structure researchers made such arguments against an emerging managerialist thesis, which argued that
decisions in corporations were made mostly by a class of managers who were increasingly in control of corporations because of the diffusion of stock. Against this prevailing theory, power structure researchers highlighted the emergence of large, bureaucratic organizations with control over vast amounts of economic resources. In many ways, these large bureaucratic organizations were the “hallmarks of modern society, and, consequently, the heads of these organizations [were] in a position of potential power” (Zald 1969: 109). In other words, boards of directors were potentially powerful because they had a formal position of responsibility and involvement within the organization. Board members were expected to foster the continuity of the organization by ensuring that the resources of the organization were used prudently and in line with the overarching goals of the organization and its owners (Zald 1969: 99). So even if board members were not an ownership group in ways they had been in the past, they were at least responsible for monitoring corporate management. Likewise, the board played an important role in connecting the organization to its outside environment (Zald 1969: 99). Though the literature noted that the influence and power of the board differed across organizations and over time, the studies in response to the managerialist thesis established that boards were potential sites of power within the corporate community (for a thorough review of these debates, see Mizruchi 2004).

The debate over who controlled corporations and the level of unity within the business community was at its height in the three decades directly following the publication of Berle and Means’s *The Modern Corporation and Private Property* (1932). The debates focused on the emergence of the joint-stock company. For some, the diffusion of stock marked the separation of ownership from control. With this came the emergence of autonomous professional managers. The existence of an autonomous managerial class, many argued, led to the severing of ties between ruling families and private property. For these sorts of arguments see Dahrendorf (1959) and Dahl (1971). Many on this side of this side of the debate argued that class was no longer a salient variable in the analysis of relationships in a capitalist society, see Parsons (1969). For others, class and family control were still important factors in explaining the dominance of certain groups of people in capitalist societies. For these critiques, see Mills (1959) Baran and Sweezy (1966), Domhoff (1967), Miliband (1969), and Zeitlin (1974).
Yet, while boards could direct the resources of one organization, this did not necessarily mean that corporations had the capacity to work together and dominate society in the ways that the power structure tradition argued. In response to such criticisms, the power structure literature turned its attention to how boards related to one another. In so doing, they examined the question of whether a number of corporations were able to coordinate their activities. Central to this examination was the treatment of interlocking directorates.

*Interlocking Directorates: Historical Background*

Prior to these debates, there was a long history of interest and concern in the relationships and ties formed among boards of organizations. Interlocking directorates, the ties formed between organizations through a shared director, have been of concern to researchers and politicians alike since the early 20th century. For example, in 1912 the House Committee on Banking and Currency launched an investigation into allegations that national financial and banking power had been concentrated in the hands of a few individuals, and the Pujo committee, as it came to be known, found that existing practices, of which interlocking directorates was one, resulted in a “vast and growing concentration of control of money and credit in the hands of a comparatively few men” (Report of the Committee Appointed to Investigate the Concentration of Money and Credit, 1912) Such findings led to the passage of the Clayton Antitrust Act of 1914, which outlawed board overlaps among firms in the same industry.

It was not only Congress, however, that saw interlocking directorates as a problem. Prior to becoming Supreme Court justice, Louis Brandeis pointed to the potential problems caused by interlocking directorates. In his book *Other People’s*
Money. Brandeis argued that shared members among boards had the potential of suppressing competition within the market and was evidence of the concentration of power in the hands of a small elite who sat atop large corporations (Brandeis 1914: 35).

Despite the potential problems posed by interlocking directorates, the social sciences all but ignored the issue, thinking that widespread interlocking among organizations was a phenomenon of the past, all but removed from significance by legislation like the Clayton Antitrust Act. To the extent that the social science research did pay attention to interlocking directorates, they saw interlocks as a relatively rare occurrence. One famous pluralist researcher goes so far as to say, “Interlocking directorates are the exception rather than the rule” (Rose 1967: 52 as quoted in Mizruchi 2004). In some ways, such comments led to the vast proliferation of interlocking research. Initially, the literature set out to establish that interlocks were more widespread than imagined by managerialists and pluralists, and did so successfully through a number of studies (e.g. Mariolis 1975; Mizruchi 1982; Mintz and Schwartz 1985). Researchers in the pluralist perspective countered with the criticism that identifying the ubiquity of interlocks did little to tell us about the social, political and economic effects of interlocking directorates. In response, power structure researchers moved to show that interlocks among corporations had behavioral consequences and that corporations used interlocks as one mechanism to develop integration and cohesion among a large number of corporations. As Mizruchi writes about the findings from the early research, “Interlocking directorates were widespread, and their frequency and pattern seemed consistent with a cohesive corporate community led by major financial institutions” (Mizruchi 2004: 596).
In many ways, this gave birth to a whole set of literature examining the role of interlocking directorates in the corporate community and their consequences for the distribution of power in the United States more generally. In so doing, it pushed much of elite research to focus on corporations and the power of corporations within the U.S. political system.

*Interlocking Directorates: Causes and Consequences*

Today, there is a long and continuing tradition of research on the role of interlocking directorates made possible by advances in computer technology and the honing of the methodological approaches of network analysis. The evidence clearly demonstrates that interlocking directorates help foster relationships among the largest corporations. Questions still remain, however, regarding exactly why these interlocks form, and exactly what consequences interlocks have for the behavior of firms and their directors, and whether interlocks are a mechanism used by corporations to affect the political system (Mizruchi 1982; Useem 1984; Mintz and Schwartz 1985; Scott 1991; Davis, Yoo, and Baker 2003; also see Mizruchi 1996 for an excellent review).

Researchers today look at the formation of interlocks from the perspectives of firms and from the perspectives of directors. Drawing from the tradition of the Pujo Committee and Louis Brandeis, one strand of the interlocking literature looks at whether ties among firms represent a form of collusion (Koenig, Gogel, and Sonquist 1979). The analysis in this tradition focuses mostly on the correlation between intra-industry ties and industry concentration. Findings suggest that intra-industry ties are more likely in industrial sectors with high levels of concentration, but only up to a certain threshold (Allen 1974; Pennings 1980; Burt 1983). There is little empirical evidence, however, for
the association of interlocks with aspects of firm performance like profitability (Pennings 1980; Burt 1983). In other words, there is very little empirical proof that ties formed among corporations are an effective means to restrict competition.

While the evidence is limited that interlocks restrict competition, some resource dependence theorists examine the use interlocks by organizations to manage uncertainty in their environment (Pfeffer and Salancik 1978). Of particular importance to this literature is whether interlocks form due to resource dependencies between firms, especially among nonfinancial and financial firms. Much of this literature looks at the practice of deeply indebted firms inviting a member from the bank to which they are indebted to sit on the board as a form of cooptation or monitoring (Ornstein 1984; Galaskiewicz et al 1985; Mizruchi and Stearns 1988 to name but a few). Evidence from one study of the 200 largest nonfinancial organizations and 50 largest financial organizations (as ranked by their assets) finds that financial organizations maintain more interlocks in general than other organizations, but finds that organizations reliant on external sources of capital are actually less likely to form interlocks with banks (Allen 1974: 400-401). Despite methodological issues, findings from the vast research on interlocks as an outgrowth of resource dependence show that this perspective can explain at least some of the ties between corporations.8

Yet, there is evidence against both the collusion and cooptation argument. Such evidence comes from researchers who examine whether corporations are likely to

8 Zajac (1988) criticizes the sampling methods of studies on the effects of intraindustry ties. He shows that the use of two-digit SIC codes exaggerates the ties within industries. He also shows that ties among firms in competitive industries are not all that different than the ties formed between a control group of organizations in noncompetitive industries.
reconstitute ties with one another after an interlock is dissolved. Evidence from this broken-ties research shows that it is very rare for firms to restore ties with one another after a tie is broken (Ornstein 1982). For example, in a study that examines the continuity of all accidentally disrupted ties among 1,131 large U.S. firms, Palmer finds that only 15 percent of the reconstituted ties are associated with formal coordination between two corporations (1983: 53). Through this evidence, interlocks seem to have less to do with specific collusive or cooptive relationships between two organizations. If the original interlocks form because of institutional relationships or capital dependencies, we would expect accidentally-broken ties to be reinstituted. This evidence coupled with the ambiguous evidence on the relationship of interlocks and firm performance has shifted the attention of interlock researchers. Rather than seeing the formation and consequences of interlocks as tied to the relationship dynamic between two specific organizations, researchers now see interlocks operating in a more diffuse way (Davis et al. 2003). In this way, interlocks are a means by which the network as a whole can communicate with one another, manage uncertainty, and/or coordinate activity.

More important to my own research is the evidence from the literature that shows that interlocks are related to the kinds of strategies that firms pursue and the kinds of choices that firms make. In other words, the literature shows that interlocks have the capacity to influence a wide range of firm behavior. One study finds that firms with board ties to organizations that had previously adopted a poison pill increases the willingness of firms to adopt a poison pill themselves when faced with a takeover threat (Davis and Greve 1997). Another finds that interlocks relate to a firms’ behavior around the acquisitions of other firms, though that such effects may be less important for large
organizations (Haunschild and Beckman 1998). Still another finds that board ties have effects on the choice of stock market listing, with organizations listed on NASDAQ more likely to change their listing to the New York Stock Exchange (NYSE) if they had board ties to organizations that had previously defected (Rao, Davis, & Ward 2000). These, among other studies, demonstrate that interlocks act as a way to transmit information across firms, and that the information that does through board overlaps affects the behavior of firms.

Research also shows that interlocks affect the political behavior of firms. Researchers find that interlocks have an effect on the contributions of corporate PACs to candidates at the national level with highly interlocked firms tending to be less conservative than firms that have fewer interlocks (Clawson and Neustadl 1989). Another study finds that firms interlocked through the same financial institution are likely to contribute to the same political candidates, while firms directly tied to one another are more likely to share similar views on legislation before Congress as measured by their testimony (Mizruchi 1992). Recent research on the dual networks of firms and individuals validates these findings and demonstrates that interlocks among firms are related to the similarity of behavior among firms and that interlocks among individual directors are related to similarity of the directors’ political behavior (Burris 2005).

Research, however, shows that the factors that affect the political behavior of individual corporate elites differ greatly from the factors associated with the political behavior of the firms with which they are associated (Burris 2001). In showing this, the literature provides evidence that interlocking directorates have effects on the individuals involved themselves. Accordingly, researchers argue that interlocks help individuals
advance their careers and provide direct benefits including pay and prestige for their service and contacts to other important individuals (Zajac 1988). The research also argues an individual with ties to many other individual provide them with valuable interpersonal connections and allow them access to information and resources that individuals without ties lack. Interviews with individuals who sit on multiple boards corroborate such findings (Useem 1984).

Research also shows that firms take into account the characteristics of individuals when making selections for their boards. For example, Mace (1971) argues that firms select specific individuals based on three factors: 1) the prestige and legitimacy they will add to the organization, 2) their ability and expertise to provide input on corporate strategies, and 3) their reputation within wider corporate world. Furthermore, evidence suggests that the use of these common criteria increases the chances that directors who have many ties will be selected for new board positions (Davis 1993). In other words, certain individuals are more likely to be selected because of their backgrounds, and their initial selection increases the likelihood that they will be selected by other firms in the future. The interlocks that form among firms, then, are often independent of the relationships between the firms themselves. In this sense, the overall network of firms and individuals is an outgrowth of the fact that firms recruit individuals who are themselves well-connected as a means to increase the amount of information they have at their disposal (Useem 1984).

For some, the selection criteria these large firms use brings into existence an inner circle of corporate elites comprised of a small number of individuals that sit atop a multiple corporations. Interestingly, some argue that these inner circle directors emerge
as key actors in fostering the structural integration and social cohesion within the corporate community. For Useem (1984), their experiences on multiple boards of directors within the corporate community make them capable of defending and promoting the interests of the corporate community generally. They act as brokers of what Useem calls a “classwide rationality,” and in so doing they help the business community identify its common interests and develop coherent policies around those common interests. Useem writes, “the inner circle of the business community…can rise above the competitive atomization of the many corporations that constitute its base and concern itself with the broader issues affecting the entire large-firm community” (1984: 57). In this way, the inner circle of corporate elites is unique and acts as the leading edge of the corporate community. As the leading edge, these inner circle members are disproportionately represented as board members of nonprofit organizations and in government service. Concurrently, these inner circle elites play an active and direct role in introducing liberal social policy during the periods of social and political crisis, including a role in antitrust regulation and Social Security. For these reasons, members of the inner circle are distinctive in terms of their political behavior (Jenkins and Brents 1989).

In line with Useem’s argument that interlocks are important components of cohesion among corporate elites, is a set of research that examines the extent to which heavily interlocked financial institutions and particularly banks play a role in fostering structural integration and social cohesion among corporate elites. Mintz and Schwartz (1985) demonstrated that commercial banks once occupied a central role in the corporate network as evidenced by their centrality in the corporate networks of interlocking
directorates due to their boards being comprised of a large number of CEOs from major nonfinancial firms. They argued that banks were capable of integrating the business community because they themselves were integrated. Consequently, banks were uniquely situated to look out for the interests of the larger corporate community. Through their ability to direct capital flows, banks played a major role in resolving disputes across different sectors of the business community. Since these investments were across the whole entire economy, they were in a unique position to act as mediators between different sectors of the business community with an interest in doing what was best for the corporate community on the whole. While these instances of mediation were rare, Mintz and Schwartz demonstrate that financial institutions were major actors during times of crisis, even though specific corporations often resisted their power. Outside of times of crisis, banks fostered a sense of hegemony which laid the groundwork and expectations for corporate behavior even if they did not take direct action.

*The Declining Structural Integration of the Corporate Elites*

Recently, however, studies point to a change in the corporate elite network. In particular, recent studies show a general decline in the centralization of the overall corporate network (Barnes and Ritter 2001). At the same time, studies point to the declining centrality of banks within the networks of interlocking directorates (Barnes and Ritter 2001; Davis and Mizruchi 1999). Researchers propose a variety of reasons as to why banks have declined in centrality. One study argues that changes in banking law, particularly the passage of the Glass-Steagall Act has shifted the nature of relationships between commercial and investment banks. Moreover, the ability of corporations to raise capital through corporate paper (i.e. equity issuances like stock and bonds) has decreased
the dependence of corporations on direct capital flows from banks (i.e. bank loans). So too, individuals increasingly have options for their investments other than passbook savings accounts which has also decreased the overall sum of bank assets and has forced banks to reorient their focus (i.e. focusing on fee-for-service arrangements). All of these developments have caused the decreasing centrality and importance of banks within the networks of interlocking directorates among corporations (Davis and Mizruchi 1999).

Other arguments about the declining cohesion, integration, and coherence of the corporate community have been more recently in a series of articles by Mark Mizruchi (Mizruchi 2004; 2007; 2010). According to Mizruchi, the decline of banks is part of a larger decline the capacity of corporations to pursue coherent economic and social agendas. This is what he characterizes as the decline of the corporate-liberal consensus. The success of the American corporate elite to pursue its interests in the post World War II era has ultimately led to the dissolution of its power to act collectivity. He writes, “I argue that individual actors within the corporate community during the first decade of the twenty-first century are more powerful than they have been at any time since the 1920s, and the community as a collectivity is weak and ineffectual (2007: 2). This ineffectiveness, he argues is due to the decline of the leading edge of the corporate community. This is especially troubling for him because this leading edge of the corporate community used their position of prominence to transcend the interests of particular firms in order to focus on the interests of the system as a whole. He writes, “From the postwar period well into the 1970s, the U.S. business community, although pervaded by internal conflicts, remained relatively unified at the top” (2004: 606). Such
unity allowed them to protect their general interests and made it possible for them to pursue coherent policies.

Essential to this unity was a group of moderate business leaders that existed in the post war period who represented the largest corporations and were highly cohesive. These moderate business leaders held views that were often in conflict with the interests of most other American firms (Mizruchi 2004: 606-607; 2010: 9). He argues that this leading segment of the corporate elite was active during the post war era and was unique in its willingness to address critical national issues like the economy, the Cold War, poverty, and race relations. For example, they were willing to allow for a certain level of government regulation as long as it did not threaten the stability of the economy as a whole. Similarly, this group was willing to work with labor unions as long as it held the more radical segments of labor unions in check. At the same time, these moderate views of the corporate-liberal consensus were also willing to advocate for various government social programs including government programs in education, unemployment and civil rights (Mizruchi 2010: 9-10).

In many ways, this is the same argument that Useem makes regarding the inner circle. This leading segment of the corporate community worked through nonprofit organizations like the Committee for Economic Development (CED) and the Council on Foreign Relations (CFR), and saw an important need for business to work with government to address economic, political, and social problems. For Mizruchi, like Useem, this leading edge of business was pragmatic and believed that compromises were necessary for the overall economic and political system to function smoothly. Thus they called for a “government-business partnership to deal with issues of education,
employment and training, civil rights and equal opportunity, and pollution abatement” (2007: 3).

The corporate liberals, however, did not pursue such policies out of the goodness of their hearts, as Mizruchi notes that they would have “preferred a world in which government regulation was minimal” (2010: 10). Rather, these corporate liberals pursued pragmatic and moderate policies because they were constrained by three factors: a well-organized and relatively powerful labor movement, a financial community headed by large commercial banks, and a relatively active state. The labor movement was important because of its widespread power and legitimacy. Unions during the post-war period were able to keep business in check through their wide representation in core industries, their willingness to diffuse radical labor conflict, and their ability to negotiate higher wages and benefits in exchange for labor peace, or what is often referred to as the capital-labor accord (Mizruchi 2010: 15-17). The largest commercial banks were important in that they played the kind of mediating role discussed by Mintz and Schwartz. Thus, commercial banks were neutral actors that sought to maximize benefits for the system as a whole because their own interests were in a wide range of investments throughout the system. They did so through their control over the allocation of capital to sectors that yielded the highest possible return and were able to discipline firms that were dependent on these capital flows (Mizruchi 2010: 17-18). The state was an important constraining factor because of its high degree of legitimacy based on its ability to pursue tax and spend policies while maintaining its relative economic stability and prosperity, and the state was able to do this while also expanding political rights for underprivileged groups (Mizruchi 2007: 4-5; Mizruchi 2010: 14-15). Taken as a whole, these factors
constrained business leaders to act in a pragmatic manner and led them to support moderate economic, social, and political policies.

The corporate-liberal consensus, however, declined as the economy of the United States stagnated during the 1970s brought on by high spending levels, increasing costs associated with the Vietnam war, the emergence of foreign competition, the energy crisis of the 1970s, and a recession resulting in high levels of inflation with simultaneous high levels of unemployment (Mizruchi 2004: 607; Mizruchi 2007: 6-14; Mizruchi 2010: 19-20). In response to the economic uncertainty of the 1970s, the U.S. business community launched a counteroffensive, or what is often called the right turn in American politics (Mizruchi 2004: 607; there is a voluminous literature on the Right Turn but good overviews are found in Edsall 1984; Ferguson and Rogers 1986; Vogel 1989; Allen 1992; Diamond 1995; Jenkins and Eckert 2000).

For Mizruchi and the others cited above, this counteroffensive marks the unraveling of the corporate-liberal consensus, and a push back by the U.S. business community against the social, economic, and political policies furthered by the corporate liberal consensus during the postwar period. For them, evidence of this counteroffensive is seen most clearly in the rise in power and influence of organizations like the Business Roundtable and other conservative think tanks. Thus, Mizruchi notes, “Since the 1970s, the American corporate elite has descended into an amorphous mass of individual actors, occasionally joining coalitions to advance a particular position, but with no central organizing principle” (2007: 7). Probably the starkest development is that this counteroffensive has been overwhelmingly success of the corporate community in scaling
back the power of labor and the federal government. In this way, the corporate community has been able to remove constraints that kept it moderate and pragmatic.

Ultimately, without these constraining factors and with political victories under the Reagan administration, there has been a decline in the need for classwide organizations. Thus, the declining power of labor and the state has allowed businesses to pursue their own narrow interests, and the business community as a whole has gone off in different directions and has become highly fragmented. This fragmentation of the business community has been further exacerbated by the merger wave of the 1990s, which Mizruchi argues has forced CEOs to be more concerned with their own jobs than fostering a classwide rationality (see also Useem 1999 for more on merger wave and its effects on corporate governance). Mizruchi says that the fragmentation is evidence in its response to the Tax Reform Act of 1986 where corporations use lobbying to help write amendments to the bill leading to special privileges for individual firms (see Clawson, Neustadtl, and Weller 1998 for a discussion of the role of corporate PACs in the political system). Mizruchi also argues that there is also evidence for corporate fragmentation in the corporate response to the most recent economic crisis as well as the lack of corporate support for health care reform (Mizruchi 2010).

For Mizruchi, then, the decline of the corporate-liberal consensus has led to the creation of a vacuum within the corporate elite, and that this void has been filled by institutional investors, who tend to operate with a different rationale than the liberal pragmatists of the corporate inner circle of the past. The new corporate elite is now primarily concerned with maximizing their short-term returns without a larger concern for the business community as a whole. Specifically, they tend to be focused on their
quarterly profit projections as opposed to the more long-term interest of business generally.

Thus, Mizruchi argues that while corporations remain socially responsible as evidenced by their high rates of corporate philanthropy, there seems to be no system-wide and organized effort to address the social problems of the age. Thus, the business community seems unable to successfully pursue a coherent economic, social, or political agenda. Mizruchi writes, “There is no organized effort by the leading edge of American business to address the energy crisis, global warming, the deficit, or the nation’s growing level of inequality” (2007: 15). Thus the disappearance of an integrated corporate elite has had a profound effect on the ability to pursue a coherent agenda beyond the market.

Yet the problem with Mizruchi’s argument and most other arguments made about the integration and cohesiveness of elites within the United States is the lack of attention they give to other prominent sectors. Rather, researchers put theoretical emphasis on the corporate sector in the United States and the extent to which it works with the state to address its own problems and/or the overarching problems of the political system. Whether it is research on interlocking directorates or social cohesion among elites, the tendency is to look solely at corporations. I agree with Mizruchi when he says that the preoccupation of economic and political sociologists “with the state has in many cases blinded us to the role that non-state actors play in government policy” (2010: 36). Yet, I disagree with him that the only non-state actors that matter are the corporate elite. At least, I would argue that if that is true, then it needs to be tested and substantiated empirically.
What is most interesting to me about the decline of the corporate-liberal consensus is that it is contemporaneous with the vast growth and prominence of the nonprofit sector. A number of scholars note that services once provided by the federal government are increasingly being subcontracted out to the nonprofit sector, and such developments are similar to the developments of a scaled back state outlined by Mizruchi (Alexander 1999; Berry 2003; Salamon 2003; Boris and Steurele 2006). At the same time, research shows that the nonprofit sector, and particularly public charities, are often key actors in the promotion of traditionally liberal values like increased democratic participation from below and expanded economic equality. Yet despite this growth of the sector and the fact that some organizations within the sector are oriented towards these values, the prominent actors and elites within the nonprofit sector have received very little attention. In so doing, we have failed to examine the political role of large nonprofit organizations and elites at the national level.

The Political Role of the Nonprofit Sector

Background

The nonprofit sector consists of all entities oriented towards public purposes, self-governed, and prohibited from distributing earnings to those in control of the organization (Boris and Steuerle 2006; Moore et al. 2002). To speak of the nonprofit sector in the United States as some unitary whole, however, is a bit misleading. The sector itself is quite diverse, expansive, and operates across many different fields of activity (Boris and Steurle 2006; Hall 2006). In fact, the categories and number of nonprofit organizations that receive tax advantages for their public interest activities and purposes have increased steadily since the passage of the Tariff Act of 1894, the earliest
statutory reference of tax advantages given to specific organizations (Arnsberger et al. 2008). Today, the National Taxonomy of Exempt Entities (NTEE) used by the Internal Revenue Service (IRS) and the National Center for Charitable Statistics (NCCS) identifies 26 major categories of nonprofit organizations according to their similarity of purpose, activity, and function. These categories cover organizations that are active in arts and culture as well as organizations active with the environment; they cover organizations that work in fields of health and human services, and as well as religious congregations (Wing, Pollak, and Blackwood 2008).

While the nonprofit sector is broad in its scope, it is equally as varied in terms of the size of organizations that comprise it. The sector includes large, public charities like the United Way and the National Audubon Society with affiliates and memberships dispersed throughout the entire nation, and at the same time includes small and locally-oriented organizations like the Thomas O’Brien Academy of Science and Technology (TOAST) PTA in Albany, New York and the Pittsburgh Jazz Society located in Pittsburgh, Pennsylvania that bring together a small number of people around their very specific concerns and interests (Boris and Steurle 2006; Salamon 2003).

Nonprofit organizations also differ in their operation as well. Some nonprofit organizations act as subcontractors to federal, state, and local governments and rely heavily on the funds they receive from these state institutions to provide goods and services to individuals (Grønbjerg and Smith 1999; 2006; Salamon 1995). Indeed, government grants to nonprofit organizations totaled $67 billion in 2000, though this number actually underestimates the nature of the relationship between nonprofits and government as direct grants are only just one portion of the total revenues that flow from
government to nonprofit organizations (Boris and Steuerle 2006: 74-75). Other nonprofits operate similarly to for-profit firms and businesses, continuing their operation mainly by charging individuals fees for the various services they provide, from human and health services to education and the production of the arts (Boris 1999; Weisbrod 1997; Galaskiewicz and Bielefeld 1998; Boris and Steuerle 2006). In many ways, as Moore et al. (2002) point out, the nonprofit sector is “characterized best by its internal diversity and complexity rather than by any overarching commonality” (730).

In spite of its vast diversity, and maybe because of it, research on the nonprofit sector as a whole has increased dramatically since the 1960s (DiMaggio and Anheier 1990; Hodgkinson and Weitzman 1992). This attention is not surprising given the fact that the number of nonprofit organizations has increased dramatically over that time period, with some even arguing that the sector was “invented” in the period following World War II (Hall 2006). For Hammack (2001), the growth of the nonprofit sector since the 1960s marked a “quiet revolution” brought about by a general increase in affluence in the United States, the expansion of civil rights and increased attention to the sector from the federal government (165-167). While it is difficult to measure the size of the sector with complete accuracy, one study traced the growth of the nonprofit sector from 309,000 organizations in 1967 to close to 1.2 million organizations in 1996 (Hall and Burke 2006; also see Boris and Steuerle 2006 for more on measuring the nonprofit sector). A more recent study estimates the number of nonprofit organizations in 2005 to be close to 1.4 million (Wing, Pollak, and Blackwood 2008).

While nonprofit organizations make up only a small percentage of the total number of formal organizations operating (an estimated 6 percent of all formal
organizations are nonprofit organizations; business comprises close to 94 percent of all formal organizations), the sector is a viable and growing component of the U.S. economy (Boris and Steurle 2006). Between 1977 and 1997, the revenues of nonprofit organizations increased by 144 percent, after adjusting for inflation, and one report estimated that the nonprofit sector contributed $666 billion to America’s gross domestic product (GDP) in 2006, or equivalent to about 5 percent of the total GDP (Salamon 2003; Wing, Pollak, and Blackwood 2008). Its importance is not only limited to the revenues that it produces, however, as research by Weitzman et al. (2002) estimates that the sector employed close to 11 million paid workers in 1998, accounting for over 7 percent of the U.S. paid labor force (see Wing, Pollak, and Blackwood 2008; Leete 2006 for a discussion of the difficulties in estimating employment in the nonprofit sector). Subsequently, the nonprofit sector pays more wages than many other sectors of the economy including the retail, transportation, wholesale, and information industries (Boris 2008). Many scholars point out that focusing solely on the work of paid employment in the nonprofit sector vastly underestimates the sector’s contribution to the workforce because of its lack of accounting for volunteer work (Leete 2006; Wing Pollak, and Blackwood 2008; Salamon 2003). One report estimates that 26.7 percent of the U.S. population did volunteer work for nonprofits with the average volunteer donating 207 hours of their time in 2006 (Wing, Pollak, and Blackwood 2008).

Of the estimated 1.4 million registered nonprofit organizations in 2005, close to 70 percent are registered with the IRS as 501(c)(3)s. 501(c)(3) organizations are distinct because of their ability to receive tax-deductible donations from individuals and other organizations. It is often these organizations that come to mind when people discuss
nonprofits. Organizations are eligible for tax-exempt status under section 501(c)(3) of the tax code if their purpose includes assisting the poor and underprivileged; advancing religion, education, health, science, art, or culture; protecting the environment, or other purposes beneficial to the community. They must also receive a substantial portion of their income, either directly or indirectly, from public support. That public support, however, can come in a variety of forms including donations from individuals or support from government (Wing, Pollak, and Blackwood 2008). Indeed, public charities that operate as 501(c)(3)s can be found in every single NTEE classification category. The discussion and analysis of the nonprofit sector in this dissertation will focus solely on nonprofit organizations that are registered with the IRS as 501(c)(3)s.

The nonprofits that fall under the 501(c)(3) category not only make up a large proportion of the total number of nonprofit organizations, but also account for a large percent of the activity within the sector. As reported in the Nonprofit Almanac for 2008, 501(c)(3)s account for 80 percent of all expenses and 74 percent of all assets reported to the IRS by the nonprofit sector. Organizations that operate as 501(c)(3)s reported a total of $1.1 trillion in expenses and $2.0 trillion in total assets for 2005. In that way, it makes sense that the vision that we ordinarily have of the sector as a whole is often equated with this specific category of nonprofits, and it makes sense for 501(c)(3)s to be the sole focus in this dissertation.

While 501(c)(3)s are the most typical nonprofit organizations and also the most significant in terms of assets, revenues, and expenses, the distribution of assets, revenues, and expenses is highly unequal. Most of the assets, revenues, and expenses are concentrated in the largest organizations, and two types of organizations—hospitals and
higher education institutions—account for half of all total expenses and assets of all public charities. All in all 3.7 percent of all public charities account for 82.7 percent of all expenses where as close to 74 percent of all public charities account for only 2.6 percent of expenses. In fact, the large majority of public charities report less than $500,000 in expenses.

The largest of the public charities also tend to be the oldest as well with 60 percent of organizations that have $10 million or more in total expenses founded prior to 1985 and over half of all organizations with less than $500,000 in total expenses founded in 1993 or later. Given the vast inequality in terms of revenues and expenses among 501(c)(3) organizations, it is obvious that not all nonprofit organizations are created equal (nor do they operate equally). The focus of this dissertation on the largest organizations within the sector, then, makes sense for the purposes of researching how prominent actors within the sector relate to other sectors in the economy and the state, especially when it comes to their elite nature and influence.

*The Power Elite and its Challengers: The Two-tiered Nonprofit Sector*

The nonprofit sector, then, is important to any understanding of power and politics at the national level. Yet as stated above, the inclusion of the nonprofit sector in studies on the structure of elites has been limited to a small set of researchers still writing from a power structure approach in the tradition of scholars like C. Wright Mills and Floyd Hunter. According to the leading thinker in this tradition today, G. William Domhoff, nonprofit organizations are important to an understanding of conflicts between the power elite and the liberal-labor coalition (Domhoff 2006). For him, the power elite consists of members of the upper class and upper-middle classes who occupy important
formal positions in the largest corporations and a set of nonprofit organizations that comprise what he calls the policy-planning network. The power elite acts as leadership group who defend the interests of the owners of all large-income producing properties in the corporate community, and are the dominant power group at the national level in the United States (2006: 103). For Domhoff, economic elites are said to form a corporate community, or a well-knit group of profit-seeking organizations connected to one another through their overlapping directors, common stock ownership, strategic alliances, and producer networks (Domhoff 2006: chapter 2). At the same time, the corporate community heavily finances a policy-planning network consisting of nonprofit, “nonpartisan” organizations including foundations, think tanks, and policy-discussion groups, which monitor, identify, and formulate policy. In other words these policy-planning organizations help the power elite protect and defend their common interests in conflicts with challengers from the liberal-labor coalition, which for Domhoff is a more loosely affiliated coalition of liberals, progressives, and anti-capitalists (Domhoff 2006: chapter 4).

According to Domhoff, then, the nonprofit sector consists of two tiers: the nonprofit organizations connected and linked to the corporate community and those connected and linked to the liberal-labor coalition. Domhoff argues that while some nonprofit organizations are essential to the liberal-labor coalition’s attempt to expand democratic participation, individual opportunity, and overall equality, they ultimately face major limitations in their ability to pursue their interests because they are “beholden to a corporate-financed network of nonprofit organizations concerned with maintaining the current class structure and the huge privilege it delivers to the wealthy few” (Domhoff
In this way, there are some nonprofit organizations that are co-opted by the corporate community and there are some nonprofits who act as extensions of the corporate community. Thus the power elite is able to mediate and ameliorate any challenges that emerge from the liberal-labor coalition because they control the resources available to organizations acting on behalf of the liberal-labor coalition (Domhoff 2009: 956). Subsequently, nonprofit organizations that seek to challenge and oppose the corporate dominance reflected in the power elite are at a disadvantage unless they are able to develop strategies that attract more members or resources without the help of corporate-backed nonprofit organizations in the policy planning network.

In making this argument, Domhoff has typically looked at elite interaction and funding networks between the corporate community and the nonprofit organizations that make up what he calls the policy-planning network. To his credit, he has compiled compelling evidence for ties between the two sectors in terms of their shared directors and funding relationships. His research, however, has focused mostly on those few foundations and think tanks that fit relatively neatly and seamlessly into his theoretical argument. He has conducted less systematic research to test his theory on the ties among large sets of corporations and nonprofit organizations operating in a wider variety of issue areas.

Other studies of nonprofit organizations and their elites from a power structure approach also tend to be limited in scope. They focus only on certain subsets of nonprofits and give most of their attention to foundations, think tanks, and policy-discussion groups (Burris 1992, 2008; Colwell 1980; 1993; Domhoff 1979; Salzman and Domhoff 1983). As stated above, all but ignored within the power structure literature is
the extent of overlap in the corporate community and the policy-planning network with elites from other nonprofit sectors especially public charities. This is despite arguments made by some scholars that public charities are often the most likely to work with and for groups that seek to expand democratic participation and economic equality (Berry 2003; for a notable exception of inclusion of charities Moore et al. 2002). When public charities have been included in the research, the samples have been relatively small, included only some sectors of public charities (i.e. universities and arts organizations), or have fallen prone to methodological issues.

Nonprofit Interlock Research

But again, the focus of interlocking directorate research has been almost entirely on corporate boards of directors. The literature on interlocking directorates of nonprofit organizations is relatively limited, with most of the attention given to nonprofit organizations active in policy-planning and policy formulation. From the perspective power structure researchers, policy-planning organizations are important because they act as a training ground for elites to become politically active and serve as a means by which leaders come together in order to reach consensus on the policy issues of concern to them (Allen 1992; Burris 1992; Domhoff 2006). They are also important because they help formulate public policy and have influence over the options that elected officials consider (Domhoff 2006; Colwell 1980).

Val Burris probably has done the most comprehensive research on interlocks among policy-planning groups. In one study, Burris (1992) looks at 12 leading policy-planning groups between 1973 and 1990, and finds significant overlap among the 12 organizations, with the density of interlocks increasing between 1973 and 1980 and
declining moderately between 1980 and 1990. Though the boards are heavily tied to one another, policy-planning groups form into moderate and ultraconservative cliques with some key organizations—the Business Roundtable especially—creating ties between the two cliques. Of particular note, Burris also finds top executives of the largest corporations make up over 90 percent of the inner circle of these policy-planning organizations, and that these individuals are drawn overwhelmingly from the largest industrial and financial firms.

In a more recent study on these same 12 policy-planning groups, Burris (2008) finds that ties among policy-planning organizations tend to be much more stable over time at the dyadic-level than corporate interlocks. For Burris, this suggests that the ties among policy-planning organizations are formed for different reasons than the ties formed among corporate actors. While there is little evidence that corporate interlocks form as a means of collusion, cooptation, and control, it seems that the network stability found within the policy-planning network suggests that coordination and control are significant factors in creating ties among policy-planning organizations. Particularly, Burris finds that ties between policy-planning organizations are an outgrowth of similar political ideologies, with policy-planning groups maintaining ties with ideologically similar organizations. Burris argues that such findings substantiate qualitative research by others, which demonstrates that policy-planning groups are tied with one another through their common funders and common policy agendas (Allen 1992; Peschek 1987). He also notes that we can use the changes in ties among policy-planning organizations to demonstrate larger shifts in political ideologies among elites at the national level, including what some would call the right turn in U.S. policy (see Edsall 1984; Ferguson...
and Rogers 1986 Allen 1992 and Jenkins & Eckert 2000 for overviews). These findings are important because they show that interlocks form for distinct reasons within the nonprofit domain of policy-planning organizations. This lends credence to the idea that we should look at each domain separately to understand the reasons for the formation of ties among different types of organizations.

Yet despite this evidence, most of the other non-corporate interlocking research, even research that includes policy-planning groups, examines nonprofit organizations and the extent to which they have ties to organizations in other arenas. For example, one study looks at ties among 17 policy-planning groups and 13 elite social clubs and finds that policy-planning organizations, especially the Business Council and the Committee for Economic Development, are the most central organizations in this network (Domhoff 1975). Another study by Mary Anna Culeton Colwell (1980) examines interorganizational links in 1972 and 1975 for 77 private foundations and the 31 organizations to which they grant money. Many of these 31 recipient organizations are active in policy-planning and policy formulation. She finds that there are a number of board overlaps from the foundations to these policy planning organizations with the Brookings Institution, the Council on Foreign Relations, the Hoover Institution, and the Committee for Economic Development with the most ties to foundations.

Still another study by Salzman and Domhoff (1983) looks at ties among 11 foundations, 12 universities, 6 policy discussion groups, 7 civic and cultural organizations and their ties to 201 of the largest national corporations and 20 corporate law firms of prominence. They find that nonprofit organizations are connected to the corporate community with some nonprofits among the most central organizations in the
network, especially policy-planning organizations, universities, and foundations. They note, though, that center of the network is dominated by corporations and banks with the predominant number of nonprofits occupying peripheral positions. They argue that their findings suggest that nonprofits have connections to the corporate community, and that the corporate community consists of diverse sets of organizations. But they note that the diversity of the overall national elite network seems to be “by-invitation-only,” where nonprofits primarily serve as potential sites of elite communication and socialization on the periphery of the network. In particular, it seems the most prominent nonprofits in the corporate community are policy groups lending support to the idea that these groups play a major role in building cohesion among corporations and class cohesion among the individuals who sit on the boards.

A more recent study confirms the findings of Salzman and Domhoff for ties among nonprofits and other domains. A study by Moore et al. (2002) examines board interlocks for 1997-98 for a sample of 100 large corporations, 50 foundations, 47 charities, and the same 12 policy-planning groups used in other studies. They find that large corporations tend to be the most central and heavily interlocked organizations in the overall network, while nonprofit organizations primarily occupy peripheral and isolated positions in the overall network. Public charities are especially peripheral in the overall network, with close to 50 percent of public charities isolated from the overall network. Nonprofits active in policy-planning, however, are among the most central organizations in the mixed sample with three organizations among the 10 most central organizations in the overall network (Committee for Economic Development, Brookings Institution, and the Council on Foreign Relations).
More recently, Domhoff (2009) has drawn on case studies as a way to further his argument about the role of corporate-backed nonprofit organizations, but again this research is limited in its generalizability as Domhoff uses five cases selected specifically to fit his argument. While admittedly, Domhoff uses these case studies to build his theory on the ties among nonprofits and the power elite, there is a need for systematic research with larger samples of organizations in order to test his theory systematically. In particular, my dissertation will focus on a large sample of nonprofit organizations from various sectors, and will address the question of whether or not nonprofit organizations, especially the largely neglected public charities, are connected to Domhoff’s corporate community and policy planning network, and if so which organizations are connected and through what specific individuals.

Civil Society, Civic Engagement, and the Cultural Conception of the Nonprofit Sector

Outside of the power structure tradition, the political role of nonprofit organizations has received the most attention from the literature concerned with the concept of civil society, where civil society refers to the “formal and informal associations, organizations and networks that are separate from, but deeply interactive with, the state and the business sector” (Boris 1999: 1; see Cohen and Arato 1992; Alexander 1998; Jacobs 2003 for overviews of the literature on civil society). In the United States, the fascination with civil society and its role politically reached a fervent pitch with the publication of Robert Putnam’s famous 1995 article “Bowling Alone,” an

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9 There is still considerable debate on how civil society as a concept should be defined and what it actually entails (see Walzer 1999; Young 2000; Wuthnow 2001; Edwards 2004 for definitions). For me, civil society refers to an analytically specific arena of activity where nonprofit organizations are predominant and potentially powerful. While there is no denying that the boundaries between the state, economy, and civil society are blurry and dynamic, treating the three as analytically distinct proves to be heuristically beneficial in mapping how they are related to one another (Andrews and Edwards 2004: 484).
argument for the declining civic engagement and social capital in the United States. Invoking Alexis de Tocqueville’s ([1835] 1988) discussion of the importance of voluntary associations to the health and vibrancy of American democracy and drawing from his own comparative research on the Italian regional government system formed after 1970, Putnam points to an erosion of participation in electoral politics, decreasing membership in voluntary associations, and an overall decline of face-to-face interactions among individuals in the United States (for his work on Italian regional government which acts as the foundation for his argument on the United States see Putnam 1993; for his application to the United States see Putnam 1996; 2000; 2003). For him, the emergence of single issue advocacy organizations that equate check writing with membership erodes the kinds meaningful civic engagement necessary to a healthy democracy.

Putnam argues that these patterns of eroding engagement correspond with decreasing levels of trust among individuals in the U.S. and individuals’ decreasing levels of trust with major institutions, including government. In other words, patterns of disengagement along with a corresponding increase in levels of mistrust are characteristics of what he calls a decline in social capital, or the decline in the generalized feelings of trust and reciprocity fostered through social networks (see Coleman 1988; Coleman 1988; 1990; 1994).

10 Thus many researchers have shifted their focus to determining the reasons why civic engagement has declined in the United States. Some researchers argue that declining levels of civic engagement have been brought about by macro-level changes in American culture including an increasing orientation toward individualism (Bellah et al. 1985; Barber 1984). Others explain declining engagement in terms of generational change and the choices made by individuals to forgo engagement for other activities like watching television (Putnam 2000). For these scholars, the “good society” or vibrant democracy has disappeared over time and can only be regained through increased attention to fostering community through face-to-face interactions.
Bourdieu 1986 for different conceptions of social capital). In this way, the paperless membership organizations that have emerged to replace membership organizations promote a “constricted notion of citizenship—citizen as disgruntled claimant, not citizen as participant in collective endeavor to define the public interest” (Putnam 1996: 27). For Robert Putnam, the informal associations and formal organizations that foster bonds of trust and mutual obligation among individuals are the necessary in order to achieve a stable and healthy democratic society.

Much of the emphasis in line with Putnam has been on the micro-level and cultural aspects of civic life. Many scholars attempt to identify those organizations in civil society that have the potential to foster the kinds of trust, mutual obligation, and reciprocity necessary to a healthy and vibrant democracy. In this way, associations and organizations in civil society, often nonprofit organizations, foster individual participation and are said to be key components in the political socialization of individual citizens into the necessary attitudes and behaviors of democratic citizenship (Putnam et al. 1993; Putnam 2000; Verba, Schlozmann, and Brady 1995; Wuthnow 1991; 1998; Almond and Verba 1963). Voluntary associations and nonprofit organizations, then, are “schools of citizenship” and act as mechanisms through which individuals are educated to be more socially responsible and civic-minded by imparting important democratic skills like a shared responsibility to collective action, cooperation, collaboration, compromise, or what some would call a public-spiritedness (Ehrlich 2000; Colby and Ehrlich 2000).  

At the same time, civil society is an arena outside of the state and economy where

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11 For some, even nonpolitical voluntary groups transfer skills to individuals like letter writing, public speaking, and holding meetings. These skills are the same types of skills needed in a democratic political system (Verba, Schlozman, and Brady 1995: chapter 11)
individuals are able to join together privately to attain and achieve public goals (Putnam 2000; Drucker 1989; Boris 1999). Particularly, membership-based nonprofit organizations are important in that they are able to mobilize individuals around common interests and serve to monitor the activities and the effects of activities pursued by actors in the state, economy, and also in the nonprofit sector itself (Boris 1999; Clemens 1997).

There is not enough empirical evidence, however, to suggest that active member involvement in voluntary associations or nonprofit organizations brings about corresponding increases in civic-mindedness, social responsibility, levels of trusts, or even vibrant democracy. In the first place, the lowest levels of civic engagement and social capital tend to be among individuals who are marginalized and underprivileged in other economic and political ways (Wuthnow 2002b). Declining social capital, then, may just be reflective larger trends in the U.S. including increasing economic inequality (Wuthnow 2002b; Jacobs and Skocpol 2005). Evidence also suggests that the benefits of active civic engagement generally accrue to those individuals who are more likely to be active politically (Sobieraj and White 2007: 93). Questions then emerge as to how social capital and civic engagement can be used to promote the interests of a broad variety of groups.

Secondly, many scholars question whether face-to-face interactions and participation in voluntary associations actually promote democratic values or translate into political activity (Eliasoph 1998; Kaufman 2002). For example, Sobieraj and White

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12 Scholars note, however, that the degree to which voluntary associations socialize individuals into democratic values depends on the organizational features including organizational constitutions, low budgets, low reserves, and little or no professional staff (Clemens 2006: 209).
demonstrate that the relationship between membership in a voluntary association and political activity is contingent upon political dialogue and interaction within the association (Sobieraj and White 2004). Even if the potential for membership to translate into political activity exists, scholars question whether such interactions are oriented towards narrow self-interest or broader political equality—which for Tocqueville, the hallmark of the U.S.’s vibrant democracy was its relative associational equality (Sobieraj and White 2004). For example, some argue that there might even be a “dark side” of civic engagement where those that are particularly active tend to hold more extremist viewpoints than the general public. The voices of the most active, therefore, potentially cause polarization and ultimately lead to the average citizen’s increased disillusionment with government (Fiorina 1999). Thus, the cultural focus on the need to revive community and democracy through face-to-face interactions is optimistic at best and more likely just plain naïve. In looking to bring back this type of community without ever really knowing if it actually existed in the first place, many in this tradition fail to recognize that some individuals, even organized individuals, face structural and institutional limits on their capacity to affect political outcomes, especially when it comes to politics at the national level.

My biggest problem with the cultural orientation in the civic engagement literature, though, is that it examines civil society and the organizations that comprise civil society with an emphasis on a specific conception of what civil society should look like. I would argue that in some ways, much of this strand of civic engagement literature operates from a normative understanding that civil society ought to be made up of certain types of organizations—those organizations that foster mutual obligation, trust, and
reciprocity—even though there is limited empirical evidence that membership organizations have historically worked to foster such feelings and values and whether they continue to foster such feelings and values. I would also argue that their focus on the disappearance of certain types of associations and organizations, especially membership-based associations and organizations, is based on the assumption that democracy in the United States operates in a bottom-up, pluralistic way.

For example, in his research to date, Putnam has focused mostly on the social foundations of democratic governance. He argues that a democratic system starts with societal demands placed upon a government institution through political interaction, and it is ultimately the responsibility of the government and the actors that make up government to choose and implement the policy options most in line with the demands placed upon it by social actors (1993: 9). A high functioning, or vibrant democratic political system “…must be both responsive and effective: sensitive to the demands of its constituents and effective in using limited resources to address those demands” (1993: 9). In this way, these cultural orientations toward the nonprofit sector focus on the “input side” of political systems (Clemens 2006: 208). By starting with the assumption that government responds, or should respond, to the societal demands placed upon it, however, Putnam and others must see the disappearance of certain types of membership-based associations and their replacement by the professionally-led bureaucratic organizations as automatically detrimental to their conception of an ideal democratic system. Such assumptions about, or desires for, the nature of a political system at the national level are naïve at best. Troubling for me, then, is in taking these assumptions, Putnam and others all but ignore the empirical inequality that has always existed with
respect to the ability of individuals and groups of individuals to place demands on the state in an effective manner—something that Domhoff and those operating from the power structure argue quite loudly.

Rather, scholars operating in the social capital tradition long to bring back some lost “golden age of associationalism” consisting of fraternal lodges and voluntary associations, which themselves work to socialize and mobilize democratic citizens across class and geographic boundaries. In so doing, they look for ways to revive local, American communities and push for individuals to socialize and interact with one another across a wide-range of activities (Putnam 2000: chapter 24). By operating with an idealized conception of democracy, however, Putnam and others fail to examine the role of the civil sphere within U.S. political system as it has emerged alongside contemporaneous changes in the economy and the state. As Theda Skocpol eloquently writes, “We live in a nation marked by growing gaps between the rich and the upper middle class versus everyone else…at a time when money and top heavy initiatives count for more and more in organized politics and associational life, how could our national democracy possibly be revitalized through indiscriminate increases in any and all kinds of local sociability” (2003: 257-258). Thus, the social capital tradition longs for a past that seems incompatible with the political realities of the contemporary United States. Scholars like Putnam fail to examine the location of real power and influence in society because they are blinded by the theoretical assumption that government, or the state, responds to societal demands. I argue that instead of longing for some idealized, if not fictional, democratic past, research and theory should focus on the world that we have now, and assess the extent to which those in formal and institutionalized positions of
power are working with one another in a way that is representative of a wide variety of interests. In so doing, we can assess whether the structure of power utilizes a formula that includes diverse and divergent interests in a way that allows these interests to give voice to their concerns.

*Diminished Democracy: The Structural Reorganization of the Civic Sphere*

There are plenty of scholars within the literature on civil society who argue that the cultural focus on civic education and political socialization within civil society neglects many recent political and economic transformations in the United States—who acknowledge that the world desired by Putnam and others is a myth. These critics argue that these transformations have at least altered, if not constrained, the opportunities for individuals and groups of individuals to engage in active and efficacious civic activity (Crenson and Ginsberg 2002). They look at the changes in civic sphere from a more structural-institutional perspective. Thus, civil society in the United States is not necessarily characterized by a decline in overall civic engagement, but rather a reorganization of the nature and types of engagement. Though scholars within this structural-institutional tradition have varying opinions about whether these changes are beneficial or detrimental to the representativeness and responsiveness of U.S. democracy (e.g. Brint and Levy 1999; Hall 1999; Crenson and Ginsberg 2002).

For Theda Skocpol, the activism and social movements of the late 20th century challenged and transformed social realities and civic life. The civic sphere we see today is much different than the civic sphere of the past. Gone from the civic landscape are the “classic American voluntary groups built by and for the citizens…[that] expressed broadly shared identities and values, engaged in raucous conflict with one another, and
linked people to state, regional, and national centers of power” (Skocpol 2003: 256). Thus, we have lost large membership organizations who act on behalf of their respective members, who themselves represent a wider variety of economic and social perspectives. In place of these membership organizations, we now have professionally-led nonprofit organizations whose focus is on gaining access to government and attention in the media, without orientations toward some broad and inclusive membership group.

But for Skocpol, the emergence of these organizations is logical given the changing political landscape. The new organizations we have today developed as a way to capitalize on the new political opportunities ushered in by social, political, and technological changes. The focus of civic life thus has shifted from cross-class membership federations committed to mobilizing large numbers of fellow citizens to professionally-led organizations without large and broadly inclusive memberships (Skocpol 2003: 220). She writes, “Washington D.C. suddenly seemed to be where most of the action was, and both associational leaders and politicians learned to contest for national power in innovative, mutually reinforcing ways (Skocpol 2003: 199). Thus, contesting for power has become more about lobbying efforts at the national level, and tactics have shifted toward fundraising and media campaigns targeted toward narrow interests and/or specific constituencies.

The modal form of association, then, has shifted away from cross-class, inclusive community groups linked to the national government through federated memberships of state and local chapters toward large, hierarchical, professionally-led bureaucracies geared to *specific* issues and *narrow* constituencies. She argues that this shift has also changed the dynamics of power within the civic sphere. Now, control within the civic
sphere resides increasingly in the hands of the few professional elites who have attained positions as high-level managers or trustees of large nonprofit organizations. Civic life, therefore, operates with a more top-down approach where elites within the new organizations lack the incentives, capacity, or even the need/desire to mobilize a broad and diverse set of ordinary citizens. As Skocpol writes, “Why should highly trained and economically well-off elites spend years working their way up the local-state-national leadership ladders of traditional membership federations when they can, instead, simply send checks to advocacy groups, or contribute to service providers, or serve on the boards of their favorite charities” (Skocpol 2003: 219).

The problem for Skocpol, then, is that individuals at the local level become disconnected from decision-makers and at the same time lose strong ties to one another. In this way, ordinary citizens lose their sense of belonging to some larger political system and the organizational capacity to give voice to their demands to larger political institutions. Thus, the civic sphere has lost its capacity to effectively work from the bottom up. For Skocpol, large membership organizations once served the interests of their members, who themselves came from a variety of social class backgrounds, but she argues that the new organizations that dominate the civic sphere no longer act in the same ways.

For researchers like Theda Skocpol and Peter Dobkin Hall, the changes in the civic sphere are detrimental to American democracy. They argue that the increasing bureaucratization and professionalization of the civic sphere creates disconnections between people at the top and people at the bottom and between actors at the national level and actors at the local level (Dobkin Hall 1999; Skocpol 2003). In this way, the
emergence of centralized organizations, staffed mostly by highly educated and affluent individuals, ultimately privileges the interests of these middle class and upper-middle class professionals at the expense of the interests of a broader and less privileged public. At the same time, because of the way funding operates, the centralized organizations only focus on specific, narrow interests or appeal to a specific group of people. As Skocpol writes, “Today…civic entrepreneurs are less attuned to majoritarian concerns and more likely to organize and speak for specific issue or identity constituencies” (2003: 241).

Lost amidst these changes are the old types of cross-class federated associations and organizations that made appeals for broader social protections and greater opportunities for everyone. And ultimately lost are actors within the civic sphere who mobilized larger numbers of citizens through federated membership groups to pressure the federal government.

There are problems, however, with Skocpol’s approach to the understanding of the civic sphere. First, Skocpol spends most of her time bemoaning the loss of federated membership organizations, and offering prescriptions regarding what the new professional advocacy organizations can do to “strengthen the links between democratic governance and representatively governed civic associations capable of involving large numbers of citizens” (Skocpol 2003: 291). But like those operating with a cultural orientation, in focusing on what we have lost and how to regain what has been lost, she fails to examine how the emerging professionally-led nonprofit organizations fit into the civic sphere that actually exists. While large membership organizations with memberships consisting over 1% of the national population might not exist to the extent that they have in the past, there are nonprofit organizations that have emerged that
command a significant amount of resources and are successful in their ability to gain attention for the issues to which they are oriented (Berry 2003). As some have noted, if Skocpol had spent more time examining the civic sphere as it actually exists, she would have seen that there is more organizational diversity today than she actually recognizes (Minkoff et al. 2008).

To her credit, Skocpol sees some positive developments as an outgrowth of the reorganization of the civic sphere. She writes, “New voices are heard, and there have been invaluable gains in equality and liberty. But vital links in the nation’s associational life have frayed, and we need to find creative ways to repair those links if America is to avoid becoming a country of managers and manipulated spectators rather than a national community of fellow democratic citizens” (2003: 292). This comes to my second problem with Skocpol’s approach. I do not think it is appropriate to assume that the disappearance of old-style membership organizations automatically leads to the U.S. becoming a group of “manipulated spectators.” By assuming this, she neglects the kinds of roles that these “managers” play amidst a political landscape marked by the importance of money and top-heavy initiatives. She also neglects the kind of support that these nonprofit organizations get from individuals and other sources. Sure, the professionalized organizations may not consist of as many members as they used to, but they do operate in a variety of domains and potentially have the capacity to effectively act on the behalf of a wide-range of interests that cut across different social bases, classes, and geographical areas. Thus, Skocpol fails to examine the real question of whether professionally-led nonprofit organizations are capable of representing a diverse and plural set of interests or whether they are merely reflective of elite interests and

My third problem with Skocpol is her focus on Washington D.C. as the center of national politics. In so doing, she fails to see that the largest organizations in the civil sphere are not located solely in Washington, D.C. Rather, they have an institutional presence in all regions of the country, and in so doing have at least the potential to bridge national, regional, and local levels through mechanisms other than direct member involvement. In this way, Skocpol fails to see that some of the largest nonprofit organizations are also quite active in the local community, even if it is not directly through intensive membership involvement. At the very least, there are plenty of power centers that exist outside of Washington D.C.

Thus for me, the focus should be on the examination of the role that prominent nonprofit organizations play in the civic sphere. Empirically, I argue that it is important to analyze who the managers of nonprofit organizations are and the extent to which they have the ability to represent the interests of a diverse array of organizations and interests. I argue that answers to such questions are contingent upon the degree to which the organizations and elites in the nonprofit sector are distinct from organizations and elites in other sectors. But at the same time, it is contingent upon the extent to which organizations and elites are capable of giving voice to their interests to important and powerful actors in other sectors, and not just within the state. Thus an important question will be whether elites in the nonprofit sector have access to elites in other sectors.
The final problem I have with Skocpol’s argument is her argument that large nonprofit organizations are uninterested, unwilling, or at the very least unable to advocate for issues that affect broader constituencies because their goals are targeted toward narrow interests. Such an argument made by Skocpol seems eerily similar to older pluralist arguments about the business community being unable to look out for its broader interests. From this older pluralist perspective, businesses are divided and unable to act in a unified way. They have narrow and specific political interests because they operate in their own narrow sectors of the economy and therefore are more likely to compete with one another. There is evidence, however, that at certain times business is able to put aside their parochial differences in order to advocate for their interests as a whole. For example, corporations have a variety of mechanisms that can help them work together, including Domhoff’s policy-planning network and the existence of an inner circle of corporate elites.13 When it comes to large nonprofit organizations, then, there is no reason to automatically assume that the elites who govern them are only interested in the specific issues of one organization. This sort of question can be examined empirically by looking at whether elites in the nonprofit sector sit on the board of only one organization or whether an inner circle of nonprofit elites exists made up of individuals that sit on multiple boards of directors. The question for me then will hinge on the extent to which nonprofit elites are distinct from elites in other sectors and the extent to which they are aware of the broader interests of the sector through their membership on multiple boards of directors.

13 For Michael Useem, the “inner circle” of corporate elites can “…rise above the competitive atomization of the many corporations…[to] concern itself with the broader issues affecting the entire large-firm community” (Useem 1984: 57).
New Liberalism and the “Success” of Citizen Groups?

Not all scholars, however, agree with Skocpol that the emergence of professionally-led nonprofit organizations is on the whole detrimental to democracy. For Jeffrey Berry, the structural changes in the civic sphere are beneficial to American democracy. Avowedly political national advocacy organizations geared toward specific issues have been successful at gaining exposure and influence in ways that had not been possible in the past. At the same time, these “citizen advocacy groups,” made up of professional staffs skilled in the art of fund-raising and media relations, are able to speak for a diverse set of postmaterial interests (e.g., concern with the environment, corporate social responsibility) and compete with powerful corporate lobbies at the national level for attention within the media and Congress. Subsequently, citizen groups usher in a “new liberalism,” a liberalism that allows upper-class and upper-middle class professionals and the groups they support to successfully give voice to their issues, especially within Congress (Berry 1999).14 One problem with Berry’s argument, as Berry recognizes himself and Skocpol rightly points out, is that the increasing attention given to these “new liberal” ideals potentially takes away attention from classical liberal concerns with issues like economic equality and increasing social protections (Skocpol 2003: 238).

Another problem with Berry’s argument, however, is that he focuses only on “avowedly political” national citizen groups whose primary purpose is to represent its

14 Debates over the extent to which structural changes in the nonprofit sector are generally beneficial or detrimental to democracy, however, can only be resolved if authors agree on their definition of democracy or their ideal conception of a democratic system. Such agreements, however, are essentially driven by normative assumptions and ideological approaches that neglect key aspects of the real social world.
members through lobbying the national government (1999a: 369). This stems from Berry’s assumption that “Congress is at the center of national politics, and the policies it considers and acts on shapes the lives of Americans in direct and fundamental ways” (Berry 1999b: 2). This neglects a whole segment of large nonprofit organizations that do not exist solely to lobby the national government, but rather are engaged in educational, religious, scientific, and/or other types of charitable behavior. In that sense, they are not avowedly political organizations with a focus on pressuring the state. In fact, the nonprofit organizations that I deal with in this dissertation, 501(c)(3) organizations, are limited with respect to the amount of money they can devote to their lobbying efforts in ways that other types of nonprofits and business organizations are not. But being limited in the amount of money they can spend on lobbying elected officials does not mean that public charities are unimportant in the political landscape, take no interest in politics at the national level, or lack the capacity to influence outcomes at the national level. For me, it is difficult to think of elected officials developing policies or voting on bills regarding education, social services, the environment, or healthcare without taking into account the interests of the largest active nonprofits in those areas, whether they have lobbied intensively or not. And if they do, I would argue that it is more likely a reflection that the elites within the nonprofit sector are isolated from the interaction and communication networks of elites in other sectors.

Despite the limits placed on the amount of money they can spend on lobbying activities, 501(c)(3) organizations have specific policy stances on issues at the national level. This is a point that Berry makes himself in his later book devoted to the nonprofit sector generally (Berry 2005).
level. A quick visit to the website of the American Cancer Society, the largest 501(c)(3) in the health category in 2006, shows a link to their policy stance on healthcare reform in the United States, a jump over to Feeding America’s site, a leading nonprofit in domestic hunger-relief, shows links to their policy stances on the causes and consequences of hunger among children, seniors, and the working poor. Thus, the issues with which they are concerned have affects on a broad range of people and are not always geared to a narrow interest. In this way, they have the capacity to advocate for interests that affect a broad range of people.

Also in response to Berry, it is important to note that not all of the largest nonprofit organizations have goals in line with what Berry would call new liberalism. Not all of the largest nonprofit organizations, therefore, focus on “the need to enhance the environment, protect the consumers, or improve personal well-being” (Berry 1999: 2). Some push for causes which might be directly opposed to these “new liberal” ideals. While others work to protect the interests of traditionally disadvantaged and underprivileged groups. It is important, then, to look at a wide range of nationally important nonprofit organizations. Ultimately, while 501(c)(3) nonprofits are limited in the amount of money that they can devote to lobbying efforts, they are have clear policy stances on issues at the national level, albeit a diversity of stances.

The biggest problem, however, that I have with Berry’s argument is its primary focus on national advocacy organizations and Congress, and his argument that Congress is the ultimate arbiter on policy. Berry, therefore, focuses mostly on the ways new liberal advocacy organizations get Congress to enact policies. In so doing, he assumes that government responds to the pressures placed upon it and conflates the actions taken by
Congress with power at the national level. The problem with this, however, is that he fails to see how powerful actors have the potential to alter policies before they even get to Congress, or the ability of some actors of being able to block issues altogether. As Thomas Dye writes, “We may wish that governments act in a ‘purposeful, goal-oriented’ fashion, we know in reality that frequently they do not do so…Government failure to act also constitutes policy. Government inaction may have just as great an impact on society as government action” (2001: 2). For me, then, policies initiated and enacted within Congress are only one component of the policymaking process. A more comprehensive look would focus not only on the degree to which elites can give voice to their interests beyond Congress, but the degree to which the structure of power is reflective of a formula that is open and representative of a wide variety of interests. In this way, policymaking occurs through networks of organizations that are both inside and outside of government. The overarching question, then, becomes whether elites in a wide variety of sectors have proportionate access to one another and to the policymaking process.16

An Elite Approach to the Civic Sphere

The conceptions of how democracy should work that stem from the literature on social capital civic engagement in the United States, however, are different than the

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16 For example, corporations do not have power solely because they actively lobby Congress. They also control resources on which government and society depend. At the same time, they are actively involved in policy-discussion groups and think tanks, which allow them to formulate, manage, and direct policy. They have individual elites who are aware of the interests of a number of different organizations, and in so doing have interests and goals beyond the scope of any one organization. In this same way, public charities and nonprofit organizations are potentially powerful because of the resources that they control and the substantive areas in which they are active. The empirical question, then, is whether public charities and nonprofits have interests that are distinct from the interests of other sector and whether they have mechanisms to formulate, manage, and direct their policy interests. Or is it true that they are in a position of dependence because they depend on backing from the corporate community, who can use their funding to ameliorate and mediate potential challenges.
conceptions of democracy that emerge from the elite tradition. In fact, many in the elite tradition question whether it is even useful to distinguish between democratic and nondemocratic regimes in the first place.\(^\text{17}\) Elite theorists argue that the extent to which a political system is representative and responsive, a conception that is similar to pluralist conceptions of democracy, has less to do with societal demands than it does with the political formula used by elites to maintain and justify their power (Mosca 1939; Pareto 1935; Higley and Burton 2006). There is no normative assumption that political systems or regimes should look a specific way. Rather, the elite tradition starts with the pragmatic assumption that analysis focus on political systems as they actually operate and exist. There is no assumption that representativeness is contingent upon the activity and engagement of individual citizens, but rather a focus on the extent to which those in formal positions of power utilize a political formula that takes into account the interests of other powerful groups with the acknowledgement that not all citizens have the same capacity to be active and effective.

For elite theorists, the focus should be on those who have the capacity to affect outcomes regularly and substantially. The elite tradition argues that that power rests in the hands of the numerical minority of people who control the largest organizations and institutions in society. As political scientists Charles Lindlom and Edward Woodhouse write, “the immediate and proximate decision-makers in government, in business, and in the nonprofit sector comprise a small fraction of the citizenry….So troubling as it may be, the existence of a decision-making elite…is a fact of political life” (1993: 9). The

\(^{17}\)Borrowing from the approaches of classical elite theorists, Higley and Burton write that democracy is really just “a political formula used by elites to defend or attack political orders that vary according to whether power sharing through representative political practices is the modus operandi of elites” (2006: 16).
elite tradition, therefore, operates with the realistic, empirically-based recognition that not all groups in society have equal power (Michels 1911; Mosca 1939; Pareto 1935; Dye 1990). This does not mean, however, that political systems are automatically unresponsive and unrepresentative of the interests of individuals in society. It just means that elites are the determining factor when it comes to representativeness and responsiveness of a political system, and the level of representativeness and responsiveness of a political system is an empirical question (Higley and Moore 1981; Etzioni-Halevy 1993; Higley and Burton 2006). In this way, elites are reflective of power that is institutionalized in the political system.

For those operating in the elite tradition, the level of representativeness of any political regime is contingent upon the configuration of elites within that political regime (Etzioni-Halevy 1993). There are two key components in elite configuration: structural integration and value consensus. Structural integration refers to the extent to which there are dense networks of elite interaction across a wide variety of sectors. Value consensus, on the other hand, refers to whether there is tacit agreement among elites with regards to political behavior and how they relate to one another.

In their historical-comparative research, John Higley and Michael Burton find a clear relationship between the configuration of elites and the type of political regime. For them a stable and representative regime typically has consensually united elites. Thus, stable and representative regimes have both structural integration and an agreement about

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18 In arguing this, I am not saying that the societal demands of the masses are unimportant in political systems, but rather am saying that societal demands are important only to the extent that people in positions of power and authority use them as part of their political formula. The elite tradition has always noted the importance of elite-mass linkages.
the broad rules of political behavior. In stable and representative regimes, elites from all sectors overlap, interlock, and interact with one another, but representativeness is only possible if no one single faction dominates the networks. While sets of elites can oppose one another regularly and publicly, consensually united elites exist as long as they agree on the general worth of existing political institutions and the norms that govern them. In this way, a stable and representative political regime exists only to the extent that elites trust one another and cooperate with one another so that transitions of power are relatively peaceful and decisions at the national level are centered in a representative body that is open to competing factions (Higley and Burton 2006: chapter 1 and chapter 6).

As mentioned above, one of the biggest problems is that studies of elite configuration have waned recently in the United States. My particular concern in this dissertation is the lack of recent research within the elite tradition on the structural integration of elites. To the extent that a literature on the structural integration of elites exists at all, it focuses almost exclusively on the integration of corporations and the corporate elite. There is relatively little recent research on the extent to which elites across a wide variety of sectors interact with one another, and thus no real empirical analysis of whether elites from largest organizations in a wide variety of sectors are structurally integrated. Because of this, elite researchers have remained relatively silent on how elites from the nonprofit sector fit into the overarching national elite network. I would argue that in so doing, they have neglected to see where nonprofit organizations fit into the overarching system of power and politics in the United States, and thus have failed to continue to examine the extent to which the structure of power is reflective of a
political formula that is representative and in line with the ideal democratic principles of the country. At the same time, we have failed to see whether the structure of interaction among elites is reflective of the integration necessary to maintain overall representativeness within the system.

**Research Questions**

My research revolves around specific questions regarding the role of the nonprofit sector in the national elite network and uses three chapters of analysis to assess the integration of elite interaction networks. The first chapter examines the extent to which there are interlocks within three nonprofit domains: public charities, foundations, and think tanks, and also compares the networks of interlocking directorates within these nonprofit domains to the networks of interlocking directorates in the corporate sector. To do this, the network of corporations and their elites are examined on their own, while the networks of public charities, foundations, and think tanks are each analyzed separately. The overarching question is whether each nonprofit domain is internally integrated and whether the integration within each of these nonprofit domains is comparable to the integration found within the corporate sector.

Within this framework, the first chapter initially asks whether there is an inner circle of elites within each nonprofit domain, where inner circles are formed by individuals who hold multiple board positions. Individuals who sit on multiple boards are important because they bring together multiple organizations. Similarly, inner circle elites have the potential to communicate information across organizations and have the capacity to coordinate the activities of multiple organizations. From previous research,
there is plenty of evidence that corporations are brought closer together by interlocking directorates and that these interlocks affect corporate strategies and behavior. Yet because very little research examines non-corporate networks, the first chapter of analysis examines the extent to which such inner circles exist within various nonprofit domains. That is to say that the analysis focuses on whether there are elites who serve on the boards of multiple public charities, multiple foundations, multiple think tanks, and who by virtue of their multiple positions on these boards help integrate organizations within each of the domains.

Next, the analysis turns to the extent to which the inner circles within each nonprofit domain consist of distinct individuals, and whether these individuals differ from the inner circle members of the corporate sector. Thus, the question becomes whether the prominent elites in the corporate sector are different than the prominent elites in the public charity domain and whether inner circle elites in the foundation domain are different than inner circle elites in the think tank domain, and so on. If the individuals that comprise the inner circle of the corporate sector differ from the individuals that comprise the inner circle of the various nonprofit domains, this suggests that corporations and nonprofits are led by different sets of individuals. Given the pluralist argument, it is expected that the prominent individuals in each of the nonprofit domains are distinct from the prominent individuals in the corporate sector, and vice versa. If the individuals are not distinct, then there is evidence for the power structure argument that elites are interchangeable across multiple arenas.

Given this understanding of the importance of inner circles, the second set of analyses within the first chapter looks at the overall structural integration of nonprofit
domains relative to the overall structural integration of the corporate sector. But it not only focuses on integration at the overall structural level, but also asks whether some specific organizations are more integrated than others. Thus, it looks at whether specific types of organizations are integrated within each nonprofit domain and compares them to the corporate sector. From the elite theoretical approach put forth in this dissertation, a system is only representative to the extent that elite interaction networks are representative of a wide variety of interests, where interests are reflected in the substantive area of activity of each organization. Therefore, the analyses focus which organizations are most responsible for integrating each domain, and whether these organizations are representative of only certain interests and issues within each domain or a wide variety of interests and issues within each domain.

In the second chapter of analysis, I turn to an examination of the interlocking directorates and overall structural integration of the domains. In this way, I look at the elite networks of nonprofit domains and the corporate sector simultaneously. The first question of this chapter is the extent to which the overall network is structurally integrated, by examining the extent to which organizations are tied to one another by virtue of shared board members. In so doing, it assesses whether there are networks of elite interaction that allow for elites to communicate with one another, become aware of issues, and potentially coordinate their activities to solve problems and issues across the nonprofit domains and the corporate sector. In this way, the analysis examines whether the network of national elites is structurally integrated at the overall structural level.

Next, the chapter examines whether each nonprofit domain is integrated into the overarching network to the same extent. In particular, the analysis focuses on whether
the overall network is representative of the different domains, and more specifically of a
diversity of interests and issues. If pluralists are correct, then the full network should be
open to a variety of interests. The networks of interaction should reflect that a variety of
organizations and elites have mutual access to one another. In other words, the overall
network should not be dominated by a small set of actors in the ways that power structure
researchers argue. Rather, there should be a wide variety of elites who are representative
of diverse interests who are able to interact with one another, share information, and
coordinate activities. In fact, from an elite theoretical approach, dense networks of
interaction across multiple domains are essential to representative political regimes. At
the same time, I argue that such networks of interaction are essential to the ability of
elites to pursue a coherent social, economic, and political agenda.

If, however, these networks of interaction are dominated by only some actors,
namely corporations and a small segment of think tanks, as power structure researchers
purport, then this is evidence that elite interaction networks are biased towards some
interests and away from others. And in this way the political system is not as
representative and not as democratic as is often thought, at least at the elite level. This
would provide evidence that potentially some interests do not have powerful individuals
who can give voice to their interests to other sets of elites. Thus, no matter what happens
in civil society, it would demonstrate that the structure of power is not representative of a
wide variety of interests.

If elite interaction networks are unrepresentative of a wide variety of issues, this
acts as evidence against the theoretical orientation of the civic engagement and social
capital literature. Scholars like Putnam argue that voluntary associations are important as
schools of citizenship. These associations have the ability to teach individuals important democratic skills like civic-mindedness, social responsibility, trust, and reciprocity. He sees voluntary associations as the key to a vibrant democratic society because of their ability to bring groups of like-minded individuals together. For him, these like-minded associations help individuals become aware of their common interests and these associations allow for like-minded individuals to translate those interests to other powerful actors, especially the state. But Putnam’s analysis assumes that the political system and elites are responsive to groups that are organized and mobilized. The problem with democracy is the lack of engagement at the individual level and accordingly democracy is failing because of the disappearance of these voluntary associations.

But, the question addressed in the second chapter is whether elites take interest in the issues that affect ordinary citizens and especially underprivileged or disadvantaged citizens. In this way, the question becomes whether the institutionalized structures of power are really open to all issues and whether elites are willing to give space to such issues. In other words, do elites from a wide variety of areas have the capacity to give voice to their issues to other powerful individuals, and at the same time are powerful individuals active in other domains willing to listen to the interests and demands of ordinary and disadvantaged citizens? If elite interaction networks are unrepresentative of certain issues and interests at the national level, this is evidence that even the most organized groups might promote and work towards issues that are not on the agenda of other powerful actors. In this way, institutionalized power structures do not given space to certain interests, and the demands of some groups may fall on deaf ears. Ultimately,
the problem with democracy, then, is not the disappearance of voluntary associations or
the lack of federal, state, and local ties, but rather the lack of access for some interests.

Questions about whether certain interests have sets of elites who can give voice to
their interests is also why the third chapter of analysis looks at the extent to which each
one of these sectors has access to powerful actors within the state. So in the third
chapter, I examine each sector again separately and analyze whether each sector has
representation on federal advisory committees. To do this, I examine which
organizations and elites from each sector sit on these federal advisory committees and
once again assess the types of organizations and individuals that gain access to these
committees. The proliferation of federal advisory committees in the 1970s is one of the
developments that Skocpol cites as leading to the growth of the professionally-led
nonprofit organizations. These federal advisory committees collect a variety of
viewpoints on specific policy issues and are created to “bring together various experts—
often with divergent opinions and political backgrounds—to examine an issue and
recommend statutory, regulatory, or other actions” (Ginsberg 2009: 1). Thus, they are an
element of the policymaking process in Washington. To study the extent to which
different organizations have access to these committees, then, gets at the relative degree
to which sectors and the prominent elites within each one of these domains are formally
incorporated into the advisory and policymaking process. At the same time, it assesses
whether elites in a wide variety of sectors are able to give advice on policy prior to the
need for lobbying. In this way, it examines whether some interests are invited in the front
door to be a part of the policymaking process. Thus, the question is to what extent
different sets of interests have the ability to give voice to their issues within the confines of the federal government.

Ultimately, then, this dissertation examines the degree to which large national nonprofit organizations are integrated, fragmented, or isolated within each sector and the extent to which large and nationally prominent organizations in economic, nonprofit and political sectors overlap with one another. To do this, this dissertation analyzes patterns of overlaps and interlocks among the largest and most prominent nonprofit organizations including public charities, foundations, and policy-planning organizations by looking at the extent to which they are linked together through shared organizational affiliations to the largest businesses and the degree to which they are linked to federal advisory committees in the United States. In so doing, I trace the extent to which the largest organizations in the nonprofit sector as a whole are tied to other important sectors, and also to analyze the specific organizations within the nonprofit sector that are connected and tied to specific organizations in the other sectors through their shared board members, trustees, and committee memberships. Since the ties between these various organizations and committees are created by individuals who hold multiple positions as directors, trustees, and committee members of more than one organization, this dissertation also focuses on the characteristics of the individuals who are responsible for creating links between specific organizations and among the various sectors.

In so doing this dissertation sets out to answer a variety of questions: First, it asks whether there are overlaps and interlocks within each of four key domains in the United States. Second, it asks to what extent there are overlaps and interlocks across each of the domains. Third, it asks which of the domains is the most tightly integrated,
interlocked and overlapped within the full network. Fourth, it asks which specific organizations from each domain are tightly integrated in the network of interlocks both internally and externally. Fifth, it asks which individuals are responsible for making connections among specific organizations.
Chapter 3: Methods

Since I am interested in examining the social structure of large organizations and the elites that govern them, I use social network analysis to examine social ties created among different sets of actors. The overarching goal of my research is to detect and interpret the patterns of social ties among actors (de Nooy et al 2005: 5). From a social network perspective, the patterned relationships formed between actors are important because they have the potential to affect an actor’s access to a number of valued resources including information, status, power, and wealth (Wellman 1983: 157).

For some, the understanding that social relationships and interpersonal ties are important represents a paradigm shift within the social sciences (Pattison 1981; Wellman 1983). In fact, these researchers argue that social network analysis is as an alternative and ultimately an improvement over other paradigms. Network analysis is an improvement because it moves beyond ideas of understanding human behavior as a process of internalized norms based on categorical membership. Rather, it looks at how the locations of actors within a set of relationships affect the norms that they follow and ultimately the “social distribution of [their] possibilities” (Wellman 1983: 163).19

Paradigms rooted in categorical understandings see behavior as stemming from the internal characteristics of membership in particular categorical groups. Such understandings of social behavior, however, fail to examine how individuals who are members of certain categorical groups may differ in their opportunities and access to

19 Research conducted concerning the reasons why individuals move from rural to urban areas demonstrates this point clearly. From a normative perspective, many argue that groups move into urban industrial areas as they adopt modern norms and values. Network analysis shows that the reasons for such moves to urban areas has more to do with previously migrated kin or family with whom migrants have relationships.
valued resources based on their social relationships. In this way, categorical understandings often have a difficult time explaining individuals who differ from the norm of any given categorical group.

From a social network perspective, behavior is more a reflection of the patterned relationships of actors than an understanding of proscribed internal characteristics of group membership. Therefore, social behavior is best understood through the analysis of individuals and the extent to which they are embedded in a series of relationships, especially the extent to which those relationships provide them with comparable access to resources rather than any proscribed understanding of an actor based on membership in certain categorical groups (Wellman 1983: 162-167). Network analysis moves beyond techniques that merely look at social properties as the “sum of individual acts” (Wellman 1983: 169). In so doing, social network analysis highlights the importance of patterned relationships to explaining the differences between individuals and their behavior.

Others point out that the real difference between network analysis and traditional social science is its focus on attributes of pairs of actors rather than attributes of individuals (Borgatti and Everett 1997). No matter what the orientation, network analysis starts with the assumption that the pattern of social ties among actors is important. Drawing from this perspective, this dissertation argues that it in order to understand the roles that nonprofit organizations and the elites that govern them play in the national elite network, we need to first understand the relationships that nonprofits and their elites have with other important actors, including important actors in the corporate sector and the state. Such relationships are reflective of where they fit into the overall structure of power. Thus, I focus on the pattern of relationships among organizations and the elites
affiliated with those organizations. In conceiving of structure in this way, I examine the extent to which organizations and the elites that govern them overlap with one another. Such patterns of overlap are important because they are reflective of the capacity of elites to give voice to their issues and concerns to other sets of elites. As I have argued earlier, such an examination is directly related to the extent to which elites are structurally integrated, which in turn affects whether or not a political system is responsive and representative.

It must be noted, however, that the focus is on only one type of relationship among the organizations and directors in my sample—the interlocking directorate. The findings, therefore, are limited to this one type of connection. It is important to recognize that other types of relationships formed among organizations and directors could exist and be equally important to the structural integration of elites. The interlocking directorate is not the only means by which elites and organizations interact with one another and are able to give voice to their issues and concerns, nor is it the only way that elites can be structurally integrated and protect their general interests. It is not the only means by which organizations and elites connect with and influence one another. So I must recognize that there may be other mechanisms that organizations and elites use to become cohesive and integrated.

The interlocking directorate, however, is the primary source of evidence for standard, formalized connections between organizations and individuals, and the foundation for analysis in this sphere. My research, then, is a starting point for tracing the patterns of relationships among and integration of prominent organizations and the elites that govern them. The ties among organizations and directors formed through
interlocking directorates offer a visible and systematic picture of the degree to which elites in a variety of sectors interact and communicate with one another. And as stated above, interlocks have been shown to have effects on the behavior of the organizations and the individuals involved in them. Consequently, board overlaps do provide a picture of whether elites and organizations have mutual access to one another, which does demonstrate the extent to which the networks of elites are structurally integrated. The literature substantiates my focus on interlocking directorates as a way to identify structurally important actors and the relationships formed among them. In many ways, ties are evidence of interaction and communication among organizations and elites. Such ties at least have the potential to help organizations and elites become aware of common issues and interests and coordinate their activities across multiple organizations. Thus, they are reflective of the access actors have to one another.

Data and Sample

This research utilizes data from the newly constructed Elite Directors Database II, and consists of the directors and trustees from the largest organizations in the business and nonprofit sectors in 2005-2006. Data for membership on the boards of directors was obtained from a variety of sources and was assembled based on different criteria for each sector. The sample of organizations was purposive in nature with the goal of selecting the largest and/or most prominent organizations in each of the domains. Within the social network literature, this sampling technique is known as a nominalist approach where the boundary specification of the network is contingent upon the theoretical and practical concerns of the researcher (Laumann, Marsden, and Prensky 1989). Since the
various domains of interest differ in their goals and orientations, I use different criteria to sample the most prominent organizations in each domain.

For the business sector, the 100 largest corporations were selected for inclusion using the 2006 Fortune 500 list (ranked by revenue). For the nonprofit sector, organizations were sorted into three domains to be included in the data set: public charities, foundations, and think tanks. The sample of public charities includes the 50 largest charitable organizations in 2006, ranked by the total value of private support they received as reported by The Chronicle of Philanthropy. As a supplement to these top 50 charities, the data also includes the top five public charities across different categories, but only if these public charities were not already included in the 50 largest overall. 20 With the inclusion of the top five public charities active in different areas, the total sample of public charities is 91 organizations. 21 The sample of foundations includes the 50 largest foundations in 2006 ranked by total assets as reported by The Foundation Directory. With regards to policy organizations and think tanks, I departed from the existing literature and used the most recent and comprehensive research on think tanks, and expand the focus to include the 26 most prominent think tank organizations (Medvetz 2007; 2010). 22

20 The different arenas of public charities are arts and culture, colleges and universities, donor-advised funds, education, environmental and animal welfare, health, hospitals and medical centers, international, Jewish federations, museums and libraries, public affairs, public broadcasting, and Christian.
21 Valid trustee/director data could not be obtained for two organizations in the top 50: Campus Crusade for Christ International and Indiana University. Two organizations in the top 50 are part of the University of California system and therefore share the same board of trustees (University of California—San Francisco and University of California—Los Angeles).
22 For the most part, the literature that has included policy organizations and think tanks has focused on the same 12 organizations. Researchers justify the choice of these 12 based on their reviews of the literature. The problem is that the literature on think tanks and policy planning groups stems mostly from the work of power structure researchers. Thus, most research selects the 12 organizations that are most important to
The final database includes the name, position, organization, and gender of each person appearing on any of these director/trustee lists for the organizations in these samples. Director and trustee information for corporations was obtained from Val Burris’s research and validated using annual reports and Mergent Online. Director and trustee information for nonprofit organizations was obtained using Guidestar.org and was validated using information provided by organizations themselves, via websites and annual reports.

Persons who hold positions on more than one organization create ties between organizations. In most instances, individuals appearing more than once in the database are identified by name, though some names in the database are similar. In cases of similar names, biographical directories like Who’s Who in America and internet searches were used to determine whether individuals actually hold multiple positions or whether they were two separate individuals with similar names. The final database includes 5,488 individuals with demographic data collected for inner circle individuals, individuals who held director positions for more than one organization. Demographic data includes age, gender, race, and religion when possible and was obtained from the websites of the organizations themselves, internet databases like Wikipedia.com and nndb.com, and biographical references like Who’s Who in America. Data was only used when validated across multiple sources.

their theoretical perspective, and not surprisingly, these 12 organizations consistently fit well with their theoretical approach (Allen 1992; Burris 1992; Dye 1992; 2002; Domhoff 1998). For example, it should not be surprising that the Business Roundtable, consisting of the CEOs from the largest corporations, to be heavily connected to the businesses. However, this does not diminish the power structure finding that these are powerful and prominent organizations. Future research should include these organizations alongside the 501(c)(3) organizations listed here.
Methods

The networks of focus in this dissertation are of a specific type: affiliation networks, or what are often referred to as membership networks. Affiliation networks differ from other types of social networks in a variety of ways. Affiliation networks are two-mode networks, meaning they consist of at least two sets of vertices, actors and/or events. In the specific networks that I consider, the actors are the individual directors and the events are the boards to which they belong. Thus, affiliation networks are different than other networks because the focus is on collections or subsets of actors rather than simply pairs of actors. At the same time, the analysis and interpretation of relationships within affiliation networks differs from other types of networks. The uniqueness of affiliation networks stems from the fact that connections among members of one of the modes form because of the ties or linkages established through the second mode. Subsequently, relations among directors occur because of their joint participation on a specific board, whereas ties among organizations occur through the multiple memberships of the individuals themselves. In this way, affiliation networks are unique in their ability to allow us to study the overall network from two different perspectives: the individual directors and the organizations (Wasserman and Faust 1994: chapter 8).

Affiliation networks are part of a long theoretical tradition within sociology that emphasizes the importance of individuals’ membership in different types of groups (Simmel 1950; Breiger 1974; Kadushin 1966). Within this tradition, the assumption is that the identity of an individual—their norms, their beliefs, their values—is a product of their membership and participation in a variety of groups and collectivities, sometimes called social circles (Alba and Kadushin 1976; Alba and Moore 1978). For my particular
research, the choice of an individual to accept a position on a board of a nonprofit or business organization is evidence that they agree with or support the overarching mission and goals of that organization, and in some ways partially reveals their personal preferences and political positions.

At the same time, an individual’s attitudes, behaviors, and norms are potentially affected by virtue of their membership and activity as a board member. As noted in the literature review, individuals with many corporate board memberships tend to behave differently than other individuals, and are more likely to be pragmatic and moderate, and thereby develop a classwide rationality. At the very least, I argue that any individual’s identity is embedded in ongoing networks of social relations (Granovetter 1990). Likewise, individuals who participate in the same groups have an increased chance to form more direct ties with one another (e.g. friendship). Thus, participation in the same types of social events provides the opportunity of individuals to interact and share information, as well as increases their potential to form more enduring relationships with one another (Wasserman and Faust 1994: 292-293).

So too, when individuals or a group of individuals are members of a number of different groups, they form a relationship between the groups themselves. In that sense, overlapping memberships among groups makes information flow more easily across groups and similarly increases the probability of coordinating the activities across groups (Wasserman and Faust 1994: 292-293). Thus, for my research I am interested in whether organizations in different sectors overlap and are structurally integrated. To do this, I examine the overlapping memberships of organizations through an analysis of ties formed among organizations through their shared board members. Such ties among
organizations are important because they allow for organizations to share information with one another. In that way, organizations can potentially become aware of interests and problems that they share with other organizations or they can become aware of alternative perspectives and practices of other organizations. Accordingly, organizations can use the information they garner from other organizations to alter their own strategies or practices. Similarly, ties among organizations also increase the probability of coordinating activities across the organizations, and as noted earlier there is plenty of evidence that the behavior of firms is related to their ties to other firms.

Ultimately, the interesting aspect of affiliation networks is that they allow you to study both the ties among firms formed through individuals and the ties among individuals formed through joint participation in groups. The tendency within the literature has been to separate the networks and focus on the two one-mode networks separately. Research specifically on the structural integration of elites has focused mostly on the ties that formed between organizations. Such a focus on organizations, however, has ignored the dual network structure of links among individuals. My dissertation, then, is an attempt to broaden the research on interlocking directorates by examining the dual networks of organizations and individuals within one study. Such a methodological approach is necessary because the structural properties of one set of actors do not automatically correspond to the structural properties of the other set of actors (Breiger 1974; Bearden and Mintz 1987; Burris 2005). Thus, one cannot fully comprehend the structural properties of affiliation networks without using information about the dual structures.
Procedures

I utilize a number of different social network techniques to assess the research questions. In the first chapter of analysis, I focus initially on a comparison of the corporate inner circle to inner circles of elites within various nonprofit domains, where inner circles are comprised of individuals who participate on multiple boards of directors. In this manner, I first identify prominent elites within the corporate sector and different nonprofit domains. Then, I use biographical and demographic analyses to assess the extent to which prominent individuals in the corporate sector differ from prominent individuals within each of the nonprofit domains. In other words, I focus on the extent to which the inner circle of public charity elites differs from the inner circle of corporate elites, and whether the inner circle of foundation elites is different than the inner circle of think tank elites, and so on.

Inner circles of elites are important because of their ability to integrate organizations within the corporate sector and within each one of the nonprofit domains. With this in mind, I compare the corporate sector to the various nonprofit domains in terms of the overall structural integration of each of the networks. Within this dissertation, structural integration refers to the extent to which there are networks of elite interaction, or the extent to which elites have mutual access to one another. The overall structural integration of each of the networks is assessed through social network measures of cohesion, with focus specifically on the levels of connectedness within the networks and the extent to which connectedness is evenly distributed throughout the networks.

To assess the structural integration of each of the networks, I first compare the average degree centrality across the networks of corporations, foundations, charities, and
policy-planning groups. To get average degree centrality, I calculate the total number of ties an organization has with other organizations by virtue of their shared board members and then divide by the total number of organizations in the network. This gives us the average number of connections per organization within each of the different networks. Average degree gives us a general idea of the level of connectedness in each of the different networks. Networks with higher average degree centrality are more structurally integrated than networks with lower average degree centrality.

In addition to average degree, I also look at the percentage of isolated organizations in each network. The percent of isolated organizations gives us an idea of the number of organizations that are not connected within each of the domains. If the percentage of isolated organizations is high in a given network, this points to fragmentation and less cohesion at the network level. For example, if half of the charities are isolates in the domain of public charities, but only five percent of corporations are isolates in the corporate sector; this suggests that the corporate sector is more integrated and cohesive than the public charity domain. This also suggests that public charities are less likely to be tied to other large charities and thereby have less access to one another through their board members.

After assessing the level of cohesion and integration of organizations in each of the networks, I then turn to an examination of the overall levels of centralization in each of the networks. Centralization measures determine whether the networks are organized around a few central organizations or the extent to which the networks revolve around a single node. In this way, I use centralization measures to look at whether the integration of the networks is brought about by a small number of actors. Centralization measures
also give a summary assessment of how much variation exists within the overall network with respect to specific centrality measures. Centralization measures are especially important because they can be used to make comparisons across networks of different sizes (Freeman 1979). In order to use centralization to make comparisons across networks, I first calculate different centrality measures for actors within each network. For each network, I am primarily concerned with two different measures of centrality and centralization: degree and betweenness.

The first measure of centrality that I calculate for each of the different networks is degree centrality where an actor’s degree is just the total number of organizations with which a particular organization shares at least one director. Degree centrality, therefore, gives us a sense of which organizations are active in the network by telling us which organizations are tied to other organizations, and just how many organizations to which each is tied. To put it simply, degree centrality shows where the action is in the network. An organization that scores high on degree centrality is visible to many other organizations because it is in direct contact with other organizations through shared board members (Wasserman and Faust 1994: 178-180).

I use degree centralization to quantify the range or variability of individual degree scores within each network and then compare these scores across networks. Degree centralization is an index that summarizes the amount of variability in degree scores among actors in a given network. Degree centralization ranges between 0 and 1, and reaches a maximum of 1 when one organization is tied to all other organizations, but all other organizations are only tied to this one (the well known star-network example). In other words, organizations all share board members with one actor, but no
organizations share board members with each other (Wasserman and Faust 1994: 180-182). Degree centralization is measured as the variation in the degree score for each organization divided by the maximum degree variation which is possible in the network of the same size (de Nooy 2005: 126). I use this degree centralization to make comparisons across the different networks. Specifically, I use it to determine whether the connectedness and activity within each one of the networks is being driven by a small number of actors. If the organizations have mutual access to one another, I expect organizations to be relatively equal in terms of their activity levels. No one organization should have markedly more ties than any other organization. If there is substantial variation, this points to a hierarchical structure within the network, and demonstrates differential access to information and communications within each of the networks. It also suggests that some actors are very active, while others are less active—some actors are integrated, while others are not.

The level of activity of organizations is important because it shows that organizations can communicate and coordinate with other organizations through their shared board members. But organizations can also be important to the overall network of interaction and communication even if they are not highly active. Some organizations might not be tied to a lot of different organizations, but are important because of the specific organizations with which they share board members. The measure of betweenness centrality gets at this idea, where an organization is central or important to the extent that it is an intermediary between other organizations. Formally defined, the betweenness centrality of an organization is the proportion of all geodesics between pairs of other organizations that include the focal organization (de Nooy 2005: 131). Thus, an
organization that ranks high in terms of betweenness centrality is an organization that lies between other actors on their paths. An actor high in betweenness centrality makes connections between many other actors who are not, themselves, directly connected themselves (Wasserman and Faust 1994: 188-191). Thus, actors high in betweenness centrality facilitate the flow of information between other actors.

Thus the overall integration of a given network might be based on a few organizations that act as intermediaries between other organizations. I assess the extent to which a few organizations operate as intermediaries within the overall network by looking at the betweenness centralization scores for each of the networks. Betweenness centralization is measured as the variation in the betweenness centrality of vertices divided by the maximum variation in betweenness centrality scores possible in a network of the same size (de Nooy 2005: 131). Thus, again the centralization score is an index and ranges between 0 and 1, and reaches its minimum value when all actors have the same level of betweenness and reaches its maximum when one actor is responsible for connecting all other actors—what is most commonly seen in the star graph (Wasserman and Faust 1994: 192). In comparing networks in terms of betweenness centralization, I look at the extent to which a few actors are responsible as intermediaries between actors in the overarching network. This tells us whether the integration of a given network has to do with key actors who bring together otherwise unconnected actors.

In sum, the social network measures of cohesion give me a general picture about the nature of connectedness within each of the networks. These analyses are used to assess whether each network is internally structured in a way that allows for mutual interaction and access among organizations in each sector. The measures of
centralization, on the other hand, tell me the extent to which the integration and connectedness of the different domains is being driven by a small number of actors. If there is variation among actors with respect to degree centrality and betweenness centrality, then I will analyze more in-depth the specific organizations that are responsible as either highly active actors (high in degree centrality) or as intermediaries (high in betweenness centrality).

The question in the second section of the first chapter of analysis focuses on which specific organizations are the most prominent and important in each of the separate networks of corporations, foundations, charities, and policy-planning groups. In particular, it examines which specific organizations have the highest scores in terms of degree and betweenness centrality. Thus, the overarching goal is to show which organizations are likely to be most active (higher degree centrality) and which organizations are likely to be intermediaries between other actors (higher betweenness centrality). To supplement this data, I use descriptive analyses of the organizations that are isolates within each of the networks to get a sense of the kinds of organizations in each network that are unconnected and unlikely to have access to other actors in the network. In other words, which organizations are unable to communicate information to other parts of the network through their board members. If there is a wide representation of interests within each of the networks, there should be no systematic bias in terms of the most central organizations or in terms of the isolated organizations. For example, if organizations have mutual access to one another, then I would not expect all the isolated organizations in the charity network to be oriented towards human services or active in the health arena. At the same time, I would not expect to see the most prominent
organizations in the network of public charity organizations to be biased towards arts and culture organizations or private universities.

After I analyze each of the sectors separately, I examine the overall structure of organizations and elites at the national level by treating corporations, foundations, and think tanks as one complete network. I start out by examining the inner circle of elites within the overall network. Then, I look at the level of integration and connectedness among all organizations in the complete network using the exact same techniques that I used in the first chapter. Thus, I assess the integration and centralization of organizations using the same measures stated above. For the cohesion of organizations, I look at average degree, degree centralization, and betweenness centralization. The overarching question is whether corporations, foundations, charities, or think tanks are tightly integrated into the overarching network of organizations or whether the overall network is primarily fragmented. Of particular concern is the extent to which the overarching national elite network is structurally-integrated in a way that allows for mutual access and interaction across a wide variety of domains of activity. Again, all four groups of organizations should have similar levels of activity and integration if the structure of power is reflective of a political formula that is representative in nature.

At the same time, I examine specifically which subgroups are most integrated into the overall network. To address such a question, I turn to an analysis of whether the different domains of organizations are externally or internally oriented. This is important to my research because it gauges whether different subgroups of actors have the ability to interact with elites in other domains. In other words, do organizations in the public charity domain have the ability to give voice their interests to organizations in the
corporate sector? For me it is essential for actors in the different domains to be able to communicate their interests to actors in other sectors. Having an external orientation allows elites to communicate their interests to actors outside of their sphere of activity.

To assess the internal or external orientation of different domains and organizations, I use the E-I index, which analyzes the extent to which ties are more internal or external across various domains of a social network. This sort of measure is important because it can assess the extent to which subgroups are embedded in more macro-structures.

Krackhardt and Stern (1988) developed this very simple and useful measure of group embedding based on comparing the numbers of ties within groups and between groups. The E-I (external-internal) index takes the number of ties of group members to outsiders, subtracts the number of ties to members inside the same group, and divides by the total number of ties. The resulting index ranges from -1 (all ties are internal to the group) to +1 (all ties are external to the group). Interesting for my research, the E-I index measures such orientation at three levels: the entire population, each group, and each individual. Thus, it shows whether the entire network is internally or externally-oriented, it shows which domains are most internally or externally-oriented, and then it also helps identify which specific organizations are more internally or externally-oriented. Ultimately, it examines not only the extent to which there are ties across domains, but also whether groups of businesses, foundations, public charities, or think tanks are most responsible for making ties across domains.

After looking at the internal and external orientation of organizations, I move to an analysis of the specific organizations that are important and prominent in the complete network. I do this using the same measures used to assess centrality in the first chapter of
analysis, namely degree and betweenness centrality and centralization. Here, I supplement the data on centrality with a descriptive analysis of the isolates in the overarching network. Again, if the structure of power is representative of a wide range of interests, I expect there to be no systematic bias in the complete network with respect to the centrality or level of isolation of different sectors. Thus, if elites have mutual access to one another, I would not expect corporations to be overrepresented among the most central actors, nor would I expect corporations to be overrepresented among the isolated actors (which from my knowledge of the literature is an empirical impossibility).

For the final chapter of analysis, I once again treat the networks as separate and distinct and will analyze the proportion of ties that are sent from each domain to federal advisory committees. The overarching question is whether one set of organizations is disproportionately represented on these federal advisory committees. If elites have mutual access to one another and if the overarching political system is widely representative of a variety of interests, then each domain should have similar access to these committees. Each domain should be called upon relatively equally to give voice to issues that the federal government deems important. A bias towards a specific domain, then, suggests that the structure of elites at the national level is unrepresentative. Again, I ask questions about which specific organizations and individuals are responsible for creating ties with these federal advisory committees.
Chapter 4: Comparing Corporate and Nonprofit Sector Inner Circles

As stated above, there is a long and continuing tradition of research using social network analysis to examine the structure of board overlaps among corporations (Mizruchi 1996). This literature demonstrates that corporate interlocks influence a wide range of firm-level practices and strategies: from policies related to mergers and acquisitions (Davis 1991; Haunschild and Beckman 1993) to decisions about listing on specific stock markets (Rao et al. 2000) to choices about campaign contributions to political candidates (Mizruchi 1992; Burris 2005). Board interlocks are also important for their ability to bring together top business leaders into a single, well-knit interpersonal network capable of promoting and defending the general interests of big business (Mills 1956; Domhoff 2010).

In his classic study The Inner Circle, Michael Useem (1984) argues that individuals who sit on multiple boards of directors create an “inner circle” of business leaders who are capable of moving beyond the parochial interests of single corporations to look out for the interests of the corporate community as a whole. By sitting on the board of more than one corporation, these “inner circle” individuals become aware of a wide range of corporate experiences, cultures, and practices and have the capacity to coordinate activities across multiple firms. At the same time, this inner circle takes a leadership role with respect to corporate outreach and political activity as evidenced by their service on government advisory boards, their involvement in the governance of nonprofit organizations, and the amount they contribute to political campaigns. Consequently, the inner circle of corporate elites is able to understand the interests of
business as a whole and is capable of protecting the general interests of the business community.

But again, the research on interlocking directorates focuses almost exclusively on how these overlapping memberships operate in the corporate world. Largely omitted from interlocking directorate research is the nonprofit sector. This is despite the fact that organizations in the nonprofit sector have boards of directors and boards of trustees composed of individuals who have memberships on the boards of other nonprofit organizations. In this way, interlocking directorates are possible within the nonprofit domain (Burris 2008). Furthermore, the possibility of interlocking directorates within the nonprofit sector means that there could be a distinctive set of individuals who form an inner circle of nonprofit elites. Again, despite the possibility of interlocking directorates within the nonprofit sector and despite the potential existence of an inner circle of nonprofit elites, very little research has examined non-corporate interlock networks. The little research that has examined non-corporate networks has typically focused on a small set of nonprofit organizations—policy-planning organizations—or has included nonprofit organizations alongside corporations as part of an analysis examining ties across the multiple sectors (e.g. corporate versus nonprofit). As stated in chapter two, three nonprofit domains in particular, namely charities, foundations, and think tanks, have important implications and have been missed by existing research. There have yet to be studies comparing the nonprofit sector and these various domains to networks in the corporate sector.

For this chapter, then, the question becomes the extent to which there is an inner circle of elites within the various domains of the nonprofit sector. In so doing, the
chapter compares networks of interlocking directorates within nonprofit domains to networks of interlocking directorates in the corporate sector. More specifically, this chapter asks whether there are elites who act as the leading edge of the nonprofit community: who are aware of the broader issues affecting the nonprofit sector, who have the potential to coordinate activities across multiple nonprofit organizations, and who are capable of looking out for the interests of each domain. Thus, this chapter seeks to extend our understanding of interlocking directorates within the nonprofit sector by assessing the extent to which elites within different nonprofit domains sit on multiple boards of directors.

It does so through social network analyses of the interlocking directorates among the largest public charities, foundations, and think tanks and compares the interlock networks in these different domains of the nonprofit sector to the interlock network of the largest corporations. This chapter sets out to do five things: 1) to assess the extent to which elites in different nonprofit domains form inner circles 2) to look at whether the individuals who form these inner circles are distinct across nonprofit domains and the corporate sector 3) to analyze these inner circle individuals in terms of the social background 4) to compare the extent to which individuals in each domain foster the integration and cohesion of the organizations in the domain and 5) to determine whether the networks of organizations are representative of a wide variety of interests by examining the specific organizations and types of organizations that are integrated into the overarching interlock networks.

Ultimately, this chapter introduces an elite approach to the understanding of the nonprofit sector and attempts to compare elite interaction networks within the nonprofit
sector to those found in the corporate sector. In so doing, the chapter argues that research examining the interlocking directorates within these various domains is essential to an understanding of whether elites, individuals in top positions of the most powerful organizations, form distinct, cohesive and well-connected leadership groups. It also argues that cohesive and well-connected leadership groups are essential to an understanding of the relative capacity of elites within each domain to communicate with one another and to coordinate their activities in order protect the general interests of their specific domain. This chapter argues that examining the level of structural integration of elites is necessary in order to assess whether elites are capable of pursuing coherent agendas in the interests of the domain as a whole. In so doing, it questions the extent to which each domain has an elite structure that is representative of a wide variety of interests.

**Methods**

Because this chapter is concerned with comparing the networks across domains and the corporate sector, each domain is treated as separate and distinct. In other words, the networks of corporations, public charities, foundations, and think tanks are analyzed separately and comparisons are made across the domains. Each one of these separate networks has a dual structure consisting of an interorganizational network of boards formed by individuals who hold multiple positions and an interpersonal network of individuals who meet one another by virtue of sitting on the same board.

UCINET VI (Borgatti, Everett, and Freeman 2002), a network analytic program, was used to trace the ties between organizations and individuals. The affiliation networks
created by directors’ memberships on organizational boards were converted into two separate one-mode matrices for each of the domains: one consisting of the ties among organizations and another consisting of the ties among individuals. Within the organizational network, organizations are tied to one another if they share at least one board member in common. In other words, relations within the organizational network are treated as dichotomous. Within the individual director network, individuals are tied to one another if they sit on the same board.

Analyses were conducted to assess the extent to which individuals in each of the different domains sit on multiple boards of directors. Descriptive analyses were conducted in order to compare the demographic characteristics of the individuals within each of the domains in order to determine whether elites within each of the domains are distinct. UCINET was, then, used to compare the level of organizational cohesion across each of the domains. Then, measures of degree centrality were calculated in order to identify the specific organizations within each of the domains that were connected by virtue of the individual directors who held multiple positions. In addition, network visualizations and positional analyses were conducted within each of the domains in order to map the structure of network and to identify organizations with similarities in the patterns of their ties.

**Findings**

Table 1 below gives a descriptive breakdown of the total number of individuals and organizations within each of the sectors along with board characteristics across the domains. As seen from the table, the public charity network has the largest network of
directors with 3,465 individual directors across the 91 largest public charities.

Conversely, the networks of directors for businesses, foundations, and think tanks are much smaller in total size (1,033; 657; and 652 directors, respectively).

### Table 1: Descriptive and Board Characteristics by Domain

<table>
<thead>
<tr>
<th>Domain</th>
<th># of Orgs.</th>
<th># of Directors</th>
<th>Avg.</th>
<th>Min.</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>100</td>
<td>1033</td>
<td>12.0</td>
<td>6</td>
<td>26</td>
</tr>
<tr>
<td>Charities</td>
<td>91</td>
<td>3465</td>
<td>39.5</td>
<td>5</td>
<td>322</td>
</tr>
<tr>
<td>Foundations</td>
<td>50</td>
<td>657</td>
<td>13.4</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>26</td>
<td>652</td>
<td>27.1</td>
<td>7</td>
<td>67</td>
</tr>
</tbody>
</table>

Also of note are the differences with respect to board size within each of the domains and across the different domains. Corporations and foundations tend to have much smaller boards relative to public charities and think tanks. On average, corporations have about 12 members per board while foundations have a little over 13 members per board, with only moderate variation between the largest and smallest boards in each of the two domains. Think tanks and public charities, on the other hand, have much larger boards with averages of 27.1 and 39.5 board members per organization, respectively. Both think tanks and public charities show variation in board sizes, but the variation is much more dramatic in the public charity sector. For example, the Anti-Defamation League, an organization devoted to fighting anti-Semitism and bigotry in the United States, has a board consisting of 322 members while the National Association for the Exchange of Industrial Resources, an organization that facilitates the exchange of excess
inventory from businesses to nonprofit organizations, has a five-member board. Such differences are important when comparing networks across domains, as organizations with larger board sizes will tend to have more overlaps than organizations with smaller boards since they have more individuals to create potential ties.

<table>
<thead>
<tr>
<th># of board positions</th>
<th>Corporations</th>
<th>Charities</th>
<th>Foundations</th>
<th>Think Tanks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>One</td>
<td>885</td>
<td>85.7</td>
<td>3356</td>
<td>96.8</td>
</tr>
<tr>
<td>Two</td>
<td>130</td>
<td>12.6</td>
<td>96</td>
<td>2.8</td>
</tr>
<tr>
<td>Three</td>
<td>15</td>
<td>1.5</td>
<td>11</td>
<td>0.3</td>
</tr>
<tr>
<td>Four or More</td>
<td>3</td>
<td>0.3</td>
<td>2</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1033</td>
<td>100</td>
<td>3465</td>
<td>100</td>
</tr>
</tbody>
</table>

| % Inner circle       | (14.3)| (3.2)| (1.7)| (7.2)|

With a basic understanding of the different networks, we can now turn to analyses that assess the extent to which individuals in each one of these domains form inner circles, or in other words, the extent to which individuals within each of these domains hold positions on the boards of multiple organizations. While there is plenty of documented evidence that such inner circles exist in the corporate and policy-planning world, much less is known about the foundation and public charity sectors. As seen in Table 2 above, in each of the domains, individuals vary with respect to the number of board memberships that they maintain. For the most part, across all domains, though, a vast majority of individuals have only one board position. This is most true among private foundations where more than 98 percent of all individuals serve on only one
board. It is least true in the corporate world, where only 85.7 percent of the 1,033 individuals hold only one position. Such findings are consistent with research by Useem and others that points to the prevalence of inner circle elites in the corporate world.

However, while the large majority of individuals serve on only one board, each of the domains has a percentage of individuals who hold multiple board positions within the same domain, and thereby form inner circles of elites within each of the domains. The percentage of directors with multiple positions, however, is larger in the corporate sector than it is in any of the nonprofit domains. A little over 14 percent of all directors in the corporate sector serve on the board of more than one corporation. This is much larger than the 7.2 percent of individuals who are board members of more than one think tank, the 3.2 percent of individuals that serve as a board member for more than one public charity, and the 1.7 percent of foundation directors who sit on the board of more than one foundation in the sample. In sum, an inner circle of nonprofit elites exists, but not to the same extent as found within the corporate sector.

Who are these inner circle individuals?

Yet, even though there are inner circles of nonprofit elites within each domain, this does not mean that the individuals who make up these inner circles are distinct from the individuals in other domains. In fact, this is the very crux of the power structure argument, that the power elite have positions of authority across multiple domains, that the individuals have shared social class backgrounds, and the individuals who occupy positions across multiple domains are interchangeable. The power elite, then, can use their positions to protect their interests across these various domains. To assess this question, I turn now to descriptive analyses of the inner circles within each of the
domains. As seen in Table 3, the inner circles in each domain consist of different individuals. In other words, the individuals who are central to the inner circles within each domain are typically unique to that domain, though the public charity and corporate sectors have more differentiated inner circles than think tanks. Of the 148 members of the corporate inner circle, 94.5 percent of them hold inner circle positions only within the corporate inner circle. Similarly, of the 109 inner circle members in the public charity sector, 102 of them occupy positions only within the public charity inner circle. Inner circle members in the set of think tanks are distinct, but a higher percentage of them (14.9%) also occupy positions within the inner circles of the public charity domain and the corporate sector. This suggests that think tanks are important because it brings together elites from other domains.

Table 3: Inner Circle Demographics and Unique members by Domain

<table>
<thead>
<tr>
<th>Domain</th>
<th>Avg. Age</th>
<th>% Male</th>
<th>% White</th>
<th>Total</th>
<th>% unique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>62.5</td>
<td>81.8</td>
<td>85.1</td>
<td>148</td>
<td>94.5</td>
</tr>
<tr>
<td>Charities</td>
<td>60.3</td>
<td>67.9</td>
<td>89.9</td>
<td>109</td>
<td>93.5</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>66.6</td>
<td>76.6</td>
<td>93.6</td>
<td>47</td>
<td>85.1</td>
</tr>
</tbody>
</table>

Note: Data for ages of individuals in the public charity sector could only be found for 97 individuals. For all domains, age was estimated based on year of college graduation, when date of birth not available but graduation date was available.

But not only do these inner circles consist of different individuals, they also differ in terms of their demographic characteristics. As is also seen in Table 3, individuals in the inner circle of public charities tend to be younger (mean=60.3) than the individuals who occupy positions in the inner circle of corporations (mean=62.5) and think tanks (mean=66.6). In addition, women make up a larger percentage of the inner circle among
public charities, with females comprising 32.1 percent of inner circle members in the public charity sector relative to only 18.2 percent in the corporate sector and 23.4 percent among think tanks. All three domains have inner circles consisting predominantly of whites, though think tanks have the highest percentage of white inner circle members (93.6%) and corporations have the lowest percentage of white inner circle members (85.1%). Ultimately, though, such findings demonstrate that the inner circles of different domains attract a unique set of elites that differ from elites in other domains in terms of their age, gender and ethnicity.

Biographical research conducted on the backgrounds of these inner circle elites, however, shows that there is relatively little difference in terms of their educational backgrounds. An overwhelming majority of individuals in all domains have a college degree, and a large majority of individuals have postgraduate degrees, with large numbers of individuals holding law degrees, M.B.A.’s, and Ph.D.’s, and often combinations of two or all three of these. At the same time, very little variation across the domains is seen with respect to the types of schools that inner circle members attended, with a large majority of individuals attending elite public and private universities, including a large number attending Ivy League schools at the undergraduate and postgraduate level. Like the evidence found in most other studies, each domain draws heavily from the corporate world, though the inner circle of corporate elites consists of a good number of retired corporate executives. The individuals who comprise the inner circle of think tanks, on the other hand, are more likely to have had previous careers in government, with a substantial number serving in Cabinet-level or diplomatic positions.
Looking at individuals with the most connections in each of the domains can shed light on the characteristics of the most active inner circle members. Within the corporate domain, the following individuals had the most connections in 2006:


- Michael A. Miles, a 65 year-old white male and Special Limited Partner and member of the Advisory Board of Fortsmann, Little & Co., a private-equity firm based in New York. Prior to serving in this position, Miles was Chairman and CEO of Phillip Morris from 1991-1994 and served as Chairman and CEO of Kraft Foods from 1989-1991. A graduate of Northwestern’s Medill School of Journalism, Miles served on four corporate boards in 2006: Dell, Morgan Stanley, Sears Roebuck, and Time Warner.

- Samuel A. Nunn, Jr., a 67 year-old white male and senior partner in King & Spaulding, a high-power international law firm based in Atlanta. Nunn served as a Senator from Georgia from 1972-1993 and was the Chairman of the Armed Services Committee from 1987-1995. With bachelor’s and law degrees from

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23 The following biographical data vignettes are biographical sketches for inner circle elites as of 2006. It ignores positions that they have attained since 2006.
Emory University, Nunn served on four corporate boards in 2006: Chevron, General Electric, Dell, and Coca-Cola.

- Carla A. Hills is the most connected woman in the corporate inner circle. A 71 year-old with a bachelor’s degree from Stanford and a law degree from Yale, Hills is the Chair and Chief Executive of Hills & Co, her privately-owned consulting firm specializing in international trade. Hills served as the United States Trade Representative from 1989-1993 and the Secretary of Housing and Urban Development from 1975-1977.

As you can see from the most connected individuals in the business sector, they are around the same age, have similar educational backgrounds, and attained top-level positions in business and government, substantiating Useem’s claims that the inner circle of corporate elites are active in other domains.

As stated above, the inner circle of elites within the public charity sector are more likely to be women and younger, but tend to have similar educational backgrounds as the inner circle members in the corporate world. The following individuals had the most connections in the public charity domain:

- Morris W. Offit, a 71 year-old white male and Co-CEO of Offit Hall Capital Management, LLC, a privately-owned investment management firm providing investment advice to high net worth clients. A close friend and business acquaintance of Mayor Michael Bloomberg, Offit was previously the founder and former CEO of OFFITBANK, a private bank from 1990-2001 and was a General Partner at Salamon Brothers in the 1970s. With a bachelor’s degree from Johns Hopkins and a M.B.A. from the University of Pennsylvania’s The Wharton
School, Offit served on the boards of five public charities in 2006: The Jewish Federations of North America, Johns Hopkins University, Jewish communal Fund, United Jewish Appeal, and the American Museum of Natural History.

- David M. Rubenstein, a 57 year-old white male and co-Founder and Managing Director of The Carlyle Group, a global asset management firm specializing in private-equity, based in Washington D.C. A graduate of Duke with a law degree from the University of Chicago, Rubenstein previously held positions in government acting as Chief Counsel to the U.S. Senate Judiciary Committee’s Subcommittee on Constitutional Amendments from 1975-76 and as Deputy Assistant for Domestic Policy during the Carter Administration. In 2006, Rubenstein served on four boards in the public charity sector: Johns Hopkins University, Duke University, the Kennedy Center for the Performing Arts, and the Lincoln Center for the Performing Arts.

- Thomas H. Lee, a 61 year-old white male and President of Thomas H. Lee Partners, a private equity firm based in Boston. In 2007, Forbes named him one of the thousand richest people in the world (#717 on the list) with a net worth close to $1.5 billion. He made his biggest splash in the equity world by buying Snapple beverages for $135 million in 1992 and selling it to Quaker Oats for $1.7 billion in 1994. A graduate of Harvard, Lee served on three boards in the public charity domain in 2006: Lincoln Center for the Performing Arts, the Combined Jewish Philanthropies of Greater Boston, and the Museum of Modern Art.

- Jodi J. Schwartz and Kate D. Levin are the most connected females in the public charity sector. With bachelor’s and law degrees from the University of
Pennsylvania, Schwartz is a tax attorney at Wachtell, Lipton, Rosen, & Katz, a business law firm headquartered in New York and served on three public charity boards in 2006: the Jewish Federations of North America, Jewish Communal Fund, and United Jewish Appeal. Levin is the Commissioner of Cultural Affairs in the city of New York and served on three boards in the public charity sector: Lincoln Center for the Performing Arts, the Metropolitan Museum of Art, and the American Museum of Natural History.

The most connected individuals in the public charity sector do vary more with respect to age and occupational background relative to the most connected individuals in the corporate inner circle. While the most connected in the public charity inner circle do draw from the business world, they tend to come from privately-owned financial firms, making them attractive not only as advisors, but also as donors. Such findings can be seen throughout the public charity inner circle, with individuals drawing heavily from upper-class families. This is especially true for many of the women in the public charity inner circle who often come from long histories of wealth or are married to very wealthy men (examples: Norma Hess, Emily Fisher Landau, Renee Belfer, Marina French, and Frayda Lindemann).

While the most connected individuals in the inner circle of the think tank domain derive from higher social classes (as evidenced by their educational backgrounds), the most important factors to membership in the inner circle is past service in government or high attainment in academia. The following are snapshots of the most connected individuals in the think tank domain in 2006:
• Laura D’ Andrea Tyson, a 59 year-old white female and Dean of the London Business School. Prior to this, Tyson served as the Dean of the Haas School of Business at the University of California—Berkeley and was Chairman of the Council of Economic Advisers from 1993-1995 under President Clinton. Between 1996-2000, Tyson served as Director of the National Economic Council. A graduate of Smith College, Tyson earned a Ph.D. in economics from MIT. In 2006, she served on the boards of four think tanks: the Institute for International Economics, the Brookings Institution, the New America Foundation, and the Council on Foreign Relations.

• Maurice R. “Hank” Greenberg, an 81 year-old white Male and former CEO of American International Group (AIG), one of the world’s largest insurance and financial services corporations. He is also the past Chairman, Deputy Chairman, and Director of the Federal Reserve Bank. A graduate of the University of Miami with a law degree from NYU, Greenberg served on the boards of three think tanks in 2006: the Manhattan Institute, the Institute for International Economics, and the Council on Foreign Relations.

• Carla A. Hills, the most connected woman in the corporate world, is also one of the most connected in the inner circle of think tanks. In 2006, she served on the boards of three think tanks: the Center for Strategic and International Studies, the Institute for International Economics, and the Council on Foreign Relations.

• Peter G. Peterson, an 80 year-old white male and Chairman of the Council on Foreign Relations since 1985. Peterson served as Secretary of Commerce for President Nixon from 1972-1973. In 1985, he co-founded the Blackstone Group,
now one of the most prominent private equity and investment management firms in the world. A graduate of Northwestern with an M.B.A. from the University of Chicago, Peterson served on three think tank boards in 2006: the National Bureau of Economic Research, the Institute for International Economics, and the Council on Foreign Relations.

- David M. Rubenstein, one of the most connected individuals in the inner circle of the public charity sector, Rubenstein also served on the boards of three think tanks in 2006: the Center for Strategic and International Studies, the Institute for International Economics, and the Council on Foreign Relations.

As seen from the most connected individuals in the inner circle of think tanks, they are similar with respect to educational background relative to the inner circle of the corporate and public charity domains. The individuals within the think tank domain, however, all have significant experience in government positions. Thus, they have had positions where they interacted often with elected officials in Washington and were part of the policy formulation and implementation process in Washington prior to joining think tanks. Such experience makes them attractive candidates as advisors to policy-formulation organizations in the think tank domain.

*The Structural Integration and Cohesion of Each Domain*

But for Useem, the inner circle of corporate leaders is important because it helps foster the cohesion and integration of the organizations within the corporate community. In this sense, the interpersonal network of inner circle elites brings corporations together into the kind of community discussed by power structure research. These individuals are aware of the interests of a wide variety of firms because they sit on multiple boards of
directors. In so doing, they are able to move beyond the parochial interests of single firms and have the capacity to coordinate activities across more than one firm in order to look out for the wider interests of the corporate sector. Research between the 1970s and 2004 on interlocking directorates among the largest corporations shows that the network encompasses about 90 percent of the 800 largest publicly-owned corporations, though it is dominated by the largest corporations that are the most connected (Domhoff 2006: 26-27). While financial firms and banks have occupied central roles in the past, the central core of the corporate interlocking network draws mostly from the largest corporations across a wide variety of industries. The question in this section, then, is the extent to which the inner circles in each of the domains discussed above help foster cohesion and integration of each domain.

In the social network literature, a group is structurally cohesive to the extent that there are observable social relations that hold the group together. Structural cohesion is a group-level property and focuses on the properties that unite a collection of actors. Individual actors may be more or less embedded within the group, and different groups may be strongly or weakly cohesive, but the overall group is more cohesive to the extent that the relations within the group are evenly distributed across actors, or in groups where relations are not driven by a single or a small set of actors (Moody and White 2003: 106-109). The following section uses network analytic measures to compare structural cohesion across the different networks of corporations, public charities, think tanks and foundations. Measures of cohesion include: average degree centrality, degree centralization, and percent of isolated organizations within each of the domains. The analysis also uses network visualizations to help demonstrate levels of cohesion.
First, we can compare the different domains based on the average number of connections for each organization. Degree centrality measures the organizations that are the most active within the network or in this case refers to the number of ties organizations have to other organizations by virtue of sharing at least one board member (Wasserman and Faust 1993: 178-180). Degree is also seen as a measure of the extent to which actors have access to multiple sources of information (de Nooy et al. 2005). In this set of analysis, degree centrality accounts for the ability of organizations to directly reach one another by virtue of their shared board members.

We can use average degree centrality of all organizations within each domain as a measure of structural cohesion of the entire network. This measure is good because it does not depend on group size and therefore can be used to compare levels of structural cohesion across networks of different size (de Nooy, Mrvar, and Batagelj 2005: 63-64). As seen in Table 4 below, the corporate sector has the highest level of structural cohesion as measured by average degree, with corporations having 3.6 ties to other corporations within the domain on average. Think tanks and public charities have similar levels of structural cohesion, while the foundation domain is pretty much fragmented, with foundations sharing a board member with less than one other foundation, on average. Such findings make sense, given the small percentage of individuals who sit on more than one board of director within the foundations domain.

But as stated above, groups are also only structurally cohesive to the extent that the relations among individual actors are relatively evenly distributed across individual members of the group. Degree centralization is a good way to examine the extent to which the relations among organizations are being driven by one actor or a small set of
Table 4: Measures of Structural Cohesion by Domain

<table>
<thead>
<tr>
<th>Measures of Cohesion</th>
<th>Corporations</th>
<th>Charities</th>
<th>Foundations</th>
<th>Think Tanks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Degree</td>
<td>3.6</td>
<td>2.4</td>
<td>0.4</td>
<td>2.8</td>
</tr>
<tr>
<td>Degree Centralization (%)</td>
<td>8.7</td>
<td>16.8</td>
<td>5.6</td>
<td>22.3</td>
</tr>
<tr>
<td>% of Isolates</td>
<td>13.0</td>
<td>41.2</td>
<td>78.0</td>
<td>15.4</td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>91</td>
<td>50</td>
<td>26</td>
</tr>
<tr>
<td>Avg. Board Size</td>
<td>12.0</td>
<td>39.5</td>
<td>13.4</td>
<td>27.1</td>
</tr>
</tbody>
</table>

actors. Degree centralization is a measure that quantifies the range or variability of the individual actor degrees. Freeman (1979) introduced this measure as an index, where the maximum value reaches 1 when one actor chooses all other actors and the other actors only interact with this one. The index is 0 when all degrees are equal across actors. UCINET presents degree centralization as a percentage, where a higher percentage signifies a network that has higher variability in its degree centrality. Typically, this means that the relations within the network are being driven by one or a small set of actors who are highly connected. As seen from Table 4 above, the think tank domain has the highest degree centralization (22.3%), evidence that most of the activity is being driven by a small number of organizations that are highly connected. So while think tanks are structurally cohesive as evidenced by their average degree centrality, this cohesion is mostly due to a relatively small number of organizations. The same can be said for public charities where there is a higher variability in the distribution of degree scores per organization (degree centralization=16.8%). The corporate domain, therefore, is the most cohesive by this measure as it has the lowest variability in degree centralization scores, meaning that activity is more evenly distributed among actors within the corporate domain.
Corporations are also shown to be the most cohesive of the different domains as evidenced by the percent of organizations that are isolated within each of the domains. In each of the networks, social isolates are organizations that have no board members who sit on the board of another organization within each domain. In this way, these organizations have no relations to other actors in this specific network, and thus do not have an ability to facilitate communication by virtue of shared board members. As seen from table 4, the corporate domain has the fewest isolates with only 13 percent corporations disconnected. While think tanks were shown to be less cohesive than corporations with respect to average degree centrality and degree centralization, they have similarly low levels of isolated organizations, with only 15 percent of the think tanks isolated within the domain, demonstrating a level of cohesion within the domain that is comparable to the corporate domain. Public charities, on the other hand, have a much larger percentage of isolated organizations, with over 40 percent disconnected from other charities in the domain. This suggests that overall the public charity domain is relatively fragmented, but that there are relatively cohesive sets of organizations among the connected components of the domain.

Sometimes the relative cohesion of different networks is easier to see using a visualization of actors and their ties to one another. Figures 1-4 give different network visualizations for each domain. Figure 1 is a spring-embedded network visualization based on the geodesic distances between organizations, where geodesic distance refers to
the shortest path between two nodes.\textsuperscript{24} The visualization uses a spring-embedded algorithm where NetDraw iteratively locates nodes in the network and places those nodes with the smallest geodesic distances closest to one another in the visualization (Hanneman & Riddle 2005). Node size is relative to degree centrality, where nodes with more ties are larger than nodes with fewer ties. The different colors in the visualization refer to the type of organization, with white squares representing financial organizations and black squares representing non-financial organizations.

**Figure 1: Network Visualization of Corporate Sector**

\begin{center}

\includegraphics[width=\textwidth]{network_visualization.png}

Note: Spring-embedded visualization based on geodesic distances. Size of nodes based on degree.

Key: Non-Financial: black squares; Financial: white squares.

\end{center}

\textsuperscript{24} A spring-embedded approach is used here because of the size of the network. Multidimensional scaling techniques, where there is more meaning in the placement of nodes, make it difficult to get a sense of structure and cohesion as nodes are placed too closely together.
Differentiating organizations by type is in line with the corporate interlocking literature that sees financial organizations and banks as central to the structural integration of the corporate domain (Mintz and Schwartz 1985). The first thing that is clear from the visualization is that there are a large number of corporations with ties to one another, with only the 13 isolated organizations listed on the left side of the diagram. For the most part, the heavily-connected corporations cluster around the center of the diagram, though there seems to be no real difference between financial organizations and non-financial organizations in terms of their location in the network. At the same time, the center of the network seems pretty wide and inclusive of a large number of organizations.

Figure 2: Network Visualization of Public Charity Domain

![Network Visualization of Public Charity Domain](image)

Note: Spring embedded visualization using geodesic distances. Size of nodes based on degree.

Key: Arts and Culture: white squares; Jewish Federations: black squares; Social services/Int’l Relief: black diamonds; Health and Hospitals: white circle in black box; Universities: light grey squares; Other: dark grey squares.
This stands in stark contrast to the visualization of the public charity domain in Figure 2 above. Again, the visualization uses a spring-embedded algorithm based on geodesic distances with node size relative to degree, and uses different colors and shapes to differentiate organizations active in different domains. The first thing to note about the visualization is the large number of isolated organizations (the nodes grouped around the outside of the sociogram). Interestingly, the organizations that are isolated within the domain tend to be humanitarian organizations oriented toward human services and international relief (black diamonds on left side of sociogram). These charities are often the most likely to work with and for underprivileged and disadvantaged populations.

Another large grouping of isolated organizations are active in the health domain (white circle in black box), as can be seen by the grouping on the right side of the sociogram. In this visualization the center of the sociogram is fairly compact and consists of a few relatively highly-connected organizations clustered in the center. The center consists mostly of arts and culture organizations (white squares), Jewish federations (black squares), and a few universities (light grey squares). These few organizations are well-connected to other organizations and to each other and cluster in the center, with the other connected public charities predominantly occupying peripheral spaces in the sociogram and consisting of variety of different types of organizations. This visualization makes sense given the high degree centralization score within the public charity domain, where high degree centralization refers to a small number of actors with high levels of connectedness.

As stated earlier, the think tank domain is also less cohesive than the corporate domain with respect to degree centralization. Again, this is a sign that a small number of
organizations are relatively active compared to the rest of the actors in the network.

Figure 3 is a visualization of the think tank domain using a spring-embedded approach. Again, node size within the visualization is relative to degree score and colors and shapes are used to differentiate think tanks based on their ideology. Think tanks were coded as being conservative, center-right, centrist, center-left, or progressive using a typology created by McGann (2005), which was then validated through a comparison to research by Medvetz (2007).

**Figure 3: Network Visualization of Think Tank Domain**

![Network Visualization of Think Tank Domain](image)

*Note: Spring embedded visualization using geodesic distances. Size of nodes based on degree.*

Key: Conservative: white circles; Center-Right: light grey squares; Centrist: medium grey upward triangle; Center-Left: grey circle in black box; Progressive: black downward triangle

Both progressive (black downward triangles) and conservative think tanks (white circles) tend to be relatively peripheral to the network as evidenced by their placement.
around the outside of the cluster of highly-connected center-left, centrist, and center-right think tanks. Interestingly, this particular categorization of ideological spectrum works well, as ties tend to be most likely among organizations with similar ideologies, evidence which fits well with the findings of Burris (2008).

Finally, we turn to the last visualization of the foundations domain. This particular visualization removes the 39 isolated foundations from the sociogram and focuses only on the connected foundations. As can be seen from the visualization, there are two separate components that are not tied to one another. The connected set of actors on the left side of the sociogram draws heavily from organizations with headquarters in

![Figure 4: Network Visualization of Foundations Domain](image)

*Note: Spring embedded visualization using geodesic distances. Size of nodes based on degree.*
California. The set of foundations on the right side of the sociogram are located mostly in New York, except the Gordon and Betty Moore Foundation, which is tied to the Carnegie Corporation of New York through Bruce Alberts, a biochemist and a member of the faculty at University of California-San Francisco. But again, on the whole the foundations domain is not internally cohesive or coordinated.

*The Representation of Organizations in Each Domain*

There is a relatively distinct and autonomous set of elites who make connections across multiple organizations within each domain, though overall some domains are more cohesive than others, corporations and think tanks especially. But as stated above, individual actors within a network may be more strongly cohesive than others. This is particularly the case in the think tank and public charities domain, given the evidence of variability in degree scores. Thus, the final set of analyses in this chapter turns to the question of which specific organizations are integrated into each of the domains, and examines the extent to which each domain is representative of a wide variety of interests active within the domain.

*Public Charities*

The first set of organizations we turn to are public charities, which tended to be much less cohesive than the sets of corporations and think tanks, as evidenced by the high percentage of isolated charities and the high level of degree centralization. The question then turns to whether the organizations that are isolated in the public charity domain are of a certain type. As seen in Table 5 below, there are certain types of public charities that are disproportionately isolated within the domain relative to their total number. It is interesting to note that humanitarian public charities active in the delivery of social
services or international relief make up 22.0 percent of the total number of organizations within the domain, but they account for 31.6 percent of the isolated organizations.

Organizations active in the health field and Christian organizations are also disproportionately isolated from other public charities relative to their total number, with health charities making up 11 percent of the total number of organizations but 18.4 percent of the isolates, and Christian charities making up 4.4 percent of the total number of organizations, but 10.5 percent of the isolated charities. Conversely, some types of organizations are underrepresented among the isolated charities. This is especially the case for arts and culture charities, Jewish Federations and private universities.

<table>
<thead>
<tr>
<th>Type of Organization</th>
<th>Total N</th>
<th>Total %</th>
<th>Isolates N</th>
<th>Isolates %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Services and Int’l Relief</td>
<td>20</td>
<td>22.0</td>
<td>12</td>
<td>31.6</td>
</tr>
<tr>
<td>Health and Hospitals</td>
<td>10</td>
<td>11.0</td>
<td>7</td>
<td>18.4</td>
</tr>
<tr>
<td>Arts and Culture</td>
<td>10</td>
<td>11.0</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Jewish Federations</td>
<td>7</td>
<td>7.7</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Universities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>8</td>
<td>8.8</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Public</td>
<td>5</td>
<td>5.5</td>
<td>2</td>
<td>5.2</td>
</tr>
<tr>
<td>Public Broadcasting</td>
<td>5</td>
<td>5.5</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Environment</td>
<td>5</td>
<td>5.5</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Education</td>
<td>5</td>
<td>5.5</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>Christian</td>
<td>4</td>
<td>4.4</td>
<td>4</td>
<td>10.5</td>
</tr>
<tr>
<td>Other</td>
<td>12</td>
<td>13.2</td>
<td>10</td>
<td>26.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>91</td>
<td>100</td>
<td>38</td>
<td>100</td>
</tr>
</tbody>
</table>

Not only are these types of organizations the least likely to be isolated, but they are also the most highly-connected. Table 6 gives data for the charities within the sector that have ties with at least five other organizations in the sample, as measured by degree
Table 6: Most Central Public Charities (degree)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Type of Organization</th>
<th>Location</th>
<th>Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Museum of Natural History</td>
<td>Arts and Culture</td>
<td>New York</td>
<td>17</td>
</tr>
<tr>
<td>Johns Hopkins</td>
<td>University</td>
<td>Baltimore</td>
<td>10</td>
</tr>
<tr>
<td>Lincoln Center</td>
<td>Arts and Culture</td>
<td>New York</td>
<td>10</td>
</tr>
<tr>
<td>Jewish Federations of North America</td>
<td>Jewish Federation</td>
<td>New York</td>
<td>10</td>
</tr>
<tr>
<td>United Jewish Appeal</td>
<td>Jewish Federation</td>
<td>New York</td>
<td>9</td>
</tr>
<tr>
<td>Wnet.org</td>
<td>Public Broadcasting</td>
<td>New York</td>
<td>7</td>
</tr>
<tr>
<td>Anti-Defamation League</td>
<td>Jewish Federation</td>
<td>New York</td>
<td>7</td>
</tr>
<tr>
<td>United Negro College Fund</td>
<td>Education</td>
<td>Fairfax, VA</td>
<td>7</td>
</tr>
<tr>
<td>Museum of Modern Art</td>
<td>Arts and Culture</td>
<td>New York</td>
<td>7</td>
</tr>
<tr>
<td>Kennedy Performing Arts Center</td>
<td>Arts and Culture</td>
<td>D.C.</td>
<td>6</td>
</tr>
<tr>
<td>CJP of Greater Boston</td>
<td>Jewish Federation</td>
<td>Boston</td>
<td>6</td>
</tr>
<tr>
<td>World Wildlife Fund</td>
<td>Environment</td>
<td>D.C.</td>
<td>5</td>
</tr>
<tr>
<td>Metropolitan Museum of Art</td>
<td>Arts and Culture</td>
<td>New York</td>
<td>5</td>
</tr>
</tbody>
</table>

centrality. Overall, there are 13 organizations within the public charity domain that have ties to more than five organizations. These 13 organizations, however, are not representative of a wide variety of different interests within the public charity domain. As can be seen from the table, there is a high representation of arts and culture organizations and Jewish Federations among the most highly connected charities with the American Museum of Natural History having the most ties with connections to 17 other public charities. It is also striking that 8 of the 13 most connected public charities are
headquartered in New York. In this way, New York seems to be an important city creating cohesion within the public charity domain, though it is mainly responsible for bringing together arts and culture organizations and Jewish federations.

We can also assess the structure within the public charity domain through an examination of the similarity of ties among actors using a structural equivalence approach. Structural equivalence was introduced by Lorrain and White (1971) and two actors are said to be structurally equivalent to the extent that they have identical ties to and from all other actors in the network (Wasserman and Faust 1993: 356). However, structural equivalence according to this strict definition is relatively rare, so most social network analyses use positional analyses to identify actors or a subset of actors that are approximately structurally equivalent (Wasserman and Faust 1993: 366). For the positional analyses presented in Table 7, a measure of Euclidian distance was calculated for the connected organizations in the network as a way to identify actors that are close to one another, or really to differentiate actors that are structurally close to one another from actors that are farther away. This measure is the best choice for the purposes of this

<table>
<thead>
<tr>
<th>Block</th>
<th>Organizational types</th>
<th>N</th>
<th>Internal Density</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Varied</td>
<td>36</td>
<td>.04</td>
<td>Peripheral</td>
</tr>
<tr>
<td>2</td>
<td>Jewish Federations/NY</td>
<td>6</td>
<td>.60</td>
<td>Highly-Coordinated</td>
</tr>
<tr>
<td>3</td>
<td>Highest Degree Organizations</td>
<td>2</td>
<td>1.00</td>
<td>Most Central</td>
</tr>
<tr>
<td>4</td>
<td>Arts and Culture/Universities</td>
<td>9</td>
<td>.25</td>
<td>Coordinated</td>
</tr>
</tbody>
</table>

Table 7: Structural Equivalence of Public Charity Domain
research because it works well identifying when a researcher is interested in the identity of ties. Thus this works when researchers want to identify actors who are tied to similar other actors, and is better than correlation measures when degree centralities vary among actors, as they do here (Wasserman and Faust 1993: 374). The results of this similarity, really dissimilarity, measure are then submitted to a clustering routine and partitioned into equivalence classes using a complete link method in order to identify a reduced graph where positions are identified based on sets of actors who are tied to similar others, and where each position is differentiated from others based on their scores on these dissimilarity measures. Table 7 gives the solution that identifies four sets of actors who have similar ties to one another.

Interestingly, this technique corroborates findings above that there is a cluster of central actors that are heavily tied to one another, and a set of loosely-connected actors around the periphery of the network. The first position consists of 36 organizations active in a variety of areas that occupy peripheral positions within the network. These organizations are only loosely tied to one another and the other positions.

The second position consists of mostly Jewish federations including the Jewish Federations of North America, United Jewish Appeal, American Society for Technicon-Israel Institute of Technology, Combined Jewish Philanthropies of Greater Boston, and the Anti-Defamation League. The only other organization identified in this position is the Educational Broadcasting Network, which is structurally similar to the other organizations in the block because of the location of its headquarters in New York. This block is highly cohesive internally with 60 percent of the ties present to one another, but
is also well connected to blocks 3 and 4 with over 41 percent of the ties present between it and block 3 and 33 percent of all possible ties present between it and block 4.

The third block consists of the two most active organizations within the domain: the American Museum of Natural History and Johns Hopkins University. These two organizations are connected to one another, but also highly connected to all of the other blocks with close to 10 percent of all ties present between it and the peripheral block, and nearly 50 percent of all possible ties present between it and blocks 2 and 4. The fourth position identified consists mostly of arts and culture organizations and organizations active in education. It consists of 9 organizations in total: Yale University, Duke University, the Metropolitan Opera, the Kennedy Performing Arts Center, Lincoln Center, the Institute of International Education, the Museum of Modern Art, the Metropolitan Museum of Art, and WGBH Educational Foundation. It is not as internally cohesive as the block of Jewish federations, as 25 percent of all possible ties are present, but it is also well connected to blocks 2 and 3 with 13 percent of all possible ties present between it and block 2 and 72 percent of all possible ties present between it and block 3.

These findings demonstrate that the highly central actors within the public charity domain are mostly arts and culture organizations, Jewish federations, and universities. Interestingly, these central actors are also heavily tied with one another. Similarly, they have ties to other organizations active in their domain. Thus, a small set of highly connected organizations are responsible for the most the cohesion found within the sector, and these organizations work primarily in very narrow areas.
Think Tanks

A set of very central actors was also found above for the think tank domain. As discussed in reference to the network visualization of the domain, a small set of think tanks are clustered centrally in the sociogram. Most of these think tanks were ideologically more centrist than the more peripheral think tanks. These peripherally connected think tanks tend to be both more progressive and conservative than the centrally located organizations. Such findings can be corroborated through an analysis of the most connected think tanks within the domain. As seen in Table 8, there are six think tanks with ties to more than five other think tanks in the domain. These think tanks are all ideologically-centrist with center-left organizations especially important among these most connected.

Table 8: Most Central Think Tanks (Degree)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Political Ideology</th>
<th>Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council on Foreign Relations</td>
<td>Centrist</td>
<td>8</td>
</tr>
<tr>
<td>Institute for International Economics</td>
<td>Centrist</td>
<td>8</td>
</tr>
<tr>
<td>The Aspen Institute</td>
<td>Center-Left</td>
<td>8</td>
</tr>
<tr>
<td>National Bureau of Economic Research</td>
<td>Centrist</td>
<td>7</td>
</tr>
<tr>
<td>Brookings Institution</td>
<td>Center-Left</td>
<td>6</td>
</tr>
<tr>
<td>Rand Corporation</td>
<td>Center-Right</td>
<td>5</td>
</tr>
</tbody>
</table>

The relative centrist core of the think tank domain can also be seen through an analysis of the isolated organizations within the domain. As noted above, only four think tanks are isolated out of the 26 organizations within the domain (15.3%). Table 9 lists
the organizations and their ideologies. As can be seen from the table, these isolated organizations operate at both ends of the progressive-conservative ideological spectrum. Two of them are ultraconservative think tanks. The Competitive Enterprise Institute was founded in 1984 by Fred L. Smith in order to fight big government. It states that its mission is to advance the principles of limited government, free enterprise, and individual liberty, and it promotes conservative free-market ideology extensively. The other isolated conservative think tank is the Cato Institute, founded in 1977 by Edward Crane, which is also a think tank oriented towards conservative free-market principles. It calls itself a libertarian think tank, and its stated mission is to "to broaden the parameters of public policy debate to allow consideration of the traditional American principles of limited government, individual liberty, free markets, and peace."

<table>
<thead>
<tr>
<th>Organization</th>
<th>Political Ideology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive Enterprise Institute</td>
<td>Conservative</td>
</tr>
<tr>
<td>Cato Institute</td>
<td>Conservative</td>
</tr>
<tr>
<td>Institute for Policy Studies</td>
<td>Progressive</td>
</tr>
<tr>
<td>Worldwatch Institute</td>
<td>Progressive</td>
</tr>
</tbody>
</table>

At the other end of the spectrum are the isolated progressive think tanks, the Institute for Policy Studies and Worldwatch Institute. The Institute for Policy Studies was created in 1963 by Marcus Raskin and Richard Barnet, two former aides to President Kennedy. The Institute played key roles in the social movements of the 1960s and was active in the movements for fair trade during the 1990s. Its slogan shows a progressive
bent in its discussion of putting “Ideas into Action for Peace, Justice, and the Environment.” Worldwatch Institute was founded in 1974 by Lester Brown, an American environmentalist and economist. Its stated mission is to “deliver insights and ideas that empower decision makers to create an environmentally sustainable society that meets human needs.” It is active around many environmental issues including climate change, population growth, and poverty.

**Corporations**

The final analysis will focus on the corporate sector, but will be relatively brief given the extensive literature discussing the topology of the corporate interlocking research. As noted above, the corporate domain is more cohesive than both public charities and think tanks with respect to its average number of ties, the distribution of ties across actors, and the number of organizations isolated within the domain. Also noted above is the relatively wide core of connected organizations that is inclusive of both financial and non-financial organizations. In fact, 59 percent of organizations within the corporate domain have ties to at least 3 other organizations and 35 percent of the organizations have ties to more than 5 other corporations. In contrast, only 20 percent of think tanks have 5 or more ties and 14 percent of public charities. Thus, businesses have ties that are spread relatively evenly throughout the domain. However, there are nine organizations that have ties to eight other corporations or more. These nine organizations are listed in Table 10. As can be seen from this table, three of the 9 organizations with the most ties are financial organizations. Thus financials account for 33 percent of the top nine, when they account for only 23 percent of all the organizations within the
Table 10: Most Connected Corporations (Degree)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Type of Organization</th>
<th>Location</th>
<th>Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>JP Morgan Chase</td>
<td>Financial</td>
<td>New York</td>
<td>12</td>
</tr>
<tr>
<td>Citigroup</td>
<td>Financial</td>
<td>New York</td>
<td>11</td>
</tr>
<tr>
<td>Dell</td>
<td>Non-Financial</td>
<td>Texas</td>
<td>10</td>
</tr>
<tr>
<td>Goldman Sachs</td>
<td>Financial</td>
<td>New York</td>
<td>9</td>
</tr>
<tr>
<td>Time Warner</td>
<td>Non-Financial</td>
<td>New York</td>
<td>8</td>
</tr>
<tr>
<td>DuPont</td>
<td>Non-Financial</td>
<td>Wilmington, DE</td>
<td>8</td>
</tr>
<tr>
<td>Pfizer</td>
<td>Non-Financial</td>
<td>New York</td>
<td>8</td>
</tr>
<tr>
<td>Proctor &amp; Gamble</td>
<td>Non-Financial</td>
<td>Cincinnati, OH</td>
<td>8</td>
</tr>
<tr>
<td>Verizon</td>
<td>Non-Financial</td>
<td>New York</td>
<td>8</td>
</tr>
</tbody>
</table>

corporate domain with three of the top four connected organizations in the financial sector and located in New York. In fact, there is a large representation of corporations with headquarters in New York among the most connected organizations. Two-thirds of the organizations among the nine most connected have their headquarters in New York, again providing evidence of New York City helping to foster connectedness and cohesion among elite actors.
Recent studies point to major changes in the corporate elite network, showing a
general decline in the centralization and integration of corporate actors (Davis and
Mizruchi 1999; Barnes and Ritter 2001). In particular researchers have highlighted the
diminishing significance, centrality, and importance of commercial banks, once thought to be a key mechanism by which corporations could foster cohesion among its disparate elements (Mintz and Schwartz 1985; Davis and Mizruchi 1999; Useem 1999). For some, though, the declining centrality of banks is only one part of the larger decline in the corporate liberal consensus (Mizruchi 2004; 2007; 2010). Another key development leading to this fragmentation has been the disappearance of the moderate and pragmatic corporate inner circle starting in the 1970s. Researchers argue that the loss of this pragmatic inner circle has created a vacuum within the corporate elite, which has been filled predominantly by actors who operate with a different rationale than the corporate inner circle of the past (Useem 1999; Mizruchi 2007; 2010). Where the corporate inner circle of the past was willing to compromise with government and unions, this new elite is solely focused on maximizing the short-term returns of their own firm, with little concern for the system as a whole (Fligstein 2001; 2005; Mizruchi 2007; 2010). Ultimately, while corporations remain socially responsible, as evidenced by their high rates of corporate philanthropy, there seems to be no organized system-wide effort by the corporate community to address the large social problems of the day, both inside and outside the corporate community. The business community, therefore, seems unable to successfully pursue a coherent economic, social, or political agenda to the benefit of society as a whole. As Mizruchi writes, “There is no organized effort by the leading edge
of American business to address the energy crisis, global warming, the deficit, or the nation’s growing level of inequality” (2007: 15). Thus while corporations may be more powerful than they have ever been, they increasingly lack the ability to act in a collective way.

From the perspective of this chapter, the problem with research on the level of integration and cohesion of elites continues to be its primary focus on the relative power of big business. A coherent and representative economic, political, and social agenda cannot be solely developed and implemented by actors within business, and business cannot, or at least should not, bear all of the blame for the lack of a coherent vision or agenda. Rather, I argue that a coherent agenda requires the cooperation and collaboration of actors working across a wide array of domains. The question, then, is the extent to which elite interaction networks reflect a formula that demonstrates a willingness and/or ability to cooperate and collaborate.

The literature’s narrow focus on the corporate elite and its decline is surprising given the fact that supposed decline of the corporate-liberal consensus is documented to be contemporaneous with the emergence and growth of a vibrant and active nonprofit sector. A number of scholars note that services once provided by the federal government are increasingly being subcontracted out to the nonprofit sector (Alexander 1999; Berry 2003; Salamon 2003; Boris and Steurele 2006). At the same time, research shows that the nonprofit sector, and particularly public charities, are key actors in the promotion of traditional-liberal values like increased democratic participation from below, environmental sustainability, and expanded economic equality (Berry 2003). In this way, nonprofit organizations are active around issues and problems facing the nation today.
Yet despite the growth of the nonprofit sector and its orientation towards these key issues, the prominent actors and elites within the nonprofit sector and their relationship to other structures of power has received very little attention.

To address this gap in the research, this chapter examines the overall national elite network through an examination of interlocking directorates and attempts to situate the largest nonprofit organizations within the overall structure of power at the national level. The analysis that follows emerges from an elite theoretical approach to liberal democracy (Higley and Burton 2006). With the findings from this analysis, I argue that the United States will only be able to pursue a coherent economic, political, and social agenda through a cohesive, structurally integrated, and consensual elite that is representative of a wide variety of interests. From this elite theoretical perspective, democracy starts at the top, with the willingness of leaders from a wide variety of domains to cooperate and collaborate in order to address the complex issues that affect the nation as a whole.

Empirically, the chapter will examine whether elites in business, government, and the nonprofit sector are capable of effectively communicating their interests to one another, and will do so through an examination of elite interaction networks.

The chapter will do this by focusing on one type of elite interaction: the interlocking directorate. The analysis will set out to do four things: 1) to examine the extent to which the overall network is cohesive and structurally integrated 2) to assess whether such cohesiveness and structural integration is evenly distributed across sectors 3) to identify the specific organizations that help foster cohesion within the overall network and 4) to identify the individuals who are responsible for making connections across sectors.
Methods

Because this chapter is concerned with examining the ties across each sector, the networks are examined simultaneously in order to assess the relative cohesion and integration of organizations and elites across the various domains. The overarching network has a dual structure consisting of an interorganizational network of boards formed by individuals who hold multiple positions and an interpersonal network of individuals who meet one another by virtue of sitting on the same board.

UCINET VI (Borgatti, Everett, and Freeman 2002), a network analytic program, was used to trace the ties between organizations and individuals. The affiliation networks created by directors’ memberships on organizational boards were converted into two separate one-mode matrices: one consisting of the ties among organizations and another consisting of the ties among individuals. Within the organizational network, organizations are tied to one another if they share at least one board member in common. In other words, relations within the organizational network are treated as dichotomous. Within the individual director network, individuals are tied to one another if they sit on the same board.

UCINET was, then, used to examine the level of organizational cohesion in the full network. Following this, measures of degree centrality were calculated in order to identify the specific organizations within each of the domains that were connected by virtue of the individual directors who held multiple positions. These measures are supplemented by measures of betweenness centrality to assess the importance of some actors mediating ties among others. In addition, network visualizations were used to identify various levels of substructures. Given the nature of these visualizations, a
continuous core-periphery model was run and an examination of core members is discussed.

**Findings**

The elite theoretical approach here argues that a stable and representative political system is dependent upon a structurally integrated elite that is representative of a wide variety of sectors in such a way that no one group dominates the system. In this way, the political formula used by elites is essential to an understanding of the level of representativeness of any political system. In a representative system, elite interaction networks should reflect the fact that elites have mutual access to one another and are able to give voice to their interests through dense networks of interaction. The focus in this chapter is on elite interactions through shared members on boards of directors. These are just one aspect of elite interaction, but can be used as very visible evidence to assess whether elite networks are reflective of different sets of interests.

Again, in the social network literature, a group is structurally cohesive to the extent that there are observable social relations that hold the group together. Structural cohesion is a group-level property and focuses on the properties that unite a collection of actors. Individual actors may be more or less embedded within the group and different groups may be strongly or weakly cohesive, but the overall group is more cohesive to the extent that the relations within the group are evenly distributed across actors or in groups where relations are not driven by a single or a small set of actors (Moody and White 2003: 106-109). The following section uses network analytic measures to compare structural cohesion within the full network of corporations, public charities, think tanks
and foundations. Measures of cohesion include: density, average degree centrality, degree centralization, and percent of isolated organizations. It also uses network visualizations to help demonstrate levels of cohesion through graphs of actors and their ties.

**Structural Cohesion of Entire Network**

The first question that the chapter asks is the extent to which interlocking directorates allow for elites to interact with one another. Thus, the first set of analyses in this chapter looks at the relative level of cohesion of the full network. In this sense, the interpersonal network of elites has the potential to bring a variety of actors together and make them aware of the broader issues affecting the system— in this case issues across the corporate and nonprofit domains. By virtue of service on multiple boards, individuals become aware of the interests of a wide variety of organizations. At the same time, they gain the capacity to move beyond the narrow and specific interests of any one organization, which gives them at least the chance to coordinate across multiple organizations. Ultimately, then, holding multiple positions increases the possibility of looking out for the interests of the wider system in ways that holding only one position does not.

First, we can look at the full network in terms of its level of connectedness based on the density of ties. Density is a measure that tells us the number of ties actually present relative to the total number of ties that could be present. In this way, density is a measure of the degree of dyadic connection in a population of actors. It is measured as the proportion of total ties present relative to the total number of ties that are possible. As seen in Table 11 below, the density of ties is .02, which means that only 2 percent of all
ties are present in the network. Such a finding is not surprising, however, given the size of the network and the understanding that network density is inversely related to network size.

Table 11: Measures of Structural Cohesion (Full Network)

<table>
<thead>
<tr>
<th>Measures of Cohesion</th>
<th>Full Network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Density</td>
<td>.02</td>
</tr>
<tr>
<td>Average Degree</td>
<td>6.1</td>
</tr>
<tr>
<td>Degree Centralization (%)</td>
<td>17.7</td>
</tr>
<tr>
<td>% of Isolates</td>
<td>21.3</td>
</tr>
<tr>
<td>N</td>
<td>267</td>
</tr>
<tr>
<td>Avg. Board Size</td>
<td>23.1</td>
</tr>
</tbody>
</table>

Given the limitation of measures of density, the analyses turn to examine the level of connectedness and cohesion of the network using degree centrality. Degree centrality measures the organizations that are the most active within the network or in this case refers to the number of ties organizations have to other organizations by virtue of sharing at least one board member (Wasserman and Faust 1993: 178-180). We can use average degree of all organizations as a measure of structural cohesion of the entire network. This measure is good because it does not depend on group size (de Nooy, Mrvar, and Batagelj 2005: 63-64). As seen in the table, overall, organizations within the full network have ties with a little over 6 other organizations, though such ties are unevenly distributed throughout the network, as evidenced by the relatively high percentage of degree centralization (17.7%), where degree centralization measures the amount of variability in degree scores. The high level of centralization shows that the level of cohesion and
connectedness in the full network is being driven by a relatively small number of organizations with many connections. The findings that some organizations are more integrated into the overall network than others are substantiated by the high percentage of isolates in the network, with a little over one-quarter of organizations without any ties to organizations within the network (Table 11)

<table>
<thead>
<tr>
<th>Domain</th>
<th>Total Sample</th>
<th>Top 50</th>
<th>Ratio of Top 50 to Total Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Corporations</td>
<td>100</td>
<td>37.5</td>
<td>23</td>
</tr>
<tr>
<td>Charities</td>
<td>91</td>
<td>34.1</td>
<td>16</td>
</tr>
<tr>
<td>Foundations</td>
<td>50</td>
<td>18.7</td>
<td>1</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>26</td>
<td>9.7</td>
<td>10</td>
</tr>
</tbody>
</table>

| Total       | 267 | 100   | 50  | 100   |                                |

Given the relatively uneven distribution of cohesion across organizations, I next look at which specific sectors are more integrated and cohesive within the network than others. As seen in Table 12 above, certain sectors are overrepresented among the most connected organizations in terms of degree centrality. A rough estimate of the degree of over- and underrepresentation can be made by looking at the ratio of membership in the top 50 most central organizations to membership in the total sample. If each domain had a proportionate representation in the top 50 most connected organizations, then the ratio of the proportions would equal one. As we can see, the business sector and the think tank domain are overrepresented among the organizations with the most connections. The numbers suggest that think tanks are especially prominent in this network, with their likelihood of membership in the top 50 more than 2 times its representation in the total
sample. Conversely, foundations seem vastly underrepresented among the most connected demonstrating their placement along the periphery of the network.

### Table 13: Distribution of Isolated Organizations by Domain

<table>
<thead>
<tr>
<th>Domain</th>
<th>Total Sample</th>
<th>Isolated Organizations</th>
<th>Ratio of Isolated Orgs to Total Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Percent</td>
<td>N</td>
</tr>
<tr>
<td>Corporations</td>
<td>100</td>
<td>37.5</td>
<td>11</td>
</tr>
<tr>
<td>Charities</td>
<td>91</td>
<td>34.1</td>
<td>31</td>
</tr>
<tr>
<td>Foundations</td>
<td>50</td>
<td>18.7</td>
<td>12</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>26</td>
<td>9.7</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>267</strong></td>
<td><strong>100</strong></td>
<td><strong>57</strong></td>
</tr>
</tbody>
</table>

We can also assess the level of cohesion of specific sectors by examining the over- and underrepresentation of organizations among isolates in the overall network. As seen in Table 13, both charities and foundations are overrepresented among the isolated organizations. This suggests that they are less integrated into the overall network. In fact, a little over 34 percent of public charities are isolates in the network. The findings suggest that public charities are especially likely to be isolates within the network with their likelihood of membership among isolates more than 1.6 times their representation in the total sample. The table also suggests, in line with the findings above, that corporations are important actors in the network as evidenced by their underrepresentation among isolated organizations. Overall the findings suggest that some domains of organizations are more cohesively tied to the overarching national elite network.
Yet, as we know from the analyses in the previous chapters, public charities differ with respect to their level of internal cohesion. In other words, ties are relatively unevenly distributed within the public charity domain, suggesting that certain types of public charities are more likely to be cohesive than others (especially arts and culture charities, Jewish federations, and private universities). Thus, I turn to a closer examination of which types of public charities are isolates within the full network of all organizations across the four sectors.

<table>
<thead>
<tr>
<th>Type of Charity</th>
<th>Total Sample</th>
<th>Isolated Charities</th>
<th>Ratio of Isolates to Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Services/Int’l Relief</td>
<td>20 22.0</td>
<td>11 35.4</td>
<td>1.61</td>
</tr>
<tr>
<td>Health/Hospitals</td>
<td>10 11.0</td>
<td>7 32.3</td>
<td>2.93</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>10 11.0</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Jewish Federations</td>
<td>7 7.7</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Universities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public</td>
<td>8 8.8</td>
<td>2 6.4</td>
<td>.72</td>
</tr>
<tr>
<td>Private</td>
<td>5 5.5</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Public Broadcasting</td>
<td>5 5.5</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Environment</td>
<td>5 5.5</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Education</td>
<td>5 5.5</td>
<td>0 0.0</td>
<td>0</td>
</tr>
<tr>
<td>Christian</td>
<td>4 4.4</td>
<td>3 9.6</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>12 13.2</td>
<td>8 25.8</td>
<td>1.95</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>91 100</strong></td>
<td><strong>31 100</strong></td>
<td></td>
</tr>
</tbody>
</table>

As seen in Table 14, humanitarian public charities, charities most likely to work with and for disadvantaged populations, are once again overrepresented among the charities with no ties to other organizations. In fact, more than 50 percent of public charities of this type are isolates, with their likelihood of being isolated nearly 1.6 times higher than their representation in the total sample. Even starker, organizations operating
in the health domain are almost 3 times more likely to be represented among the isolated charities in the dataset, suggesting once again that these organizations are relatively peripheral with respect to networks of interlocking directorates at the national level.

Some may argue that there might be other factors that explain the relative isolation of human services, international relief and the health public charities. As suggested in the previous chapter, board size is a factor that does seem to have an effect on which organizations are connected within the public charity domain. This finding holds true within this domain as well, with public charities in these fields tending to have smaller boards than the public charities with more connections. Another assumption may be that the relative isolation of certain types of public charities is due to the resources they have their disposal. As seen in Table 15, though, there is no significant difference between isolated and non-isolated organizations in terms of their median or mean income generated from private support (median income reported in the table).

<table>
<thead>
<tr>
<th>Charities</th>
<th>N</th>
<th>Total Income (median)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Isolated</td>
<td>60</td>
<td>265,498</td>
</tr>
<tr>
<td>Isolated</td>
<td>31</td>
<td>235,839</td>
</tr>
</tbody>
</table>

Note: not significant at the .05 level using t-test based on permutation test controlling for potential dependence

This suggests that the differences in total private support among organizations is not an important determinant of their integration in the overall network. Rather, a lack of significant difference bolsters the argument that the type of activity pursued by these
organizations is an important reason why charities active in these areas are disconnected from the overall network. In this way, it seems to be more reflective of the types of organizations to which elites are attracted than it is to other factors. Such a relative isolation of certain types of organizations reveals the preferences of these elites. It demonstrates, at least partially, that these interests are not well-represented within elite interaction networks.

*The Relative Integration of Think Tanks by Political Ideology*

The previous chapter suggests that ties are unevenly distributed within the think tank domain, with ideologically-centrist organizations dominating the center of the network of think tanks and more conservative and progressive think tanks more peripherally-located. Thus, the analysis turns to an examination of the specific think tanks that are the most highly connected within the network. Fascinatingly, there are 11 think tanks (42.3%) with ties to 10 or more organizations in other sectors. This high centrality demonstrates that think tanks are indeed important and bring together a wide number of elites and organizations.

But even within the most connected organizations, there is substantial variation. For example, the Brookings Institution, a center-left think tank, is connected to 53 other organizations while the Urban Institute, a progressive think tank, is connected to 10 others. As seen in the Table 16, a little less than three-quarters of the most connected think tanks have a plurality of their ties with the business sector. This demonstrates the importance of think tanks in bringing together corporate elites. Thus, they are most heavily tied to the corporate domain, giving evidence that they aid the corporate sector in fostering cohesion. But, it is important to note that public charities are fairly well
Table 16: Most Central Think Tanks and Percentage of Ties Across Domains (Degree)

<table>
<thead>
<tr>
<th>Think Tank</th>
<th>Ideology</th>
<th>Degree</th>
<th>B</th>
<th>C</th>
<th>F</th>
<th>T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brookings institution</td>
<td>Center-Left</td>
<td>53</td>
<td>49.1</td>
<td>32.1</td>
<td>7.5</td>
<td>11.3</td>
</tr>
<tr>
<td>Council on Foreign Relations</td>
<td>Centrist</td>
<td>36</td>
<td>41.7</td>
<td>25.0</td>
<td>11.1</td>
<td>22.2</td>
</tr>
<tr>
<td>Institute for International Economics</td>
<td>Centrist</td>
<td>32</td>
<td>40.6</td>
<td>25.0</td>
<td>9.4</td>
<td>25.0</td>
</tr>
<tr>
<td>Center for Strategic and International Studies</td>
<td>Center-Right</td>
<td>25</td>
<td>48.0</td>
<td>32.0</td>
<td>4.0</td>
<td>16.0</td>
</tr>
<tr>
<td>National Bureau of Economic Research</td>
<td>Centrist</td>
<td>21</td>
<td>52.4</td>
<td>9.5</td>
<td>4.8</td>
<td>33.3</td>
</tr>
<tr>
<td>The Aspen Institute</td>
<td>Center-Left</td>
<td>21</td>
<td>23.8</td>
<td>33.3</td>
<td>4.8</td>
<td>38.1</td>
</tr>
<tr>
<td>Committee on Economic Development</td>
<td>Centrist</td>
<td>21</td>
<td>50.0</td>
<td>35.0</td>
<td>0.0</td>
<td>15.0</td>
</tr>
<tr>
<td>American Enterprise Institute</td>
<td>Conservative</td>
<td>20</td>
<td>64.8</td>
<td>17.6</td>
<td>0.0</td>
<td>17.6</td>
</tr>
<tr>
<td>Rand Corporation</td>
<td>Center-Right</td>
<td>17</td>
<td>35.3</td>
<td>29.4</td>
<td>5.9</td>
<td>29.4</td>
</tr>
<tr>
<td>Carnegie Endowment for International Peace</td>
<td>Center-Left</td>
<td>14</td>
<td>21.4</td>
<td>14.3</td>
<td>42.9</td>
<td>21.4</td>
</tr>
<tr>
<td>Urban Institute</td>
<td>Center-Left</td>
<td>10</td>
<td>30.0</td>
<td>20.0</td>
<td>30.0</td>
<td>20.0</td>
</tr>
</tbody>
</table>

represented with eight of 11 think tanks having more than a quarter of its ties with the charity domain. So while think tanks are indeed more closely aligned with business, there are openings for actors within other domains.
Organizational Bridges

Another way to examine the extent to which organizations mediate ties across actors is through an examination of betweenness centrality, where betweenness measures the extent to which actors lie on paths between two unconnected actors. In this way betweenness centrality gets at the idea that an organization is central or important to the extent that it is an intermediary between other organizations. Formally defined, betweenness centrality refers to the proportion of all geodesics between pairs of other organizations that include the focal organization. Thus, the integration of the network might be based on a few organizations that act as intermediaries between other organizations.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Domain</th>
<th>Type</th>
<th>Normalized Betweenness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brookings Institution</td>
<td>Think Tank</td>
<td>Center-Left</td>
<td>11.9</td>
</tr>
<tr>
<td>United Negro College Fund</td>
<td>Charity</td>
<td>Education</td>
<td>4.8</td>
</tr>
<tr>
<td>American Museum of Natural History</td>
<td>Charity</td>
<td>Arts &amp; Culture</td>
<td>4.0</td>
</tr>
<tr>
<td>Council on Foreign Relations</td>
<td>Think Tank</td>
<td>Centrist</td>
<td>3.4</td>
</tr>
<tr>
<td>Citigroup</td>
<td>Corporation</td>
<td>Financial</td>
<td>2.9</td>
</tr>
<tr>
<td>Institute for International Economics</td>
<td>Think Tank</td>
<td>Centrist</td>
<td>2.8</td>
</tr>
<tr>
<td>Lincoln Center</td>
<td>Charity</td>
<td>Arts &amp; Culture</td>
<td>2.3</td>
</tr>
<tr>
<td>Committee on Economic Development</td>
<td>Think Tank</td>
<td>Centrist</td>
<td>2.3</td>
</tr>
<tr>
<td>National Bureau of Economic Research</td>
<td>Think Tank</td>
<td>Centrist</td>
<td>2.2</td>
</tr>
<tr>
<td>University of Southern California</td>
<td>Charity</td>
<td>Private University</td>
<td>2.2</td>
</tr>
</tbody>
</table>
The measure used here is Freeman’s node betweenness implemented through UCINET and normalized as a percentage. Actors high in betweenness are said to facilitate the flow of information between other actors.

Table 17 lists the top 10 organizations in terms of normalized betweenness centrality. Interestingly, we find that think tanks once again play a prominent role integrating otherwise unconnected actors in the network. In this way, not only are they well-connected but they also seem to play a role as a gate-keeper, coordinating the flow of information between actors that are otherwise disconnected. The think tanks that are prominent, once again, are ideologically moderate, demonstrating the importance of centrist leaning think tanks to the overarching network. Public charities also show up as important actors helping to create ties between otherwise unconnected actors. However, once again these most central organizations tend to have an upper class bias drawing from arts and culture and private universities.

*Counterpoint: United Negro College Fund*

An exception to this pattern, however, is the United Negro College Fund, a charity focusing on college scholarships for traditionally underrepresented groups. The centrality of the United Negro College Fund, therefore, requires more in-depth treatment as a counterpoint to the general pattern that integrated public charities have an upper-class bias.

The United Negro College Fund has a 39-member board and shares board members with 26 other organizations of which 57.7 percent are to business and 27.7 percent to other charities, making it most heavily ties to the corporate sector. Of the
seven ties the United Negro College Fund, five of them are to arts and culture organizations and private universities. However, it should be noted that two ties are with public charities active in the delivery of human services (United Way and Boys and Girls Club). This evidence points to the United Negro College Fund as an important actor bridging between humanitarian organizations and the corporate world.

Figure 5: United Negro College Fund Ego-Network

As can be seen from the visualization above, the United Negro College Fund has ties to the following 15 businesses: General Electric, Microsoft, Merck, Aetna, Johnson & Johnson, Exxon Mobil, WalMart, JPMorganChase, Citigroup, Costco, Merrill Lynch, Motorola, Pepsi, Bank of America, and Proctor & Gamble. It also has ties to three think tanks (American Enterprise Institute, Center for Strategic and International Studies, and

Note: Network Visualization using spring-embedded algorithm.
Key: Businesses: white; Charities: light grey; Foundations: dark grey; Think Tanks: black
the Brookings Institution), to go along with its one tie to the Mellon Foundation, and its 8 ties to public charities (United Way, Boys & Girls Club, Duke University, USC, the Boy Scouts of America, the Smithsonian Institution, and Woodruff Arts Center). The following vignettes are for the individuals responsible for creating the ties:

- Raymond Gilmartin creates two of the ties to businesses: Microsoft and Merck. Gilmartin, a 65-year old White male and CEO of Becton Dickinson, a global manufacturer of medical devices and diagnostic products. A graduate of Union College with an M.B.A. from Harvard, Gilmartin was the former President and CEO of Merck. He is also responsible for the tie created between the United Negro College Fund and the American Enterprise Institute.

- Walter E. Massey, President of Morehouse College creates ties to Bank of America and Motorola. A 68 year-old Black male, Massey is a graduate of Morehouse College and has a Ph.D. in Physics from Washington University of St. Louis. Massey also creates ties with the Smithsonian Institution and the Mellon Foundation.

- Steven Reinemund, the President of Pepsi, creates the ties to Pepsi and Johnson & Johnson. A 58 year-old white male, Reinemund is a graduate of the Naval Academy and has an M.B.A. from the University of Virginia.

- H. Lee Scott, a 57-year old white male and CEO of WalMart, makes the connection with WalMart. Only the third CEO of WalMart, Scott is a graduate of Pittsburg State, and was named one of the 100 most influential people by *Time* magazine in 2004 and 2005.
• Charles Prince sits on the board of the United Negro Fund and is also CEO of Citigroup. A 56 year-old white male, he has a BA, MA, and JD from the University of Southern California.

• Rex Tillerson creates ties between the Fund and ExxonMobil. A 54 year-old white male, Tillerson is the President and Director of ExxonMobil. Tillerson, a graduate of the University of Texas at Austin has a bachelor’s degree in civil engineering and also creates ties to the Boy Scouts of America and the Center for Strategic and International Studies.

• Ann Fudge, who creates a tie to General Electric, is a 65 year-old Black female and CEO of Young & Rubicam, a consulting group, known as a leader in the field of advertising, public relations, and commercial communications. Fudge is also responsible for ties to the Boys & Girls Club and the Brookings Institution.

• James Dimon, a graduate of Tufts University with an M.B.A. from Harvard, is responsible for the tie to JPMorganChase. Dimon, a 50 year-old white male and President and COO of JP MorganChase served as the CEO of BankOne, then the nation’s 5th largest bank, until he took his position at JPMorganChase.

• Michael H. Jordan creates the tie to Aetna, a 70-year old white male and President of Electronic Data Systems. A graduate from Yale University with an M.S. in engineering from Princeton, Jordan is the former CEO of Pepsi and CBS Corporation.

• Alan Lafley, a 59 year-old white male and President and CEO of Proctor and Gamble, creates the tie with Proctor & Gamble. A graduate of Hamilton College
with an M.B.A. from Harvard, Lafley was named Chief Executive of the Year in 2006 by the Committee on Economic Development.

- Linda Johnson Rice, a 48 year-old Black female, Rice creates the tie to the University of Southern California. An alumnus of the school, with an M.B.A. from Northwestern, Rice is the President of Johnson Publishing Company, home of Ebony and Jet magazines.

- Clarence Newsome is the President of Shaw University, a historically black university located in Raleigh, North Carolina, and creates the tie with Duke University. A Duke alumnus with a BA in religion, a Masters of Divinity, and Ph.D. in religion, Dr. Newsome is the former dean of the School of Divinity at Howard University.

- Michael Lomax, a Black male, is the President of the United Negro College Fund. A 59 year-old Black male, Lomax is the former President of Dillard College. Lomax creates the tie with the United Way.

As can be seen from the above vignettes, there are individuals from the corporate and think tank domains who make ties to an organization that is an advocate of a traditionally disadvantaged population in the United States. The vast majority of these individuals, though, serve as executives for major corporations. The connections from the United Negro College Fund to these major corporations at least provide the possibility that some underrepresented interests have access to other important actors at the national level. It should be noted, though, that not all of the individuals who make ties are from the corporate world. In fact, it is interesting to note that all of the black males who make connections between the United Negro College Fund and other organizations have
primary occupations outside of the corporate world, mainly in positions in the public charity sector (either as heads of humanitarian organizations or universities).

**Interlocks across Sectors**

Until this point, the analyses have treated the ties between organizations in their aggregate. Thus, the attention now turns to an examination of the specific kinds of organizations that are tied to one another. The question now becomes whether organizations are more likely to be tied to one another internally, or whether organizations prefer to make connections with organizations in other sectors. Even more specifically, the analyses turn towards those organizations that are responsible for making ties across sectors. Table 18 below shows the links between organizations that are internal and external to the focal organization’s sector. The analysis relies on the E-I index, which examines the extent to which ties are more internal or external across subgroups within the network.

Krackhardt and Stern (1988) developed this very simple and useful measure of group embedding based on comparing the numbers of ties within groups and between groups. The E-I (external-internal) index takes the number of ties of group members to outsiders, subtracts the number of ties to members inside the same group, and divides by the total number of ties. The resulting index ranges from -1 (all ties are internal to the group) to +1 (all ties are external to the group). Thus, the more positive index, the more externally-oriented the domain, and conversely negative indices reveal tendencies towards internal connections. Particularly useful to my research, the E-I index measures such orientation at three levels: the entire population of organizations, each domain, and
each specific organization. Using these measures it can identify the extent to which the domains are externally or internally oriented while showing which specific organizations make ties across domains. At the same time, the E-I index uses a permutation test in order to determine whether the index for the entire network is significantly higher or lower than expected given the size of groups.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Internal N (Mean)</th>
<th>External N (Mean)</th>
<th>E-I Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations (N=100)</td>
<td>358 (3.58)</td>
<td>325 (3.25)</td>
<td>-.04</td>
</tr>
<tr>
<td>Charities (N=91)</td>
<td>204 (2.24)</td>
<td>272 (2.99)</td>
<td>.14</td>
</tr>
<tr>
<td>Foundations (N=50)</td>
<td>18 (0.36)</td>
<td>135 (2.7)</td>
<td>.77</td>
</tr>
<tr>
<td>Think Tanks (N=26)</td>
<td>74 (2.84)</td>
<td>232 (8.92)</td>
<td>.52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>654</td>
<td>964</td>
<td><strong>.19</strong></td>
</tr>
</tbody>
</table>

Note: **p < .01

As seen from Table 18, the overall network is externally-oriented showing that organizations typically have ties to organizations outside of their own domain (E-I index: .19). However, results from the permutation test show that the external orientation of this network is significantly lower than expected, giving evidence that there is actually more internal coordination than expected. This is due to the fact that the number of organizations outside of any given domain is significantly larger than the number of
organizations inside any given domain. For example, if we were to look at corporations as the focus, there are 100 organizations inside the domain, but 167 organizations outside the domain. If organizations across all domains had an equal chance of being tied, then corporations would be expected to have an external orientation given the larger number of organizations outside of the domain. No matter which domain is taken as the focus, there are always more organizations outside of the domain, and thereby more of a chance for external orientation. So given the differences in group sizes, an external-orientation is expected. Understanding this, an external orientation of .19 is actually significantly lower than what would be expected based on the number of organizations that are external to any given domain.

As we can see from the table, corporations actually have more ties internally than they do externally, as evidenced by the negative E-I index (-.04). This demonstrates, once again, the high levels of coordination within the corporate sector, with corporations more likely to have ties internal to the sector than external to the sector. While the public charity domain has more of an external orientation (E-I index=.14), this external orientation is actually lower than would be expected given the number of organizations outside of the domain. In other words, the public charity domain is internally-coordinated, but as noted in the previous chapter, this internal-coordination is being driven by a relatively small number of organizations who are active in specific areas (i.e. arts & culture, private universities, Jewish federations).

Both foundations and think tanks are much more externally-oriented than internally-oriented. In fact, while the 50 foundations in my sample only have an average of .36 ties to other foundations, they have close to 2.7 ties to organizations outside of the
domain. This shows that foundations are potentially arenas where elites from other sectors can meet and interact. Again, they play an important role in integrating the overall network, though not as big a role as think tanks given the evidence from measures of betweenness.

Comparatively, think tanks display more of an ability to integrate the overall network. Like foundations, think tanks have a fairly high external-orientation (E-I index=0.52). On average, think tanks have ties to close to nine other organizations outside of the domain, making think tanks key sites for the integration and cohesiveness of the overall elite network. This demonstrates, once again, the importance of policy planning organizations in bringing together elites from other sectors. They are key gatekeepers in these elite interaction networks. They are important sites where elites can get together to discuss issues. But it should also be remembered, that the ties within the think tank domain are being driven mostly by a small set of centrist think tanks with many ties to other organizations. So some tanks are more important than others to the integration and cohesiveness of the network.

The question becomes to which other sectors are most of these connections being made? As seen from Table 19 below, corporations have a majority of their ties with other businesses (which makes sense given their negative E-I index), with 52.4 percent of their ties to other corporations. At the same time, the proportion of ties corporations have with charities and think tanks are relatively similar (20.8 percent and 17.9 percent, respectively). Charities, too, have the highest percentage of ties to organizations within their domain, with 42.9 percent of their ties to other charities. Interestingly, their percentage of ties to think tanks are comparable to the corporate world, demonstrating
once again the think tanks are important in bringing actors together, and it also shows that they are bringing more than just corporate actors together. However, it should be noted once again, that their ties to public charities are primarily with some types of charities and not others. So think tanks are more likely to integrate private universities and arts and culture organizations, and not necessarily humanitarian organizations.

While the foundation sector is externally-oriented, they have the highest percentage of ties to corporations, with nearly 40 percent of all foundation ties to corporations. Foundations are also tied heavily to charities, with another 30 percent of its ties to the public charity domain. The percentage of the foundation domain’s total ties to think tanks is comparable to the percentages of ties to think tanks in both the corporate and charitable domains. When looking at think tanks themselves, though, we see that they are most likely to be tied to the corporate sector, with a little less than 40 percent of its ties to businesses, followed by public charities, which account for 27.1 percent of its ties.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Corporations</th>
<th>Charities</th>
<th>Foundations</th>
<th>Think Tanks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>52.4</td>
<td>29.8</td>
<td>39.9</td>
<td>39.9</td>
</tr>
<tr>
<td>Charities</td>
<td>20.8</td>
<td>42.9</td>
<td>30.7</td>
<td>27.1</td>
</tr>
<tr>
<td>Foundations</td>
<td>8.9</td>
<td>9.9</td>
<td>11.8</td>
<td>8.8</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>17.9</td>
<td>17.4</td>
<td>17.6</td>
<td>24.2</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Read down the columns. E.g. Charities have 29.8 percent of their ties to corporations, 42.9 percent of their ties to other charities, 9.9 percent to foundations, and 17.4 percent to think tanks.
But again, within each of these domains there are some organizations that have more external connections than others. Therefore, when it comes to organizations within each domain that make ties across sectors, it is important to pay attention to the specific organizations responsible for creating the ties across domains. In other words, some organizations within each of the domains are important because they create ties across domains, while others are both less connected and less externally-oriented. Thus, the organizations that are most externally-oriented serve as bridges to other domains.

Foundations are the one domain whose ties are predominantly externally-oriented. Interestingly, there are 10 foundations that have ties to more than 5 organizations outside of the domain, while conversely over one-quarter of foundations have no ties to organizations outside of the domain. Thus, the level of integration of the foundation domain within the overall network is being driven by a relatively small number of very well-connected organizations.

As seen in Table 20 below, seven of the 10 foundations have the highest percentage of their external ties to the corporate sector. The Carnegie Corporation of New York has the most external ties of any foundation, sharing board members with 16 organizations outside of the domain, with a little less than half (43.8%) of those ties to corporations. Another five of these ties are to centrist and moderate think tanks (Carnegie Endowment for International Peace, Brookings, CFR, Aspen Institute, and the Center for Strategic and International Studies). It has four ties to the public charity domain, though none of these ties are to humanitarian organizations.
Table 20: Distribution of Foundation Ties to Other Domains

<table>
<thead>
<tr>
<th>Foundation</th>
<th>External Ties</th>
<th>B</th>
<th>C</th>
<th>T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carnegie Corporation of New York</td>
<td>16</td>
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<td>31.3</td>
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<td>55.6</td>
<td>33.3</td>
<td>11.1</td>
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<td>62.5</td>
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<td>8</td>
<td>50.0</td>
<td>12.5</td>
<td>37.5</td>
</tr>
<tr>
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<td>7</td>
<td>57.1</td>
<td>42.9</td>
<td>0.0</td>
</tr>
<tr>
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<td>14.3</td>
<td>28.6</td>
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<tr>
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<td>42.9</td>
<td>0.0</td>
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<tr>
<td>John D. and Catherine T. Macarthur Foundation</td>
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<td>33.3</td>
<td>33.3</td>
<td>33.3</td>
</tr>
<tr>
<td>Doris Duke Foundation</td>
<td>6</td>
<td>16.7</td>
<td>50.0</td>
<td>33.3</td>
</tr>
<tr>
<td>David and Lucile Packard Foundation</td>
<td>5</td>
<td>60.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
</tbody>
</table>

The Andrew Mellon Foundation has nine ties to organizations outside of the sector, but the majority of these ties are to corporations. Two of its ties to public charities are with arts and culture organizations (Woodruff Arts Center and the
Smithsonian Institution). The other is to the United Negro College Fund, created by Walter Massey, as discussed above. The same holds true for the rest of the foundation domain, with most of the ties from foundations to the charity sector with private universities or arts organizations, while their ties to the think tank domain are entirely with ideologically centrist and moderate organizations. The only exception to this rule is the Bill and Melinda Gates Foundation, which creates ties with the United Way and the University of Washington. So while foundations integrate the network, they do not play very important roles in bridging a wide variety of interests. Instead, they seem to bring together the same kinds of actors: corporations, moderate think tanks, and upper-class oriented public charities.

Within the think tank domain, the external ties driven by the centrist and moderate organizations. For example, the Brookings Institution has 47 of its 53 ties to organizations outside of the think tank domain, the Council on Foreign Relations has 28 of its 36 ties to organizations external to the domain, and the Institute for International Economics has 24 of its 32 ties to external actors. Though, they have most of their connections with corporations (as seen above). At the same time, the ties that they have to public charities tend to be with the same kinds of public charities heavily-connected in other ways.

Within the corporate realm, financial institutions have the most connections to organizations outside of the corporate domain. For example, Citigroup has 13 of its 24 ties to organizations outside of the domain. Five of these external ties are to public charities and interestingly one is to Habitat for Humanity, created by Robert Willumstad, the President and COO of Citigroup, and another is to the Nature
Conservancy created by Roberto Hernandez Ramirez, the former CEO of the Bank of Mexico. AIG has nearly 11 of its 14 ties to non-corporate organizations, though the connections to public charities are with Jewish federations, Johns Hopkins University, and the American Museum of Natural History. Such evidence suggests that these financial institutions play an important role in integrating elites in other sectors, though these organizations are mostly tied to certain types of non-corporate actors.

Financial institutions, however, are not the only corporations with many ties to organizations outside of the sector. ExxonMobil has nine of its total of 15 ties to organizations outside of the sector, though its ties to public charities are with Harvard, the Metropolitan Museum of Art, the American Museum of Natural History, and the Boy Scouts of America. General Electric has nine externally-oriented ties out of its total of 16. It has two ties to public charities that are either humanitarian or are oriented towards traditionally disadvantaged populations (Boys & Girls Club and the United Negro College Fund), though both of these ties are created by Ann Fudge. This demonstrates that there are certain elites who play an especially important role bridging between these sets of interests. Such a finding is interesting even if they come from the corporate world. Boeing has eight of its 13 ties to organizations outside of the sector, though only one of these ties is to a public charity. Aetna, on the other hand, has eight of its 10 ties outside of the sector. Four of these eight ties are to public charities with connections to Johns Hopkins and UNICEF created by Edward Ludwig, President of Becton Dickson, a manufacturer of medical devices. So while the corporate domain is predominantly internally-oriented, there are some corporations that are especially important bridging the corporate sector to these other
domains, and sometimes these ties are to public charities that work with and for traditionally disadvantaged groups.

This is also true of the public charity domain, where there are some organizations with a lot of ties external to the domain, suggesting that these are key organizations that help bridge ties across sectors. Not surprisingly, given the analyses above, the public charity with the most external ties is the United Negro College Fund with 19 of its total 26 ties to organizations outside of the sector. It is worthy to note that this is one organization who advocates for traditionally disadvantaged communities in the United States that plays a very important role bridging to other sectors. The other public charities that are most externally-oriented are the American Museum of Natural History with 15 of its 32 ties to organizations outside of the domain, Lincoln Center with 14 of its 24 ties to organizations outside the sector, the Museum of Modern Art with 13 of its 20 ties external to the domain, the University of Southern California with 12 of 22 external, and Duke University with 12 of 17 of its total ties external. Once again, we see that certain types of charities are playing important roles bridging to other domains, but that these organizations are not drawn largely from the human services or health fields.

Counterpoint: Externally-Oriented Human Service Organizations

It should be stated, though, that there are some organizations active in the human services field that do have ties to other domains. As a counterpoint to the overall trend of their periphery and isolation in the network, it is interesting to take a look at these organizations specifically with respect to who they are connected to and the individuals that are responsible for making the connections, much the same way
that was done earlier for the United Negro College Fund. Table 20 above gives the organizations within these fields that have the most external ties.

As can be seen from Table 21, the Boys & Girls Club has seven of its 10 total ties to organizations outside of the domain. Five of these ties are to corporations (Pfizer, General Electric, Kroger, Allstate, and Goldman Sachs), with two ties to think tanks (Brookings Institution, and one to the Hudson Institute). Three of the connections made to these external organizations are made by Edward Liddy, a 60-year white male and CEO of Allstate, who creates ties with Allstate, Kroger, and

<table>
<thead>
<tr>
<th>Organization</th>
<th>External</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boys and Girls Club</td>
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<td>10</td>
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<tr>
<td>United Way</td>
<td>5</td>
<td>8</td>
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<td>Salvation Army</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Care</td>
<td>2</td>
<td>11</td>
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</table>

Goldman Sachs. Therefore some of the ties created between the Boys and Girls Club and other sectors are created by prominent individuals in the corporate world. This does suggest, however, that these corporate directors can have wider interests than are often proscribed to them by power structure researchers.

Two other members of the Allstate board serve on the board of the Boys & Girls club: Ronald LeMay, a 61-year old white male and former President and COO of Sprint; and J. Christopher Reyes, one of the richest people in the United States, a
52-year old and head of Reyes holdings, a massive food and beer distribution conglomerate. Two connections are made by Ann Fudge (GE and Brookings). Once again, she shows up as important in bridging across these different domains. The connection to Pfizer, is made by Dana Mead, a 70-year old white male and chairman of the MIT Corporation, the governing body of MIT, since 2003. Prior to serving in that position, Mead served as CEO of Pactiv, a leader in food services and packaging (most well-known for its Hefty brands). The relationship made to Partners Health System is created by Roxanne Spillett, a 56-year old white female and President of the Boys & Girls Club. The connection to the conservative think tank the Hudson Institute is made by Allan Tessler, the 70-year old the Chairman and CEO of International Financial Group, an international merchant banking firm. If it is reasonable to assume that board membership reveals personal preferences, it follows that some individuals who make ties with human service organizations have conservative economic beliefs. This suggests that an interest in humanitarian issues is not always directly related to other liberal or progressive beliefs.

The United Way is also more externally-oriented than internally oriented with 62.5 percent of its ties to organizations outside of the public charity domain. Three of these five external ties are made with corporations (Merck, Costco, and Sears Roebuck) while it also has one tie to a foundation (Bill and Melinda Gates Foundation) and one tie to a think tank (the Joint Center for Political and Economic Studies). The United Way has a 30-member board, but only four of these board members are responsible for making ties to outside organizations. Bill Gates’s father, William Gates, Sr, is responsible for two ties, as he also sits on the board of the Bill
and Melinda Gates Foundation and Costco. The tie to Merck is created by Johnetta Cole, a 70-year old Black female and President of Bennett College. Cole was the first Black president of Spelman College and served in that position for 10 years from 1987-1997. Rodney Slater, a 51-year old Black male, makes the tie with the connection to the Joint Center for Political and Economic Studies, a progressive think tank. Slater is a partner at Patton Boggs, a powerful Washington D.C. law firm specializing in public policy and lobbying, regulatory, litigation, business, and intellectual property law. Prior to joining Patton Boggs, Slater served as U.S. Secretary of Transportation under Bill Clinton. The fourth tie to Sears Roebuck is created by Raul Yzaguirre, a 67-year old Mexican-American Male, and former President of National Council of La Raza, an advocacy group focused on reducing poverty and discrimination of and increasing opportunities for Hispanics.

The Salvation Army has three of its ties to organizations outside of the domain, two of which are to corporations (Ford and Hess) with the third to a think tank (Heritage Foundation). The tie to Ford is created by Edsel Ford II, a 58-year old white male and Vice-President of Ford Motor Co., Edsel is the great-grandson of Henry Ford, the founder of Ford Motor Co. The tie with Hess is created by Craig G. Matthews, a 63 year-old white male, and former President and CEO of KeySpan, the fifth largest distributor of natural gas in the United States until it became part of National Grid. Kay James Cole is responsible for the tie to the Heritage Foundation, a conservative think tank. Cole is a Black Female and former director of the United States Office of Personnel Management under George W. Bush.
Rounding out the human services organizations is CARE, a humanitarian organization focused on fighting poverty, which has two ties to organizations outside of the public charity domain, both of which are to think tanks (CED and CFR). CARE has a 25 person board, but only two individuals create ties to external organizations. Dr. Helene Gayle, the President and CEO of CARE, also sits on the board of the Council on Foreign Relations. Gayle, a black Female, has a bachelor’s degree from Barnard College, an M.D. from the University of Pennsylvania and a Master’s of Public Health from Johns Hopkins University. The tie created with the Committee for Economic Development is through W. Bowman Cutter, a white male, and managing director at Warburg Pincus, LLC, a leading private global equity firm.

A Core-Periphery Structure

Analyses using clique analysis and structural equivalence failed to identify any discernible subgroups, but Figure 6 below clearly demonstrates that there is a relatively central core of highly-connected actors that cluster highly together towards the center of the graph. Prior analyses has suggested that the overarching national elite network consists of a core-periphery structure. The analysis now turns to a test of this hypothesis by fitting a continuous core-periphery model to the matrix of interlocking directorates among corporations, public charities, foundations, and think tanks.
The continuous coreness approach uses a factor-analytic procedure to identify a single vector on which nodes are given a coreness score. In so doing, it attempts to identify a core-periphery structure, such that the product of the vector and its transpose comes as close as possible to reproducing the matrix of interlocks (Borgatti and Everett, 1999; Carroll and Sapinski 2001). This method is good because it generates a correlation between the model and actual values, which can act as a measure of fit between the model and the interlock structure. The correlation between the model and the actual data is .36, which according to the literature is moderately high, demonstrating that there is indeed a core-periphery structure (Borgatti and Everett 1999). As can be seen from Table 22, a little less than 50 percent of 59 core members are corporations, even though
corporations only make up 37.5 percent of the total number of organizations. This suggests, not surprisingly, that corporations are overrepresented as core members, with corporations being 1.3 times more likely to be members of the core in this network relative to their total number in the sample. The same can be said for think tanks who account for 20.3 percent of all organizations in the core. In fact, think tanks are 2.1 times more likely to be members of the core relative to their total number in the sample. Public charities comprise the second highest percentage of organizations in the core, but again they are underrepresented relative to their total number in the sample, and are drawn primarily from a relatively narrow set of interests. While they make up 34.1 percent of the total sample, they only make up 28.8 percent of core members. The underrepresentation of foundations among core members is even starker, with foundations making up only 3.4 percent of the core members, even though they account for 18 percent of the total organizations in the sample.

There is a high representation of organizations from New York in the core as well, with 30.5 percent of the organizations in the core with headquarters in New York City. Washington D.C. has the second highest representation among cities, with 18.6 percent of the organizations having their headquarters in D.C. This suggests that there is a potential spatial component of the core group of organizations. In fact, the core members from New York City alone account for close to 14 percent of the total coreness for all 267 organizations, while the core members from D.C. account for 9.2 percent of the total coreness for the full network. The findings suggest that New York and D.C. are potentially important locations for core members.
<table>
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<th>Sector</th>
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<th>Location</th>
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(Table 22 continued)

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</tbody>
</table>
The Inner Circle of the National Elite Network

While it is useful to understand which organizations are integrated into the overall network, this tells us little about the individuals who are responsible for making connections within the network. As can be seen in Table 23, a large majority of individuals in the dataset sit on only one board within the network, with 90.8 percent of individuals having only one board position. This shows that the connections that occur between the organizations above are being driven by a relatively small number of individuals who occupy multiple board positions. However, even though the large majority of individuals serve on only one board within the full network, there are key actors who hold multiple board positions, and thereby constitute an inner circle of elites within the network. Outlined in Table 23, exactly 2 percent of individuals serve on three boards or more, with 10 individuals sitting on more than five boards across the four sectors.

Table 23: Number and Percentage of Multiple Directors

<table>
<thead>
<tr>
<th># of board positions</th>
<th>Network</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>4982</td>
<td>90.8</td>
</tr>
<tr>
<td>Two</td>
<td>396</td>
<td>7.2</td>
</tr>
<tr>
<td>Three</td>
<td>66</td>
<td>1.2</td>
</tr>
<tr>
<td>Four or More</td>
<td>44</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5488</td>
<td>(9.2)</td>
</tr>
<tr>
<td><strong>% Inner circle</strong></td>
<td></td>
<td>(9.2)</td>
</tr>
</tbody>
</table>
Table 24 lists the individuals who have more than five connections within the overall network. As can be seen from this table, many of these individuals were the most connected individuals in the domains discussed in the previous chapter. For example, David Rubenstein was a member in the inner circle within the public charity and the think tank domain, and Laura D’Andrea Tyson was a member of the think tank inner circle. The discussion that follows will focus on those individuals who were not discussed as a member of any of the inner circles in the previous chapter.

**Table 24: Highest Connected Individuals (Degree Centrality)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>David M. Rubenstein</td>
<td>Managing Director, The Carlyle Group</td>
<td>7</td>
</tr>
<tr>
<td>Laura D’Andrea Tyson</td>
<td>Dean, London Business School</td>
<td>6</td>
</tr>
<tr>
<td>Kenneth M. Duberstein</td>
<td>CEO, Duberstein Group</td>
<td>6</td>
</tr>
<tr>
<td>Carla A. Hills</td>
<td>Chair and CEO, Hills &amp; Co.</td>
<td>6</td>
</tr>
<tr>
<td>James A. Johnson</td>
<td>Vice President, Perseus, LLC</td>
<td>6</td>
</tr>
<tr>
<td>Walter E. Massey</td>
<td>President, Morehouse College</td>
<td>6</td>
</tr>
<tr>
<td>Samuel A. Nunn</td>
<td>Senior Partner, King &amp; Watson</td>
<td>6</td>
</tr>
<tr>
<td>Morris W. Offit</td>
<td>Co-CEO, Offit Hall Capital</td>
<td>6</td>
</tr>
<tr>
<td>Joan E. Spero</td>
<td>President, Doris Duke Charitable Foundation</td>
<td>5</td>
</tr>
</tbody>
</table>

James A. Johnson sits on the board of six other organizations in the overall network including Target, United Health, Goldman Sachs, the Kennedy Performing Arts Center, Brookings Institution, and the Committee for Economic Development. Johnson, the vice-Chairman Perseus, LLC, a private banking firm, is a 63 year-old white male, and a well-known figure in the Democratic party. A graduate of the University of Minnesota with a B.A. in political science, Johnson was the campaign manager for Walter Mondale’s failed presidential bid. Joan E. Spero, a 62 year-old white female, is the
President of the Doris Duke Charitable Fund and a former U.S. Ambassador to the United Nations. A graduate of the University of Wisconsin, with a Ph.D. from Columbia University, Spero serves on the boards of IBM, Columbia University, the Brookings Institution, the Council on Foreign Relations, and the Institute for Policy Studies.

In many ways, the individuals that create ties across domains are very similar to the individuals that create ties within the domains. There are no discernible differences in terms of age or education. One potential difference is the range of occupations held by each one of these most-connected individuals in the sample. They come from a wide variety of fields, including academia, government service, and business. In this way, they are not only leaders in one domain, but are leaders in many. It remains consistent, however, that they all have strong ties to the corporate community.
Chapter 6: Access Denied? Corporate and Nonprofit Elite Access to Federal Advisory Committees

The purpose of this chapter will be to introduce an elite approach to an understanding of the nonprofit sector and to examine the extent to which large and prominent nonprofit organizations have access to the federal government. To do this, this chapter focuses on one potential access point, the federal advisory process, and compares nonprofits and businesses with respect to their access to federal advisory committees at the national level. I argue that such an approach helps to further our understanding of where the nonprofit sector and its elites fit into the overarching structure of power and politics at the national level in the United States.

But as noted above, elite research and research on the distribution of power at the national level all but ignored the nonprofit sector between 1950 and 1980. Research on nonprofit organizations and their involvement in politics at the national level, however, has been more common in others sets of literature since the 1980s. Political scientists writing in the interest group tradition take nonprofit organizations and their potential power quite seriously, and have focused heavily on the role of advocacy organizations, citizen and interest groups, and other types of nonprofits in their attempts to influence federal policy decisions (Berry 1984; Schlozman and Tierney 1983; Walker 1991). In fact, studies from this line of research show that citizen interest groups are quite successful in publicizing their issues in the media and giving testimony in Congress, even when competing directly with corporations (Berry 1999b). The research on interest

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25 Citizen groups are lobbying organizations that mobilize individuals around common interests though are not necessarily tied to their vocation or profession (Berry 1999b).
groups, however, has a relatively narrow conception of politics as lobbying. As Jeffrey Berry writes, “Congress is at the center of national politics, and the policies it considers and acts on shapes the lives of Americans in direct and fundamental ways” (1999b: 2). Much like the classical pluralist tradition, such a conception assumes that policymaking originates in Washington (and really focuses mostly on Congress), and that interest groups exist solely to influence the policymaking process from outside of government.

In so doing, the interest group tradition starts with the assumption that there are clear boundaries between the policymakers in government and the interest groups outside of government. They see politics as an arena of organized combat where issues are raised and groups organize in support or opposition of those issues. They fail to examine the extent to which some groups are able to keep policymaking off the field of combat altogether. Consequently, they fail to see how actors outside of government might be incorporated into the policymaking process prior to their need to lobby around issues. They focus on battles that occur in visible and obvious ways, around specific pieces of legislation or in terms of Congressional testimony. Subsequently, they fail to examine the more subtle and indirect ways in which power is exercised, through the setting of the agenda or in more systematic cultural ways (Lukes 1974). In so doing, they remain blind to key questions about whether some interest groups have disproportionate access to government (i.e. large corporations) in ways that allow them to promote their interests before pieces of legislation are even imagined, nevermind discussed or up for vote. Ultimately, the interest group tradition fails to systematically examine whether there really are clear boundaries between policymakers in government and interest groups.
outside of government. And more importantly they fail to see whether these boundaries work in the same ways for all sets of interest groups.

Others writing from a social capital and civic engagement perspective emphasize the importance of voluntary associations to the health and vibrancy of American democracy. For them, voluntary associations, mostly nonprofits, are important because of their ability to socialize individuals into democratic citizenship. The civil sphere is an important arena where individuals formulate their common interests and translate those common interests to the state. Scholars from this tradition fear what they see as a decline in the number of voluntary associations that foster face-to-face interactions among their members, and they bemoan the emergence of large, professionally-run organizations (Putnam 2000). They long for the “golden age of associationalism,” and they look for ways to revive local, American communities by getting individuals to socialize and interact with one another across a wide-range of activities (Putnam 2000: chapter 24).

Efforts to enhance the level of connectedness, trust, and engagement of the American public—like Robert Putnam’s Saguaro Seminar—are noble, but the literature’s focus on voluntary associations and local communities is too narrow. As Theda Skocpol writes, “We live in a nation marked by growing gaps between the rich and the upper middle class versus everyone else…at a time when money and top heavy initiatives count for more and more in organized politics and associational life, how could our national democracy possibly be revitalized through indiscriminate increases in any and all kinds of local sociability” (2003: 257-258). Even if we agree that local, voluntary associations with high levels of face-to-face interaction and trust are essential to a democratic society, questions remain about how such associations translate this engagement into real power,
especially when it comes to politics at the national level in an era of corporate capitalism. Thus, the civic engagement literature tends to emphasize one segment of the civic sphere, despite increasing evidence of the emergence and importance of large-scale, national nonprofit organizations alongside the emergence of multinational corporations. I argue that, in so doing, they fail to fully assess the most prominent and powerful actors within the civic sphere.

This chapter, therefore, starts with the assumption that the most powerful political actors at the national level are large formal organizations and the individuals that have attained leadership positions within them (Lindblom 1977). It argues that the policymaking process is not something solely contained within government. Rather, policymaking occurs through networks of organizations and prominent individuals within organizations. Organizations are prominent and important only to the extent that they take one another into account during the formulation and implementation of policy options (Knoke and Laumann 1987). By treating policymaking this way, this chapter avoids interest group theorists’ assumption that organizations or interest groups are influential only through advocacy and lobbying from outside of government. Rather, this chapter explores the extent to which the federal government formally invites some groups to take part in the policymaking process, and whether the federal government seeks the advice of some organizations and their elites even before the need for pressure from the outside. Ultimately, this chapter examines the extent to which the boundaries demarcating government from the corporate and nonprofit sectors are clear and distinct.

In line with research from the power structure tradition, there is no reason to assume that government grants equal access to all groups. Therefore, this chapter asks
whether the federal government affords proportionate access to the largest organizations in the corporate and nonprofit sector. It does so by first identifying the largest and most prominent corporations, foundations, think tanks, and public charities and then comparing their relative access to federal advisory committees.

Thus this chapter sets out to do five things: 1) it gives an overview of federal advisory committees 2) it examines which agencies are most likely to be connected to the largest corporations, public charities, foundations, and think tanks 3) it examines which specific committees are most connected, 4) it looks at which specific organizations within each domain are tied to federal advisory committees and 5) it assesses the characteristics of individuals who are most responsible for making the connections.

Why Federal Advisory Committees?

The federal government has long sought outside expertise to help develop policies at the national level through formal advisory groups, though not much was known about this process until the early 1970s when members of Congress began to question the efficiency and transparency of federal advisory bodies (Ginsberg 2009: 2). Capitalizing on increased public displeasure with government secrecy, members of Congress—led by Senator Lee Metcalf of Montana—passed the Federal Advisory Committee Act (FACA) in 1972. The act identified federal advisory committees (FACs) as “any committee, board, commission, council, conference, panel, task force, or other similar group, or any subcommittee or other subgroup which is: established by statute or reorganization plan; established or utilized by the President; or, established or utilized by one or more agencies, in the interest of obtaining advice or recommendations for the President or one
or more agencies or officers of the Federal government” (FACA s3). In other words, federal advisory committees were officially identified as any group convened for or by the federal government in order to get outside advice from actors operating in positions outside of government. In that way, FACs are mechanisms by which individuals and organizations are granted access to the policymaking process without having to lobby. Rather, actors are sought out by government as collaborators in the formulation and implementation of policy.

While defining FACs was an important component of the act, it was not its central purpose. The real goal of FACA to was formally set up a process that would allow for the regulation and monitoring of FAC activities in order to ensure that the advisory process would remain transparent, efficient, and representative. Thus, the act set out to establish a system governing the creation, operation, and termination of advisory committees at the federal level. To do this, FACA created an oversight process by allowing for more public access to FAC deliberations and by setting out to remove committees that duplicated other federal efforts. The act required that all advisory committees be “advisory only” and allowed Congress to determine if the advisory bodies were “fairly balanced in terms of the points of view represented and the functions to be performed.” It also required that all records of FACs be made available to the public except when such records pertained to areas restricted by reason of national security.

Yet despite the passage of FACA, questions persist about whether the act really changed how FACs operated and the extent to which FACs today are efficient, transparent, and representative. And there are some, mostly outside academia, who say that the FACA oversight legislation has been weakened over the last three decades and
cite evidence to support their claim. For example, in 1989 a judge on the D.C. Circuit Court of appeals asserted that it would be nearly impossible to enforce the FACA provision that requires panels be balanced in terms of the viewpoints represented. And in 2004, the Supreme Court held that records associated with Vice President Cheney’s energy task force were protected by executive privilege and therefore did not have to be released to the public. Such court decisions seemed to undercut FACA’s original intention of making the advisory process more open to the public. Such changes also raised the question of whether FACs continue to operate as “internal lobbies” out of the purview of the American public and biased in terms of their representation of interests. So while FACs remain an important component of policymaking at the federal level, questions continue to persist about their level of transparency and representativeness (Secrecy in the Bush Administration, 2004).

Yet despite these fears expressed by public watchdog groups and politicians, there have only been a handful of studies in the social science literature that make use of information on advisory committees. For the most part, these studies have focused on the degree to which corporations have access to FACs. One study looked at the extent to which corporate executives served on federal advisory committees. Drawing from a set of 2003 directors of the nation’s largest 797 corporations, the study found that individuals who sat on multiple boards of directors were more likely to also serve on federal advisory committees. The study also found that corporate directors were most likely to serve in advisory roles for the departments of state, defense, commerce, and interior (Useem 1979). Another study looked at high-level executives among sample of the 50 largest financial and 150 largest nonfinancial corporations in the United States for 1973 and
1977. It found that 72 percent of corporations in the sample had at least one executive officer serving as a member of a federal advisory committee in 1973 while only 47.5 percent of corporations had one executive officer serving in 1977, and attributed the decline to the passage of FACA in 1972 (Priest, Sylves, and Scudder 1984).

The more recent research on FACs has argued that FACs are important ways for Congress to control the information available to actors in the federal government. The assumption is that in order to make informed choices at the national level, Congress needs to ensure that all interested and active groups are included in the federal advisory process. In other words, advisory committees should consist of all groups that are active in a specific legislative domain. Balla and Wright (2001) test this theory by looking at the extent to which all active interest groups are represented on the EPA’s advisory committee regarding safe drinking water. Their analysis finds that the EPA’s safe drinking water advisory committee has broad representation of the range of interests active in the legislative arena, but they argue that such broad representation is only made possible by the efforts of active interest groups that work hard to ensure that they are represented. They warn that the lack of active interest groups could “raise the possibility that interested parties can be excluded from bureaucratic participation” (Balla and Wright 2001: 811).

Such a warning is corroborated by a qualitative study of previously confidential documents regarding the tobacco industry’s response to the National Toxicology Program’s (NTP’s) effort to place second hand smoke on the known carcinogen list (Cook and Bero 2006). The study finds that the tobacco industry was able to influence the legislative process through a variety of mechanisms including the utilization of
procedures for public comment, an attack on the fairness of regulatory process itself, and through their challenging of unfavorable regulatory decisions in court. Cook and Bero argue that FACs and the proceedings of FACs provide another point of access for business in the regulatory process, even though the tobacco industry lost in their attempt to block effort.

Yet these studies are narrowly focused on the membership and activities of small number of advisory committees. Very few studies have looked at a large number of federal advisory committees simultaneously. One such study looks at FACs in order to test theories regarding open and closed meetings (Karty 2002). The study first finds that 58% of all FAC members in 1998 came from universities and independent research institutes, whereas business and trade associations comprise only 18 percent of memberships, and charities made up only 3 percent of the total members. Such a disproportionate number of academics and researchers reflects the large number of FACs responsible for reviewing scientific grant proposals and providing medical and technical expertise. A more recent study focuses on access to 241 FACs in health, agriculture, and science policy domains (Chin and Lindquist 2002). The study finds that a plurality of members come from academia (32.2 percent) with approximately another 15 percent coming from corporations and only four percent from citizen and nonprofit advocacy groups. They argue that while business is influential in the political process through campaign contributions and lobbying Congress, their activity and influence in the federal advisory process is muted in comparison (Chin and Lindquist 2002: 28).
Methods

Because this chapter is examining the relative access of proprietary and nonprofit sectors to federal advisory committees, the focus is only on ties sent from organizations in my sample to organizations active on federal advisory committees. For the purposes of this chapter, the ties among corporations, charities, foundations and think tanks are set aside in order to focus on FACs (though these analyses are available in the previous two chapters).

UCINET VI (Borgatti, Everett, and Freeman 2002), a network analytic program, was used to trace the ties between organizations and individuals. The focus was entirely on the affiliation network of organizations and their ties to FACs through their board members. The individuals responsible for making ties were analyzed separately using Excel. Ultimately the focus is only on individuals who have ties to federal advisory committee, and it filters out those individuals in my dataset without ties to federal advisory committees. The first set of analyses examines the network from the perspective of federal agencies and looks at the distribution of FACs across each agency and the agencies and committees with the most ties to organizations my sample. Descriptive and biographical data is used to supplement this network data to demonstrate which individuals are responsible for making connections to each agency, and whether or not the ties are within expected policy domains—or components of the political system organized around substantive issues (Burstein 1991). From this perspective, it is expected that organizations will have ties to agencies and committees that are active in areas of interest to the organizations. When such ties seem anomalous, the biographical data will be used to make sense of the existing ties.
The second set of analyses shifts the focus of the research to the specific sectors and organizations with ties to federal advisory committees and analyzes the most connected organizations and the types of agencies to which they are likely be connected. Then it examines the individuals from my dataset of corporations, charities, foundations, and think tanks who are most active in the federal advisory process.

**Findings**

**Overview**

I first report general findings about FAC membership, followed by an analysis of the extent to which the organizations in my sample of corporations and nonprofits have individual directors who participate in FACs.

As shown in Table 25, there were a total of 906 active FACs with a combined membership of 66,576 individuals across 52 different agencies of the federal government. In total, these 906 committees had a total cost of over $383 million for personnel, travel, and support. The number of committees, the individual members, and the cost of FACs, however, are distributed unevenly across the 52 agencies. Nearly twenty-six percent of all committees, close to 60 percent of all individuals participating in FACs, and almost 64 percent of the total cost come from the Department of Health and Human Services (HHS) making it by far the most active federal agency in terms of federal advisory process. At the other end of the spectrum are agencies like the Securities and Exchange Commission, which has only one committee, 21 members, and accounts for a little over one-tenth of one percent of the total cost of FACs. Similarly, the average size of the committees also
Table 25: Distributions of FACs and Members by Agency (2006)

<table>
<thead>
<tr>
<th>Department</th>
<th>No. of Committees</th>
<th>Total Members</th>
<th>Avg. Size (committee)</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>AID</td>
<td>2</td>
<td>26</td>
<td>13.0</td>
<td>$443,742</td>
</tr>
<tr>
<td>Agriculture</td>
<td>53</td>
<td>1008</td>
<td>19.0</td>
<td>$4,473,167</td>
</tr>
<tr>
<td>BBG</td>
<td>1</td>
<td>5</td>
<td>5.0</td>
<td>$0</td>
</tr>
<tr>
<td>Commerce</td>
<td>56</td>
<td>1039</td>
<td>18.6</td>
<td>$4,207,201</td>
</tr>
<tr>
<td>CNCS</td>
<td>2</td>
<td>35</td>
<td>17.5</td>
<td>$12,500</td>
</tr>
<tr>
<td>Defense</td>
<td>87</td>
<td>1032</td>
<td>11.9</td>
<td>$25,401,137</td>
</tr>
<tr>
<td>Education</td>
<td>13</td>
<td>192</td>
<td>14.8</td>
<td>$4,172,647</td>
</tr>
<tr>
<td>EAC</td>
<td>4</td>
<td>177</td>
<td>44.3</td>
<td>$203,596</td>
</tr>
<tr>
<td>Energy</td>
<td>18</td>
<td>788</td>
<td>43.8</td>
<td>$6,764,356</td>
</tr>
<tr>
<td>EPA</td>
<td>48</td>
<td>724</td>
<td>15.1</td>
<td>$14,280,991</td>
</tr>
<tr>
<td>EXIM</td>
<td>2</td>
<td>25</td>
<td>12.5</td>
<td>$378,000</td>
</tr>
<tr>
<td>FCC</td>
<td>8</td>
<td>343</td>
<td>42.9</td>
<td>$989,889</td>
</tr>
<tr>
<td>FDIC</td>
<td>1</td>
<td>12</td>
<td>12.0</td>
<td>$0</td>
</tr>
<tr>
<td>HHS</td>
<td>240</td>
<td>38939</td>
<td>162.2</td>
<td>$215,651,386</td>
</tr>
<tr>
<td>Homeland Security</td>
<td>35</td>
<td>510</td>
<td>14.6</td>
<td>$5,999,546</td>
</tr>
<tr>
<td>Interior</td>
<td>105</td>
<td>1588</td>
<td>15.1</td>
<td>$9,031,163</td>
</tr>
<tr>
<td>Justice</td>
<td>6</td>
<td>171</td>
<td>28.5</td>
<td>$5,019,810</td>
</tr>
<tr>
<td>Labor</td>
<td>13</td>
<td>230</td>
<td>17.7</td>
<td>$1,192,303</td>
</tr>
<tr>
<td>NASA</td>
<td>9</td>
<td>160</td>
<td>17.8</td>
<td>$2,381,514</td>
</tr>
<tr>
<td>NARA</td>
<td>5</td>
<td>73</td>
<td>14.6</td>
<td>$99,208</td>
</tr>
<tr>
<td>NEA</td>
<td>6</td>
<td>462</td>
<td>77.0</td>
<td>$1,905,179</td>
</tr>
<tr>
<td>NSF</td>
<td>55</td>
<td>12821</td>
<td>233.1</td>
<td>$34,816,515</td>
</tr>
<tr>
<td>OSTP</td>
<td>1</td>
<td>36</td>
<td>36.0</td>
<td>$381,714</td>
</tr>
<tr>
<td>SEC</td>
<td>1</td>
<td>21</td>
<td>21.0</td>
<td>$399,313</td>
</tr>
<tr>
<td>State</td>
<td>20</td>
<td>681</td>
<td>34.1</td>
<td>$4,108,859</td>
</tr>
<tr>
<td>Transportation</td>
<td>13</td>
<td>2189</td>
<td>168.4</td>
<td>$1,384,367</td>
</tr>
<tr>
<td>Treasury</td>
<td>9</td>
<td>241</td>
<td>26.8</td>
<td>$4,490,739</td>
</tr>
<tr>
<td>USTR</td>
<td>4</td>
<td>110</td>
<td>27.5</td>
<td>$296,099</td>
</tr>
<tr>
<td>Veterans Affairs</td>
<td>28</td>
<td>946</td>
<td>33.8</td>
<td>$16,183,094</td>
</tr>
<tr>
<td>Other (23 agencies)</td>
<td>61</td>
<td>1992</td>
<td>32.7</td>
<td>$19,216,482</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>906</strong></td>
<td><strong>66576</strong></td>
<td><strong>73.5</strong></td>
<td><strong>$383,884,517</strong></td>
</tr>
</tbody>
</table>
differs widely across agencies with the HHS and Department of Transportation (DOT), with the largest average committee size (233.1 and 168.4 respectively) and the Department of Defense (DOD) and the Broadcasting Board of Governors with the smallest average committee size (11.9 and 5.0 respectively). Such differences in relative size of committees are important because it is reasonable to assume that board size is inversely related to the influence of any one individual on the committee.

But as can be seen in Table 26 below, despite the large number of federal advisory committees, a little less than 12 percent of all FACs have ties to one of the businesses or nonprofit organizations in my sample. The Department of Health and Human Services has the most committees with ties to at least one corporation or nonprofit organization in the sample, though the 30 committees with ties comprise only 12.5 percent of the total number of committees active for HHS. Thus, the connected committees of HHS are only a small fragment of the active committees within the agency. Within the health and human services domain, this is not surprising as a most of the committees are oriented towards health research and health treatment, with positions on committees occupied predominantly by doctors, researchers, and health professionals. In fact, an overwhelming 98 percent of all active agencies in the HHS deal with issues of physical health, few mention such words as poverty, welfare, or injustice. Conversely, agencies like the Department of State (DOS) have only six committees with ties to one of the organizations in my sample, but those six committees account for 30 percent of all committees working within the State Department. In this way, while there are fewer overall committees connected within these agencies, they are potentially more important because they make up a larger percentage of the agency’s advisory process.
Table 26: Number and Percentage of Total Committees sector with Ties by Federal Agency

<table>
<thead>
<tr>
<th>Federal Agency</th>
<th>No. of FACs with ties</th>
<th>% Total Active (agency)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services</td>
<td>30</td>
<td>12.5</td>
</tr>
<tr>
<td>Defense</td>
<td>14</td>
<td>16.1</td>
</tr>
<tr>
<td>Commerce</td>
<td>8</td>
<td>14.3</td>
</tr>
<tr>
<td>State</td>
<td>6</td>
<td>30.0</td>
</tr>
<tr>
<td>Homeland Security</td>
<td>5</td>
<td>14.3</td>
</tr>
<tr>
<td>Interior</td>
<td>4</td>
<td>3.8</td>
</tr>
<tr>
<td>Energy</td>
<td>4</td>
<td>22.2</td>
</tr>
<tr>
<td>FCC</td>
<td>4</td>
<td>50.0</td>
</tr>
<tr>
<td>Education</td>
<td>3</td>
<td>23.1</td>
</tr>
<tr>
<td>NEA</td>
<td>3</td>
<td>50.0</td>
</tr>
<tr>
<td>NSF</td>
<td>2</td>
<td>3.6</td>
</tr>
<tr>
<td>Veterans Affairs</td>
<td>2</td>
<td>7.1</td>
</tr>
<tr>
<td>Treasury</td>
<td>2</td>
<td>22.2</td>
</tr>
<tr>
<td>NASA</td>
<td>2</td>
<td>22.2</td>
</tr>
<tr>
<td>USTR</td>
<td>2</td>
<td>50.0</td>
</tr>
<tr>
<td>Transportation</td>
<td>1</td>
<td>11.1</td>
</tr>
<tr>
<td>Labor</td>
<td>1</td>
<td>7.7</td>
</tr>
<tr>
<td>EPA</td>
<td>1</td>
<td>2.1</td>
</tr>
<tr>
<td>Justice</td>
<td>1</td>
<td>16.7</td>
</tr>
<tr>
<td>USDA</td>
<td>1</td>
<td>1.9</td>
</tr>
<tr>
<td>AID</td>
<td>1</td>
<td>50.0</td>
</tr>
<tr>
<td>SEC</td>
<td>1</td>
<td>100.0</td>
</tr>
<tr>
<td>OSTP</td>
<td>1</td>
<td>100.0</td>
</tr>
<tr>
<td>EXIM</td>
<td>1</td>
<td>50.0</td>
</tr>
<tr>
<td>EAC</td>
<td>1</td>
<td>25.0</td>
</tr>
<tr>
<td>NARA</td>
<td>1</td>
<td>20.0</td>
</tr>
<tr>
<td>CNCS</td>
<td>1</td>
<td>50.0</td>
</tr>
<tr>
<td>BBG</td>
<td>1</td>
<td>100.0</td>
</tr>
<tr>
<td>FDIC</td>
<td>1</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>105</strong></td>
<td><strong>11.6</strong></td>
</tr>
</tbody>
</table>
Overall, the table shows that the FACs with ties to the corporations and nonprofits in my sample are a relatively small number of the total number of committees active in the federal government. Thus, the elites with connections are only a small number of the individuals that serve in a federal advisory role to the federal government. Despite being only a fraction of the total number of FACs active in the federal government, though, the ties formed to these committees can be used to compare the relative access of the largest nonprofit and corporate organizations to the federal advisory process. The data can be used to show whether the largest corporations have disproportionate access to federal advisory committees when compared to the largest nonprofit organizations in a variety of domains.

*Ties between Agencies and Sectors*

Understanding the number and percentage of committees that have ties to at least one organization in the sample, however, tells us little about the specific sectors and organizations that are tied to FACs. The analysis, therefore, shifts focus to an examination of ties from each agency to each of the various sets of organizations: corporations, charities, foundations and think tanks. Figure 7 shows a network visualization of ties between the agencies and each sector. The visualization uses a spring-embedded algorithm where NetDraw iteratively locates nodes in the network and places those nodes with the smallest geodesic distances closest to one another in the visualization (Hanneman & Riddle 2005). The routine also tries to get as much spacing as possible between nodes and draws the network to avoid having edges (lines) cross one another to the extent that it is possible. This particular layout used the node repulsion and equal length bias, such that the placement in space in the visualization is based on forcing
the nodes apart and tending to select placement that leads to equal edge lengths. The size of nodes in the visualization is relative to the total number of ties for each node where nodes are larger for sectors with more ties, and the thickness of lines is weighted by the number of ties between each node.

**Figure 7: Network Visualization of Agencies by Sector**

Thus, Figure 7 shows that public charities have the most connections to FACs, while foundations have the smallest number of ties to FACs (as seen through the comparison of the size of each node). As evidenced by the thickness of the line, public charities are most likely to be tied to the Department of Health and Human Services, while businesses are most heavily connected to the departments of Energy, Defense, State, and the Office of Science and Technology. Such findings suggest that public charities, corporations, and think tanks are integrated into the federal advisory process.
<table>
<thead>
<tr>
<th>Agency</th>
<th>B</th>
<th>C</th>
<th>F</th>
<th>T</th>
<th>N</th>
<th>Avg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHS (n=30)</td>
<td>9</td>
<td>36</td>
<td>6</td>
<td>3</td>
<td>54</td>
<td>1.8</td>
</tr>
<tr>
<td>Energy (n=4)</td>
<td>19</td>
<td>9</td>
<td>4</td>
<td>14</td>
<td>46</td>
<td>11.5</td>
</tr>
<tr>
<td>Defense (n=14)</td>
<td>17</td>
<td>6</td>
<td>1</td>
<td>10</td>
<td>34</td>
<td>2.4</td>
</tr>
<tr>
<td>State (n=6)</td>
<td>11</td>
<td>5</td>
<td>5</td>
<td>7</td>
<td>28</td>
<td>4.7</td>
</tr>
<tr>
<td>DHS (n=5)</td>
<td>19</td>
<td>7</td>
<td>0</td>
<td>2</td>
<td>28</td>
<td>5.6</td>
</tr>
<tr>
<td>Commerce (n=8)</td>
<td>12</td>
<td>7</td>
<td>3</td>
<td>5</td>
<td>27</td>
<td>3.4</td>
</tr>
<tr>
<td>FCC (n=4)</td>
<td>12</td>
<td>8</td>
<td>0</td>
<td>1</td>
<td>21</td>
<td>5.3</td>
</tr>
<tr>
<td>OSTP (n=1)</td>
<td>11</td>
<td>6</td>
<td>3</td>
<td>1</td>
<td>21</td>
<td>21.0</td>
</tr>
<tr>
<td>Education (n=3)</td>
<td>4</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>13</td>
<td>4.3</td>
</tr>
<tr>
<td>NEA (n=3)</td>
<td>1</td>
<td>7</td>
<td>0</td>
<td>1</td>
<td>9</td>
<td>3.0</td>
</tr>
<tr>
<td>Other (n=27)</td>
<td>9</td>
<td>18</td>
<td>5</td>
<td>13</td>
<td>45</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>124</td>
<td>118</td>
<td>27</td>
<td>57</td>
<td>326</td>
<td>3.1</td>
</tr>
</tbody>
</table>
but that they are most connected to certain types of agencies. Not surprisingly, these agencies are active in substantive areas that are similar to the areas of each sector.

The findings in Figure 7 can be made more explicit by looking at the number and percentage of ties by domain. As seen in Table 27 above, the Department of Health and Human Services is the federal agency with the most committees with at least one connection to the organizations in my sample. Though, on average, these 30 committees from Health and Human Services have ties to a little less than two organizations in my sample. So not only do they comprise a small fraction of the total committees in the sample, the committees have relatively few ties to other organizations on average. In fact, these 30 committees have committee members with a little less than 2 organizations on average. Thus, they are integrating public charities, but are bringing together only a few organizations at a time.

In contrast, the Department of Energy has 46 ties to nonprofits and corporations in the sample, but the 4 committees share board members with 11.5 organizations per committee. Put another way, a small number of committees in the Department of Energy account for a disproportionate amount of ties between agencies and my sample of the largest corporations and nonprofits. In this way, these few committees bring together a large number of organizations from other domains. Subsequently, these committees are very important to the integration across domains. Though as you can see, the Department of Energy mostly brings together corporations and think tanks, with nearly three-quarters (71.4%) of its ties with these domains. Interestingly, none of the public charity organizations tied to the Department of Energy are environmental organizations, even though environmental organizations are active around issues of energy consumption.
and sustainability. Thus, the findings suggest that the Department of Energy grant more access to some interests in my sample than they do to others.

Table 27 can also be used to compare corporations, public charities, foundations, and think tanks with respect to their number of ties to FACs. As can be seen from the table, public charities and corporations have similar levels of connection to federal advisory committees. Of the 326 total ties from organizations to FACs, a little over 38 percent of those ties are from corporations, while charities account for 36.2 percent of ties. This suggests, at least, that public charities are invited to take part in the advisory process at comparable levels to corporations.

Also evident from Table 27 is the importance of think tanks in the federal advisory process. While think tanks make up only 10 percent of the total number of organizations, they account for close to 17.5 percent of all ties to federal advisory committees, a disproportionate amount relative to their number. This once again reinforces that think tanks, and especially centrist-think tanks are important actors bringing together the overarching network. Not only are they coordinated internally and connected across domains, but they are tied to government actors and have the ability to give voice to their interests as part of the federal advisory process.

It should also be noted that the ties between each domain and the committees are distributed unevenly across agencies, but such uneven distribution makes sense given the issues areas in which the organizations are active. For example, public charities account for about two-thirds of the ties to the Department of Health and Human Services (66.7%) and close to 80 percent of the ties to the National Endowment of the Arts (77.8). Such ties make sense given the substantive areas of both the agencies and public charities.
Think tanks, though, seem most connected to the Departments of Defense, Energy, Commerce and State, suggesting that they have more access to the advisory process in some areas than others. Think tanks are much less active in health and human services, the arts, or education, providing evidence that these think tanks are key actors giving voice to issues regarding the economy.

The ties that corporations have to federal advisory committees are what would be expected given the substantive issues of the agencies and the domain. Businesses account for a high percentage of ties to Homeland Security (67.9%), the FCC (57.1%) the Office of Science and Technology Policy (52.4), Defense (50%), Commerce (44.4%), Energy (41.3%), and State (39.3%). In this way, the business sector has access to a wide range of federal agencies, and are able to give voice to their interests across a variety of issues areas, in ways that public charities cannot.

*The most-connected FACS*

Looking at the ties across domains and federal agencies gives us a broad picture of the connections between agencies and sectors, but fails to show which specific committees within each federal agency are connected to which specific domain. Thus, it is important to take a closer look at the specific agencies that have the most connections to the organizations in my sample. For this analysis ties are created as long as an organization has one board member who also serves on a committee. Organizations that send two members to serve on the committee are counted as having only one tie. I use degree centrality to identify the specific committees with the ties to most organizations.

As can be seen in Table 28, some FACs have ties to many different organizations. For example, the National Petroleum Council has ties to 24 other organizations, of which
Table 28: Federal Advisory Committees with Highest Degree Centrality (Degree >5)

<table>
<thead>
<tr>
<th>Committee</th>
<th>Ties</th>
<th>B</th>
<th>C</th>
<th>F</th>
<th>T</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Petroleum Council (Energy)</td>
<td>24</td>
<td>50.0</td>
<td>20.8</td>
<td>8.3</td>
<td>20.8</td>
</tr>
<tr>
<td>Pres. Coun. Advisors on Science and Technology (OSTP)</td>
<td>19</td>
<td>57.9</td>
<td>21.1</td>
<td>15.8</td>
<td>5.3</td>
</tr>
<tr>
<td>Sec. of Energy Advisory Board (Energy)</td>
<td>15</td>
<td>33.3</td>
<td>26.7</td>
<td>0.0</td>
<td>40.0</td>
</tr>
<tr>
<td>President's Export Council (Commerce)</td>
<td>12</td>
<td>50.0</td>
<td>33.3</td>
<td>8.3</td>
<td>8.3</td>
</tr>
<tr>
<td>Sec. of State Advisory Committee on Transformational Diplomacy (State)</td>
<td>12</td>
<td>50.0</td>
<td>16.7</td>
<td>16.7</td>
<td>16.7</td>
</tr>
<tr>
<td>Media Security and Reliability Council (FCC)</td>
<td>10</td>
<td>50.0</td>
<td>50.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>National Infrastructure Advisory Council (DHS)</td>
<td>9</td>
<td>88.9</td>
<td>11.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Center for Scientific Review Special Emphasis Panel (HHS)</td>
<td>8</td>
<td>12.5</td>
<td>87.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>National Security Telecommunications Advisory Committee (DHS)</td>
<td>7</td>
<td>71.4</td>
<td>28.6</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Homeland Security Advisory Council (DHS)</td>
<td>6</td>
<td>66.7</td>
<td>16.7</td>
<td>0.0</td>
<td>16.7</td>
</tr>
<tr>
<td>Defense Policy Board Advisory Committee (Def).</td>
<td>6</td>
<td>50.0</td>
<td>16.7</td>
<td>0.0</td>
<td>33.3</td>
</tr>
<tr>
<td>US Nat. Commission for UNESCO (State)</td>
<td>6</td>
<td>50.0</td>
<td>16.7</td>
<td>33.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Network Reliability and Interoperability Council (FCC)</td>
<td>6</td>
<td>50.0</td>
<td>33.3</td>
<td>0.0</td>
<td>16.7</td>
</tr>
<tr>
<td>US Europe European Command Senior Advisory Group (Def)</td>
<td>5</td>
<td>20.0</td>
<td>0.0</td>
<td>20.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Historically Black Colleges and Univ. Capital Financing Advisory Board (Ed.)</td>
<td>5</td>
<td>40.0</td>
<td>60.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>National Cancer Advisory Board (HHS)</td>
<td>5</td>
<td>0.0</td>
<td>80.0</td>
<td>0.0</td>
<td>20.0</td>
</tr>
<tr>
<td>2005 White House Conference on Aging (HHS)</td>
<td>5</td>
<td>0.0</td>
<td>60.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Advisory Committee for Trade Policy and Negotiations (USTR)</td>
<td>5</td>
<td>60.0</td>
<td>0.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>176</td>
<td>46.6</td>
<td>31.8</td>
<td>7.4</td>
<td>4.2</td>
</tr>
</tbody>
</table>
12 are businesses. Given that the National Petroleum Council’s purpose is to give advice and make recommendations to the Department of Energy on all matters that deal with oil and natural gas, it is not surprising that this committee is tied to corporations active in this area including ExxonMobil, Chevron, Marathon Oil, Boeing, and the Amerada Hess Company. What is surprising, however, is that none of the environmental organizations in the sample has ties to this committee, even though there are laws that state that these committees should be representative of a wide variety of interests.

The second most connected committee is the President’s Council on Science and Technology Policy with 19 ties. Close to 60 percent of these ties are with the corporate sector, including ties with IBM, Dell, Motorola, and Cisco. Interestingly, three of the ties that this committee has with public charities are with organizations that are active in education: including the United Negro College Fund, the Smithsonian Institution, and WGBH, the public broadcasting station in Boston. In line with its overarching mission, this committee brings together organizations that are active in the development of technology. But it also brings together organizations that are capable of disseminating information about science and technology.

Think tanks account for the highest percentage of ties to the third most connected advisory committee, the Secretary of Energy’s Advisory Board, accounting for 40 percent of its 15 ties with the American Enterprise Institute, the Hudson Institute, the Brookings Institution, the Aspen Institute, the New America Foundation, and the Council on Foreign Relations all with ties. Interestingly, this particular advisory committee seems more open to conservative interests in the think tank domain than is seen in previous
analyses. It has ties to the Hudson Institute and the American Enterprise Institute, two ultraconservative think tanks.

While Health and Human Services has the most ties total, there are only three specific committees from HHS with ties to more than five organizations. Once again this shows that while a lot of committees within HHS have at least one tie, each committee has ties to relatively few other organizations. Thus, the relationships between this agency and the public charity sector are being driven by a small number of committees. The purpose of two of the most connected HHS committees is to review scientific research to determine where grant money should be allocated. Not surprisingly, these two review committees have the large majority of their ties to the public charity sector. The most connected is the Center for Scientific Review with Special Emphasis, whose purpose is to review scientific research in health-related fields. It has ties, not surprisingly, to the American Cancer Society, the Mayo Clinic, CARE, the Leukemia and Lymphoma Society, United Jewish Appeal, and the Anti-Defamation League. The ties from these public charities to Health and Human Services are within expected policy arenas except for the connections to United Jewish Appeal and the Anti-Defamation League, though both ties can be explained by the individuals responsible for making the connections. The tie to United Jewish Appeal is created by Mark D. Litt, an M.D. and Professor in the division of Behavioral Sciences and Community Health at the University of Connecticut whose research focuses on cognitions and its effects on pain and illness. The connection to the Anti-Defamation League is created by Alan D. Schreiber, a doctor and Professor of Medicine at the University of Pennsylvania, whose research focuses on molecular and cell biology.
The second most connected committee within HHS is the National Cancer Advisory board, which has connections to five organizations in my sample of the largest corporations and nonprofits. Four of these ties (80%) are ties with organizations in the public charity domain, including the ties to the American Cancer Society, Johns Hopkins University, the American Museum of Natural History, and the WGBH Educational Foundation. The tie to the American Cancer Society is within the expected policy domain. The ties to Johns Hopkins University, the American Museum of Natural History, and the WGBH Educational Foundation, however, are a bit less obvious on the face of it, but can be explained by the individual responsible for making all three connections: David H. Koch. Koch is the owner of the second-largest privately-held company in the United States, Koch Industries, and is a prostate cancer survivor himself. A major philanthropist in a variety of fields, Koch contributed $100 million to MIT to help fund the construction of the David H. Koch Institute for Integrative Cancer Research in 2007.

*The Relative access of Corporations and Nonprofits*

The discussion thus far has focused on the federal advisory committees, but has only implicitly touched upon the overarching question of the chapter: whether corporations have disproportionate access to federal advisory committees when compared to nonprofit organizations. From the discussion above, it is clear that businesses do have disproportionate access to certain agencies, but that some public charities have access to federal advisory committees within the policy areas in which they are active (especially true in the health domain). To assess this question further, the analysis now turns to an
examination of the specific organizations within each domain that have the most ties to federal advisory committees.

Table 29 below gives the results of percentage of organizations in each domain that have ties to FACs so that we can compare the extent to which each domain is invited to be a part of the policymaking process. As can be seen in the table, overall a little over half of all the organizations in the sample have at least one tie to a federal advisory committee. The corporate sector and the think tank domain have the highest percentage of organizations with at least one tie to a committee with close to 62 percent of all think tanks having at least one tie to a FAC, and a little less than 59 percent of corporations having a tie to at least one committee. These percentages are both higher than the percentage of public charities (48.4%) and foundations (32.0%) that have ties to federal advisory committees. Once again, this shows the predominance of corporate and policy-planning actors in the federal advisory process and lends evidence to the idea of their importance in the overall national elite network. It also demonstrates that while the public charity sector has the most ties to federal advisory committees, the distribution of ties is relatively unevenly distributed.

<table>
<thead>
<tr>
<th>Domain</th>
<th>% of Orgs.</th>
<th>N of Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations</td>
<td>59.0</td>
<td>100</td>
</tr>
<tr>
<td>Charities</td>
<td>48.4</td>
<td>91</td>
</tr>
<tr>
<td>Foundations</td>
<td>32.0</td>
<td>50</td>
</tr>
<tr>
<td>Think Tanks</td>
<td>61.5</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50.1</strong></td>
<td><strong>267</strong></td>
</tr>
</tbody>
</table>
We can see the uneven distribution of ties to federal advisory committees in the public charity domain by examining the specific public charities with the most connections to federal advisory committees. Fewer than half of the organizations within the public charity domain have a tie to FACs. Despite this, there are six public charities with more than five connections to federal advisory committees. These six committees are listed in Table 30. The American Cancer Society has ties to seven federal advisory committees, and not surprisingly these ties are mostly situated within the Department of Health and Human Services. The one connection outside of its policy domain is to the Department of Defense’s Naval Research Advisory Committee, created by Anna Johnson-Winegar, the Deputy Assistant Secretary of Defense for Chemical and Biological Defense, who also holds a Ph.D. in Microbiology from the Catholic University of America. The American Red Cross is the second most connected public charity with six ties, three of which are to HHS, two to Commerce, and one to the Department of Defense. Both ties to the Department of Commerce are made by Michael Chertoff, who obtained these positions ex-officio as the Secretary of Homeland Security. The tie to the Department of Defense is created by Marsha Evans, the President of the American National Red Cross in 2006. As can also be seen from Table 30, three of the six most connected public charities are located in the health domain. In analyses not included in the table, seven out of the 10 organizations active in the health domain have at least one connection to a federal advisory committee.

Once again, though, it is important to note the general absence of organizations active in the delivery of human services, or humanitarian organizations that deal primarily with disadvantaged populations. In fact, fourteen of the 20 organizations that
are geared toward disadvantaged populations have no connections to federal advisory committees, meaning 70 percent of all humanitarian public charities are isolated from the advisory process. This is substantially higher than the 52 percent of total public charities without ties, and the 30 percent of charities in the health domain without ties to a federal advisory committee. This is also substantially higher than the 30 percent of charities active in arts and culture that are isolated in the federal advisory process. This lends evidence to the fact that public charities oriented towards human services and disadvantaged populations are not only peripheral relative to corporations and think tanks, but also relative to public charities active in other areas of the public charity domain, even the health domain which was shown to be relatively peripheral both internally and across the full network.

<table>
<thead>
<tr>
<th>Charity</th>
<th>Location</th>
<th>Degree</th>
<th>Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Cancer Society</td>
<td>Atlanta</td>
<td>7</td>
<td>HHS (6), Defense</td>
</tr>
<tr>
<td>American Red Cross</td>
<td>D.C.</td>
<td>6</td>
<td>HHS (3), Commerce (2),</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Defense</td>
</tr>
<tr>
<td>Boy Scouts of America</td>
<td>Irving, TX</td>
<td>6</td>
<td>Commerce, Defense, Energy,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>FCC, DHS</td>
</tr>
<tr>
<td>American Heart Association</td>
<td>Dallas, TX</td>
<td>5</td>
<td>HHS (5)</td>
</tr>
<tr>
<td>Johns Hopkins University</td>
<td>Baltimore</td>
<td>5</td>
<td>HHS (2), Commerce, DHS,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Treasury</td>
</tr>
<tr>
<td>Woodruff Arts Center</td>
<td>Atlanta</td>
<td>5</td>
<td>DHS (2), FCC, NEA, OSTP</td>
</tr>
</tbody>
</table>

As noted above, the think tank sector has the highest percentage of organizations with at least one tie to a federal advisory committee (61.5%). On average, think tanks have ties to 2 federal advisory committees, with the most connected think tank, the Aspen
Institute (center-left), connected to eight federal advisory committees. These eight ties are distributed across a variety of federal agencies including three ties to the DOD, two ties to the State Department, and one tie each to Labor, HHS, and Energy. Three of these ties are made by one person, Thomas Pickering, a former Ambassador to the UN, Russia, and India. Pickering creates two ties to the State Department, one to its Advisory Committee on Transformational Diplomacy and another to its Committee on International Economic policy. He also creates a tie to the Department of Defense’s European Command Senior Advisory Group, a natural connection given his past government service and experience.

Three other think tanks have five ties to federal advisory committees: the Council on Foreign Relations, the American Enterprise Institute, and the Center for Strategic and International Studies. Three of the five ties created by the Council on Foreign Relations are to the State Department, two of which are again created by Pickering (demonstrating his importance once again within the think tank domain), with the third created by Anne-Marie Slaughter, Dean of the Woodrow Wilson School of Public Policy at Princeton.

Of the five ties by the American Enterprise Institute, two of them are to Energy, two to Commerce, and one to the United States Trade Representative. Three of the ties are created by Lee R. Raymond, the President and CEO of Exxon Mobil, who creates two ties with the Department of Energy, again not surprisingly, through the National Petroleum Council and the Energy Advisory Board, and one to Commerce through the President’s Export Council. The relationship to the United States Trade Representative’s Advisory Committee on Trade Policy and Negotiations is made by Kevin B. Rollins, the President of Dell computers.
The five ties of the Center for Strategic and International Studies are to Defense (2), State, Energy, and Transportation. Three of those ties are created by the President and CEO of CSIS, John Hamre, a former Department of Defense Comptroller and Deputy Secretary of Defense under President Clinton. Hamre serves on the U.S. European Command (with Pickering above), the National Petroleum Council, and the Department of Transportation’s Research, Engineering, and Development Advisory Committee. The other two ties are created by Harold Brown, former secretary of Defense under Carter, who serves on the DOD’s Defense Policy Board, and David Abshire, President of the Center for the Study of the Presidency who is tied to Homeland Security’s Academy and Policy Research Senior Advisory Committee.

<table>
<thead>
<tr>
<th>Charity</th>
<th>Location</th>
<th>Degree</th>
<th>Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Dynamics</td>
<td>Falls Church,</td>
<td>7</td>
<td>Defense (6) NASA (1)</td>
</tr>
<tr>
<td></td>
<td>VA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ExxonMobil</td>
<td>Irving, TX</td>
<td>6</td>
<td>Commerce (3) Energy (2) HHS (1)</td>
</tr>
<tr>
<td>ConocoPhillips</td>
<td>Houston</td>
<td>5</td>
<td>Commerce, Defense, Homeland Security, EPA, OSTP</td>
</tr>
<tr>
<td>Hartford Financial</td>
<td>Hartford, CT</td>
<td>5</td>
<td>Energy (3), State, Education (1)</td>
</tr>
</tbody>
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Table 31 gives data on the corporations with the most ties to FACs. Overall, corporations have ties to about one FAC per organization, though 28 percent of corporations have more than one tie to committees. The most connected corporation is General Dynamics with seven ties, six of which are to the Department of Defense, which is not surprising given the fact that General Dynamics is one of the largest defense contractors in the country. All ties are created by Lester Lyles, former U.S. Air Force
General. General Dynamics is followed by ExxonMobil, which has six ties with three to Commerce, two to Energy, and one to HHS’s Advisory Council on HIV/AIDS created by Henry A. McKinnell, CEO of Pfizer Pharmaceuticals. ConocoPhillips, the third largest integrated energy company has ties to five FACs one each to the Departments of Commerce, Defense, Homeland Security, OSTP, and the EPA. Four of these ties are created by Norman Augustine, former Chairman and CEO of Lockheed Martin, who has ties to Homeland Security’s Advisory Council, Commerce’s Deemed Exports Advisory Committee, the DOD’s Missile Defense Advisory Committee, and the President’s Council of Advisors on Science and Technology. The tie between Conoco and the EPA is created by Victoria Tschinkel, the State Director of the Nature Conservancy for Florida, an interesting tie given Conoco’s energy orientation.

The most connected individuals

The final question in the chapter now turns to the individuals who are most responsible for serving on the boards of federal advisory committees and their demographic characteristics. Table 32 provides information on individuals with ties to three or more federal advisory committees. Discussions will be limited to specific individuals not already discussed above. Interestingly, the individuals that serve on the most boards of directors do not solely come from positions within the corporate world. As seen in the table below, four hold positions or held positions within academia. Three of those four have all of their connections to the Department of Health and Human Services. Tim Byers is a Professor of Medicine at the Colorado School of Public Health, whose research focuses on cancer epidemiology and prevention. He serves on three committees, the National Cancer Institute Special Emphasis Panel, Center for Scientific
<table>
<thead>
<tr>
<th>Individual</th>
<th>Degree</th>
<th>Position</th>
<th>Agency</th>
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<tbody>
<tr>
<td>Lester Lyles</td>
<td>6</td>
<td>Independent Consultant; former Air Force General</td>
<td>Defense (5) NASA</td>
</tr>
<tr>
<td>F. Duane Ackerman</td>
<td>4</td>
<td>Chairman &amp; CEO of Bell South</td>
<td>Homeland Security (2) FCC, OSTP</td>
</tr>
<tr>
<td>Norman Augustine</td>
<td>4</td>
<td>Former Chairman of Lockheed Martin</td>
<td>Commerce, Defense, OSTP, Homeland Security</td>
</tr>
<tr>
<td>Mark D. Litt</td>
<td>4</td>
<td>Professor, Behavioral and Community Health, UCONN</td>
<td>HHS (4)</td>
</tr>
<tr>
<td>Tim E. Byers</td>
<td>3</td>
<td>Professor of Preventative Medicine, Colorado School of Public Health</td>
<td>HHS (3)</td>
</tr>
<tr>
<td>John Hamre</td>
<td>3</td>
<td>President and CEO of CSIS</td>
<td>Defense, Energy, Transportation</td>
</tr>
<tr>
<td>Thomas Pickering</td>
<td>3</td>
<td>Senior V.P. International Relations, Boeing</td>
<td>State (2) Defense</td>
</tr>
<tr>
<td>Lee R. Raymond</td>
<td>3</td>
<td>Chairman and CEO, ExxonMobil</td>
<td>Energy (2) Commerce</td>
</tr>
<tr>
<td>Ralph Sacco</td>
<td>3</td>
<td>Professor of Neurology and Epidemiology, University of Miami</td>
<td>HHS (3)</td>
</tr>
<tr>
<td>Charles M. Vest</td>
<td>3</td>
<td>Emeritus Professor of Mechanical Engineering, MIT</td>
<td>State, Education, OSTP</td>
</tr>
</tbody>
</table>
Review Special Emphasis Panel, and the National Heart, Lung, and Blood Institute
Special Emphasis Panel. An accomplished doctor and researcher, he has published of
320 peer-reviewed articles. With these credentials, it is not surprising that he is called
upon to play an advisory in the grant review process. The same can be said for Ralph
Sacco, a Professor of Neurology and Epidemiology at the University of Miami with three
ties to committees in the Department of Health and Human Services, all within his area of
expertise (National Institute of Neurological Disorders and Stroke Special Emphasis
Panel, Peripheral and Central Nervous System Drugs Advisory Committee, Training
Grant and Career Development Review Committee). Charles Vest on the other hand is
Emeritus Professor of Mechanical Engineering at MIT and served as President of MIT
from 1990 to 2004. He has three connections to the Department of State’s Advisory
Committee on Transformational Diplomacy, the Education Department’s Advisory
Commission on the Future of Higher Education, and the Office of Science & Technology
Policy’s Council of Advisors on Science and Technology Policy.

All of the most connected individuals make connections with committees that fit
into expected policy domains, but as noted above public charities that are oriented
towards disadvantaged populations have relatively little access to federal advisory
committees. Therefore, it is important to take a look at the public charities in these areas
that are connected in order to make sense of the individuals responsible for creating the
ties. The concern is with the public charities that are granted access to the advisory
process and the individuals responsible for creating the ties. Two examples will serve to
illustrate these dynamics, the Boys & Girls Club and CARE, a leading humanitarian
organization devoted to fighting poverty. CARE has one connection to a federal advisory
committee, created by Afaf Meleis, a world-renowned nurse and medical sociologist who creates a tie with the Department of Health and Human Services Center for Scientific Review Special Emphasis Panel. This tie, however, is oriented toward scientific review of grant proposals in the health policy domain, rather than the mission of CARE to deal with poverty. It is noted, though, that health issues and poverty issues are not entirely unrelated.

Boys and Girls Club also has one tie created by Roxanne Spillett, the President of the Boys and Girls Club. This tie is to the Department of Health and Human Service’s Council on Service and Civic Participation, which was created in 2003 under George W. Bush in order to encourage volunteerism and recognize the contributions of individuals make through civic participation. Clearly, this is one tie that might allow for organizations oriented towards issues of economic justice and poverty to give voice to their concerns to others within their policy domain.
Chapter 7: Discussion

“It’s no secret that those of us here tonight have had our differences over the last two years. The debates have been contentious; we have fought fiercely for our beliefs. And that’s a good thing. That’s what a robust democracy demands. That’s what helps set us apart as a nation. But...[a]mid all the noise and passion and rancor of our public debate...each of us is part of something greater—something more consequential than party or political preference”

--President Barack Obama, January 25th 2011

In his third year in office, President Barack Obama delivered a State of the Union address to a divided Congress for the first time during his administration. He addressed the nation as a whole for sixty-one minutes and thirty-four seconds in an attempt to highlight the key challenges facing the country and to set his administration’s priorities on how to rise to those challenges. The story he told about the state of our union was not unfamiliar. Economically, he described a super power attempting to navigate through an increasingly globalized and competitive world—a globalized world which itself was dealing with an economic crisis of historic proportions. Politically, he spoke of a government mired in wrangling over policies, and he talked about political parties jockeying for position to determine the nation’s future course with respect to job creation, environmental sustainability, education, and health care. But optimistically, he detailed his hope and desire to usher in a “new era of cooperation” with sustained leadership and a refocused determination to address the large and complex issues we face by doing “big things” so that “America [is] not just a place on a map, but the light to the world.” President Obama’s idealistic vision of cooperation, consensus, and sustained leadership, however, stands in stark contrast to the political realities of the first two years of his presidency and the contentious rhetoric heard leading up to his speech. His feeling that these political realities and the challenges we face as a nation can only be met with
collaboration and partnership among leaders ties directly to the approach developed in this dissertation.

My research emerged from an elite theoretical approach to liberal democracy, an approach that was rooted in a long tradition of comparative elite research. It started with the understanding that democracy requires the willingness of powerful individuals and leaders, called elites, to cooperate and collaborate in order to address the complex issues that the nation faces as a whole. In particular, it argued that a political system is only democratic to the extent that elites within the political system use a political formula that is representative of a wide variety of issues. This is not to say that ordinary citizens are powerless or that social change cannot be incentivized from below. In fact, there is no denying the vast evidence to the contrary that stems from the literature on social movements, and one needs to look no further than the ongoing social movements throughout the Middle East to see the profound effects of the power of mobilized ordinary citizens. Rather, it is to say that if a political system is to remain stable and representative in a world where power and resources are unequally distributed, then elites have to be willing and able to implement and maintain representative institutions.

But what does “willing and able” mean when applied to an elite approach to democracy? From my perspective, if a political system is representative, the elite structure should be open to a diverse set of issues, and the structure of elite interaction ought to reflective of a wide variety of interests. Thus, I have argued that in order for diverse sets of elites to come to consensus and agreement in a representative way, they must interact with one another. They must be aware of the interests of other groups, and they must be willing to give space to diverse and divergent issues. Value consensus
among elites is fostered by networks of interaction and communication, and networks that allow elites to come together in a way that makes them aware of the interests of a wide variety of groups. Taking this into account, networks of elite interaction ought to be open to a wide set of interests before a system can be called representative.

Operating within this framework, this dissertation set out to examine one set of elite interaction networks, the interlocking directorate, in order to see if the structure of elite interaction was reflective of a wide variety of interests. In so doing, the research was situated between pluralist and power structure research regarding the distribution of power in the United States. Arguments between the pluralist and power structure approaches were most hotly debated between 1950s and 1970s, shortly after the U.S. economy emerged virtually untouched from World War II as an economic and military super power. The arguments were made by researchers that were willing to ask big questions like who rules America and to what extent the U.S. political system is democratic. And in many ways, both sets of scholars were trying to reconcile the ideals of a democratic political system with the emergence and expansion of vast administrative hierarchies in the state and market.

For pluralists, it was clear that some groups of people had more power than others. They could not ignore the fact that some individuals attained positions at the top of major institutional arenas, which gave them the ability to make decisions that the majority of people lacked. But for them this did not mean that power was concentrated in the hands of a small number of people with coinciding interests. Instead, pluralists argued that power was relatively dispersed among a number of competing interest groups. Furthermore, they argued that there was a balance of power because sets of elites
were differentiated and their power limited to distinct and narrowly-oriented organizational bases. In this way, distinct elites emerged in a variety of arenas and the elites within and across domains were in competition with one another for power and influence at the national level. From this perspective, the United States was a democracy, at least more of a democracy than any other place in the world, because it had sets of elites that were differentiated and autonomous and because it had a political structure that allowed for and even trumpeted competition among differentiated and divergent sets of interests.

The power structure approach fundamentally disagreed with the pluralist perspective. From the power structure approach, power was concentrated in the hands of one set of elites, a power elite, who were able to dominate the political system at the national level. They argued, in particular, that the power elite occupied the most important positions in a variety of institutional arenas—specifically the federal government, the military, and the corporate sector. For them, elites were not differentiated and autonomous, but rather integrated and cohesive because of their shared social class backgrounds, their frequent interaction, and their positions at the top of multiple administrative hierarchies. Elites at the top of all major institutional arenas, therefore, were interchangeable, had similar interests, and used their positions at the top of these different domains to protect their interests, often to the detriment of the desires and wishes of ordinary citizens. In this way, power structure researchers argued that the United States is/was not a democracy.

Thus the debates between the two sets of literature focused on whether elites were a single unified, socially homogenous, and dominant group or whether they were a
fragmented, socially diverse, and disparate set of competing interests. The debates, however, focused mostly on the relative power of big business, which was not surprising given the growth of large-scale, multinational corporate behemoths shortly after World War II. In particular, the central questions became whether or not corporate elites had the capacity to reach consensus and then whether they use that consensus to act in a cohesive and collective way. Thus a vast literature emerged around the question of whether elites in the United States had mechanisms which gave them the ability to move beyond their potentially conflicting interests to protect their interests as a whole.

But in focusing mostly on the relative power of big business, the two sets of literature largely neglected an increasingly prominent arena of activity: the nonprofit sector. This was despite the fact that the nonprofit sector grew dramatically following the 1960s. This was also despite research that showed that elites in the nonprofit sector were an important component of a central core of influential elites at the national level. And when the nonprofit sector was included in research about the distribution of power in the United States, the focus was predominantly on a small set of policy-planning organizations (think tanks) that were heavily tied to corporations and who were said to be important because of their ability to bring together potentially conflicting sets of elites to consult with one another and articulate their general policy preferences. At the time, however, virtually no research in the debates between pluralists and the power structure literature raised the question of whether the nonprofit sector was an arena that could potentially counteract the power of other domains, or whether they had the ability to further democratize elite influence in America.
The debates between pluralists and power structure researchers largely waned after the 1970s, as political scientists shifted their attention to more narrowly-oriented questions using more rigorous and quantitative methodological approaches (Block and Piven 2010). Power structure researchers were left to claim victory and to continue their research agenda about the disproportionate power of business in the United States. But such victory came at the expense of a long and vibrant theoretical debate focused on the distribution of power at the national level. And, for the most part, the debates stopped without ever really giving just attention to the nonprofit sector. In fact, it was not until very recently that the power structure tradition started to empirically examine where the nonprofit sector as a whole fits into the overall system of power.

Instead, the attention given to the nonprofit sector and its political role today comes predominantly from political scientists focused on interest groups and civil society. But this set of literature has never directly engaged with the issues raised by power structure researchers, even though I would argue that both sets of research are pluralism operating under different names. First, they do not deal with the power structure argument regarding the coincidence of interests across institutional areas. Rather, political scientists in these traditions start with the assumption that there are distinct and autonomous centers of power, almost as if this is not up for debate. Scholars operating in the civic engagement and social capital traditions, therefore, place emphasis on the importance of civil society as an arena where individuals can formulate their interests and translate those interests to the state, with the assumption that the state is a distinct arena set up to respond to the demands placed on it. In much the same way, interest group theorists see politics and policymaking as being located within the state,
where non-state actors, including nonprofits, are important only to the extent that they can lobby government to elicit government’s response to their desires. But in such a way, they resort back to the fundamental pluralist assumption that arenas are autonomous and distinct without ever fully examining whether this is the case.

These political science traditions also minimize the fundamental power structure argument regarding the vast inequalities that have emerged under corporate capitalism over the last half-century. With this approach, the interest group tradition focuses on the ability of avowedly political citizen groups to promote their interests in Congress. And they point to the ability of middle class and upper-middle class Americans to successfully promote postmaterialist values like environmentalism and corporate social responsibility within Congress. While Jeffrey Berry notes that the successes of citizen groups might take attention away from more classically liberal issues like economic equality and increased social protections of disadvantaged populations, there is very little discussion about what this means with regards to larger questions about the relative distribution of power.

On the other hand, civic engagement and social capital theorists bemoan the emergence of large-scale, bureaucratic and professionally-run nonprofit organizations. Some long for a past where individuals met with one another face-to-face and learned how to be good democratic citizens, and thus their aim is to revive local communities by calling individuals to become more engaged with one another and in their communities. But this set of the literature never truly demonstrates how such engagement can be translated into real widespread power in a world that is highly unequal and in competition with large corporations that have control over vast resources. Others see large,
bureaucratic nonprofit organizations as a threat to democracy for different reasons. For them, the professionalization and bureaucratization of the civic sphere creates a disconnection between the people at the bottom and the people at the top. In this way, the emergence of professionalized organizations staffed mostly by highly educated and affluent individuals comes to privilege the interests of these professionals at the expense of a broader and less privileged public. This set of research, however, never actually assesses the types of large nonprofit organizations that are active at the national level. Rather it is assumed that they are biased towards the upper-class or upper-middle class because they are governed by professionals from relatively privileged backgrounds. The empirical reality, however, is that the nonprofit sector is quite varied and many of the largest nonprofit organizations have distinct missions to protect and advocate for the most disadvantaged populations in society. And at the same time, there are plenty of professionals from relatively privileged backgrounds—these scholars from civic engagement, social capital, and interest group traditions included—that are willing to advocate for the interests of those less privileged.

But an emphasis on the importance of large nonprofit organizations as a potential countervailing force to the power of business in the United States has been relatively unexamined. Only recently in the power structure literature has the possibility even been introduced. The theory put forth by Domhoff argues that nonprofit organizations are important to an understanding of the conflicts between the conservative interests of the power elite and the liberal interests of more progressive social movements. He argues that the nonprofit sector is actually two-tiered, with the first tier of nonprofit organizations connected to and operating on behalf of the corporate community, and the
second tier connected to and working on behalf of more liberal and progressive interests. Thus, some nonprofit organizations are essential to the hopes of liberals and progressives to expand democratic participation, individual opportunity, and economic equality. This second tier of nonprofit organizations, however, has limited power because of its dependence on resources and support from the power elite and the corporations that help support it. The power elite, therefore, is able to mediate and ameliorate any challenges that emerge from the second-tier nonprofit organizations. The evidence for this theory, however, has come from research with a relatively narrow focus, through the use of small samples of foundations and think tanks or through a small set of case studies.

Ultimately, this dissertation has been an attempt to examine where the nonprofit sector fits in the overall structure of power at the national level by situating it within the lost debates between the pluralist and power structure traditions. The analyses focused on the extent to which elites were structurally integrated based on the examination of one type of elite interaction network: the interlocking directorate. Interlocking directorates have been shown to be a very visible way of assessing whether or not elites have mutual access to another. Individuals who serve on multiple boards create interlocks, and multiple board positions are key mechanisms that allow for elites to interact and communicate with one another, to become aware of a broad set of issues, and to potentially use their positions across multiple organizations to coordinate activity (Useem1984). The literature on corporate interlocks is quite vast and provides good evidence of their importance in the corporate world. Interlocks within the nonprofit sector, however, merit more attention.
Comparing Inner Circles Across Domains

The first set of analyses, then, set out to examine the extent to which individual elites within each of the domains sit on multiple boards of directors, where individuals who occupy multiple positions are referred to as members of the inner circle within that domain. From the first set of analyses, it is evident that there are sets of individuals within each of the domains who sit on multiple boards of directors. These individuals can become aware of the broader issues of the domain and potentially coordinate activities within the domain by virtue of their position on multiple boards. Inner circles of elites exist in the nonprofit sector. However, the relative size of the inner circle differs across domains. In line with research from the power structure perspective, the corporate sector and the think tank domain had the largest percentages of individuals who sat on multiple boards with 14.3 percent of the directors in the corporate sector having more than 2 corporate board positions and 7.2 percent in the think tank domain with more than 2 think tank positions. Public charities and foundations had a much smaller percentage of individuals that comprised their inner circles with 3.2 percent and 1.7 percent, respectively.

Biographical and demographic research on these inner circle elites within each of the domains demonstrates that, in line with the power structure argument, there is evidence that the individuals who occupy multiple positions within each of the domains are similar to one another with respect to social class backgrounds and levels of education. For the most part, the individuals who have achieved inner circle positions within each of the domains meet the professional requirements of the position: they are highly educated and often occupy managerial, professional, and executive positions.
outside of the organization. Such findings corroborate research on elites at the national level as well as more recent research on the characteristics of board members of nonprofit organizations (Moore 1979; Abzug et al. 1993; Abzug and Galaskiewicz 2001).

However, we cannot impute personal values, motives, or beliefs strictly from a person’s social and educational background. Even Mills notes that privileged individuals are capable of advocating for the interests of those who are less well-off. The evidence from a comparison of inner circles across domains clearly demonstrates the inner circles of each domain consist overwhelmingly of different individuals, as evidenced by the percentage of inner circle members who are unique to each domain. At the same time, evidence points to differences in terms of age, gender, and ethnicity across each of the inner circles of each of the domains. Such a finding lends evidence to the pluralist argument that there are distinct sets of strategic elites within each of the domains.

In fact further analyses showed that the inner circle membership is driven by different mechanisms within each different domain. Inner circle members in the corporate world were more likely to be retired corporate executives, inner circle members in the think tank domain were more likely to have held high positions in the federal government and academia, and the public charity sector seemed more likely to draw from privately-owned companies or very wealthy families. So while there is evidence that these individuals come from similar social class and educational backgrounds, the fact that domains attract different types of individuals at least suggests the possibility that these individuals have a different set of interests.
One limitation of these analyses, however, is that there is no real way to determine whether the values and interests of these specific elites are truly distinct using this methodological approach. Such questions about values, motives, and beliefs of each set of elites can only be ascertained through other methodological approaches (i.e. interviews, surveys, analysis of campaign contributions, etc), though it is important to note that elite individuals are often difficult to reach through these methods. The finding that elites are potentially distinct within each of these domains, however, points to a potential direction of future research about the differences in ideological orientations of elites across domains.

While the true motives, beliefs, and values of elites cannot be ascertained by virtue of an analysis of board memberships, in some ways the interests of elites are revealed by virtue of the boards on which they serve. It is reasonable to assume that individuals serve only on boards whose mission they support, and therefore reveal some of their political orientations and preferences by virtue of their board memberships. Subsequently, the next set of analyses turned to the types of organizations within each of the domains that were connected to each other through inner circle members. The real key of inner circle members is the extent to which they foster cohesion and integration across the multiple organizations on which they sit. Inner circle members, therefore, are important because they bring the two organizations closer together, increasing the likelihood of coordination of activity across the organizations. At the very least, inner circle members allow for an easier flow of information across multiple organizations, and in that way can help organizations become aware of a wider set of issues.
It is clear from the analyses that some domains are more structurally integrated than others. As seen in network visualizations and through measures of structural cohesion, the corporate sector is clearly the most cohesive network. The corporate inner circle brings a large majority of corporations together into a relatively well-knit community. This network is relatively diffuse and representative of a wide variety of corporate interests and industries, both financial and non-financial, and the level of connection is relatively evenly distributed among the organizations in the sector. Such findings are in line with the power structure tradition, which points to interlocking directorates as one key mechanism fostering cohesion among corporations and creating the potential for the corporate community to coordinate their activities in order to protect their general interests. At the same time, such a finding is evidence against the pluralist argument that sets of corporate elites are relatively divided and competitive. This does not seem as plausible within the corporate domain given the evidence of their levels of cohesion.

Such findings could also call into question Mizruchi’s argument that the corporate liberal consensus has declined and that corporations are fragmented, as there seems to be a relatively well-knit and cohesive network within the corporate domain. Though the finding here is limited because of the small number of corporations examined and because it is cross-sectional. Mizruchi’s argument does seem to have evidence from research conducted longitudinally using large samples (Barnes and Ritter 2001). However, this does point to a potential site for future research with a more specific focus on whether the corporate elite has indeed become more fragmented over time, which at least seems up to debate from the findings here.
The findings also show a degree of cohesiveness among think tanks with the inner circle of think tank elites bringing together a large majority of organizations into a single connected component. The network of think tanks, though, is not as diffuse or widely representative of different interests as the corporate domain. In fact, the connections among think tanks are driven mostly by a small set of well-connected organizations, as evidenced by the relatively high levels of degree centralization. As seen from network visualizations, there is a set of think tanks that cluster towards the center of the graph. Interestingly, these think tanks are ideologically centrist, with some of the highly-connected central actors a bit left of center (Brookings Institution and the Aspen Institute) and some a bit right of center (Rand Corporation and the Center for Strategic and International Studies). The more conservative think tanks are either peripheral within the domain (Manhattan Institute and Hudson Institute), form their own separate components (Heritage Foundation and Hoover Institution), or are completely isolated (Cato Institute and Competitive Enterprise Institute).

This also holds for the more progressive think tanks within the domain, which are either more peripheral or completely isolated (Institute for Policy Studies and Worldwatch Institute). Such findings seem to point to the moderating role attributed to think tanks by the power structure tradition. However, the fact that some progressive think tanks are connected to this central cluster of moderate think tanks does seem to provide evidence to the pluralist argument that elites are representative of a wide variety of interests. Against the power structure argument, evidence suggests that progressive think tanks at least have the potential to voice their concerns to this more moderate group. Power structure researchers, though, will most likely point out that progressives occupy
peripheral positions, and that this moderate core of think tanks is actually more conservative than the categorization used in this dissertation. It is interesting to note, however, that progressive think tanks are no more peripheral than conservative think tanks, which does not fit well with the power structure argument that the power elite is more closely aligned with ultraconservatives than they are with progressives.

Such findings within the think tank domain can also be used against Mizruchi’s argument about the declining corporate liberal consensus. For him, a moderate inner circle of corporate elites has disappeared since the 1970s. But it seems from the data presented here that this is not the case. First, the 100 largest corporations continue to form into a relatively well-knit community of organizations because of a sizeable percentage of individuals who serve on multiple boards. At the same time, there seems to be a relatively well-connected set of think tanks that are oriented towards centrist and relatively moderate political ideologies. In many ways, the same mechanisms that fostered cohesion within the corporate community in the past still exist.

One limitation of the findings here is that there is no way to impute the relative influence of these individual think tanks by focusing solely on their shared board members. Instead, their power and influence might be more apparent with respect to the exposure of their research, the access they have to other elites, or the size of their budgets. Such findings point to the potential for future research examining the extent to which these moderate think tanks remain relevant in the overall elite network.

This study is also limited in that it focuses only on think tanks that are public charities or file with the IRS as a 501(c)(3). In so doing, it neglects some key policy-
planning organizations discussed within the power structure research, notably the Business Roundtable and the Business Council. In fact, in a recent study, Burris (2008) finds these two policy-planning organizations to be increasingly important in ways that are reflective of the right turn in U.S. policy and the declining corporate liberal consensus furthered by Mizruchi. Future research should, therefore, focus on the larger set of public charity think tanks discussed here alongside the business leagues and associations discussed by others in order to assess their relative influence and access to other sets of elites.

The public charity domain is not nearly as cohesive as the corporate or think tank arenas, as evidenced by the large number of charities that are isolated within the domain. There are a small number of public charities, however, that are relatively well-connected, as determined by the relatively high level of degree centralization. At the same time, the ties within the domain are unevenly distributed across different types of organizations. In this way, the public charity domain is not representative of a wide variety of interests. The organizations that are most cohesive within the domain are predominantly arts and culture organizations, Jewish federations, and private universities. Findings show that these types of organizations are disproportionately represented among the most connected organizations within the domain. Interestingly, these organizations also tend to be most connected to one another as seen in the structural equivalence analyses where organizations oriented towards arts and culture form one of the four positions with Jewish federations forming another. In this way, there are elites among these types of organizations that help to bring these organizations together, in ways that can allow them
to communicate their interests to one another and potentially allow them to coordinate their activities.

It should be noted, however, that board size seems to be a big reason why these boards are well-connected. A bivariate regression using a permutation test to control for the potential dependence of actors shows that board size and degree centrality are moderately correlated (0.544), with board size accounting for nearly 30 percent of the variation in degree centrality scores, though this might be driven by the Jewish federations, whose average board size is 108 members. The finding that board size is related to internal cohesion within the public charity domain, though, is potentially problematic. Many have pointed out the potential governance problems created by the larger board sizes found among nonprofits (Bowen 1994; Ostrower 2002). Larger board sizes are seen as ways in which nonprofit boards can include various stakeholder groups and are also reflective of their needs to raise funds (Abzug et al. 2001).

The relationship between board size and number of ties, then, introduces another limitation of this study. The ties between organizations are created by individuals who sit on multiple boards of directors. Knowing that such a tie is created between organizations, though, tells us little about the stature, prestige, or esteem of the individual within either of the organizations. In this way, we know very little about the relative influence of any specific individual on any board using these methodological approaches. This suggests a potential for future research focusing on a more in-depth look at the governance structures of nonprofit organizations and more specifically the roles that shared directors play across two or more organizations. Despite this, the findings are interesting because ties between organizations are reflective of relationships that could
not exist if connections were not present at all. Again, at the very least, such ties facilitate the flow of information through these networks.

**Elite Integration Across Sectors**

The second chapter set out to examine the overall level of cohesion in the national elite network by examining the network of corporations, public charities, foundations and think tanks simultaneously. Returning to the research questions of the chapter, it is clear that the network itself is relatively cohesive with organizations having connections with 6.1 other organizations on average. This shows that there is a relatively high level of connectedness within the overall network. It should be noted, though, that over 20 percent of the organizations in the sample are isolates, demonstrating that while some organizations are highly connected, others are located completely outside of the network boundaries. This illustrates more fragmentation than that suggested by the measure of average degree centrality. In this way, the level of connectedness of the entire network is relatively unevenly distributed, also evidenced by the high level of degree centralization. Thus, like the public charity and think tank domains above, the overarching network is dominated by a relatively small number of organizations with many ties.

It should be noted, however, that just because these organizations are disconnected in this network does not automatically mean we can infer that they are unimportant in other ways. In fact, it may be the case that they are heavily tied to corporations, public charities, foundations, and think tanks that were not included in the sample of the largest and most prominent organizations selected here. Thus, the findings
are limited only to the boundaries of this network. However, the sample was selected purposively to include the largest organizations within each one of the domains. In so doing, it captured a wide range of organizations in all of the domains. So while the generalizations may be limited, they do tell us some interesting things about the ways in which elite networks operate and the kinds of organizations and elites that have mutual access to one another.

The next set of analyses turned to an examination of the sectors that are most structurally integrated within the overall network. In line with the power structure approach, the findings suggest that corporations and think tanks are the most integrated into the national network. Both businesses and think tanks are overrepresented among the organizations with the most ties in the sample. Similarly, both sectors are underrepresented among the isolated organizations. At the same time, they are clearly important actors in terms of their membership in the core of the overall network with a little less than half of the core members from the corporate world and little more than 20 percent from the think tank domain, with both domains overrepresented relative to their total number in the sample. This suggests that corporations and think tanks are most likely to be at the center of this overall elite network.

Interestingly, think tanks seem to play a really important role integrating other parts of the elite network, as evidenced by their highly external orientation (E-I index) and their betweenness scores. In line with the power structure research, these think tanks are arenas that draw elites in from a wide variety of areas as evidenced by the high percentages of public charities with board members serving on the boards of think tanks. Thus, these think tanks are important facilitators of communication, bridging actors that
are otherwise unconnected at high levels. This provides evidence that these organizations could act as a training ground for elites to become politically active. At the very least, they provide a means by which leaders can come together in order to reach consensus on the policy issues of concern.

Again, the think tanks that are important in the overall network, though, tend to have moderate political ideologies. Questions might emerge about the categorization of some of these think tanks, but as noted above the ties that exist among think tanks seem to validate the categorization used. Think tanks with similar political ideologies according to this coding are likely to be tied with think tanks that have similar ideologies. The findings that moderate and centrist think tanks dominate provide evidence against Mizruchi’s argument that the corporate moderates have disappeared. It seems, from this research, that there are still plenty of mechanisms by which elites can meet to discuss general interests, with the centrist think tanks playing an extremely important role in terms of their high levels of activity and in terms of their bridging between multiple sectors.

Another key point that arose from the data is the relatively high levels of internal coordination of the corporate sector, as evidenced by their negative E-I index, which is especially interesting given the differences in group size. In line with the power structure approach and Useem’s inner circle argument, corporations are well situated to reach cohesion because of their high levels of internal coordination. But what differentiates the internal coordination of corporations is their high level of external connections. For example, despite their internal coordination, corporations have connections with a little over three organizations outside of the domain. The importance
of corporations can also be seen through the percentage of organizations within each of the domains that have ties to the corporate sector, with think tanks and foundations each having a plurality of their ties with corporations. This suggests that corporate elites are sought after to serve on boards in other domains. This is in line with Useem’s finding that the leading edge of the corporate community is likely to serve on nonprofit boards. This is also in line with power structure research that shows that elite interaction networks at the national level are dominated by corporate actors.

Public charities are not unimportant in the overall elite network. In fact, charities comprise nearly one-third of the most connected organizations in the overall network. This could suggest some evidence for the pluralist argument that power is relatively dispersed among sets of competing elites. Or at least elite interaction networks allow for a variety of interests to have mutual access to one another. However, the public charities with many connections in the overall network are consistent with the types of organizations that were prominent within the internal networks discussed earlier. For example, in the analyses of the core-periphery structure, the core members from the public charity sector tended to be arts and culture organizations and private universities. This provides evidence once again for the power structure argument that the nonprofit sector is two-tiered. While there are public charities that seek to promote traditionally liberal interests of economic equality and who advocate for the interests if disadvantaged populations, these organizations are fundamentally disconnected from other structures of power. Their peripheral position and relative isolation in the overall network is demonstrative of their inability to give voice to their interests to other powerful and prominent elite actors.
Interestingly, while Jewish federations were quite prominent within the public charity domain, they were less important in the overall network, with United Jewish Appeal being the only Jewish federation identified as a member of the core of the overarching elite network. This suggests that while Jewish federations may be highly internally-cohesive, they are less integrated into the overarching elite networks. This suggests a direction for future research on the role of Jewish federations in the overall elite network.

Finally, as we can see from the examination of the individuals responsible for creating ties across sectors, they come from the same social class and educational backgrounds as the individuals that formed the inner circles of each domain separately. The most connected individuals, however, are notable in that they seem to have had careers in a wide variety of fields, in line with the evidence of the power structure approach that the boundaries across sectors are relatively permeable and the individuals are potentially interchangeable. In this way, there are sets of elites across domains who seem to have coinciding interests, and their positions across multiple domains gives them the potential to coordinate their activities across domains.

However, the counterpoint examples (the United Negro College Fund and the most externally-oriented human services organizations) demonstrate that there are elites that are potentially open to a more diverse set of interests, and who are willing to advocate for traditionally-liberal issues like economic equality. This suggests that public charities in fields that are seen as peripheral and isolated could make different choices and create connections with the other large and prominent organizations in other domains. From Domhoff’s power structure perspective, the key for second-tiered
nonprofit organizations is to find alternative funding sources to remove their potential dependence on the corporate community and first-tiered nonprofits. However, their isolation from elite interaction networks suggests another tactic that they could use. Instead of keeping other corporate and think tank elites at arms-length and trying to compete with them, public charities should attempt to identify actors within these other prominent domains that share their interests or are willing to advocate for their positions. In so doing, they should select board members that give them access to these other areas. Value consensus among elites is only fostered through interaction. Thus, it is suggested that public charities in these fields take this into account when making decisions about future board members. Creating connections with individuals that are heavily connected in other sectors may be a way for these humanitarian and liberal charities to give voice to their interests at the national level.

**Access Denied? The role of Corporations and Nonprofits in Federal Advisory**

First, it is clear that the federal government relies substantially on outside expertise in the policy formulation and policymaking process. It is also quite clear, however, that the level of committee activity is unevenly distributed across federal agencies. For example, the Department of Health and Human Services accounts for nearly one-third of all active committees among the 52 federal agencies in the federal government. While others, like the Office for Science and Technology policy, have only one committee and account for a very small percentage of the committee activity.

It is also interesting to note that the analyses above show that the individuals and organizations in my sample comprise a very small percentage of the players that are active in the federal advisory process. For example, the Department of Health and
Human Services has the most committees with ties, as evidenced by their 30 committees sharing at least one board member with one of the organizations in my sample. However, the Health and Human Services committees with ties account for only 12.5 percent of the total number of active committees. In other words, only a small percentage of committees actually have committee members who serve on the board of one of the corporations or nonprofits in my sample with a little less than 12 percent of all active committees across all 52 agencies sharing board members with organizations in my sample. Despite this fact, the data presented above can be used to compare the relative access of the largest organizations within the domain.

The findings show that federal agencies are likely to have ties with some sectors more than others. The Departments of Energy, Defense, State, Homeland Security, Commerce, FCC, and OSTP all have the most of their ties to business. Conversely, the Department of Health and Human Services, the National Endowment for the Arts, and the Department of Education are more likely to be tied to the public charity domain. Such findings show that ties are within expected policy arenas, that organizations from specific domains are likely to share board members with agencies that work in their substantive areas. This suggests that the federal government seeks advice differently across arenas or domains, granting access to actors active within certain substantive fields.

Such a finding brings forward a limitation of this methodological approach. Knowing that ties exist between certain agencies and sectors tells us little about the exact nature of the relationship between the agencies and the organizations themselves. Also, because the ties are created by specific individuals, we cannot really determine the relative influence of specific individuals within any given committee or organization or
the extent to which individuals use their position on federal advisory committees to advocate for the interests of the specific organizations with which they are affiliated. Such limitations point to the need for more in-depth analyses and case studies of the exact role that different organizations and individuals play on specific committees, using similar approaches to those who do research on policy domains (Knoke and Laumann 1985) and the research cited above by Cook and Bero. Thus, it may be that the relative importance of committees differs across agencies, or that one specific committee is weighted differently than another. Similarly, agencies might prioritize the work of some committees over others, or may think of one committee as especially influential. Such a limitation warrants future research into the specific relationships between agencies and specific domains or even with specific organizations.

Even though we do not know the exact influence that individuals and organizations have over these specific committees or agencies, it is clear that some agencies bring together organizations across domains, however, not necessarily to the same degree. For example, the Department of Health and Human Services has 54 ties to organizations in the sample, but those 54 ties are created by 30 committees. This means that, on average, each committee makes connections with a little less than two organizations (1.8). So while public charities have connections to the Department of Health and Human Services, it is not necessarily well-represented on any one specific committee within the department. This suggests that while there are ties between the agency and the domain, the influence is relatively diffuse and muted.

In stark contrast, the Department of Energy has 46 ties with organizations in my sample, but those 46 ties are created by four committees. These four committees
therefore have ties with 11.5 organizations in my sample. In this way, the Department of Energy’s advisory committees are particularly significant arenas that bring together a disproportionately large number of organizations and elites. Even more interesting, the Department of Energy’s active committees are heavily tied to the corporate and think tank domains. While the total number of ties between public charities and HHS is greater, the access provided by these ties are disproportionately smaller than the access that the Department of Energy provides to corporations and think tanks.

Such findings led to the most important question of the chapter: the extent to which some domains had disproportionate access to the federal government. Or in other words, whether some domains were more likely than others to be included in the advisory process. The findings above show that both corporations and nonprofit organizations have access to federal advisory committees (FACs), though business as a whole does have disproportionate access to federal advisory bodies as evidenced by the 59 percent of businesses in my sample with at least one tie to a federal advisory committee compared to 48 percent of public charities (see Table 29). While public charities have less access, think tanks have comparable access to FACs as corporations, with 61 percent of think tanks having at least one tie to a federal advisory committee. This demonstrates again the disproportionate influence of the corporate and think tank sectors relative to charities and foundations. They once again are more structurally integrated into the overarching national elite network when the federal advisory process is included. In this way, these two domains are given the ability to give voice to their concerns to the federal government, and their interests are given space within the advisory process.
This lends evidence to the power structure argument that these two sectors are disproportionately represented within the structure of power. At the very least, they have more of an ability to communicate their interests to other powerful individuals. In this way, they have access to the policymaking process, and their voice is prioritized within the policymaking process. It also lends evidence to the more recent argument by power structure researchers that the nonprofit sector is two-tiered with a set of nonprofits active in the policy-planning domain with disproportionate access to state and corporate actors (i.e. think tanks), and a set of nonprofit organizations oriented toward more liberal and progressive goals more peripheral in the network (i.e. some public charities).

Though a smaller percentage of public charities have ties to federal advisory committees, public charities overall have the highest total number of ties. Though, once again, these ties are unevenly distributed within the domain. Of note, public charities in the health domain seem to have disproportionate access to the federal advisory process relative to their total number in the sample. So while health organizations were shown to lack cohesion within the public charity domain (chapter 4) and more generally within the overall national elite network (chapter 5), this has not precluded their inclusion in the federal advisory process. In fact, elites within the health domain are disproportionately selected to be part of the federal advisory process and have access to policymaking and implementation at the federal levels. It should be noted, though, that their access is often to committees with very large boards, limiting the potential influence of any one individual to give voice to the interests of any one specific organization.

This may be one reason that public charities oriented towards health issues select prominent individuals within the health field as board members. From the biographical
vignettes above, the individuals who make connections from health public charities to HHS are often active researchers in the specific health field (i.e. heart, cancer). Having these prominent individuals on their board gives them access to the advisory process at the national level. Such exposure seems to increase their chances of being selected as members of to review scientific proposals in their fields. It is also interesting to note that having access to cutting-edge research through this scientific review process could be quite beneficial to the public charities with which they are affiliated, though the methodological approach developed here does not provide the forum for such questions to be answered. This suggests the need for future research looking specifically at the relationship between service on a health board and grant review on these committees.

More specifically, the findings once again show that while nonprofits do have access to federal advisory committees, specific segments of the nonprofit sector, namely organizations operating in human services, are largely isolated from the network. In that sense, once again access is denied to the kinds of nonprofit organizations that are most likely to work with and advocate for the disadvantaged. This has major implications for the representativeness of the political system as a whole, and provides evidence once again for the power structure argument that the nonprofit sector is two-tiered, with nonprofits that are likely to advocate for decreasing levels of poverty and increasing social protections largely relegated to the fringe of the overall elite network, if not completely isolated. At the same time, the fact that there are few—if any committees—that deal with these sorts of issues (e.g. poverty, welfare, injustice) within agencies like the Department of Health and Human Services is reflective of the priorities set at the national level. It demonstrates in many ways that these issues are off the agenda or at the
very least, the federal government does not think it needs advice from organizations in these arenas.

Future research must be done concentrating on the federal advisory committees within the Department of Health and Human Services to determine why they do not deal with specific issues of mental health, poverty, justice, and welfare. Again, the vast majority of these committees operate within the health domain and more specifically deal with issues of physical health. I argue that this could reflect the priorities of important actors at the federal level. It would be interesting to see whether the number of committees oriented towards issues other than physical health have declined over time. One possible explanation for the physical health bias of the committees could be the reorganization of the federal bureaucracy, and the change of the agency from the Department of Housing, Education, and Welfare to the Department of Health and Human Services in 1979. Future research should examine whether this brought about a corresponding shift in the types of committees active within the federal government. This would be of specific interest in light of the kinds of arguments that Mizruchi makes about the decline in the corporate liberal consensus and the right turn in U.S. policy, and whether the peripheral position and isolation of humanitarian interests coincides with such a shift

**Conclusion**

My dissertation suggests that the structure of power in the United States excludes specific segments of the nonprofit sector. In particular, it demonstrates that nonprofit organizations that are most likely to advocate for the disadvantaged and underprivileged in the United States are predominantly isolated from networks of power. Such findings
provide support for the power structure argument that the nonprofit sector is two-tiered. While the argument put forth here highlights the importance of large nonprofits to the overarching national elite network, little evidence was found that elite interaction networks are representative of a wide variety of interests. To the extent that public charities are integrated into the national elite networks, the cohesion is driven by a small set of organizations very much involved in the first tier of the nonprofit sector: arts and culture organizations and private Ivy League universities especially. These public charities coupled with moderate think tank organizations active in policy planning are integrated into the overarching network, and by virtue of their integration have the capacity to give voice to their concerns to other prominent actors at the national level. Such findings demonstrate a clear bias to the national elite network, in line with the power structure argument.

Within domains, we see that corporations use interlocking directorates as a way to facilitate communication. The high numbers of inner circle members and the large percentage of organizations integrated demonstrate that the corporations have the potential to coordinate their activities in ways that other domains cannot. In this way corporations are better situated to protect their general interests. But it is important to note that cohesion is also evident among nonprofit actors. However, the cohesion within the nonprofit domains is driven by a relatively small set of actors, representative of relatively narrow interests. Within the think tank domain, the cohesion and potential for coordination is driven by relatively moderate organizations, suggesting their ability to coordinate to protect such moderate issues. Within the public charity domain, cohesion is most likely to be found among organizations with an upper-class bias. Largely peripheral
and isolated are public charities oriented toward humanitarian health issues. The same can be said for the foundation domain.

It is not just internal coordination, however, that these humanitarian public charities lack. They are also predominantly isolated from the networks of elite interaction overall. So when nonprofits are analyzed alongside the corporate sector or based on their relative access to the federal advisory process, a central core of influential and prominent actors emerges, and this central core consists predominantly of a narrow set of actors: corporations, moderate think tanks, and public charities oriented towards arts and culture and private higher education. With such exclusive access provided, elite interaction networks at the national level cannot be representative of a wide variety of interests. In other words, prominent actors within the corporate sector do not interact with prominent actors of certain segments of the nonprofit sector. Similarly, the Federal government does not provide democratic access to committees responsible for making key policy recommendations.

While elite interaction networks formed through interlocking directorates are only one piece of evidence in this argument, the findings are rather stark. Pluralists are indeed justified in saying that some organizations and elites are autonomous and distinct. But from my perspective, it may be that they are too distinct. It is clear that relative to moderate think tanks and corporations, some public charities lack the ability to give coherent voice to their interests, and they not only lack this ability within the domain, but also lack the ability to communicate their interests to other non-state actors, both in the market and the state.
The findings presented here suggest that the problem with American democracy is not that individuals have become less engaged or that large nonprofit organizations have emerged and become professionalized, but rather that the large nonprofit organizations that have emerged to protect the interests of ordinary and disadvantaged citizens are isolated from networks of power. It is not that elites within the nonprofit sector are unwilling to advocate for traditionally liberal interests, but rather that they are unable to do so. Ultimately, leaders in the United States do not interact with one another in a way that allows them to partner and collaborate to address key and important issues at the national level. Because of their lack of integration, elites are not addressing many of the key issues facing our nation today. They do not address issues of economic inequality, poverty, welfare, universal health care, and environmental sustainability. But this is not because the liberals have disappeared, but rather because liberal elites have been removed from the discussion altogether. Thus, when it comes to the distribution of power in the United States, the interests of many nonprofits are largely excluded and access is granted disproportionately to business—as usual.
References


