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United States Human Rights Policy: The Corporate Lobby

Emilie M. Hafner-Burton & Heidi M. McNamara

ABSTRACT

Interest groups take an active stance on US human rights policy, with implications for countries around the world. Today, publicly traded companies are responsible for the majority of all lobbying dollars spent on the issue. This article leverages a unique dataset on congressional lobbying between 2007 and 2010 to map and explain variation in corporate lobbying on US human rights-related legislation. We substantiate and explain why large oil, defense, and technology companies have greater representation in terms of dollars spent trying to influence the US approach to managing human rights around the globe than any other lobbying group. Rarely do these companies publicly explain their interests or intentions when lobbying a policy. Moreover, congressional efforts to link human rights to other areas of legislation (such as trade) has incentivized certain firms—some likely without any direct interests in human rights—to weigh in on the human rights policymaking process. Whether this is good or bad news for the promotion of human rights around the world is an open—and pressing—question.

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I. INTRODUCTION

Human rights became a central part of the US foreign policy agenda in the early 1970s for geopolitical reasons, largely in isolation from the interest group struggles characteristic in other domains of politics.¹ Today, by contrast, a large number of interest groups take an active stance on US human rights-related policy, and by many accounts, their prevalence and importance have grown over time.² Between 2007 and 2010, special interests spent over \$186 million lobbying human rights-related legislation before Congress. This legislation included laws to join and implement international human rights agreements, monitor US compliance with human rights treaties, limit US participation in certain global human rights endeavors, and link human rights to preferential trade, aid, investment, and security-related agreements with countries around the world.³

The interests of the pro-human rights lobby, itself a diverse group of advocates, often contrast against those of business lobbies that historically sought commercial opportunities unconditioned by ethical or humanitarian considerations.⁴ Yet, publicly traded companies—not civil society organizations—are now responsible for the majority (approximately 60 percent) of all lobbying dollars spent on US human rights-related legislation.⁵ Proportionate to other interest groups, they spend more on bills to regulate this issue than on most other foreign policies.⁶ This flow of private money into the human rights policymaking process raises important questions about which corporate interest groups seek political influence over legislation regulating this issue, and why: while lobbying campaigns are not automatically translated into political influence, when lobbyists are successful, they win significant policy changes.⁷

This article leverages a unique dataset that details all congressional lobbying activity between 2007 and 2010 to systematically map and explain

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1. David P. Forsythe, *American Foreign Policy and Human Rights: Rhetoric and Reality*, 2 *UNIVERSAL HUM. RTS.* 35, 37 (1980); David L. Cingranelli & Thomas E. Pasquarello, *Human Rights Practices and the Distribution of U.S. Foreign Aid to Latin American Countries*, 29 *AM. J. POL. SCI.* 539, 541 (1985); JACK DONNELLY, *INTERNATIONAL HUMAN RIGHTS* 13 (1993).
 2. HOWARD J. WIARDA, *THE CRISIS OF AMERICAN FOREIGN POLICY* 51 (2006).
 3. For analysis of the effects of these policies, see Emilie M. Hafner-Burton, *International Regimes for Human Rights*, 15 *ANN. REV. POL. SCI.* 265 (2012); EMILIE M. HAFNER-BURTON, *MAKING HUMAN RIGHTS A REALITY* (2013); Emilie M. Hafner-Burton, *A Social Science of Human Rights*, 51 *J. PEACE RES.* 273 (2014).
 4. CLAIR APODACA, *UNDERSTANDING U.S. HUMAN RIGHTS POLICY: A PARADOXICAL LEGACY* 145 (2006); LARS SCHOULTZ, *HUMAN RIGHTS AND UNITED STATES POLICY TOWARD LATIN AMERICA* 104–05 (1981).
 5. Emilie M. Hafner-Burton, Thad Kousser, & David G. Victor, *Industrial Lobbying for Public and Private Goods: The Collective Action Challenge*. (Working Paper, 2018).
 6. *Id.*
 7. Lobbyists are successful about 40 percent of the time according to FRANK R. BAUMGARTNER ET AL., *LOBBYING AND POLICY CHANGE: WHO WINS, WHO LOSES, AND WHY* 236 (2009).

variation in corporate lobbying on US human rights-related legislation. We substantiate that—and explain why—corporate incentives to lobby derive from their form of global economic integration. Specifically, within the business community, the firms that are most likely to lobby Congress on human rights-related legislation are firms with manufacturing sectors that have strong economic ties to human rights-abusing countries. Some of these politically active firms have economic interests that appear at odds with what might be considered humanitarian aspirations, while others have interests that sync more readily with a global human rights agenda. While those policy preferences are not systematically observable—interest groups must legally report their spending on lobbying efforts but not their intent—it is apparent that there are trends in which companies lobby on this issue, and that these firms rarely make their lobbying intentions publicly transparent.⁸

These activities have significant implications for international relations generally, and human rights specifically. It has long been argued that firms exert significant influence on trade and economic policy—certainly, firms lobby heavily on these issues.⁹ While there is ample evidence that firms can influence human rights directly in the way they do business,¹⁰ this article explains why a very narrow swath of corporate interests infuses a lot—in fact, the majority—of money into the congressional human rights policy process. A potential implication is that corporate interests may have influence on the US approach to the promotion of human rights globally.¹¹ Our research thus complements debates about the representativeness and responsiveness of government,¹² and the worry that an “unheavenly chorus” of wealthy interest groups may bias policy outcomes—in our case, a foreign policy making process that affects both US international relations and human

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8. Lobbying disclosure law requires firms to disclose the bills they lobby and their quarterly expenditures, but not the position they took on any policy.
 9. See generally Lawrence R. Jacobs & Benjamin I. Page, *Who Influences U.S. Foreign Policy?*, 99 AM. POL. SCI. REV. 107 (2005); INTERNATIONALIZATION AND DOMESTIC POLITICS (Robert O. Keohane & Helen V. Milner eds., 1996); HELEN V. MILNER, INTERESTS, INSTITUTIONS, AND INFORMATION: DOMESTIC POLITICS AND INTERNATIONAL RELATIONS (1997).
 10. See generally Layna Mosley, *Workers' Rights in Open Economies: Global Production and Domestic Institutions in the Developing World*, 41 COMP. POL. STUD. 674, 701 (2008); LAYNA MOSLEY, LABOR RIGHTS AND MULTINATIONAL PRODUCTION (2011). See also Layna Mosley & Saika Uno, *Racing to the Bottom or Climbing to the Top?: Economic Globalization and Collective Labor Rights*, 40 COMP. POL. STUD. 923, 923–28 (2007); JOHN GERARD RUGGIE, JUST BUSINESS: MULTINATIONAL CORPORATIONS AND HUMAN RIGHTS 34–35 (2013).
 11. Though no existing work, to our knowledge, looks explicitly at corporate influence over human rights policy, firms have been shown to be effective at shaping other types of policy. For example, Brian Kelleher Richter et al., *Lobbying and Taxes*, 53 AM. J. POL. SCI. 893, 893 (2009) (showing that firms gain considerable tax benefits from lobbying).
 12. See generally LARRY M. BARTELS, UNEQUAL DEMOCRACY: THE POLITICAL ECONOMY OF THE NEW GILDED AGE 234–35 (2d ed. 2016); Martin Gilens, *Inequality and Democratic Responsiveness*, 69 PUB. OPINION Q. 778 (2005).

rights and security around the world.¹³ Whether or not companies get the specific policies they ask for—a subject on which we make no direct claims in this article—it is well established that their pervasive lobbying shapes the policymaking environment in ways that inform lawmakers and their staffers, frame issues, and build coalitions.¹⁴ Money shapes the political process, if not always the policy outcome.

This article also contributes to longstanding efforts to understand how non-state actors vie for influence over the global human rights agenda.¹⁵ While much of that literature explores the role of civil society organizations in shaping government policy through persuasion, networking, and litigation,¹⁶ we describe an additional channel of influence—congressional lobbying—that is particularly utilized by corporate actors. This potential channel of influence has implications for debates over the role of corporate actors in shaping international relations more broadly and suggests that their efforts to influence government policy stretch well beyond areas of trade and economic policy into social issues of great importance to civil society.

II. THE INCENTIVES TO LOBBY

In the early 1970s, when human rights became a central part of the US foreign policy agenda, very few companies had a Washington, D.C. presence and corporate lobbying generally was thin, reactive, and not very influential.¹⁷ Labor unions and public interest groups were the more significant actors.¹⁸ Writing in 1971, future Supreme Court Justice Powell proclaimed, “as every business executive knows, few elements of American society today have as little influence in government as the American businessman. . . . One does not exaggerate to say that, in terms of political influence with respect to the course of legislation and government action, the American business execu-

13. KAY LEHMAN SCHLOZMAN ET AL., *THE UNHEAVENLY CHORUS: UNEQUAL POLITICAL VOICE AND THE BROKEN PROMISE OF AMERICAN DEMOCRACY* 367–68 (2012).

14. LEE DRUTMAN, *THE BUSINESS OF AMERICA IS LOBBYING: HOW CORPORATIONS BECAME POLITICIZED AND POLITICS BECAME MORE CORPORATE* 1 (2015).

15. Kiyoteru Tsutsui & Christine Min Wotipka, *Global Civil Society and the International Human Rights Movement: Citizen Participation in Human Rights International Non-governmental Organizations*, 83 *SOC. FORCES* 587, 589 (2004). See generally Emilie M. Hafner-Burton & Kiyoteru Tsutsui, *Human Rights Practices in a Globalizing World: The Paradox of Empty Promises*, 110 *AM. J. SOC.* 1373 (2005).

16. See generally David Chandler, *The Road to Military Humanitarianism: How the Human Rights NGOs Shaped A New Humanitarian Agenda*, 23 *HUM. RTS. Q.* 678 (2001); R. Charli Carpenter, *Vetting the Advocacy Agenda: Network Centrality and the Paradox of Weapons Norms*, 65 *INT’L ORG.* 69 (2011); RYAN GOODMAN & DEREK JINKS, *SOCIALIZING STATES: PROMOTING HUMAN RIGHTS THROUGH INTERNATIONAL LAW* (2013).

17. See generally Forsythe, *supra* note 1, at 41; Cingranelli & Pasquarello, *supra* note 1; DONNELLY, *supra* note 1, at 13–14.

18. DRUTMAN, *supra* note 14, at 12.

tive is truly the ‘forgotten man.’”¹⁹ By many accounts during this period, firms rarely sought to influence the US political system—to the extent they did seek influence on any policy, the business lobby was “sharply limited” in opportunity.²⁰ Reflections on this era once led scholars to propose, “it is inappropriate to study corporate lobbying on the issue of United States policy toward human rights violations in order to assess the impact of business upon decision makers.”²¹

Today’s landscape looks different. Firms that once saw government as something to avoid now see regulation and a strong D.C. presence as a necessity. According to one historical account, the private sector now accounts for more than three quarters of all lobbying dollars in the US political system—a new high—and business contributions over time have steadily grown.²² This growth has far outpaced the general increase in spending by any other interest group. The private sector’s average lobbying presence more than doubled between 1981 and 2004; in 2012, firms spent eighty-six dollars for every one dollar spent by diffuse interest groups and fifty-six dollars for every one dollar spent by organized labor.²³

For better or worse, firms are now squarely in the business of US foreign politics, and human rights is no exception. It is the big economic interests in the United States today that account for the majority of all interest group lobbying on human rights-related bills. This fact raises the question of why firms now spend more money than any other interest group on human rights-related legislation. Certainly, these firms have more money to dispense in an effort to influence the political process than do most other interest groups. But, given that protecting human rights is almost never the central mission of companies, why spend any money at all on this issue, let alone the majority of the money spent by all interest groups? As we observe human rights lobbying predominantly from a handful of manufacturing sectors, it follows that there must be something unique about the economic incentives of the firms in these sectors that prompts their attentiveness to US human rights commitments, or at least to the type of legislation to which human rights provisions tend to be attached. The question we explore here is: what are those incentives?

19. *Id.* at 59 (quoting memorandum from Lewis F. Powell, Jr., Confidential Memorandum: Attack on the Free Enterprise System (23 Aug. 1971)).

20. RAYMOND A. BAUER ET AL., *AMERICAN BUSINESS AND PUBLIC POLICY: THE POLITICS OF FOREIGN TRADE* 324 (1972).

21. SCHOULTZ, *supra* note 4, at 98.

22. DRUTMAN, *supra* note 14, at 9.

23. *Id.* at 14.

A. Direct Incentives

Firms may, in principle, support human rights policy in an effort to improve the stability of their overseas trade and investment relationships or to create new, more secure markets for selling or manufacturing their products. Human rights violations—especially if they are systemic and political in nature—can destabilize local governance systems and generate uncertainty for companies that seek to trade or invest.²⁴ For instance, in Myanmar recent outbreaks of communal violence have inhibited tourism and foreign investment, both of which have sharply declined in growth since the country began opening to the West in 2010.²⁵ Political instability in countries like Myanmar could incentivize firms to lobby in favor of human rights promotion in order to support their own business operations in these locations, or to accrue the benefits of providing “human rights-friendly” goods or services.

The Enhanced Partnership with Pakistan Act of 2009 is one example. Central to this bill’s plan for building a better relationship between the United States and Pakistan are stipulations enhancing the lives of women and children, supporting education and public health, encouraging democratization, and reinforcing the rule of law—all components of a broader human rights agenda.²⁶ The Act authorized \$7.5 billion in non-military aid to Pakistan to support these goals.²⁷ In return, Pakistani President Zardari agreed to take action against terrorist militants harbored within Pakistan.²⁸ This bill had substantial economic implications for US defense contractors such as Boeing, Lockheed Martin, and Raytheon, all of whom lobbied heavily.²⁹ It not only authorized funding for contracts they were qualified to fill—such as for improved border security systems—but also strengthened relations between the United States and the Pakistani governments, making Pakistan

24. See generally Steven C. Poe & C. Neal Tate, *Repression of Human Rights to Personal Integrity in the 1980s: A Global Analysis*, 88 AM. POL. SCI. REV. 853 (1994).

25. Havard Bergo, *Ethnic Violence Hurts FBI in Myanmar*, GLOB. RISK INSIGHTS (16 July 2014), <https://globalriskinsights.com/2014/07/ethnic-tension-still-lingers-myanmar/>.

26. See generally Enhanced Partnership with Pakistan Act of 2009, Pub. L. No. 111–73, 123 Stat. 2063 (2009).

27. § 102(b)(1)(B).

28. Prior to the passage of the Enhanced Partnership with Pakistan Act of 2009, President Zardari made public commitments to take a greater role in fighting terrorism in the region, and President Obama publicly demanded that Pakistan’s government take a stronger stance against terrorists hiding within their borders. For examples, see Pamela Constable, *Pakistani, Afghan Leaders Vow Joint Terrorism Fight*, WASH. POST (7 Jan. 2009), <http://www.washingtonpost.com/wp-dyn/content/article/2009/01/06/AR2009010601895.html>; *President Obama’s Speech on Afghanistan and Pakistan*, U.S. NEWS (27 Mar. 2009), <https://www.usnews.com/news/articles/2009/03/27/president-obamas-speech-on-afghanistan-and-pakistan>.

29. *Clients Lobbying on S. 1707: Enhanced Partnership with Pakistan Act of 2009*, CTR. FOR RESPONSIVE POLITICS, <https://www.opensecrets.org/lobby/billsum.php?id=s1707-111> (see table for data).

a more amenable market for US products.³⁰ This improved relationship led to the state-owned Pakistan International Airlines signing a multi-billion dollar contract for 777–330ER airplanes with Boeing. Boeing's motivation for lobbying on this bill was their belief that the creation of public-private capacity-building initiatives, such as those outlined by this legislation, would offer financial benefits.³¹ Alongside Boeing were seven other organizations that lobbied on the bill, all of them either major corporations or the government of Pakistan.³²

Firms moreover have increasingly become the target of public shaming, and even consumer boycotts, for human rights violations committed in their global supply chains in overseas facilities.³³ In 2012, for example, Apple received public criticism for the harsh labor conditions in its Chinese-based factories, where workers who assembled iPads and other devices toiled in inhumane conditions.³⁴ In response, Apple began a public campaign in support of “supplier responsibility” to treat workers with dignity and respect.³⁵ In principle, firms trading in goods easily associated with public shaming campaigns may choose to lobby on human rights legislation as a way to signal their support for human rights and allay a negative consumer response. This potential signal is likely muted by the fact that interest groups are not legally required to publicly disclose their lobbying positions.

Unquestionably, certain types of human rights violations can benefit firms by creating a “race to the bottom” in standards that create access to cheap inputs and labor.³⁶ Denying workers their freedom of association or the right to collective bargaining are practices that can reduce the costs of manufacturing products. Such conditions, in turn, can motivate corporate demand for trade and investment with nations that permit violations of internationally recognized rights. It is no accident that Apple chose to outsource the assembly of its devices overseas to Chinese factories where the costs of

30. See, e.g., Enhanced Partnership with Pakistan Act of 2009 §§ 202(a)(2), 204(a)(2).

31. U.S. CHAMBER OF COM. & U.S.-PAK. BUS. COUNCIL, STRENGTHENING THE U.S.-PAKISTAN ECONOMIC PARTNERSHIP: POLICY RECOMMENDATIONS TO THE OBAMA ADMINISTRATION AND TO MEMBERS OF CONGRESS 8 (2009), https://www.uschamber.com/sites/default/files/legacy/reports/0903_ustpakistan_opt.pdf.

32. *Clients Lobbying on S. 1707: Enhanced Partnership with Pakistan Act of 2009*, *supra* note 29.

33. Debora L. Spar, *The Spotlight on the Bottom Line: How Multinationals Export Human Rights*, 77 FOREIGN AFF. 7, 8–9 (1998).

34. Charles Duhigg & David Barboza, *In China, Human Costs are Built Into an iPad*, N.Y. TIMES (25 Jan. 2012), <https://www.nytimes.com/2012/01/26/business/ieconomy-apples-ipad-and-the-human-costs-for-workers-in-china.html>.

35. APPLE, SUPPLIER RESPONSIBILITY 2015 PROGRESS REPORT 14 (2015), http://www.apple.com/supplier-responsibility/pdf/Apple_SR_2015_Progress_Report.pdf.

36. DANIEL W. DREZNER, COUNCIL ON FOREIGN RELATIONS, U.S. TRADE STRATEGY: FREE VERSUS FAIR 59 (2006); David Vogel & Robert A. Kagan, *Introduction: National Regulations in a Global Economy*, in DYNAMICS OF REGULATORY CHANGE: HOW GLOBALIZATION AFFECTS NATIONAL REGULATORY POLICIES 1, 3 (2004).

labor are much lower than in the United States. Large public companies, the likes of Walt Disney, Nike, and Reebok, faced similar exposure for relying upon underage and underpaid workers in foreign countries to minimize their costs.³⁷ US legislation that seeks to improve these conditions—such as the labor protections clause associated with the recent slate of free trade agreements—have thus potentially been a subject of lobbying by US firms seeking to remove, or water down, the human rights provisions that may affect their bottom line.

The Global Online Freedom Act is one example of a bill that companies actively sought to fight out of concern for its effects on business. While collaborating with countries such as China and Iran to censor internet searches, Google, Microsoft, and Yahoo! successfully lobbied to kill this 2013 Act, which would have made it US policy to promote the freedom to seek, receive, and impart information and ideas through any media.³⁸ The free flow of information on the Internet has become a critical tool used by human rights activists in recent years to disseminate information. Censoring the Internet has thus become a prominent strategy of oppressive regimes. By supporting a free and open Internet, this legislation would have made it illegal for US companies to share personal user information with Internet-restricting countries, and by doing so threatened the agreements, which companies such as Google, Microsoft, and Yahoo! had made with repressive governments.

These examples illustrate anecdotally some of the various ways in which economic interests in human rights-abusing states can directly incentivize corporations purposively to lobby—either in support of, or against—human rights-related legislation. Yet, economic interests can provide another motivation for firms to lobby on human rights issues, sometimes indirectly by coincidence.

B. Indirect Incentives

Congress recently changed its approach to foreign policy, linking human rights and humanitarian concerns to a growing range of political issues. One reason for this shift is a growing demand for government protection, driven by policymakers who want to appease domestic interest groups seeking to suppress international competition and soften the perceived blows from

37. Spar, *supra* note 33, at 9.

38. We infer intent to kill legislation from news reports citing the companies' change in position. See Roy Mark, *Google, China Dispute Revives Global Online Freedom Act*, *eWEEK* (17 Jan. 2010), <http://www.eweek.com/c/a/Government-IT/Google-China-Dispute-Revives-Global-Online-Freedom-Act-493296>; Kim Hart, *Rep. Smith: Google Makes '180-Degree Turn' on Bill Backing Internet Freedom*, *THE HILL* (15 Jan. 2010), <http://thehill.com/policy/technology/76431-google-reverses-position-on-internet-freedom-bill>.

globalization. Another is the growing effort by civil society to pressure policymakers to take up the human rights agenda and tie it to understandings about the appropriate way to conduct business and politics. Still another reason is that these policies can at times provide the United States with leverage to affect human rights in other countries.

Trade policy is one prominent example of this shift in legislative strategy. In the 1980s, the United States negotiated and signed free trade agreements with Israel and Canada that aimed to eliminate all duties and virtually all other restrictions on trade in goods between the countries, but said nothing about human rights. In the 2000s, by contrast, the United States signed trade agreements with Jordan, Chile, Singapore, Morocco, Bahrain, Oman, and Peru (among others) that again sought to remove tariffs and quotas on goods, but also obliged governments to protect worker and children rights in domestic law. Today, the United States has similar agreements in force with nearly twenty countries. Under these agreements, all members may be fined for violating their human rights commitments. These agreements—while not centrally focused on human rights—have the potential to affect regulation of the issue by requiring US trade partners to undergo international scrutiny of their human rights commitments and practices.³⁹

In many ways, human rights are secondary issues in these agreements. The central provisions of these agreements—to reduce trade barriers and open markets—clearly affect the economic interests of certain segments of the US business community that stand to gain, or lose, from the negotiation and passage of the legislation. An example is the US-Oman Free Trade Agreement, negotiated in 2005 and in force since 2009.⁴⁰ The agreement provided a wide range of benefits to certain sectors of the US business community. Tariff reductions and enhanced market access would make US goods more competitive in the Middle East. The agreement would grant US firms enhanced rights to establish local service operations and financial institutions in Oman, as well as provide greater market access for certain US consumer, industrial, and agricultural products.⁴¹ The proposed legislation to enact this deal thus attracted significant support from many sectors of the US business community, including twenty-four of the twenty-seven US trade advisory committees; criticism came from the advisory committees representing the environment, intergovernmental affairs, and labor.⁴² Forty-two organizations

39. For examples, see Emilie M. Hafner-Burton, *Trading Human Rights: How Preferential Trade Agreements Influence Government Repression*, 59 INT'L ORG. 593 (2005); EMILIE M. HAFNER-BURTON, FORCED TO BE GOOD: WHY TRADE AGREEMENTS BOOST HUMAN RIGHTS (2009); Hafner-Burton, Kousser, & Victor, *supra* note 5.

40. United States-Oman Free Trade Agreement Implementation Act, Pub. L. No. 109–283, 120 Stat. 1191 (2006).

41. *U.S.-Oman Free Trade Agreement*, CONG. RES. SERV. (10 Oct. 2006), <https://www.everycrsreport.com/reports/RL33328.html>.

42. *Id.*

lobbied on this bill, the vast majority of them large multinational corporations such as Chevron, Citigroup, JPMorgan Chase and Co, PepsiCo, and Texas Instruments, which far outspent public interest groups or unions.⁴³

Alongside the bill's market expansion provisions was an ancillary condition on human rights, committing all parties to "strive to ensure" that internationally recognized labor rights are established and protected by law.⁴⁴ This provision—largely disregarded or opposed by the business community at the time the agreement was negotiated—reflected congressional efforts to appease US labor unions concerned about the potentially negative effects of free trade.⁴⁵ By many accounts, the trade deal has had some positive effects on the protection of worker rights in Oman, and most of these improvements took place after the agreement was signed and came into effect.⁴⁶ The US-Oman trade agreement suggests that while certain firms had clear economic incentives to lobby in support of the trade agreement, they may not have supported the human rights conditions associated with the agreement. In effect, they may have weighed in on a foreign policy that has had real implications for human rights without any direct or spoken interest in the issue at all.

This recent shift in approach to foreign policy spans not only US trade policy, but also legislation relating to a host of other salient issues including investment, foreign aid, and security related matters, some of which clearly produce economic benefits for companies. For better or worse, corporate voices on US human rights legislation are the loudest among interest groups in terms of dollars spent. And possibly, the key lobbying voices on some of the most influential human rights-related bills do not actually care one way or the other about the human rights content of the legislation they are attempting to influence. Congressional efforts to link human rights to other areas of legislation has incentivized certain firms—some likely without any direct interests in human rights, but that are invested in human rights-abusing countries subject to legislation—to weigh in on the policymaking process.

43. For a list of all groups registered to lobby this bill, see *Clients Lobbying on H.R.5684: United States-Oman Free Trade Agreement Implementation Act*, CTR. FOR RESPONSIVE POL., <https://www.opensecrets.org/lobby/billsum.php?id=hr5684-109>.

44. *U.S.-Oman Free Trade Agreement*, *supra* note 41.

45. The US Chamber of Commerce has repeatedly denounced the policy of linking worker rights to American trade policy and specifically to ILO standards. See Gary Burtless, *Workers' Rights: Labor standards and global trade*, BROOKINGS (1 Sept. 2001), <http://www.brookings.edu/research/articles/2001/09/fall-globaleconomics-burtless>; U.S. CHAMBER OF COM., STATEMENT OF THE U.S. CHAMBER OF COMMERCE ON INTERNATIONAL WORKER RIGHTS, U.S. FOREIGN POLICY AND THE INTERNATIONAL ECONOMY 6 (2010).

46. The USTR led a mission in 2009 to hold discussions on worker rights and labor reform and is now funding a project run by the International Labor Organization (ILO) to increase the effectiveness of labor inspections in Oman. See *Oman Free trade Agreement*, OFFICE OF THE U.S. TRADE REPRESENTATIVE, <https://ustr.gov/trade-agreements/free-trade-agreements/oman-fta>.

Regardless of the humanitarian implications of their preferences, or the actual extent to which the main focus of legislation is human rights, we expect that firms with deep-vested economic ties to human rights-abusing countries will be more likely to anticipate the potential effects of US human rights-related legislation on their business, and thus be more likely to lobby Congress on the issue. Specifically, (Hypothesis 1) we expect to find a positive relationship between lobbying on human rights policy and high amounts of foreign direct investment (FDI) with human rights-abusing countries when a high percent of that firm's FDI is conducted with such countries. By our logic, firms that invest large amounts in human rights-abusing states, but whose investment in non-abusing states far overshadows their assets in abusing states, should not be as determined to protect relations with rights-abusing countries. Furthermore, firms that invest mainly in abusing states, but that do not invest very much overall, will have few economic resources with which to lobby. It is therefore the combination of these two factors that should lead to a higher share of lobbying on human rights policy—whether firms care about human rights, or simply the rules for engagement. Firms must invest a lot and much of that investment must be with human rights-abusing states in order for there to be ample incentives—and resources—to overcome the challenges to lobbying. A similar relationship should also be evident in trade patterns (Hypothesis 2). Firms with a substantial trade volume, when a large portion of that trade is conducted with human rights-abusing states, should also have greater resources and incentives to lobby on human rights-related policy.

III. THE DATA

To illustrate the extent to which corporate interests have recently dominated the human rights lobby, we leverage information collected by Hafner-Burton, Kousser, and Victor (2018) on lobbying activity on all foreign policy bills before Congress (between 2007 and 2010, the period for which data were available) and the attributes of the interest groups that lobbied.⁴⁷ Data on lobbying filings come from the now-defunct "First Street," which was a subscription service operated by CQ Press.⁴⁸ First Street accumulated information on Lobbyist Disclosure Act (LD-1 and LD-2) filings and information on legislation provided by the Library of Congress' "Thomas" web archive.⁴⁹ The universe of bills categorized by the Congressional Research Service (CRS)

47. Hafner-Burton, Kousser, & Victor, *supra* note 5.

48. This information is all public record, but typically available in separate documents for each of the many hundreds of thousands of quarterly filings.

49. See generally FIRST ST. RES. GRP., <https://firststreetresearch.wordpress.com/about/>.

as “International Relations and Trade” related were selected.⁵⁰ The CRS tags most bills with multiple codes, signifying the issue areas to which they relate. The codes are of two varieties—issue areas, such as “Foreign Relations,” and proper nouns, such as “France.” Because quarterly lobbying filings identify all of the bills that an interest group lobbied, the data identifies all filings that targeted at least one foreign policy bill.⁵¹

A bill that touches on at least one foreign policy issue may also affect other policy areas, and be combined on the same lobbying report with other bills that have nothing to do with foreign policy. There is therefore no direct way to measure the exact amount of money an interest group spent on a specific bill in a given quarter. Thus, to generate the universe of relevant bills, all proper noun CRS codes were eliminated. Then, for each bill, the total number of CRS codes that fall into the foreign policy realm was counted and divided by the total number of CRS codes attached to the bill altogether to calculate a *foreign policy index*. For example, the Ethiopia Democracy and Accountability Act of 2007, which specified that the Secretary of State should take direct actions to support human rights and democratization in Ethiopia, has a foreign policy index of 0.206, suggesting that approximately 20 percent of its CRS codes relate to foreign policy.⁵² The *foreign policy index* for each bill was used to generate an estimate of the amount of money an interest group spent lobbying on foreign policy in each filing. For example, if a bill was one of five included in a group’s quarterly lobbying filing of \$10,000 and had a foreign policy factor of .4, only \$800 ($(\$10,000/5) \times .4$) would be attributed to that group’s foreign policy lobbying. While an imperfect estimate, this procedure provides a first estimate of the money spent by an interest group lobbying foreign policy.

To ensure that the bills identified by the CRS actually contain significant foreign policy content, 100 bills were sampled at random. Each bill was assigned a four-point scale subjectively determining whether the bill was squarely within the realm of foreign policy (code 1) or peripheral (code 4) and plotted against the *foreign policy index*. This approach showed a clear break point at a *foreign policy index* of 0.1, with most bills below 0.1 judged to be peripheral to actual foreign policy, while the vast majority of bills above 0.1 were in some capacity centrally related to foreign policy. All bills with a *foreign policy index* below 0.1 were screened out. Similar to the congressional lobbying totals reported by the Center for Responsive Politics (2014)—total foreign policy lobbying during this period in our data represents about 10 percent of the total amount spent inside the beltway on all legislation.

50. This categorization is the standard for identifying a bill’s purview within both the Washington community and Congressional scholars.

51. See generally CONG. RES. SERV. CAREERS, <https://www.loc.gov/crsinfo/>.

52. Ethiopia Democracy and Accountability Act of 2007, H.R. 2003, 110th Cong. § 4 (2007).

In this article, we leverage the subset of the foreign policy data that includes bills tagged by the CRS as relating to human rights. The main content of most bills is centrally and explicitly related to human rights concerns, and most of these bills propose concrete legal changes to US policy. An example is the Convention Against Torture Implementation Act, which instructs the Secretary of State to submit to the appropriate congressional committees an annual list of countries where torture is known to occur and prohibits the transfer of people by the United States to these countries where there are grounds for believing a person would be in danger of torture if transferred.⁵³ A second example is the Human Rights Commission Act of 2007, which forms a congressional commission tasked with monitoring US compliance with its international human rights treaty obligations and reporting their findings to Congress.⁵⁴ A third example is the UN Human Rights Council Funding Reform Act of 2007, which prohibits US contributions to international organizations from going to the UN Human Rights Council, unless the President specifically certifies to Congress that the funds are being spent in the national interest of the United States or that the United States is a member of the Human Rights Council.⁵⁵

Some bills considered by Congress propose no formal changes to US law, but take a clear position on an international human rights issue. These bills are nonbinding resolutions supporting an ideological position that may hold significant symbolic power in international and domestic communities, but do not directly impact US law. For example, House Resolution 252 in the 111th Congress affirmed the existence of the Armenian Genocide; however, it did not dictate specific actions that the United States must take against Turkey.⁵⁶ These bills offer human rights rhetoric without any clear enforcement mechanism or linkage to other forms of policy.

Other legislation includes bills that are primarily about other issues related to US international relations for which Congress has annexed human rights as an important secondary matter, signaling concerns over the protection of rights in partnering countries. An example of such a bill is the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, which primarily concerns free trade issues, but has binding legal implications for human rights and particularly worker rights in Central America.⁵⁷ Specifically, the act would bring into force a trade agreement with special provisions to afford to workers internationally

53. Convention Against Torture Implementation Act of 2005, S. 654, 109th Cong. § 3 (2005).

54. Human Rights Commission Act of 2007, H.R. 6054, 110th Cong. § 3 (2007).

55. The Human Rights Council Funding Reform Act of 2007, S. 1698, 110th Cong. § 3(a), (b)(a)(1) (2007).

56. H.R. 252, 111th Cong. § 2(1)-(30) (2009).

57. Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, S. 1307, 109th Cong. § 403(b)(1)(C) (2005).

recognized human rights, including a review of the Dominican Republic's domestic human rights legislation. Human rights are by no means the central element of this bill; the fate of this bill, however, would have important implications for human rights policy in the Dominican Republic, and for future trade agreements.

Using content analysis of every human rights bill—conducted with the help of two legal experts—we then identified and excluded the few bills (6 percent of the data) that were clearly not about human rights.⁵⁸ For example, the Inclusive Home Design Act of 2009 required new homes built in the United States to meet minimum standards for accessibility for persons with disabilities, but did not impact US foreign human rights policy.⁵⁹

Because many of these bills relate to multiple issues—and indeed, many are formally linked to other policies—we cannot determine whether firms seek specifically to influence the human rights components of legislation. Based on their motivations for lobbying, it is likely that the firms, in some cases, care more about other aspects of the legislation. Regardless of their intentions, however, if their lobbying activities have any effect on either legislation or the legislative process, firms' support or opposition for a bill may influence the US government's approach to promoting human rights around the world, with the potential to affect the operation of many international institutions, as well as the policies of other countries.

Although human rights-related legislation accounts for a relatively small proportion of overall foreign policy lobbying efforts in recent years (as shown in Figure 1), a lot of money has been infused into the political system in an effort to shape legislation regulating this issue. Of the \$186.3 million spent by all interest groups lobbying Congress on human rights between 2007 and 2010, firms spent nearly 60 percent, outspending any other interest group including labor unions, non-governmental organizations, and civil society organizations.

A. The Lobbying Landscape

Having established that firms are the central interest groups infusing money into the human rights-related legislative process, here we establish—in Figure 2—that a narrow range of sectors dominate these lobbying activities.⁶⁰ Between 2007 and 2010, nearly 85 percent of all public corporations'

58. We thank John Porten and Lee Dionne for their invaluable research assistance.

59. Inclusive Home Design Act of 2009, H.R. 1408, 111th Cong. § 3(1)(A)(i) (2009).

60. We separate firms into two-digit sectors based on the North American Industry Classification System. These broad categories place every industry in the US economy into 23 distinct sectors.

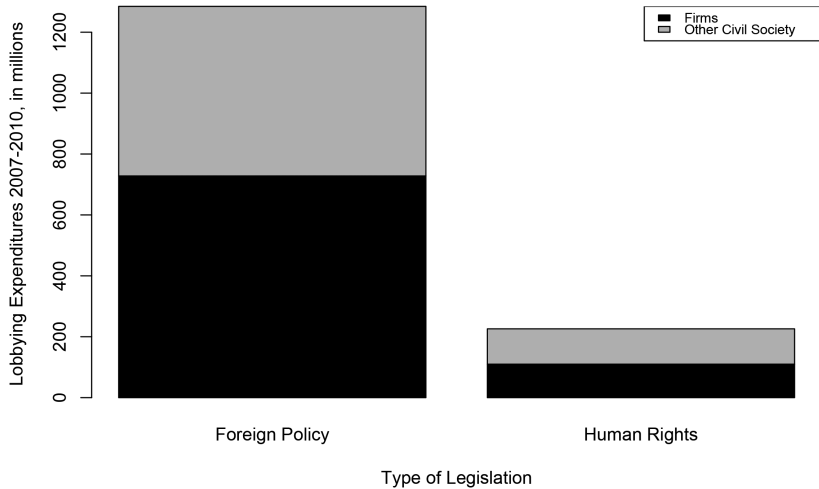


Figure 1. Lobbying Expenditures by Interest Group and Policy Area, 2007–2010

lobbying expenditures—and thus the majority of all lobbying—on human rights-related bills was spent by firms in only five sectors: metal and electronic manufacturing, information, petrochemical manufacturing, holding companies, and mining, oil, and gas. This monopolization of human rights lobbying primarily by manufacturing companies is even more exaggerated in some years; in 2010 those same five sectors were responsible for 97 percent of all corporate-sponsored human rights lobbying.

Table 1 highlights the top twenty public firms that lobbied human rights policy in 2010. All twenty are from the five main sectors identified above. They are primarily large, multinational firms with a broad array of economic interests. There is a great deal of variation, however, in how much firms spent; ConocoPhillips alone is responsible for more than five million dollars' worth of human rights lobbying expenditures in 2010. Much of their lobbying activity that year focused on H.R. 2194, the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010.⁶¹ This legislation had human rights implications for the Middle East and terror targets globally by directing the President to “take measures to respond to violations of human rights and religious freedom in Iran” and increasing economic sanctions

61. For example, see their lobbying disclosure report, which lists the Iran Sanctions legislation (H.R. 2194) as their specific lobbying issue. See *Lobbying Report*, U.S. SENATE, <https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=DD8BD959-7F4A-4562-B4F1-338AC1DDB471&filingTypeID=51>.

against the Iranian government.⁶² If the President certifies to Congress that Iran has made improvements on a variety of human rights-related policies, then these sanctions automatically revoke. By sanctioning the exportation and production of petroleum, this legislation threatened ConocoPhillips' ability to develop oil extraction capacities in Iran. By conditioning the restrictions to commerce on Iran's human rights record, Congress made human rights-relevant to petroleum extracting firms, such as ConocoPhillips, and their economic prospects. Although we do not officially know the nature of ConocoPhillips' lobbying activity on this bill, they have a clear economic incentive to resist a policy of sanctions against Iran. Despite ConocoPhillips' likely objections, Congress passed—and President Obama signed—the bill into law in 2010.

Other firms, by contrast, have seen their lobbying efforts come to fruition. One example is Chevron, which saw its preferences reflected in the final

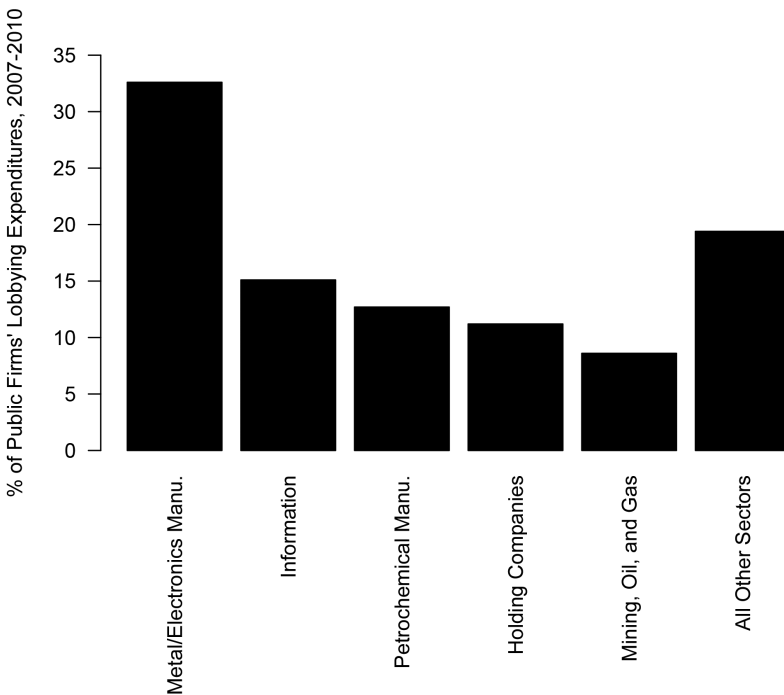


Figure 2. Public Firms' Lobbying Expenditures by Sector

62. Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, H.R. 2194, 111th Cong. § 3(6) (2010).

Table 1.
Summary of Top 20 Public Firms Lobbying Human Rights Policy in 2010

Firm	Sector	Amount Spent Lobbying HR	# of Employees	Ebit (millions)	Sector Concentration
ConocoPhillips	Mining/Oil/Gas	\$5,420,287	29,700	\$13,974	-0.291
Boeing	Metal/Electronic Manuf.	\$3,179,090	160,000	\$4,913	-0.32
Lockheed Martin	Metal/Electronic Manuf.	\$3,021,228	132,000	\$4,056	-0.32
General Electric	Holding Company	\$2,582,762	287,000	\$29,040	-0.16
Siemens	Holding Company	\$2,466,615	405,000	\$9,615	-0.16
Verizon	Information	\$2,356,228	194,400	\$19,208	-0.296
Raytheon Company	Metal/Electronic Manuf.	\$1,783,891	72,400	\$3,002	-0.32
News America (FOX)	Information	\$1,518,103	51,000	\$4,459	-0.296
Textron	Metal/Electronic Manuf.	\$1,433,841	32,000	\$546	-0.32
AT&T	Information	\$1,287,100	266,590	\$19,573	-0.296
ExxonMobil	Petrochemical Manuf.	\$842,679	83,600	\$40,122	-0.248
Google	Information	\$822,421	24,400	\$10,381	-0.296
Chevron	Petrochemical Manuf.	\$803,170	62,000	\$25,619	-0.296
Microsoft	Information	\$798,309	89,000	\$24,157	-0.296
Hewlett-Packard	Metal/Electronic Manuf.	\$662,218	324,600	\$12,916	-0.32
Amgen Inc.	Petrochemical Manuf.	\$545,393	17,400	\$5,662	-0.248
Yahoo!	Information	\$461,538	13,600	\$830	-0.296
Time Warner Cable Inc.	Information	\$407,384	47,500	\$3,741	-0.296
Harris Corporation	Metal/Electronic Manuf.	\$394,981	15,800	\$938	-0.32
Marathon Oil Corporation	Mining/Oil/Gas	\$390,962	29,677	\$4,017	-0.291

passage of the Tom Lantos Block Burmese Junta's Anti-Democratic Efforts (JADE) Act of 2008.⁶³ Responding to alleged human rights abuses—including forced labor and land confiscation to construct and operate a natural gas pipeline from Burma to Thailand—the Act would impose sanctions on Burmese trade while exempting humanitarian assistance from United States sanctions on Burma. Early drafts of the bill would have required Chevron—which spent millions of dollars lobbying the legislation—to relinquish its nearly 30 percent stake in the Yadana natural gas field,⁶⁴ which has long been associated with the violation of human rights in support of resource extraction and funded the repressive regime.⁶⁵ The bill that finally passed was watered down to a non-binding recommendation for the company's divestment, while maintaining strict sanctions for activities in other sectors that did not lobby as heavily. Chevron remains active in the country.⁶⁶

Having briefly explored the landscape of corporate human rights lobbyists, we now evaluate our explanation for why it is these specific firms predominantly lobby the US government on its global human rights policies.

B. Empirical Analysis

This section utilizes our new dataset to explore empirically the relationship between firms' foreign economic interests, alongside their size and productivity, and their human rights lobbying expenditures. Our first dependent variable is a binary indicator of whether a firm conducted any lobbying on human rights legislation.

1. Any Lobbying

To evaluate the relationship regarding foreign direct investment (FDI) and lobbying activity, we rely on publicly available data from the Bureau of Economic Analysis.⁶⁷ These data are limited to the two-digit North American Industry Classification System (NAICS) sector level and include investment information for fifty-seven countries. This sample is skewed toward European and South American countries and is lacking coverage of many African and Asian countries; however, it is the best publicly available data on US

63. Tom Lantos Block Burmese JADE (Junta's Anti-Democratic Efforts) Act of 2008, Pub. L. No. 110-286, 122 Stat. 2632 (2008).

64. Elana Schor, *US Removes Oil Giant from Burma Sanctions*, THE GUARDIAN (23 July 2008), <https://www.theguardian.com/business/2008/jul/23/oil.burma>.

65. *Burma: Natural Gas Project Threatens Human Rights*, HUMAN RIGHTS WATCH (24 Mar. 2007), <https://www.hrw.org/news/2007/03/24/burma-natural-gas-project-threatens-human-rights>.

66. Schor, *supra* note 64.

67. *North American Industry Classification System*, BUREAU OF ECON. ANALYSIS, <https://www.bea.gov/help/glossary/north-american-industry-classification-system-naics> (alternative firm-level measures such as Orbis are too high in missing data to be employed in this analysis).

firms' FDI. By offering less comprehensive coverage of severe rights-abusing countries, these data likely underestimate the amount of FDI sectors have in human rights-abusing countries. This should bias against finding evidence in support of our hypothesized relationship.

We measure FDI in the billions of US dollars at the two-digit NAICS sector level by year. The data are then coded based on whether the investments were made in a state that respects or abuses its citizens' human rights. We created a proportion of investment with states that fell below the mean CIRI Human Rights (Cingranelli and Richard Indicator) indicator for respect for physical integrity and that sector's total foreign investment with all states.⁶⁸ The CIRI physical integrity indicator is an aggregate indicator measuring states' respect for their citizens' rights to be free from political and other extrajudicial killings, disappearances, tortures, and political imprisonments. The indicator ranges from zero to eight, with eight representing full respect for all four rights.⁶⁹

Having determined the proportion of each firm's sector's investment in human rights-abusing states, for ease of interpretation, we generated a dichotomous measure indicating sectors with higher than average investment in abusing states. This variable, *High FDI with Abusers*, is coded 1 for firms in sectors with greater than \$35.6 billion in total FDI (the mean within our dataset) in human rights-abusing states in year "t." *High Percent FDI with Abusers* is a dichotomous indicator of firms in sectors where more than 17 percent of the sector's total FDI (the mean within our dataset) is invested in abusing countries.

The first key independent variable is the interaction between the sector's investment in abusing countries and the percent of their total FDI this investment represents (*HighFDI*HighPercent*). This indicator will equal 1 when the firm is in a sector that has high investment levels in human rights-abusing countries *and* where that investment with abusers represents a higher than average proportion of their overall FDI. We expect (Hypothesis 1) that making substantial investments in human rights-abusing countries and having these investments represent a large portion of the sector's total FDI will lead a firm to be more likely to lobby human rights policy in Congress. Though we find the dichotomous variables most intuitive to interpret, we also re-estimate our analyses with continuous versions of the variables reported in the appendix (Appendix Tables 1 and 2). The appendix is available online, open access at <http://muse.jhu.edu/resolve/63>.

68. *Data and Documentation*, CIRI HUMAN RIGHTS DATA PROJECT (2014), <http://www.human-rightsdata.com/p/data-documentation.html>. As a robustness check, we re-ran our analyses with a more restrictive definition of an abusing country. Our findings hold with this more constrained cutoff. See Tables 7 and 8 in the appendix for more details. The appendix will be a part of the article only in the on-line version of the article on Project Muse and will be open access.

69. The mean for all states is five.

Because of data limitations, we can only evaluate our second hypothesis about trade ties using data on manufacturing sectors, which is where we expect the most substantial effects—we do not have access to individual firm-level trading data. These data come from the US Census and track imports and exports by US manufacturing sectors at the six-digit NAICS level.⁷⁰ These data offer the added advantage that they cover any US trade with all of the 195 countries included in the CIRC dataset, a much broader array of countries than represented by our FDI data.

We created measures at each firm's six-digit NAICS sector level for each year of the sector's total amount of bilateral trade (in billions) with human rights-abusing countries. The variable *High Percent Trade with Abusers* is a dichotomous measure of whether or not the firm's sector conducts more than 38 percent of its trade (the mean within our dataset) with human rights-abusing states. The variable *High Trade with Abusers* is a dichotomous measure that takes a value of 1 when the firm's sector conducts more than \$29.8 billion of trade per year (the mean within our dataset) with human rights-abusing states. Our key trade variable (*High Trade*High Percent*) is an interaction between the two terms, which will take a value of 1 when a firm's sector trades an above average amount with human rights-abusing states *and* when that trade makes up an above average amount of their total trade. Similar to above, we also report results from analyses with the continuous versions of these variables in the appendix (Appendix Tables 1 and 2).

While overseas economic relationships are likely important explanations, trade and investment behaviors are certainly not the only—or even the central—determinants of a firm's inclination or ability to lobby. There are primary costs to lobbying, including the dollar amount spent to influence any given piece of legislation and the upfront costs of establishing a lobbying presence, which create barriers to entry and economies of scale.⁷¹ While there is substantial literature on lobbying, widely recognized among the most important explanatory factors are firm size, productivity, and the capacity to solve the collective action problem associated with lobbying.⁷² Large, productive firms also lobby more. We thus build our human rights lobbying analysis upon Hafner-Burton, Kousser, and Victor's (2018) model of foreign policy lobbying more generally in order to take into consideration the role of each of these factors, which derives from the existing literature.

70. See generally Peter K. Schott, *The Relative Sophistication of Chinese Exports*, 23 *ECON. POL'Y* 5 (2008).

71. See generally William R. Kerr et al., *The Dynamics of Firm Lobbying*, 6 *AM. ECON. J. ECON. POL'Y* 343 (2014).

72. See Wendy L. Hansen & Neil J. Mitchell, *Disaggregating and Explaining Corporate Political Activity: Domestic and Foreign Corporations in National Politics*, 94 *AM. POL. SCI. REV.* 891, 891–92 (2000). They also identify the importance of government sales, for which we do not have an empirical measure.

We account for a firm's economic capacity to lobby by measuring their earnings before interest and taxes (*Ebit*) using data from Compustat on all publicly traded firms. We also measure the natural log of a firm's *Sales Rank* within their sector.⁷³ All publicly traded firms are ranked by sales, with "1" being the largest within its two-digit sector code as determined by the NAICS. A negative coefficient on this variable suggests that the larger a firm's sales within its sector, the more that firm should lobby. These variables control for the possibility that firms with financial resources may be more politically engaged on foreign policy.

We account for a firm's productivity using *Tobin's Q*—the ratio of what the stock market thinks a firm is valued (total market capitalization) versus the booked value of the firm's assets, adjusted for debt and other accounting assets and liabilities. *Tobin's Q* is a measure of whether stockowners see value in a firm beyond what the accountants estimate is the firm's value if broken up and sold tomorrow.⁷⁴

To account for a firm's capacity to overcome the collective action problem, we include a measure of *Sector Concentration*. For each sector, a regression is estimated with the log of each firm's *Sales Rank* (plus 0.5) as the dependent variable and the log of the firm's *Sales* as the sole independent variable. The estimated coefficient of *Sales* for each sector is the measure of *Sector Concentration*, with larger (less negative) coefficients indicating that the most highly ranked firms account for larger proportions of a sector's sales. *Sector concentration* and *sales rank* are interacted (*Rank*Concentration*) because concentration accentuates the impact of a firm's ranking—top-ranked firms within a sector should be even more likely to lobby when they operate in highly concentrated industries.⁷⁵

Table 2 reports estimates from rare events logistic regression analysis.⁷⁶ We calculate 110th Congress fixed effects during our time period. Because some of the key independent variables are measured at the industry level, we cannot include industry fixed effects. The first column of Table 2 predicts the effects of FDI while the second predicts the effects of trade.

Table 2 reports estimates that are consistent with the idea that a firm's overseas relationships are important predictors of lobbying. Controlling for other potential predictors of lobbying activity, firms whose sectors have

73. The raw distribution of ranks is skewed so we use the natural log of the firm's rank within its sector to conform more closely to the assumptions of OLS.

74. See generally Kee H. Chung & Stephen W. Pruitt, *A Simple Approximation of Tobin's q*, 23 FIN. MGMT. 70 (1994); Eric B. Lindenberg & Stephen A. Ross, *Tobin's q Ratio and Industrial Organization*, 54 J. BUS. 1 (1981).

75. Hafner-Burton, Kousser, & Victor, *supra* note 5.

76. A small percent of firms in our sample lobbied human rights-related legislation. In light of this skew in the data, we estimate a rare events logistic regression to correct for potential bias. The results of these models are consistent with logistic regression analyses, which are displayed in Table 6 in the appendix. The appendix will be a part of the article only in the on-line version of the article on Project Muse and will be open access.

Table 2.
Rare Events Logistic Regression: Firms' probability of lobbying human rights policy

	(1)	(2)
High FDI*High Percent FDI	1.384*** (0.339)	
High Percent FDI with Abusers	-0.640** (0.296)	
High FDI with Abusers	-1.038*** (0.339)	
High Trade*High Percent Trade		1.235** (0.553)
High Percent Trade with Abusers		-0.362** (0.177)
High Trade with Abusers		-1.105** (0.521)
Employees	0.002*** (0.000)	0.001 (0.001)
Tobin's Q	0.042 (0.036)	0.006 (0.009)
Ebit	0.000 (0.000)	0.00004*** (0.00001)
Sales Rank	0.000 (0.000)	0.000 (0.000)
Sector Concentration	2.056 (3.560)	-8.443*** (2.406)
Sales Rank*Concentration	-0.001 (0.001)	-0.001 (0.0007)
110th Congress	0.252* (0.132)	0.491*** (0.129)
Constant	-0.438 (0.924)	-3.577*** (0.665)
Observations	1,359	1,200

Note: Table entries are rare event logistic regression estimates, with standard errors in parentheses. The dependent variable is a dummy variable indicating any lobbying on human rights policy, from 2007 to 2010. *p<0.1; **p<0.05; ***p<0.01

large investments in human rights-abusing countries—where this investment represents a substantial percent of the sector’s total FDI—are significantly more likely to lobby Congress on human rights legislation than firms in sectors with lower levels of investment in abusing countries. In other words, firms with strong economic ties to human rights abusers are more likely to dedicate resources to shaping US policies that link the issue of human rights around the world to US international relations more broadly. This result holds strongly for both investment (Column 1) and trade relationships (Column 2).

To understand this effect more tractably, holding all else equal, a firm in a sector that has higher than average investment in human rights-abusing countries—where that investment represents more than 18 percent of the sector’s total FDI—is about 24 percent more likely to lobby on human rights legislation before Congress than a firm that is not from a heavily invested sector. Figure 3 visually represents this effect, which plots the expected probability of lobbying human rights legislation as it varies by a firm’s degree of investment in rights-abusing countries.

A strong trade relationship with human rights-abusing states is similarly impactful. Holding all else equal, a firm from a sector with higher than average trade flows to abusive countries, where that trade represents more than 37 percent of the sector’s total trade, is about 28 percent more likely

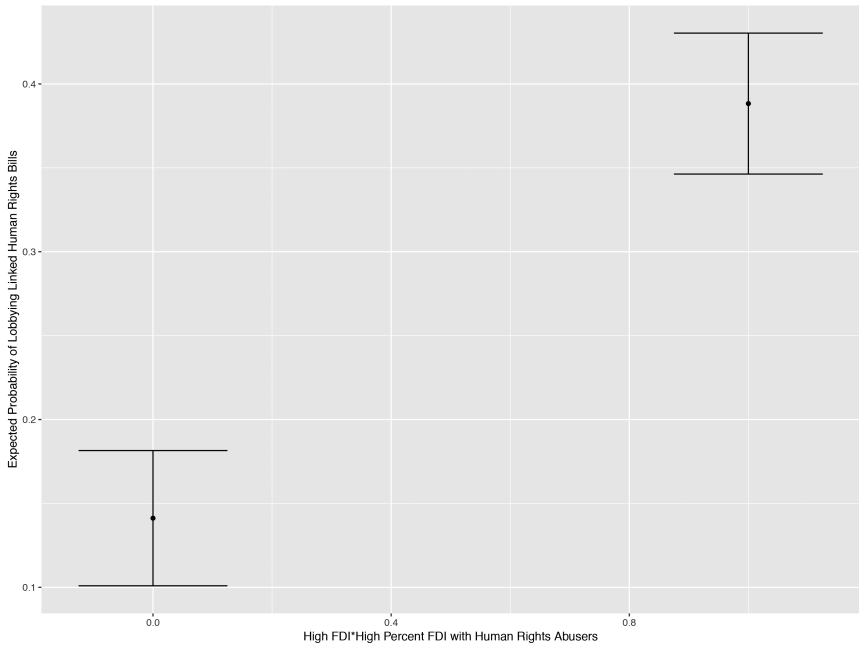


Figure 3. FDI Ties with Abusers Increase Probability of Lobbying

to lobby human rights legislation before Congress than a firm from a sector that does not trade as heavily with human rights abusers. Similarly, Figure 4 visualizes this effect.

2. Amount of Lobbying

Perhaps more important than whether a firm lobbies at all, is how much they spend in their efforts to influence the political process. In Table 3, we display ordinary least squares (OLS) regression estimates of the natural log of total lobbying expenditures (in US dollars) on human rights bills.⁷⁷ We again estimate Congress fixed effects and include the same controls for size, productivity, and capacity to solve the collective action problem associated with lobbying. Table 3 reports on the dichotomous versions of our trade and investment variables—continuous specifications are again reported in the appendix.

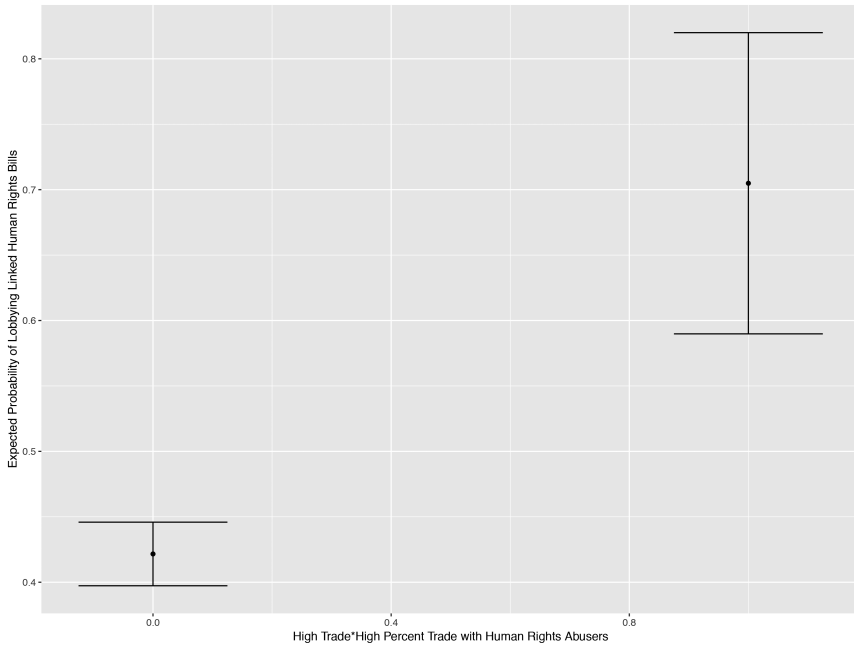


Figure 4. Trade Ties with Abusers Increase Probability of Lobbying

77. The natural log is used to normalize the distribution of observations. Most observations in our dataset conducted zero lobbying on human rights policy so the distribution of the original data is highly skewed. In addition, 0.01 was added to each observation before transformation.

A firm's economic incentives are predictive of how much they spend lobbying human rights-related legislation. Controlling for barriers to entry, firms in industries with strong investment (Column 1) and trade (Column 2) ties to human rights-abusing countries spend more money lobbying human rights legislation. Though these effects are substantively small, which is likely driven by the rarity of this type of lobbying in our dataset, they are highly statistically significant. This suggests that firms with strong economic ties to human rights-abusing countries have particular incentives to lobby on human rights-related legislation and to spend more than other firms doing so. These foreign ties play an important role not only in determining *if* a firm lobbies on policy linked to human rights, but also *how much* they spend on the legislation.

Together, these findings provide support for our argument. While we can say with some confidence that these types of firms are both more likely to lobby legislation and to spend more doing so, we cannot infer that they actually care about influencing the human rights components of the legislation—any eventual influence on human rights may be unintentional.

3. Robustness Checks

We provide a large series of robustness checks in the appendix. First, we offer continuous specifications of our FDI and trade variables using both rare events logistic regressions (Appendix Table 1) and OLS regressions (Appendix Table 2). Second, we re-estimate our analyses using logistic regression (Appendix Table 3). Third, we re-estimate our analyses using a more stringent definition of a human rights-abusing country (Appendix Tables 4 and 5). Fourth, although our time period (between 2007 and 2010) approximates a cross-section because it contains only four years and lobbying is sticky over time, we also include cross-sectional analyses for the first year in our data: 2007 (Appendix Tables 6 and 7). Finally, we replicate our OLS models using a Box Cox transformation instead of a natural log on our dependent variable to ensure that we adequately correct for the skew in our data (Appendix Table 8). Our main results for investment hold under each of these specifications; while our trade results remain consistent in the logistic specification of any lobbying, OLS specification of lobbying expenditures, OLS estimations of 2007 expenditures, and Box Cox-adjusted specification of expenditures.⁷⁸

78. Trade results fall just out of conventional levels of statistical significance for our continuous specification, rare events estimation and 2007 cross-section.

Table 3.
Firms' human rights lobbying expenditures

	(1)	(2)
High FDI*High Percent FDI	4.190*** (1.017)	
High Percent FDI with Abusers	-2.160** (0.901)	
High FDI with Abusers	-3.901*** (1.096)	
High Trade*High Percent Trade		4.148** (1.649)
High Percent Trade with Abusers		-1.104** (0.555)
High Trade with Abusers		-3.824** (1.538)
Employees	0.011*** (0.003)	0.007 (0.005)
Tobin's Q	0.170 (0.112)	-0.004 (0.024)
Ebit	0.00002 (0.00003)	0.0001*** (0.00004)
Sales Rank	0.002 (0.001)	0.0002 (0.001)
Sector Concentration	10.583 (11.649)	-25.598*** (7.503)
Sales Rank*Concentration	-0.006 (0.005)	-0.002 (0.003)
110th Congress	0.451 (0.420)	1.306*** (0.410)
Constant	1.935 (3.021)	-8.439*** (2.030)
Observations	1,359	1,200
R ²	0.044	0.042
Residual Std. Error	6.905 (df = 1348)	6.923 (df = 1189)
F Statistic	6.203*** (df = 10; 1348)	5.184*** (df = 10; 1189)

Note: Table entries are OLS regression estimates, with standard errors in parentheses. The dependent variable is the natural log of firms' lobbying expenditures (+0.01) on human rights bills from 2007 to 2010. *p<0.1; **p<0.05; ***p<0.01

C. Intent

Lobbying disclosure law requires interest groups to disclose the bills they lobby and their quarterly expenditures, but not the position they took on any policy. We therefore cannot infer lobbying intent.⁷⁹ Indeed, we have provided a theoretical explanation for, and anecdotal evidence of, corporate lobbying efforts both in support and against the passage of human rights legislation. We thus can make no substantive or systematic claims about the nature of corporate intent or their effects on human rights particular policy.

While we cannot speak to intent, we can speak to the tendency to formally reveal information about the intent behind lobbying efforts. Anecdotal evidence suggests that companies are more prone to secrecy than other interest groups with regards to their policy positions on human rights-related legislation. Our investigation into the public hearings record before Congress—one formal method to publicly articulate preferences over a bill—suggests that firms typically do not use hearings as a means to signal a position on human rights. Strikingly, Congress did not hold a single public hearing on any of the bills in our universe that attracted corporate lobbying. It is also suggestive that human rights bills that were lobbied by advocacy groups, such as Human Rights Watch, occasionally did receive public hearings—for example, the Child Soldiers Accountability Act of 2008, which elicited formal testimony by the organization.⁸⁰ This indicates that public hearings, while not the norm, are available to proponents who seek to establish a public record. Instead, firms seem to prefer lobbying Congress behind closed doors—whether for or against a bill—and avoiding public testimony as to their positions on legislation, while human rights groups are more often willing to make public declarations of intent.

IV. CONCLUSION

This article systematically explores the drivers of congressional lobbying on US human rights policy affecting countries around the globe. It establishes that corporate interests now spend the most money trying to influence US human rights legislation. Moreover, lobbying on these bills corresponds

79. This limitation is consistent with a very large literature on lobbying in American politics more broadly. See John M. de Figueiredo & Brian Kelleher Richter, *Advancing the Empirical Research on Lobbying*, 17 ANN. REV. POL. SCI. 163, 167 (2014). See generally Richter, *supra* note 11; Richard A. Smith, *Interest Group Influence in the U.S. Congress*, 20 LEGIS. STUD. Q. 89 (1995).

80. *Casualties of War: Child Soldiers and the Law*, Hearing before the Senate Judiciary Subcommittee on Human Rights, COMM. ON THE JUDICIARY (24 Apr. 2007), http://www.judiciary.senate.gov/meetings/casualties-of-war_child-soldiers-and-the-law.

to a firm's economic stakes—including their foreign investment and trade risks—in human rights-abusing countries. This trend of corporate interest in human rights policy suggests that a powerful group of firms from a handful of sectors—mainly in manufacturing—are making the connection between their business strategy and human rights-related legislation. However, a preference for (or against) human rights policies may not always be at the center of those calculations. One potential implication is that the purportedly beneficial strategy of linking human rights to binding economic and security policy generates opportunities for corporations to weigh in on the US human rights agenda without necessarily caring about the actual humanitarian content of the law or its effects on rights.

We make no claims that corporate lobbying necessarily translates directly into policy—it is difficult to causally trace this relationship, a large debate in the field of US politics,⁸¹ and is beyond the scope of this article. However, it is generally understood that lobbying can have some influence on the political process in Congress, at least some of the time.⁸² Corporate lobbying on the US Oman Free Trade Bill and the Enhanced Partnership with Pakistan Act very likely influenced both the legislative process and the successful passage of these bills into law, while lobbying by major energy companies such as Chevron almost certainly had the effect of watering down the final 2008 JADE Act on US sanctions against Burma.

What is certain is that the economic interests of large oil, defense, and technology companies have greater representation in terms of dollars spent trying to influence the US approach to managing human rights around the globe than the interests of any other lobbying group. Rarely do they articulate their preferences about a policy through formal public channels such as hearings or formal statements. Moreover, congressional efforts to link human rights to other areas of legislation have incentivized certain firms—some likely without any direct interests in human rights—to weigh in on the policymaking process. Whether this is good or bad news for the promotion of human rights around the world is an open—and pressing—question.

81. Notable efforts include BAUMGARTNER ET AL., *supra* note 7; DRUTMAN, *supra* note 14.

82. See generally BAUMGARTNER ET AL., *supra* note 7; Ellen A. Cutrone & Benjamin O. Fordham, *Commerce and Imagination: The Sources of Concern about International Human Rights in the US Congress*, 54 INT. STUD. Q. 633 (2010). See also DRUTMAN, *supra* note 14, at 1.