

THE PARTISAN REVOLVING DOOR

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It is well known that politicians and congressional staff members often leave office to become lobbyists. In this paper I document and seek to explain the fact that these “revolving door” lobbyists tend to attract more business when their party is in power, a phenomenon I refer to as the “partisan revolving door.” I focus on two broad explanations, one that emphasizes the advantages to interest groups of hiring lobbyists who are *ideologically* close to sitting politicians and another that emphasizes the advantages of hiring lobbyists who are *personally* close to sitting politicians. An analysis of lobbying patterns around the three most recent changes in partisan power in Washington suggests that the ideological explanation applies mostly to former staffers while personal or network proximity likely better explains the partisan hiring of former members of Congress.

PRELIMINARY AND INCOMPLETE

I. INTRODUCTION

In lobbying, the “revolving door” refers to the tendency of government officials to become lobbyists and vice versa. The importance of the revolving door in U.S. lobbying is suggested by the fact that in 2009, almost two thirds of all federal lobbying (by dollar value) involved a former congressional staffer or former member of Congress in some way.¹

This paper documents and investigates a previously unexamined feature of “revolving door” lobbying: the tendency of interest groups to favor as lobbyists former politicians and staffers who are members of the party in power. Figure 1 shows the basic phenomenon. Of all lobbying done by former members of Congress (shown with a solid line), just over 50% by value was done by Democrats in 2000, the last year of the Clinton administration. Just a year later, after President George W. Bush took power, that proportion had dropped to under 45%, on its way to a low just over 35% in 2005 and 2006. The proportion of lobbying done by Democrats then jumped after the Democratic electoral victories in both 2006 and 2008, with the Democratic proportion in the first year of the Obama administration exceeding that observed at the end of the Clinton administration. A similar pattern, more muted, can be seen for lobbying done by former Congressional staffers, depicted with a dashed line. In this paper I refer to this pattern – the correlation between control of government and the partisan composition of lobbying done by former members and staffers – as the “partisan revolving door” (PRD).²

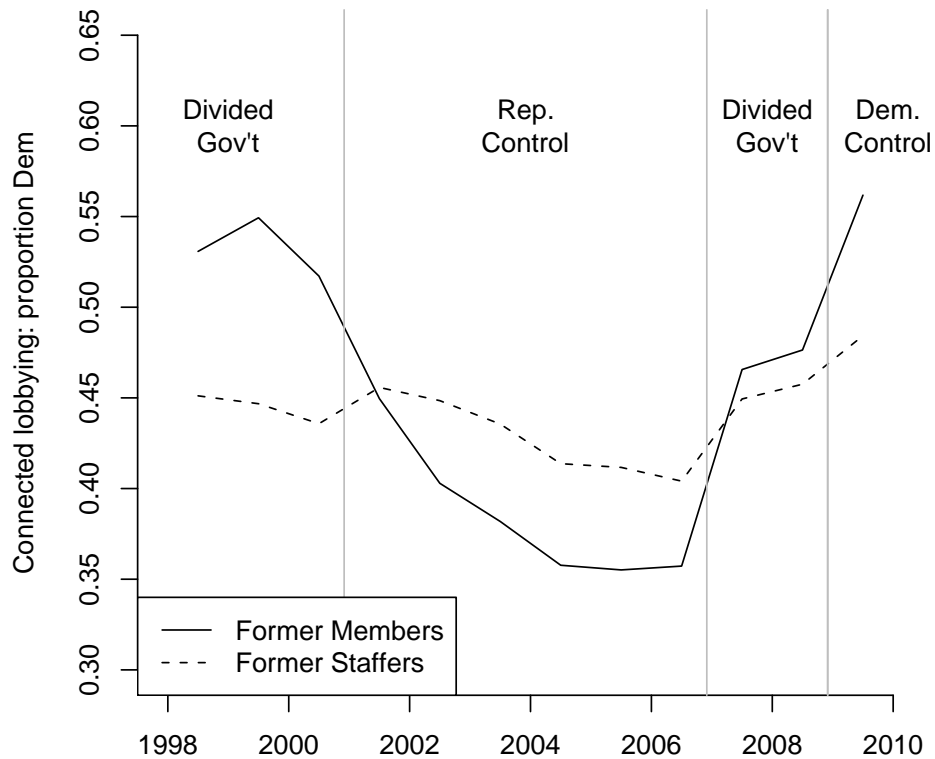
Why would interest groups hire lobbyists associated with the party in power? The main goal of the paper is to address this question. My approach is to first illuminate two broad explanations for the “partisan revolving door,” drawn from the extensive literature on lobbying, and then to use a database documenting federal lobbying in the U.S. between 1998 and 2009 to assess to what extent each explanation fits the data.

The first explanation I offer, inspired by Austen-Smith (1995) and Gilligan & Krehbiel (1987), suggests that interest groups hire lobbyists associated with the party in power in order to improve their ability to communicate with sitting politicians about potentially

¹Lobbying reports list several lobbyists; lobbying reports accounting for 64.7% of the total value of all lobbying listed at least one former staffer or Member of Congress.

²While I focus on lobbying done by former government officials, the pattern most certainly extends to lobbyists with a definite party affiliation who did not serve in office.

Figure 1: The partisan revolving door: Interest groups hire lobbyists from the party in power



partisan issues. In this view, politicians distrust policy information that comes from interest groups with preferences different from their own; interest groups therefore hire partisan lobbyists either to signal their own ideological position or to provide an intermediary who partisan politicians can trust. A second theory is that PRD lobbyists are hired not because of their ideological compatibility with seated politicians but rather because they share a network with those politicians, for which a shared party affiliation is a proxy. I outline several mechanisms, drawn mainly from the literature on relational contracting and the theory of repeated games, by which network proximity between a lobbyist and seated politicians could make that lobbyist an attractive intermediary for interest groups. The two explanations thus differ in how they interpret the party affiliation of a former staffer or member of Congress: the first explanation views party as an indicator of ideology, and the second

views it as an indicator of a network of relationships.

I then take a disaggregated look at the partisan revolving door in order to attempt to distinguish between the two broad theories. The two theories differ in their predictions about what types of interest groups should seek out lobbyists from the party in power. While the party-as-network theory suggests that hiring a lobbyist from the party in power would be useful in a range of issue areas, the party-as-ideology view could explain PRD hiring only in areas of policy where political parties have different preferences: otherwise, the party affiliation of an interest group's lobbyist *per se* would be irrelevant for communicating with politicians. I therefore compare the extent to which the PRD phenomenon takes place in particularistic vs. ideological issue areas. I find that when it comes to staffers, the sensitivity of lobbyists' partisanship to control of government is indeed more pronounced in relatively partisan (i.e. non-particularistic, or policy-oriented) areas of lobbying, suggesting that interest groups do hire staffers from the party in power in part to communicate information about partisan policy. For former members, I do not find a difference in the PRD phenomenon between particularistic and non-particularistic sectors, which I interpret as evidence that interest groups rely more heavily on former members for their networks and relationships than for their ability to convey policy-relevant information to partisans in power.

While my focus is on the "revolving door" of former officials serving as lobbyists, the larger point that interest groups choose lobbyists in part for their ideologies and networks, and that this dynamic varies by issue area, surely applies to all lobbyists and not just those with a background on Capitol Hill. Koger & Victor (2009)'s analysis of campaign contributions shows that a large majority of registered lobbyists give almost exclusively to candidates of one party or the other, indicating that former staffers and members are most certainly not the only identifiably partisan lobbyists around. The apparent partisan loyalty of rank-and-file lobbyists may be surprising if one thinks of lobbyists as pure "guns for hire" whose objective is to make money, not pursue particular policy goals; the analysis of this paper helps to explain why it may be rational for lobbyists to cultivate partisan identities and networks, and why it may be rational for interest groups to hire such partisan lobbyists.³

³I expect that my findings on former staffers and members would be reinforced by looking at the hiring of partisan lobbyists defined more broadly and identified not only by prior government service but also by

My evidence is closely related to a recent working paper (Blanes i Vidal, Draca & Fons-Rosen 2010) that uses roughly the same data to show that staffers-turned-lobbyists suffer a substantial drop in lobbying revenue when a member of Congress for whom they previously served leaves office. Blanes i Vidal et al. (2010)'s finding provides convincing evidence that former staffers are valued as lobbyists in part for their relationship to a sitting member and his or her staff. This paper differs from and complements that work in three main respects. First, it takes a broader view of the network that revolving door lobbyists may tap into on behalf of their clients: not only can former staffers offer their clients access to their former employers, as studied by Blanes i Vidal et al. (2010), but former staffers and members can offer access to an entire network defined by partisanship. Second, it offers an additional broad mechanism through which revolving door lobbyists can offer value to interest groups: by using their ideological credentials to help their clients transmit ideology-relevant information to politicians. Finally, it suggests an approach for arbitrating between these mechanisms, and provides evidence that revolving door lobbyists (and staffers in particular) are in fact valuable not just for their relationships but also for their ability to communicate about partisan issues with credibility.

The paper is organized as follows. In Section II I outline two contrasting views of why interest groups would hire lobbyists associated with the party in power - roughly, ideology vs. relationships. In Section III I describe the lobbying database and provide descriptive statistics on lobbying by former members and staffers. In Section IV I present a disaggregated view of the partisan revolving door phenomenon and draw some inferences about the primary factors leading interest groups to seek a lobbyist whose party matches that of the government. Section V concludes.

II. THEORIES OF THE PARTISAN REVOLVING DOOR

Why do interest groups appear to hire lobbyists associated with the party in power, as documented in Figure 1? I outline two possible explanations, one based on the idea that the partisan revolving is driven by interest groups' desire to hire lobbyists who are *ideologically compatible* with the influential political figures, and the other based on the idea that it

a pattern of partisan campaign contributions.

is driven by interest groups' desire to hire lobbyists who are *more closely connected* to influential political figures.

A. IDEOLOGY AND INFORMATION TRANSMISSION

One approach to explaining the the partisan revolving door phenomenon is to focus on lobbying as being about information transmission. Austen-Smith (1995) (following on Austen-Smith (1993)) views lobbying as a game of strategic information transmission, i.e. a “cheap talk” game in the spirit of Crawford & Sobel (1982). Legislators in the model care about the consequences of policy decisions but are unsure of the consequences of any particular policy; lobbyists (indistinguishable from interest groups in the model) can invest in becoming relatively informed about policy impacts and can send messages to legislators in an attempt to influence their actions. Legislators choose to listen only to lobbyists who they believe to be sufficiently “close” to themselves, in the sense of wanting the same policy outcomes. The basic idea is that informed lobbyists whose preferences are close to those of the legislator will attempt to influence the legislator to choose a policy that is likely to produce outcomes the legislator himself wants; the same is not true of lobbyists whose preferences are far from those of the legislator.

Austen-Smith (1995) builds on this model of lobbying as strategic information transmission to explain patterns of campaign contributions,⁴ but a similar logic can be used to articulate two related explanations for the partisan revolving door phenomenon I explore in this paper. One explanation is that the interest group may hire a partisan lobbyist in order to signal its own ideological preferences to the politician. Such a signal may be effective if the the cost to the interest group of hiring a lobbyist with preferences similar to the group's own preferences is lower. This may be true if the incentive contract necessary to induce the lobbyist to exert effort requires a higher average payment when the lobbyist's preferences are less aligned with the interest group's, which seems reasonable.⁵ The ide-

⁴In Austen-Smith (1995)'s view, campaign contributions are a costly signal of the interest group's preferences. He shows that politicians will receive more campaign contributions from interest groups that are ideologically close to them if the politician uses those contributions to update his beliefs about the preferences of interest groups.

⁵Even if the lobbyist did not have ideological preferences of his own, he may find it cheaper to lobby for the position he advocated while in office or as a staffer simply because he has invested in acquiring the knowledge to argue that position.

ologies of lobbyists and the interest groups they work for may then match in a separating equilibrium.

A second ideological explanation for the partisan revolving door phenomenon focuses on the ability of the lobbyist to convey information to the politician. If we assume that the lobbyist is an imperfect agent of the interest group (in the sense that the incentive contract between the interest group and the lobbyist leaves slack for lobbyist discretion about what information to convey), then a politician approached by a lobbyist should use information about the lobbyist's preferences to interpret the information that lobbyist provides. In particular, the politician will find information more trustworthy when it is provided by a lobbyist whose ideology is closer to his own; because the lobbyist chooses to convey information from the interest group that will move policy in the direction preferred by the lobbyist, the politician can extract more trustworthy information if that lobbyist's ideal point is closer to his own. This account of why partisan lobbyists may be hired by interest groups thus reflects the two-stage cheap talk game proposed in Gilligan & Krehbiel (1987) and more recently extended by Abrus, Azevedo, Kamada & Takagi (2010).⁶

In short, interest groups may hire lobbyists who are ideologically compatible with sitting politicians in order to convey information to those politicians. For this mechanism to explain the partisan revolving door phenomenon, the information to be conveyed must be *ideological* in some respect: it must be information about a policy on which Republicans and Democrats have different preferences, because otherwise beliefs about interest groups' preferences would be orthogonal to the partisanship of lobbyists. For example, if Democrats are more sensitive to unemployment and Republicans more sensitive to running deficits, then an interest group advocating greater unemployment insurance would have an incentive to hire a Republican lobbyist to convey to Republicans that the proposed change will not

⁶Some of the information that the lobbyist may convey to the politician concerns the interest group's preferences. Suppose the lobbyist reports to the politician on two facts: the interest group's judgment of the state of the world (which is verifiable but may be biased) and his own judgment of the interest group's ideal point. Consistent with Crawford & Sobel (1982), the politician can make better inferences about the state of the world (and thus the appropriate policy) by incorporating his belief about the interest group's ideal point; his belief about the interest group's ideal point should incorporate his knowledge of the lobbyist's ideal point, because a lobbyist with preferences close to his own will be more likely to accurately report on the interest group's ideal point. This mechanism could actually be linked to the first mechanism as well: if the interest group can devote costly resources to dissembling in a way that affects the lobbyist's beliefs about its ideal point, then the decision to hire an ideological lobbyist becomes an even stronger signal of the interest group's preferences.

increase the budget deficit, and it would have an incentive to hire a Democratic lobbyist to convey to Democrats that the proposed change will help ease unemployment. If the interest group’s goal is something on which Democrats and Republicans do not meaningfully differ, such as obtaining an earmark for an academic research center, then the mechanisms discussed in this section would likely play no role: what information there is to convey about such a project would not be more believable coming from a Republican lobbyist than from a Democratic lobbyist, regardless of the politician’s party.

B. NETWORKS AND POLITICAL EXCHANGE

Another possible explanation for the partisan revolving door is that interest groups hire lobbyists who have relationships with sitting politicians; the partisanship of an interest group’s lobbyists in this view is important not as an indicator of the lobbyist’s ideology but as a proxy for his network. Personal networks among members of Congress tend to follow party lines (particularly since the mid-1990’s (Kaiser 2009, pg. 270)), and staffers tend to serve for only one party or the other, cultivating a network of co-partisan members and staffers.⁷ If these relationships somehow help a lobbyist to work with sitting politicians, then we would see a “partisan revolving door” pattern even in areas where lobbying is completely non-ideological in nature.

The question, then, is why we should expect relationships to help a lobbyist carry out exchanges with sitting politicians. The answers I propose draw on the ability of well-connected individuals to make deals more effectively by leveraging information about, and ongoing exchanges with, people in the network defined by their partisan affiliation. These mechanisms are not specific to lobbying or political networks, but instead apply to a wide variety of economic exchanges and types of networks (Granovetter 1973). The basic contention is that parties in Congress represent distinct and durable networks, and that interest groups hire lobbyists of the party in power in part in order to buy access to those networks.

Before outlining some mechanisms by which networks address problems of political exchange, I must first consider the extent to which political exchange is in fact problematic, a question over which recent scholars have disagreed.

⁷This is indicated by my database of lobbyists’ career histories, described below.

B.1. HOW SERIOUS OF A PROBLEM IS ENFORCEMENT IN POLITICAL EXCHANGE?

Political scientists have long puzzled over the nature of exchange between interest groups and politicians. A large body of literature has supposed that interest groups and politicians engage in an implicit exchange of campaign contributions for votes (see Austen-Smith (1997)), but this leaves the question of “what makes the deals stick?” (Hall & Deardorff 2006). An interest group and politician who wrote a contract specifying the terms of their exchange (e.g. \$X in campaign contributions and a research report in exchange for sponsorship of legislation), or even recognized those terms publicly, would be indicted for bribery, and yet interest groups continue to give money to politicians in various forms. Various resolutions to this apparent conundrum have been advanced. Snyder (1992) proposes that repeated interactions and reputation enforce implicit arrangements, while Stratmann (1998) argues that exchanges happen over a short enough time window that commitment problems are minor; Ansolabehere, De Figueiredo & Snyder (2003) argues that enforcement problems do in fact substantially restrain the amount of money interest groups provide to politicians; Hall & Deardorff (2006) suggests that the whole question is in fact “moot” (pg. 77) because interest groups mostly provide “adjunct staff” to ideologically aligned politicians, in which case there is no problem of contract enforcement.

In my view, contract enforcement is a problem in political exchange to approximately the same degree as it is a problem in most other areas of economic exchange. It is true that politicians and interest groups cannot write vote-buying contracts, and that politicians cannot openly advertise the price for their services. But in almost every area of economic exchange there are important aspects of the exchange that cannot be written into an enforceable contract, not because writing such a contract would be illegal but because elaborating all the possible contingencies would be too complex and costly (Hart & Moore 1988). For example, when a company enters into a joint venture with another company, the parties typically write out a lengthy contract specifying among other things who contributes what – a privilege that is not available to an interest group working with a politician – but many (perhaps most) important aspects of the exchange are unspecified in the contract and covered only by vague and difficult-to-litigate notions of “good faith.” I contend that contracts between politicians and interest groups are approximately as prob-

lematic as this kind of joint venture agreement. Important parts of both types of exchange are effectively unenforceable, and the parties to both types of agreements must therefore enforce cooperation through non-judicial means, described in economics under the concept of “relational contracting” (Dixit 2004).

By comparing political exchanges to joint venture agreements, I am expressing the view that cooperation between interest groups and politicians is somewhat less problematic than political scientists have commonly thought, but I am also suggesting that contracting problems are more serious than has been claimed by Hall & Deardorff (2006). Hall & Deardorff (2006) asserts that if we see lobbying as a subsidy that interest groups provide to ideologically-compatible legislators, “contract enforcement – the central problem in exchange models – is rendered moot” In Hall & Deardorff (2006)’s own model this is true only if the interest group’s preferences are identical to the politician’s on every dimension of policy; otherwise the politician and interest group face a conflict over the distribution of the interest group’s subsidy across issue areas. In that sense even “lobbying as a legislative subsidy” involves commitment problems that need to be addressed; I see these problems as neither smaller nor larger than those in most other areas of economic exchange, and thus I maintain that hiring lobbyists associated with the party in power may be one means of addressing those problems.

I now turn to mechanisms by which relationships may overcome some of these contracting problems.

B.2. MECHANISM 1: LOBBYING RELATIONSHIPS AS EXTENSIONS OF EXISTING RELATIONSHIPS

The essence of relational contracts is that players cooperate because they want to continue cooperating; they understand that if they are found to have “defected,” the benefits of cooperation will end. One reason why interest groups may hire connected lobbyists is that those lobbyists may be carrying on existing repeated games with their political targets, and the players may be willing to integrate the lobbying exchange into their punishment strategies for those existing games. Implicitly, a lobbyist and politician who have a personal relationship but engage in political exchange may be able to sustain cooperation in part by saying, “If you fail to cooperate in our lobbying relationship, I will end or alter our

personal relationship.” In other words, if the players have an existing stream of benefits from a parallel “friendship” game, they may be able to sustain cooperation in their lobbying game in part by promising to withhold friendship benefits in the event of defection in the lobbying game.

More generally, it may be the case that in-network dyads see a greater possibility of future interactions, which increases the incentive to cooperate regardless of the domain. In that case, interest groups see benefits from hiring in-network lobbyists and taking advantage of their other existing interactions with sitting politicians and staffers.

B.3. MECHANISM 2: MONITORING AND COLLECTIVE PUNISHMENT IN NETWORKS

Another relationship/network-based reason for the partisan revolving door is that monitoring and punishment may be more effective within a network than outside of it: a lobbyist with connections to sitting politicians may have a higher ability to detect whether or not politicians defect and then to punish defectors. An arrangement between an interest group and a politician may require the politician to exert effort behind the scenes, out of the view of the media, lobbyists, and even of minority-party politicians. The politician in that situation will have an incentive to claim to have pursued the interest group’s agenda when in fact he did not. A lobbyist with ties to the party in power may then be able to collect accurate information about whether or not the politician in fact followed through, making it possible for the interest group and politician to strike mutually beneficial deals.⁸

A lobbyist in the same network as the party in power may also be better able to share information about past transgressions with other lobbyists: he may be able to inform other lobbyists (and politicians) when a politician reneged on him, and he may be able to collect information about past opportunistic behavior by other politicians. If lobbyists in the network can coordinate their punishment strategies (Greif 1993, ?), then politicians will be less likely to renege when dealing with lobbyists in a more dominant network – another reason why an interest group would benefit from hiring a lobbyist from the party in power.

⁸Note that the politician may benefit from the extra monitoring that comes from having lobbyists with access to insider information, because his lack of credibility in claiming to have helped the interest group presumably hurts him as well.

B.4. MECHANISM 3: IN-NETWORK LOYALTY, RATIONAL AND OTHERWISE

Interest groups may seek to hire lobbyists from the same party as sitting politicians because politicians and staffers give preferential treatment to lobbyists from their own network. In part, this could be because of simple tribal identification: people who previously worked together, who share a party affiliation, and perhaps both share an identity as having served in Congress, may categorically view each other as “friends” and be willing to help each other even in the absence of a clear individual-level instrumental rationality (Akerlof 1982).

Some of the loyalty within the partisan network may however be more calculating. Consider a member of Congress who grants greater access and is willing to sell his services more cheaply to staffers who previously worked for him. This act of loyalty or friendship may in fact be a way of attracting higher-quality staff members to work for him: constrained in his staff budget, a member may offer indirect compensation to his staffers by committing to grant them access after they leave his office, a concession that (if credible) would increase their salary as lobbyists. Such a promise may be sustained by the member’s desire to maintain a reputation for being solicitous to “alums” and thus continue to attract high-quality staff members.

One example of this kind of loyalty may be the “K Street Project,” an explicit effort engineered by Republican leaders in the mid-1990’s to encourage lobbying firms and interest groups to hire loyal Republicans. Texas Congressman Tom Delay, one of the architects of the K Street Project, reportedly chastised interest groups for sending Democrats to lobby him; “We’re just following the old adage of punish your enemies and reward your friends,” Delay explained the *Washington Post* (Kaiser 2009, pg. 267). Although the K Street Project is typically viewed either as an outgrowth of partisan fervor or an attempt to extend Republican power by strengthening the network of party faithful (Koger & Victor 2009), it may more properly be seen as an effort to improve the quality of Republican staff by indirectly increasing the material rewards of serving as a staffer.⁹

If indeed sitting politicians offer special benefits to members of their own network, it would not be surprising to see interest groups disproportionately hire lobbyists from the

⁹Consistent with that view, Delay himself sent 29 staffers into the lobbying business by 2005 (Kaiser 2009, pg. 267).

party in power.

B.5. MECHANISM 4: SEARCH COSTS AND MATCH QUALITY

Related to the ability of in-network lobbyists to detect defection is their ability to find appropriate partners for exchange. The history of interaction between a lobbyist and members of his network likely means that the lobbyist knows about otherwise-obscure aspects of the preferences and capabilities of members of his network, and the cost of collecting further information within the network is probably low. An interest group seeking to advance an issue on Capitol Hill would therefore benefit by hiring the services of someone who shares a network with politicians in the most important positions and can thus cheaply identify which members would most effectively be able to help achieve the goal.¹⁰

III. DATA

I now turn to the lobbying data I will employ to help adjudicate between the two broad explanations I offer for the partisan revolving door phenomenon. My analysis is based on 11 years of lobbying disclosure forms filed under the 1995 Lobbying Disclosure Act (LDA) and made publicly available by the Center for Responsive Politics. The LDA requires registered lobbyists to file semi-annual reports documenting their activities; whenever a lobbyist is hired to represent a client (or an organization engages in lobbying on its own behalf), the lobbyist is required to file a report naming the client and the approximate amount paid for lobbying, as well as a list of the individual lobbyists involved and official positions those individuals held in government in the previous two years.¹¹ The reports also indicate the target of the lobbying, but only at the level of the body of Congress or agency (e.g. House of Representatives, FDA), as well as a list of the bills and issues lobbied on.

In order to identify revolving door lobbyists in the lobbying reports, I used a combination of information from the Center for Responsive Politics' data and *Washington Representatives Online* (WRO), a subscription database provided by Columbia Books at lobbyists.info. CRP's data identifies former members of Congress fairly exhaustively,

¹⁰Hall & Deardorff (2006) make precisely this point in discussing their theory of lobbying as a legislative subsidy (pg. 75).

¹¹Starting in 2008, reporting standards became more stringent: lobbyists were required to file reports every quarter and report official positions held over the past twenty years.

but provides limited information about staffers: in disclosures since 2008, lobbyists have been required to disclose official government positions (including Congressional staffer) held during the last twenty years, but in earlier they were required to report positions from only the previous two years and reporting even then was spotty.¹² I therefore combined information about staffers that could be efficiently gleaned from official positions reported in the CRP data (the name and party of members of Congress mentioned, an indicator for whether the staffer worked for a member or a committee, etc) with information provided about lobbyists in the WRO database, which gathers lobbyists' career history not just from LDA forms but also from press releases issued by lobbying firms, lobbying firm websites, and lobbyist questionnaires. (Details on data collection and merging of the databases are provided in a data appendix.)

The resulting dataset includes a total of over 420,000 lobbying reports filed between 1998 and 2009 and carried out by over 38,000 lobbyists (of whom 3,720 were former staffers and 298 former members). Because reporting requirements have become stricter for staffers, we likely have a high percentage of former staffers coded as such for more recent years; since all of the analysis I do looks at the proportion of staffers from one party or the other (and I have no reason to think that the accuracy of reporting varied by party over time), this does not affect my basic results.

IV. DISAGGREGATING THE PARTISAN REVOLVING DOOR

The explanations for the partisan revolving door I outlined above differ in one key respect: the party-as-ideology explanation would apply only in areas of policy in which interest groups hope to communicate information about areas of policy on which the two parties have different preferences, whereas the party-as-network explanation would apply more broadly (and perhaps especially in particularistic areas of policy where lobbying is primarily about distribution of targeted benefits). In this section I assess the two explanations by looking at the extent to which the partisan revolving door phenomenon is seen in different areas of lobbying.

My basic approach is to look at the three most recent episodes in which control of

¹²Communication with CRP and WRO staff, March-April 2010.

parts of the federal government changed: 2000, when the White House changed hands from Democrats to Republicans; 2006, when Democrats won both houses of Congress; and 2008, when Democrats regained control of the White House. I view each of these episodes as shocks that could cause a reshuffling in the lobbyists hired by interest groups. If the party-as-ideology explanation dominates, we should see a stronger shift in the partisan composition of lobbying in sectors in which lobbying is more focused on potentially-partisan policy, and less in sectors that are more particularistic and distributional; if the party-as-network explanation dominates, we should see a similar or perhaps greater partisan shift in more particularistic sectors.

A first challenge is to define which areas of lobbying should be considered “particularistic.” I begin with the Center for Responsive Politics’ labeling of lobbying clients into a descending hierarchy of sectors, industries, and categories, and I divide sectors and industries into particularistic/non-particularistic camps based on my impression of journalistic descriptions of the lobbying business, issues listed in lobbying disclosure forms, and the main policies pursued by various interest groups over the past decade. I label as particularistic three CRP industries covering local governments (e.g. cities and counties lobbying the federal government), educational institutions, and hospitals and other non-profit organizations, as well as the “Defense” sector; lobbying by organizations in these categories is reportedly almost entirely focused on obtaining grants, earmarks, and contracts (Kaiser 2009, De Figueiredo & Silverman 2006). I also label as particularistic the “Agribusiness,” “Construction,” and “Transportation” sectors, in which lobbying is probably somewhat more programmatic but in my judgment is mostly particularistic and non-ideological.

The non-particularistic category thus includes “Ideology/Single Issue,” which covers lobbying on abortion, gun rights, tax reform, and “Labor,” where the principal policy goals over the last several years have been partisan and high-profile programmatic initiatives like health care reform and revision of unionization procedures. The remaining non-particularistic sectors are “Finance, Insurance, and Real Estate,” “Communication and Electronics,” “Energy and Natural Resources,” “Health,” and “Miscellaneous Business”; clearly there are particularistic elements to lobbying in these sectors but my judgment is

that on the whole the goals of lobbying in these sectors are more partisan and information-intensive (e.g. health care reform, financial regulation, immigration, and energy policy) than the goals of the sectors labeled particularistic.¹³

The outcome I consider here and throughout is the ratio of the dollar value of lobbying performed by Democrats to the total value of lobbying done by Democrats and Republicans; I calculate this separately for former members and former staffers. I calculate the dollar value performed by, e.g., Democratic staffers on a given report by multiplying the dollar value indicated on the report by the proportion of lobbyists named on the report who were Democratic former staffers; I thus assume that each lobbyist named on a report was responsible for an equal amount of lobbying revenue. The unit of analysis I use is a client-year, i.e. the total lobbying reported in a single year by a particular company or interest group.¹⁴ My inferences will thus relate to the average proportion of revolving-door lobbying done by Democrats across clients in particular sectors of lobbying.

As a way of assessing the magnitude of partisan swings in lobbying across particularistic and non-particularistic issue areas, I carry out a “diff-in-diff”-like regression for each episode of government change. Specifically, I estimate the regression

$$D_{it} = \beta_0 + \beta_1 T_t + \beta_2 P_i + \beta_3 (T_t \times P_i) + \epsilon_i$$

where D_{it} is the proportion of lobbying done by Democrats for client i in year t , T is an indicator equal to 1 in the second period under consideration, and P_i is an indicator that client i is in a particularistic sector. Given the pattern of the partisan revolving door, we expect β_1 to be positive for episodes when the Democrats gained power (2006 and 2008) and negative for Bush’s victory in 2000. If the partisan revolving door is explained primarily by ideology/information, we expect β_3 to be opposite in sign to β_1 ; if it is instead explained primarily by networks and exchange, we expect it to be zero or possibly the same sign as β_1 .

¹³My classification leaves out CRP’s “Lawyers and Lobbyists” and “Unknown” sectors, as well as components of the “Other” sector, because they could not be easily classified.

¹⁴Lobbying reports identify the client in non-standard ways, e.g. “Wal-Mart Stores” vs. “Wal Mart Co”; I imperfectly address this problem by carrying out standard substitutions (e.g. “International” for “Int!”), standardizing punctuation and capitalization, and collapsing by unique identifiers. A more thorough approach would require manually identifying clients, which would be an enormous task given the size of the database.

Table 1: Diff-in-diff estimates: Former members

	1999-2001			2005-2007			2007-2009		
	Est.	SE.	p-val	Est.	SE.	p-val	Est.	SE.	p-val
Intercept	0.539	0.019	0.000	0.354	0.016	0.000	0.449	0.015	0.000
T = 2	-0.085	0.027	0.001	0.095	0.022	0.000	0.095	0.023	0.000
Partic.	-0.040	0.039	0.314	-0.064	0.032	0.046	-0.048	0.032	0.129
Interaction	-0.024	0.054	0.657	0.016	0.044	0.716	0.008	0.050	0.880
N	1580			2351			2122		

Table 1 provides the coefficient estimates for former members. As expected, the coefficient on the time dummy is negative for the 1999-2001 and positive for the other two episodes; each of these estimates has a p-value well below .01. The sign of the interaction in each case is consistent with the idea that particularistic sectors are *more* responsive to partisan changes in government than non-particularistic sectors, but in each case the standard error is much larger than the point estimate. There is no evidence here to suggest that particularistic sectors are less responsive to partisan changes in government, as the ideology/information explanation would suggest.

Figure 2 depicts the information from Table 1 in a different form: I separately plot the estimated changes for each episode and the particularistic/non-particularistic sectors. As the figure shows, the particularistic and non-particularistic sectors experience roughly the same degree of change in the partisan composition of lobbying with each episode of government change.

Table 2 provides the coefficient estimates for staffers. Again, the coefficients on the time dummies are of the expected sign (although the time dummy for the 1999-2001 episode is not statistically significant); the magnitudes are smaller than those for members, consistent with what we have seen so far. The interactions here are sizable and statistically significant in the Democratic victories of 2006 and 2008; they indicate that, consistent with the information/ideology story, the hiring of former staffers was substantially less responsive to government change in particularistic than non-particularistic sectors. The point estimates indicate in fact that the partisan makeup of lobbying by former staffers in particularistic sectors basically did not respond to the change in government control.

Figure 2: Partisan shifts in lobbying by type of lobbying: Former members

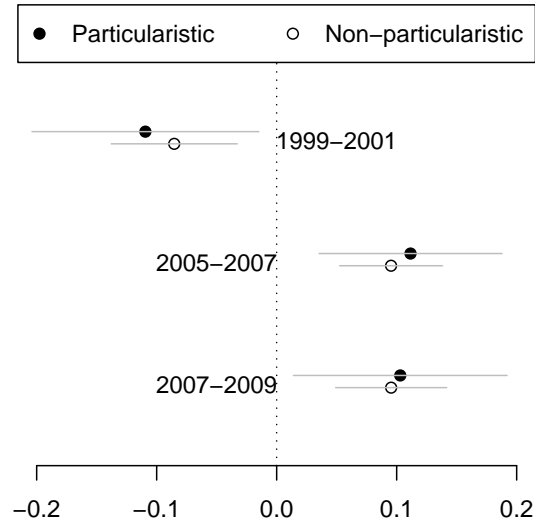


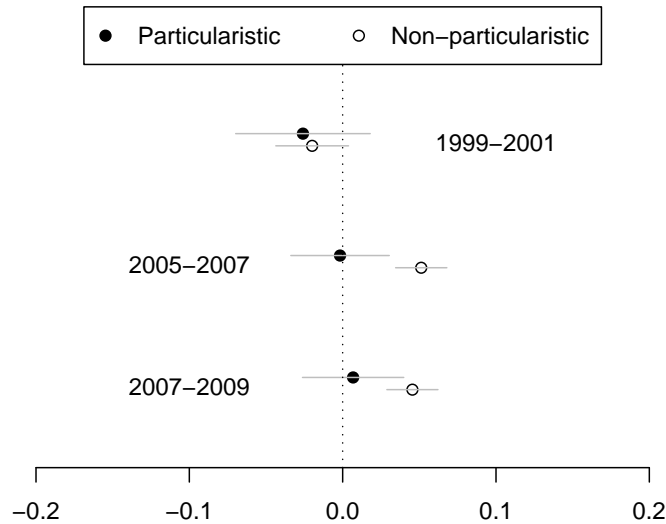
Table 2: Diff-in-diff estimations: Former staffers

	1999-2001			2005-2007			2007-2009		
	Est.	SE	p-val	Est.	SE	p-val	Est.	SE	p-val
Intercept	0.492	0.009	0.000	0.409	0.006	0.000	0.460	0.006	0.000
T = 2	-0.020	0.012	0.100	0.051	0.008	0.000	0.045	0.008	0.000
Partic.	0.002	0.018	0.915	0.011	0.013	0.407	-0.042	0.012	0.001
Interaction	-0.006	0.025	0.807	-0.053	0.018	0.004	-0.039	0.019	0.038
N	6767			12386			12118		

Figure 3 depicts the information from Table 2 in the same form as Figure 2, and confirms that while the response to the Bush victory was about the same in particularistic and non-particularistic sectors, particularistic sectors showed no response to the Democratic victories of 2006 and 2008 while more ideological sectors did.

The evidence I have presented suggests that the information/ideology explanation of the partisan revolving door better describes lobbying done by former staffers than lobbying done by former members. Overall, the hiring of former members as lobbyists more closely reflects partisan control of government, but this correlation is equally strong in particularistic and non-particularistic sectors, which would not be the case if interest groups hired former

Figure 3: Partisan shifts in lobbying by type of lobbying: Former staffers



staffers and members of the party in power mainly because those intermediaries could better convey information to politicians about partisan matters. By contrast, partisan swings in the hiring of former staffers as lobbyists appear to be stronger in more ideological sectors than in particularistic sectors of lobbying, which is consistent with the idea that interest groups hire partisan lobbyists in order to communicate ideologically-relevant information to members of the party in power.

My interpretation of these findings is that interest groups hire former staffers of the party in power primarily to communicate information, and they hire former MCs of the party in power to gain access to benefits. This fits with a commonsense understanding of the particular strengths of staffers and members. While many members of Congress have expertise in certain areas of policy, their comparative advantage relative to other lobbyists is their status and network; they are better put to use in making introductions and leveraging friendships to catalyze political exchanges of various kinds than in producing white papers and leading campaigns on complex and partisan policy issues. Staffers on the other hand often have detailed knowledge of several areas of policy and they are practiced in conveying that knowledge to decision-makers, whether they served in an MC's personal office or on a

committee staff. It thus makes sense that partisan swings in lobbying would be larger in policy-intensive areas for former staffers but not for former members.

V. CONCLUSION

VI. DATA APPENDIX

I first gleaned staffer data from the CRP database by searching for the “official positions” listed by lobbyists for names of members of Congress who served during the past 40 years, as well as for the names of common positions (e.g. “professional staff”) and their abbreviations (e.g. “prof. staff”).

In order to get a more complete accounting of lobbying done by former Congressional staffers, I merged career histories represented on *Washington Representatives Online* (WRO) with the Center for Responsive Politics (CRP) database. My procedure for matching lobbyists between the two database was as follows. Because my goal was to identify staffers in the CRP database, I began by downloading a list of lobbyists from the WRO database for whom “Democrat”, “Republican”, or “Committee” appeared in the “Career History” field. (In tests, this text appeared without exception in the “Career History” field of every lobbyist identified as a staffer in the CRP database who also appeared in the WRO database and provided a “Career History.”) I then matched lobbyists from the CRP database to WRO lobbyists based on the compatibility of the names and the client lists provided by each database. I required surnames to match exactly and for gender to match (if it could be determined by comparing the name to a list of common names from the 1960’s, available from the Social Security Administration website). I then assessed compatibility of the initials provided: after removing common suffixes and prefixes (“Jr.”, “Sr.”, roman numerals, “Hon.”, “PhD”, and “Dr.”) and replacing common initial-changing nicknames with their full form (viz., “William” for “Bill”, “Anthony” for “Tony”, “Eugene” for “Gene”, “Richard” for “Dick”, “Robert” for “Bob”, “Amanda” for “Mandy”, “Elizabeth” for “Beth”), I identified matches with compatible initials as those where the initials provided from one source are a subset of the initials provided in the other. As a first cut, I match two records if

- the names match exactly and the client lists show some overlap (10% of non-generic words in the Lobbyists.info client list being found in the CRP client
- the initials are compatible and the client lists show considerable overlap (35% of non-generic words in the Lobbyists.info client list being found in the CRP client list).

I later manually checked all possible matches where no client list was provided in WRO, choosing matches conservatively based on a subjective measure of the probability that the match is correct based on name frequencies, and manually assessed all possible matches where client overlap was near the cutoff values (on either side).

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