

President Obama, Congress and the Battle with Interest Groups and Lobbyists

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Why Reform?: Review of Scandals and Public Opinion

- Jack Abramoff (in jail) + former staffers
- Rep. Bob Ney (Chair)(R-Ohio)(in jail)
- Former Majority Ldr. Tom DeLay (R-TX) resigned
- Rep. Randy “Duke” Cunningham (R-Ca)(in jail)
- Rep. William Jefferson (D-La)(in jail)
- Rep. Mark Foley (resigned) & the 2006 Election
- 74% Corruption most important (2006 Exit Polls)
- Senator Stevens in 2008 (convicted-overtured)
- 2nd most important problem in 2008 CCES survey
- PMA and Earmarks 2009-2010

Reaction: Streams of Reforms

2006-present

- Congressional Lobbying Reform
- Ethics Reform
- Rules and Procedural Reforms
- Campaign Finance Reform
- President Obama's Executive Branch Lobbying and Ethics Reform

Obama and McCain Attacks Against Lobbyists in 2008

- Candidates Promised to Change the Way Washington Works
- Candidates Attacked Lobbyists and the Way Washington Works
- Promised No Lobbyists in Campaigns and none in Administration

What was the reality of lobbyists in campaigns?

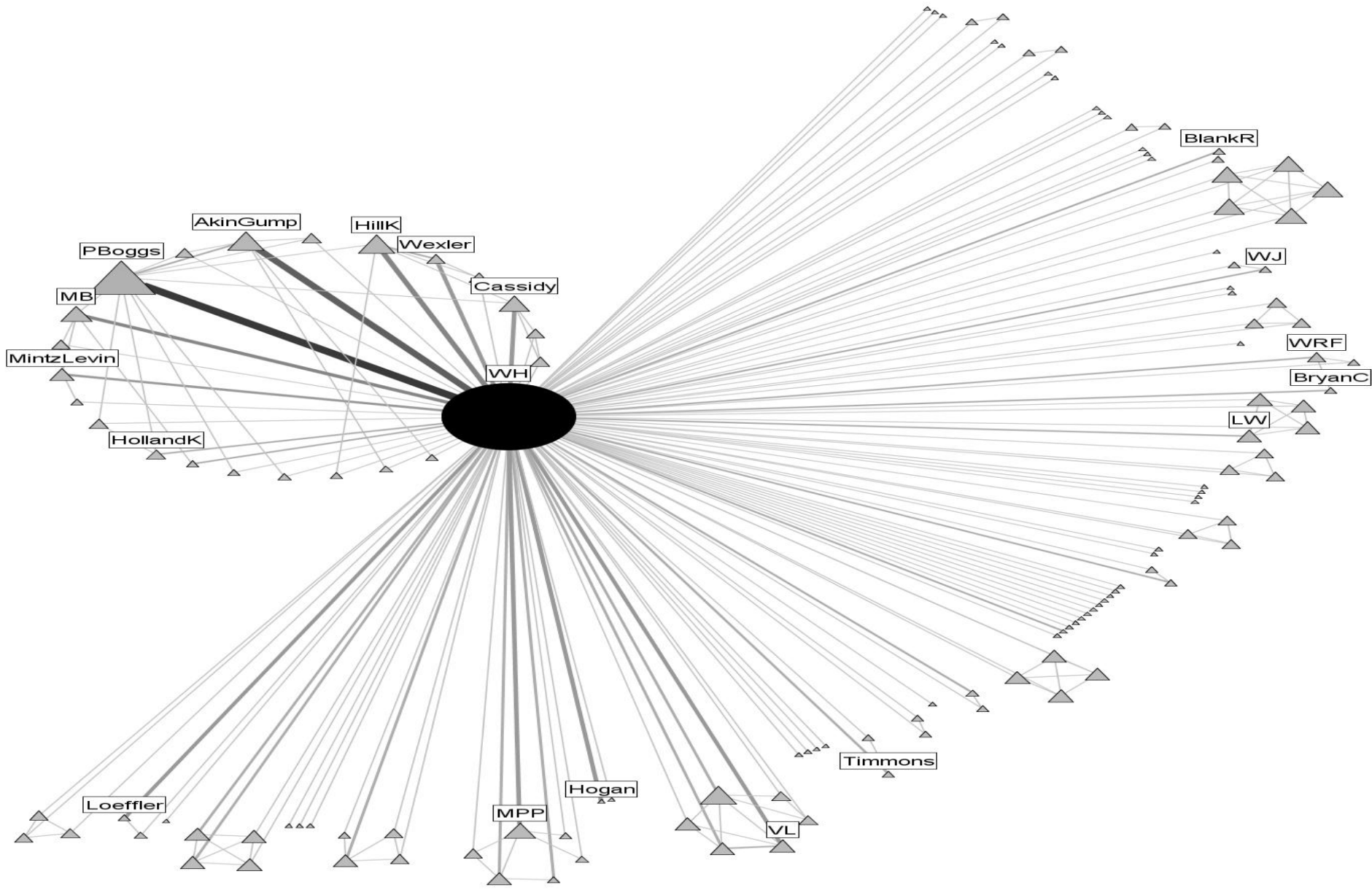
- 42 top campaign staff for McCain were recently lobbyists/advocates.
- 23 top campaign staff for Obama were recently lobbyists/advocates
- Campaign-Lobbying Revolving Door
- Tom Daschle vs. Mark Penn

Washington Lobbying Community

June 2006

- Linkages among lobbyists filing LDA reports, June 2006.
- Each lobbyist is linked to the others by shared places of former employment.
- Circles = public employment (White House is center)
- Triangles = private sector positions
- Darker shades indicate greater “betweenness” centrality
- Larger and darker lines to a greater number of other nodes suggest more centrality
- For clarity, figure shows only the top 25 percent of all nodes in the network
- More complex than in 1998

Lobbyist Revolving Door with White House 1998-2006



Lobbying Firms with White House Alumni, All Periods

- Data combined across nine reporting periods, 1998 to 2006
- Darkness of shading indicates higher degree of centrality
- Top 25 lobbying firms

Who is a lobbyist?

**Registered Lobbyists
(LDA+FARA definitions)
(20%, 2 contacts, 18,000)**

vs.

**Non-Registered Advocates
(majority of lobbying in DC,
150,000+)**

Increase & Decline in the Number of Lobbyists

- 2000: 16,342 federal registered lobbyists
- 2006: 27,611
- Post 2007 Reform: 22,000 (and dropping)
- 2009: 18,000 and dropping
- 2009 Deregistration over 4,000
- Spending on federal lobbying has risen over 62 percent in 5 yrs. (\$2b. to \$3.2b.)

Increase in Lobbying Expenditures

Source: Clerk of the House and Secretary of the Senate, 1998-2009

■ 1998	\$1.427 b.	■ 2004	\$2.128 b.
■ 1999	\$1.434 b.	■ 2005	\$3.058 b.
■ 2000	\$1.545 b.	■ 2006	\$3.000 b.
■ 2001	\$1.617 b.	■ 2007	\$3.100 b.
■ 2002	\$1.806 b.	■ 2008	\$3.186 b.
■ 2003	\$2.037 b.	■ 2009	\$3.3 b. est.

Accurate Number of Advocates in Washington

- **Narrow Definition: 40, 281** (number of people in the Government Affairs Directory doing advocacy)
- **Broad Definition: 87,058** (total number of employees listed in Government Affairs Directory including support staff)
- **Estimated number of people in the lobbying industry in Washington, DC area: 150,000 +**
- **Advertising, Coalition Building, Grassroots Grass tops, Think Tanks, Research, Marketing, plus**
- **Advocacy Expenditures may be as much as \$8 billion in 2009**

Problems of Unethical Behavior in Lobbying

- Increased Expenditures on Lobbying (regulated vs. “invisible” unregulated expenditures)
- Lax Enforcement of Lobbying and Ethics Rules Lax Oversight by Ethics Committees/Justice Department
- Increasing Problems of “Revolving Door”/K Street Project
- Increasing Problems of the Law vs. Ethical “shades of gray”
- Lack of Transparency

Congressional Response:

2007 Honest Leadership and Open Government Act

- Requires current lawmakers to disclose job negotiations for post-congressional employment
- Bans Senators and their senior staff from lobbying their colleagues for two years after leaving office
- Ban senior executive branch officials from lobbying their colleagues for two years after leaving office
- Prohibits any official contact between a lobbyist who is the spouse of a lawmaker and that lawmaker's staff on behalf of the spouse-lobbyist's clients
- Gift Ban and Chartered Jet Travel Reform

President Obama's Reforms

- Revolving Door Restrictions
- Lobbying TARP Restrictions
- Lobbying Stimulus Restrictions
- Serving on Commissions and Advisory Councils Restrictions
- Code of Ethics/Gift Ban
- More Transparency and Accountability

Intended and Unintended Impact of Lobbying Reform?

- Increased Deregistration
- Restricts Expertise?
- Loop holes?
- Transparency?
- Enforcement?

Is the United States political system an Oligarchy with circulating elites from interest groups/lobbyists/advocates in and out of government?

Is President Obama changing the political system?