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. Mark Foley (resigned) & the 2006 Election
- 74% Corruption most important (2006 Exit Polls)
- Senator Stevens in 2008 (convicted-overturned)
- 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
Washington Lobbying Community
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+)

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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.)
<table>
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<td>$3.3 b. est.</td>
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Source: Clerk of the House and Secretary of the Senate, 1998-2009

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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

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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?