2018-2019

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Charles Lowrance III

James Madison University

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LOBBYING THE REGULATORY STATE: AN EXAMINATION OF REGULATION AND REVOLVING DOOR LOBBYING

Charles Lowrance III

ABSTRACT

The prominence of lobbying activity in Washington, D.C., is well-known and often discussed by pundits and legislators alike. For those familiar with the practice of lobbying, it is not a secret that many former government employees become lobbyists and vice versa in a phenomenon often called the revolving door. Yet to be determined, however, is what leads to these so-called revolving door lobbyists and what factors contribute to a heightened number of them working on similar issues.

This study sought to determine if there is a relationship between the degree to which the federal government regulates a certain industry and the number of revolving door lobbyists representing the interests of that industry. This was accomplished by first determining a means of categorizing sectors of the economy and then assessing the federal regulatory burden placed upon each sector and the number of lobbyists active in each sector. Correlational analysis was then conducted to determine any relationship between the federal regulatory burden and the number of lobbyists. Results suggest a positive relationship between the federal regulatory burden and number of lobbyists—if there are more regulations, there will be more lobbyists. The analysis also allowed for the construction of a predictive model that can be used to determine the likely number of revolving door lobbyists active in a sector of the economy given a certain number of regulations relevant to the sector.

One of the greatest threats to a democracy is the erosion of its institutions from the inside out and, thus, the eradication of public trust in them. Revolving door lobbying, or at least the public's perception of it, is the prime example of this threat. I consider existing literature to determine the causes and nature of this phenomenon by which individuals move between working for the government and working in government affairs roles and conduct my own research on the explanatory and predictive capabilities of one potential cause.

After compiling data on individual lobbyists, their previous employment, and their clients, as well as data on the state of federal regulation, I conducted a quantitative analysis to examine the relationship between these variables. I ran regression analyses to determine the correlation between the test variables and use a marginal predicted values test to evaluate the model's predictive and explanatory capabilities. The results of these tests suggest that the higher the regulatory burden on an industry and the greater number of words making up those regulations, the more revolving door lobbyists there will be advocating on behalf of that industry.

Literature Review

Throughout the history of the United States, and particularly since the advent of statutory mandates for lobbying disclosure in 1995, the total amount spent on lobbying has grown. Since 1998, that amount has risen 217% from $1.45 billion annually to $3.16 billion annually in 2016 (The Center for Responsive Politics, 2019). One of the benefits of this requirement is the ability to study the *revolving door*—the phenomenon where those with government jobs on their résumés enter the business of influencing government—and how it affects policy making in Washington. The challenges of identifying revolving door lobbyists, hereafter referred to as *revolvers*, are due to definitional loopholes and the onus of responsibility falling upon the lobbyists themselves. Despite the vast existing literature on revolving door lobbying, the question of whether or not—and, if so, why—revolvers are more prevalent in some industries is still unanswered.

Why Interests Lobby

One of the main problems that interest groups face is the constant fluctuation in political priorities (LaPira & Thomas, 2017). The vast majority never receive attention. This inability to gain traction can be frustrating, especially for groups whose goals and interests are relatively inconsequential for the country as a whole (Baumgartner, Berry, Hojnacki, Kimball, & Leech, 2009).

Lobbyists aid clients in overcoming this hurdle by knowing when the political tides are turning. A skilled lobbyist with a keen sense of strategy will know the best time to push for a preferred policy and when to shift to a more defensive strategy (Kingdon, 1984). While this is likely the image that comes to mind for most people when they think of lobbyists, lobbyists also play an entirely different and equally important role in service of their clients. Many interest groups will retain lobbyists to monitor the workings of government, to report back on the state of law and regulation pertaining to their industry, and to provide expertise on a given policy area. For example, a parcel delivery service might retain a team of lobbyists to monitor the House Transportation Committee.

Some lobbyists only keep clients apprised of policy changes that may be implemented, while others also serve as de facto staff for the relevant Congressional committee(s). This opportunity to supply members of Congress with specialized information is relatively new. A decline in committee staff and nonpartisan bureaucratic analysts beginning in the 1970s has created a gap in Congress's information-gathering processes, affording lobbyists access to the very minds they hope to sway (Baumgartner & Jones, 2015).

The lobbying industry is one of influence and insurance. Lobbyists with valuable process knowledge and a keen sense of strategy play a monitoring role and tend to work the offensive, whereas lobbyists with policy expertise take up the defensive and provide political insurance for their clients by providing Congress with information it needs while casting that information in a light favorable to their clients' interests (LaPira & Thomas, 2017). The determination that interest groups must perform when hiring lobbyists is how to balance the two, a process that depends upon the regulatory climates surrounding their area of interest or industry.

Government Activity and Interest Group Mobilization

Given that it is the goal of interest groups to affect policy and the actions of government broadly, it seems logical that this interest group activity causes government activity. A study on the correlation of the growth of government and the growth of interest groups suggests that the activity of government actually serves as the demand-force (Leech, Baumgartner, LaPira, & Semanko, 2005). The researchers hypothesized that interest group mobilization would occur when two factors intersect: an opinion or need on the part of an interest group or a group capable of mobilizing resources to influence policy and the possibility of government action. This second factor led them to believe that interest groups with desires far outside of the current focus of government either do not exist or have a very low rate of success. They noted that the necessity of the possibility of government action is at the core of the definition of "interest" that Heinz, Laumann, Nelson, and Salisbury (1997) established

in their study of Washington lobbying titled *The Hollow Core*: *Private Interests in National Policy Making*:

> It is at the intersection of public policy and the wants and values of private actors that we discover interests. What we call the interests of the groups are not simply valued conditions or goals, such as material riches, moral well-being, or symbolic satisfaction. It is only as these are affected, potentially or in fact, by public policy, by the actions of authoritative public officials, that the valued ends are transformed into political interests that can be sought or opposed by interest groups. (p. 24)

To test their hypothesis, Leech et al. (2005) compiled data from over 45,000 lobby registration reports from 1996 to 2000 and measures of government activity from the Policy Agendas Project and examined at the issue area level the relationship between the frequency of congressional hearings and the number of firms active. The findings suggest that lobbying activity *follows* the government and that it is only after the government turns its attention to a specific issue area that interest group activity relating to that area begins to increase notably.

The Value of the Revolving Door
Because a legal requirement that lobbying activities be disclosed was only enacted in the mid 1990s, it has only recently been, established whether a trip through the revolving door benefits a lobbyist in terms of skill market-ability or greater ability to generate revenue. Using reports filed by 637 contract lobbyists in accordance with the Lobbying Disclosure Act of 1995 (LDA), LaPira and Thomas (2017) examined the differences in annual revenue between conventional and revolving door lobbyists. Unsurprisingly, their findings showed significantly greater mean and median level revenue (measured by examining publicly-accessible LDA disclosure forms) among the revolvers (2.2:1 mean ratio and 3.3:1 median ratio, revolving door lobbyist revenue to conventional lobbyist revenue). With a difference of $181,075 in the mean revenue and a difference of $156,760 in the median revenue, there is strong evidence that previous government employment results in a higher degree of annual revenue.

LaPira and Thomas (2017) also looked into the differences in revenue among revolvers depending upon what position in government they had previously served in. For example, a former congressional staffer generated a median amount of $307,500 a year in revenue, whereas a lobbyist without previous congressional employment generated a median amount of $70,000 a year in revenue. Former congressional staffers earned $4.40 for every $1 earned by lobbyists with no previous congressional employment. While rare, former members of Congress (only 10 of the 637 lobbyists making

up the sample population fit this description) generated the greatest amount of annual revenue. At the median, members-turned-lobbyists generated $454,120 in a year—roughly 648% of the median revenue generated by lobbyists without previous congressional employment (LaPira & Thomas, 2017).

While the data and findings do not necessarily reflect the compensation of lobbyists, LaPira and Thomas (2017) operate on the general assumption that lobbyists' reported revenue is a reliable indicator of their compensation as lobbyists. Given this assumption, the findings can lead to the conclusion that passing through the revolving door increases the salary of someone with previous government employment, which is an indicator that interest groups find their unique background particularly valuable.

Explaining the Phenomenon
There are two schools of thought for explaining why revolvers are more effective and therefore more highly valued than conventional lobbyists. The first school believes that revolvers are more highly valued due to the connection-dependent nature of Washington and the advantage gained from having a network of individuals inside the policymaking establishment. The second school—the one most often subscribed to by lobbyists—believes that prior government service provides an individual with greater process-related knowledge. Having already worked within the policymaking apparatus either as a member or a staffer, this individual will have a deeper understanding of the nuance and underlying norms of procedure that govern the operations on Capitol Hill (Blanes i Vidal, Draca, & Fons-Rosen, 2012).

Differential Efficacy of the Revolving Door
Despite data showing that revolvers have a measurable amount of particular process knowledge and a significant degree of professional socialization (Salisbury, Johnson, Heinz, Laumann, & Nelson, 1989), these factors do not necessarily translate to tangible successes when it comes to specific legislative goals. The fact that revolvers generate significantly more revenue and are therefore more highly valued than conventional lobbyists (LaPira & Thomas, 2017) does not answer the question, "Are revolving door lobbyists more effective than conventional lobbyists?"

A Different Point of View
In considering the causes behind the disproportionately higher value placed upon those who have passed through the revolving door by firms and clients, it only seems rational to consult with the lobbyists themselves. They represent their clients' interests and, as such, have particularly privileged insight into how they carry out this project and what, if anything, from their previous employment makes them especially adept at doing so.

An analysis of 776 interest representatives and subsequent interviews that they sat for between 1983 and 1984 revealed how lobbyists feel about their experience in government (Salisbury et al., 1989). Some 80% stated that their previous employment in government provided an increased degree of familiarity with the decision-making process, while 70% said that it provided them familiarity with issues pertaining to their contracts. Of those who had worked in the executive branch only, 53% said that their previous employment provided them with contacts within the administration. On the other hand, of those who had worked in Congress only, a staggering 87% reported that their previous employment provided them with contacts within Congress (Salisbury et al., 1989).

The findings of Salisbury et al. (1989) suggest that lobbyists place a very high value on their previous government employment. Their testimonies support the second school of thought in that they attribute the disproportionately higher value of revolvers to their knowledge of the process. Upon disaggregation, Salisbury et al.'s findings also support the first school of thought, although mostly only in the case of those who had previously served in Congress.

The Bureaucracy: A Second Revolving Door

While many revolvers come from Congress, notable interest group activity surrounds the executive branch as well. There was, however, almost no data on lobbying in administrative agencies up until 2013. This is likely due to the fact that the term "lobbying" typically elicits an image of interests conveying their wishes to individuals who will make a decision on policy at some point in the future and not to those who will be tasked with implementing said policy. Given that the administrative bureaucracy does not typically have this sort of authority (at least not to the degree that Congress does), the activity of interest groups in this branch of government went mostly overlooked until a 2013 paper by Boehmke, Gailmard, and Patty.

LDA reports from 1996 show that of 9,388 incidents of interest groups lobbying at the federal level, 3,817 occurred within the administrative agencies. Nearly 41% of lobbying occurred in the executive branch. In addition, 3,601 of the 5,570 groups that lobbied the legislative branch also lobbied the executive branch, meaning that over 64% of interest groups that actively lobbied Congress also had lobbyists working somewhere within the administrative bureaucracy (Boehmke et al., 2013).

These findings suggest that interest groups are aware of the importance of being heard by policymakers as well as by policy implementers, and that they are actively mobilizing across governmental venues. In the context of revolving door lobbying, it also seems to suggest an entire submarket of former government officials that are marketable to lobbying firms and clients as having special knowledge of the political process and a high degree of professional socialization. Given the conclusion that previous government service typically results in higher levels of generated revenue (LaPira & Thomas, 2017) and that connections to individuals still inside government correlate with higher revenue (Blanes i Vidal et al., 2012), it is not unlikely that former bureaucrats are similarly more highly valuable as professional lobbyists.

The Growth of Regulatory Burden

In light of the theory of lobbying as an insurance policy against the uncertainties of government (LaPira & Thomas, 2017), it follows that these uncertainties need to be quantified in a manner that is easy to understand and analyze. As a part of an ongoing project to measure the growth of the Federal Register (the official collection of the agency rules, proposed rules, and public notices of the federal government), scholars at the Mercatus Center have done just that (McLaughlin & Sherouse, 2017). Utilizing a text analysis algorithm that searches for keywords, they constructed a database of regulatory constraints in the Code of Federal Regulations (the actual codification of the rules and regulations of the federal agencies and executive departments) in a given year and the applicability of those constraints to various industries as categorized by the North American Industry Classification System (NAICS).

This project, known as RegData 3.1 in its current rendition, demonstrates the accumulation of regulatory restrictions over time. Between 1970 and 1981, restrictions were added at a rate of about 24,000 per year. This pace slowed only slightly over the next half decade before picking back up to 18,000 restrictions per year from 1985 to 1995. A decrease of 27,000 restrictions occurred from 1995 to 1996, which coincided with the Republican Revolution and the passage of many components of Speaker Gingrich's Contract with America, which were intended to deregulate the U.S. economy. In the two decades since, the number of regulations identified in the Code of Federal Regulations has grown by about 13,000 restrictions per year (McLaughlin & Sherouse, 2017).

While the data only covers the past half-century due to the publication of yearly revisions to the entire code beginning in 1967 (McKinney, 2018), it does suggest that the general trend, irrespective of party control of Congress or the Presidency, is that the number of regulations on the books increases over time. As early as 1988, Shapiro and Glicksman observed that this trend is concurrent with the trend of increased legislative vagueness and the transfer of discretion to the administrative bureaucracies. Perhaps not coincidentally, the 1970s saw the abolition or defunding of nonpartisan research agencies,the decline in congressional committee staff (Kramer, 2017), and the rise of revolving door lobbyists in Washington.

While existing literature paints a general picture of the lobbying industry and provides insight into the role revolvers play, it does not address two fundamental questions regarding the demand for this special type of lobbyist. First the historical collection of literature does not include a focused, quantitative analysis of the revolving door phenomenon and how and why it might vary across different parts of the economy. Second, it has yet to be shown whether a relationship exists between the actual number of restrictive regulations relevant to an issue category (a level of classification for sections of the economy created by the Center for Responsive Politics) in the Code of Federal Regulations in a given year and the number of revolving door lobbyists representing clients classified within that category in the same year. The following sections analyze Lobbying Disclosure Act data compiled by the Center for Responsive Politics and the outputs of the RegData 3.1 algorithm from the Mercatus Center to determine if the data shows a positive relationship.

Theory and Hypotheses

The causal chain I propose is as follows: the destaffing of congressional committees and the erosion of nonpartisan research and analysis agencies led to increased vagueness in the language of legislation passed by Congress. This vagueness shifted responsibility to the executive branch where bureaucrats were tasked with interpreting the legislation, making determinations about what it actually prescribed, and filling in the gaps left by the legislature. This led to an increased tendency to go over and above the actual intended purpose of a piece of legislation.

Bureaucrats typically spend their entire careers within their respective agencies, and become skilled at administering the various programs and policies of the federal government. They are accustomed to taking what is required of them by law and doing it. When they are given the opportunity and responsibility to interpret vague laws and to even fill in large gaps on their own, they will gravitate to over-regulation. This does not mean that bureaucrats are sinister or advantage-seeking, nor does it mean that they are fearful of being reprimanded in some way if they do not act. Instead it is simply that their jobs make them prone to overestimate the ability of government and to get carried away with what might otherwise be seen as a vague, yet still constraining statute.

As a result of this overregulation, businesses have seen an increasingly more hostile and uncertain regulatory climate and have, in turn, adapted their lobbying strategies to deal with the uncertainty. These adaptations include, most notably, an increased demand for revolving door lobbyists who have the knowledge necessary to understand the political processes and who can keep their clients apprised of any upcoming changes to relevant regulatory frameworks. Additionally, lobbyists with policy experience were well-positioned to fill the information-gathering gap for Congress as they used their access to advocate for their clients (Baumgartner & Jones, 2015).

Existing literature suggests that it is the demand effect of the level of government activity rather than the supply effect of the number of active lobbying firms that determines the degree of interest group mobilization and the volume of lobbying activity relevant to the issue areas in which the government is active (Leech et al., 2005). While Leech et al. (2005) focused on congressional lobbying and the activity of the federal legislature (measured primarily by the number of congressional hearings), it illustrates a notable trend in the world of lobbying that I think can be observed when it comes to the regulatory activity of the executive branch and, more specifically, the professional bureaucracy.

From this causal explanation, I deduce the following hypotheses: If there is a greater number of regulations in the Code of Federal Regulations for a given industry category in a given year, then there will be a greater number of revolving door lobbyists with clients who are classified within that category in the same year. If there is a greater number of regulatory words in the Code of Federal Regulations relevant to a given industry category in a given year, then there will be a greater number of revolving door lobbyists with clients who are classified within that category in the same year.

Methodology

To test my hypotheses, I performed a cross-sectional observational study of federal lobbying disclosure data, data relating to the number of restrictive regulations at the federal level, and the number of regulatory words making up those regulations (Al-Ubaydli & McLaughlin, 2014). Organizing the data by industry category (a subsection of the economy formulated by the Center for Responsive Politics) provided variation in the dependent variable, as the regulation data was organized and filtered by industry according to the North American Industry Classification Systems (NAICS). This pairing of lobbying and regulation data allowed me to investigate the variations in the frequency of revolvers with clients in a certain industry category and how these variations correlate with both variations in the number of restrictive federal regulations and variations in the number of regulatory words relating to the same industry category.

It should be noted that the incommensurable formats of the data sources necessitated a degree of cross-tabulation, which inevitably gave room for subjectivity. The lobbying

data sourced from the Center for Responsive Politics (2019) was organized by their proprietary, three-tiered organizational scheme. The regulation data sourced from the RegData project at the Mercatus Center was organized by the more modern and entirely different NAICS system. This incompatibility meant that I needed to perform a manual translation between the CRP system and the NAICS system so that the available regulation data could be paired with the appropriate categories according to CRP's proprietary scheme. In carrying out this manual procedure, I utilized the NAICS database and the descriptions located on the United States Census Bureau's website (Office of Management and Budget, 2017) and only committed to a translation if there was significant assuredness that the NAICS category being considered did, in fact, correspond to the CRP category being considered. While many acceptable matches were found, there were many instances where a match between the two categorization systems could not be found. There were also instances where the same NAICS code was paired to more than one CRP code, resulting in the need to select only one pairing for use in my analysis. In determining which duplicates to use, I considered the similarity of each category to other categories that already had a match made was considered. If one of the duplicate categories was notably similar to another category already matched, I omitted it and opted instead for the duplicate that was likely to increase the diversity of my sample.

Organizing the data by CRP category resulted in a data table with individual rows for each of the industry categories and individual columns containing four test variables: number of lobbyists with clients in said category in the observation year, number of revolving door lobbyists with clients in said category in the observation year, number of restrictive federal regulations pertaining to said category in the observation year, and number of relevant regulatory words pertaining to said category in the observation year.

Two pairwise correlation tests were performed to determine if a correlation existed between the number of revolving door lobbyists in each category and the two dependent variables (the number of restrictive regulations and the number of relevant regulatory words pertaining to each industry category). The output of this test included both a Pearson's r-value and a probability value (p-value). The r-value summarized the magnitude of the linear relationship between the two pairs of variables, whereas the p-value indicated whether my predictor variables (the number of restrictive federal regulations and the number of relevant regulatory words) were useful in predicting the number of revolvers. If a predictor value was less than 0.05 ($p<0.05$), there was no difference between the means of the variables, and it could be concluded that a significant

difference existed and that the predictor variable was, in fact, useful in predicting the dependent variable. This would essentially result in the ability to assume the validity of the research hypothesis and to reject the counterclaim to it (the null hypothesis).

After determining that the null hypothesis could be rejected, two negative binomial regression analyses were conducted. Due to my data being count data, meaning that I was Zmerely counting my variables (number of revolving door lobbyists, restrictive regulations, and regulatory words), a standard linear regression would likely produce negative predicted values, which are theoretically impossible because there could not be a negative number of revolving door lobbyists. The output of these regression analyses provided a number of useful figures, such as the beta, which is a measure that can be used in determining the likelihood of a change in the dependent variable given a change in an independent variable.

The model has both explanatory and predictive capabilities, providing a quantified measure of the degree to which the two pairs of variables are correlated and an equation that can be used to predict the frequency of revolving door lobbyists with clients classified within a given industry category given the number of restrictive federal regulations or the number of relevant words contained within the Code of Federal Regulations.

Data and Discussion

After performing the cross-tabulation described above, the remaining sample size (n) was 98. This served as the number of observations used for the actual data analysis. I have included the table below, which includes descriptive statistics for each of the variables being used in this analysis.

I performed a pair-wise correlation test, resulting in a correlation table containing a number of Pearson r-values and indications of whether or not the two variables for which these r-values correspond are significantly different. The r-value for the frequency of revolvers and the number of restrictive regulations at the federal level in 2015 is 0.2895. The p-value for these two variables is less than 0.01, meaning that there is statistical significance between the two variables and that the null hypothesis can be rejected with 99% certainty. The r-value for the frequency of revolvers and the number of relevant words in the Code of Federal Regulations in 2015 is 0.2646. The p-value for these two variables is less than 0.01, meaning that there is statistical significance between the two variables and that the null hypothesis can be rejected with 99% certainty.

Turning to the regression analyses, the pairing of the frequency of revolvers and the number of restrictive

Table 1
Descriptive Statistics

Variable	Observations	Mean	Std. Dev.	Minimum	Maximum
Frequency of Revolvers	98	60.09524	77.5397	1	579
Restrictive Regulations	98	18513.18	26172.31	228.9442	126883.4
Relevant Regulatory Words	98	1782400	2532941	21152.58	141000000

regulations at the federal level in 2015 was considered. The negative binomial regression resulted in a beta of 0.0000137, a standard error of 0.000044, and a z-score of 3.08. I also looked at the pairing of the frequency of revolvers and the number of relevant words in the Code of Federal Regulations in 2015. The negative binomial regression for these variables resulted in a beta of 0.00000136, a standard error of 0.00000473, and a z-score of 2.87.

The betas from the two negative binomial regression tests are indicative of the slope of a regression line. They are more useful, however, in determining the likelihood that the frequency of revolvers will increase given a certain increase in the independent variable being considered. This predictive capability is visualized in Table 2 and Figure 1 (for the number of regulations) and Table 3 and Figure 2 (for the number of regulatory words).

In Table 2 and Figure 1, artificial reference points along the independent variable were created at increments of 25,000. Each of these increments has a corresponding marginal predictive value—the predicted number of revolving door lobbyists representing clients within a given industry category given the number of restrictive regulations being considered. For example, if there were 75,000 restrictive federal regulations impacting the sugar beet farming industry, there would be, according to the model, approximately 135 revolving door lobbyists (134.5307) with clients categorized within the sugar beet farming industry according to CRP's classification scheme.

The same has been done in regards to the number of regulatory words as the independent variable in Table 3 and Figure 2. Due to the significantly greater values in this variable than in the preceding one, I made the increments greater, at every five million. As with the number of

Table 2
Predictive Model (Regulations)

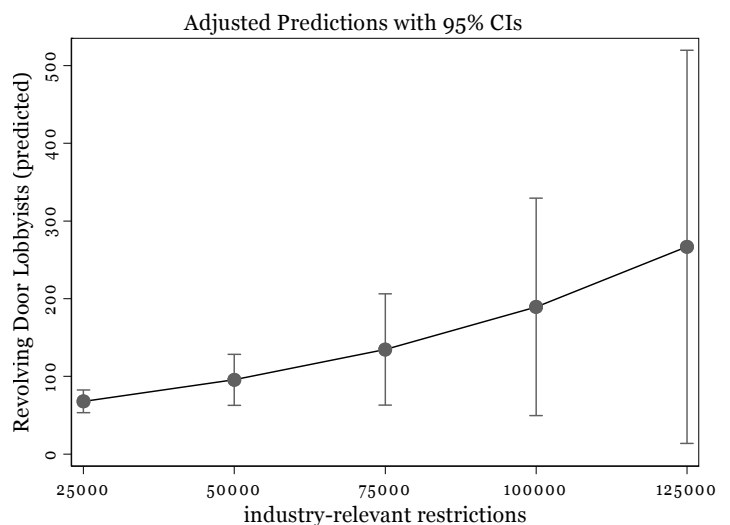| Independent Variable Event (# of regulations)	Marginal Predicted Value (# of revolvers)
25,000	67.84269
50,000	95.53493
75,000	134.5307
100,000	189.4438
125,000	266.7715

Figure 1. Predictive Model (Regulations)

regulations, each of these increments has a corresponding marginal predictive value—the predicted number of revolving door lobbyists representing clients within a given industry category given the number of regulatory words being considered. Continuing with the earlier example, if there were 15,000,000 regulatory words impacting the sugar beet farming industry, there would be, according to the model, approximately 377 revolving door lobbyists (376.8755e) with clients categorized within the sugar beet farming industry according to CRP's classification scheme.

Table 3
Predictive Model (Relevant Words)

Independent Variable Event (# of words)	Marginal Predicted Value (# of revolvers)
5,000,000	96.87115
10,000,000	191.0716
15,000,000	376.8755
20,000,000	743.3608

Figure 2. Predictive Model (Relevant Words)

Conclusion

Since lobbying data has become available over the past two decades, social scientists have been able to track the lobbying industry and identify trends within it that might be particularly impactful to our democracy. The trend that has probably garnered the most attention aside from the rapid growth in the amount spent on lobbying activities has been the prevalence and growth of the revolving door phenomenon.

The pundits in media and the public tend to ascribe the growth of this phenomenon to the corrupt nature of politicians or to the inescapable temptations of "the swamp." In reality, however, the reason has more to do with the special knowledge and skills that government experience affords than institutional corruption or the oligarchical tendencies of elected officials. In the hopes of determining one of the reasons that the demand for these lobbyists with government experience is so high, I built upon the works of LaPira and Thomas (2017), among others, to examine the relationship between the growth of the so-called "regulatory state" and the revolving door. Literature suggests that the rise in revolving door lobbying has coincided with both the rise in the number of federal regulations and the increased vagueness of legislation stemming from the destaffing of key committees in Congress. It would seem, then, that the growth in regulation is at least partly a factor in explaining why the number of revolving door lobbyists continues to grow.

This argument was evaluated by examining subsectors of the economy and the prevalence of revolvers, regulations, and regulatory words in relation to them. Using CRP's Lobbying Database and the regulation data made available by the Mercatus Center's RegData project, I compiled a dataset that could be used for further analysis. Finally, I ran two separate negative binomial regressions—one between regulations and revolvers and one between regulatory words and revolvers—to investigate the relationships.

The regression analyses supported both my research hypotheses. In both regressions, I found a positive correlation between the variables being examined. The output data of each of these analyses also allowed for the construction of a predictive model that could be used to determine the likely number of revolving door lobbyists active in an industry category given a certain number of regulations or of regulatory words relevant to the category.

Despite the support for this hypothesis, the sample size was small. It could have been increased if there had been greater time and resources to conduct a more thorough cross-tabulation between the CRP and the NAICS classification systems. Performing a more thorough examination of the CRP and NAICS categories would have allowed the identification of more pairings, which would have increased the number of CRP categories available to me when I searched the RegData files for regulation data and would have led to a larger number of observations included in the analyses.

My sample size was also constrained by the available regulation data in the RegData outputs. There were a number of instances where data on the volume of regulations corresponding to a certain NAICS code was not located. I cannot speak to the reason why such data was not included in the RegData outputs; however, my assumption is that
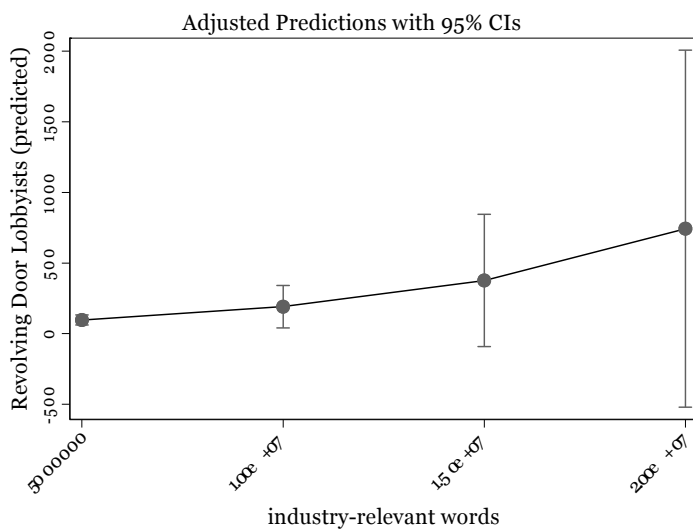
it stems from a lack of sufficient data for the RegData algorithm to identify regulatory language that would correspond to those NAICS codes.

Despite these shortcomings, the analyses produced results that can be utilized in further research on the revolving door phenomenon. In addition to dedicating more time and resources to completing a comprehensive cross-tabulation, future researchers might also consider adding a temporal element. This would allow for an examination of whether the relationship between the regulatory burden and the prevalence of revolving door lobbyists has existed in the past and, if it has, whether or not it has been strengthening, weakening, or remaining constant. A future researcher might also devise a way to assess each regulation for "burdensomeness" or how much money and time would need to be dedicated to complying with each regulation. This approach would allow for an analysis of the effects of not only the volume of regulations on the revolving door phenomenon, but also the effects of the felt weight of those regulations.

It should also be noted that the increased volume of regulations is certainly not the only factor contributing to the prevalence of revolving door lobbyists. The volume of regulations on a given industry certainly possesses explanatory capabilities, but it is only part of the explanation. Other likely factors include the mean market value of the business entities within each industry and the frequency of litigation undertaken by business entities within each industry. It is probable that an industry category containing businesses with more assets and businesses involved in more litigation will have a greater frequency of revolvers representing businesses in that category.

In sum, this research is useful in answering a fundamental question concerning the nature of our government, the way it implements policy, and the types of individuals who seek to influence it. An increase in the regulatory burden placed upon an industry does correlate with an increase in the number of revolving door lobbyists representing clients within that industry.

Author's Note

Charles Lowrance III ('18) graduated in 2018 with a Bachelors degree in Political Science and Philosophy. He is pursuing a career in policy and legislative affairs. He hopes to contribute to the development of policy that increases and diversifies the production of reliable and affordable energy and that reduces federal restrictions that limit access to public lands and stifle economic growth.

"Lobbying the Regulatory State: An Examination of Regulation and Revolving Door Lobbying" builds on research by Dr. Timothy LaPira of James Madison University's Political Science Department. Mr. Lowrance is grateful to Dr. LaPira for his brilliant and passionate guidance throughout the process and to Shelby Taraba ('18)—friend and classmate—for her support throughout the writing process.

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