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Polarized Agents: Campaign Contributions by Lobbyists

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ABSTRACT Are professional lobbyists loyal partisans? There are thousands of professional lobbyists in Washington, D.C., who work with members of Congress and their staffs, many of whom also make contributions to congressional candidates and political parties. Although many lobbyists have backgrounds in partisan politics, they may have incentives to give money to candidates from both parties. This article finds that professional lobbyists tend to make personal contributions to their preferred party exclusively.

The First Amendment guarantees to all the right to petition Congress, and there are thousands of professional lobbyists in Washington, D.C., to help us exercise that right. These lobbyists are commonly portrayed as savvy entrepreneurs who understand the legislative process and use campaign contributions to gain the favor of agenda setters and “buy” enough votes to achieve their goals.¹

However, recent news stories have suggested that beneath their pragmatic exterior, many lobbyists are loyal partisans. In 2004, newspapers began writing about a lobbyist named Jack Abramoff, who eventually pleaded guilty to fraud, tax evasion, and conspiracy to bribe public officials. Media reports often referred to Abramoff as a “Republican lobbyist” based on his close ties with Republican lawmakers and his pattern of donating mostly, but not exclusively, to Republican politicians and organizations.² Media stories also highlighted Abramoff’s relationship with Tom DeLay (R-TX), who was then the House majority leader.³ To DeLay, successful and generous lobbyists like Abramoff were a resource worth cultivating, and in 1995 DeLay began the “K Street Project” with Grover Norquist of Americans for Tax Reform to promote hiring of Republican lobbyists (Confessore 2003; Continetti 2006).⁴

Partisan behavior by lobbyists was also in the news about the 2008 presidential campaign. Both Barack Obama (D-IL) and John McCain (R-AZ) pledged to accept no donations from lobbyists while portraying their opponents as linked to the ever-unpopular

“Beltway lobbyists” for accepting campaign contributions from lobbyists and allowing lobbyists to work on their campaigns. These news stories reveal a partisan side to the lobbying profession that is inconsistent with our classic notions of the role of lobbyists in the political process. While our stereotypes (and prior research) of lobbyists do not preclude partisan loyalties, they do not predict partisanship either. To what extent are lobbyists loyal supporters of one political party or the other?

Most research on campaign donations by political interests has focused on political action committees (PACs), which collect money from several donors and donate to multiple candidates.⁵ Most PACs reward legislators who have power, so they favor incumbents, party and committee leaders, and the majority party.⁶ On the other hand, research shows that most lobbyists tend to concentrate their attention on political allies, avoid their ideological adversaries, and infrequently lobby fence sitters.⁷ If lobbyists target the same legislators with their wallets that they target for lobbying, then lobbyists will give to their friends. This begs the question, though, because we do not know if lobbyists have “friends” in both parties or not.

As a first step toward answering this question, we set out to determine if individual lobbyists tend to donate to one party and its candidates more than the other. We gauge the partisan leanings of individual lobbyists by measuring how they allocate their campaign donations between the two parties. If lobbyists are just non-partisan vote buyers or access seekers, we would expect individual lobbyists to solicit the votes and time of members of both parties.

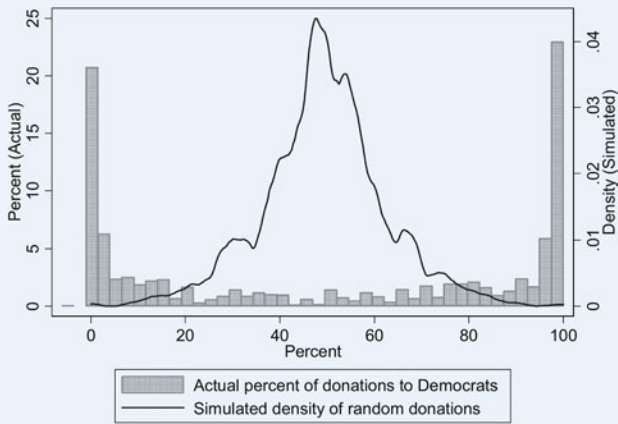
CAMPAIGN CONTRIBUTIONS BY LOBBYISTS

We obtained data on reported federal campaign donations by lobbyists during the 2006 election cycle from the Center for Responsive Politics.⁸ We identified 20,641 donations by 1,224 lobbyists from January 2005 to December 2006. This includes

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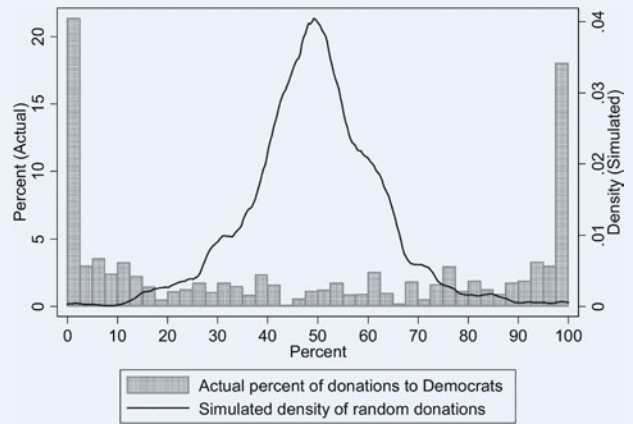
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Figure 1
Histogram All Party-Affiliated Individual Lobbyist Contributions



Lobbyists are included if they made at least five contributions

Figure 2
Histogram of % Democratic Donations to Members of Congress



Lobbyists are included if they made at least five contributions

donations to actors with clear party affiliations: members of Congress, challengers, leadership political action committees (PACs), party organizations (federal, state, and local), presidential and state candidates, and some party-linked PACs (e.g., “Main Street Republicans”).

As a first cut, we summed up each lobbyist’s party-affiliated donations and calculated the percentage of these donations that went to Democratic candidates, organizations, or PACs. If lobbyists are generally bipartisan, they should give money to both parties in somewhat equal amounts.⁹ If they are generally partisan, we would expect a bimodal distribution, with some lobbyists giving almost all their money to Democrats (and hence almost zero to Republicans) and others giving almost nothing to the Democrats. The results of this first cut are shown in Figure 1. The histogram bars in Figure 1 display the actual data from the 2006 election cycle. The results are clearly bimodal. To visually test how this distribution differs from one in which lobbyists donate equally between the parties, we simulated data in which each contributor selected donation recipients randomly with respect to party. The line in Figure 1 represents the density distribution of this simulated data, and it approximates a normal distribution. The actual data and simulated data each have a mean of about 50%, but the standard deviation in the actual data is 41.9, while the standard deviation in the simulated data is 13.1. The donation behavior of individual lobbyists appears to be quite partisan.¹⁰ About 29% of lobbyists gave almost nothing to Democrats, while another 28% gave almost all their donations to Democrats and almost nothing to Republicans.¹¹

We observe a similar pattern when we look at incumbent members of Congress, who are conceivable targets for all lobbyists since they have access and votes to “sell” (see Figure 2). In this case, about 43% of lobbyists who made five or more donations gave 95% or more of their money to Republican members, with an equal proportion loyal to Democratic members. Again the actual data display a stark split in the partisan preferences of lobbyists, while the simulated data predict a normal distribution. Like the previous graph, the simulated data have a much narrower range (14) than the actual data (39.6).

The same pattern of stark polarization recurs for other political actors—national party committees, leadership PACs, and non-incumbent candidates for Congress. On the other hand, only 6.3% of lobbyists gave at least 40% of their donations to both parties. For individual lobbyists, there seems to be little cost and, perhaps, professional incentives to remain loyal to their party.

To some extent, party loyalty by lobbyists may be induced by politicians’ preference for working with members of their own party. When Republicans were the majority party in the U.S. House from 1995 to 2006, this preference was overt. A team of Republican leaders (including Tom DeLay) and lobbyists formed the K Street Project to track the party loyalty of individual lobbyists and promote the hiring of Republican lobbyists. K Street Project leaders identified key job openings and eligible Republicans, and these hiring decisions became tests of party preference for corporations, associations, and lobbying firms (Confessore 2003; Continetti 2006).

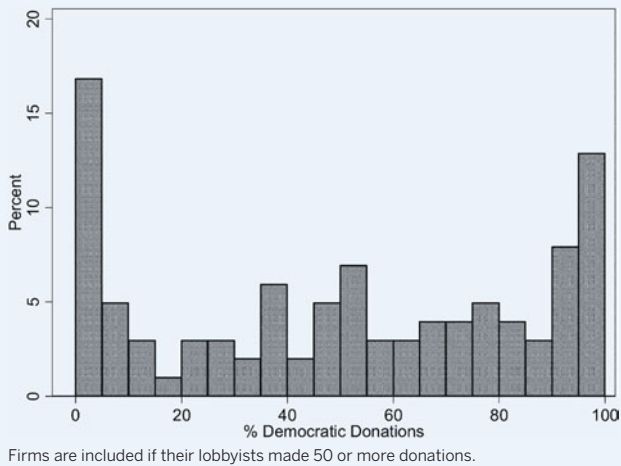
What did the Republicans hope to gain from this effort? First, they wanted lobbyists who shared their political language and could be trusted more easily with sensitive information. Moreover, party-affiliated lobbyists constitute a network of allies with a professional interest in helping their preferred party win the White House and majority control of Congress. After all, the more powerful their contacts, the easier it is to win lobbying contracts. Finally, party-affiliated lobbyists might be more willing to accept short-term costs for the sake of their party’s interests. Confessore (2003) identifies a few incidents of lobbyists supporting Republican initiatives that were adverse to their clients’ interests for the sake of maintaining good standing with Republican party leaders; for example, the insurance industry’s acceptance of the 2003 dividend tax cut.

PARTISANSHIP AND LOBBYING FIRMS

While individual lobbyists may be loyal to one party over the other, perhaps lobbying firms employ both Democrats and Republicans. That way, the firm can provide their clients with access to both Republican and Democratic politicians with a bipartisan team of lobbyists.¹² We tested this possibility by matching lob-

Figure 3

Histogram of Lobbying Firms' Percent Democratic Contributions



byists to Washington, D.C., lobbying firms and measuring their aggregate donation balance.¹³ Figure 3 shows the results for the 105 firms whose lobbyists made 50 or more donations. As anticipated, firms are much more balanced than individual lobbyists. The firms are more evenly distributed with a cluster in the 40% to 60% range. However, the two largest clusters are still at the extremes of the distribution, with 17% giving 0–5% to Democrats and 13% giving 95–100% to Democrats. Some firms, it seems, are responding to the same polarizing incentives that lobbyists face.

PARTISAN ADVANTAGES ACROSS CHAMBERS

During the 109th Congress, the Republicans held a majority of the seats in both the House and Senate. While there are many similarities in how these chambers operate, there are also significant procedural differences between the House and Senate. The rules of the House delegate most agenda-setting authority to the majority party and, for the most part, suppress filibustering. In the Senate, on the other hand, individual senators can threaten to delay legislation or nominations and 41 senators can block measures indefinitely. In short, the majority party is much more powerful than the minority party in the House, while in the Senate power is decentralized to individual members and the majority party is weakened.

Donations to members of Congress reflected the majority party's advantage. Among House incumbents, Republicans out-raised Democrats by \$3.2 million to \$2.1 million—a 61% to 39% advantage. Among Senate incumbents, on the other hand, Democrats out-raised Republicans by \$2.5 million to \$2.0 million—a 55% to 45% advantage for the *minority* party.

Figures 4 and 5 provide a breakdown of partisan advantages for the House and Senate, respectively. For both chambers, lobbyists donated more to Republican leadership PACs than Democratic leadership PACs, but the ratio is much higher in the House (4.6:1) than the Senate (1.6:1). Lobbyists donated roughly equal amounts to senators who did not face reelection in 2006, but there was a Democratic advantage in donations to non-incumbents, particularly challengers. In both House and

Figure 4

Lobbyist Donations to House Candidates and PACs by Party and Category

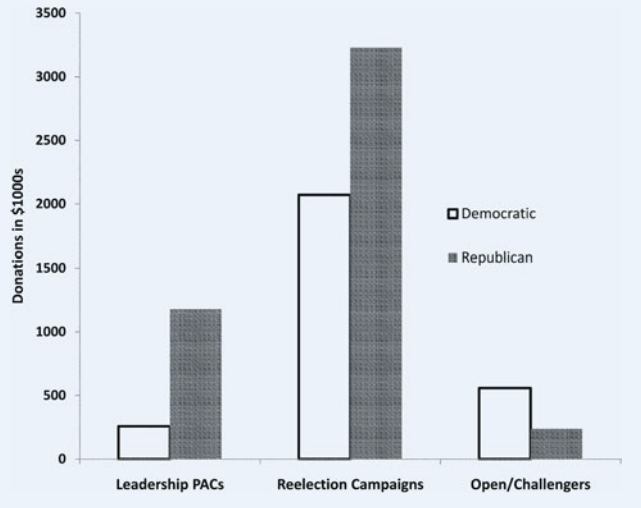
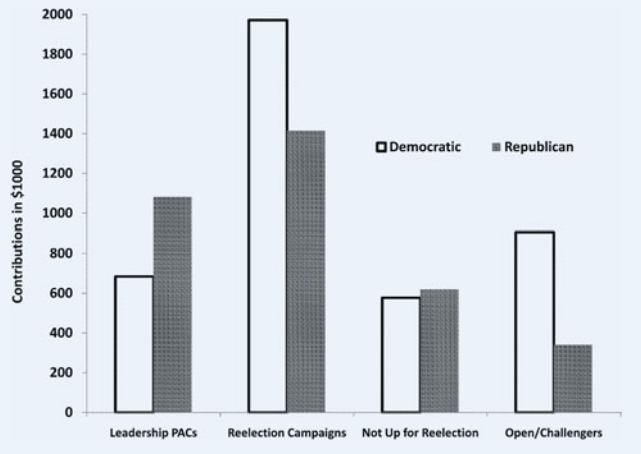


Figure 5

Lobbyist Donations to Senate Candidates and PACs by Party and Category



Senate elections, about 87% of lobbyist donors to challengers went to Democratic candidates, reflecting (and contributing to) the expectations of Democratic gains in the 2006 elections. It is likely that the institutional advantages of the majority party in the House help explain the Republican advantages in donations to leadership PACs and incumbents, while the Democratic advantage among electoral candidates probably reflects both the more egalitarian distribution of power in the Senate and the expectation that Democrats would do well in the 2006 elections.

CONCLUSION

Lobbyists are often depicted as the ultimate insiders of the Washington “game.” While the news media may label certain lobbyists as Republican or Democratic and we observe lobbyists working

with and for partisan campaigns, we may nonetheless casually assume that lobbyists contact, work with, and donate to legislators of both major parties. We have tried to get to the bottom of this question by analyzing political contributions by individual lobbyists. We have found a pattern of stark polarization in lobbyists' donations, with almost all lobbyists who donate giving 95% to 100% of their contributions to either the Republican or Democratic party entities. While there are some lobbying firms with employees who (collectively) balance their contributions between the two major parties, over 40% of lobbying firms employ a set of lobbyists who give 90%–100% of their donations to one party or the other.

What does this mean? The broader implication is that lobbyists do not shed their partisan loyalties when they hang up their shingles. While they may work for organizations, corporations, and clients who seek to influence members of both parties, as individuals most lobbyists tend to support the electoral fortunes of one party or the other. Consequently, it is easy to explain why politicians have recently taken great interest in who is hired to talk to them: they consider lobbyists to be a potential resource for one party or the other. ■

NOTES

- For summaries of this literature see Wawro (2001), Stratmann (2002), and Hall and Deardorff (2006).
- A LexisNexis search for "Jack Abramoff" and "Republican lobbyist" from January 1, 2004, to January 1, 2008, identified 436 articles that used both terms.
- See, for example, Smith (2005).
- Now that Democrats are in the majority their leaders may be pursuing the same goal in a more subtle fashion (Strassel 2008).
- A PAC is an organization that is designed solely to raise money for candidates or political parties on behalf of some organization or corporation. PACs are either "connected," like corporations and trade associations that have a parent organization to cover their overhead costs, or "unconnected," like single-issue or ideological groups. Most PACs are connected groups that give small amounts of money to particular candidates.
- Most PACs follow this strategy, although others do follow an "electoral" strategy of giving to challengers and vulnerable incumbents to influence the composition of Congress (Rozell, Wilcox, and Madland 2006, 80–102).
- See Baumgartner and Mahoney (2005), Hojnacki and Kimball (1998; 1999), Baumgartner and Leech (1998), and Schlozman and Tierney (1986). One explanation for this behavior is that lobbyists are "subsidizing" legislators' efforts on selected issues (see Caldeira and Wright 1998; Esterling 2007; Hall and Deardorff 2006; Hall and Wayman 1990; Hansen 1991; Kingdon 1989; Milbrath 1963).
- This data set includes all donors listed as lobbyists on campaign donation report forms, all citizens who file lobbying registration forms with the U.S. Congress, and their spouses, as identified by the CRP. These data are available at www.opensecrets.org.
- More precisely, we might expect that lobbyists would be generally bipartisan with a bias toward the majority party and whichever party had the cheapest votes to buy.
- The mean contribution from individual lobbyists to all Democrats is \$23,403 (standard deviation \$35,616), while the mean contribution to Republicans is \$25,256 (standard deviation \$37,690). We thank James Fowler for suggesting our simulated null distribution.

- There is a mild interaction between the number of donations and the partisan distribution of donors. There is a slight Democratic bias among lobbyists who gave fewer than 10 donations and a Republican bias among lobbyists who gave 10 or more.
- The home page for The Washington Group (<http://thewashingtongroup.com>), for example, flashes that "Bipartisanship is the order of the day."
- This matching process includes some error as some lobbyists changed firms during the 2006 cycle, some firms changed names, and some donations by lobbyists were attributed to other organizations or issues.

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