

Going Into Government: How Hiring from Special Interests Reduces Their Influence*

Ryan Hübert[†] and Janna King Rezaee[‡]

November 30, 2019

Abstract

Governments routinely decide whether to publicly provide services or to allow special interest groups to provide them. Private provision distorts policy outcomes since special interest groups can design those services according to their own preferences. Many are concerned that this distortion increases when people aligned with special interest groups go into government. Using a formal model, we demonstrate this is not necessarily the case. We have two core findings. First, when an individual from a special interest group goes into government, this paradoxically reduces the special interest's influence over the design of public services. Second, the individual from the special interest group has an endogenous incentive to enter government even though this weakens the special interest, whose preferences the individual shares. The model suggests that politicians' efforts to prevent the hiring of individuals from special interest groups, such as lobbyists, can counterintuitively increase special interest influence over politics.

Keywords: special interests, revolving door, policymaking, lobbying, formal theory

*We thank George Krause, Benjamin Ogden, John Patty, Ian Turner and participants at the New Developments in the Study of Executive Politics Conference at Vanderbilt University, the New Frontiers in the Empirical Studies of Agency Policymaking Conference at the University of Wisconsin, Madison, the Political Institutions and Political Economy Collaborative at the University of Southern California, the 2018 Southern Political Science Association Annual Meeting and the 2018 Midwest Political Science Association Annual Meeting for their helpful feedback. All errors and omissions are our own.

[†]Ryan Hübert is Assistant Professor of Political Science, University of California, Davis, 469 Kerr Hall, One Shields Avenue, Davis, CA 95616 (rhubert@ucdavis.edu)

[‡]Janna King Rezaee is Assistant Professor of Public Policy, University of Southern California, Sol Price School of Public Policy, Lewis Hall 312, Los Angeles, CA 90089 (jrezaee@usc.edu)

Supporting Information for this article to be made available online.

Word Count: 9,876 words

In 2016, The Sentencing Project reported that the United States incarcerated 8.5% of the total state and federal prison population (128,063 people) in private for-profit prisons (Gotsch and Basti 2018). In the same year, more than 300 new charter schools opened throughout the U.S., receiving public funding based on enrollment and state charter laws and finance systems for public schools (Sanchez 2017). Also in 2016, the U.S. federal government spent more than \$143 billion on employer-provided health and retirement benefits (Desilver 2016). During the Obama presidency, the liberal think tank Center for American Progress, had close ties with the Obama White House, helping to “develop[] policy plans that included an outline for the withdrawal of American troops from Iraq and defending the administration from Republican attacks on its media outlet” (Smith 2011). On the right, the American Legislative Exchange Council (ALEC) has produced model legislation that appeared in 132 bills introduced in state legislatures in the 2011-2012 legislative session (Jackman 2013).

These examples demonstrate the role of special interest groups—i.e., groups with preferences that diverge from the public interest—in the design and provision of services typically associated with government. These services range from government contracts given out to corporations such as GEO Group, Core Civic (formerly Corrections Corporation of America), and Management and Training Corporation to run private prisons at the state and federal level; to government funding (mostly state-level) to run charter schools; to government benefits that are channeled through the tax code and through subsidies to private organizations (such as employer-provided health and retirement benefits and the home-mortgage-interest deduction); to think tanks on both the left and the right that serve a key role in developing presidents’ policies and policy agendas.

Many are deeply concerned when individuals that have worked with special interest groups go into government. The specific concern is that these former private sector individuals will use their government position to benefit special interests at the expense of the public interest. For example, consider the press coverage of Secretary of Education Betsy

DeVos’s initial decision to fill top positions in the Department of Education with former employees of for-profit colleges heavily funded by public dollars (see Ivory, Green, and Eder 2018) as well as the subsequent coverage of leaked emails suggesting that these individuals pulled strings for failing for-profit colleges. As one article about the leaked emails pointed out: “DeVos’s efforts to get the government off the backs of for-profit colleges have come under particular scrutiny ... in part because people who once worked in the sector have led the DeVos deregulatory push” (Green and Cowley 2019).

According to one poll, when asked if company executives should be able to take government jobs that involve regulating their former industry, 59 percent of Democrats and 57 percent of Republicans said no (Nasr 2015). In line with public opinion, recent executive orders by President Obama¹ and President Trump,² as well as recent bills by both Democrats³ and Republicans,⁴ have sought to limit this practice, which is known as the “revolving door.”

In this article, we study what happens when individuals who work for special interest groups decide to go into government. Our model is a successor to Hirsch and Shotts (2015a, 2015b, 2018), a series of models that incorporate the intuition that government’s lack of capacity and its resulting need to outsource to the private sector, make it deeply vulnerable to private sector influence. The lopsided resource environment between government and special interest groups gives rise to what Hirsch and Shotts call “policy development monopolies.” Special interest groups help construct policies or offer services while also taking the opportunity to pull those policies or services in a direction that better aligns with their own interests.

1. Barack Obama. January 21, 2009. “Executive Order 13490—Ethics Commitments by Executive Branch Personnel.”

2. Donald Trump. January 28, 2017. “Executive Order 13770—Ethics Commitments by Executive Branch Appointees.”

3. U.S. Congress, House, Banning Lobbying and Safeguarding Trust Act (BLAST Act), HR 1145, 116th Congress, 1st sess., introduced in House February 11, 2019.

4. U.S. Congress, Senate, Financial Services Conflict of Interest Act, S 265, 115th Congress, 1st sess., introduced in Senate February 1, 2017.

Our contribution is to study how the movement of special interest aligned individuals in and out of government jobs—the revolving door—can affect the relationship between government and a special interest group. We demonstrate that when an individual from a special interest group, who we term a “lobbyist,” is hired or appointed into a government position, it can paradoxically *reduce* the special interest group’s influence over the design of public services. As we will show, the reason for this is that these individuals change the bargaining environment over policy when they enter government. Even more starkly, we show that this lobbyist will often prefer to go into government despite the fact that we assume doing so reaps no professional rewards for her, and weakens the special interest group with which she is ideologically aligned. Our results thus suggest yet another institutional response to policy-development monopolies in addition to the ones identified in Hirsch and Shotts (2015a, 2015b, 2018).⁵

The novel feature of our model is that we consider the incentives of policy-motivated individuals working for special interest groups separately from the incentives of those organizations as a whole. To our knowledge, we are among the first to analyze a formal model of lobbying and policymaking that treats special interest groups separately from the individuals who work for them. Importantly, we allow these individuals to choose whether to keep working for a special interest group or to take a job in government. In other words, we focus attention on the strategic calculations of experts and specialists, many of whom could and would work in either the private sector or the public sector.

5. In particular: government establishing in-house policy development capacity, delegating authority to an agent who counterbalances the special interest’s preferences, and fostering competition by special interests with different preferences.

1 The Revolving Door

When individuals previously working for a special interest group go into government, they enter the so-called revolving door. When these individuals exit government for jobs with special interest groups, they exit the revolving door. The exit-side of the revolving door has seen explosive growth in recent decades, including the number of government employees who have exited government for lobbying jobs and the client demand for lobbyists with past experience in government (Drutman and Furnas 2014; LaPira and Thomas 2017). The data on the entry-side of the revolving door is limited, perhaps due to the focus of most empirical studies on the exit-side. But anecdotal examples of appointments to top cabinet positions going to individuals formerly working for special interest groups are well known. For example, James Mattis, former Secretary of Defense, and John Kelly, former Secretary of Homeland Security, were both paid by defense firms prior to their appointments.

On the whole, existing studies of the revolving door focus on the exit-side—when individuals leave government for special interest groups—and most understand the revolving door as a tool of special interest influence or “capture”⁶ of public policymaking (Carpenter and Moss 2013) and/or exiting government and then using their government connections to benefit their current private-sector employer (McCrain 2018; LaPira and Thomas 2017). By contrast, our model focuses on the entry-side of the revolving door when individuals enter government after working for a special interest group, such as a private sector business. Moreover, our model is among the first theories of the revolving door to draw attention to its potential to enable policy outcomes that are ideologically closer to the policymaker (or the public, to the extent that the public’s preferences are reflected in the policymaker’s preferences).⁷ By focusing on the possible upsides of the revolving door, we join a number of other

6. Capture is notoriously difficult to define. See Carpenter and Moss (2013) for one of the clearest definitions. In this paper, we conceptualize capture as a special interest group’s ability to influence the ideological content of policy.

7. An interesting extension for future work would be to consider the ideological interests of voters sepa-

studies, which (unlike ours) are mostly empirical and mostly focused on the exit-side of the revolving door (Shepherd and You 2019; Lucca, Seru, and Trebbi 2014; Kempf 2017; deHaan et al. 2015; Santos 2006; Egerod 2017; Che 1995). Our contribution is to formally analyze the entry-side of the revolving door with a focus on what we expect to see strategically from policy-motivated individuals who could work in either the private sector or the public sector.

Our analysis hinges on two innovations. First, we model special interest groups as a “they,” not an “it” (for a similar argument in the context of the U.S. Congress, see Shepsle 1992). We conceptualize special interest groups as organizations made up of policy-motivated individuals and we focus our analysis on the incentives of those individuals. Because we adopt the conservative assumption that these individuals are ideologically aligned with the special interest, we refer to them as “lobbyists,” and consider their incentives to give up lobbying to go into the public sector. Even so, by disaggregating special interests to consider free-agent individuals who are neither tied to the special interest group nor tied to government, we identify a tension between special interest groups as organizations and the rank-and-file lobbyists they employ. In particular, our model allows us to hone in on how these individuals’ policy motivations induce them to work wherever they are best able to impact policy. Because these individuals’ incentives sometimes run counter to the special interest group for which they work, they sometimes take actions that weaken the special interest group as a whole.

Second, building on Hirsch and Shotts (2015a, 2015b, 2018), we focus on the importance of institutional capacity or effectiveness. We do so by joining a number of other studies⁸ in considering a policy’s valence or quality in addition to its left-right spatial location. In our model, a policymaker with higher capacity is able to produce higher quality policies relative

rately from the interests of public policymakers.

8. These include studies of elections, see (*e.g.*, Calvert 1985; Groseclose 2001; Londregan and Romer 1993), the courts (Lax and Cameron 2007), legislatures (Callander and Martin 2017; Hitt, Volden, and Wiseman 2017), bureaucracy and political oversight (Turner 2017), and lobbying (Hirsch and Shotts 2015a, 2015b, 2018).

to a policymaker with low capacity. Similarly, a special interest group with higher capacity is able to produce higher quality contracts or services relative to a special interest group with low capacity.⁹

To make this more concrete, consider an example. Many state and local governments in the U.S. routinely make decisions about how to provide primary and secondary education. Policymakers may choose reforms that center around public provision through state-run schools, reforms that enable private provision through charter schools, or no reform. Most (if not everyone) would agree that smaller classes are better than larger ones; this is an issue of *quality*. However, not everyone agrees about how best to run schools. Some charter schools use more stringent disciplinary measures than state-run public schools; this is an issue of *ideology*, about which there is disagreement. Charter school advocates claim that these measures boost academic performance, while critics claim these measures cause attrition and unfairly target disadvantaged students.

By focusing on the importance of government capacity, we bring the study of the revolving door into conversation with studies focused on the hollowing out of government (Verkuil 2017; Michaels 2017; Light 2008; DiIulio 2014) and the difficulty for the federal government of hiring and retaining an excellent staff (Lewis and Richardson 2017). We also bring studies of the revolving door into conversation with the observation that the brightest and best graduates interested in public policy are often not going into government but instead going into private consulting firms and other private sector jobs (Jilani 2013; Brand 2001).

To acknowledge concerns about ideological capture,¹⁰ we make use of a difficult case

9. In particular, a high capacity policymaker (or special interest group) is able to produce quality at a lower cost than a low capacity policymaker (or special interest group). When an individual working for a special interest group leaves to go into government, he or she increases the capacity of government and decreases the capacity of the special interest group. Similarly, if he or she exits government and returns to the special interest group, he or she increases the capacity of the special interest group and decreases the capacity of government.

10. That is, concerns about an individual from a special interest group coming into government and working to shift the spatial location of policies in the preferred direction of the special interest group.

for making our contribution about the trade-offs associated with government capacity: we assume that the individual who is choosing whether to exit employment with a special interest group and enter government is ideologically aligned with the special interest group (and not with government). This means that entering government, by definition, will entail some ideological losses for the individual.

We show that special-interest aligned individuals sometimes have an incentive to go into government despite suffering ideological losses because entering government allows the individuals to influence policy on a larger scale than continuing to work with a special interest would allow. These individuals want this kind of influence because of their policy-motivation.¹¹ By going into government, they increase government’s capacity and, in doing so, affect the entire bargaining environment in a given policy area between government and a special interest group. Once government is operating at a higher level, special interest groups who seek informal agenda-setting powers have to perform at a higher level too if they want to continue to influence policy or obtain contracts from the government.¹² An individual can influence the policymaking environment on this scale through her labor market decisions. In doing so, we demonstrate that the allure of the revolving door does not need to hinge on either pecuniary or career-advancement rewards that accrue to individuals that go into and out of government (Shepherd and You 2019; Lucca, Seru, and Trebbi 2014; Cornaggia, Cornaggia, and Xia 2016).

Our model, when taken together with the broader literature, suggests a two dimensional typology for understanding the consequences of revolving doors.¹³ First, an individual en-

11. In our model, the policy incentives that induce policy-motivated individuals to enter government are similar in spirit to the policy incentives explored in Gailmard and Patty (2007, 2013) and Prendergast (2007).

12. One way to think of special interest groups needing to give government more (because government needs them less) is in terms of special interests needing to give government larger “legislative subsidies” (Hall and Deardorff 2006) in order to gain informal agenda-setting power (Hirsch and Shotts 2015a, 2015b, 2018).

13. We join Shepherd and You (2019), who focus on the productivity of legislative staffers who eventually exit government for the private sector, in making the point that there are trade-offs associated with the revolving door.

tering the revolving door could influence the ideal point of government. In this case, the entry-side of the revolving door increases ideological capture, while the exit-side decreases it. Second, an individual entering the revolving door could increase the policymaking capacity of government. In this case, the entry-side of the revolving door decreases ideological capture and the exit-side increases it. Figure 1 depicts this this typology.

Figure 1: *A typology of the potential effects of the revolving door. First, does the lobbyist influence the ideal point of the government or does it change the capacity of government? Second, is the lobbyist entering or exiting government?*

	entry side	exit side
influences ideal point	ideological capture ↑	ideological capture ↓
increases capacity	ideological capture ↓	ideological capture ↑

This typology underscores that the policy consequences of the revolving door are not straight-forward. The entry and exit sides of the revolving door generate opposite effects on ideological capture, depending on whether lobbyists’ employment decisions change the government’s ideal point or its capacity. Our focus is specifically on how the entry side of the revolving door affects capacity (the lower left quadrant), which is underappreciated in both the literature and popular conversation about lobbyist influence. To be clear, we make no claim about whether a lobbyist entering government *also* changes the government’s ideal point. Our results suggest that even if that were to happen, the fact that they also increase the government’s capacity can still mitigate ideological capture.

By focusing on the potential upsides of lobbyists working with government, we join recent work demonstrating the potential negative consequences of banning access to lobbyists. For example, Schnakenberg and Turner (2019) show how banning access can be an optimal electoral strategy for an politician, even though it results in worse policymaking.

2 Model

We model the decision of a policymaker (P) about whether and how to provide a service. The government can make one of three choices: publicly provide the service, allow a special interest group (G , for “group”) to privately provide the service, or opt not to provide the service (i.e., retain the status quo). While we motivate our analysis with reference to a government’s decision about how to provide a service—publicly, privately or not at all—the analysis also speaks to more generic policymaking decisions, as in Hirsch and Shotts (2015a, 2015b, 2018).

The service can vary on two dimensions. First, it can be of higher or lower quality and everyone agrees that higher quality is better. Second, it can reflect different values about the nature of the service being provided—i.e., different ideological orientations. There is disagreement about this. One motivating example, as noted above, is in the context of primary and secondary education. Policymakers may consider reforms centered around state-run schools or reforms that center around charter-run schools. Most (if not everyone) would agree that smaller classes are better than larger ones; this is an issue of *quality*. However, not everyone agrees about how best to run schools, including choices over disciplinary measures used in schools (see Deruy and National Journal 2015; Taylor 2015); this is an issue of *ideology*.¹⁴ We formally model these two dimensions in a tractable manner. The service provided consists of a level of quality, $q \geq 0$ and an ideological location, $x \in \mathbb{R}$.

Sequence The game begins with a status quo in place, $x_0 \in \mathbb{R}$ and $q_0 = 0$ and proceeds as follows.¹⁵ First, a lobbyist (L) who works for the special interest group decides whether take a job in government. As we discuss in more detail below, we will set aside many of the details

14. We do not model the origins of each player’s ideological orientations. Suffice to say, the policymaker may prefer a different “kind” of service than a special interest does.

15. We normalize the status quo quality to zero, $q_0 = 0$, although this is not important for our main conclusions.

of the public and private sector labor markets in order to focus more clearly on how the revolving door affects policymaking. We denote the lobbyist’s decision by $e \in \{0, 1\}$, where $e = 1$ indicates the employee *enters* government. The special interest group then decides whether to make an offer to privately provide the service, which we denote by $p \in \{0, 1\}$. Substantively, this decision can be interpreted as, for example, a decision about whether to bid on a government contract. If the special interest group decides it would like to privately provide the service, then it makes a proposal about how it will do so. Formally, its proposal is a pair $x_G \in \mathbb{R}$ and $q_G \geq 0$.

Next, the government decides whether to allow the special interest group to provide the service (as proposed). We denote this choice by $a \in \{0, 1\}$, where $a = 1$ indicates the government *accepts* the special interest’s proposal. If the government does not accept the proposal, then it decides whether to publicly provide the service itself, or retain the status quo. If the government provides the service itself, it can choose any $x_P \in \mathbb{R}$, but that if it wishes to diverge from the status quo, it must produce a minimum level of quality, $\bar{q} > 0$. This serves to capture, in a tractable and reduced form way, the possibility that the policymaker may need to satisfy another actor, such as a veto player, in order to alter the status quo.

Preferences and Policy Capacity Payoffs depend on both the ideological location, $x \in \mathbb{R}$, as well as the quality of the service, $q \geq 0$. Each player i ’s payoff from x is symmetric, single-peaked and strictly concave, with an ideal point at \hat{x}_i . Formally: $-\lambda_i(|\hat{x}_i - x|)$, where λ_i is strictly convex and increasing. To minimize notation in the text below, we will define $\lambda_i(x) \equiv \lambda_i(|\hat{x}_i - x|)$. Without loss of generality, we assume that $\hat{x}_P < \hat{x}_G$ so that the special interest group is “further to the right” than the government. Since we focus on the most conservative case where the lobbyist is completely aligned ideologically with the special interest group, we assume that $\hat{x}_L = \hat{x}_G$. Throughout our analysis, we are careful to

distinguish player i 's ideal point, player i 's service provision, and the outcome of the game, which we denote by \hat{x}_i , (x_i, q_i) and (x, q) , respectively.

Each player's utility is linearly increasing in quality. However, providing a high quality service is costly and requires effort from number of individuals. Both the government and special interest group have a set of employees with relevant expertise, which may enable one or both organizations to provide the service. We refer to this as "capacity." In the model, decision making is centralized within organizations so that organization i determines x_i and q_i and individual employees work to implement it. We accordingly abstract away from intra-organization agency or coordination problems. We also assume away individual employees' pecuniary considerations by assuming that organizations pay wages that exactly compensate employees for their effort (plus their reservation wage). Let w_P and w_G be organization-specific wages and let $\ell_i(q_i)$ represent an employee's cost for providing organization i with its expertise to produce that organization's centrally determined level of quality. Then, we adopt the following assumption.¹⁶

Assumption 1 (no pecuniary incentives). The lobbyist's wage compensates her exactly for effort. Formally, L earns wages according to $w_P = (1-a)\ell_P(q_P)$ and $w_G = \ell_G(q_G)$.

A common explanation for the revolving door is that it allows individuals to "cash in" on their government experience. In these accounts, individuals go into government to bid up their future wage in the private sector. As a result of Assumption 1, the employee in our model is purely policy-motivated since she decides whether to enter or exit government based only on how her decision affects how the service is provided. A contribution of our model is that we provide a novel explanation for revolving doors that does not hinge on a employee's ability to reap pecuniary rewards. Assumption 1 is therefore a key feature (and

16. Since it plays no role in the analysis, we implicitly normalize the employee's reservation wage (representing what she could earn in another line of work) to zero. An interesting avenue for future research is to explore employees' incentives to leave the policymaking "industry."

not a limitation) of our model. At the end of Section 4, we briefly consider what would happen if the special interest group were to pay a higher wage to prevent its employee from going into government. We refer to these as “retention wages.”

Assumption 1 also allows us to fully capture the cost of service provision in the organizations’ objective functions (as opposed to the lobbyist’s objective function). First, we assume each organization pays a constant marginal cost for producing quality that is strictly greater than the marginal benefit. As a result, neither the special interest group nor the government would improve quality without some favorable, compensatory shift in the ideological location of policy, x . This assumption allows us to focus on the interesting *strategic* role of quality, since it ensures both organizations face a genuine trade-off about whether to provide a high quality service.¹⁷ Second, we assume that each organization gets increasing returns to scale from hiring additional employees. Specifically, each organization’s marginal cost of producing quality decreases when an additional employee is hired (and vice versa).

Formally, we assume that the marginal benefit of quality to the policymaker is $b_P > 0$ and the marginal benefit to the special interest group is $b_G > 0$. The marginal cost to the government and the special interest group from quality are respectively $C_P(e) = c_P - e\delta_P$ and $C_G(e) = c_G + e\delta_G$, where $\delta_P, \delta_G > 0$, $c_P > b_P + \delta_P$ and $c_G > b_G$. Note that $C_P(e)$ and $C_G(e)$ depend on whether the lobbyist decides to enter government so that $C_P(1) < C_P(0)$ and $C_G(1) > C_G(0)$.

Recall that we denote the service provision that emerges as a result of the equilibrium strategies as x and q . Then, given the player’s strategies, it follows that $x = pa x_G + (1-pa)x_P$ and $q = pa q_G + (1-pa)q_P$. We now formally state the players’ utility functions (incorporating

17. We wish to emphasize that we do not believe this assumption holds in most service provision or policymaking contexts. We adopt it here because it allows us to concisely present our core arguments. We could relax the assumption without eliminating our core findings, but the added complexity would detract from the model’s parsimony.

the fact that $\hat{x}_L = \hat{x}_G$):

$$u_P = b_P q - (1 - pa)C_P(e)q_P - \lambda_P(x)$$

$$u_G = b_G q - paC_G(e)q_G - \lambda_G(x)$$

$$u_L = b_G q - \lambda_G(x)$$

Equilibrium As this is a game with perfect information, an equilibrium will consist of a strategy profile of sequentially rational strategies. Where relevant, will denote equilibrium strategies with a star and generic strategies without a star. We develop the main intuition in text and provide all formal analysis in the Formal Results, beginning on page A1 of the Supporting Information.

3 Private Provision

In this section, we first characterize the conditions under which there will be private provision of the service. As is intuitive, private provision results in outcomes that are more ideologically favorable to the special interest group and less favorable to the policymaker. We then show how the lobbyist's entry into government can counterintuitively generate outcomes that are worse for the special interest group (with which the lobbyist is ideologically aligned), and more ideologically aligned with the policymaker.

3.1 Private Provision without the Revolving Door

We analyze the model using backward induction. The analysis in this subsection closely follows the baseline model in Hirsch and Shotts (2015b).

Public provision First consider the situation in which the policymaker decides to publicly provide the service, $a = 0$. In this situation, it can either retain the status quo or design a new service. If it designs a new service, it must provide a minimum level of quality $q_P \geq \bar{q}$. Moreover, since $b_P < C_P(e)$, it will set $q_P = \bar{q}$ and $x_P = \hat{x}_P$. In order for the policymaker to find this optimal, the cost of producing the minimally required level of quality, \bar{q} , must not be too high. Specifically,

$$C_P(e) \leq b_P + \frac{\lambda_P(x_0)}{\bar{q}} \equiv \bar{c}_P \quad (1)$$

This condition is substantively important, as it allows us to formally capture a notion of *policymaking capacity*. Specifically, the threshold \bar{c}_P uniquely defines a cost level where the policymaker would be indifferent between designing a new service more to its ideological liking and maintaining the status quo. We accordingly refer to a policymaker with $C_P(e) > \bar{c}_P$ as having “low capacity” and a policymaker with $C_P(e) \leq \bar{c}_P$ as having “high capacity.”

The policymaker may also decide to allow the special interest group to provide the service. It does so if the private provision gives it higher utility than its own proposal. That is, if

$$b_P q_G - \lambda_P(x_G) \geq b_P q_P - C_P(e) q_P - \lambda_P(x_P)$$

Rearranging yields:

$$q_G \geq q_P + \frac{1}{b_P} (\lambda_P(x_G) - \lambda_P(x_P) - C_P(e) q_P)$$

If this holds, then the special interest group is able to induce the policymaker to allow private provision. The condition illustrates a trade-off between policy location and quality. Specifically, a special interest group that wants to privately provide the service must either provide high quality *or* not move policy too far away from the policymaker’s preferred

location.

Private provision The special interest group must decide whether it wants to privately provide the service, which would be costly. In order for the special interest group to pull policy in its preferred direction, it must induce the policymaker to accept the special interest group's policy in lieu of the one it would produce itself. If the special interest group opts to buy off the policymaker by offering a higher level of quality in exchange for ideological gains, then it will produce the minimum amount of quality that satisfies the policymaker. Specifically, the private provider will offer a service with the following quality (if it is non-negative):

$$q_G = q_P + \frac{1}{b_P} (\lambda_P(x_G) - \lambda_P(x_P) - C_P(e)q_P)$$

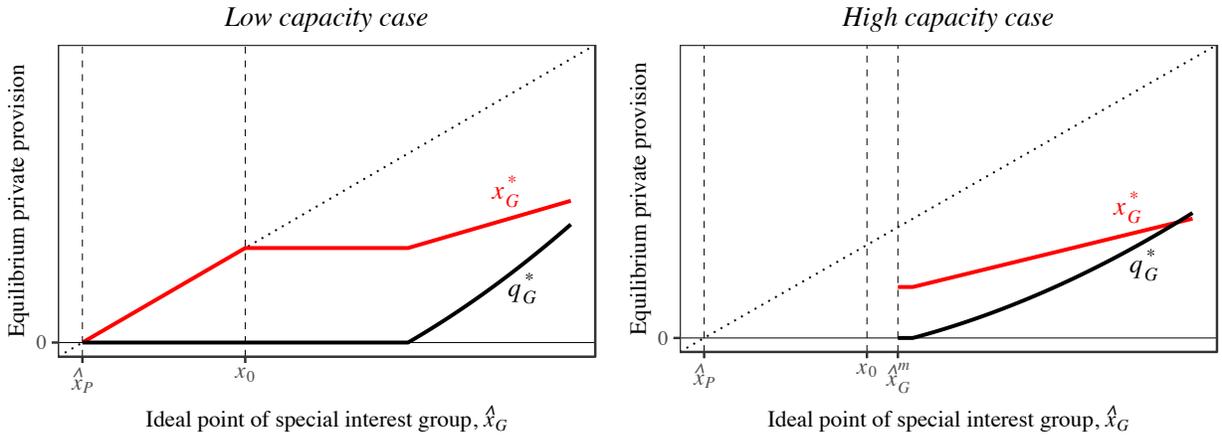
and an ideological location that is closer to its ideal point. Given the general form of the players' utility functions, we cannot characterize a closed form solution for x_G . However, we show in the Supporting Information that this ideological location will be in the interval $[\hat{x}_P, \hat{x}_G]$.

It may not always be optimal for the special interest group to privately provide the service. Indeed, the special interest group must benefit by offering to privately provide the service instead of just living with the policymaker's policy. To examine when the special interest group finds private provision optimal, there are two cases, corresponding to whether the policymaker is high or low capacity. First, if the policymaker is low capacity, then its costs are too high for it to be willing to publicly provide a new service. In this case, the special interest group always finds it optimal to privately provide the service (see Lemma A4 in the Supporting Information), since it is relatively inexpensive to induce a low capacity policymaker to accept a new policy.

Now consider the other case where the policymaker has high capacity and can therefore

credibly develop a new service with with high quality (\bar{q}). As a result, the special interest group must “bid up” its policy proposal if it wishes to privately provide the service. Only the most extreme special interest groups will find this worthwhile, so a necessary condition for private provision is that $\hat{x}_G \geq \hat{x}_G^{\text{shut}}$ (where \hat{x}_G^{shut} is defined in Lemma A4 of the Supporting Information). To illustrate, we plot private provision as a function of \hat{x}_G in Figure 2, fixing some exogenous parameter values and using a specific functional form for λ_i .

Figure 2: In each panel, we plot equilibrium service provision as a function of the private provider’s ideal point, \hat{x}_G . To generate these plots, we assume $\lambda_i(x) = (\hat{x}_i - x)^2$, and fix several exogenous parameter values. Note that private provision always occurs when the policymaker has low capacity, and only occurs if the special interest group is sufficiently extreme when the policymaker has high capacity.



In either case, whenever the special interest group finds private provision worthwhile, there is ideological capture by the special interest group. Note that in both panels of Figure 2, x_G^* diverges from \hat{x}_P and is being “pulled” toward \hat{x}_G , as depicted by the dotted line. The only situation where this does not occur is when $C_P(e) \leq \bar{c}_P$ and $\hat{x}_G < \hat{x}_G^{\text{shut}}$; that is, when the policymaker has high capacity and the special interest group is ideologically close to the policymaker.

3.2 Private Provision After Lobbyist Enters Government

When the lobbyist enters government, service provision is affected in two ways. The first is relatively straight forward: it changes both x and q . When the lobbyist enters government, it boosts the capacity of the policymaker and reduces the capacity of the special interest group. This empowers the policymaker, who is now able pull policy (weakly) in its preferred ideological direction. It does so either directly (by adopting its own, ideologically congruent proposal $x_P = \hat{x}_P$) or indirectly (through its increased bargaining power vis-à-vis the special interest group). And since there is sufficient ideological conflict between the special interest group and the policymaker, the ideological movement toward the policymaker amounts to ideological movement *away from* the special interest group. Somewhat ironically, when a special interest group aligned lobbyist enters government, it pushes policy outcomes away from the special interest group.

The second way the lobbyist's entry into government affects policymaking is more dramatic. Her decision may change whether there is public or private provision. First, when the lobbyist leaves the special interest group, it may hobble the special interest group to such an extent that the special interest group may no longer find it optimal to privately provide the service. Second, gaining the lobbyist's expertise may lower the policymaker's costs sufficiently that it goes from being a low capacity to a high capacity. These two effects together imply that private provision will be less common after a lobbyist enters government. This stands in contrast to conventional wisdom that the entry of a lobbyist into government will make private provision more common.

These two effects are apparent when comparing the left and right panels of Figure 2. Suppose that the left panel (in which the policymaker is low capacity) depicts outcomes before the lobbyist enters government while the right panel (in which the policymaker is high capacity) depicts outcomes after the lobbyist enters government and boosts the capacity of the policymaker. Note two things. First, when there is private provision, its ideological

location is always closer to the policymaker’s ideal point after the lobbyist enters the government. Second, the special interest group sometimes “shuts down” and does not offer to privately provide the service when the lobbyist enters the government.

By disaggregating special interest groups and conceiving of them as a collection of individual lobbyists who may freely choose where to work, we highlight a new mechanism by which the “revolving door” influences private provision. Counter to conventional wisdom, we demonstrate that it may actually *weaken* the ideological influence of special interest groups in the policymaking process. That said, our analysis in this section treated the lobbyist’s entry into government as exogenous. Given that the lobbyist is aligned with the special interest group (and shares its ideology), it is reasonable to ask whether lobbyist would endogenously decide to leave the special interest group to take a job in government. In the next section, we endogenize the lobbyist’s decision and demonstrate that she will indeed find it optimal to enter government in some situations despite the fact that she suffers ideological losses.

4 Entering Government

We now explore whether the lobbyist, who shares the special interest group’s preferences, would ever *want* to enter the government since doing so weakens the special interest group as we demonstrated above. The dilemma facing the lobbyist is that she does not affect the ideal point of the policymaker, and thus will potentially help the policymaker reduce the ideological influence of the special interest group over outcomes. However, a potential upside of going into government is that doing so may substantially improve the quality of policy. Specifically, when she works for the policymaker, it increases the policymaker’s leverage and drives up the quality that the special interest group must offer in order to privately provide the service.

Indeed, inspection of Figure 2 already hints at this dynamic: note that despite the fact

that the lobbyist's entry into government reduces the special interest group's ideological influence over the design of the service, it also induces the special interest group to increase the quality of the service it provides. In some situations, this creates a wedge that the lobbyist can exploit.

4.1 Optimal Entry into Government

We now need to clearly distinguish between the ideological location and quality of the service when the lobbyist decides to enter government and when she does not. With some slight abuse of notation, let x and q denote outcomes if the lobbyist does not enter government and let x^δ and q^δ denote outcomes if the lobbyist enters government. Note that the δ superscripts indicate that the players' costs change, which is the consequence of the lobbyist's decision about whether to enter government.

In order for it to be optimal for the lobbyist to enter government, her utility from doing so must be greater than her utility from remaining with the special interest group. Formally:

$$b_G q^\delta - \lambda_G(x^\delta) \geq b_G q - \lambda_G(x)$$

Rearranging yields the following

$$\underbrace{b_G(q^\delta - q)}_{\text{quality gain}} \geq \underbrace{\lambda_G(x^\delta) - \lambda_G(x)}_{\text{policy loss}} \quad (2)$$

This condition highlights a potential benefit and a cost to the lobbyist for entering government. The first term reflects a potential increase in quality that occurs when the lobbyist enters government. The second term (to the right of the inequality) reflects a potential ideological loss. Recall that with Assumption 1, we are explicitly ruling out professional or pecuniary incentives as an explanation for why lobbyists might find the revolving door

lucrative.

Condition (2) is a sufficient condition for the lobbyist to enter government. However, must now demonstrate that it actually holds in an equilibrium of our model. Whether a lobbyist finds it advantageous to enter government depends on how that career move affects the policymaking relationship between the policymaker and the special interest group. We now look at each of these scenarios in turn. First, suppose that if the lobbyist leaves the special interest group to work for the government, this causes the special interest group to “shut down” and stop offering to privately provide the service. In this case, the lobbyist will often be worse off, but not always. Specifically, the lobbyist does not enter government unless \bar{q} is sufficiently high and her entry into government newly enables the policymaker to publicly provide the service. Intuitively, in this situation, when the lobbyist leaves the special interest, it no longer bids on public contracts, but the policymaker benefits so much from the lobbyist’s expertise that it provides a very high quality public service.

In contrast, suppose that the special interest group either continues to privately provide the service after losing the lobbyist, or begins privately providing after losing the lobbyist. Whether the lobbyist ultimately gains from moving into government depends on whether the quality gain outweighs the ideological loss. This will in turn depend on whether the lobbyist’s move into government affects the policymaker’s level of capacity. First, suppose that the policymaker has low capacity and that the lobbyist’s entry into government does not move it to high capacity. The lobbyist is better off leaving the special interest group if the following holds:

$$\frac{1}{b_P} [\lambda_P(x_G^\delta) - \lambda_P(x_G)] \geq \lambda_G(x_G^\delta) - \lambda_G(x_G)$$

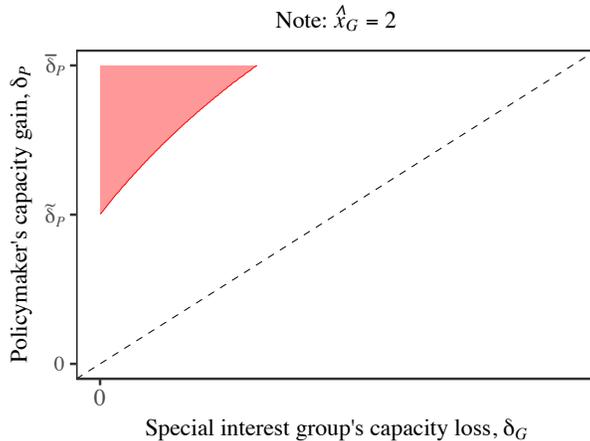
However, this condition never holds. To see this, first note that the special interest group’s policy after entry is further from \hat{x}_G and closer to \hat{x}_P . Then, by the properties of

λ_i , this implies that the right hand side is strictly positive and the left hand side is strictly negative, a contradiction. Given that the policymaker is low capacity, and remains so, there is not sufficient quality gain for the lobbyist to outweigh the ideological loss she faces by going into government. Therefore, $e^* = 0$ whenever moving to the government does not dramatically increase the policymaker’s capacity. Intuitively, the lobbyist’s only way to gain from entering government is if her move substantially increases the quality that the special interest group provides. However, if the policymaker does not become significantly stronger with the lobbyist’s entry into government, then the special interest group does not need increase quality in order to satisfy the only marginally strengthened policymaker.

Finally, suppose that the lobbyist’s entry into government moves the policymaker from low to high capacity or that the policymaker has high capacity regardless of whether the lobbyist works for it. As we show in the Supporting Information, the lobbyist may find it optimal to enter government. In particular, the lobbyist finds it optimal to enter government whenever doing so increases the policymaker’s capacity by a lot, but does not decrease the special interest group’s capacity by too much. Formally, in this case, entry is optimal for high δ_P and low δ_G . In Figure 3, we plot this result using a specific functional form for λ_i and fixing several parameter values.

This finding demonstrates the existence an incentive for lobbyists to endogenously enter the government that does not depend on one of the “typical” explanations: (1) labor market frictions, (2) professional development (i.e., acquiring expertise or building professional networks), or (3) changing the policymaker’s objectives or preferences. It is worth emphasizing that the lobbyist does *not* move into government simply because doing so would allow it to consume quality “for free.” Indeed, by invoking Assumption 1, we assume away any free-riding motivations for the lobbyist. This makes it especially stark that the lobbyist would leave the special interest group for the government. She does so because it forces the special interest group to bid up the quality of its policy proposals to a degree that fully compensates

Figure 3: This figure depicts when the lobbyist will enter government (the red shaded region). To plot this region, we assume $\lambda_G(x) = (\hat{x}_G - x)^2$, and fix several parameter values. The lobbyist finds it worthwhile to enter government whenever doing so dramatically raises the capacity of the policymaker but has less impact on the capacity of the special interest group.



the lobbyist for the policy loss she faces by moving into government. Moreover, because we analyze the hardest case for generating an incentive for the lobbyist to enter government, our findings characterize minimum conditions for entry into government when a lobbyist is solely policy motivated.

An important feature of the lobbyist's decision calculus is that it is only worthwhile to enter government whenever the policymaker is (or becomes) high capacity after employing the lobbyist. This finding underscores a key, though subtle, reason *why* the revolving door might exist in the first place. Consider a slightly modified version of our model where the special interest group does not need to generate a baseline level of quality \bar{q} in order to publicly provide a new service at a different ideological location it chooses. In other words, suppose that there were no institutional or technological constraint on the policymaker that required it to pay a cost to implement a new policy. In that version of the model, the policymaker can always achieve its ideal policy location, $x_P^* = \hat{x}_P$ with no need to invest in costly quality, $q_P^* = 0$. To get ideological gains of its own, the special interest group would still need to offer some amount of quality to compensate the policymaker for a privately

provided service with $x_G^* \neq \hat{x}_P$.

Now consider the decision of an individual lobbyist deciding whether to enter government in this modified model. If she does, then she endows the policymaker with additional capacity to generate high quality proposals, while also depleting the special interest group’s capacity to generate high quality proposals. But since the policymaker does not face any constraints that require it to improve quality, the policymaker still does not produce any quality despite gaining the lobbyist and increasing capacity (recall that $C_P(e) > b_P$). From the perspective of the lobbyist, the policy capacity that she brings to the policymaker is wasted: quality is no higher than it was when she worked for the special interest group. Indeed, the results we present in this paper suggest that an antecedent for a lobbyist’s entry into government is the presence of institutional or technological constraints on the policymaker, which the lobbyist can help mitigate. Somewhat ironically, this suggests that measures meant to make policymaking more deliberative and broad-based (such as the existence of veto players) may also present opportunities for lobbyists to personally gain from public employment.

The constraint on the policymaker is not the only reason the lobbyist enters government. Somewhat obviously, she does so because she can. We have established that there are sometime gains to be had from entering government. This opportunity for “policy arbitrage” on the part of individual lobbyists extends from the fact that they are free agents in the market for policy domain experts. And in the policymaking context in which they operate, their individual, private incentives sometimes conflict with those of their ideologically-aligned special interest group employers. From the perspective of the lobbyist, the allure of entering government comes from the policymaker’s formal authority to decide how and whether to design new public services. Individual lobbyists can benefit from this agenda-setting power in ways that the special interest group—which is always constrained to be outside the formal decision-making context—cannot. A major contribution of our model is to underscore an under-appreciated limit to a special interest group’s power to capture the policymaking

process: they are sensitive to the labor market decisions of their employees and have limited tools for controlling them.

4.2 Retention Wages

One potential objection to our model is that Assumption 1 unduly constrains the special interest group and prevents it from retaining its valuable employees. Indeed, in the model, losing the lobbyist is usually costly for the special interest group. This may provide an incentive for the special interest group to increase the wage it pays the lobbyist in order to prevent this loss. We now briefly consider this possibility, and demonstrate that allowing the special interest to bid up the lobbyist's wage does not dramatically alter our main qualitative conclusions.

To explore this issue, we now assume that the special interest group may preemptively make a retention offer to the lobbyist before the lobbyist decides whether to quit and enter government. Formally, we do not alter the game sequence except to add one step at the beginning where G offers L a wage premium of $r \geq 1$ that increases her wage to $w_G^r = r\ell_G(q_G)$. Using Assumption 1, if the lobbyist accepts the higher wage and remains with the special interest group, then she earns $w_G^r - \ell_G(q_G) = r\ell_G(q_G) - \ell_G(q_G) = (r - 1)\ell_G(q_G)$. Importantly, we model this retention wage as a function of her effort on the job, as captured by the term $\ell_G(q_G)$, her cost for doing the work required of her (see Assumption 1).

The analysis of the model after the retention wage offer is unchanged and thus proceeds as above except that the lobbyist's and the special interest's utility functions become

$$u'_L = b_G q - \lambda_G(x) + (1 - e)(r - 1)\ell_G(q_G)$$

$$u'_G = b_G q - pa[C_G(e) + (1 - e)(r - 1)\ell_G(q_G)]q_G - \lambda_G(x)$$

For the retention offer to be effective, it must be that

$$\begin{aligned}
b_G q^\delta - \lambda_G(x^\delta) &\leq b_G q - \lambda_G(x) + (r - 1)\ell_G(q_G) \\
&\iff r \geq 1 + \frac{1}{\ell_G(q_G)} [b_G(q^\delta - q) + \lambda_G(x) - \lambda_G(x^\delta)]
\end{aligned}$$

The special interest's utility declines in the size of the lobbyist's retention wage, so it will offer an amount where the condition above holds with equality (assuming it makes an offer to raise her wage). Denote this offer \tilde{r} . By construction, \tilde{r} is accepted by the lobbyist, since it is set in order to induce the lobbyist to stay with the special interest group. If the lobbyist has no incentive to enter government in the baseline model, then she will surely have no incentive to enter the government in this modified model, and the optimal retention wage is $r^* = 1$. Moreover, if the special interest group never privately provides the service, then it has no incentive to try to retain the lobbyist and again, $r^* = 1$. Since the special interest group only pays a higher retention wage if would privately provide the service when it retains the lobbyist, then the retention wage effectively increases the cost of private provision.

Let $v_L > 0$ be L 's utility gain from entering government and $v_G > 0$ be G 's utility loss from entering government. Then, if $v_L < v_G$, then there is the possibility for a mutually agreeable retention wage $\tilde{r} = v_L < v_G$ such that the lobbyist is incentivized to remain with the special interest group. Formally, $\tilde{r} > 1$ has two effects on the special interest group. First, it enters into the special interest group's participation constraint, tightening it. Second, and more importantly, $\tilde{r} > 1$ raises the special interest group's marginal cost from privately providing the service at a level of quality q_G . Denote the ideological location of the privately provided service with and without a retention wage offer as $x_G^{\tilde{r}}$ and x_G^0 , respectively. Then, using the same logic as in Lemma A6 in the Supporting Information, $x_G^{\tilde{r}} < x_G^0$.

Qualitatively, paying a retention wage diminishes the special interest group's ability to ideologically capture policy, just as the lobbyist's entry into government does. While the

discussion in this subsection is cursory, it serves to underscore that the lobbyist's ability to switch jobs weakens the special interest group in the policymaking process. Whereas in the main analysis, this occurs when she actually enters government, in this extension, it occurs by way of a costly retention wage that reduces the resources available for the special interest group to buy off the policymaker and influence policy.

5 Conclusion

The model in this article shows that a lobbyist's entry into government can lead to less ideologically distorted policy outcomes from the standpoint of government. This is because when a lobbyist enters government, he or she increases the capacity of government, decreases the capacity of the special interest group, and thus affects the bargaining environment over policy in a way that limits the ideological influence of the special interest. Facing a government with more of its own capacity, special interest groups who want to serve as private providers of policy (e.g. through government contracts) now have to give government "more" in order to do so.

We show that it is this ability to affect the bargaining environment over policy that incentivizes policy-motivated individuals to enter government. In the model, a lobbyist's entry into government does not always increase government's capacity enough for the positive effects associated with altering the bargaining environment. But when an individual's entry increases government's capacity enough for these positive effects, the policy-motivated lobbyist has an incentive to go into government even when doing so entails ideological losses for them. In these cases, the shift in the bargaining environment raises the quality of the policy or service more than enough to compensate the lobbyist for their ideological losses.

One important take-away from this article is that policy-motivated individuals working for special interest groups do not always have an incentive to stay on the outside of govern-

ment, even when going into government yields no professional rewards (as in our model). That lobbying government from the outside is not always the best place to be for a policy-motivated individual who wants to affect policy is worth underscoring given the difficulties of recruiting and retaining the best workers in government (Lewis and Richardson 2017). This article suggests that rather than banning former lobbyists and contractors from government jobs, government would often benefit from recruiting former lobbyists and contractors. We emphasize, however, that there may be countervailing negative effects of hiring lobbyists. Our contribution is to direct attention to one underappreciated positive effect.

Counterintuitively, the positive effects of the revolving door that our model demonstrates, when they occur, can be coupled with a great deal of private provision of public services. This is because special interest groups with enough capacity can continue influencing government (e.g. by obtaining contracts or lobbying for legislative benefits) even after one of their (now former) lobbyists enters government. Since that individual's entry into government strengthens the bargaining position of government relative to the special interest group, the special interest group that is able to continue lobbying government in the altered bargaining environment simply has to offer government more, such as higher quality services.

Thus, another important take-away from our model is that a rise in partnerships between government and special interest groups following a former lobbyist's entry into government is not necessarily evidence that that individual is doing favors for their former employer. This empirical phenomenon, were it to occur, would also be consistent with a special interest group "upping its game" and offering higher quality to government in order to successfully secure a contract or policy benefits.

With some modification, the model developed here could be further developed to incorporate the role of a political overseer, such as the president, as well as political transitions that change the ideal point of either the policymaker or the potential overseer. Such a model would differ from existing models of policymaking with a veto player (Hirsch and Shotts

2015b) in that it would allow for the analysis of the veto player's incentive to place limits (or not) on the revolving door. The model developed here could also be extended to incorporate the role of a representative voter. This would allow for a much fuller consideration of the normative issues raised by the revolving door, since ideological distortion of policy may affect voters differently than policymakers.

In any event, our findings suggest that the normative implications of the revolving door go in two directions. It's not always clear that limiting the revolving door limits special interest influence.

References

- Brand, Richard. 2001. "Graduates; Saying No to Public Service." *The New York Times*. Accessed November 30, 2019. [nytimes.com/2001/01/07/education/graduates-saying-no-to-public-service.html](https://www.nytimes.com/2001/01/07/education/graduates-saying-no-to-public-service.html).
- Callander, Steven, and Gregory J. Martin. 2017. "Dynamic Policymaking with Decay." *American Journal of Political Science* 61 (1): 50–67.
- Calvert, Randall L. 1985. "Robustness of the multidimensional voting model: Candidate motivations, uncertainty, and convergence." *American Journal of Political Science*: 69–95.
- Carpenter, Daniel, and David A. Moss. 2013. *Preventing Regulatory capture: Special Interest Influence and How to Limit It*. Cambridge University Press.
- Che, Yeon-Koo. 1995. "Revolving Doors and the Optimal Tolerance for Agency Collusion." *The Rand Journal of Economics*: 378–397.
- Cornaggia, Jess, Kimberly J Cornaggia, and Han Xia. 2016. "Revolving doors on wall street." *Journal of Financial Economics* 120 (2): 400–419.
- deHaan, Ed, Kevin Koh, Simi Kedia, and Shivaram Rajgopal. 2015. "The revolving door and the SEC's enforcement outcomes: Initial evidence from civil litigation." *Journal of Accounting and Economics* 60 (2-3): 65–96.
- Deruy, Emily, and National Journal. 2015. "'I Actually Believe Most Kids In America Are Bored By School.'" *The Atlantic*. Accessed November 30, 2019. <https://www.theatlantic.com/politics/archive/2015/09/i-actually-believe-most-kids-in-america-are-bored-by-school/432762/>.

- Desilver, Drew. 2016. "The Biggest U.S. Tax Breaks." Pew Research Center. Accessed November 24, 2019. [pewresearch.org/fact-tank/2016/04/06/the-biggest-u-s-tax-breaks/](https://www.pewresearch.org/fact-tank/2016/04/06/the-biggest-u-s-tax-breaks/).
- DiIulio, John. 2014. *Bring back the bureaucrats: Why more federal workers will lead to better (and smaller!) government*. Templeton Foundation Press.
- Drutman, Lee, and Alexander Furnas. 2014. *How Revolving Door Lobbyists are Taking Over K Street*. <https://sunlightfoundation.com/2014/01/22/revolving-door-lobbyists-take-over-k-street/>.
- Egerod, Benjamin CK. 2017. "Voting for a Career—The Revolving Door Moderates the US Senate." In *MPSA Annual Conference*.
- Gailmard, Sean, and John W. Patty. 2007. "Slackers and Zealots: Civil Service, Policy Discretion, and Bureaucratic Expertise." *American Journal of Political Science* 51 (4): 873–889.
- . 2013. *Learning While Governing: Expertise and Accountability in the Executive Branch*. Chicago: University of Chicago Press.
- Gotsch, Kara, and Vinay Basti. 2018. "Capitalizing on Mass Incarceration: U.S. Growth in Private Prisons." The Sentencing Project. Accessed November 24, 2019. [sentencingproject.org/publications/capitalizing-on-mass-incarceration-u-s-growth-in-private-prisons/](https://www.sentencingproject.org/publications/capitalizing-on-mass-incarceration-u-s-growth-in-private-prisons/).
- Green, Erica L., and Stacy Cowley. 2019. "Emails Show DeVos Aides Pulled Strings for Failing For-Profit Colleges." The New York Times. Accessed November 24, 2019. [nytimes.com/2019/07/23/us/politics/dream-center.html](https://www.nytimes.com/2019/07/23/us/politics/dream-center.html).

- Groseclose, Tim. 2001. "A model of candidate location when one candidate has a valence advantage." *American Journal of Political Science*: 862–886.
- Hall, Richard L, and Alan V Deardorff. 2006. "Lobbying as Legislative Subsidy." *American Political Science Review* 100 (01): 69–84.
- Hirsch, Alexander V., and Kenneth W. Shotts. 2015a. "Competitive Policy Development." *The American Economic Review* 105 (4): 1646–1664.
- . 2015b. "Veto Players and Policy Entrepreneurship." Unpublished manuscript.
- . 2018. "Policy-Development Monopolies: Adverse Consequences and Institutional Responses." *Journal of Politics* 80 (4): 1339–1354.
- Hitt, Matthew P, Craig Volden, and Alan E Wiseman. 2017. "Spatial models of legislative effectiveness." *American Journal of Political Science* 61 (3): 575–590.
- Ivory, Danielle, Erica L. Green, and Steve Eder. 2018. "Education Department Unwinds Unit Investigating Fraud at For-Profits." *The New York Times*. Accessed November 24, 2019. [nytimes.com/2018/05/13/business/education-department-for-profit-colleges.html?module=inline](https://www.nytimes.com/2018/05/13/business/education-department-for-profit-colleges.html?module=inline).
- Jackman, Molly. 2013. "ALEC's Influence over Lawmaking in State Legislatures." Brookings. Accessed November 24, 2019. <https://www.brookings.edu/articles/alecs-influence-over-lawmaking-in-state-legislatures/>.
- Jilani, Zaid. 2013. "The Privatization of Public Service." Bill Moyers. Accessed November 30, 2019. billmoyers.com/2013/11/21/the-privatization-of-public-service/.
- Kempf, Elisabeth. 2017. "The job rating game: The effects of revolving doors on analyst incentives."

- LaPira, Timothy M, and Herschel F Thomas. 2017. *Revolving door lobbying: Public service, private influence, and the unequal representation of interests*. University Press of Kansas.
- Lax, Jeffrey R., and Charles M. Cameron. 2007. "Bargaining and Opinion Assignment on the US Supreme Court." *The Journal of Law, Economics, & Organization* 23 (2): 276–302.
- Lewis, David E, and Mark D Richardson. 2017. "Personnel System Under Stress: Results of the 2014 Survey on the Future of Government Service." *Center for the Study of Democratic Institutions Working Paper: 2–2017*.
- Light, Paul Charles. 2008. *A government ill executed: The decline of the federal service and how to reverse it*. Harvard University Press.
- Londregan, John, and Thomas Romer. 1993. "Polarization, Incumbency, and the Personal Vote." *Political economy: Institutions, competition, and representation*: 355–377.
- Lucca, David, Amit Seru, and Francesco Trebbi. 2014. "The revolving door and worker flows in banking regulation." *Journal of Monetary Economics* 65:17–32.
- McCrain, Joshua. 2018. "Revolving Door Lobbyists and the Value of Congressional Staff Connections." *The Journal of Politics* 80 (4): 1369–1383.
- Michaels, Jon D. 2017. *Constitutional Coup*. Harvard University Press.
- Nasr, Amir. 2015. "Voters: Shut the Revolving Door." Morning Consult. Accessed November 24, 2019. morningconsult.com/2015/06/08/voters-shut-the-revolving-door/.
- Prendergast, Canice. 2007. "The motivation and bias of bureaucrats." *American Economic Review* 97 (1): 180–196.

- Sanchez, Claudio. 2017. "Just What IS A Charter School, Anyway?" NPR. Accessed November 24, 2019. npr.org/sections/ed/2017/03/01/511446388/just-what-is-a-charter-school-anyway.
- Santos, Adolfo. 2006. *Do Members of Congress Reward Their Future Employers?: Evaluating the Revolving Door Syndrome*. University Press of America.
- Schnakenberg, Keith E., and Ian R. Turner. 2019. "Signaling with Reform: How the Threat of Corruption Prevents Informed Policy-making." *American Political Science Review*: 1–16.
- Shepherd, Michael E, and Hye Young You. 2019. "Exit Strategy: Career Concerns and Revolving Doors in Congress." *American Political Science Review*: 1–15.
- Shepsle, Kenneth A. 1992. "Congress is a "they," not an "it": Legislative intent as oxymoron." *International Review of Law and Economics* 12 (2): 239–256.
- Smith, Ben. 2011. "Podesta to step down at CAP." Politico. Accessed November 24, 2019. politico.com/story/2011/10/podesta-to-step-down-at-cap-066742.
- Taylor, Kate. 2015. "At Success Academy Charter Schools, High Scores and Polarizing Tactics." The New York Times. Accessed November 28, 2019. nytimes.com/2015/04/07/nyregion/at-success-academy-charter-schools-polarizing-methods-and-superior-results.html.
- Turner, Ian R. 2017. "Working Smart and Hard? Agency Effort, Judicial Review, and Policy Precision." *Journal of Theoretical Politics* 29 (1): 69–96.
- Verkuil, Paul R. 2017. *Valuing bureaucracy: The case for professional government*. Cambridge University Press.