

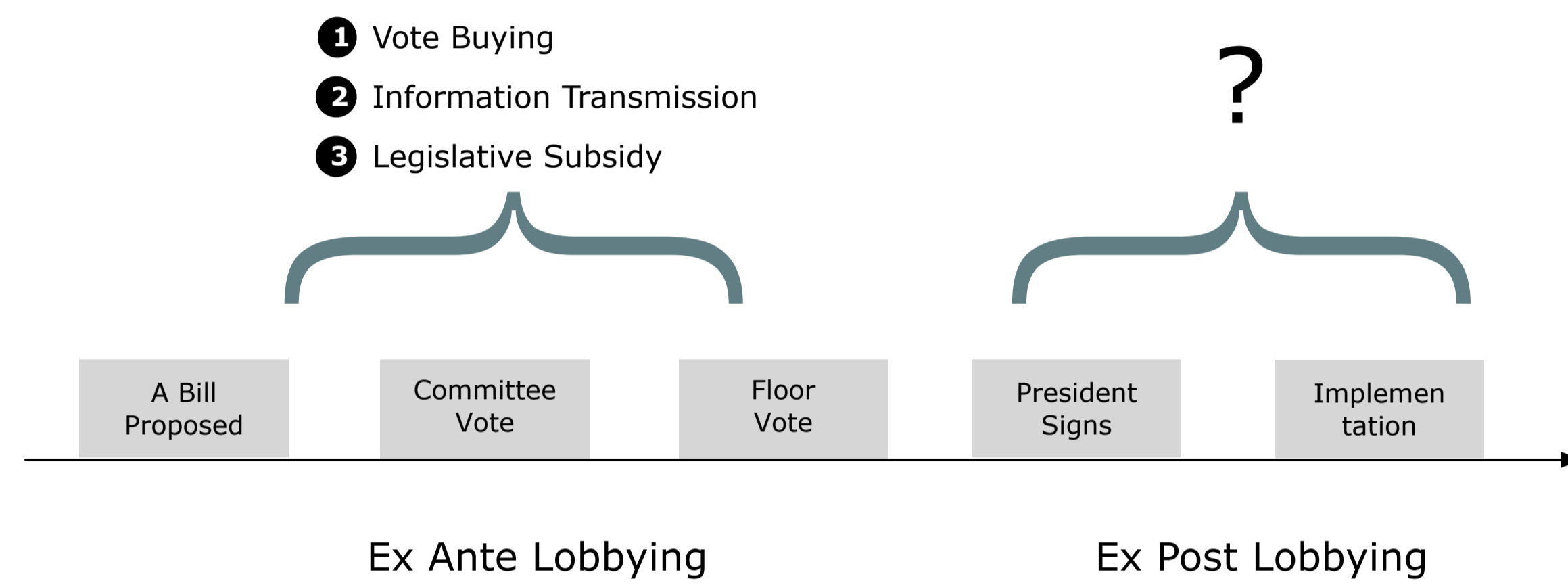
Ex Post Lobbying

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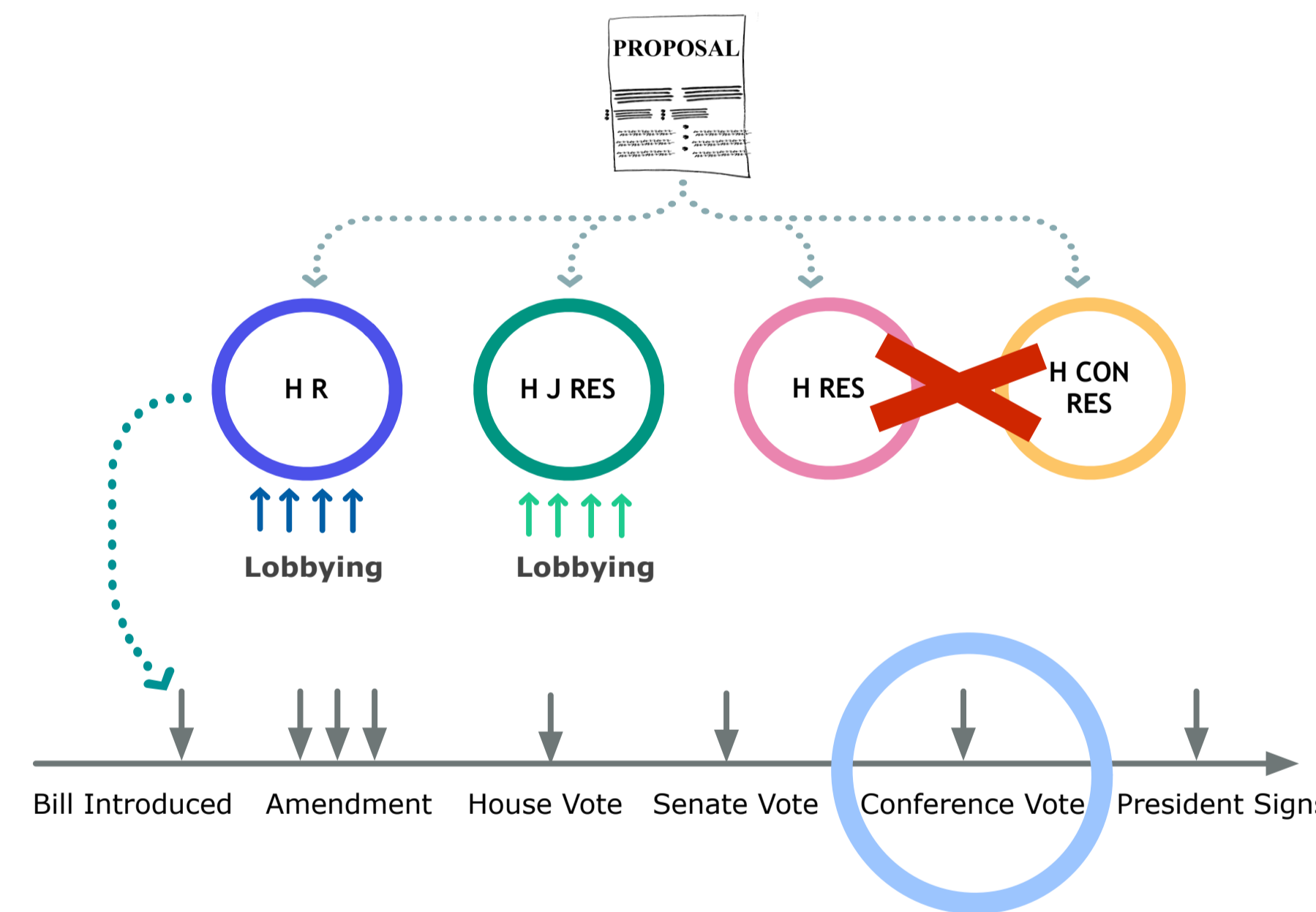
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Motivation.

Many groups are mobilized to lobby after bills are passed. But three prominent theories of lobbying only assume and predict lobbying before the voting. This paper aims to document the systematic patterns of ex post lobbying and provide an explanation.



Data Description.



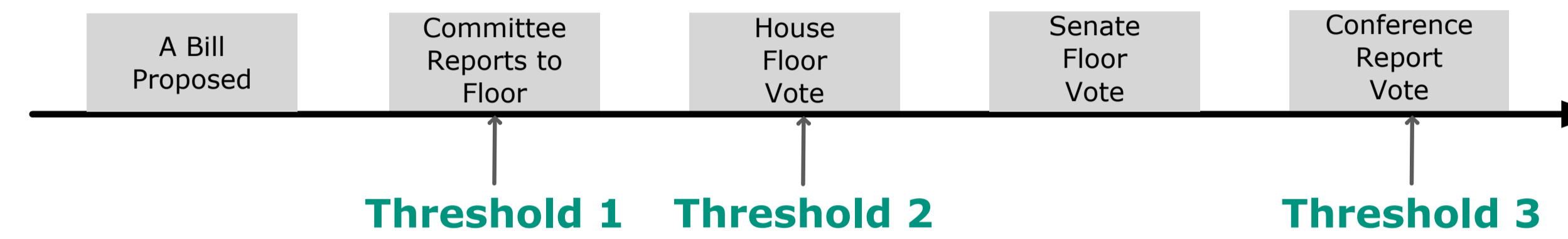
Data cover bills become laws from 107th to 111th Congress. Lobbying reports are matched into each bill.

Summary Statistics on Bills and Lobbying.

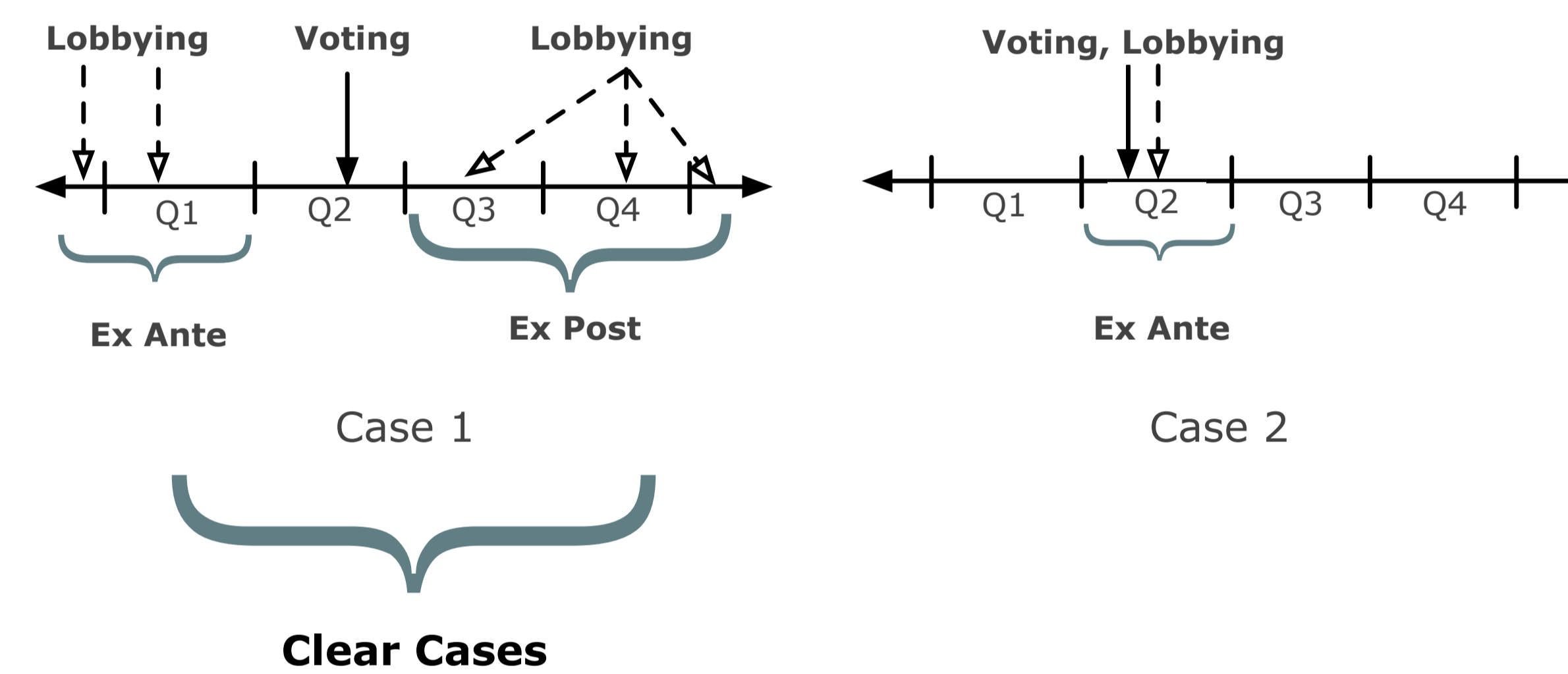
Congress	Majority	# Bills Become Laws	#Lobbying A Bill	Total Lobbying
107th	R	36	25.5	918
108th	R	39	37.61	1,467
109th	R	34	192.76	6,554
110th	D	32	156.46	5,007
111th	D	33	411.84	13,591
Total		174		27,537

Coding Lobbying Timing.

Three different thresholds are set to distinguish the volume of lobbying in each stage.



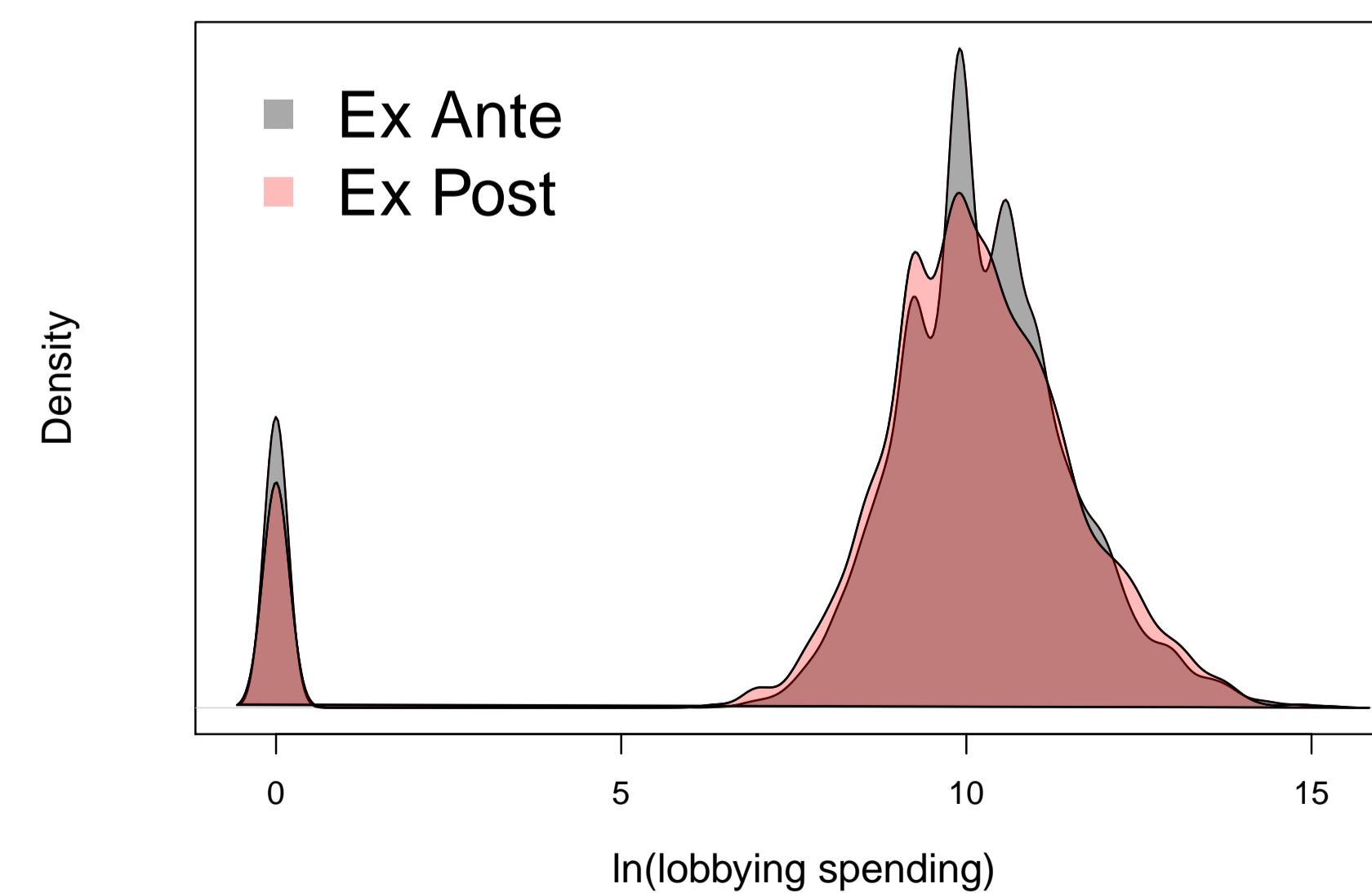
The coding follows the rules described in the diagram below:



Clear Cases

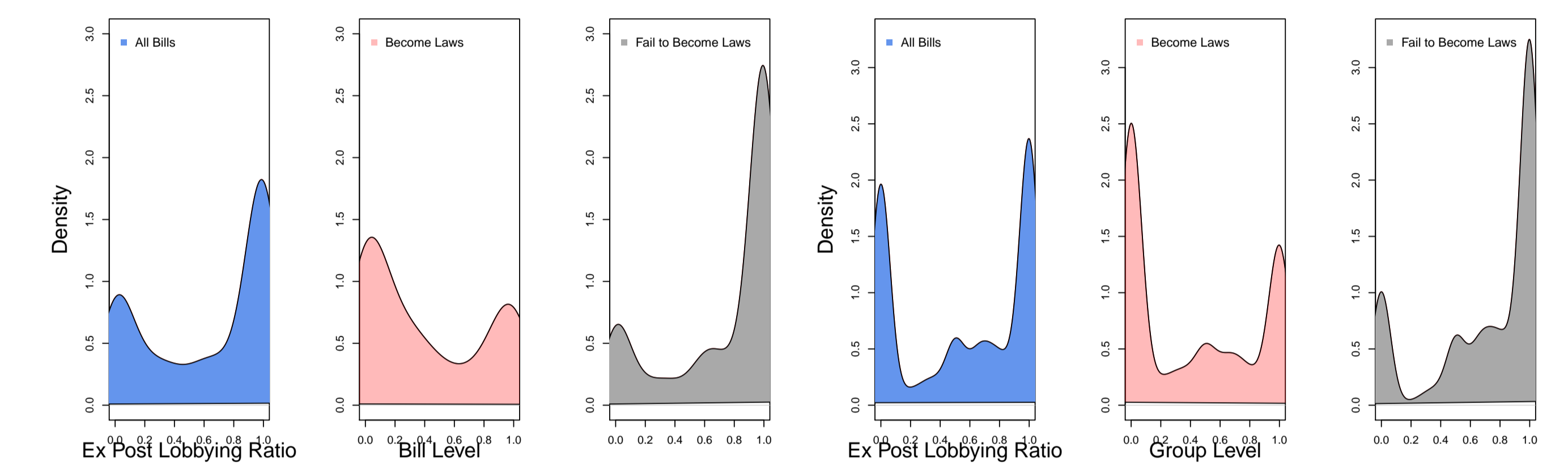
Evidence of Ex Post Lobbying.

Congress	Threshold 3		Threshold 2	
	Ex Ante(%)	Ex Post(%)	Ex Ante	Ex Post
107th	82.59	17.41	21.84	78.16
108th	83.22	16.78	24.43	75.57
109th	67.78	32.32	3.96	96.04
110th	83.22	16.78	41.21	58.79
111th	24.27	75.73	0.5	99.05
Total	50.36	49.64	12.88	87.12



Characteristics of Ex Post Lobbying.

- More Lobbying on Federal Agencies and Bureaucracies.
- More in-house lobbying than hiring professional lobbying firms.
- Organizations with PAC contributions.
- Specializations in lobbying patterns at both the bill and the group level. Bi-module shapes in terms of ex post lobbying ratio.



A Model.

The main idea is that there are two types of bills: non-pie creating (human rights) and pie creating bills (appropriations). For pie creating bills, ex ante lobbying increases the size of the pie but an post lobbying is required to claim a portion of the pie in the post-bill period bargaining (Tullock's contest success function). The dilemma is that if a group puts more ex ante lobbying, it brings more ex post lobbying by other groups which has a negative effect on its share. The Maximization problem is:

$$\begin{aligned} & \max_{e_j^P, e_j^A} P_j(e^P, \alpha) \Pi - c(e_j^P + e_j^A) \\ & s.t. \quad P_j(e^P, \alpha) = \frac{e_j^P \alpha_j}{\sum_{j=1}^n e_j^P \alpha_j} \\ & \quad \quad \quad \Pi = f\left(\sum_{j=1}^n e_j^A\right) \end{aligned}$$

In the sequential equilibrium, the equilibrium lobbying efforts are:

$$\begin{aligned} e_j^P &= \left[\frac{\Pi \sum_{i \neq j} e_i^P \alpha_i}{c \alpha_j} \right]^{\frac{1}{2}} - \frac{\sum_{i \neq j} e_i^P \alpha_i}{\alpha_j} \\ e_j^A &= \left[\frac{\partial P_j}{\partial e_j^P} \frac{\partial e_j^P}{\partial e_j^A} \right] \Pi + \left[\sum_{i \neq j} \frac{\partial P_j}{\partial e_i^P} \frac{\partial e_i^P}{\partial e_j^A} \right] \Pi + P_j \frac{\partial \Pi}{\partial e_j^A} - c \left[\frac{\partial e_j^P}{\partial e_j^A} + 1 \right] = 0 \end{aligned}$$