Revolving Door Benefits?
Political connections shape access to EU agenda-setters

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Abstract

While transfers of bureaucrats and politicians into the private sector raise concerns, research has paid sparse attention to how these hires benefit their new employers in developed democracies. To understand both the political and economic consequences of hiring revolvers, we combine novel data on the career trajectories of EU officials and politicians with datasets on high-level meetings with the European Commission, text data on meeting content, EU grants and procurement. We show that private sector organizations hiring revolvers experience increased access to the Commission, and suggest this is driven by political connections of the revolvers since effects are short-lived and in areas where revolvers did not formerly work. Moreover, these effects only pertain to agenda-setting meetings, and hiring revolvers does not affect the award of EU funding. Our findings contribute with important new theoretical and empirical insights into how, when, and why hiring revolvers strengthen private sectors organizations.

Introduction

Across most developed contexts, the flow of politicians and public officials into the private sector has become a stable feature of modern politics. Academics and pundits alike speculate that the huge amount of money associated with revolving door lobbying indicates that special interests use it to extract resources. An oft-raised concern about this "revolving door" is that special interest groups can buy influence on public policy by hiring former political insiders. The most common argument is that former public officials provide privileged information and connections to the private sector organizations that come to employ them (e.g. McKay 2012; Coen and Vannoni, 2016; Hirsch et al 2019; LaPira and Thomas 2017; McCrain 2018; Shepherd and You 2019).

Following this line of reasoning, the extant research on the revolving door agrees that hiring politically connected staff matters economically for lobbying firms: revolvers are likely to produce an economic premium for their post-elective employers (Blanes i Vidal et al 2012; LaPira and Thomas 2017; McCrain 2018). However, we know little about why that is. We argue that the revolving door shapes actual access to policy makers, and that revolvers derive much of their value from this. Obtaining access to a political system is an important step towards setting the political agenda (Binderkrantz et al. 2015; Bouwen 2004; Eising 2007). According to a famous Washington saying, "If you're not at the table, you're on the menu" (Schlozman, Verba, & Brady, 2012, 309).

Moreover, in order to move our theoretical understanding of the role of political connections in Western democracies forward, we lack knowledge of the mechanisms behind the value of revolvers. Uncovering these mechanisms requires a design that – rather than ***assuming*** that revolvers are beneficial for certain reasons – devises a strategy for unravelling how the different types of resources offered by revolvers affect the benefits they provide to their new employers. Because of the huge public attention to the revolving door, such empirical research also has the potential to assist the normative evaluation of the phenomenon, allowing decision-makers to decide how to regulate it.

To fulfill these aims we therefore examine both how, when and why private sector organizations benefit from hiring former politicians and civil servants. We leverage unique data availability in the European Union (EU) and combine a number of data sources. We link data on the private sector career trajectories of EU officials and politicians from both the Commission, European Parliament and the Council's permanent representations with data on access to Commission high-level meetings as well as EU grants and procurement contracts. Using a strong design with a series of difference-in-differences models, we investigate whether hiring a former EU employee or politician increases the number of high-level meetings with the Commission. Additionally, we leverage an important feature of the Commission's transparency regime – that the subject of high-level meetings with the Commission is disclosed. We explore this unique textual data to measure what the organized interests seek to discuss with decision-makers. Finally, we investigate the likelihood that the groups obtain EU grants and procurement contracts.

Our analyses demonstrate that the value of revolvers stems from their ability to gain access to decision-makers, and that revolvers use this access to shape the legislative agenda – not to extract financial resources from the EU system. We find that hiring a revolver buys lobbying organizations more high-level meetings with the Commission. We also present evidence supporting the idea that revolvers use their connections to decision-makers to obtain access. To do so, we pursue two strategies. First, we find that the effects of hiring former EU politicians and senior officials are generally only observed during the first year of the hiring, indicating either short duration of these positions or a fast decline of the relevance of the key assets provided by these actors. Given that the value of the political connections of the new employees typically deteriorates faster than their technical expertise, this indicates that it is primarily through connections rather than expertise that private sector employers benefit from hiring revolvers. Second, we show that the increase in meetings is concentrated among the directorates-general in the Commission, where the revolver did *not* formerly work. Again this delivers support that connections act as the most plausible driver of increases in access. The Commission's Code of Conduct ban its former officials from lobbying their former directorate-general of employment and within their fields of expertise. Instead, revolvers are likely to maintain social connections to people in other directorates-general, allowing them to gain access while still complying with ethics regulations. This suggests that revolvers use their connections to gain access, and that this allows the organized interest they represent to convey valuable information to the decision-maker or engage in other forms of exchange. Overall, these results are consistent with the theory that revolvers are valuable, because their connections make them trusted among decision-makers (see Hirsch et al 2019; McCrain 2018).

While finding that hiring revolvers increases access of new private sector employers, we also show that these access gains pertain to specific types of organized interests and meetings. Only lobbying firms and companies that hire revolvers experience increased access to the Commission, whereas other types of organized interests do not. Finally, we find limited evidence that the value of revolvers stems from an ability to extract financial resources from the political system. Hence, our analysis of potential fiscal gains obtained by hiring revolvers do not find that new employers are more likely to receive procurement contracts or grants from the EU.

These analyses have important implication for understanding the effects of the revolving door and make an attempt to unravel the mechanism driving them. Our evidence fits the notion that revolvers use their social connections to gain access to decision-makers that shape the agenda. This is a core reason why revolvers are highly valuable employees. By showing this, we do not only contribute to new knowledge of the political and economic consequences of hiring revolvers but also advance our theoretical understanding of the role of political connections in highly developed democracies. While these analyses definitely do not allow us to dismiss all fears of the potential consequences of hiring ex EU politicians and officials, they present somewhat of a less pessimistic picture of the revolving door

than the one presented by some think tanks and commentators: Hiring revolvers does allow organized interests to gain more access to high-level decision-makers, and they use this for the specific purpose of shaping the political agenda. The revolving door does not, however, appear to allow groups to extract more funds. This is perhaps even more surprising given that most of the revolvers whose careers we track are either politicians or relatively high-level civil servants, who might be expected to constitute the most important assets for future employers when it comes to securing political and economic benefits from the EU system. Our study provides valuable input for ongoing discussions of the effectiveness of the existing ethics rules as well as for discussions whether to extend such regulation to other types of staff and politicians in the EU and other types of political systems.

Thereby, we contribute to two important streams of research. First, we add to the theoretical and empirical literature on interest group access to decision-makers (Awad 2020; Binderkrantz et al. 2015; Bouwen 2004; Eising 2007; Miller 2019), particularly by showing empirically how political connections shape access in the EU. Second, we add to the recent research on revolving door politics (Coen and Vannoni 2016, 2018, 2019; LaPira and Thomas 2017; McCrain 2018; Weschle forthcoming), by presenting new evidence on what it is that makes revolvers valuable. In doing so, we combine insights from the EU and the US literatures which have evolved separately.

Lobbying, Political Connections and Information

One of the most widely replicated findings in the literature, is that – among lobbying firms – revolvers attract more revenue than similar lobbyists with no background in politics. Existing studies mostly explain this by the *political connections* and *expertise* revolvers bring to their new employers. Blanes i Vidal et al (2012) show that the loss of a political connection leads to a large decrease in the revenue associated with a lobbyist. Relatedly, Bertrand et al (2014) attempt to quantify the relative value of connections and expertise, and suggest that who you know matters more than what you know. In line with this conclusion, LaPira and Thomas (2017) argue that revolvers are largely hired for their knowledge of the political game and connections rather than their substantive policy expertise. McCrain (2018) also argues that legislators are more likely to trust information coming from people they know. Revolvers gain more access, because they know the right people – this allows them to deliver based on their substantive knowledge. Still policy expertise seems to matter quite a lot when we examine the behavior of revolvers before they leave public service. Here, Shepherd and You (2019) find – among other things – that Members of Congress that employ soon-to-be revolvers have higher legislative productivity, and grant more access to special interests.

Most of this literature on the revolving door focuses on the US. However, in a series of recent papers Coen and Vannoni (2016, 2018, 2019) look closer at EU Business-Government relations including the revolving door. Their work demonstrates that, while career moves between the political

and private sector is not as widespread in the EU as in the US, they do occur. An Alter-EU report for example documented that six out of thirteen departing Commissioners in 2009-10 went into corporate or lobbying jobs and noted that the phenomenon was not restricted to the Commission but that similar patterns existed for high-level officials from the EU institutions in general.[1]

We add to both the EU and the broader literatures on the revolving door. First, we present the first evidence on the consequences of hiring revolvers in the EU. Second, our results inform the broader literature by emphasizing the value of access as opposed to rent extraction. Third, our analyses exploring the mechanisms underlying potential effects of hiring revolvers inform us about the relative importance of different types of resources offered by revolvers for the benefits enjoyed by their new employers. Our evidence underscoring the importance of social connections, and showing that revolvers are used to set the agenda informs us about the role of revolvers and – consequently – how they should be regulated.

Theoretical framework

We argue that, to investigate why revolvers are valuable lobbyists, a first logical step is to investigate *the access* that organizations gain to policy makers. It is widely recognized that access might be an important precondition for policy influence (Binderkrantz et al. 2015; Bouwen 2004; Eising 2007). Importantly, access to decision-makers is valuable in its own right, and groups might invest in it – even if it does not allow them to shape policy or extract finances (Grossman and Helpman 2001). Access can be defined as 'instances where an organized interest has entered a political arena (parliament, administration, or media) passing a threshold controlled by relevant gatekeepers (politicians, civil servants, or journalists)' (Binderkrantz et al. 2017, p. 16). In these exchanges, policy makers can benefit from both the expertise, financial resources, as well as the legitimacy of interest organizations (Bouwen 2002; Hall and Deardorff 2006; Dür and Mateo, 2016).

When choosing whom to meet with, however, decision-makers face the problem that there are many groups that seek access, and the substantive expertise that they offer might be biased (Grossman and Helpman 2001; Hall and Deardorff 2006). This places the decision-maker in a conundrum: They need information to construct policy, but it is often too costly to validate the information offered by the groups. Politically connected revolvers play an important role in this situation. Their social connections to the current decision-makers make them more likely to be trusted (McCrain 2018). Importantly, lobbyists that are not personally acquainted with decision-makers cannot commit to only introducing them to groups with the most valuable information – the profit motive means that they have an incentive to represent as many clients as possible (Hirsch et al 2019). Thus, in

[1] https://www.alter-eu.org/the-revolving-door-in-detail

a situation where decision-makers use lobbyists to vouch for the organized interest they represent, politically connected revolvers are much more likely to be listened to.

Therefore, political connections and different types of information are related, because revolvers help the transmission of substantive expertise between organized interests and decision-makers. Such technical information is one of the key resources that policy makers demand in their exchanges with lobbying organizations (De Bruycker 2016). Additionally, the revolvers' *procedural expertise* means that they know where in the political organization to enter (LaPira and Thomas 2017).

We expect the effects of hiring revolvers to decrease over time, vary between depending on the type of organized interests and meeting activities. For one, many of the assets revolvers possess might deteriorate in value over time. Especially networks and connections might not last forever in a political environment where there is a high turnover in the kind of officials that deal with specific topic areas. The staff in the Council's permanent representations is typically only based in Brussels for a fixed period of time. Even within the Commission and the Parliament, staff rotates between different policy portfolios. While technical and substantive expertise also needs updating in a complex legislative environment, these assets can generally be expected to keep their value for longer than political connections. Basic education acquired by EU officials and politicians in a given substantive area should be useful, not only in the short term, but also in the long run. The fact that the value of the political connections of the new employees is likely to deteriorate faster than their technical expertise, might ultimately help us judge the potential mechanisms underlying possible effects of hiring revolvers. Hence, even if the effects of hiring revolvers are strongest in the beginning no matter which mechanism is at play, we would expect effects to be more long-lasting, the stronger the impact of technical expertise.

In addition, some organized interests are likely to benefit more from hiring revolvers than others. The reason is that even if these organizations all engage in resource exchange with decision-makers as we discussed above, the nature of the research exchange varies for different actor types (Binderkrantz el., 2015; Rasmussen et al. 2018). For some organized interests, a key rationale for getting access is their ability to represent either broader societal interests or key segments of society. Decision-makers need to engage in close dialogue with such interests to boost the legitimacy of their organization and policies irrespective how many former ex-officials and politicians with technical expertise and political connections they have on their payroll. Such organizations may still hire revolvers but experience fewer direct benefits of doing so. Yet, for other organized interests with a weaker "representative" and "legitimizing" potential, revolvers might be able to make a stronger difference in terms of which political and economic benefits they get. The extreme example would be contract lobbyists who are professional lobbyists working for specific clients most of whom do not have a mission linked to broader societal concerns. Similarly, companies could be another example of an organization type that usually cannot make a "broader representative claim" themselves to be included

in deliberations or awarded certain contracts. Rather than representing constituencies linked to broader societal concerns, that have a more well-defined socio-economic, constituency to represent. When deciding on awarding access and economic contracts to the latter types of actors, decision-makers may be less affected by concerns of boosting legitimacy and stronger influenced by other factors, such as their degrees of professionalization and expertise. For the latter having ex-staffers and politicians from the EU apparatus working for their organization might therefore make a greater difference.

Finally, it is important to note that different types of revolvers are likely to take on different roles in their post-political lives – and are likely to be hired for different purposes. Importantly, it is possible that gains in access apply more to certain types of meeting activities than others. Given that the vast share of revolvers in our dataset are relatively high-level public officials and politicians, we would expect them to be better versed in setting the EU's agenda and less adept at fleshing out very specific details. Consequently, organized interests that hire them should be less likely to do so to secure meetings on specific details of ongoing policy proposal. It is more likely that their new employers use the weight of these ex-officials and politicians to influence the broader policy agenda of the EU institutions.

Empirical Context and Data Overview

While not a state, the EU resembles a political system in a number of crucial respects, not least because its member states have delegated important law-making competences. Similar to national political systems, EU decision-makers thus regularly interact with organized interests. 11,653 organized interests are currently registered in the EUs voluntary Transparency lobby register[2], and President of the European Commission Jean-Claude Juncker (2014) made the democratic legitimacy of his Commission one of the primary aims of his term when taking office. One of the commitments made was to enhance transparency regarding contact with external stakeholders and lobbyists by presenting new initiatives to strengthen lobby registration and to regulate the flow of European Commissioners into lobbying positions in the private sector.

By focusing on the EU, we contribute to not only a sparse literature on this system (Coen and Vannoni, 2016, 2018, 2019) but also to the wider study of the actual political consequences of the revolving door about which we still know little. In this political system, we can leverage a number of unique data sources and link information on transfers of staff members and politicians from the EU institutions to organized interests with fine-grained data on (contents of) meetings and fiscal transfers obtained by these actors.

[2] http://ec.europa.eu/transparencyregister/ (retrieved April 10, 2020).

First, to estimate the effect of gaining a political connection by hiring a former high-level EU official or politician on access to meetings and financial resources, we start by constructing a binary indicator of the year during which the organized interests hire revolvers. Former European Union officials and politicians that have gone through the revolving door are identified based on a dataset from Corporate Europe Observatory (CEO) titled the RevolvingDoorWatch (Website Corporate Europe Observatory). CEO relied on a combination of desk research and used available online documents provided by the EC to construct a list of EU officials and politicians that later transferred to positions in the private sector. This includes Commissioners, European Commission officials, MEPs, Director-Generals of the Presidency of the EP, Permanent Representatives and officials working in Permanent Representations.[3] This list contains information when and to which private sector organizations the EU officials and politicians revolved. The fact that these revolvers were either EU politicians or relatively senior civil servants should increase the likelihood that their future employers reap benefits from hiring them meaning that our study constitutes a most likely design for detecting political and economic benefits of the revolving door.

Second, we exploit the fact that the EU Commission releases data on meetings between high-level Commission officials and organized interests to construct a monthly dataset on access. Since December 2014, public officials have been required to register and disclose information about the lobby meetings in which they take part, including the topics and participants. This data is cleaned and made readily available by Transparency International. It contains not only information about meeting participants but also a short description of the content of each meeting, which we content code.

Third, we construct a yearly dataset of procurement contracts and grants that organizations receive from the EU. We collect these data through the Financial Transparency System, which registers all contracts and grants that are directly managed by any EU body.

The Revolving Door and Access to Commission Policymakers

In our first set of analyses, we investigate the effect of hiring a former EU policy-maker on gaining access to high-level officials in the EU Commission. We proceed by first describing the dataset and presenting our identification strategy before presenting the results.

Dataset I: access to policymakers and identification strategy

To measure the access that an organization gains to the European Commission, we rely on two measures. First, to measure access at the intensive margin, we construct a measure of the *number* of

[3] For the European Commission, our data contains 15 Commissioners, 1 President and 28 officials.. For the European Parliament, our data contains 22 MEPs and 1 Directoral-General of the Presidency. For our Permanent Representation data, our dataset contains 2 Permanent Representative, 2 attachés, 1 counsellor and 1 head of EU strategy.

monthly meetings that an organization has with top-level staff in the European Commission within a four-year period (between late 2015 and 2018). In our analyses, we log transform this measure. Second, we construct a binary measure of whether an organization has a meeting with the EC in each month in our data.

To identify the effect of hiring a revolver on gaining access to the Commission, we employ a difference-in-differences strategy. The classical double-difference estimator is identified under the assumption of parallel trends absent treatment – organized interests that did and did not hire revolvers would have followed parallel trends in meetings with the Commission if no one had hired a former EU official. The main threat to identification arises from events that could happen at the same time as the hiring takes place. We can think of two general classes of such confounding events. First, there might be unobservable shocks to the system, which could both induce the organized interest to hire a revolver and increase its number of meetings with the EU Commission. In this setting, this is problematic, because it is not random which type of organized interest it is that chooses to hire a former EU official. If certain types of organized interests react to unobserved shocks by hiring people with a background in politics, this could bias the classical difference-in-differences estimator. We follow two strategies to deal with this. First, we only include organized interests that at some point during our period of investigation choose to hire a former EU official or politician in the main models. While this has the consequence that we estimate local effects, it holds constant the type of organized interest that chooses to hire a revolver by using variation in timing alone for identification. Importantly, we show in Appendix B that the results are not driven by this sample restriction. As a second way of dealing with unobserved shocks, we leverage the high granularity of our data. Because we track meetings and hirings within years, we can modify the standard difference-in-differences strategy by allowing for yearly unobserved shocks to each organized interest. There are two ways of thinking about the advantages of this strategy. a) It only assumes trends in meetings to be parallel within each year, whereas the classical difference-in-differences setup would constrain trends to be parallel throughout the entire period. Our design allows the slopes and intercepts of the trends in meetings to move around freely *between* years. b) All confounders that change from year to year will be controlled away. While real-world factors obviously change between months, most of the confounders we could hope to collect data on would be on the yearly level. This strategy purges our estimates off all such unobservables. The second class of events that could threaten identification stems from the organized interest's strategy: organized interests might choose to pursue other influence-seeking strategies simultaneously with hiring former EU officials. While we cannot deal with this in a design-based way, we apply a number of control and placebo strategies to substantiate that such alternative strategies do not drive our results.

We estimate the difference-in-differences through OLS regression models of the following form:

$$Access_{gmy} = \beta connect_{gmy} + \gamma_g + \delta_m + I_y * \gamma_g + \epsilon_{gmy}$$

Access denotes one of our two dependent variables capturing meetings with the Commission, and *g* represents the organized interest, *m* represents the month and *y* is the year. *connect* is our indicator of whether the organized interest hires a revolver in a given period, which makes β our parameter of interest – the effect of hiring a revolver on the organized interest's access. γ represents an organized interest fixed effect, while δ is set of monthly fixed effects. The organized interest fixed effect removes all time-invariant factors, while the time fixed effect deals with homogeneous monthly shocks to the system. It is the inclusion of these two sets of fixed effects that makes this a difference-in-differences model with variation in when organized interests are treated (see Goodman-Bacon 2018). Finally, the interaction between I and γ allows for unobserved shocks to each organized interest every year.

This yields a dataset including 3,128 organized interest-months[4], where 1,755 meetings were held between the Commission and 77 organized interests. According to Table 1, the number of meetings averages to approximately one-half each month, while the probability of having a meeting in a given month is about one-in-four. Approximately one-tenth of all organized interest-months are treated with a connection.

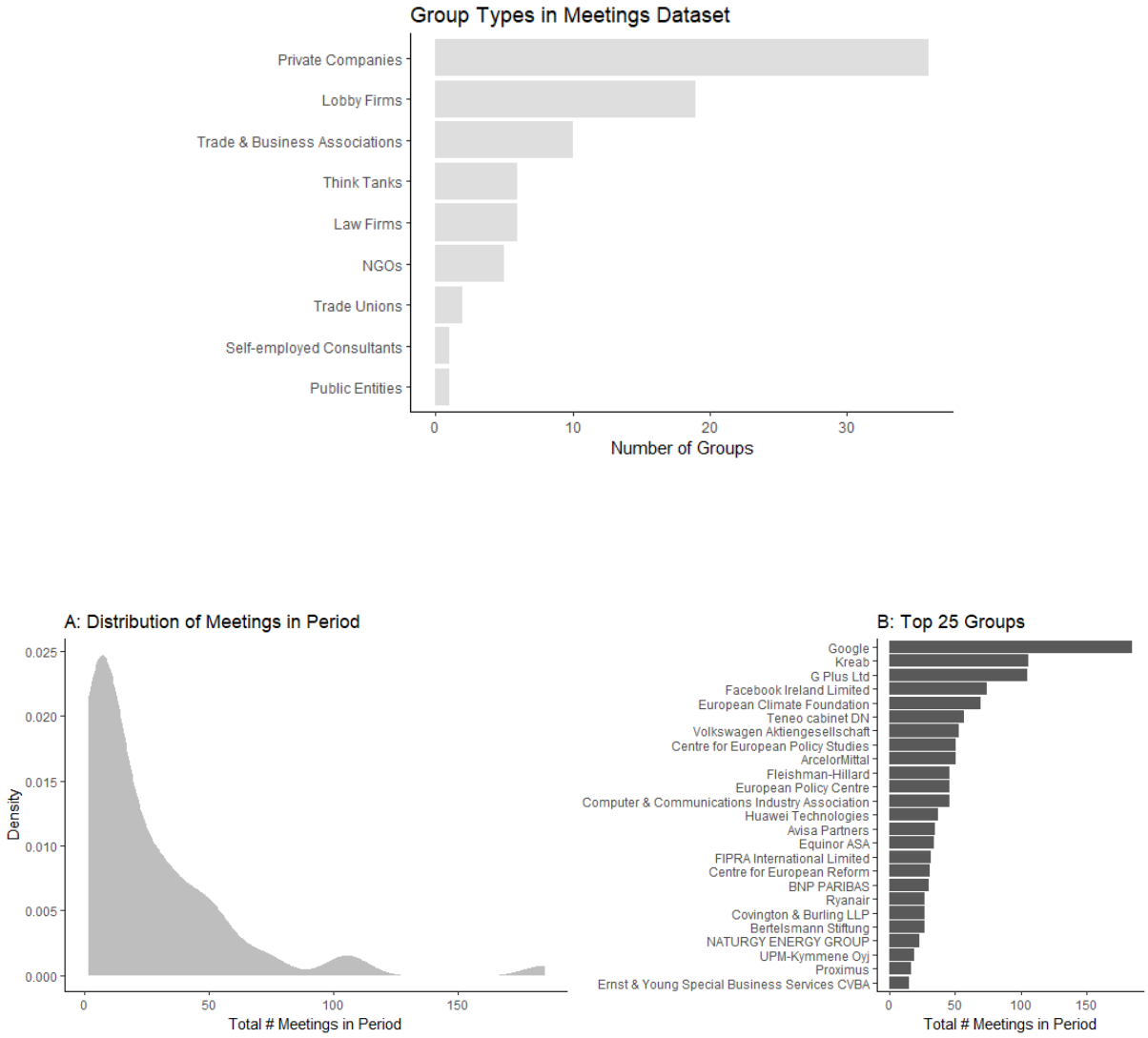
Table 1: Descriptive Statistics – Meetings Data

Statistic	Mean	St. Dev.	Min	Max	N
# Meetings	0.561	1.361	0	14	3,128
Meeting?	0.247	0.431	0	1	3,128
Month with employed revolver	0.108	0.310	0.000	1.000	2,215

Figure 1 shows that apart from less than a handful of public entities and self-employed consultants, the actors in the meeting data all constitute organized interests in a behavioural sense (Baroni et al. 2014) i.e. non-state organizations attempting to influence public policy. NGOs and Trade Unions account for a considerably lower share of the total number of actors in the dataset than business groups, companies and lobby firms.

[4] For a few revolving door positions we were unable to obtain the starting dates of the new position. This induces some missingness in the variable capturing Months with employed revolver and accounts for the discrepancy between the n's on the meeting variables in Table 1.

Figure 1. Distribution of types of organized interests in meeting dataset



Results 1: Does the Revolving Door Increase Access to High-level Commission Policymakers?

Table 2 shows how the instantaneous effect of hiring former EU officials and politicians is related to getting access to meetings in the Commission both when investigating the number of meetings (the intensive margin) and probability of getting a meeting (the extensive margin). We find a sizable increase in the number of meetings amounting to approximately 15 percent and that the likelihood of getting a meeting is 8.7 percentage points higher in a year when a revolver is hired.

While all changes from year to year are controlled away, some threats to the parallel trends assumption remain. Importantly, unobserved shocks might affect organized interests differently depending on their general propensity to involve themselves politically. To guard ourselves against this, we collect data on lobbying expenditures from the Transparency Register[5], and interact this with the month fixed effects. This allows organized interests to be on different trends depending on (linear) expenditures. This does not alter the results substantively. A similar threat to identification would be if organized interests chose to pursue alternative political strategies in conjunction with hiring revolvers. For example, if they increased their lobbying expenditure, when they hired a former official, it would be difficult to tease the two effects apart. In Appendix A, we investigate this possibility, but find no changes in lobbying expenditure before, during or after the organized interest hires a revolver.

Table 2: Hiring former EU Employee and Commission Meetings

	Dependent variable:			
	# Meetings		Meeting?	
	(1)	(2)	(3)	(4)
Hire EU Employee	0.154*	0.171**	0.087*	0.102*
	(0.064)	(0.061)	(0.041)	(0.043)
Organized interest FE?	Yes	Yes	Yes	Yes
Month FE?	Yes	Yes	Yes	Yes
Organized interest X Year FE?	Yes	Yes	Yes	Yes
Month FE X € Lobby?	No	Yes	No	Yes
Observations (Organized interest-Month)	2,216	1,778	2,216	1,778

Note: Robust standard errors with organized interest-level clustering in parentheses. * *and* ** indicates statistical significance at the 5 and 1 percent levels. Dependent variables: in column 1 and 2, the logged monthly number of meetings. In column 3 and 4; a binary indicator for monthly meeting.

[5] Data in the Transparency Register is self-reported and no sanctions are enforced against erroneous registrations. This makes the data error-prone. For example, we observe relatively few changes in lobbying expenditure. Still, this is the best source of data on other political strategies of the organized interests.

To test whether these effects differ between the types of organizations former officials revolve to, we run interaction models that allow for different effects depending on organized interest types. Here we distinguish between lobbying firms, companies, NGOs, trade and business associations and a residual category containing trade unions, law firms and self-employed consultants. According to Figure 2, the effects are mainly driven by lobbying firms, which do not represent their own interests, but rather lobby on behalf of clients as 'hired guns'. These actors experience an increase in their predicted probability of close to 40 percentage points. This is in line with our expectation that lobby firms and companies representing narrower constituencies should gain the most from hiring revolvers whereas organized interests representing broader segments of society might get access no matter what to secure legitimacy. It provides some interesting indication that also in the EU, the role of connections and knowledge of the political process is certainly not unimportant and may for some organizations be the prime motivation for hiring revolvers. We also find a sizable effect for private companies, which experience an increase of approximately 15 percentage points in the predicted probability of obtaining a meeting. At the same time, this effect is only statistically significant at the 10 percent level.

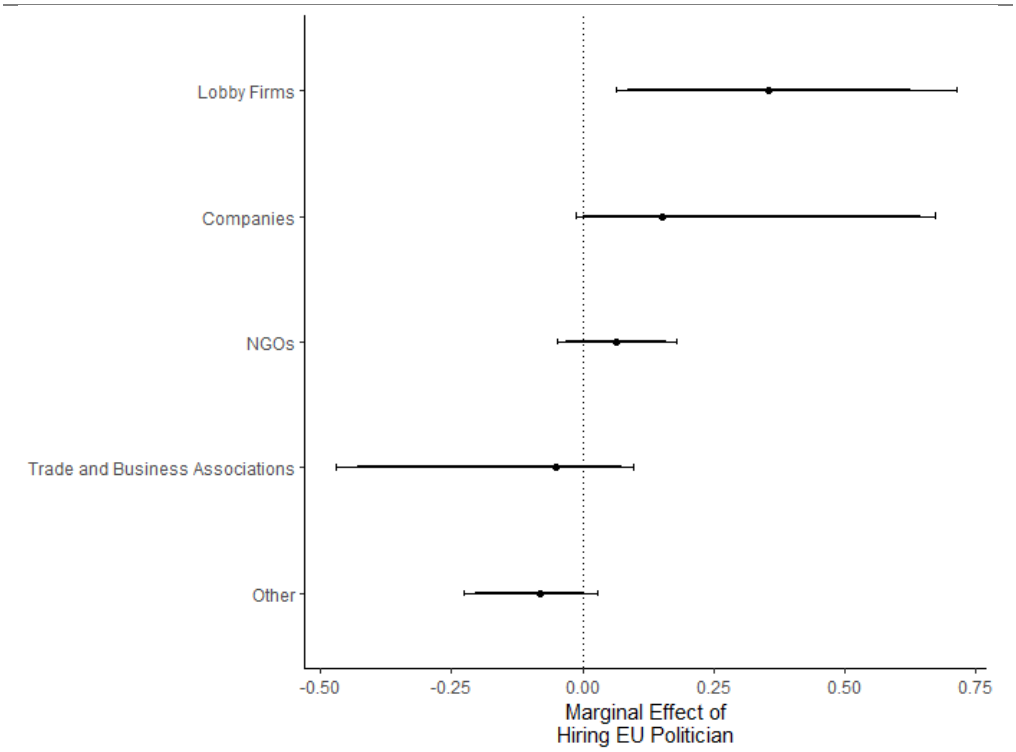


Figure 2: Effects are Driven by Lobby Firms

Note: Dependent variable is the probability of gaining a meeting with the Commission. Results show the marginal effect of hiring an EU revolver for each type of organized interest. Point estimates are unstandardized OLS estimates from models including fixed effects for group, month as well as an interaction between organized interest and year. Confidence intervals are derived through a non-parametric bootstrap. Thick lines are the 90th percentiles of the distributions, whereas thin lines are the 95th percentiles.

Observable Implications: Why Do Revolvers Increase Access?

As a next step, we conduct a series of additional analysis in order to get a better understanding the mechanisms accounting for possible increases in access for organized interests employing revolvers. As mentioned, we are interested in investigating the notion that revolvers leverage their connections to gain access. This will allow them to deliver whatever substantive expertise their employer controls.

Meetings with the Directorate-General the Revolver Came From

First, we leverage the fact that the Commission enforces a Code of Conduct for its former officials. These rules not only bar revolvers from engaging in any form of advocacy of their former directorate-general, they also prohibit them from working on matters they were responsible for while employed in the EU system. These rules are enforced for both former commissioners and senior commission staff. Post-EU employment must be approved by more senior officials or, if none exists, the Independent Ethics Committee. This vetting process includes particular elements of the revolver's job, and the Commission or the Ethics Committee can force revolvers to recuse themselves from particular parts of their new job.

These rules allow us to device a test of whether political connections matter for access. If the increase in meetings is driven by the organized interests gaining access to the directorate-general where the revolver used to work, this could both be driven by the revolver's substantive expertise and her connections. This would also indicate that revolvers typically do not comply with the Code of Conduct. Importantly, however, if the effects are for meetings in other directorates-general, this would strongly suggest that our findings are not driven by field-specific policy expertise. To see the intuition, it is useful to consider the perspective of an access-seeking employer. If an interest group seeks access to, for instance, the Directorate-General for Energy, having case-specific substantive expertise on hand will help them. Any revolver from DG Energy they have employed will not be allowed to use her expertise on the matter. A revolver from a directorate-general with an adjacent policy focus – say, Transport – might have some expertise. However, the group would be able to contract with experts with direct knowledge of the topic who have never been employed in the EU system – they would have much fewer restrictions on their behavior vis-à-vis the Commission. What a revolver from DG Transport *will* have in this case is social connections and procedural knowledge that will allow her to gain access to DG Energy, allowing the group to deliver its message. It is clear that if a group is in compliance with the Code of Conduct, its incentive will be to hire revolvers for their connections.

Table 3 shows results from differences-in-differences models similar to the main ones presented in Table 2, but with meetings with the directorate-general where the revolver was formerly employed as the dependent variables. Only revolvers from the Commission can be tied directly to a DG. Therefore, we focus on solely on Commission revolvers in this analysis. Crucially, our estimates are insignificant and less than half of the size compared to the overall counts and probabilities of

meetings. This suggests that the main results are not driven by meetings with the revolvers former directorate-general. Since the revolver will have connections to other places in the Commission and strategic knowledge of the Commission's operating procedures, these will be the likely mechanism. This also suggests that the Commission's ethics rules are effective, and revolvers generally abstain from lobbying their former colleagues.

Table 3: Meetings with the Revolver's Former DG

	Dependent variable:	
	# Meetings W/ former DG	Meeting W/ former DG?
	(1)	(2)
Hire EU Employee	0.015	0.010
	(0.038)	(0.033)
Organized interest FE?	Yes	Yes
Month FE?	Yes	Yes
Organized interest X Year FE?	Yes	Yes
Observations (Organized interest-month)	1,480	1,480

Note: Robust standard errors with organized interest-level clustering in parentheses. Dependent variables: the logged monthly number of meetings held with the revolver's former DG (column 1), and a binary indicator for a monthly meeting with the revolver's former DG (column 2).

Effect Timing

Second, political connections are likely to decay over time – and more quickly than either of the potentially important knowledge capacities. Thus, if the effects last for a short period of time, this would suggest that political connections are the most plausible mechanism.

To investigate this, Figure 3 plots models with one and two year lags and leads, respectively, on the dependent variable. The results show two interesting patterns: first, that there are no statistically significant pre-trends, which is important for identification purposes. Second, the effect only persists for approximately one year, before the coefficient drops to a level similar to the one prior to hiring.

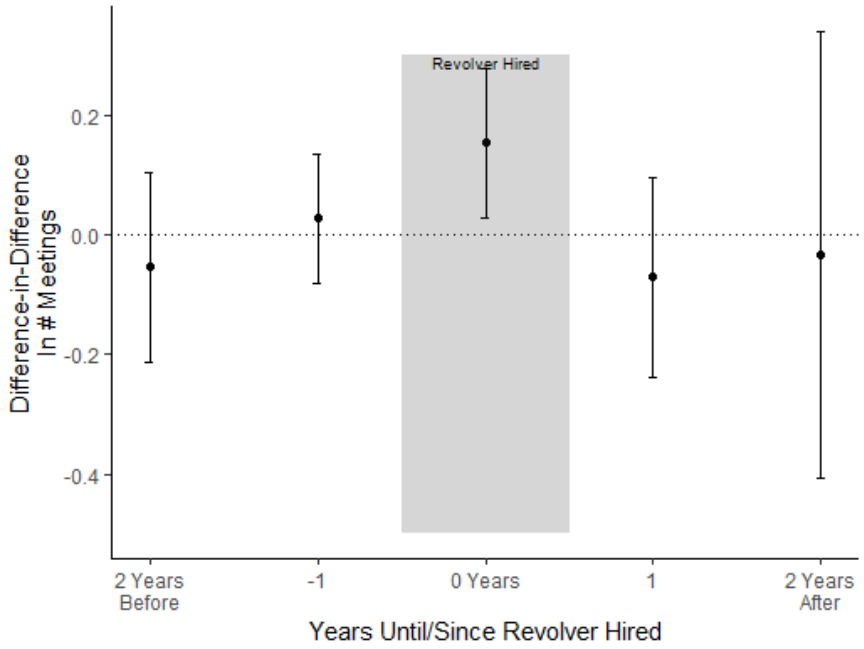


Figure 3: Meetings and Time Until Hiring

Note: Dots are difference-in-difference estimates from regressions of the number of meetings on a dummy for when organized interests hire revolvers. Confidence intervals are 95 percent, computed from robust standard errors with clustering on the organized interest level.

The Revolving Door and Different Types of Access to Commission Policymakers

In addition to exploring the potential mechanisms driving short-term boost to access of hiring revolvers, the obvious remaining question is what the organized interests use this access for. Is the goal to influence specific policy outcomes, or to put new issues on the EU agenda?

As noted previously the manner in which the EU Commission registers meetings is unique. Not only does it allow us to document which actors participated in meetings – we can also access information about the content of a meeting. We can leverage this as a part of our investigation of how organized interests use the access they gain through their political connections.

The data, however, is relatively scarce, as the description of a meeting's subject typically is no longer than a sentence. Because of this, the coding scheme we have developed is necessarily coarse, but it allows us to build a good proxy measure of our quantity of interest: Whether the organized interest's goal with the meeting is to shape a specific policy outcome, or to put an issue on the EU agenda.

We categorize the subjects of meetings in a simple scheme capturing how closely a meeting relates to policy. This captures whether the meeting related to a) very broad policy discussion that are not currently covered by a policy proposal or active legislation, b) medium-broad discussions regarding a particular sector of the economy, or c) specific policies and issues either in preparation or that already are in force.

Importantly, this measure of "policy specificity" captures agenda-setting and specific policy outcomes and issues as two extreme cases. First, how closely a meeting's subject relates to an actual policy proposal will naturally be related to the stage of the policy process. Very abstract meetings about subjects where the EU has not formulated a policy yet will typically have the goal of putting a new topic on the EU's agenda, or deciding what should be discussed before an actual proposal is developed. In contrast, meetings of higher specificity, which concern specific proposals or active legislation, are more likely to concern later stages of the policy processes.

Table 3 highlights some examples of meeting topics and how they are classified as one of our three different meeting types. An example of meetings including very broad policy discussions is a meeting between the consultancy APCO Worldwide and the Commission on "Economic developments and rule of law in Serbia". While it is not possible to ascertain what APCO's goal was with the meeting, it is clear that they were relaying some information about developments in Serbia that their client wanted the EU to be aware of, potentially influencing the future agenda of the EU. Second, as an example of a meeting related to an economic sector, BNP Paribas met with the Commission to discuss issues in the banking sector. While it is impossible to gauge the goal of the meeting, it is clear that BNP Paribas wanted to discuss some broader trends in the sector as such. Third, the meeting with ArcelorMittal is clearly about the outcome of a specific case regarding the imposition of anti-dumping duties on a steel product. A more detailed codebook can be found in Appendix D.

Table 3: Examples of Different Meeting Types

Meeting Classification:	**Example Subject Description:**	**Participant:**
Very Broad Discussions/ Agenda-Setting Meetings	"Economic developments and rule of law in Serbia"	APCO Worldwide
Medium-Broad Discussions/ Economic Sector Meetings	"Current issues in the banking sector"	BNP Paribas
Highly Specific Discussions/ Policy Specific Meetings	"Anti-dumping case on steel"	ArcelorMittal

After we have categorized each meeting with an available topic into these three categories (and a fourth residual category mostly containing meetings without direct policy relevance), we construct our measure of how much of an organized interest's access is used to set the policy agenda. We rely on two measures that mirror the ones we use in our analyses of access to the Commission: We use a) the log of a simple count of each meeting type, and b) a binary indicator of whether there were any meetings within of each category. The analysis remains at the organized interest-month level, and we estimate differences-in-differences models that are similar to the ones presented in Table 2.

Results 2: To Which Types of Meetings does the Revolving Door give Access?

According to Panel A in Table 4, hiring a former EU official is associated with an increase in the amount of meetings the organized interest uses for agenda setting purposes: 1) The number of agenda-setting meetings increase by approximately 9 percent, and 2) the probability that they have any agenda-setting meeting increases by 7 percentage points. These effects are significant at the 0.05 and 0.10 level respectively.

Table 4: Hiring former EU Employee and the Content of Meetings

	(1)	(2)
	Panel A: Meetings Related to Agenda-Setting	
	# Agenda-Setting	Agenda-Setting?
Hire EU Employee	0.092**	0.069*
	(0.046)	(0.035)
	Panel B: Sector-Related Meetings	
	# Sector	Sector?
Hire EU Employee	-0.004	0.005
	(0.027)	(0.017)
	Panel C: Meetings Related to Specific Policy	
	# Specific	Specific?
Hire EU Employee	-0.023	-0.032
	(0.038)	(0.031)
Organized interest FE?	Yes	Yes
Month FE?	Yes	Yes
Organized interest X Year FE?	Yes	Yes
Observations	2,215	2,215

*Note: Robust standard errors with organized interest-level clustering in parentheses. * and ** indicates statistical significance at the 10 and 5 percent levels. Panel A, B and C show, respectively, results for meetings relating to putting new issues on the agenda, the condition of a certain economic sector, and specific EU policies. Dependent variables: (logged) count of the respective type of meetings (column 1), and a binary indicator of at least one meeting of a certain type that month (column 2)*

In Panels B and C, we conduct similar analyses, but investigate whether hiring revolvers is associated with having more meetings on 1) subjects related specifically to the economic conditions of an economic sector, and 2) specific EU policies and political decisions. We find no indication that these other meeting types increase in response to hiring revolvers.

These are important findings. They suggest that hiring the kind of high-level public officials and politicians, who figure prominently in our dataset, primarily results in access gains to meetings with broader discussions. This is in line with our expectations and reinforces the notion that the role of employees with very high-level connections is not to influence the outcomes of very specific policy processes (e.g. the decision of who gets a specific procurement contract). Rather, they leverage their connections with the goal of steering the direction of the broader policy agenda. An alternative explanation for these findings is that organized interests that hire revolvers might want to hide the content of their meetings with the Commission. If this were driving our results, we would expect the description of the meeting content to be shorter and less linguistically diverse after a revolver is hired. In Appendix E, we show that this is not the case, suggesting that the results are driven by more meetings focused on putting new items on the EU's agenda. We also show in the Appendix that the effects for agenda-setting meetings last for approximately one year similarly to the overall results on access (see Appendix C).

The Revolving Door and Access to EU Funds

After having established that by hiring a revolver, organized interests can gain a short-term boost to their access to meetings with high-level Commission policymakers and that that the meetings gained are primarily of an agenda-setting nature, we now investigate whether these political connections also increase the amount of funds, organized interests can extract from the EU system. We present our second dataset in further detail and discuss issues of identification before presenting the results.

Dataset II: Funding from EU sources

EU grants and procurement contracts account for a large portion of the EU budget. To measure the amount of money each organization is able to extract from the European system, we leverage data from the Financial Transparency System on public procurement contracts and grants awarded by the European Commission. This provides us with a measure of how successful organized interests in our sample are at extracting funds from the EU. While this is the outcome of a very narrow political decision, it allows us to measure directly how successful a organized interest is in an endeavor that is economically important to the organized interest itself – but also for the EUs political spending more broadly.

Non-governmental organizations (NGOs) represent the most prominent type of organized interest that has received EU procurement contracts in our sample. One of the top-NGO recipients is the European Citizen Action Service. The group is responsible for the Commission's "Your Europe Advice" program, which offers free guidance to citizens on their rights as EU citizens and clarification

of EU law. However, despite the prominence of NGOs in this sample, the Proximus Group – the Belgian telecommunication firm – is by far the largest benefactor of EU funding through procurement. In 2016 alone, they were the beneficiary of 21 million euros in procurement contracts. These funds came about, because the firm in 2014 started supplying telecommunications solutions to the EU bureaucracy. Anecdotally, this co-occurred with the appointment of Karel De Gucht (the former Foreign Minister of Belgium and EU Commissioner for Trade) to the firm's board of directors. The second largest beneficiary is the professional consultancy firm Ernst and Young, which started receiving EU procurement contracts in 2015, when they hired the former German MEP (and Vice-President of the European Parliament) Silvana Koch-Mehrin as a senior political advisor.

EU grants are often given out to fund research projects. Therefore, a much larger constituency of organized interests benefit from them. The actor in our sample that has received the absolutely highest revenue from EU grants is the automobile producer Volkswagen AG. The firm has been part of successful applications for grants every year from 2010 through 2016. The total proceeds from the grants, where Volkswagen has been one of the recipients, come to 177 million euros. Many of these funds have been directed towards research and development. For example, one of the grants that Volkswagen was the sole recipient of in 2011 was for development of new technology for lithium batteries.

We constrain our attention to a binary measure of whether or not the organized interest was awarded a contract within any given year, but we have also estimated models, where the dependent variable is the size of the contract or grant. This yields similar results, and can be found in Appendix F.

Our data on EU procurement contracts and grants is not as dense as our data on meetings. Therefore, we have to keep our analysis on the yearly level, where we estimate traditional difference-in-differences. Because we cannot leverage within-year, within-organized interest variation these estimates will be less well-identified than the previous ones. We estimate the models of the following form:

$$Funds_{gy} = \beta Connect_{gy} + \gamma_g + \delta_y + \epsilon_{gy}$$

Where *Funds* denotes one of our two measures capturing EU funds – procurement contracts and grants – of organized interest *g* in year *y*. *Connect* is our indicator for the year in which a revolver was hired. γ and δ denote organized interest and year fixed effects, ϵ is the idiosyncratic error term.

Descriptive statistics

This yields two datasets of EU procurement contracts and grants spanning the years 2010 through 2016. They include respectively 168 and 392 organized interest-years and 25 and 57 unique organized interests. 30 percent of the organized interests in our data have been successful in acquiring procurement contracts and 74 percent have successfully applied for grants. During the full period, these organized interests in our data got a share of approximately 80 million euros in procurement contracts and 1 billion euros in grant money. Figure 6 shows the yearly counts of procurement contracts and grants received by organized interests in our sample. It also shows the size (in euros) of the procurement contracts and grants that the organized interests were a part of. These patterns show that EU funds represent an important source of revenue for organized interests that hire revolvers. Figure 7 shows the distribution of types of organized interests in the data.

Figure 6. EU Funds over time in this sample

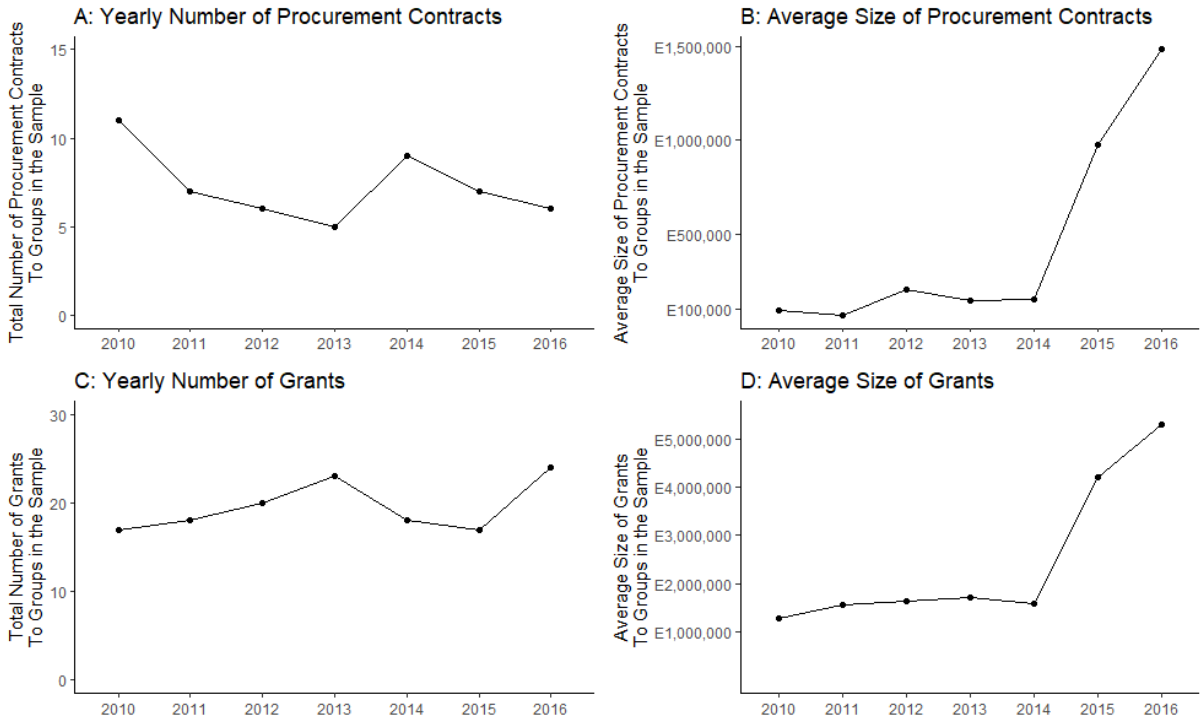
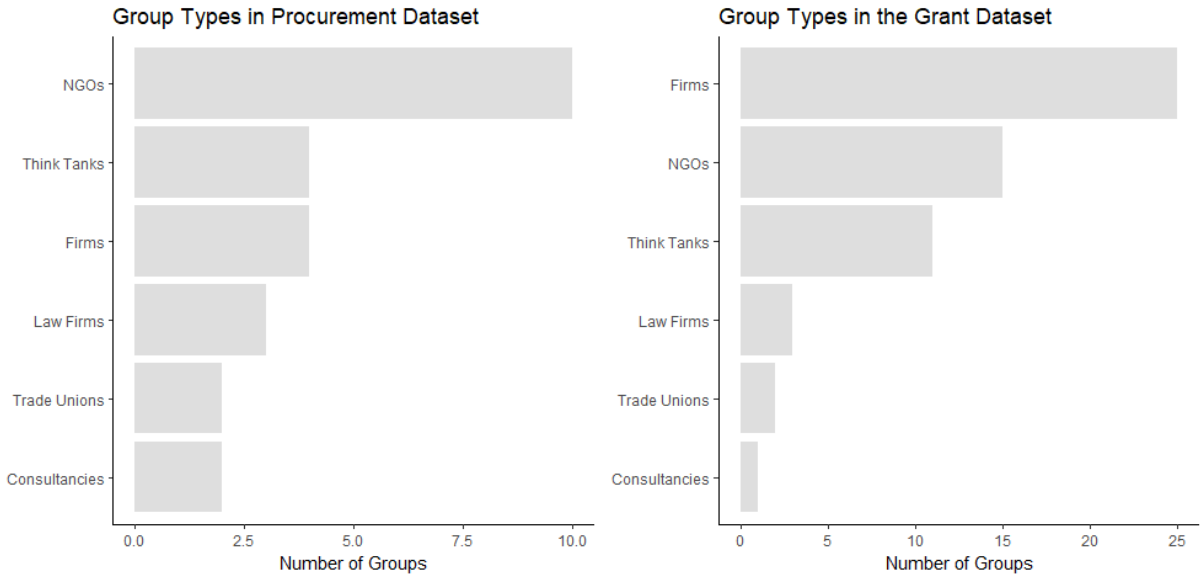


Figure 7. Distribution of types of organized interests



Results 3: Does the Revolving Door also give access to EU funds?

In Figure 8, we present the results from a number of differences-in-differences models, where we estimate the impact of hiring a revolver on the probability of gaining new EU procurement contracts (Panel A) and grants (Panel B). We present results with different lags and leads, where the former show estimated differential pre-treatment trends and the latter show effects in the more distant future. Appendix F presents regression tables with the instantaneous effects.

Focusing first on the effect of procurement contracts, we observe that the probability increases by approximately 7 percentage points during the year of hiring. This estimate, however, is very noisy and we cannot reject the null of no relation. Additionally, we obtain similar estimates on the lagged models. The evidence that hiring a revolver leads to new EU grants is very weak. Overall, we uncover no strong evidence that organized interests can extract finances from the EU system by hiring EU revolvers. While the uncertainty associated with the estimates makes it difficult to come to any certain conclusion on these results *alone*, the very clear results on the effect on access in the previous sections indicate that the value of revolvers stems from their ability to gain access – not extract funds.

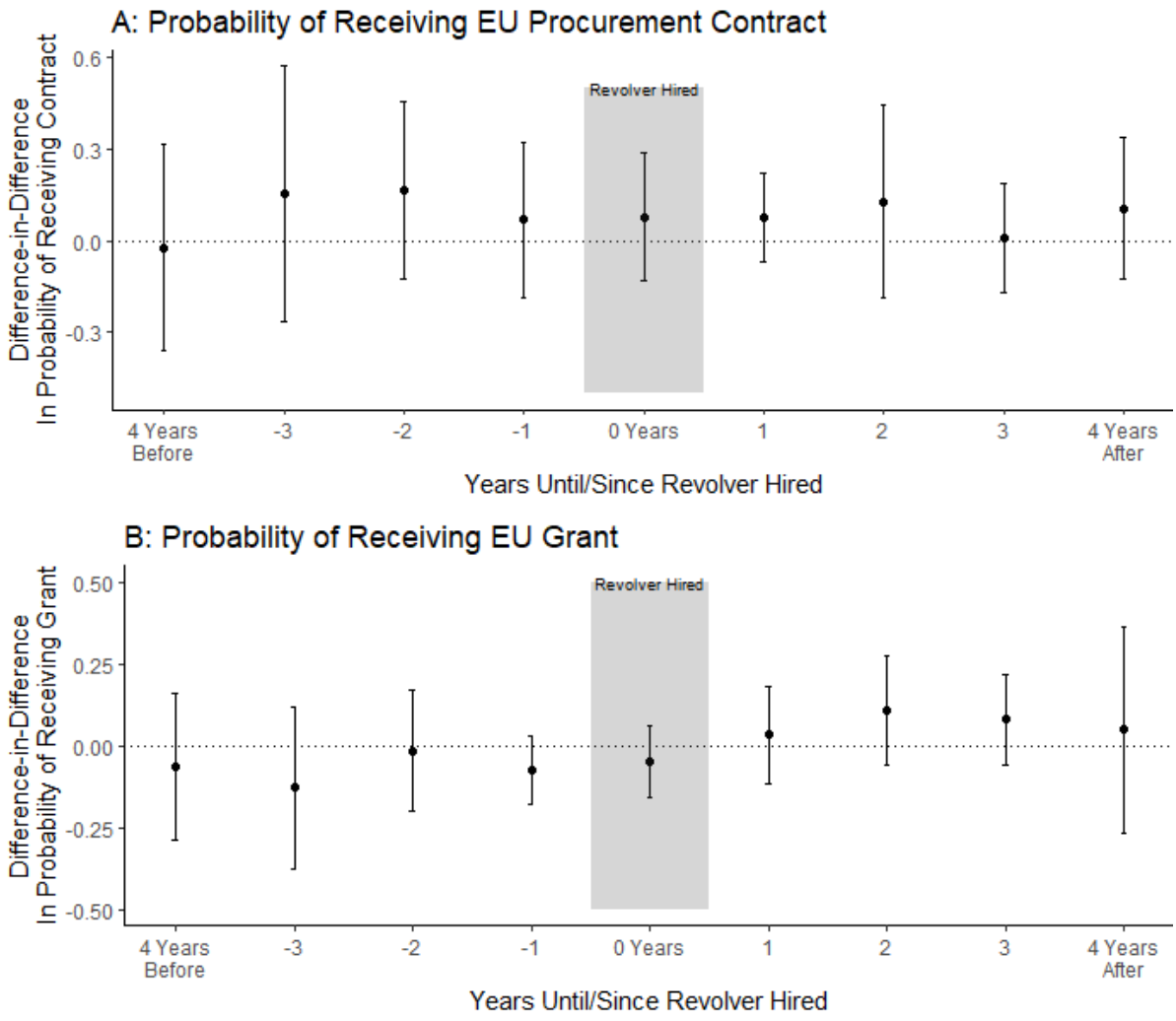


Figure 8: Procurement and Grants in Years Leading Up To Hiring of Revolver

Note: Each estimate is from a difference-in-differences model with different lags and leads on the firm's probability of winning a public procurement contract or receiving a grant. Fixed effects for firm and year are included. Confidence intervals are 95 percent from robust standard errors with clustering on organized interest and year.

Conclusion

Scholars, as well as politicians, have expressed concerns regarding the revolving door in the European Union and other political systems. When public officials leave office for positions in the private sector, they bring along their political connections and information about the political process, as well as their substantive policy expertise. This has been argued to make them valuable assets for organized interests. At the same time, the existing literature on the revolving door has only to a very limited extent examined the consequences of hiring former bureaucrats and politicians and has typically relied on indirect, economic measures without empirically investigating the mechanisms accounting for the findings. By combining a series of new datasets, we examine how, when and why hiring revolvers benefits their new

employers. In order to add to our collective theoretical understanding of the role of political connections in Western democracies, we provide new evidence not only on the political and economic effects of hiring revolvers but also on the mechanisms behind the value of revolvers for their new employers. Our analyses focus on organized interests that at some point between 2008 and 2017 hired former EU officials and politicians and investigated whether their (types of) access to the Commission and likelihood of obtaining EU grants and procurement contracts EU funding changed after hiring revolvers using a series of difference-in-differences designs. In particular the highly dense and granular data on meetings with the Commission allow us to use highly flexible estimations that account for not only time-invariant factors at the level of organized interests, but even unobservable factors that vary between years

The results show that organized interests that hire former Commission members and officials see a large increase in their meetings with high-level decision-makers in the Commission. Our detailed content coding of the topic of the meetings with the Commission suggest that the purpose of the additional meetings is to put new items on the EU agenda. The results regarding EU funding add additional nuance to these findings: We are not able to detect any increase in the probability of gaining a European procurement contract or EU grants. This suggests that the value of revolvers arise from their ability to gain access to their former colleagues, and that their new employers use this in an attempt at shaping the political agenda. In the EU setting, a revolver's value as an employee is unlikely to be driven by her ability to extract rents.

By exploring the time varying effects of hiring revolvers and the types of Commission DGs with which meetings are held, we also contribute to discussions of the mechanisms through which revolvers benefit their new employers. First, the fact that effects of hiring revolvers on access to the Commission are either instantaneous or short-lived suggest that the political connections the revolver has shape access.

A revolver's technical knowledge and policy expertise are unlikely to decay so fast. Instead, a relatively high turnover in personnel working with specific policy portfolios in both the institutions and organized interests may help account for a fast deterioration in the value of a revolver's old connections. A recent study by Strickland on the US states (2019) for example argues that the value of political connections declines when former colleagues of revolvers leaves office. Second, the fact that access gains with the Commission apply to meetings with DGs in which the revolver *did not* previously work deliver additional support that political connections are the more important driver of our results. In fact, the Code of Conduct bans former Commissioners and senior staff from lobbying within their fields of expertise. Yet this does not prevent them from exploring social connections to staff in other directorates-general in order to increase access for their new employers. This suggests that the role of revolvers is to use their connections to gain access – organized interests can use this to deliver information to the decision-makers, or engage in other forms of exchange.

Overall, our findings cast less of a grim picture of the revolving door than the one we are often presented with by empirical commentators and think tanks. Clearly, our results do not allow us to rule out that hiring revolvers can lead some players to exert a disproportionate influence over others in the lobbying landscape. Importantly, our results suggest that companies and contract lobbyists are the ones that use revolvers to gain access. Arguably, these types of actors are most likely to use their access to gain private goods, which would be democratically problematic.

There is scope for extending our analysis in future research. It is for example possible that we would have seen a somewhat different picture with respect to the drivers of potential effects of the revolving door had we explored the impact of the revolving door for a dataset with a higher share of lower ranking officials. For such officials scientific knowledge might matter more for whether their future employers gain access and obtain EU funding, and it is possible that such hires would have more long-lasting impact than what we saw for the ex-politicians and high-level bureaucrats here. Future research should also look into whether the types of meetings to which new employers get access are the same subject to the types and seniority of the revolvers they hire. Lower ranking officials may have an impact on meetings beyond those where the broader policy agenda and aid their employers in affecting discussions on more specific policy dossiers. Should information about meetings with other EU institutions or other parts of the Commission than included in our dataset become available, it would also be valuable to examine whether the access patterns identified here remain the same.

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Online Appendix for:

Revolving Door Benefits?

A: Does The Revolving Door Complement Traditional Lobbying Strategies?

As we explain in the main text, a serious threat to identification is if groups pursue other influence-seeking strategies simultaneously with hiring a revolver. In Table A1, we leverage data on yearly lobbying expenditures to investigate whether this is the case. In column 1, we investigate whether hiring a revolver is associated with a higher (natural log) of lobbying expenditures in the same year, as the hiring occurs. In column two, we use the difference in expenditure between the year of hiring and the previous year to investigate whether expenditures change. In column three, we pursue an alternative strategy for assessing this, where we use a simple binary indicator of whether there is a change (of any sign) in expenditures. Finally, we investigate whether hiring a revolver generally succeeds a change in expenditure. None of these different ways of capturing alternative influence-seeking strategies are related to hiring a revolver. This reassures us that our main results are unlikely to be driven by other strategies.

Table A1: Hiring former EU Employee and Lobbying Intensity

	Dependent variable:			
	ln Expenditure	FD Expenditure	Change?	ln Expenditure$_{t-1}$
	(1)	(2)	(3)	(4)
Hire EU Employee	0.009	-0.030	0.021	0.062
	(0.057)	(0.049)	(0.076)	(0.055)
Group FE?	Yes	Yes	Yes	Yes
Month FE?	Yes	Yes	Yes	Yes
Observations	1,778	1,224	1,224	1,224

Note: Robust standard errors with group-level clustering in parentheses.

B: Including Groups that Never Hire Revolvers in the Control Group

In our identification strategy, we exclude all groups that never hire revolvers. In this way, we can make sure that our results are not driven by unobserved group type. To make sure that this design choice does not drive our results, in Table B1, we run a robustness check, where we include all groups that are registered in the Transparency Register, but never hire a revolver.

The results are interesting. First, the change to the point estimate is diminutive, at the third decimal point. This suggests that including non-treated firms would not bias our results. Furthermore, this would only be the case, if there are no systematic difference between the type of group that hires a revolver and the ones that do not, which are simultaneously relevant for gaining access. Or at the very least that this difference in group type is time-invariant and, thus, absorbed by the group fixed effect.

Second, the estimates are *much* noisier. This is revealed by the fact that the standard errors are virtually unchanged even though the sample size used in Table B1 is more than fifty times larger than the baseline sample.

Table B1: Robustness to Including Non-Revolver Groups

	Dependent variable:	
	Meeting?	# Meetings
	(1)	(2)
Hire EU Employee	0.089*	0.157*
	(0.044)	(0.069)
Group FE?	Yes	Yes
Month FE?	Yes	Yes
Group X Year FE?	Yes	Yes
Observations	112,731	112,731

Note: Robust standard errors with group-level clustering in parentheses. * indicates statistical significance at the 5 percent levels.

These two findings support supports our baseline design choice. First, if there are no systematic differences between types in the sample of all groups, then it is unlikely that there will be on in our smaller sample of only-treated groups. Second, groups have multitude of experiences and motivations, and while including these very different types does not seem to *bias* the results, they do induce a lot of noise, making the estimates less reliable. Nevertheless, it is reassuring that the results are robust to including all groups.

C: Temporal Dynamics in Meeting Content

In Figure C1, we show that hiring a revolver only increases the number of agenda-setting meetings during the first year, the revolver is employed. Similarly to the main results, the effect drops off soon after.

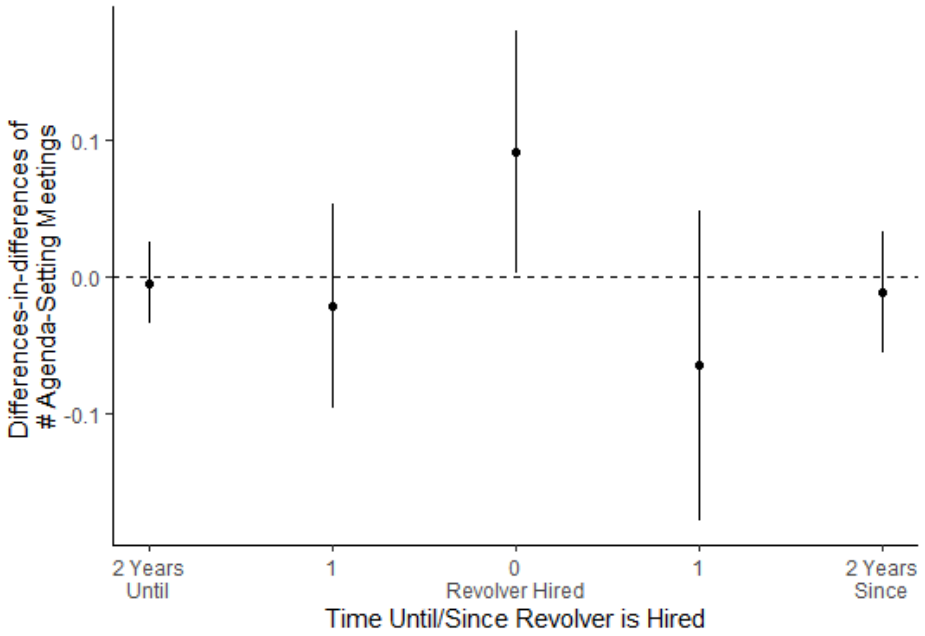

Figure C1: Dots are difference-in-difference estimates from regressions of the number of agenda-setting meetings on a dummy for when groups hire revolvers. Confidence intervals are 95 percent, computed from robust standard errors with clustering on the group level.

D: Coding instructions for classifying meeting topics

Below, we describe our instructions for classifying the subject headers of meetings into four mutually exclusive categories: 1) High specificity, 2) Medium specificity, 3) High abstraction and 4) Not policy relevant/other. Each of these categories represent one indicator variable, and each meeting subject should be categorized as zero or one on each of the four variables.

See the attached spreadsheet for an example of how the classifications should be entered into the dataset.

Coders are advised to use Google searches in uncertain cases.

1. High specificity

Meetings related to specific (sets of) policies. They are recognizable in that are they will refer to a specific name of a policy initiative, package, directive, regulation or an act.

Clear-cut cases:

When it is explicitly stated that the meeting is on an initiative, directive, package, regulation, act, a specific regulatory decision (e.g. an antidumping case), a white paper, a green paper, or some other way of describing a formal proposal. This holds in any situation, where a named policy is mentioned.

Less clear cases:

Sometimes the subject line will not include direct indicators that the meeting was on specific policy. In those cases, it can often be unclear whether the subject of a meeting is very broad or on a specific (set of) proposals that have been given a broad name. When it is difficult to classify the meeting subject for this reason, a quick Google search can typically reveal the correct level.

Example: The APCO Worldwide meetings with the Commission on "Digital Skills" (May 22, 2015) and "Digital Health" (Jan 21, 2017). Quick Google searches on these two subject lines reveal that the Commission has initiatives under both those names. This indicates that the meetings were related to these specific policies.

Another example: "Neighbourhood and Enlargement negotiations" (Avisa Partners meeting, Jan 2, 2018). This is a reference to specific political negotiations and should be classified as "high specificity".

Sometimes the Commission meets with groups about a report, or because the group has written a report. These meetings are only highly specific, if the topic of the report is mentioned.

There are some examples of very wide policy events or packages (e.g. Brexit, the EMU, the sovereign debt crisis). These are not examples of specific policies. However, if the meeting mentions a specific policy in relation to these topics (e.g. invocation of Article 50), this is highly specific.

2. Medium specificity

Meetings related to issues concerning a specific economic sector/industry of operation. They are recognizable in that they 1) refer to an issue that is relevant to a clearly delineated economic sector, but 2) do not mention specific policies by name.

By "clearly delineated economic sector" we mean that the subject refers to a (sub-)category of the 2-digit NAICS sector classification, which can be found here: https://en.wikipedia.org/wiki/North_American_Industry_Classification_System . This 2-digit system is further sub-dividable, and any reference to a lower level than the top 2-digit one also counts as a reference to a sector.

If the meeting makes reference to any specific group in society (e.g. consumers) this counts as medium specific as well.

Clear-cut cases:

Subject lines that directly mention a recognized economic sector or a specific product that is relevant to such a sector.

Example 1: "Transport" (APCO Worlwide meeting, March 23, 2015) is a reference to a specific sector of operation.

On the other hand, the subject line "Trade" (AccelorMittal meeting Feb 18, 2015) is an example of something that could appear "medium specific". However, since it does not refer to any specific sector or industry, it should be placed in the "high abstraction" category.

Two examples of lower than the 2-digit level: "economic developments in the railway sector", "economic outlook of the steel industry" both refer to clearly delineated sectors of operation.

Less clear cases:

Some subject headings refer to relatively specific concepts, but without also referring to a particular sector for which the meeting was important. These should be categorized as "high abstraction", not "medium specificity".

Two examples: "Data protection, free flow of data, research programmes" (BNP Paribas meeting, Sept. 4, 2018). While data might seem like something that is clearly delineated, the subject makes no reference to a specific sector.

"Pressing challenges for European labour markets and recent government reactions" (Bertelsmann Stiftung meeting, March 27, 2018). Although 'labour markets' seems relatively specific, no reference is made to a particular labor market of a sector.

Some subject headings use very general descriptions but the policy matters for a particular sector. All meetings, where the topic is on a particular good that is directly relevant to a specific sector, should be categorized as medium specific.

Example 1: "Financial services agenda" (BNP Paribas meeting, May 17, 2017) seems broad but refers to a particular sector (financial services). Similarly, mentions of "financial services" or "financial policy" refers to that sector.

Example 2: "Illegal content online" (Computer & Communications Industry Association meeting, February 1, 2018), because the meeting explicitly focused on "online" content, it should be categorized as medium specific, because it refers to a good produced by a specific sector.

Example 3: "Securitisation" (BNP Paribas, May 6, 2015) refers to the particular process of securitization within the financial industry. Therefore, it should be classified as medium specific.

3. High abstraction

General outlook, broad policy questions. They are recognizable in that are they will 1) refer to very general policy matters, general policy areas or political visions, that 2) are not directly relatable to a specific sector or a specific policy. (2) is identifiable in that they 3) do **not** refer to specific sectors of operation nor specific policies.

Clear-cut cases:

"Exchange of views on the EU Tax agenda" (AccelorMittal meeting, April 24, 2019). "Clean economy", "Future of Europe", "industrial policy of Europe".

Less clear cases:

"Better regulation" (mentioned in many meetings) sounds very general, but is a reference to the Commission's guidelines that aim at securing high quality in their development of new regulations. Make sure to apply Google searches in uncertain cases.

Sometimes the meeting will be on a specific proposal that the group wishes to advance or some form of policy report that the group has authored. These meetings should be classified as "High abstraction", this is in keeping with one of our goals which is to measure the stage of the policy process that they discuss. The same goes for meetings in roundtables of, e.g., CEOs etc.

4. Non-Policy Relevant or Undefined

Meetings that are "introductory" or are otherwise formalities (e.g. meetings to coordinate or hand over calenders).

Meetings with CEOs, coalitions of groups, etc., should be coded as undefined whenever no policy relevant topic for the meeting is mentioned.

Meetings that otherwise do not fall under the described categories.

E: Hiring Revolvers is Not Associated with Shorter or Less Diverse Subject Descriptions

As noted in the main text, we could expect groups that hire revolvers to try to avoid disclosing the content of their meetings. To test whether this is behind our finding that groups have more meetings about agenda-setting, we pursue two strategies in Table E1. In column 1, we investigate whether the meetings are described with fewer words, and in column 2, we estimate a similar model, but use type-token ratio as the dependent variable. The former would capture if descriptions are strictly shorter, while the latter captures whether the descriptions of the meetings are less linguistically complex. To avoid post-treatment bias, we impute zeros for months when no meeting was held. In both cases, we cannot reject the null and estimate small differences-in-differences coefficients. This supports the interpretation of the findings we present in the main text.

E1: Hiring former EU Employee and Length of Meeting Subject Description

	Dependent variable:	
	ln Length of Description	Lexical Diversity
	(1)	(2)
Hire EU Employee	-0.006	0.016
	(0.094)	(0.031)
Group FE?	Yes	Yes
Month FE?	Yes	Yes
Group X Year FE?	Yes	Yes
Observations	2,215	2,215

Note: Robust standard errors with group-level clustering in parentheses. Dependent variable in column 1 is the number of words in the description of the meeting subject. In column 2, it is the lexical diversity of the description. In both cases, we impute zeros for months in which no meeting was held to avoid post-treatment bias. The null results hold without this imputation.

F: Regression Tables with Results for EU Funds

As the main text presented the results for grants and contracts visually, Table F1 shows the regression results in a table format.

Hiring former Commission Employee and EU Funds

	Dependent variable:			
	(1)	(2)	(3)	(4)
Hire Commission Employee	0.035	-0.049	0.855	-0.748
	(0.094)	(0.049)	(2.903)	(0.736)
Group FE?	Yes	Yes	Yes	Yes
Year FE?	Yes	Yes	Yes	Yes
Observations	168	385	168	392

Note: Robust standard errors with group-level clustering in parentheses. Dependent variables: binary indicators for whether the group received a procurement contract or an EU grant (columns one and two, and the size of the grants and contracts (column three and four). Zeros are imputed to avoid post-treatment bias in the models with grant and contract size.