



*The*  
*Second Term*  
**REVOLVING DOOR**

Center for American Progress



# THE SECOND TERM REVOLVING DOOR

The “revolving door” between business and government has swung rapidly in President Bush’s second term. In just a few months, scores of administration officials have flocked to industry jobs, cashing in with the corporations they once regulated. Also, a slew of former industry executives are bringing their corporate-friendly approach to the oversight and execution of public policy.

James Madison famously wrote in Federalist Paper 51: “In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself.” Lured by corporate largess, the Bush administration has lost the ability to control itself. As a result, public policy has suffered across the board.

In 2001, Vice President Cheney, shortly after stepping down as CEO of oil and gas giant Halliburton, had his corporate friends help him write the nation’s energy policy. The result was an ill-conceived plan that would have given away billions in tax subsidies for the fossil fuel industry while providing little investment in clean, renewable energy sources.

In 2003, the Bush administration’s chief Medicare official, Thomas Scully crafted a bill that added a prescription drug benefit to Medicare. The bill included massive benefits to private insurers and the pharmaceutical industry, but was able to squeak through Congress on Scully’s claim that the total cost would be \$395 billion over 10 years. Shortly after the bill passed, Scully took a job with Alston & Bird, a law firm that represents Pharma, the pharmaceutical industry’s lobbying arm. In 2004, the Government Accountability Office (GAO) concluded that Scully violated the law by ordering a government manufacturer to withhold the true cost of the Medicare bill, which is now estimated to cost in excess of \$700 billion over the next decade.

Philip Cooney provides another example. While Cooney was chief of staff for the White House Council on Environmental Quality, Cooney fought vigorously on behalf of the oil industry’s position that limits on greenhouse gas emissions were unnecessary, going so far as to doctor scientific reports that suggested otherwise. Once his misdeeds were publicly revealed, Cooney left

his employment at the White House for a lucrative job at Exxon Mobil, a company that benefited repeatedly from Cooney’s efforts.

Cooney’s case also shows there are problems when the revolving door swings the other way. Before entering the White House, Cooney worked as an oil industry lobbyist for the American Petroleum Institute, the chief representative of the oil and gas industry. Installing people like Cooney in key posts has meant that special interests have dominated our energy and climate policies. The oil industry’s legislative agenda has been advancing even though there is little evidence that these policies are in the public interest.

Cooney is not the only administration official who, during Bush’s second term, has used his or her government job to secure employment lobbying for the industry he or she once regulated. Former Attorney General John Ashcroft became the first Attorney General to open up a K-Street lobbying firm and is now making money advising clients

on law enforcement and homeland security. Former Commerce Secretary Don Evans took a job with the Financial Services Forum, where he will lobby for the country’s biggest financial services firms. And former Homeland Security Secretary Tom Ridge is now helping Savi Technology, a security technology firm, obtain grants from the federal government.

Noting the deleterious effects of the “revolving door,” the New York Times recently wrote

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**“There are rules, albeit weak ones, that seek to limit what government officials can do when they first return to the private sector. But the public has little protection against the machinations of lobbyists who are invited into government and given the levers of power. In an administration that saw fit to put Vice President Dick Cheney, a former oil industry executive, in charge of drafting its closed-door energy policy, there is little prospect for reining in the special interests. The public will be the loser.”**

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- The New York Times

in an editorial, “There are rules, albeit weak ones, that seek to limit what government officials can do when they first return to the private sector. But the public has little protection against the machinations of lobbyists who are invited into government and given the levers of power. In an administration that saw fit to put Vice President Dick Cheney, a former oil industry executive, in charge of drafting its closed-door energy policy, there is little prospect for reining in the special interests. The public will be the loser.”

This report – which details the movement of administration officials in and out of industry over the first six months of President Bush’s second term – shows that the problem is getting worse. The losses will continue to stack up for the American public until the “revolving door” is bolted shut.

## PART I: GOVERNMENT TO INDUSTRY

### PHILIP COONEY

**Administration Job:** Chief of Staff for White House Council on Environmental Quality (2001-2005)

**New Job:** Lobbyist for Exxon Mobil

**Details:** Before entering the White House, Cooney worked as an oil industry lobbyist for the American Petroleum Institute, the chief representative of the oil and gas industry. At the Council for Environmental Quality, Cooney repeatedly edited government climate reports to play down links between greenhouse gas emissions and global warming, a policy position pushed by the oil industry. He will now lobby for Exxon on issues he helped regulate at the White House, for example the Kyoto protocol, climate change policies, and energy de-regulation. [Reuters, [6/14/05](#); Chicago Sun Times, [6/15/05](#)]

### JOHN ASHCROFT

**Administration Job:** Attorney General (2001-2005)

**New Job:** Opening a consulting company that will advise clients on homeland security, law enforcement and other business and government issues

**Details:** As Attorney General, Ashcroft was responsible for reforming an intelligence system and other law enforcement regulations in the post-9/11 period. He will be the first Attorney General ever to open a K-Street lobbying firm, and he will do so with his long-time chief of staff and political aide, David Ayres. [USA Today, [5/2/05](#)]

### DON EVANS

**Administration Job:** Secretary of Commerce (2001-2004)

**New Job:** CEO, Financial Services Forum

**Details:** As Secretary of Commerce, Evans was responsible for overseeing U.S. industry. The Financial Services Forum is a lobbying group for the country's biggest financial service firms. Evans will ensure the firms will continue to have a prominent seat at the table in Bush's second term. [AP, [5/3/05](#)]

### TOM RIDGE

**Administration Job:** Office of Homeland Security Advisor/Secretary of Homeland Security (2001-2004)

**New Job:** Corporate Board Member, Savi Technology

**Details:** Since 1998, Savi has won more than \$100 million in government contracts for security technology. Ridge was previously accused of conflict of interest, when CBS News reported, "the day after President Bush named him homeland security secretary, Tom Ridge visited the Arizona home of a friend whose lobbying firm represented companies that were later awarded contracts by Ridge's department." In 2004, Savi was paid over \$300,000 in lobbying fees to influence "Department of Defense Appropriations." [CBS, [1/13/05](#); NYT, [4/14/05](#); [Lobbying Disclosure](#)]

### J. STEVEN GRILES

**Administration Job:** Deputy Secretary of Interior (2001-2004)

**New Job:** Partner, the Lundquist Group, LLC

**Details:** As deputy secretary, Griles was "instrumental in streamlining regulations to speed the approval process for mountaintop-removal coal mining," a practice environmentalists and Appalachia residents refer to as "an environmental apocalypse." The Lundquist lobbying firm is headed by former top White House energy adviser, Andrew Lundquist, who chaired Vice President Dick Cheney's energy task force in the Bush administration's first term. The Group "represents major energy corporations such as BP and Exelon." Last year the group was paid hundred of thousands of dollars to lobby on a wide range of issues, including "mine permitting," "mercury emissions" and "funding for Yucca Mountain." Prior to 2001, Griles was "a principal with National Environmental Strategies, Inc. (NES), a consulting firm providing advice to companies, trade associations and others with regard to policy, regulatory, environmental and energy issues at the Federal and State government level." [Outside, [5/05](#); Roll Call, [2/1/05](#); [Lobbying Disclosure](#); [Griles Bio](#)]

## **ANTHONY J. PRINCIPI**

**Administration Job:** Secretary of Veterans Affairs (2001-2004)

**New Job:** Vice President of government relations for Pfizer Inc.

**Details:** As Secretary of Veterans Affairs, Principi presided over cuts in health care for veterans, saying the growth in health care costs was “eating up” the VA budget. But the drug manufacturer Pfizer was a major beneficiary of the Bush Medicare bill, which banned importation and restricted states from bulk purchasing practices that would drive down drug costs. Pfizer CEO Henry McKinnell – a top Bush fundraiser – has “vowed to continue” efforts to cut off supplies of his firm’s most popular drugs to Canadian pharmacies that sell them cheaply to U.S. customers. Last year, Pfizer spent over \$8 million lobbying on prescription drug issues. [Newswire, [3/7/05](#); WP, [1/17/03](#); [7/14/03](#); [4/23/04](#); [Lobbying Disclosure](#)]

## **CHRISTOPHER WRAY**

**Administration Job:** Chief, Criminal Division, Department of Justice (2003-2005)

**New Job:** Partner, King & Spalding LLP, chairman of firm’s “special matters and government investigations practice.”

**Details:** At Justice, Wray was a “central figure in the government’s crackdown on corporate crime.” The group Wray will chair at King & Spaulding “provides counsel on a variety of corporate, securities and fraud matters, including white-collar criminal and regulatory enforcement matters.” In other words, Wray will be providing inside advice to white collar criminals on how to avoid government crackdowns. [K&S, [4/25/05](#); WSJ, [4/25/05](#)]

## **SEAN O’KEEFE**

**Administration Job:** NASA Administrator (2001-2005)

**New Job:** Member of the Board of Directors, Sensis Corporation

**Details:** Sensis Corporation “provides sensors and information technology to airports, airlines, civil aviation authorities and military branches.” Its client list includes the Federal Aviation Administration and NASA. [[Sensis Corp.](#)]

## **WILLIAM PIERCE**

**Administration Job:** Deputy Assistant Secretary for Public Affairs, Department of Health and Human Services (2001-2005)

**New Job:** Vice President, Apco Worldwide, a public affairs and strategic communications firm. Pierce will be focusing on health care issues.

**Details:** Apco is a consulting firm which “includes among its clients six of the top 10 companies on Fortune’s Global 500,” including pharmaceutical companies which wield major influence on Bush administration health care policies. [Apco, [3/14/05](#)]

## **JOHN DUNCAN**

**Administration Job:** Assistant Secretary for Legislative Affairs, Department of Treasury (2001-2005)

**New Job:** Managing Director, lobbying firm Wexler and Walker

**Details:** Wexler & Walker provides strategic counseling and direct lobbying services to corporations, associations, non-profits and government clients. Their [clients](#) include tens of companies Duncan would have dealt with in the Treasury Department, including major Bush supporters Eli Lilly, the Business Roundtable and Lockheed Martin. [[Wexler & Walker](#), Business Week, [12/20/04](#)]

## **KENNETH JUSTER**

**Administration Job:** Under Secretary for Export Administration, Department of Commerce (2001-2005)

**New Job:** Executive Vice President of Legal Affairs and Corporate Development, Salesforce.com

**Details:** Juster worked on “technology and regulatory issues” for the commerce department. Salesforce is “the worldwide leader in on-demand customer relationship management,” serving high tech clients like IBM, Microsoft and Sun. [SF, [12/7/04](#)]

## **DARA CORRIGAN**

**Administration Job:** Acting Inspector General, Department of Health and Human Services (2003-2004)

**New Job:** Partner and co-head, Pharmaceutical and Medical Device practice group at the law firm Arnold & Porter

**Details:** The HHS inspector general directs the office that protects the integrity of HHS programs, as well as the health and welfare of the beneficiaries of those programs. He or she has to report both to the Secretary and to the Congress problems with programs or management and recommendations to correct them. [[A&P](#); [Progressive Government](#)]

## **GINGER LOPER**

**Administration Job:** Special Assistant on Legislative Affairs to the President (2002-2005)

**New Job:** Timmons and Company lobbying firm

**Details:** At the White House, Loper was special assistant to the president for legislative affairs on the Senate side, dealing with health care, taxes and Social Security. She also managed the Senate confirmation process for many political appointees. Loper earlier was a legislative assistant to then-Senate Majority Leader Lott. Last year, Timmons and Company raked in over \$7.8 million lobbying the federal government on behalf of top drawer clients like Visa, Anheuser-Busch and AT&T. [[Washington Post](#), [1/27/05](#); Congressional Quarterly Daily Monitor, [1/17/03](#); [Lobbying Disclosure](#)]

## **KYLE MCCLARROW**

**Administration Job:** Deputy Secretary of Energy (2002-2005)

**New Job:** CEO, National Cable and Telecommunications Association

**Details:** NCTA Chairman Glenn Britt said he picked McSllarrow for his deep legislative roots and his experience in the Bush administration. “We were looking for someone with considerable experience in Washington, on the Hill and in the executive branch,” Britt said in an interview, “someone who had the innate talents and skills” to address the cable industry’s agenda. McSllarrow became deputy Energy secretary in 2002, after serving as chief of staff to Abraham beginning in 2001. [[National Journal’s Technology Daily](#), [1/25/05](#); WP, [1/27/05](#)]

## **ROBERT BLACKWILL**

**Administration Job:** Deputy National Security Adviser for Strategic Planning, U.S. Presidential Envoy to Iraq (2003-2004)

**New Job:** President and lobbyist, Barbour, Griffith and Rogers

**Details:** Before serving as envoy to Iraq, Blackwill was the U.S. ambassador to India. [[UPI](#), [1/11/05](#)]

## **DONNA DEAN**

**Administration Job:** Acting Director/Deputy Director, National Institute of Biomedical Imaging and Bioengineering, National Institutes of Health (2001-2003)

**New Job:** Lobbyist and senior science advisor, Lewis-Burke Associates

**Details:** Dean will “develop strategies and provide advice to universities and others seeking federal financial support.” Some of that financial support will come from her former employer, the National Institutes of Health. [[WP](#), [2/3/05](#); [RSNA](#), [3/05](#)]

## **JAMES JOCHUM**

**Administration Job:** Assistant Secretary for Export Administration, Commerce Department (2001-2004)

**New Job:** Partner, Mayer, Brown, Rowe & Maw

**Details:** At Mayer Brown, Jochum will head up the government and global trade group. Formerly the assistant secretary of commerce for import administration, at Mayer Brown Jochum will focus on export controls, import administration issues, trade policy and public policy. [[WP](#), [1/20/05](#)]

## **DAVID ISRAELITE**

**Administration Job:** Deputy Chief of Staff and Counselor (2001-2004), Chairman of Intellectual Property Task Force (2004-2005), Department of Justice

**New Job:** President and CEO, National Music Publishers' Association (NMPA).

**Details:** NMPA is a trade association that represents more than 800 U.S. music publishers; its role is to “protect and advance the interests of music publishers and their songwriter partners” in issues relating to the domestic and global protection of music copyrights. This was one of the major issues Israelite would have investigated in his time as chairman of the intellectual property task force. [National Journal Hotline, 2/7/05; The Hill, 2/9/05]

## **WILLIAM MAHER**

**Administration Job:** Chief, Wireline Competition Bureau, Federal Communications Committee (2002-2004)

**New Job:** Partner, Morrison & Foerster

**Details:** As chief of the Wireline Competition Bureau, Maher oversaw voice over Internet protocol (VoIP), among other issues. Morrison & Foerster “regularly advises clients” on communications and media law. [The Hill, 1/12/05; [M&F](#)]

## **DAVID HOBBS**

**Administration Job:** Assistant to the President for Legislative Affairs (2003-2005)

**New Job:** Hobbs Group lobbying firm

**Details:** Hobbs was known as a “relentless” lobbyist for President Bush’s agenda on the Hill. He’s cashed in with a new, “lucrative job” on K Street, and will now use his administration connections to lobby for the private sector. Clients include the National Cable Telecommunications Association, Anheuser Busch, Johnson & Johnson, Honeywell International and Comcast. [The Hill, [5/19/05](#); WP, [12/24/02](#); CQ Today, 1/3/05; Roll Call, [12/13/04](#)]

## **CHRIS COX**

**Administration Job:** Special Assistant to the President for Legislative Affairs (2003-2005)

**New Job:** Navigators lobbying firm

**Details:** Augusta Westland, the largest helicopter manufacturer in the world, hired Navigators to work its Hill relations as a result of the Cox hire. Cox also represents Advanced Micro Devices, Tyco International, and Clean Energy. [The Hill, [5/19/05](#); [Lobbying Disclosure](#)]

## **DAN KENIRY**

**Administration Job:** Assistant in the Office of Legislative Affairs, White House (2002-2005)

**New Job:** Vice President of Federal Relations, TIAA-CREF [The Hill, [5/19/05](#)]

**Details:** Keniry will be overseeing TIAA-CREF’s Washington office, which currently has a staff of three and focuses on taxes, pensions, education savings, and retirement-security issues. [National Journal, 2/26/05]

## **JIM MORRELL**

**Administration Job:** Communications Aide, White House (2003-2005)

**New Job:** Quinn Gillespie lobbying firm [The Hill, [5/19/05](#)]

**Details:** Morrell is a former staffer to Rep. Tom DeLay, R-Texas, and was also a speechwriter for House Speaker Dennis Hastert, R-Ill. He subsequently did media rapid-response work in Austin for the 2000 Bush-Cheney campaign. Later, he was communications director for Rep. Rob Portman, R-Ohio. [National Journal, 3/12/05]

## MATT SCHLAPP

**Administration Job:** Deputy Director/Director of Political Affairs, White House (2001-2005)

**New Job:** Executive Director, Federal Relations, Koch Industries

**Details:** Through foundations, the Koch family has poured millions into supporting conservative and libertarian causes, including a decades-old effort by the Cato Institute to promote privatizing Social Security - an issue that is now one of Bush's top priorities. The Kochs also gave more than \$10 million to create and sustain the Mercatus Center at George Mason University, which is pushing for economic deregulation. Koch industry has paid the largest pollution penalty ever assessed by the Environmental Protection agency. [The Hill, [5/19/05](#); Roll Call, [2/1/05](#); [Center for Media and Democracy](#)]

## JAMES COMEY

**Administration Job:** Deputy Attorney General (2003-2005)

**New Job:** Senior Vice President and General Counsel, Lockheed Martin

**Details:** Before coming to Washington, Comey served as U.S. attorney for the Southern District of New York. As Deputy Attorney General, he "made his name prosecuting corporate executives." Under Comey's tenure, the Justice Department was in the midst of a criminal probe into accusations that employees of defense contractor Boeing had stolen documents from Lockheed Martin, the federal government's largest defense contractor. In 2004, "Lockheed Martin scuttled a \$1.6 billion merger with [defense contracting peer Titan Corp.] because of a lengthy Justice Department investigation into bribery by some of Titan's overseas sales force." Currently, under the lead of the Defense Department's inspector general, the Pentagon is conducting multiple investigations into the handling of a contract that Lockheed Martin had with the Air Force. [Reuters, [8/4/05](#); Washington Post, [7/25/03](#); CBS Marketwatch, [6/30/05](#); AJC, [7/30/05](#)]

## MICHAEL POWELL

**Administration Job:** Chairman, Federal Communications Commission (2001-2005)

**New Job:** Adviser to Providence Equity Partners

**Details:** Providence is a private investment firm specializing in media, communications, and information companies. As FCC chief, Michael Powell "focused on developing rules to spur deployment of high-speed Internet services, known as broadband." Under his oversight, "the FCC backed changes in media ownership rules allowing greater consolidation by industry conglomerates, and pushed television station owners to shift to more advanced digital broadcasting from the current analog broadcasting spectrum." Powell will now take his expertise and government contacts to Providence - a firm that "has built a \$9 billion empire of holdings in media and telecommunications companies." C.E.O. Jonathan Nelson said Powell will advise the company based on his "exceptional network of relationships across the industry." [AP, [8/11/05](#); Reuters, [8/11/05](#); International Herald Tribune, [8/12/05](#); Business Wire, [8/11/05](#)]

## ROD PAIGE

**Administration Job:** Secretary of Education (2001-2005)

**New Job:** Chairman, Chartwell Education Group

**Details:** Chartwell is a consulting group organized by Paige and at least four former top aides at the Department of Education - "virtually an entire leadership team from President Bush's first term." The firm will offer "high-dollar advice" on various policies that Paige and others "helped create and later enforced, including the controversial No Child Left Behind Act," and will market itself to "foundations, companies, states, even countries seeking American education as a model." [Associated Press, [9/17/05](#)]

## **JOSEPH SCHMITZ**

**Administration Job:** Pentagon Inspector General  
(2002-2005)

**New Job:** Chief Operating Officer, The Prince  
Group

**Details:** The Prince Group is the parent company for Blackwater USA, one of the largest private security firms in Iraq. The company won a \$21 million Pentagon contract in the earlier stages of the war in Iraq to provide security to Coalition Provisional Authority head Paul Bremer and other high-level officials. Shortly after Bush's reelection victory, Blackwater sent out its email newsletter with the following title: "Bush Wins, Four More Years!! Hooyah!!" Schmitz quit his job at the IG shortly after Sen. Chuck Grassley (R-IA) question his "acceptance of a trip to South Korea, paid for in part by a former lobbying client... and Schmitz's use of eight tickets to a Washington Nationals baseball game." Also, Schmitz was criticized for blacking out the names of senior White House officials from a final report on a "multiyear investigation into the Air Force's plan to lease air-fueling tankers from Boeing for much more than it would have cost to buy them." [Washington Post, [9/1/05](#); The Hill, 11/10/04; Time, [10/3/05](#)]

## PART II: INDUSTRY TO GOVERNMENT

### SAMUEL BODMAN

**Old Job:** CEO of Cabot Corp, a specialty chemicals company which does business with “energy-related research and products.” (1992-2001)

**Administration Job:** Secretary of Energy

**Details:** Bodman has not recused his holdings in Cabot Corp, which was one of Texas’s largest polluters in the late 1990s and benefited from then Gov. Bush’s attempt to manipulate law to allow big companies to escape pollution controls. Bodman vows to be an “energetic advocate” for drilling in ANWR. [BBJ, [1/27/05](#); Reuters, [1/20/05](#); WP, [12/10/04](#); BBJ, [1/27/05](#), Austin Statesman, 4/27/99]

### PHILIP PERRY

**Old Job:** Lobbyist, Lockheed Martin, private prison firm Corrections Corp. of America and hospital proprietor HCA Corp. (2003-2004)

**Administration Job:** General Counsel, Department of Homeland Security

**Details:** All three firms Perry worked for privately did business with the Department of Homeland Security. As a lobbyist for Lockheed Martin, for instance, Perry brought in \$140,000 in fees and helped the contractor “secure liability protection from lawsuits prompted by terrorist attacks.” Perry is the son-in-law of Vice President Dick Cheney. [WP, [3/1/05](#); [Lobbying Disclosure](#)]

### MICHAEL GRIFFIN

**Old Job:** President and Chief Operating Officer, In-Q-Tel, Inc. (2002-2004); served in several positions with Orbital Sciences Corporation, including Chief Executive Officer of Magellan Systems, Inc.

**Administration Job:** NASA Administrator

**Details:** Defense Secretary Rumsfeld has pressed NASA to take a larger role in support of his Strategic Defense Initiative. Orbital Sciences describes itself as an “industry-leading provider of suborbital launch vehicles for the nation’s missile defense systems.” In-Q-Tel describes their mission as working “to identify and invest in cutting-edge technology solutions that serve U.S. national security interests.” [[Orbital](#); [In-Q-Tel](#)]

### CHARLES FRANKLIN CONNER

**Old Job:** President, Corn Refiners Association. (1997-2001)

**Administration Job:** Deputy Secretary of Agriculture

**Details:** The Corn Refiners Association (CRA) describes itself as “the national trade association representing the corn refining (wet milling) industry of the United States.” Last year the CRA spent \$400,000 lobbying on agriculture related issues, including directly lobbying the Department of Agriculture. [[CRA](#); [Lobbying Disclosure](#)]

### JOSEPH BOARDMAN

**Old Job:** Chief Operating Officer, Progressive Transportation Services, Inc.,

**Administration Job:** Federal Railroad Administration Administrator

**Details:** The Bush administration is making a concerted effort to reduce investment in public rail transportation, particularly Amtrak, a long-time interest of private rail companies such as Progressive Transportation Services. [CNN, [4/22/05](#)]

### MICHAEL P. JACKSON

**Old Job:** Chief Operating Officer, IMS’s Transportation Systems and Services, Lockheed Martin (1997-2001)

**Administration Job:** Deputy Secretary for Homeland Security

**Details:** Lockheed Martin is the country’s largest defense contractor and enjoys “more connections to the Bush administration than any other U.S. weapons manufacturer.” Lockheed is a major force behind counterproductive security policies including expanded use of nuclear weapons and the Strategic Defense Initiative missile defense program. [Arms Trade Resource Center, [5/02](#)]

## **CARLOS GUTIERREZ**

**Old Job:** CEO, Chairman, Kellogg Co.  
(1999-2005)

**Administration Job:** Secretary of Commerce

**Details:** Gutierrez owns or has options to 2 million shares of Kellogg company stock. The commerce department is responsible for gathering and developing economic and demographic data for businesses and helping the government make decisions about competition and the economy. Last year, Kellogg spent \$379,000 lobbying on “food safety,” “sugar price reform” and other Department of Commerce related issues. [ABC, [1/24/05](#); [Lobbying Disclosure](#)]

