

# Effective Politicians and Financial Gain: Competing Purposive Goals

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## **Abstract**

Four purposive goals shape legislative behavior. But must legislators choose from among them, or are they able to pursue several goals simultaneously? This paper seeks to answer that question with the first dataset of legislators where all four major legislative goals are measured. If legislators engage in trade-offs to pursue goals, then the pursuit of one goal will be correlated to a decline in the others. Yet if lawmakers have innate talents that enable them to multi-task, then pursuit of one goal will be positively related to pursuit of other goals. Relying on novel data from the Florida House of Representatives, I test competing expectations of legislative behavior. My tentative results show that there are trade-offs to pursuing some purposive goals over others. Specifically, members of the party leadership write less-complex bills, and wealthy lawmakers have lower bill success rates.

How do lawmakers choose which purposive goals to pursue, or are they able to realize them all? Purposive goals (re-election, policymaking, prestige, and person gain) all require high amounts of effort to engage and maintain (Fenno and Fenno Jr, 1978; Mayhew, 1974; Fenno, 1973). Without the ability to pursue them all, legislators must choose. Regardless of skill, talent, or other innate ability, individuals make choices that influence their productivity and livelihoods. They then exert effort to pursue that decision and realize some goal. The reward associated with the goal is positively related to the amount of effort that must be exerted to achieve it. Those choices shape their ability to influence policy and their own career paths.

Conversely, some individuals are born with or acquire certain latent attributes and talents, and are capable multi-taskers (Eesley and Roberts, 2012; Ericsson, Prietula and Cokely, 2007). These individuals pursue multiple goals and accomplish all of them. Success begets success, and eventually these individuals stand out from their peers. Successful lawmakers may actively pursue multiple goals, or passively benefit from the assistance of benefactors. Powerful policy-makers therefore will rise to the party leadership in the chamber, reap lucrative private-sector salaries, and face few electoral challenges.

Arbitration between these competing theories of legislative behavior may predict the likelihood of bill success, career advancement, and unethical self-enriching activity. Either lawmakers are able to balance these goals well, or must engage in trade-offs. To test these rival explanations, I build upon existing measures of legislators' competing purposive goals (Volden and Wiseman, 2014; Klarner et al., 2011; Huber and Shipan, 2002), and introduce my own measure of private financial gains. Each measures the observable effort lawmakers place into each purposive goal, and therefore the prioritization of those goals. If measures of competing legislative goals are inversely correlated, it indicates support for the theory of goal preference rankings. Positive correlation among goals suggests some legislators have innate talents that contribute to obtaining many goals simultaneously.

I rely on a novel dataset to test these mechanisms. I use Florida's unique database of legislative financial disclosures, which comprise dollar values of legislators' incomes, assets, and liabilities from 1995-2014. These disclosure forms require itemized lists of all sources of incomes, assets, and liabilities, including properties owned and stocks bought or sold (as well as dividend incomes). Additionally, I draw on a database of all legislator-introduced bills in the Florida House of Representatives from 1997-2014. Using archival data, I am also able to obtain legislator's electoral histories and personal backgrounds. Combined, these data measure all four purposive legislative goals. The data provide evidence that wealthier lawmakers produce

slightly less legislative output than less-wealthy lawmakers.

The paper proceeds as follows. I explain why legislators may engage in a prioritization of purposive legislative goals, or why some lawmakers can pursue multiple goals simultaneously. I discuss the novel dataset of lawmakers from the Florida House of Representatives, which can arbitrate between the two approaches. I show results from a test of a sample of the full dataset, and offer tentative interpretation.

## **Policymaking and Personal Gain: Trade-Offs**

Legislators are perpetually “plagued by a shortage of time, information, expertise...[and] energy (Keeler, 1993); therefore, they must prioritize certain goals over others. Legislators have a fixed amount of time within which to accomplish their objectives from holding public office. Re-election battles every few years and limited legislative calendar time for their preferred agenda topics force legislators to exert effort maintaining office or passing policy. Legislators who prioritize holding prestigious political positions or obtaining private financial gains (Fenno, 1973) must balance those ambitions with the extant responsibilities of constituent outreach, attending floor votes and committee hearings, meeting with interest groups, and raising money.

Sitting legislators may choose from among four competing purposive goals: re-election, policymaking, prestige, and personal gain (Fenno, 1973; Mayhew, 1974; Fenno and Fenno Jr, 1978). Some lawmakers prioritize winning re-election by building campaign infrastructure and engaging in constituent outreach (Kim and LeVeck, 2013; Hogan, 2008); others use their time in office to push for major policy changes (Frantzich, 1979; Volden and Wiseman, 2014). Some legislators pursue favorable committee assignments to aid in passing policy (Bullock, 1972). Some lawmakers use their office for financial gains (Palmer and Schneer, 2016; Eggers and Hainmueller, 2013, 2009).

I maintain that there are three stages to each legislator’s pursuit of purposive goals: goal visualization, goal investment, and goal capture. Each stage requires additional resource investment, reducing the ability to pursue other goals (Frantzich, 1979). As a lawmaker moves towards achievement of their goals, their ability to begin pursuing another goal becomes more costly, both in terms of sunk costs and startup costs. At the same time, the marginal returns to continuing to pursue the same goal increase (Pierson, 2000).

Goal visualization is low-cost: a lawmaker may plan her re-election campaign, write a piece of legislation, profess a desire to become a legislative leader or committee chair, or pledge to use public office to become wealthy. Goal investment is more costly and requires the legislator’s

full attention. For lawmakers pursuing re-election, there are candidate-filing papers, donors to woo, and campaign infrastructure to build. By contrast, goal visualization or realization requires the expenditure of time and resources to maintain the goal. If a legislator becomes a committee chair, or earns additional income, or wins re-election, new responsibilities and duties emerge. Pursuit of other goals becomes even more difficult to visualize and invest in as the legislator must abandon some of the benefits of the “captured” goal to pursue another goal.

How lawmakers choose among legislative goals is a function of both personalistic attributes and desires and institutional constraints on their behavior. Legislators personal backgrounds and ambitions ought to influence the goals they pursue. Institutional access to policymaking power – minority rights (Binder, 1996), control over the agenda (Cox and McCubbins, 2005), and committee assignment (Krehbiel, 1990) – similarly shape legislator goal prioritization. Moreover, in order to accomplish other legislative goals, lawmakers must secure re-election (Hogan, 2008; Mayhew, 1974). Holding prestigious legislative positions is partly random chance – only one lawmaker at a time may be Speaker of the House. Moreover, passing meaningful public policy, using office for personal financial gain - are more time- and resource- intensive than re-election, or holding prestigious positions in a chamber. Therefore, if any evidence for a trade-off exists, it will be as legislators decide between financial gain and policymaking.

Financial gain requires significant investments of time and resources before and after a legislator realizes their goal. A growing literature shows the conditions under which legislators make money (Eggers and Hainmueller, 2013; Fisman, Schulz and Vig, 2012; Eggers and Hainmueller, 2009; Querubin and Snyder Jr, 2009). This literature provides significant evidence to Fenno’s (1973) claim that private gains are an important aspect of legislative behavior. First, the legislator must expend effort making themselves marketable to employers. Second, after obtaining the added income, the legislator must expend effort to keep the new employment. Many types of employment are heavily time-intensive, while others require constant updating of skills to maintain relevance.

Making policy changes require lots of effort as well. The relatively slow change in policy outcomes under normal legislative rulemaking demonstrates the difficulty of the task facing most lawmakers. They must exert enormous effort to see even some of their policy proposals move through their own chamber, and have to build extensive networks in other governing bodies to ensure it becomes law and is implemented faithfully. Finally, the lawmaker must continuously sell the fruits of their labor to constituents in order to obtain re-election. Once

set down a path to pursue policymaking, it will become very difficult for a legislator to stop and pursue financial gains.

If lawmakers must prioritize some purposive goals over each other, they lack the resources to pursue both policymaking changes and personal financial gains. They must proceed through varying stages of investment in time and energy into pursuing and completing only one legislative goal. As they succeed at a particular goal, changing from that path becomes more difficult. Therefore, lawmakers who pursue financial gain will produce less-complex legislation and expend less effort to shepherd their legislation through the policy process. This leads to two hypotheses:

*H1a: If a legislator pursues policymaking as a purposive goal, she will not have the time or resources to invest in obtaining personal financial gains.*

*H1b: If a legislator pursues financial gains as a purposive goal, she will not have the time or resources to invest in passing complex and effective policy.*

## **Innate Talents and The Pursuit of Multiple Purposive Goals**

I argue that some legislators seem to be well-positioned for success in all aspects of their career. They quickly obtain the most prestigious offices and are involved in substantive legislation. Lawmakers with innate talents attract considerable private-sector salaries and other benefits as part of the invisible hand of market forces. As demand for their skills increase, they acquire more income. These innate talents provide lawmakers with the wherewithal to pass complex and effective policy. Skilled lawmakers can multitask and accomplish several legislative goals simultaneously. A legislator's success regarding policymaking and financial gain – the two most resource-intensive purposive goals – will rise or fall in tandem.

Innate talents are the latent attributes imbued on individuals – or earned by them – as a result of opportunities afforded to them in life (Easley and Roberts, 2012; Ericsson, Prietula and Cokely, 2007; Baron-Cohen, 1998; Ericsson, Krampe and Tesch-Römer, 1993). For example, a gifted politician who becomes a legislator acquires a skillset as a result of running for and holding office – high organization, constructing a clear argument, building cross-issue coalitions – that are useful for winning office and proposing policies. Applied to the world of policymaking, complex relationships must be forged (Alvarez and Sinclair, 2012; Cho and Fowler, 2010; Fowler,

2006), mastery of parliamentary procedure must be learned (Volden and Wiseman, 2014), and the nuance of policy must be comprehended. Politicians who apply their skills to policymaking are effective lawmakers (Volden and Wiseman, 2014).

Once in office, the benefits of effective policymaking will aid financially-minded legislators. Effective lawmakers will, by virtue of their talents, attract attention from private-sector benefactors. Holding public office, and excelling at producing effective policy change, will draw the eye of private-sector firms interested in hiring the public official for their skill set. Lawmakers can serve in a variety of posts within a firm, ranging from consultants to policy experts to managers. And, given the steady supply of legislators, firms will look to effectiveness as a heuristic to search for high-quality lawmakers.

Several mechanisms exist by which innately-talented lawmakers obtain additional incomes. Extant wealth and incomes – acquired from the private sector or through inheritance – are associated with considerable educational opportunities (Autor et al., 2010; Hartog and Oosterbeek, 1998; Rumberger, 1983). I argue that talented legislators may be more likely to have attended more prestigious universities and obtained more high-paying jobs, giving them the tools and skills necessary to become adept at passing quality legislation. Supply and demand in a labor market should price these individuals more highly than their peers, opening up additional opportunities in the private sector at the same time they are sought-after public servants (Merlo et al., 2010).

Innately-talented lawmakers may also build relationships with private-sector actors during the course of the policymaking process, in anticipation of their eventual return to the private sector; those relationships may yield additional sources of income. Lawmakers of all stripes want to maintain their marketability while in office - the threat of electoral defeat, scandal, or personal dissatisfaction with the job all contribute to an incentive structure for legislators to maintain one foot in the proverbial door. Effective lawmakers will build stronger relationships and networks with private-sector firms due to their investment in policy expertise as part of becoming good legislators. Thus they will have access to more economic opportunities. Moreover, innately-talented lawmakers' access to additional opportunities will allow them to forego time-intensive sources of employment, choosing jobs that give them the flexibility to continue making effective policy changes. Far from a trade-off between goals, effective policy change is symbiotic with private-sector income growth.

By contrast, If lawmakers' innate talents result in additional economic opportunities, their talents also enable them to become proficient at proposing and passing complex pieces of legis-

lation. As a result of skills developed before office and behavior while in office, some legislators will acquire additional wealth. At the same time, they develop sufficient policy expertise. Success at both legislative goals moves in tandem - progress towards one goal begets progress toward the other. Therefore, lawmakers who pursue financial gain will produce more-complex legislation and expend more effort to shepherd legislation through the policy process. This leads to two hypotheses:

*H2a: Legislators with extant wealth in their first year of office are more likely to pass complex and effective policy.*

*H2b: If a legislator acquires additional income, she is more likely to pass complex and effective policy.*

## **Policymaking Outputs and Financial Gains**

Determining which hypothesis is correct requires finding legislatures where all four purposive goals are observable, and most importantly, where policymaking outputs and financial gains are regularly reported. Controlling for the threat of electoral defeat and the attainment of prestigious legislative positions (the remaining purposive goals as outlined by Fenno or Mayhew), I can test whether legislators must choose amongst purposive goals, or if they can proficiently pass policy whilst obtaining personal financial gains. I describe how to conceptualize and operationalize policymaking proficiency and financial gains.

There are many definitions for policy proficiency, yet I rely on two concepts: complexity (Kousser, 2006; Huber and Shipan, 2002) and effectiveness (Volden and Wiseman, 2014). These two concepts provide a comprehensive survey of the ways in which lawmakers make policy. If a lawmaker exerts effort at complexity but not effectiveness, they are not truly exerting sufficient effort to pursue policymaking as a purposive goal. Complexity captures the aspect of policymaking that reveals the policy expertise of legislators. Complex legislation precisely identifies a problem and prepares a comprehensive remedy. Legislators who invest the effort required to absorb and produce complex policy are more proficient than legislators who do not. Effectiveness shows how skilled the legislator is at shepherding bills through the legislative process. Bills require extensive work to navigate the myriad gatekeeping forces at work in a legislature (Cox and McCubbins, 2005; Cox and Mathew, N.d.; Gilligan and Krehbiel, 1990; Krehbiel, 1990; ?). Effective lawmakers will overcome procedural and partisan hurdles to see their bills become law.

Evidence of financial gain is straightforward, even if the motivations of lawmakers to use office for financial gain remain poorly understood. Legislators in most governments can obtain private-sector incomes in addition to their government salaries. They may invest in real estate, stock, and bond markets (Eggers and Hainmueller, 2013). Lawmakers often hail from the upper class and benefit from large inheritances. Many sit on prestigious corporate boards (Palmer and Schneer, 2016; Eggers and Hainmueller, 2009). These sources of financial gain require significant investments of time to maintain, and profit-motivated sitting lawmakers pursue still larger fortunes.

## Data

I test these theories with a novel dataset of members of the Florida House of Representatives, including measurements of four purposive goals from 1995-2014: re-election, prestige, policymaking proficiency, and personal financial gain. Florida is the optimal location to study these four competing purposive goals for one important reason: Florida is the only legislature in the United States that reports precise measurements of all four legislative goals. Florida's Commission on Ethics and Sunshine Law require documentation of all past and current lawmakers, from their sponsored bills to their financial statements, which include incomes, assets, and liabilities with precision to the penny.<sup>1</sup>

To measure success at re-election, I obtained election vote shares for every member of the Florida House of Representatives from 1995-2014 (Klarner et al., 2011).<sup>2</sup> Additionally, I obtain measures of each legislator's campaign contribution totals for each election cycle. Vote shares provide a proxy for the total amount of effort exerted by the legislator to obtain re-election. Campaign contributions reveal the extent to which legislators spent time and resources dedicated to wooing donors.

To measure prestige, I obtained measures of each legislator's position in party leadership (more precisely, Speaker, Majority Leader, Minority Leader), assignment to prestigious committee chairships, or assignment to prestigious committees.<sup>3</sup> As leadership positions are more prestigious than committee chairs, which are in turn more prestigious than committee assignment, I measure their effects on policymaking proficiency or financial gain separately rather

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<sup>1</sup>Other states require ordinal scales of legislative incomes, assets, and liabilities. However, the data from these states is much more limited than in Florida, and the coarse ranges limit the amount to which inferences can be drawn. See the Appendix for a discussion of financial gains data from other states.

<sup>2</sup>Klarner (2016) has updated this data set beyond 2010, and will make those data public in 2017.

<sup>3</sup>I use membership of the so-called "power" committees as a proxy for prestigious committee assignment.



than as a combined score.

I deliberately restrict the concept of prestige within the legislature to ensure the strongest possible test. If I am unable to find support for my hypotheses with the most powerful offices in the legislature, finding support for them with an expansive definition of prestige suggests that the cause is not from prestige but some other factor. Additionally, I do not model “future” leaders as they rise through the party ranks or committee structure - I do not ascribe goal success to a legislator in 2004 if she becomes Chair of the Appropriations committee in 2008.

To measure policy proficiency, I draw on a series of measures of legislative complexity and effectiveness. I measure complexity with a measure of bill length (Huber and Shipan, 2002), which identifies how many words are in a given bill, and a measure of the number of changes to state statute in each bill. The combined measure proxies the complexity of the legislation, and the effort the lawmaker put to learning the nuance and substance of the policy. For the purposes of this draft, I only measure the word counts of bills.<sup>4</sup> Word counts are measured as the number of words in the substantive text of the bill as introduced by the legislator.<sup>5</sup> Those word counts are averaged together to create an annual average measure of bill length, which I then log.<sup>6</sup>

I draw on the Legislative Effectiveness Project (Volden and Wiseman, 2014) to measure legislative effectiveness. I adapt their measure to include action on the bill made after leaving the state House of Representatives, including committee and floor action in the state Senate, and the Governor’s response to the bill. These additions are necessary for modeling legislative procedures of the state. In Florida, the governor has a line-item veto, enlarging his role in the legislative process. Additionally, members of the Florida House are encouraged to find co-sponsors in the Florida Senate for their bills. Lawmakers who can usher their bills through the House, but not the Senate, are penalized for their relative ineffectiveness in a more direct manner than Congress. For the purposes of this draft, I only measure whether a bill successfully passes on the floor of the Florida House of Representatives.<sup>7</sup> Bill success rates are measured

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<sup>4</sup>I report full bill word counts for all bills from 2001-2010, and 2012. Collection and counting words for 1997-2000, 2011, and 2013-2014 are underway. Moreover, I am still developing a textual-analysis algorithm for identifying substantive changes to state statute.

<sup>5</sup>These data were obtained from LexisNexis Advance’s database of all proposed legislation from state legislatures after 1997.

<sup>6</sup>The dependent variable is heavily skewed right, indicating that I may violate the OLS assumption of linearity in the parameters. A logged dependent variable ameliorates those concerns.

<sup>7</sup>The data for this presentation are incomplete, despite the best efforts of myself and undergraduate coders who have worked diligently to collect and categorize bill outcomes from 1989-2015 in the Florida House of Representatives. As such, I do not yet have weights for commemorative or substantive bills, consistent with LES. Moreover, Florida’s House of Representatives does not report committee outcomes in the same manner as the U.S. Congress, and I must adapt the LES measure to accommodate this institutional difference. Those adaptations are not yet fully-tested.

as the proportion of each legislator's bills that pass the House in a given year.

To measure personal financial gain, I developed a novel measure of each legislator's total income and net worth for each year they are in office.<sup>8</sup> In conjunction with Florida's Commission on Ethics, I compile 2,905 legislative financial disclosure forms from 1995 to 2014 for all members of the Florida House of Representatives. These lawmakers are paid \$29,687 per year and are in session for sixty days - they have both the time and the financial necessity to earn outside incomes. Table 1 reports summary statistics of the income value of Florida lawmakers.

[Table 1 about here.]

The table shows clear evidence that members of the Florida legislature obtain private-sector income. The average member of the House is a millionaire and reports an income in excess of \$100,000/year. The Great Recession had an impact on legislators' assets (many are multiple homeowners and rental-property owners), but not on their incomes. Yet average annual real income growth among members of the Florida House was \$403, while median real income growth was negative (-\$654).

Tentative evidence suggests that individuals who have obtained prestigious positions in the legislature are wealthier than those who do not. Table 2 reports mean levels of income and net worth for members of the party leadership and those appointed to prestigious committee chairs.

[Table 2 about here.]

The relationship between having legislative prestige and financial gain is less clear from these data, although generally those who are in party leadership positions report higher net worth and income than the average legislator.<sup>9</sup> Individuals who sit on committee chairs report higher net worth and income than the average legislator before the start of the Great Recession, but this trend reverses after 2007-2008.

Combined, these four variables comprise my main set of independent and dependent variables. I do include a limited pool of control covariates due to the benefits of analyzing one

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<sup>8</sup>In statistical models in the paper, the variables are rescaled into \$100,000s as the coefficient for the change in an individual dollar is substantively small.

<sup>9</sup>Admittedly, this is not surprising given how Florida selects its leaders: the Speaker of the House is typically the majority party's most prolific fundraiser. I presume that wealthier legislators have wealthy networks and can draw upon those networks to fundraise for the party.

legislative chamber over a short time period.<sup>10</sup> I use measures of each legislator’s gender, race, time in office, and education level (whether they received a post-graduate degree such as a JD or MBA). Additionally, I included a dichotomous measure of membership in the majority party. In all models, the unit of analysis is the legislator-year.

## Results

The following section reports the results of models that estimate the effect of other purposive goals on policymaking output in the Florida House of Representatives, 1995-2014. Table 3 produces estimates from four models that estimate the effect of purposive goals on bill lengths in the Florida House (i.e., the word counts of bills introduced by members). The first two models report coefficients with *contemporary* independent and dependent variables. If a lawmaker made \$130,000 in 2007, and was appointed to the Finance & Tax Committee that year, the dependent variable reports bill success rates for 2007. This measure is important for identifying the path dependence mechanism I discuss earlier; lawmakers who pursue one goal may do so at the expense of other goals. The latter two models report coefficients where the independent variables are from the previous year, or lagged. This measure allows for a legislator to have realized a goal and then “shifted gears,” so to speak, to another goal. A legislator who becomes Speaker of the House, or wins re-election with 95% of the vote, may re-focus their attentions on policymaking. The second and fourth models use annual differenced income and net worth values instead of absolute values.

[Table 3 about here.]

These results indicate very little evidence to recommend either hypothesis. Neither income nor net worth influenced the size of bills produced by members of the Florida House of Representatives. Indeed, only two variables are consistently associated with larger bill length: membership in the majority party and white lawmakers. There is some evidence that lawmakers who have obtained more prestigious positions produce more complex legislation; individuals assigned to the Rules Committee in the previous year report larger bills in the current year. Members of the Rules Committee tend to be loyalists of the current Florida Speaker of the

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<sup>10</sup>Staff sizes in the Florida House have remained fairly constant from 1995-2014, as have bill introduction limits and other institutional constraints such as legislative term limits.

House, and the committee is itself a stepping-ground to future chamber and party leaders. However, once legislators are appointed to the leadership, they introduce less-complex legislation. I attribute this decline in legislative output to term limits - party leaders tend to be assigned to leadership positions in their last term, where they are ostensibly eyeing another office or a return to the private sector. Moreover, chamber leaders in Florida have a good deal of control over the legislative process - including the rules, calendar, and assignment of bills to committee - that their policy proposals need not incorporate clauses in their own bills designed to attract support from other lawmakers.

Average word length is not correlated with financial gain on its own, but interactions between other purposive goals and financial gain reveal a more nuanced picture of the relationship between competing legislative behaviors. I interacted my measures of income and net worth with my measures of electoral success, prestige, and majority-party status. The interactions provide constituent coefficients that can be interpreted as the values of income in the absence of the other purposive goals, such that the coefficient for *Income* is the coefficient for minor-party (i.e., Democratic) lawmakers who are not their party's leader, across the range for vote margins (in these data, vote margin ranges between 0.44 and 1).

[Table 4 about here.]

In terms of absolute values, rank-and-file lawmakers who report higher incomes in the minority party produce longer bills, but as lawmakers become more electorally secure, the size of legislators' bills declines. A lawmaker who makes \$100,000 more than the average lawmaker can expect to write bills that are longer (and thus more complex), but as their electoral fortunes improve, lawmakers of all stripes write less-complex legislation by about the same amount (19%). For the average Democratic legislator, an uptick in one's wealth can produce a bill that is 500 words longer. Since the average piece of legislation in the Florida House of Representatives is 2,200 words, this is a substantive increase. This finding is robust to a model that specifically examines the interaction between financial gain and vote share (no other interactive terms); I report interaction plots in Figure 1.

[Figure 1 about here.]

At sufficiently low levels of vote share (i.e., competitive districts), the effect of income growth on financial gain is positive. Competitive lawmakers who report higher levels of income

write more complex legislation. At sufficiently high levels of vote share – approximately 75% – increasing income is negatively associated with bill length. The finding as it pertains to income supports a nuanced story of competing legislative goals. Lawmakers see policymaking prowess while in close election battles, but if they are electorally secure, they act in ways consistent with H1.

By contrast, the marginal effect of net worth is consistent with H2. As vote share increases, larger extant wealth has an increasing positive effect on bill complexity. At sufficiently high levels of income – approximately 65% – this effect is statistically significant. As lawmakers become wealthier, they produce longer legislation. The inter-year correlation for net worth is 0.94, indicating that this effect picks up on extant, or lifelong wealth, rather than wealth earned throughout the lawmaker’s time in office.

The analysis on bill length suggests a nuanced story of the relationship between competing purposive goals. Now, I test the effects of financial gain on legislators’ capacity to shepherd their bills through the process. Table 5 reports coefficients from a model that estimates the effect of purposive goals on legislative effectiveness scores. As before, these scores are modified Volden-Wiseman scores to account for differences in reporting at the U.S. state level.

[Table 5 about here.]

The results do not indicate that legislators’ ability to acquire additional incomes or wealth are correlated to lawmakers’ policymaking prowess.<sup>11</sup> The two variables that do predict legislative effectiveness are majority party status and becoming a committee chair.

This null finding has many potential explanations. Due to substantial data missingness, it is possible that financial gain will influence policymaking. Moreover, given that the majority of cases fall after the crash of the Florida housing market – which reduced average legislator wealth by \$700,000 and average legislator income by \$20,000 from 2007 to 2011 – additional data from the prosperous 1990s and mid-2000s could, at the very least, eliminate this alternative explanation. Assuming these data are representative, the implication is that there is no systematic evidence of a trade-off between financial gain and positive agenda control.

Table 6 produces estimates from four models that estimate the effect of purposive goals on bill success rates in the Florida House (i.e., the bills pass a floor vote in the House and are

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<sup>11</sup>A model that uses lagged predictor and control variables to estimate legislative effectiveness reports coefficients associated with a null finding as well.

sent to the Senate). As with the models where word counts are the dependent variable, there are two contemporary models and two lagged models, with one contemporary and one lagged model relying on differenced income and net worth values.

[Table 6 about here.]

These models provide some evidence for Hypothesis 1a, but not 1b. Lawmakers with large amounts of extant wealth, as measured with net worth, produce lower policymaking output. In substantive terms, a one-standard deviation increase in a lawmaker's net worth (approximately \$2.9 million dollars) is associated with a decrease in a legislator's average bill success rate of 6%. The mean success rate is about 32%, and since 1998 Florida lawmakers have been restricted to six bills introduced per year. In real terms, this 6% decline equates to a new success rate of 1.67 bills instead of 1.97 bills per year. It is a real decline in legislative output.

But changes in net worth are not associated with changes in legislative output. This is most likely due to the inelasticity of net worth - the correlation between the average legislator's net worth in two adjacent time periods is approximately 0.9. Incomes, which are more elastic, are not related to legislative output in this study. As with the models reported in Table 3, the only consistently significant variable is membership in the majority party. That majority-party members write longer bills and see more of them pass is unsurprising, but the lack of competition among purposive goals is.

## Conclusion

These tentative data provide some, but not consistent, evidence that lawmakers with extant amounts of wealth produce lower policy outputs than their peers. The role of other purposive goals is to attenuate the relationship between financial gain and policymaking. As legislators' incomes and vote shares increase in tandem, they produce less-complex pieces of legislation. These results are indicative of individuals who must engage in trade-offs to secure some purposive goals while in office. The exception to this is the role of extant wealth among safe lawmakers; these lawmakers produce larger bills that ostensibly allow them to implement legal changes. The evidence does not support either hypothesis, but rather infers a nuanced story about the conditionality of time-intensive purposive goals in a legislative setting.

Admittedly, these trade-offs are not insurmountable: the relative small changes in policy-making outputs may have little substantive implications (although my forthcoming measure of counts of the statute changes in each introduced bill will address that concern), suggesting that while legislators must prioritize, they may easily “switch gears” to pursue other goals. Future work will incorporate all available data to test the elasticity of legislative goal movement.

Perhaps the small costs to pursuing personal financial gain indicate that citizens can rest assured that electing wealthy legislators will be no worse than electing less-wealthy individuals. Yet this analysis makes no subjective claims regarding the types of policies passed (see Carnes and Lupu (2015); Gilens and Page (2014) for more on the kinds of policymaking preferred by the wealthiest citizens), whatever policies

There is a need to identify how legislators’ prioritize their limited time and resources in office. Moreover, when legislators’ personal finances draw closer scrutiny from voters, we still know very little about how personal financial gain relates to other forms of political activity. Future work will include obtaining such data available in the thirteen other state legislatures that possess measures of all four types of purposive goals, as well as the U.S. Congress and the countries of Norway and Sweden. This research should be of interest to academics, who can recalibrate notions of legislative “value,” for citizens who will be able to identify suboptimal public officials, and politicians who want to understand their role in government, and the mechanisms by which their goals can be achieved.

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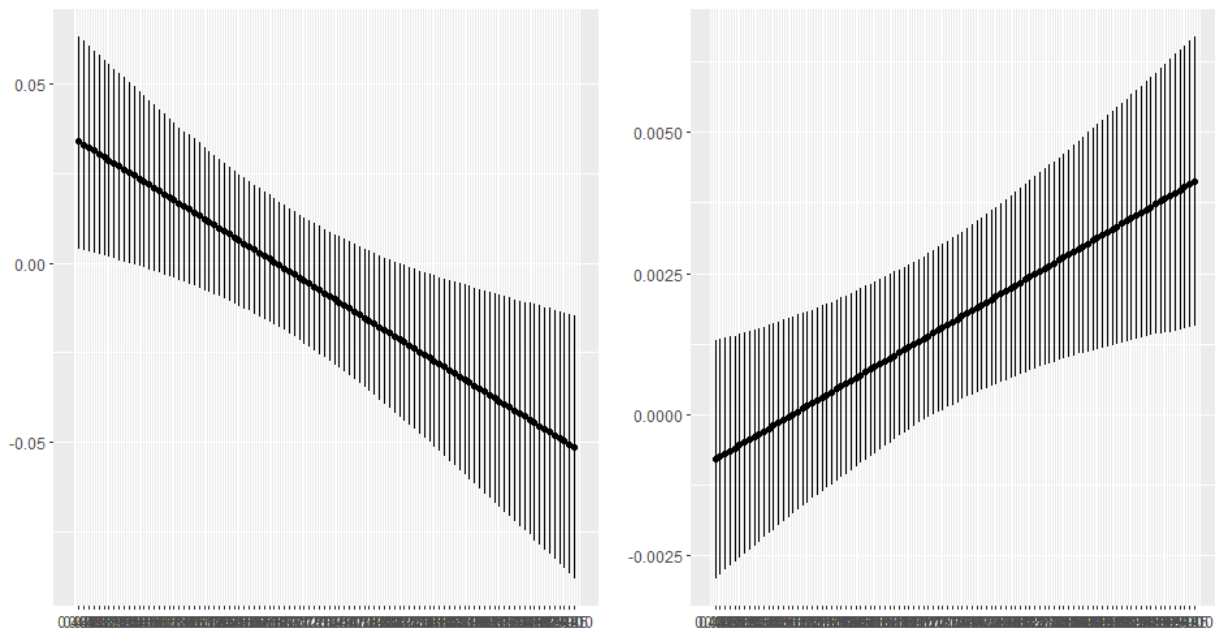


Figure 1: Interaction Plots: Effect of Financial Gain (Income Left, Net Worth Right) on Bill Complexity, Across Range of Vote Share

Table 1: Means, Medians, and Standard Deviations of Income and Net Worth (in 2001 \$USD) for Members of the Florida House of Representatives, 1995-2014

	<b>Net Worth</b>			<b>Income</b>		
	Mean	Median	Std. Deviation	Mean	Median	Std.Deviation
1995	\$640,637	\$278,904	\$1,289,170	\$103,666	\$74,854	\$105,330
1996	\$546,986	\$302,795	\$834,135	\$105,535	\$78,609	\$98,915
1997	\$702,683	\$321,089	\$1,350,793	\$101,501	\$86,334	\$78,357
1998	\$792,922	\$416,276	\$1,432,132	\$109,252	\$93,393	\$76,704
1999	\$898,959	\$440,230	\$1,526,441	\$141,196	\$101,108	\$259,749
2000	\$863,675	\$426,519	\$115,697	\$1,421,330	\$85,444	\$104,622
2001	\$766,914	\$342,047	\$1,163,640	\$119,528	\$78,666	\$126,493
2002	\$811,550	\$348,546	\$1,253,497	\$121,595	\$86,485	\$136,134
2003	\$1,216,403	\$367,236	\$3,395,629	\$127,861	\$86,112	\$197,277
2004	\$1,411,526	\$480,938	\$3,606,333	\$131,660	\$87,839	\$173,172
2005	\$1,699,148	\$628,548	\$3,787,384	\$139,141	\$97,227	\$212,739
2006	\$2,002,021	\$694,015	\$4,741,112	\$171,599	\$99,165	\$284,692
2007	\$1,663,471	\$466,851	\$4,955,210	\$137,422	\$93,011	\$150,164
2008	\$1,280,371	\$471,922	\$3,699,250	\$115,824	\$85,079	\$99,125
2009	\$1,230,266	\$346,405	\$3,629,560	\$107,392	\$82,643	\$76,552
2010	\$1,178,237	\$263,408	\$3,733,589	\$106,484	\$79,891	\$92,213
2011	\$895,537	\$322,184	\$1,464,577	\$116,399	\$82,646	\$118,568
2012	\$1,124,485	\$304,317	\$1,955,318	\$184,915	\$84,379	\$599,959
2013	\$1,051,981	\$369,146	\$1,792,135	\$125,306	\$80,532	\$138,082
2014	\$1,091,239	\$395,776	\$1,705,996	\$117,444	\$74,583	\$141,741
Average	\$1,242,000	\$407,700	\$3,184,412	\$130,700	\$85,440	\$225,013

Table 2: Means, Income and Net Worth (in 2001 \$USD) for Leaders in the Florida House of Representatives, 1995-2014

	<b>Party Leaders</b>		<b>Committee Chairs</b>	
	Net Worth	Income	Net Worth	Income
1995	\$232,120	\$124,138	\$1,231,263	\$248,050
1996	\$223,088	\$58,830	\$1,315,373	\$206,259
1997	\$3,726,108	\$346,164	\$420,443	\$163,054
1998	\$3,685,020	\$219,883	\$481,380	\$177,927
1999	\$451,456	\$172,391	\$3,480,763	\$198,057
2000	\$500,134	\$165,182	\$1,641,697	\$205,226
2001	\$834,685	\$68,225	\$1,140,707	\$71,299
2002	\$1,537,776	\$149,573	\$1,131,504	\$104,242
2003	\$328,264	\$205,619	\$1,063,655	\$146,193
2004	\$347,203	\$203,257	\$1,404,460	\$180,210
2005	\$6,222,485	\$900,012	\$1,657,464	\$202,156
2006	\$9,950,339	\$986,696	\$1,754,119	\$112,441
2007	\$454,021	\$246,235	\$505,920	\$88,810
2008	\$292,470	\$207,106	\$490,916	\$90,086
2009	\$1,218,023	\$69,259	\$471,710	\$201,862
2010	\$787,622	\$58,817	\$568,699	\$52,370
2011	\$771,824	\$147,601	\$917,213	\$284,416
2012	\$1,686,872	\$205,899	\$964,137	\$300,385
2013	\$1,160,142	\$105,334	\$223,044	\$49,521
2014	\$1,765,258	\$48,303	\$219,474	\$53,594

Table 3: Prioritizing Purposive Goals: Correlates of Introduced-Bills Word Counts in the Florida House of Representatives

	<i>Dependent variable:</i>			
	(Logged) Word Counts of Legislator-Introduced Bills			
	(Contemporary)	( $\Delta$ Contemporary)	(Lagged)	( $\Delta$ Lagged)
Income	−0.00002 (0.011)	0.006 (0.009)	−0.002 (0.011)	0.0002 (0.009)
Net Worth	0.001 (0.001)	0.0002 (0.001)	0.001 (0.001)	−0.001 (0.003)
Leadership	−0.843*** (0.161)	−0.828*** (0.161)	−0.387*** (0.149)	−0.381** (0.152)
Vote Share (Prior Election)	−0.087 (0.114)	−0.082 (0.116)	−0.065 (0.123)	−0.071 (0.123)
Majority Party	0.386*** (0.051)	0.389*** (0.052)	0.375*** (0.055)	0.379*** (0.055)
Female	0.058 (0.052)	0.059 (0.053)	0.032 (0.055)	0.036 (0.055)
White	0.146*** (0.052)	0.162*** (0.053)	0.176*** (0.055)	0.175*** (0.056)
Postgrad	−0.011 (0.044)	−0.002 (0.044)	−0.007 (0.047)	−0.006 (0.047)
Tenure	0.007 (0.007)	0.003 (0.007)	0.004 (0.008)	0.005 (0.008)
Appropriations Committee	0.038 (0.054)	0.042 (0.055)	0.047 (0.054)	0.047 (0.054)
Finance and Tax Committee	0.052 (0.060)	0.067 (0.061)	0.024 (0.062)	0.022 (0.062)
Rules Committee	0.016 (0.060)	0.028 (0.061)	0.173*** (0.061)	0.173*** (0.061)
Committee Chair	−0.049 (0.157)	−0.101 (0.159)	−0.124 (0.143)	−0.159 (0.145)
Intercept	6.940*** (0.116)	6.930*** (0.118)	6.890*** (0.127)	6.890*** (0.127)
Observations	1,475	1,425	1,278	1,263
Adjusted R <sup>2</sup>	0.076	0.076	0.072	0.071
F Statistic	10.300***	10.000***	8.590***	8.400***

*Note:*

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Table 4: Prioritizing Purposive Goals: Correlates of Introduced-Bills Word Counts in the Florida House of Representatives, Interacted with other Purposive Goals

	<i>Dependent variable:</i>	
	(Logged) Number of Words in Introduced Bills	
	(Contemporary)	( $\Delta$ Contemporary)
Income	0.205*** (0.076)	
Income		0.022 (0.081)
Leadership	-0.790* (0.456)	-0.748*** (0.273)
Vote Share	0.094 (0.144)	-0.034 (0.114)
Majority Party	0.449*** (0.074)	0.407*** (0.050)
Net Worth	-0.010* (0.005)	
Net Worth		0.003 (0.006)
Appropriations Cmte	0.029 (0.058)	0.021 (0.058)
Rules Cmte	0.017 (0.064)	0.028 (0.065)
Finance & Tax Cmte	0.066 (0.063)	0.079 (0.065)
Committee Chair	-0.070 (0.231)	-0.135 (0.239)
Female	0.061 (0.053)	0.057 (0.053)
White	0.142*** (0.054)	0.155*** (0.051)
Post-Graduate Degree	-0.001 (0.045)	0.012 (0.045)
Tenure	0.011 (0.007)	0.007 (0.007)
Income x Leadership	-0.077 (0.239)	-0.038 (0.275)
Income x Vote Share	-0.187** (0.076)	-0.028 (0.089)
Income x Majority Party	-0.078* (0.047)	-0.0004 (0.038)
Net Worth x Leadership	0.008 (0.021)	-0.049 (0.041)
Net Worth x Vote Share	0.010** (0.005)	-0.004 (0.006)
Net Worth x Majority Party	0.004 (0.004)	0.001 (0.005)
Intercept	6.630*** (0.173)	6.780*** (0.161)
Observations	1,475	1,425
Adjusted R <sup>2</sup>	0.099	0.094
F Statistic	6.070***	5.640***

Note:

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Table 5: Prioritizing Purposive Goals: Correlates of Legislative Effectiveness in the Florida House of Representatives

	<i>Dependent variable:</i>		
	Legislative Effectiveness Score		
	(1)	(2)	(3)
Income	-0.011 (0.021)	-0.004 (0.141)	0.063 (0.066)
Net Worth	0.0004 (0.005)	-0.015 (0.016)	-0.015 (0.014)
Majority Party	0.287** (0.127)	0.287** (0.127)	0.284* (0.158)
Vote Share	-0.135 (0.278)	-0.326 (0.374)	-0.178 (0.280)
Leadership	-0.411 (0.481)	-0.527 (0.510)	-0.443 (0.495)
Post-Graduate Degree	-0.286 (0.882)	-0.289 (0.898)	-0.427 (0.903)
White	0.425 (0.871)	0.444 (0.882)	0.325 (0.874)
Female	-0.441 (1.250)	-0.454 (1.260)	-0.561 (1.260)
Tenure	0.006 (0.032)	0.005 (0.032)	0.005 (0.032)
Rules Committee	0.057 (0.139)	0.061 (0.142)	0.030 (0.141)
Appropriations Committee	0.127 (0.133)	0.122 (0.134)	0.134 (0.134)
Finance & Tax Committee	0.126 (0.131)	0.130 (0.131)	0.128 (0.131)
Committee Chair	-0.681* (0.352)	-0.679* (0.354)	-0.639* (0.354)
Income x Vote Share		-0.023 (0.211)	
Net Worth x Vote Share		0.022 (0.021)	
Income x Majority Party			-0.080 (0.069)
Net Worth x Majority Party			0.016 (0.014)
Intercept	0.114 (0.719)	0.235 (0.732)	0.310 (0.752)
Observations	487	487	487
Adjusted R <sup>2</sup>	0.010	0.005	0.010
F Statistic	1.010 (df = 313; 173)	1.010 (df = 315; 171)	1.010 (df = 315; 171)

*Note:*

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01



Table 6: Prioritizing Purposive Goals: Correlates of Bill Success Rates in the Florida House of Representatives

	<i>Dependent variable:</i>			
	Proportion of Legislator Bills That Pass House Floor Vote			
	(Contemporary)	( $\Delta$ Contemporary)	(Lagged)	( $\Delta$ Lagged)
Income	0.004 (0.005)	-0.002 (0.005)	0.003 (0.013)	0.005 (0.005)
Net Worth	-0.002*** (0.001)	0.001 (0.002)	-0.001** (0.001)	-0.001 (0.001)
Majority Party	0.144*** (0.031)	0.132*** (0.031)	0.136*** (0.030)	0.137*** (0.034)
Vote Margin (Prior Election)	-0.053 (0.070)	-0.044 (0.070)	-0.009 (0.070)	-0.048 (0.075)
Leadership	0.002 (0.153)	0.115 (0.176)	-0.152 (0.215)	-0.156 (0.211)
Post-Graduate Degree	0.025 (0.028)	0.012 (0.028)	0.023 (0.028)	0.025 (0.030)
White	0.027 (0.032)	0.030 (0.032)	0.045 (0.032)	0.048 (0.035)
Female	-0.005 (0.033)	-0.003 (0.033)	-0.0004 (0.033)	0.010 (0.035)
Tenure	0.007* (0.004)	0.006* (0.004)	0.004 (0.003)	0.009** (0.004)
Rules Committee	0.002 (0.043)	0.002 (0.043)	0.048 (0.039)	0.060 (0.044)
Appropriations Committee	0.003 (0.039)	0.006 (0.040)	-0.002 (0.038)	-0.012 (0.041)
Finance and Tax Committee	-0.008 (0.037)	-0.018 (0.037)	-0.020 (0.037)	-0.040 (0.041)
Committee Chair	0.096 (0.115)	0.119 (0.113)	0.094 (0.111)	0.207 (0.127)
Intercept	0.200*** (0.073)	0.187** (0.073)	0.164** (0.073)	0.156** (0.076)
Observations	484	471	477	403
Adjusted R <sup>2</sup>	0.055	0.042	0.051	0.066
F Statistic	3.160***	2.600***	2.980***	3.190***

*Note:*

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01