

According to Open Secrets, fully 74 percent of registered lobbyists for the finance and insurance industry previously worked in government, many of them for members of Congress sitting on committees that set banking regulations, or for the regulatory agencies that enforce them.

The nuts and bolts of legislation is crafted by Congressional staffers, and in the Senate, the Finance Committee (117) is second only to the Judicial Committee (119) in the number of staffers-turned-lobbyists or lobbyists-turned-staffers.

Building relationships as an elected official, regulator or legislative staffer can later bring rich financial rewards when one moves to the private sector. Economists Jordi Blanes Vidal, Mirko Draca and Christian Fons-Rosen tried to figure how much those relationships were worth in a 2010 study conducted for the Center for Economic Performance (PDF).

<http://cep.lse.ac.uk/pubs/download/dp0993.pdf>

Using disclosure forms, they looked at how former staffers-turned-lobbyists' income changed when their former bosses left Congress. The researchers found "evidence that the existence of a powerful politician to whom the lobbyist is connected is a key determinant of the revenue that he or she is able to generate... in other words, lobbyists are able to 'cash in on their connections,' since connections are an asset with a separate value to their experience, human capital or general knowledge of how government works."

Specifically, they found that when a senator left office, their former staffers-turned-lobbyists saw their incomes drop by an average of 24 percent and when members of the House left office, their old staffers' incomes dropped by 10 percent. But those are the averages. They also found, "Consistent with the notion that lobbyists sell access to powerful politicians," that lobbyists lost more revenue if their departing ex-bosses were more senior and held powerful committee assignments.

donations to the GOP). Citigroup's PAC donated \$56,000 thus far for 2012. And Goldman Sachs leads the pack among investment banks this cycle, having already shelled out nearly \$300,000.

Just who are the recipients of all this largesse? There are many, but most play key roles on Congressional committees that oversee their businesses. Consider just one example: Senator Chuck Schumer, D-New York, one of the most powerful members of Congress (Schumer is known as "the senator from Wall Street").

According to the National Journal's rankings, <http://tinyurl.com/3csx38p> Schumer is tied with two others as the 10th "most liberal" member of the upper chamber. But he owes his career to Wall Street. As Salon editor Steve Kornacki noted, <http://tinyurl.com/43ek73s> in the early 1980s, when he was a little-known back-bencher in the House, Schumer managed to get himself a seat on the House Banking Committee, and immediately "set about making friends on Wall Street, tapping the city's top law firms and securities houses for campaign donations." "I told them I looked like I had a very difficult reapportionment fight. If I were to stand a chance of being re-elected, I needed some help," he would later tell the Associated Press.

Wall Street would continue to have his back as his career progressed. According to Open Secrets, <http://tinyurl.com/3kbtzuz> between 2007 and the current cycle, Schumer raked in \$3.9 million from the securities, banking and insurance industries – over 20 percent of all his fundraising. He has raised more from Wall Street than any other lawmaker over the last two years. Over the course of his political career, the securities and investment industries are his top contributors; the four most generous institutions during his time in the Senate have been Goldman Sachs, Citigroup, Morgan Stanley and JPMorgan Chase, in that order.

The ostensibly liberal senator from New York, who sits on the Senate Finance and Banking, Housing and Urban Affairs Committees – and chairs the all-important Committee on Rules and Administration (which deal with, among other things, lobbying restrictions) – has returned that friendship consistently.