

Capitol Gains: The Returns to Elected Office from Corporate Board Directorships

Online Appendix

A Robustness Checks

This section of the appendix presents a series of robustness checks that illustrate how the effects we report hold up under a variety of different specifications and bandwidths. We consider a host of alternative approaches meant to deal with potential bias in construction of the sample as well as the outcome measures. We also report results from placebo tests.

A.1 Alternate Functional Forms

Table A1: Fuzzy Regression Discontinuity (First Election): Effect of Holding Office on Pr(Board)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: Senator, Bandwidth = ± 0.5 , N = 429								
Estimate	0.255*** (0.0705)	0.295*** (0.0784)	0.219*** (0.0835)	0.200** (0.0931)	0.288*** (0.0777)	0.156 (0.100)	0.179 (0.126)	0.338** (0.157)
Panel B: Governor, Bandwidth = ± 0.5 , N = 375								
Estimate	0.261*** (0.0682)	0.288*** (0.0751)	0.276*** (0.0872)	0.277*** (0.0890)	0.284*** (0.0733)	0.278*** (0.0990)	0.300** (0.127)	0.265* (0.155)
Panel C: Senator, Bandwidth = ± 0.2 , N = 370								
Estimate	0.197** (0.0836)	0.203** (0.0953)	0.227** (0.108)	0.174 (0.121)	0.193** (0.0932)	0.224* (0.134)	0.468*** (0.180)	0.263 (0.218)
Panel D: Governor, Bandwidth = ± 0.2 , N = 341								
Estimate	0.271*** (0.0794)	0.277*** (0.0843)	0.282*** (0.0993)	0.298*** (0.104)	0.278*** (0.0829)	0.296** (0.116)	0.260* (0.149)	0.467** (0.192)
Linear	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quadratic	No	Yes	Yes	Yes	No	Yes	Yes	Yes
Cubic	No	No	Yes	Yes	No	No	Yes	Yes
Quartic	No	No	No	Yes	No	No	No	Yes
Separate Fit	No	No	No	No	Yes	Yes	Yes	Yes

Standard errors in parentheses

Standard errors are clustered at the state-year level.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A1 reports results for regressions where the outcome is a binary variable indicating whether a candidate served on a board. It illustrates the robustness of the result for senators and governors across specifications up to a fourth degree polynomial as well as separate fits on each side of the threshold.

Table A2: Fuzzy Regression Discontinuity (First Election): Effect of Holding Office on Boards Per Year

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: Senator, Bandwidth = ± 5 , N = 429								
Estimate	0.466*** (0.145)	0.511*** (0.162)	0.381** (0.172)	0.331* (0.195)	0.496*** (0.160)	0.229 (0.214)	0.163 (0.272)	0.388 (0.341)
Panel B: Governor, Bandwidth = ± 5 , N = 375								
Estimate	0.444*** (0.116)	0.482*** (0.131)	0.466*** (0.158)	0.469*** (0.164)	0.484*** (0.129)	0.502*** (0.180)	0.640*** (0.241)	0.609** (0.299)
Panel C: Senator, Bandwidth = ± 2 , N = 370								
Estimate	0.338** (0.171)	0.294 (0.205)	0.301 (0.224)	0.194 (0.259)	0.283 (0.199)	0.250 (0.288)	0.644 (0.396)	0.371 (0.522)
Panel D: Governor, Bandwidth = ± 2 , N = 341								
Estimate	0.429*** (0.141)	0.434*** (0.162)	0.560*** (0.178)	0.634*** (0.190)	0.445*** (0.156)	0.671*** (0.220)	0.499* (0.291)	0.698* (0.363)
Linear	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quadratic	No	Yes	Yes	Yes	No	Yes	Yes	Yes
Cubic	No	No	Yes	Yes	No	No	Yes	Yes
Quartic	No	No	No	Yes	No	No	No	Yes
Separate Fit	No	No	No	No	Yes	Yes	Yes	Yes

Standard errors in parentheses

Standard errors are clustered at the state-year level.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A2 reports results for regressions where the outcome is boards per year. It illustrates the robustness of the result for senators and governors across specifications up to a fourth degree polynomial as well as separate fits on each side of the threshold.

A.2 Sample Selection and Bias in Outcome Measures

The empirical strategy used for our main results seeks to minimize bias while still including enough observations to estimate an effect with some degree of precision. However, the approach we take (constructing a sample of all officials who held or ran for office in 1992 and after and measuring board service with (1) a binary outcome and (2) boards per year) is still a second-best approach. Ideally, we would construct a sample of first-time candidates who ran against each other in close elections, and use a binary outcome to estimate effects along the extensive margin and a measure of earnings to estimate effects along the intensive margin. However, simply not enough of these cases exist for application to Senate candidates, and the approach restricts sample size considerably for governors as well. In addition, there is substantial missingness in the yearly compensation data for board directors, which limits the utility of an estimate in dollars.

Departing from the ideal estimation strategy introduces potential bias along two dimensions: (1) who is included in the sample, and (2) how board service is measured. The potential problems with sample selection arise in part from including members of Congress or governors who were currently serving in 1992. Including these candidates leads to some degree of imbalance in the year of first election. It might appear that including only candidates who ran for the first time in 1992 or later would remedy this problem. However, this approach too would lead to imbalance in the sample. The reason is that, due to the advantages of incumbency, winners in 1992 are likely to run and win again (possibly even multiple times) against first time candidates. Imbalance between winners and losers in the year of first election could lead to biased estimates if, for example, there were differences in the competitiveness of elections or the availability of board seats over time, or if unobservable candidate characteristics that were correlated with board service varied across cohorts. A second sample selection problem occurs when long-serving officeholders do not leave office and are therefore never eligible to serve on a board. Under this scenario, their board service

is a censored outcome. While this form of selection almost surely leads us to understate the effect of holding office on board service, it nonetheless leads to bias in our estimates.

Our measurements of outcomes (i.e., board service and boards per year) might lead to biased estimates because they are affected by how much time a candidate has spent out of office after running for senator or governor. Spending more time in office translates to less time available once retired to serve on a board.³⁶ For our binary outcome measuring whether a candidate ever served on a board, the bias likely cuts against finding an effect of holding office on board service. Fewer years out of office would mean that office-holders have fewer opportunities to serve. However, the boards-per-year measure may well be biased in favor of finding an effect. Because boards per year includes years eligible in the denominator and winners who spend time in office have fewer years eligible than losers, this outcome may be artificially inflated for winners.³⁷

While no single solution addresses all the issues discussed above, we present a range of different checks to explore sensitivity of our main results to different sample constructions and based on different outcome measures. Comparing these results with our main specification reveals the extent to which bias drives the main results. We consider five possible corrections (1) We include election year fixed effects to control for potential differences across cohort. We also estimate the effects of holding office on board service (2) among first time candidate pairs, (3) in states with term-limits for governors, (4) for candidates who were only elected after 1992, and (5) for two-year windows after leaving office.

Including election year fixed effects means that we condition on cohort and then find the difference in board service between winners and losers at the discontinuity, essentially controlling for differences across cohorts. Table A3 presents the results. Across all bandwidths,

³⁶Thanks to anonymous reviewers for advice on this point.

³⁷Of course, winners also have fewer opportunities to serve on a board if they are eligible for fewer years, so the direction of the bias is not at all clear.

we find a positive effect of holding office on board service. At the narrowest bandwidths of ± 0.05 and ± 0.1 , three of the four estimates have a 95% confidence interval that does not overlap with zero. These findings suggest that imbalances across cohorts are not responsible for our results.³⁸

Next, we restrict our sample only to first time candidate pairs. This approach eliminates the selection bias in the construction of our sample entirely. Any concern over bias induced by time trends should disappear because the sample is now balanced in terms of first election year by construction.³⁹ While restricting the sample to only open seat elections reduces the number of observations drastically, the estimates nonetheless provide additional evidence that serving as governor results in subsequent board service. In Table A5 we report a positive effect ranging between 0.348 and 0.471 additional boards per year that results from gubernatorial service. For the $\text{Pr}(\text{Board})$ outcome, all coefficients are positive, though the confidence intervals tend to overlap with zero.

In support of our argument that the matched pairs analysis provides an ideal research design for assessing the effects of holding office on board service, we also present Table A9, which reports results from performing a placebo test on pre-treatment covariates for the matched-pair specification. All estimates have confidence intervals that overlap with zero, and in most cases the estimates are precise zeros. The precise null effects for pre-treatment covariates illustrates the advantages of using matched pairs. Specifically, our sample is perfectly balanced between winners and losers—this is in opposition to our main specification, in which we have more losers than winners due to incumbency effects.⁴⁰ We have also in-

³⁸We also check whether controlling for party makes any difference. Table A4 reports these estimates, which do not differ meaningfully from our main results.

³⁹Note that in the body of the paper, we presented an even more stringent test that combined this approach with measuring the outcome variable in two year windows.

⁴⁰Due to this imbalance, we do not estimate as precise zeros for covariates that should be

cluded a year of first election outcome variable to illustrate the balance along this dimension ensured by using the matched pairs approach.

The only remaining form of selection bias we can conceive of in a matched pairs analysis occurs for those candidates who win office and then proceed to stay in office until they either die or pass retirement age. These would take the form of censored outcomes because they would never be eligible for board service. This issue could conceivably bias our point estimates, though likely against finding an effect of holding office on board service. To address this source of bias, we estimate effects for the sub-sample of governors whose states have term limits.

Term limits normally prevent incumbent governors from holding office more than two consecutive times (and, in some cases, this applies for the life of the candidate). Examining the effects of holding office on board service in term limited states limits the bias introduced by long-serving candidates. With term limits, the longest serving candidates only hold office for two terms.

Table A6 gives estimates for governors in term limited states. The estimates are slightly less robust than in the matched pairs analysis Table 5, but the effects remain positive across all specifications. Examining the narrowest bandwidth at $\pm.05$, we estimate that holding office as governor leads to an increase in ever serving on a board of 24%. In terms of boards per year, we find an increase of 0.507, though both of these estimates are relatively noisy.

We also explore the bias introduced by including senators and governors who won office before 1992. Table A7 uses a sample of only candidates who first ran for office in 1992 or later. This approach limits the data we can include on winning candidates considerably, particularly in the Senate. For example, when we restrict to a bandwidth of $\pm.05$ for senators elected since 1992, there are only 27 Senate winners included in the sample of 94 total observations. Nonetheless, we find positive effects across all estimates, and our estimates for senators are

totally balanced such as region of the country.

significantly different from zero at bandwidths of $\pm.05$ for the binary board service outcome (Panel A) and $\pm.1$ for boards per year (Panel C). For governors, the estimates are also positive and significant at a bandwidth of $\pm.2$. We do note that the effect of serving as governor on future board service is roughly 23% rather than 30% when we examine only candidates since 1992.

Table A8 recodes the outcome variables to look only at the first two years out of office for election winners and for years 5/6 (governors) or 7/8 (senators) for election losers. In this case, the results remain very similar to our main estimation procedure. Holding office has a positive effect on future board service for both the binary board indicator and boards per year, and the effects differ significantly from zero.

The one constant throughout our exploration of possible bias induced by different approaches to defining the sample and outcome measures is that serving in office causes an increase in the rate of board service, both in terms of the likelihood of ever serving and the number of boards per year served upon. Our main specification trades off some unbiasedness in return for including more observations, but our exploration of other approaches demonstrates quite clearly that the effects we find in our main specification are not due to the particular approach we have taken in constructing the sample and coding the outcome measures. Not once do we find a negative effect, and the majority of cases have confidence intervals that do not overlap with zero. The clear conclusion is that issues of selection bias and measurement of outcomes have not led to spurious results in this paper's main set of estimates.

Table A3: Fuzzy Regression Discontinuity: Effect of Holding Office on Board Service with Year Fixed Effects

	(1)	(2)	(3)	(4)
	BW = ± 0.5	BW = ± 0.2	BW = ± 0.1	BW = ± 0.05
Senate Service on Pr(Board)	0.226** (0.0959)	0.144 (0.110)	0.269* (0.143)	0.413** (0.181)
Governor Service on Pr(Board)	0.213*** (0.0820)	0.182** (0.0882)	0.219* (0.112)	0.209 (0.145)
Senate Service on Boards per Year	0.290* (0.170)	0.0390 (0.214)	0.120 (0.277)	0.366 (0.342)
Governor Service on Boards per Year	0.286** (0.138)	0.199 (0.163)	0.365** (0.180)	0.399* (0.242)

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Standard errors in parentheses. Standard errors are clustered at the state-year level.

Columns 1–4 use models with quadratic polynomials. All models include year fixed effects.

Table A4: Fuzzy Regression Discontinuity: Effect of Holding Office on Board Service Controlling for Party

	(1)	(2)	(3)	(4)
	BW = ± 0.5	BW = ± 0.2	BW = ± 0.1	BW = ± 0.05
Senate Service on Pr(Board)	0.288*** (0.0786)	0.200** (0.0954)	0.341*** (0.124)	0.392** (0.169)
Governor Service on Pr(Board)	0.288*** (0.0749)	0.278*** (0.0842)	0.312*** (0.102)	0.361*** (0.137)
Senate Service on Boards per Year	0.502*** (0.163)	0.291 (0.205)	0.444* (0.264)	0.524 (0.361)
Governor Service on Boards per Year	0.479*** (0.130)	0.438*** (0.161)	0.561*** (0.182)	0.690*** (0.252)

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Standard errors in parentheses. Standard errors are clustered at the state-year level.

Columns 1–4 use models with quadratic polynomials. All models include year fixed effects.

Table A5: Additional Sample Selection Checks: Effect of Holding Office as Governor on Board Service (Fuzzy RDD), First-Time Candidate Pairs

	(1)	(2)	(3)	(4)
	BW = ± 0.5	BW = ± 0.2	BW = ± 0.1	BW = ± 0.05
Panel A: Pr(Board)				
Estimate	0.151 (0.104)	0.144 (0.111)	0.0969 (0.130)	0.146 (0.163)
Observations	158	154	130	92
R^2	0.119	0.117	0.083	0.040
Panel B: Boards per Year				
Estimate	0.376*** (0.123)	0.361*** (0.132)	0.348** (0.150)	0.471** (0.184)
Observations	158	154	130	92
R^2	0.136	0.135	0.122	0.111

Standard errors in parentheses and clustered at the state-year level.

Results are presented for model with quadratic polynomial.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A6: Additional Sample Selection Checks: Effect of Holding Office as Governor on Board Service (Fuzzy RDD), States with Term Limits for Governor

	(1) BW = ± 5	(2) BW = ± 2	(3) BW = ± 1	(4) BW = ± 0.5
Panel A: Pr(Board)				
Estimate	0.244*** (0.0905)	0.212** (0.105)	0.193 (0.129)	0.243 (0.174)
Observations	258	240	189	124
R^2	0.118	0.101	0.077	0.047
Panel B: Boards per Year				
Estimate	0.377** (0.165)	0.305 (0.210)	0.341 (0.231)	0.507 (0.320)
Observations	258	240	189	124
R^2	0.123	0.112	0.102	0.103

Standard errors in parentheses and clustered at the state-year level.

Results are presented for model with quadratic polynomial.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A7: Sample Selection Checks: Effect of Holding Office on Board Service (Fuzzy RDD), Post-1992 Elections

	(1)	(2)	(3)	(4)
	BW = ± 0.5	BW = ± 0.2	BW = ± 0.1	BW = ± 0.05
Panel A: Senators, Pr(Board)				
Estimate	0.188*	0.145	0.310*	0.425*
	(0.111)	(0.124)	(0.161)	(0.219)
Observations	356	303	181	94
R^2	0.121	0.111	0.027	0.030
Panel B: Governors, Pr(Board)				
Estimate	0.173**	0.188**	0.181	0.228
	(0.0878)	(0.0939)	(0.112)	(0.149)
Observations	333	301	233	149
R^2	0.113	0.087	0.064	0.046
Panel C: Senators, Boards per Year				
Estimate	0.150	0.0281	0.370*	0.502
	(0.160)	(0.217)	(0.224)	(0.320)
Observations	356	303	181	94
R^2	0.087	0.088	0.016	0.029
Panel D: Governors, Boards per Year				
Estimate	0.279**	0.264*	0.273	0.364
	(0.124)	(0.138)	(0.172)	(0.242)
Observations	333	301	233	149
R^2	0.115	0.103	0.085	0.091

Standard errors in parentheses and clustered at the state-year level.

Results are presented for model with quadratic polynomial.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A8: Sample Selection Checks: Effect of Holding Office on Board Service (Fuzzy RDD), First 2 Years Eligible for Winners, Years 5/6 for Losing Governors and Years 7/8 for Losing Senators

	(1)	(2)	(3)	(4)
	BW = ± 0.5	BW = ± 0.2	BW = ± 0.1	BW = ± 0.05
Panel A: Senators, Pr(Board)				
Estimate	0.239*** (0.0897)	0.217** (0.101)	0.431*** (0.122)	0.666*** (0.159)
Observations	346	297	185	101
R^2	0.094	0.082	0.029	0.099
Panel B: Governors, Pr(Board)				
Estimate	0.293*** (0.0770)	0.288*** (0.0839)	0.301*** (0.105)	0.381*** (0.143)
Observations	284	259	201	132
R^2	0.133	0.120	0.112	0.109
Panel C: Senators, Boards per Year				
Estimate	0.292 (0.194)	0.267 (0.222)	0.614** (0.290)	1.108*** (0.426)
Observations	346	297	185	101
R^2	0.051	0.042	0.008	0.041
Panel D: Governors, Boards per Year				
Estimate	0.258*** (0.0979)	0.249** (0.107)	0.271* (0.143)	0.429** (0.185)
Observations	284	259	201	132
R^2	0.078	0.069	0.051	0.077

Standard errors in parentheses and clustered at the state-year level. Results are presented for model with quadratic polynomial.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A9: Placebo Tests: Regression Discontinuity with Pre-Determined Outcome Variables For Governor Matched Pair Analysis

Placebo Outcome	Governors		
	Estimate	LCI	UCI
North	0.00000020	-0.00000008	0.00000047
Midwest	-0.00000007	-0.00000040	0.00000027
South	-0.00000003	-0.00000035	0.00000030
West	-0.00000010	-0.00000044	0.00000023
Age	-0.37340330	-5.80280300	5.05599600
Female	-0.12146070	-0.45962770	0.21670630
Democrat	0.16160040	-0.35835130	0.68155220
Year First Election	0.00000050	-0.00000230	0.00000329
Incumbent Party	0.12494040	-0.40579410	0.65567480

A.3 Placebo Tests

The possibility that the electoral settings we rely upon do not meet the necessary pre-conditions for a valid regression discontinuity also poses a threat to validity. As mentioned earlier, in some cases regression discontinuity approaches have been shown to suffer from sorting around the threshold based on covariates that would indicate the possibility of a spurious result. By construction, our main results do have some imbalance along year of first election. In the previous section of the Appendix, we have shown that this does not affect the results materially. Here, we run additional placebo tests in which we choose outcome variables other than boards per year and the board indicator variable. In particular, we include our set of covariates, none of which should theoretically exhibit a significant jump at the threshold between winning and losing an election. For these placebo outcomes we never estimate an effect for which the 95% confidence interval is different than zero.⁴¹ Thus, based on this simple test, it appears that assignment around the threshold is not correlated meaningfully with these pre-treatment outcomes.

We also test for jumps in the outcome variable at points other than where the true discontinuity occurred. Using increments of five percentage points around the true threshold, we redefine where the discontinuity occurred and then reestimate the model (for boards per year) using this new threshold. For example, we redefine the threshold to be 45% and then assign everyone over this threshold to have received the treatment (despite the fact that they have not actually been treated, i.e., served in the Senate). The estimates at these dummy discontinuity points are never significantly different from zero at standard levels of confidence.⁴² The one result to flag is that at the 60% threshold for senators the estimate and standard errors inflate, likely due to the lack of observations over the threshold. Overall,

⁴¹See Table A10.

⁴²See Table A11.

this simple check suggests that it is reasonable to think that the jump observed at the 50% threshold is unique in this setting (and, perhaps, that it is not unreasonable to think that the conditional mean function for the outcome variable is continuous at places other than the 50% vote share threshold).

Table A10: Placebo Tests: Regression Discontinuity with Pre-Determined Outcome Variables

Placebo Outcome	Senators			Governors		
	Estimate	LCI	UCI	Estimate	LCI	UCI
North	0.008	-0.237	0.253	-0.018	-0.208	0.173
Midwest	0.149	-0.114	0.412	0.060	-0.126	0.246
South	0.054	-0.233	0.341	-0.022	-0.207	0.162
West	-0.211	-0.473	0.051	-0.021	-0.214	0.172
Age	-5.895	-12.118	0.329	-1.979	-6.362	2.404
Female	-0.186	-0.377	0.006	-0.095	-0.336	0.145
Democrat	-0.132	-0.543	0.279	0.073	-0.297	0.442
Incumbent Party	-0.011	-0.328	0.306	0.086	-0.285	0.457

Table A10 reports results for a fuzzy regression discontinuity where the outcome variable is a pre-treatment covariate. For both senators and governors, we do not find any evidence that candidates sort around the winner/loser threshold based on observable pre-treatment covariates.

Table A11: Placebo Tests: Regression Discontinuity with different cut-offs, Board Seats per Year

Threshold	Senators			Governors		
	Estimate	LCI	UCI	Estimate	LCI	UCI
-0.1	0.012	-0.180	0.203	0.065	-0.100	0.230
-0.05	-0.044	-0.233	0.145	0.006	-0.174	0.185
0	0.330	0.098	0.561	0.300	0.110	0.490
0.05	-0.182	-0.589	0.225	0.255	-0.078	0.587
0.1	0.367	-0.204	0.937	0.277	-0.197	0.750

Table A11 reports results for a standard regression discontinuity where we redefine the threshold for victory to be points other than 50%. We examine candidates who are “compliers” in the sense that their first election outcome determines whether they would or would not have held office as determined by the newly defined threshold. If we were to find a significant effect (on the probability of board service) at a point other than the true threshold between winning and losing this might cast doubt on the internal validity of the research design since these alternative discontinuity points do not actually result in a change in holding office or not. For both senators and governors, we do not find any conclusive evidence of discontinuities at points other than the true threshold between winning and losing.

A.4 Alternate Model Used for Estimation

While using least squares for a model with a binary outcome variable results in unbiased and consistent estimates for the parameters of interest, we include results where we have used a probit model to estimate the effect of holding office on the probability of board service. As shown in Table A12, the direction and significance levels of the result are not dependent on using a linear probability model.

Table A12: Probit, Fuzzy Regression Discontinuity (First Election): Effect of Service as Governor on Pr(Board), Bandwidth = ± 0.5 ,

	Senators		Governors	
	(1)	(2)	(3)	(4)
In Office	0.140** (0.0559)	0.133** (0.0574)	0.201*** (0.0597)	0.198*** (0.0625)
Controls	No	Yes	No	Yes
Observations	429	429	375	357
Pseudo R^2				

Standard errors in parentheses

Standard errors are clustered at the state-year level.

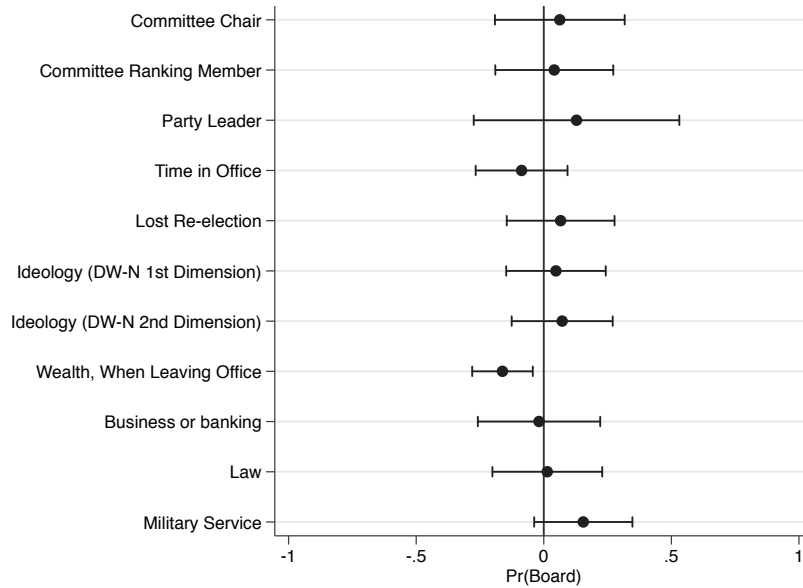
Results are presented for model with quadratic polynomial.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A12 reports results where we the second stage of the two-stage least squares is implemented using a probit model rather than a linear probability model. The results do not substantively change, suggesting that our findings are robust to alternate modeling specifications.

A.5 Senator Characteristics and Board Service

Figure A1: Senator Characteristics and Board Service among Senators



The figure displays the effect on board service of several observable senator characteristics. The results display point estimates for regressions where the outcome variable is an indicator for board service and the explanatory variables measure leadership positions, reputation, ideology, networking and past wealth/employment. Note that this figure reports parameter estimates from several different regressions. See Table A14.

Table A13: Senator Characteristics and Board Service

	Pr(Board)			Boards per Year		
	Estimate	LCI	UCI	Estimate	LCI	UCI
Committees (N = 111)						
Agriculture, Nutrition, and Forestry	0.130	-0.171	0.431	0.322	-0.388	1.032
Appropriations	0.175	-0.195	0.545	0.157	-0.536	0.849
Armed Services	0.186	-0.198	0.569	0.379	-0.542	1.299
Banking, Housing, and Urban Affairs	0.235	-0.046	0.516	0.403	-0.316	1.123
Budget	0.047	-0.236	0.329	0.070	-0.611	0.751
Commerce, Science, and Transportation	0.191	-0.086	0.469	0.142	-0.514	0.799
Energy and Natural Resources	0.035	-0.258	0.328	0.252	-0.398	0.901
Environment and Public Works	0.048	-0.301	0.397	-0.189	-0.808	0.429
Finance	0.374	0.014	0.733	0.561	-0.192	1.314
Foreign Relations	-0.031	-0.390	0.328	0.006	-0.712	0.723
Homeland Security and Governmental Affairs	-0.019	-0.282	0.245	0.089	-0.562	0.739
Judiciary	-0.017	-0.352	0.318	-0.037	-0.835	0.761
Health, Education, Labor, and Pensions	-0.150	-0.432	0.132	-0.272	-0.789	0.245
Rules and Administration	0.192	-0.077	0.462	0.140	-0.473	0.753
Small Business and Entrepreneurship	0.158	-0.096	0.412	0.139	-0.482	0.760
Veterans Affairs	0.234	-0.056	0.524	0.466	-0.206	1.138
Aging	-0.029	-0.250	0.193	-0.209	-0.739	0.321
Intelligence	0.282	0.079	0.486	0.588	-0.126	1.301
Indian Affairs	0.106	-0.228	0.441	-0.125	-0.754	0.503

This table displays the results of a series of least squares regressions of a binary variable for board service and boards per year on committee membership and the year each individual left the Senate. Committee service is determined based upon the senator's last term in office. $R^2 = 0.28$ and $F = 5.0$ for regression with board service indicator; $R^2 = 0.22$ and $F = 1.74$ for regression with boards per year as outcome.

Table A14: Senator Characteristics and Board Service

	Pr(Board)			Boards per Year		
	Estimate	LCI	UCI	Estimate	LCI	UCI
Leadership (N = 111)						
Committee Chair	0.063	-0.191	0.317	0.034	-0.454	0.521
Committee Ranking Member	0.041	-0.190	0.272	0.199	-0.399	0.797
Party Leader	0.128	-0.274	0.531	0.324	-0.596	1.245
Wealth (N = 54)						
Wealth, When Leaving Office	-0.162	-0.281	-0.043	-0.269	-0.448	-0.091
Previous Employment (N = 111)						
Business or banking	-0.019	-0.258	0.221	0.114	-0.379	0.608
Law	0.014	-0.201	0.229	0.187	-0.252	0.626
Military Service	0.155	-0.038	0.347	0.599	0.262	0.936
Tenure (N = 111)						
Time in Office	-0.087	-0.267	0.093	0.079	-0.320	0.478
Re-election (N = 111)						
Lost Re-election	0.066	-0.145	0.277	-0.309	-0.686	0.067
Common Space Ideology (N = 111)						
DW-N 1st Dimension	0.048	-0.147	0.243	0.122	-0.264	0.509
DW-N 2nd Dimension	0.072	-0.126	0.270	0.064	-0.507	0.634

This table displays the results of a series of least squares regressions of a binary variable for board service and boards per year on various senator characteristics. Ideology is measured using Common Space DW-Nominate scores. Wealth is measured based on the year the senator leaves office. Leadership positions are counted if the senator held them at any point during their career. The variables for wealth, time in office, and common space scores are standardized by dividing by twice their standard deviation so that effect sizes are comparable with the other, binary indicator variables (See Gelman (2008)). $R^2 = 0.073$ for regression of board service indicator on network measures. $R^2 = 0.028$ for regression of board service indicator on wealth. $R^2 = 0.023$ for regression of board service indicator on previous employment. Leadership characteristics, Tenure, Re-election, and Ideology regressions all had R^2 of 0.01 or below.

A.6 Intelligence Committee Case Study

This section provides an additional case study comparing board service among senators who served on the Intelligence Committee to senators who did not. For Intelligence, determining the most relevant sectors is not as straightforward as for Finance and Banking (i.e., the case study in the main text). We present results for firms in the Aeronautics/Defense sector and for Electronics/Information Technology/Software sectors. Our logic for including these technology-related sectors is that much of the work in Intelligence now involves cutting-edge practices in data collection, surveillance, and developing technologies. For senators on Intelligence, roughly 5% subsequently worked as a director for an Aerospace/Defense sector firm, as opposed to 2% for other senators. The same relationship holds up when examining subsequent employment as a director for firms in the tech sector: 19% of senators on Intelligence worked as directors for tech firms, while only 10% of all other senators worked in these sectors. Similar to Finance/Banking, these differences are proportionally greater for boards relevant to the committee than for other boards.

Table A15: Intelligence Committee and Sector Specific Board Service

On Committee	N	Share On Defense Board	Share on Tech Board	Share on Other Board
All Sens				
No	90	0.022	0.100	0.389
Yes	21	0.048	0.190	0.619
Dem.				
No	41	0.000	0.122	0.390
Yes	11	0.000	0.273	0.545
Rep.				
No	49	0.041	0.082	0.388
Yes	10	0.100	0.100	0.700

For Intelligence we report separately board service for Aerospace & Defense and “Tech”, which includes: Electronic & Electrical Equipment, Information Technology, Hardware, Software & Computer.

B Data Collection

Our data collection proceeded in three steps. First, we collected our sample of senators, governors, and losing candidates from election returns from 1992-2012. Additionally, we included all governors and senators elected previously to this period who were serving in 1992. Second, we collected data on date of birth, date of death, and gender for each individual. Birth and death dates for senators were collected from the *Biographical Directory of the United States Congress*⁴³. For losing Senate candidates and all gubernatorial candidates, we collected this data from a variety of sources, including campaign websites, newspaper stories, profiles, and obituaries, and the candidate databases from the organizations Our Campaigns (<http://www.ourcampaigns.com/>), Project Vote Smart (<http://votesmart.org/>), and The Political Graveyard (<http://politicalgraveyard.com/>). We were able to collect birth dates for 551 of the 569 losing candidates in our sample. Third, we manually matched each individual by name to the BoardEx database. We used additional information about each individual, including birthdate, professional experience, education, and other factors to ensure accurate matches. Table B1 shows the number of BoardEx matches for winners and losers by office. BoardEx includes in its database many people who are not on corporate boards, including non-board corporate executives, government officials, and other public figures. As a result, we matched many more candidates to BoardEx than just those who served on a board.

In addition to board positions, we collected data on director compensation for the candidates who served on corporate boards. Beginning in 2006, the SEC required that publicly traded companies disclose the compensation (cash, stock, stock options, and other benefits) of each director in their annual proxy statement. Prior to 2006, SEC regulations only required companies to disclose the compensation awarded to all directors and the maximum

⁴³<http://bioguide.congress.gov/biosearch/biosearch.asp>

Table B1: BoardEx Matches

	Senators		Governors	
	Winners	Losers	Winners	Losers
In BoardEx	196	75	154	60
Not In BoardEx	34	248	47	170

compensation awarded to any director. Consequently, we do not have individual compensation data prior to 2006. We collected individual (2006–2012) and aggregate (2000–2005) compensation data from the Compustat Executive Compensation database⁴⁴ and from individual proxy statements through the SEC EDGAR database of regulatory filings.⁴⁵ However, there is a significant amount of missing data at both the aggregate and individual levels. As a result, we do not report any precise regression estimates of holding public office on compensation. Instead, we use compensation and industry data from Compustat and BoardEx to estimate compensation where it is missing, and report back-of-the-envelope compensation calculations to illustrate the financial benefits of board service.

⁴⁴<http://wrds-web.wharton.upenn.edu/wrds/ds/comp/index.cfm>

⁴⁵<http://www.sec.gov/edgar/searchedgar/webusers.htm>

C Senators and Governors with Corporate Board Service

Table C1: Senators with Corporate Board Positions

Senator	Year Departed	Board Positions
Spencer Abraham (R-MI)	2001	OCCIDENTAL PETROLEUM CORP (2005–2013), ICX TECHNOLOGIES INC (2007–2010), GENON ENERGY INC (2012), NRG ENERGY INC (2012–2013), PBF ENERGY INC (2012–2013)
George Allen (R-VA)	2007	ARMADA HOFFLER PROPERTIES INC (2013)
Evan Bayh (D-IN)	2011	FIFTH THIRD BANCORP (2011–2013), MARATHON PETROLEUM CORP (2011–2013), RLJ LODGING TRUST (2011–2013), BERRY PLASTICS GROUP INC (2012–2013)
David L. Boren (D-OK)	1995	AMR CORP (1995–2011), PHILLIPS PETROLEUM CO (1995–2002), TEXAS INSTRUMENTS INC (1995–2011), TORCHMARK CORP (1996–2013), WADDELL & REED FINANCIAL INC (1998–2001), CONOCOPHILLIPS COMPANY (2002–2005), HILAND PARTNERS LP (2006–2009), CONTINENTAL RESOURCES INC (2009–2013)
William W. Bradley (D-NJ)	1997	JPMORGAN CHASE & CO (1997–1999), EASTMAN KODAK CO (2001–2004), WILLIS GROUP HOLDINGS PLC (2002–2012), SEAGATE TECHNOLOGY PLC (2003–2010), STARBUCKS CORP (2003–2013), QUINSTREET INC (2010–2013)
John B. Breaux (D-LA)	2005	CSX CORP (2005–2013), LHC GROUP INC (2007–2013)

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Table C1: Senators with Corporate Board Positions (continued)

Senator	Year Departed	Board Positions
George H. (Hank) Brown (R-CO)	1997	WR GRACE & CO (1997–1998), QWEST CORP (1998–2000), SEALED AIR CORP (1998–2013), ALARIS MEDICAL SYSTEMS INC (2000–2004), QWEST COMMUNICATIONS INTERNATIONAL INC (2000–2002), STARTEK INC (2001–2004), FRONTIER AIRLINES HOLDINGS INC (2003–2005), SENSIENT TECHNOLOGIES CORP (2004–2013), DELTA PETROLEUM CORP (2007–2011), GUARANTY BAN-CORP (2004–2006, 2008–2010)
Scott Brown (R-MA)	2013	KADANT INC (2013)
Richard H. Bryan (D-NV)	2001	MMC ENERGY INC (2006–2009)
Joseph Max Cleland (D-GA)	2003	AFLAC INC (2003–2004)
William S. Cohen (R-ME)	1997	AVIS BUDGET GROUP INC (2001–2004), GLOBAL CROSSING LTD (2001–2002), HEAD NV (2001–2007), NASDAQ OMX GROUP INC (2001–2004), VELOCITY EXPRESS CORP (2001–2002), VIACOM INC (2003–2005), AMERICAN INTERNATIONAL GROUP (2004–2006), CBS CORP (2006–2013)
Kent Conrad (D-ND)	2013	GENWORTH FINANCIAL INC (2013)
Alfonse M. D’Amato (R,C,RTL-NY)	1999	CA INC (1999–2009), SIGNATURE BANK (2005–2013), BIOSIGN TECHNOLOGIES INC (2010–2013)
John C. Danforth (R-MO)	1995	CERNER CORP (1996–2013), DOW CHEMICAL CO (1996–2004), METLIFE INC (2000–2004), GREENHILL & CO INC (2005–2013)
Thomas Andrew (Tom) Daschle (D-SD)	2005	CBRE GROUP INC (2005–2008), APOLLO INVESTMENT CORP (2006)

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Table C1: Senators with Corporate Board Positions (continued)

Senator	Year Departed	Board Positions
Dennis Deconcini (D-AZ)	1995	FEDERAL HOME LOAN MORTGAGE CORP (1995–2000), NATROL INC (1999–2007), PROTECTIVE PRODUCT OF AMERICA INC (2007–2009), CORRECTIONS CORP (2008–2013)
Bob Dole (R-KS)	1997	COMMUNITY HEALTH SYSTEMS INC (1997–2004), TB WOODS CORP (1997–2003)
Byron L. Dorgan (D-ND)	2011	CODEXIS INC (2011–2013)
David Durenberger (R-MN)	1995	HEALTH FITNESS CORP (2008–2010)
Duncan M. (Lauch) Faircloth (R-NC)	1999	COMMSCOPE INC (1999–2006)
Wyche Fowler, Jr. (D-GA)	1993	BRANDYWINE REALTY TRUST (2004–2013), ZIOPHARM ONCOLOGY INC (2005–2013), KERYX BIOPHARMACEUTICALS INC (2006–2013)
William H. Frist (R-TN)	2007	URS CORP (2009–2013), SELECT MEDICAL HOLDINGS CORP (2010–2013)
Albert Gore, Jr. (D-TN)	1993	APPLE INC (2003–2013)
Slade Gorton (R-WA)	2001	MICROVISION INC WASHINGTON (2003–2013), IDT CORP (2005–2006), CLEARWIRE CORP (2012–2013)
D. Robert (Bob) Graham (D-FL)	2005	WELLCARE HEALTH PLANS INC (2007–2013)
Judd Gregg (R-NH)	2011	HONEYWELL INTERNATIONAL INC (2011–2013), INTERCONTINENTAL EXCHANGE INC (2011–2013)
Charles T. (Chuck) Hagel (R-NE)	2009	CHEVRON CORP (2010–2013)
Mark O. Hatfield (R-OR)	1997	LATTICE SEMICONDUCTOR CORP (1997–2006)
Kay Bailey Hutchison (R-TX)	2013	COBALT INTERNATIONAL ENERGY INC (2013)

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Table C1: Senators with Corporate Board Positions (continued)

Senator	Year Departed	Board Positions
J. Bennett Johnston (D-LA)	1997	CHEVRON CORP (1997–2005), COLUMBIA ENERGY GROUP (1997–2000), FREEPORT-MCMORAN INC (1997–2010)
Dirk Kempthorne (R-ID)	1999	FMC CORP (2009–2013), OLYMPIC STEEL INC (2010–2013)
Bob Kerrey (D-NE)	2001	INFOGROUP INC (2001–2002), TENET HEALTHCARE CORP (2001–2013), JONES GROUP INC (2002–2011), GENWORTH FINANCIAL INC (2004–2012), SCIENTIFIC GAMES CORP (2008–2012), CHART ACQUISITION CORP (2012–2013)
Frank R. Lautenberg (D-NJ)	2001	BGC PARTNERS INC (2002)
Blanche Lambert Lincoln (D-AR)	2011	ENTERGY CORP (2011–2013)
Connie Mack (R-FL)	2001	DARDEN RESTAURANTS INC (2001–2013), EXACT SCIENCES CORP (2001–2010), GENZYME CORP (2001–2011), LNR PROPERTY CORP (2001–2005), MOODYS CORP (2001–2011), SPIRIT AEROSYSTEMS HLDGS INC (2006–2008)
Mel Martinez (R-FL)	2009	PROGRESS ENERGY INC (2010–2012), MARRIOTT VACATIONS WORLDWIDE CORP (2011–2013), NVR INC (2012–2013)
Zell Miller (D-GA)	2005	GRAY TELEVISION INC (2005–2011), UNITED COMMUNITY BANKS INC (2005–2012)
George J. Mitchell (D-ME)	1995	FEDERAL EXPRESS CORP (1995–1998), UNUM CORP (1995–1999), WALT DISNEY (1995–2007), XEROX CORP (1996–2002), FEDEX CORP (1998–2004), STAPLES INC (1998–2006), UNILEVER PLC (1998–2004), CASELLA WASTE SYSTEMS INC (1999–2002), STARWOOD HOTELS & RESORTS WORLDWIDE INC (1999–2004), UNUM GROUP (1999–2002), US TECHNOLOGIES INC (2000–2002)

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Table C1: Senators with Corporate Board Positions (continued)

Senator	Year Departed	Board Positions
Don Nickles (R-OK)	2005	CHESAPEAKE ENERGY CORP (2005–2012), FORTRESS INTERNATIONAL GROUP INC (2005–2009), VALERO ENERGY CORP (2005–2013), CHESAPEAKE GRANITE WASH TRUST (2011–2012)
Sam A. Nunn, Jr. (D-GA)	1997	CHEVRON CORP (1997–2011), COCA-COLA CO (1997–2013), COMMUNITY HEALTH SYSTEMS INC (1997–1999), GENERAL ELECTRIC CO (1997–2013), NATIONAL SERVICE INDUSTRIES INC (1997–2001), SCIENTIFIC ATLANTA INC (1997–2006), TEXACO INC (1997–2001), TOTAL SYSTEM SERVICES INC (1997–2002), DELL INC (1999–2011), INTERNET SECURITY SYSTEMS INC (1999–2006), HESS CORP (2012–2013)
Larry Pressler (R-SD)	1997	INFOSYS LTD (2001–2006), FLIGHT SAFETY TECHNOLOGIES INC (2002–2007), SKY CAPITAL ENTERPRISES INC (2003–2006), SKY CAPITAL HOLDINGS LTD (2004–2006)
Donald W. Riegle, Jr. (D-MI)	1995	CYBERIAN OUTPOST INC (2000–2001), WELLPOINT INC (2001–2011), STILLWATER MINING CO (2003–2009)
Charles S. Robb (D-VA)	2001	INVACARE CORP (2010–2013)
Ken Salazar (D-CO)	2009	TARGET CORP (2013)
Rick Santorum (R-PA)	2007	UNIVERSAL HEALTH SERVICES INC (2007–2011)
Jim Sasser (D-TN)	1995	GREENHUNTER RESOURCES INC (2008–2009)
Alan K. Simpson (R-WY)	1997	BIOGEN INC (1997–2003), PACIFICORP (1997–1999)
Gordon Harold Smith (R-OR)	2009	HOST HOTELS & RESORTS INC (2009–2013)
Olympia J. Snowe (R-ME)	2013	T ROWE PRICE GROUP (2013)

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Table C1: Senators with Corporate Board Positions (continued)

Senator	Year Departed	Board Positions
John E. Sununu (R-NH)	2009	BOSTON SCIENTIFIC CORP (2009–2013), TIME WARNER CABLE INC (2009–2013)
Fred Thompson (R-TN)	2003	NASDAQ OMX GROUP INC (2004–2005)
Malcolm Wallop (R-WY)	1995	EL PASO CORP (1995–2004), HUBBELL INC (1995–2005)

Source: BoardEx. Includes all former senators from 1992–2013 who served on the board of at least one publicly traded company between 2000 and 2013. For some senators, board positions held prior to 2000 are included but may not be complete. All positions held from 2000–2013 are complete.

Table C2: Governors with Corporate Board Positions

Governor	Year Departed	Board Positions
George F. Allen (R-VA)	1998	COMMONWEALTH BIOTECHNOLOGIES INC (1998–2001), XYBERNAUT CORP (1998–2001), ARMADA HOFFLER PROPERTIES INC (2013)
Cecil D. Andrus (D-ID)	1995	ALBERTSONS INC (1995–2004), COEUR MINING INC (1995–2007), KEYCORP (1996–2004), RENTRAK CORP (2000–2009), FORMATION METALS INC (2007–2013)
Evan Bayh (D-IN)	1997	FIFTH THIRD BANCORP (2011–2013), MARATHON PETROLEUM CORP (2011–2013), RLJ LODGING TRUST (2011–2013), BERRY PLASTICS GROUP INC (2012–2013)
Craig Benson (R-NH)	2005	SYCAMORE NETWORKS INC (2007–2013)
Matt Blunt (R-MO)	2009	COPART INC (2009–2013)
Terry E. Branstad (R-IA)	1999	FEATHERLITE INC (1999–2006), CONMED HEALTHCARE MANAGEMENT INC (2009–2010)
Phil Bredesen (D-TN)	2011	VANGUARD HEALTH SYSTEMS INC (2011–2013)
Jeb Bush (R-FL)	2007	TENET HEALTHCARE CORP (2007–2013), RAYONIER INC (2008–2013), SWISHER HYGIENE INC (2010–2013)
Carroll Campbell (R-SC)	1995	AVX CORP (1995–2004), MASSEY ENERGY CO (1995–2001), NORFOLK SOUTHERN CORP (1996–2002), WACKENHUT CORP (1997–2002), FLUOR CORP (2000–2002)
Gaston Caperton (D-WV)	1997	UNITED BANKSHARES INC (1997–2013), PRUDENTIAL FINANCIAL INC (2004–2013), OWENS CORNING (2006–2013)
Arne Carlson (R-MN)	1999	TRI-CONTINENTAL CORP (2008–2010)
Argeo Paul Cellucci (R-MA)	2001	CALIAN TECHNOLOGIES LTD (2007–2012), STANTEC INC (2009–2011)

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Table C2: Governors with Corporate Board Positions (continued)

Governor	Year Departed	Board Positions
Charlie Crist (R-FL)	2011	ST JOE CO (2011–2013)
Chet Culver (D-IA)	2011	FEDERAL AGRICULTURAL MORTGAGE CORP (2012–2013)
Mario M. Cuomo (D-NY)	1994	MEDALLION FINANCIAL CORP (1996– 2013), SPORTS PROPERTIES ACQUI- SITION CORP (2007–2010)
Mitch Daniels (R-IN)	2013	CERNER CORP (2013)
Gray Davis (D-CA)	2003	SOURCE INTERLINK COS INC (2005– 2009), DIC ENTERTAINMENT HLDGS INC (2007–2008)
Howard B. Dean (D-VT)	2003	EXTENDICARE INC (2010–2013)
Jim Douglas (R-VT)	2011	NBT BANCORP INC (2011–2013)
Jim Edgar (R-IL)	1999	SANFILIPPO (1999–2013), HORIZON GROUP PROPERTIES INC (2000–2003), ALBERTO-CULVER CO (2002–2011), YOUBET.COM INC (2002–2010)
John Engler (R-MI)	2003	NORTHWEST AIRLINES CORP (2003– 2008), UNIVERSAL FOREST PRODUCTS INC (2003–2013), DOW JONES & CO INC (2005–2007), DELTA AIR LINES INC (2008– 2012), K12 INC (2012–2013)
James J. Florio (D-NJ)	1994	TRUMP ENTERTAINMENT RESORTS INC (2005–2009)
Dave Freudenthal (D-WY)	2011	ARCH COAL INC (2011–2013)
James S. Gilmore III (R-VA)	2002	BARR PHARMACEUTICALS INC (2002– 2008), IDT CORP (2003–2006), ATLAS AIR WORLDWIDE HOLDINGS INC (2004– 2013), CACI INTERNATIONAL INC (2009– 2013)
Jennifer M. Granholm (D-MI)	2011	DOW CHEMICAL CO (2011)
Bill Graves (R-KS)	2003	INTERNATIONAL SPEEDWAY CORP (2003–2013)

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Table C2: Governors with Corporate Board Positions (continued)

Governor	Year Departed	Board Positions
Judd Gregg (R-NH)	1993	HONEYWELL INTERNATIONAL INC (2011–2013), INTERCONTINENTAL EXCHANGE INC (2011–2013)
Kenny Guinn (R-NV)	2007	MGM RESORTS INTERNATIONAL (2007–2010), SERVICE1ST BANK OF NEVADA (2007–2010)
Brad Henry (D-OK)	2011	NIC INC (2011–2013)
Mike Huckabee (R-AR)	2007	FLAGSHIP GLOBAL HEALTH INC (2007–2008)
James B. Hunt, Jr. (D-NC)	2001	NORTEL NETWORKS CORP (2005–2009)
Jon Huntsman, Jr. (R-UT)	2009	CATERPILLAR INC (2012–2013), FORD MOTOR CO (2012–2013), HUNTSMAN CORP (2012–2013)
Gary E. Johnson (R-NM)	2003	ALPHA SECURITY GROUP CORP (2007–2009)
Frank Keating (R-OK)	2003	CHESAPEAKE ENERGY CORP (2003–2012), CHESAPEAKE GRANITE WASH TRUST (2011–2012)
Dirk Kempthorne (R-ID)	2006	FMC CORP (2009–2013), OLYMPIC STEEL INC (2010–2013)
Agnus King (I-ME)	2003	WP STEWART & CO LTD (2004–2009)
Mike O. Leavitt (R-UT)	2003	MEDTRONIC INC (2011–2013)
Gary Locke (D-WA)	2005	SAFECO CORP (2005–2008), KEY TECHNOLOGY INC (2008–2009)
Ray Mabus (D-MS)	1992	KROLL INC (1996–2004), FRIEDE GOLDMAN HALTER INC (1997–2003), FUSION TELECOMMUNICATIONS INTERNATIONAL INC (1999–2009), FOAMEX INTERNATIONAL INC (2000–2005), ENERSYS INC (2007–2009), HINES HORTICULTURE INC (2007)

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Table C2: Governors with Corporate Board Positions (continued)

Governor	Year Departed	Board Positions
James G. Martin (R-NC)	1993	FAMILY DOLLAR STORES INC (1996–2013), DUKE ENERGY CORP (1997–2006), PALOMAR MEDICAL TECHNOLOGIES INC (1997–2013), AAIPHARMA INC (1999–2006)
Judy Martz (R-MT)	2005	TASER INTERNATIONAL INC (2005–2013)
John R. Mckernan (R-ME)	1995	BEAR STEARNS COS INC (1995–1999), BORGWARNER INC (2009–2013), EDUCATION MANAGEMENT CORP (2012–2013), HOUGHTON MIFFLIN HARCOURT CO (2013)
Ned Mcwherter (D-TN)	1995	COCA-COLA BOTTLING CO. CONSOLIDATED (1995–2010), PIEDMONT NATURAL GAS CO INC (1995–2003)
Steve Merrill (R-NH)	1997	LA QUINTA CORP (1998–2003), LA QUINTA PROPERTIES INC (1998–2003)
Robert J. Miller (D-NV)	1999	AMERICA WEST HOLDINGS CORP (1999–2005), PAGING NETWORK INC (1999–2000), ZENITH NATIONAL INSURANCE CORP (1999–2010), INTERNATIONAL GAME TECHNOLOGY (2000–2013), NEWMONT MINING CORP (2001–2010), WYNN RESORTS LTD (2002–2013)
Zell Miller (D-GA)	1999	GEORGIA POWER CO (1999–2000), POST PROPERTIES INC (1999–2000), GRAY TELEVISION INC (1999–2000, 2005–2011), UNITED COMMUNITY BANKS INC (1999–2000, 2005–2012)
Earl Nelson (D-NE)	1999	INFOGROUP INC (1999–2001)
Bill Owens (R-CO)	2007	HIGHLANDS ACQUISITION CORP (2007–2009), KEY ENERGY SERVICES INC (2007–2013), BILL BARRETT CORP (2010–2013), CLOUD PEAK ENERGY INC (2010–2013), FEDERAL SIGNAL CORP (2011–2013)

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Table C2: Governors with Corporate Board Positions (continued)

Governor	Year Departed	Board Positions
George E. Pataki (R-NY)	2006	COSAN LTD (2007–2013)
Paul E. Patton (D-KY)	2003	COMMUNITY TRUST BANCORP INC (2004–2009)
Tim Pawlenty (R-MN)	2011	DIGITAL RIVER INC (2011–2013)
Marc Racicot (R-MT)	2001	BURLINGTON NORTHERN SANTA FE CORP (2001–2010), SIEBEL SYSTEMS INC (2001–2006), ALLIED CAPITAL CORP (2005–2010), AVISTA CORP (2009–2013), PLUM CREEK TIMBER CO INC (2010–2013)
Edward G. Rendell (D-PA)	2011	AMERICAN REALTY CAPITAL PROPERTIES INC (2011–2013)
Ann Richards (D-TX)	1995	JC PENNEY CO INC (1995–2004)
Bill Richardson (D-NM)	2011	TECNICAS REUNIDAS SA (2011–2013), DAYSTAR TECHNOLOGIES INC (2012–2013)
Thomas J. Ridge (R-PA)	2001	EXELON CORP (2005–2013), HOME DEPOT INC (2005–2007), VONAGE HOLDINGS CORP (2005–2010), HERSHEY CO (2007–2013), PECO ENERGY CO (2007–2013), BRIGHTPOINT INC (2009–2012), CHART ACQUISITION CORP (2012–2013), LIFELOCK INC (2012–2013)
Charles Roemer (D-LA)	1992	SHAW GROUP INC (2003–2008)
W. Mitt Romney (R-MA)	2007	NEOSTAR RETAIL GROUP (2007–2013), MARRIOTT INTERNATIONAL INC (2009–2013)
Mike Rounds (R-SD)	2011	ITC HOLDINGS CORP (2011–2013)
Marshall Clement Sanford, Jr. (R-SC)	2011	TREE COM INC (2012–2013)
Brian Schweitzer (D-MT)	2013	STILLWATER MINING CO (2013)

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Table C2: Governors with Corporate Board Positions (continued)

Governor	Year Departed	Board Positions
Tommy G. Thompson (R-WI)	2001	CENTENE CORP (2005–2013), CR BARD INC (2005–2013), POSITIVEID CORP (2005–2007), MEDCO HEALTH SOLUTIONS INC (2006), PURE BIOSCIENCE INC (2008–2009), AGA MEDICAL HOLDINGS INC (2009–2010), UNITED THERAPEUTICS CORP (2010–2013), CYTORI THERAPEUTICS INC (2011–2013), CANCER GENETICS INC (2013), PHYSICIANS REALTY TRUST (2013), THERAPEUTIC-SMD INC (2013)
Lowell P. Weicker, Jr. (Oth-CT)	1995	HPSC INC (1995–2003), UST INC (1995–2004), COMPUWARE CORP (1996–2006), SF HLDGS GROUP INC (1998–2003), WORLD WRESTLING ENTERTAINMENT INC (1999–2011), MEDALLION FINANCIAL CORP (2003–2013)
William F. Weld (R-MA)	1997	AFFILIATED MANAGERS GROUP INC (1997–2004), EDISON SCHOOLS INC (1999–2002), IDT CORP (2000–2005), JUST ENERGY GROUP INC (2012–2013), STRAIGHT PATH COMMUNICATIONS INC (2013)
Christine T. Whitman (R-NJ)	2001	TEXAS INSTRUMENTS INC (2003–2013), UNITED TECHNOLOGIES CORP (2003–2013)
Pete Wilson (R-CA)	1999	NIC INC (1999–2013)

Source: BoardEx. Includes all former governors from 1992–2013 who served on the board of at least one publicly traded company between 2000 and 2013. For some governors, board positions held prior to 2000 are included but may not be complete. All positions held from 2000–2013 are complete.

D Senate Voting and Board Service: TARP, Dodd-Frank, and Gramm-Leach-Bliley Case Studies

The question with the most crucial policy implications arising from the observed relationship between holding office and subsequent board service is whether the prospect of future employment on a board influences behavior of elected officials while in office. For the most part, we are not well-positioned to answer this question. We cannot distinguish between votes that reflect a senator's own preferences and votes that result from external inducements. However, if we find instances where a firm hired as a director someone who clearly voted against the firm's interests, then we might reject the notion that firm ideology played too crucial a role in influencing behavior in office.⁴⁶

We return to the Banking and Finance sectors to explore this theory. The first vote we examine is the final Senate vote on the Troubled Asset Relief Program or TARP (H.R. 1424), which passed the Senate on March 5, 2008 by a vote of 74–25. In our sample, 37 former senators cast a vote on this bill; support for the legislation cut across parties, as 15 out of 17 Democrats and 15 out of 20 Republicans cast Yea votes. In general, the banking and finance industries strongly favored this legislation and almost universally lobbied on its behalf. Firms, including Goldman Sachs, Bank of America, Nasdaq OMX, and Citigroup to name just a few, filed lobbying disclosure reports that referenced lobbying activities related to this legislation.⁴⁷ In this instance, none of the seven senators who voted against the legislation has served on a board in the Banking or Finance sectors. Byron L. Dorgan (D-ND) is the lone senator who cast a Nay vote and went on to serve on any board (he served as a director for Codexis Inc., a biotech firm). Among senators who cast Yea votes, three went on to work with firms in the Banking/Finance sector: Olympia Snowe (R-ME) with

⁴⁶Thanks to an anonymous reviewer for this suggestion.

⁴⁷Available at <http://www.opensecrets.org>

T. Rowe Price, Judd Gregg (R-NH) with Intercontinental Exchange, and Evan Bayh (D-IN) with Fifth Third Bancorp. Based on this vote, we do not have evidence to reject the theory that voting in line with a firm's preferences is a pre-condition for board service.

The second vote we examine is the Dodd-Frank Wall Street Reform and Consumer Protection Act (H.R. 4173). This bill passed the Senate May 20, 2010 with a 59–39 vote. In this case, 25 former senators cast a vote. The voting broke along party lines. Among Democrats, 12 out of 13 voted in favor; among Republicans, 10 out of 12 voted against. The position of financial sector firms on Dodd-Frank is slightly less clear-cut. For instance, many firms did not prefer the increased regulatory burden brought about by Dodd-Frank; however, conditional on facing new regulations, firms were willing to shape the legislation to minimize impact on their business. Taking the most stylized view possible, however, Banking/Finance firms generally opposed the legislation. In this case, we do note senators who voted in favor of Dodd-Frank and went on to serve as directors for financial firms. Both Olympia Snowe and Evan Bayh voted in favor of the legislation. This would appear to provide a counter-example to the theory that a minimal condition for board service is that senators always vote in line with the interests of the firms that subsequently employ them. Yet, in our view, evidence that this condition does not hold still does not allow us to fully reject the possibility that future employment prospects might influence behavior in office.

The third vote we examine is the Gramm-Leach-Bliley Act, which repealed parts of Glass-Steagall. Banks and Finance firms almost universally supported this legislation. We report vote totals from November 4, 1999, when the Senate passed the conference report working out discrepancies between the House and Senate versions of the legislation. The legislation passed by a vote of 90–8. Of former senators in our sample, no Republicans voted against the legislation and only 3 Democrats opposed it. This is a far cry from the initial attempts at passing the legislation in which the Senate bill passed 54–44 in a party line vote (with one Democrat, Fritz Hollings (D-SC), who has not served on any boards, voting Yea). Thus,

in the final vote, none of the 3 Democrats who opposed the legislation served on a Banking or Finance board—consistent with the theory; however, we know that slightly more than ten percent of the Democrats who *initially* opposed the legislation did go on to serve on boards in the Banking and Finance sector. This example points towards the various other constraints, such as party, that constrain the behavior of elected officials in ways that may be at odds with the notion that opposing legislation in a firm’s interest prevents future board service.

Overall, the relationship between legislative voting and future board service is complicated. While we might expect a firm to prefer legislators whose votes on key bills align with the firm’s preferences, there are several reasons why we might not observe this in practice. First, there are many points prior to the final vote where a legislator can influence a bill to the benefit of the company, regardless of their final vote. Second, many votes are not close; a firm may not care about a legislator’s vote choice if that legislator is not decisive. Additionally, legislators may be constrained in their vote choices by constituents, parties, and other interest groups. If the vote is not close (or even if it is), a firm might prefer to see a friendly legislator vote against the firm in order to increase the probability of the legislator’s re-election. Finally, it might be advantageous for firms to appoint legislators to their boards who opposed some aspects of their business while in office. For example, a firm dealing with environmental and pollution issues might want to appoint an environmentalist to their board, or a firm struggling with labor issues and unions might want someone with a record of supporting organized labor. Such board appointments might help give the firm political cover on these issues. As another example, a firm in a heavily regulated industry might oppose a new regulatory bill, but if they lose the vote they might want to appoint one of the legislators who helped draft the bill to their board, in order to potentially benefit from their knowledge, expertise, and connections when dealing with the new regulations. Thus, a financial firm might oppose Dodd-Frank, but once the bill becomes law they might prefer

to hire a legislator who supported the bill, and who knows its details well.

Table D1: Financial Legislation and Board Service

On Committee	Gramm-Leach-Bliley				TARP				Dodd-Frank				
	N	Share On		N	Share On		N	Share On		N	Share On		
		Bank/Fin. Board	Other Board		Bank/Fin. Board	Other Board		Bank/Fin. Board	Other Board		Bank/Fin. Board	Other Board	
All Sens													
Yea	53	0.094	0.377	30	0.100	0.367	14	0.143	0.429				
Nay	3	0.000	0.667	7	0.000	0.143	11	0.091	0.182				
Dem.													
Yea	20	0.100	0.500	15	0.067	0.333	12	0.083	0.417				
Nay	3	0.000	0.667	2	0.000	0.500	1	0.000	0.000				
Rep.													
Yea	33	0.091	0.303	15	0.133	0.400	2	0.500	0.500				
Nay	0			5	0.000	0.000	10	0.100	0.200				

Related boards for Finance/Banking are in the following sectors:
 Banks, Investment Companies, Private Equity, Speciality & Other Finance.