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# **Eleven to One**

**Pro-Reform Derivatives Lobbyists  
Vastly Outnumbered by Opposition**

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## **Acknowledgments**

This report was written by Alexander Cohen, senior researcher, and Taylor Lincoln, research director, and edited by David Arkush, director of Public Citizen's Congress Watch division.

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Public Citizen is a national non-profit membership organization with over 150,000 members and activists. We represent consumer interests through lobbying, litigation, administrative advocacy, research, and public education on a broad range of issues including consumer rights in the marketplace, product safety, financial regulation, safe and affordable health care, campaign finance reform and government ethics, fair trade, climate change, and corporate and government accountability.



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# Eleven to One

Since the beginning of 2009, nearly 1,000 lobbyists have worked on at least one of nine key bills to rewrite the rules governing derivatives. These lobbyists have overwhelmingly represented organizations opposing or attempting to water down proposed regulation, according to Public Citizen's analysis of lobbying disclosure data filed with the House of Representatives.

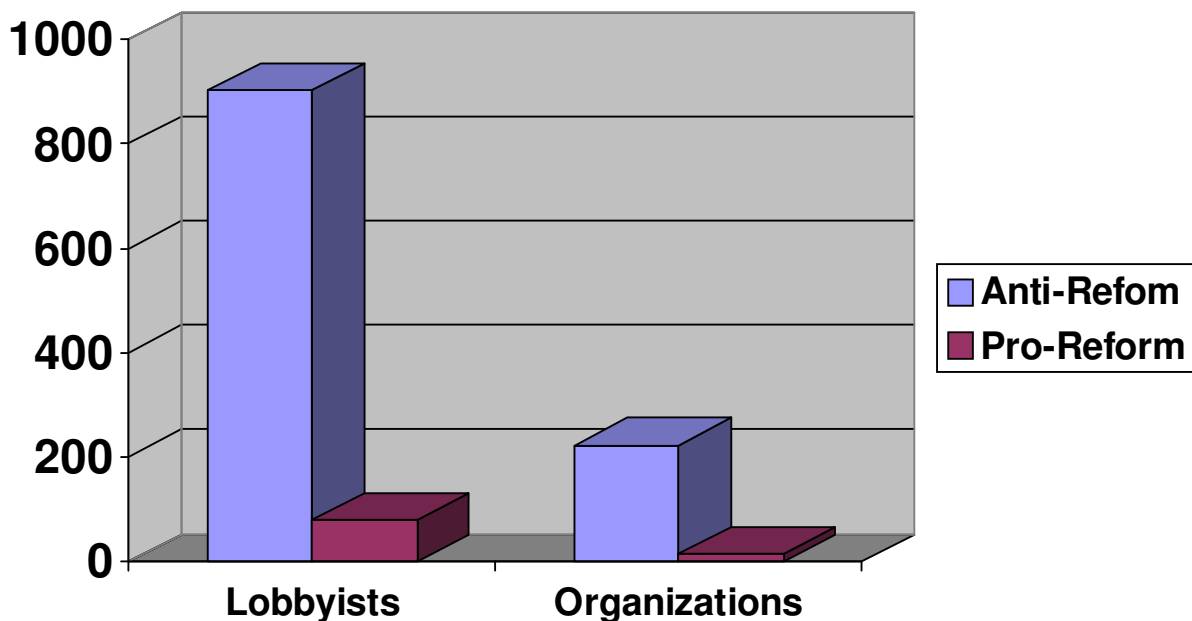
The financial reform bill under debate in the Senate includes provisions that would increase government oversight of derivatives. Many experts cite limited regulation and transparency in derivatives trading as among the chief causes of the 2008

financial meltdown.

Lobbyists representing opponents of strong derivatives reform have outnumbered pro-reform lobbyists by more than 11-to-1, 903 lobbyists to 79 (five represented both pro- and anti-reform organizations and were not included in the calculation of the ratio). Nine of the ten organizations hiring the most lobbyists oppose reform.<sup>1</sup>

Among the 223 clients represented by the anti-reform lobbyists were the nation's five largest banks, several major financial trade associations, and the U.S. Chamber of Commerce. The American Bankers Association (30), U.S. Chamber of Commerce (29), and National Association of Manufacturers (28) had the most lobbyists. Among pro-reform organizations, the Air

## Pro-Reform vs. Anti-Reform



Transport Association of America (27), Environmental Defense Action Fund (13), and Delta Air Lines (9) had the most.

With the exception of the Environmental Defense Action Fund, the 14 organizations included in the pro-reform column are members of at least one of three coalitions: Americans for Financial Reform, the Derivatives Reform Alliance, or the Commodity Markets Oversight Coalition.

The bills included in Public Citizen's analysis represent only a portion of the derivatives-related bills on which lobbying has occurred since the beginning of 2009. These nine bills were included be-

cause they focus primarily on derivatives.

More than two-thirds of the lobbyists in the study worked on the Derivatives Markets Transparency and Accountability Act of 2009. The bill calls for requiring most over-the-counter derivatives to go through organizations regulated by the Commodity Futures Trading Commission (CFTC) or the Securities and Exchange Commission (SEC), giving the CFTC increased authority to intervene in transactions.

**Figure I: Derivatives Legislation in 111<sup>th</sup> Congress by Number of Lobbyists**

Bill	Title	Number of lobbyists
H.R. 977	Derivatives Markets Transparency and Accountability Act	695
H.R. 3795	Over-the-Counter Derivatives Markets Act	519
S. 272	Derivatives Trading Integrity Act	338
S. 1691	Comprehensive Derivatives Regulation Act	259
H.R. 3300	Derivative Trading Accountability and Disclosure Act	209
H.R. 2448	Prevent Unfair Manipulation of Prices Act	129
S. 961	Authorizing the Regulation of Swaps Act	71
S. 1682	Derivatives Market Manipulation Prevention Act	55
S.1399	Carbon Market Oversight Act	50

Source: Public Citizen's analysis of lobbying reports filed with the House of Representatives.

**Figure II: Top 10 Organizations by Number of Lobbyists**

Organization	Number of lobbyists	Pro/Anti Reform
American Bankers Association	30	ANTI
U.S. Chamber of Commerce	29	ANTI
National Association of Manufacturers	28	ANTI
Air Transport Association of America	27	PRO
Managed Funds Association	25	ANTI
Securities Industry And Financial Markets Association	25	ANTI
American Council of Life Insurers	21	ANTI
Goldman Sachs	21	ANTI
CME Group	20	ANTI
Prudential Financial	20	ANTI

Source: Public Citizen's analysis of lobbying reports filed with the House of Representatives.

<sup>1</sup> Public Citizen tallied the number of lobbyists on each side of derivatives reform by ascertaining from disclosure reports all of the lobbyists who worked on at least one of nine selected bills since the beginning of 2009, then subtracting lobbyists who Public Citizen knew to be advocating strong reform or whose clients participate in at least one of three pro-reform coalitions: the Americans for Financial Reform, the Derivatives Reform Alliance, or the Commodity Markets Oversight Coalition.