

# Report on Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

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<b>Title of the thesis:</b>	<b>Lobbying: Microeconomic Evidence</b>

This thesis is a microeconomic analysis of two-sided lobbying markets, where lobbyists meet policy-makers on behalf of their clients. These interactions have always been notoriously difficult to analyze given shortage of reliable data. This has only recently changed with the enactment of the Lobbying Disclosure Act (LDA) in 1995 in the United States, which has led the U.S. economists and political scientists to collect systematic data about this market.

The thesis specifically exploits datasets on lobbying reports and lobbyists's characteristics as collected in Bertrand et al. (2014). The idea has been basically twofold:

- Check the estimates of the values of connections and expertise (specialization) generated in Bertrand et al. (2014) by applying an alternative matching methodology that Robert has learned during his Master's coursework in Tilburg (where he obtained MSc). Then, analyze how lobbying competition affects these values, where competition is measured by the number of lobbyists who approach the congressmen by providing campaign contributions.
- Instead of analyzing the dataset from the viewpoint of the lobbyists, transform the data into the congressmen-level data, and see how characteristics of congressmen determine the size of campaign contributions that the congressmen receive.

I think both aims have been fulfilled, even if many extra avenues for research remain to be explored. I appreciate especially the following aspects of the work:

- Robert proposed the techniques and carried out the analysis independently, and was able to tackle major issues that appeared on the way rather independently yet in line with the techniques developed in applied microeconomies.
- The thesis is innovative in exploiting available data in several ways. For instance, campaign contributions serve both as a proxy of connections (Sections 4.1-4.2) and as a measure of the value for the congressmen (Section 4.3). In other way, Robert looks into both sides of the market, which required a lot of transformations of the data to do that correctly.

I recommend grading the thesis as **excellent (A)**.

**SUMMARY OF POINTS AWARDED** (for details, see below):

<b>CATEGORY</b>	<b>POINTS</b>
<i>Literature</i> (max. 20 points)	20
<i>Methods</i> (max. 30 points)	28
<i>Contribution</i> (max. 30 points)	27
<i>Manuscript Form</i> (max. 20 points)	20
<b>TOTAL POINTS</b> (max. 100 points)	<b>95</b>
<b>GRADE</b> (1 – 2 – 3 – 4)	<b>1</b>

**NAME OF THE REFEREE:** PhDr. Martin Gregor, PhD

**DATE OF EVALUATION:** September 5, 2016

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**Referee Signature**

