

A photograph of the United States Capitol building in Washington, D.C. The building is a large, white, neoclassical structure with a prominent dome. The dome is topped with a statue. The building has many windows and columns. In front of the building is a large green lawn with some trees and a few people walking. The sky is a clear, deep blue. The text "Private – Public Pipeline" is overlaid in white, sans-serif font across the middle of the image.

Private – Public Pipeline

What is the private sector?

- The private sector are regular companies

- Microsoft

- Starbucks

- Boeing

- Lockheed Martin

- RTX corp.

- Northrup Grumman

- Palantir

LOCKHEED MARTIN 



 Palantir

Defense Contractors:

- Works with the government
- Secures contracts and jobs from them

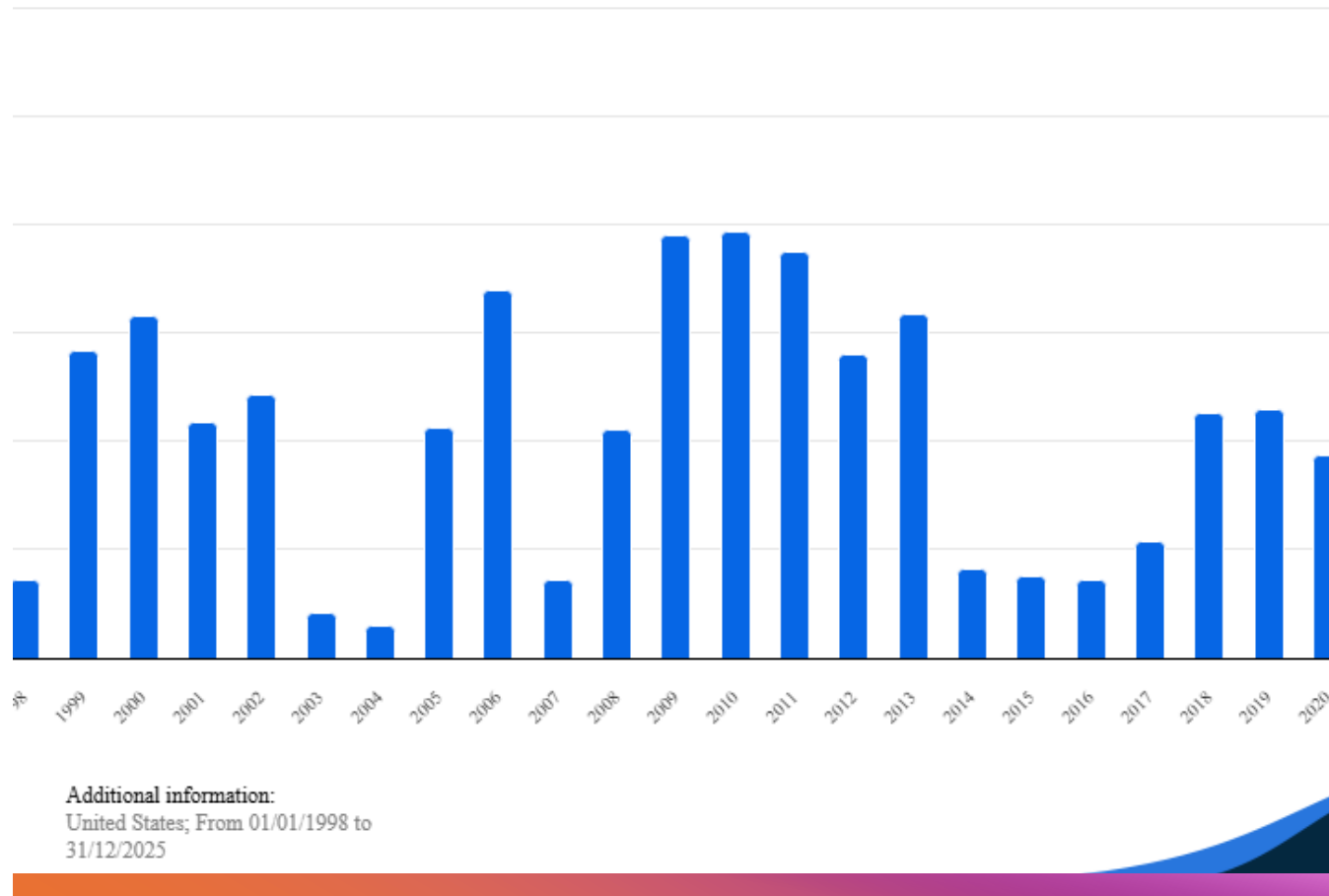


Public Sector

Government Agencies & Branches

- FDA
- FTC
- Congress (Senate & House)
- NIH
- EPA
- DoD

Total lobbying spending in the United States from 1998 to 2025 (in billion U.S. dollars)



Lobbying

Lawmakers cannot directly be paid by special interests (legally of course)

Oftentimes lobbying groups will pay for election advertisement or other forms of aid

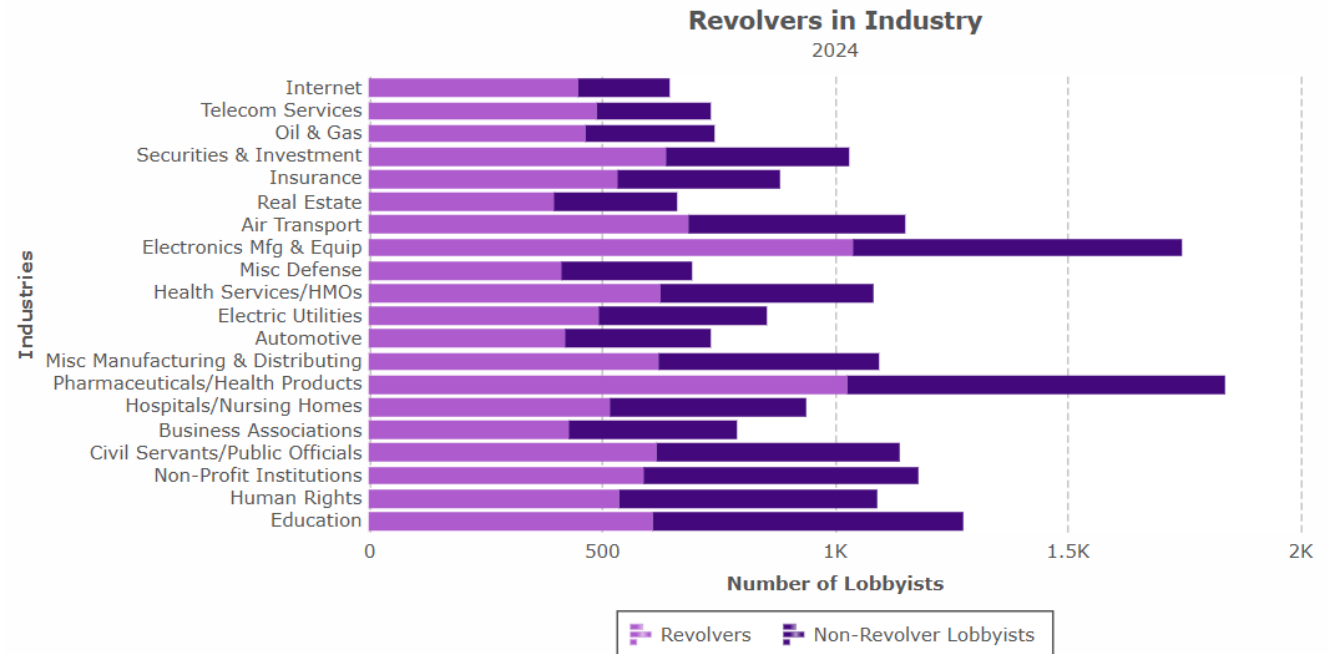
For example, congressional electorates are funded by PACs, which are a group affiliated with the legislator that funds their campaign, but they are legally allowed to receive “donations” from corporations or special interest groups

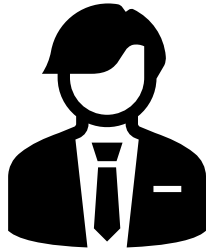
Revolving Door

Lobbyist groups oftentimes hire ex-government workers

Many people elected to congress have large connections to certain companies, either previously working for them or have been backed significantly by them

Shareholder and Board members oftentimes are composed of ex-congress or other previous public sector workers

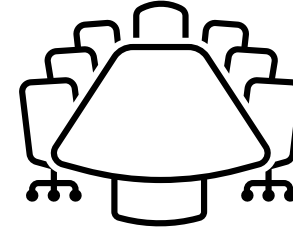




Government Lobbyist
for RTX corp



Elected Senate Member
during the 2026
Midterms



Board member for
Lockheed Martin

An example of the revolving door

Revolving Door counts

opensecrets.org

Federal Agency Revolvers



White House	823	13.59%
US House of Representatives	756	12.48%
Dept of State	387	6.39%
Dept of Defense	350	5.78%
Dept of the Treasury	336	5.54%
Dept of Commerce	323	5.33%
US Dept of Health & Human Services	277	4.57%
Presidential Transition Team	274	4.52%
US Dept of Energy	260	4.29%
US Dept of Justice	260	4.29%

Insider Trading

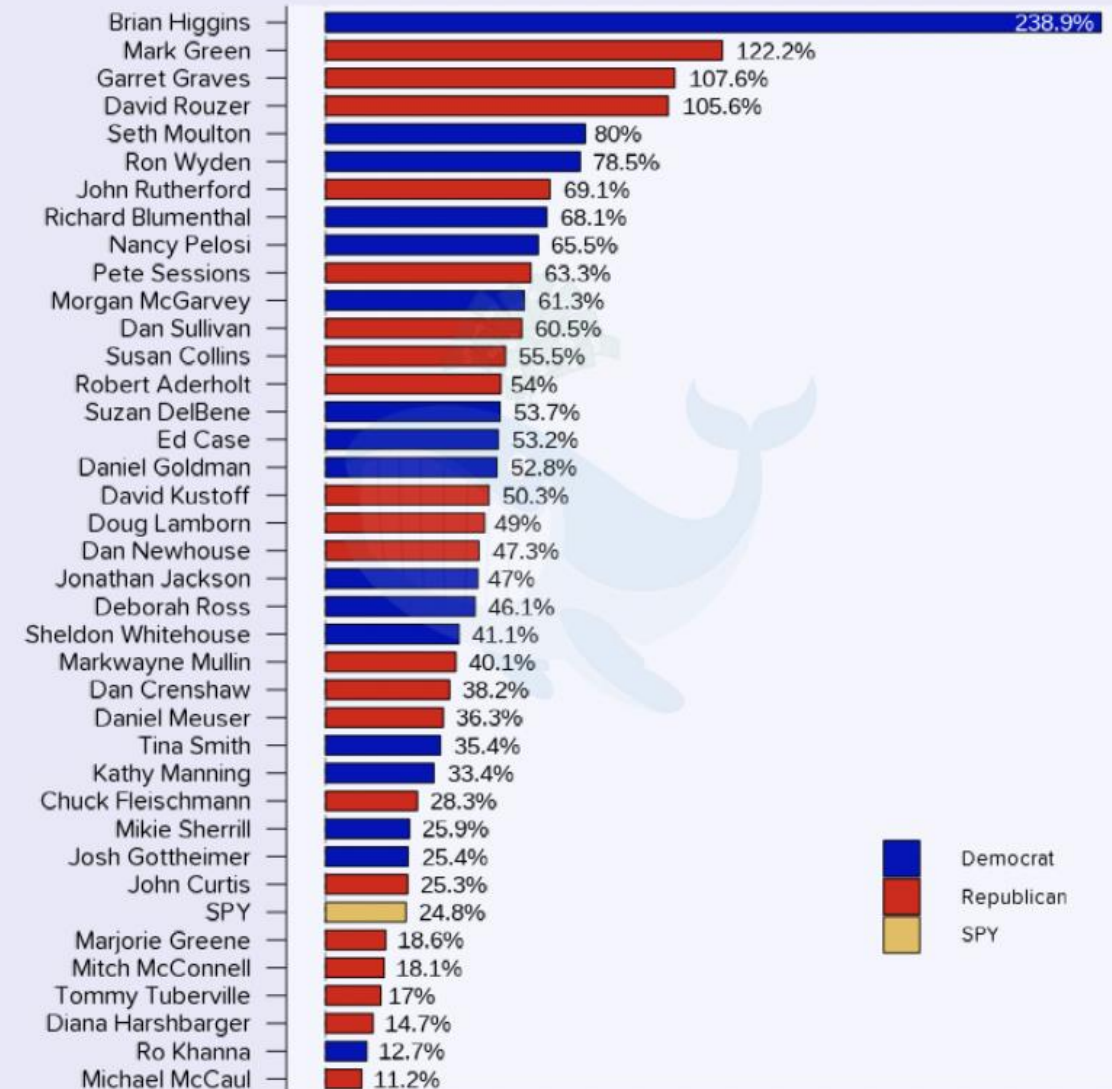
Increased connections and insider deals
allow for more insider trading

Link to a tracking website :

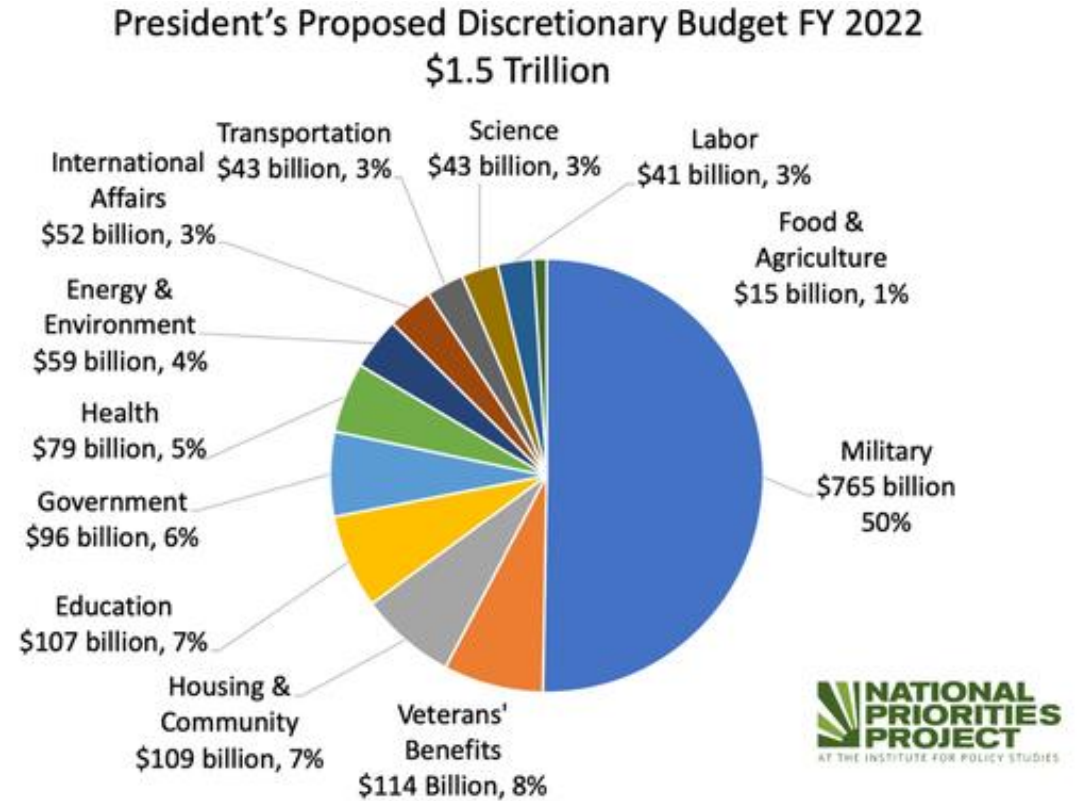
[Politician Insider Trading Activity -
Barchart.com](https://www.barchart.com/politics/politician-insider-trading-activity)

Congress vs SPY in 2023

Returns calculated by estimating current stocks held in each Member's portfolios, then calculating YTD returns. SPY YTD included for comparison.



Budgeting



- Half of discretionary spending spent just on military

Overcharging

Many defense contractors can overcharge on prices

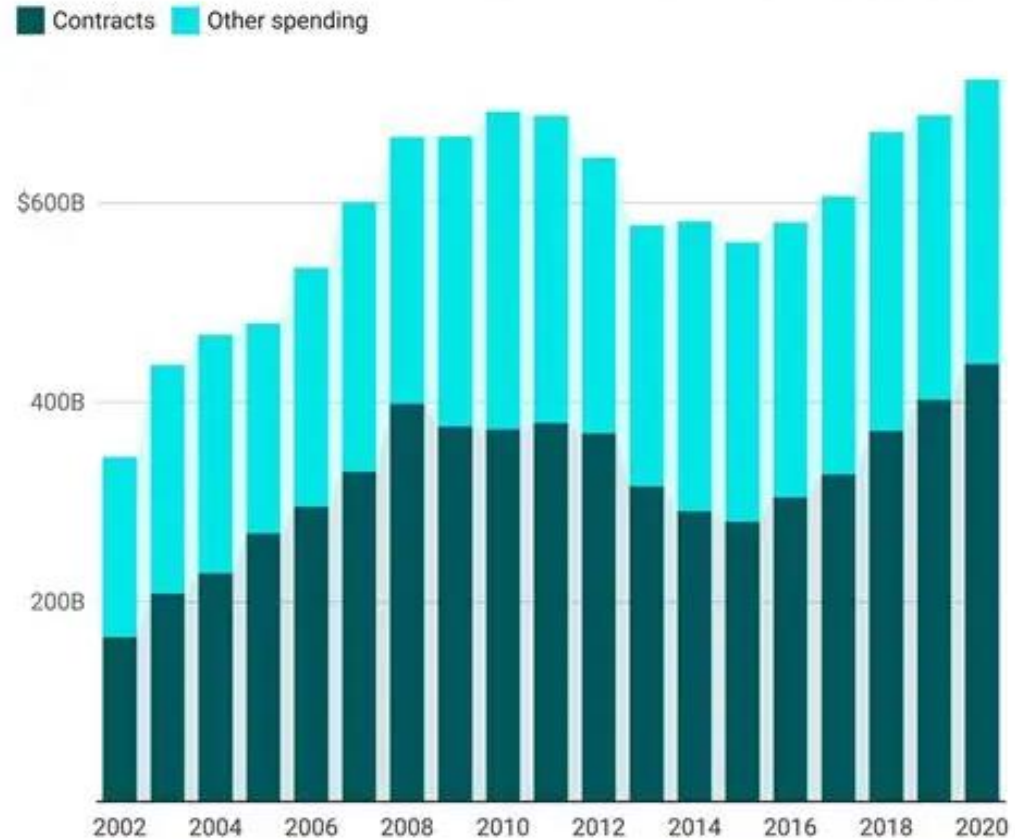
In 2025 the Pentagon found 26% of purchases did not have a fair price

On average, the DoD has overpaid by 40-50%

[Pentagon falling victim to price gouging by military contractors | 60 Minutes - CBS News](#)

Over half the Pentagon budget goes to contractors

From FY2002-20, 55% of Pentagon spending went to U.S. military contractors



Figures (nominal) refer to budget subfunction 051. Data via DOD Comptroller, GSA System for Award Management.

Chart: Stephen Semler (@stephensemle) • Created with Datawrapper

Let's play a game!!

Guess how much each item costs



\$2,043



\$5,000



Let's play a game!!

Guess how much each item costs



\$25,000 in 1990

\$400,000



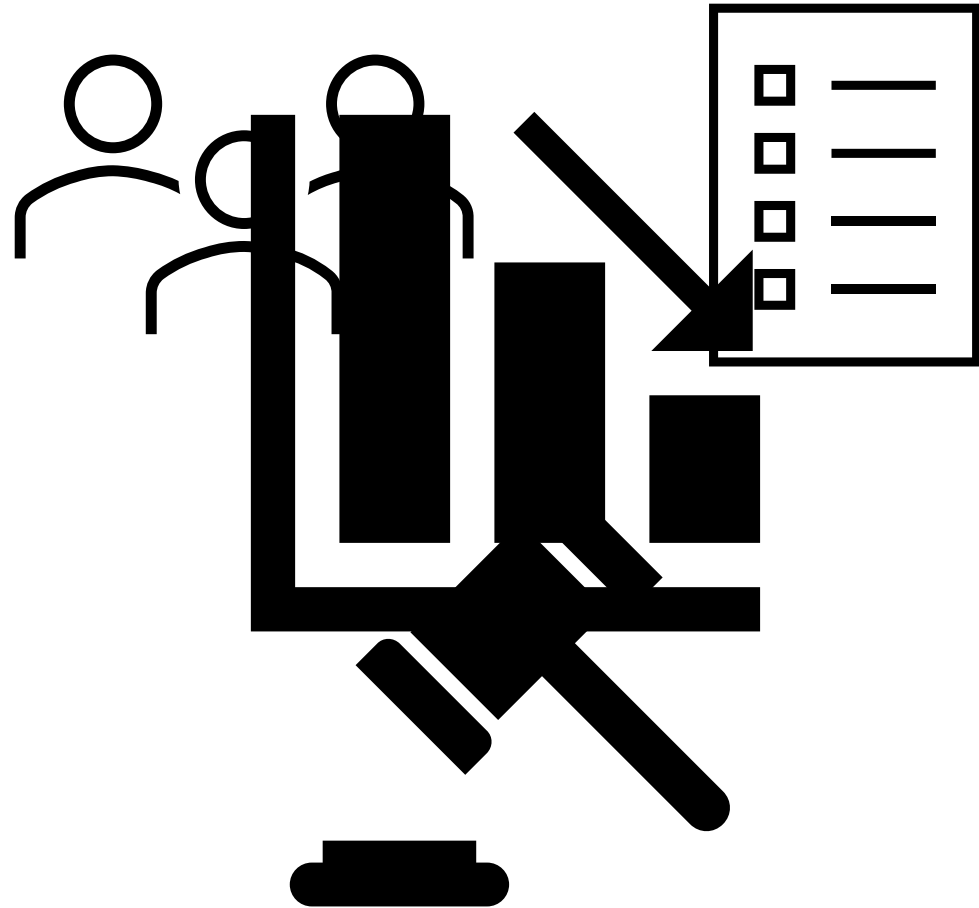
One trash can

\$200,000



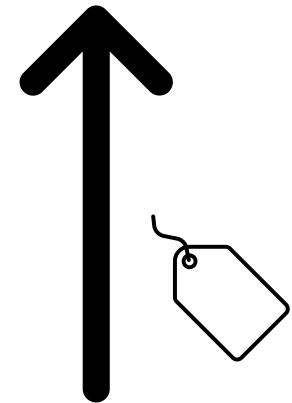
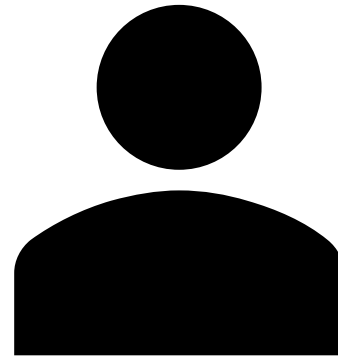
Non-competitive contracts

- Normally companies bid on contracts
- The pipeline means many governmental contracts are often given to a company without other competitors



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Example: Pool renovation

Private contractor hired by Trump
without bidding

Estimated 2m ballooned to 16m

Within months algae and paint
peeling occurred again



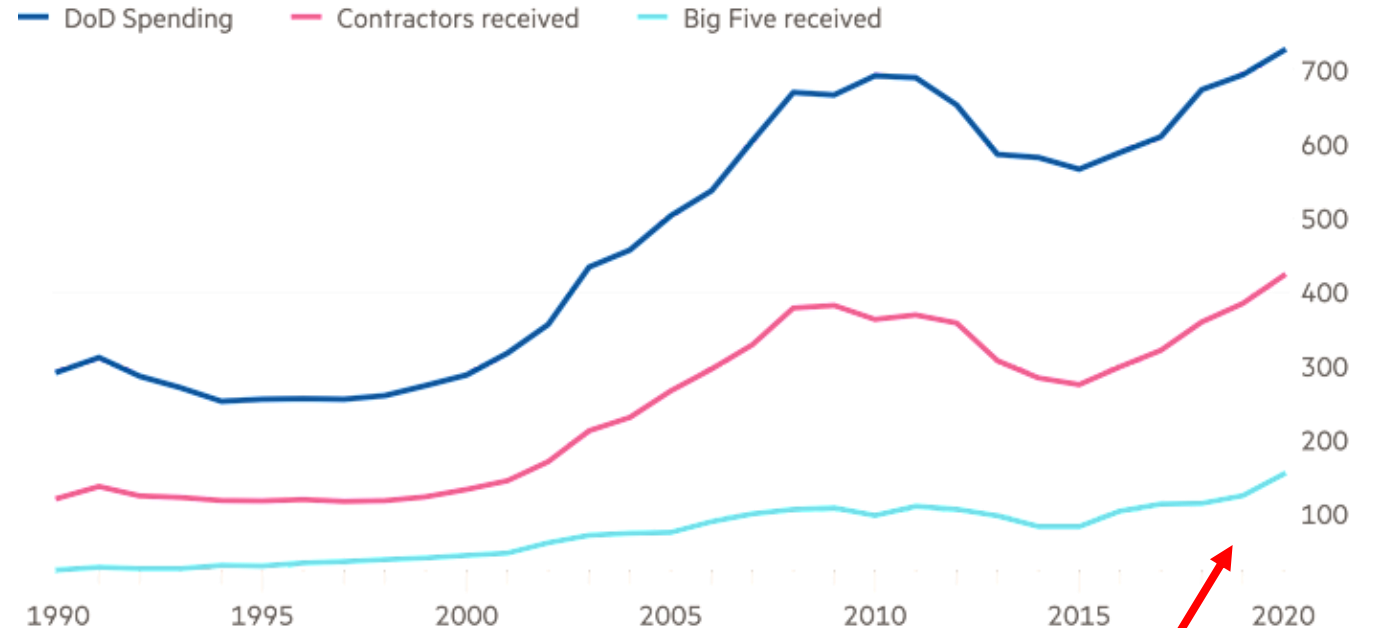
Excess concentration

Contracts start to be awarded to fewer different companies, allowing the biggest corporations to hold more power over the DoD

1. Lockheed Martin
2. Boeing
3. RTX
4. Northrup Grumman
5. General Dynamics

DoD spending on US defence contractors

Defence contracts were 58 per cent of DoD spending in 2020, with 36 per cent going to the Big Five (\$bn per fiscal year)



'DoD Spending' refers to Total Obligation Authority

Source: Defence-Industrial Initiatives Group at the Centre for Strategic and International Studies

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The Big 5 become a larger percentage of spending on contractors

What can you do??

- Become a lawmaker or support the ones that are fighting against corruption
- Advocate for more accountability and transparency
- Stay educated
- Make profits off copying insider trading