

Friedrich, Silke

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Measuring Interest Group Activity

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MEASURING INTEREST GROUP ACTIVITY

SILKE FRIEDRICH*

Introduction

Special interest groups play an important role in the political systems of the developed world. Repeated accounts of this can be found in economics and political science literature, and also among journalists and policy makers. But measuring the influence of interest groups is both important and challenging.

There is little consensus among social scientists about the appropriate definition of “special interest group”. Some authors use the term broadly for any subset of voters who have similar socio-demographic characteristics, or similar beliefs, interests and policy preferences.¹ Others define special interest groups as organizations that engage in political activities on behalf of their members. In the following we will focus on studies that employ the more narrow definition.

In order to analyze the influence of special interest groups on public policy making, measures of interest group influence have to be determined. This has shown to be a complicated task because there are at least three distinct problems: the existence of different channels of influence, the occurrence of counter-active lobbying and the fact that influence can be wielded at different stages of the policy process. The most basic challenge is to find measures that address the different channels of influence. This is crucial to be able to address the impact of different lobbying tactics on policy outcomes.

In order to promote their political objective, special interest groups engage in a variety of activities, which is why there is extensive theoretical literature

on different channels of special interest group influence. Grossman and Helpman (2001), for example, give an overview of models that explain the effectiveness of special interest group tactics. They describe two main channels of influence of special interest groups, the dissemination of information and campaign contributions.

Interest groups inform policy makers, the public and their members. The reason for the dissemination of information is simply to inform and persuade policy makers of the wisdom of the groups’ position. Special interest groups can be an important source of information for politicians because they are already familiar with the subject they are promoting and are willing to undertake research in the area. According to findings of extensive surveys conducted among interest groups in the US on the federal level, special interest groups spend a majority of their resources on informing policy makers.²

The other main tactic of special interest groups mentioned by Grossman and Helpman (2001), which may be unrelated to the groups’ access to information, is the provision of resources to candidates and parties. Campaign contributions can buy access, credibility or simply influence for special interest groups. Of all forms of special interest activity, campaign contributions are the most broadly analyzed lobbying tactic.

While the theoretical approach to assessing interest group influence is essential to determine the mechanisms and channels used to exert influence, the evidence from surveys is very helpful to analyze the actions taken by special interest groups. But in order to analyze the influence of special interest groups on public policy making, measurable determinants of interest group influence are necessary. A first step in this direction is to register lobbying activity. The purpose of this study is to analyze the status quo of lobbying registration in the US and in Europe and to show how this data has been used to find measurable determinants of interest group activity.



* Ifo Institute for Economic Research at the University of Munich.

¹ See for example Putnam (1994).

² For surveys conducted, see, for instance, Baumgartner et al. (2009); Nownes and Freeman (1998); Heinz et al. (1993); Schlozman and Tierney (1986).

Lobbying in the US

Registration of lobbying

Data on all lobbying establishments in the US are available for recent years, i.e., since the Lobbying Disclosure Act of 1995 (LDA). The LDA requires organizations to register and report information on their special interest activities to the Senate Office of Public Records (SOPR) every six months. According to the Act, a lobbyist is any individual who (1) receives compensation of USD 5,000 or more per six-month period, or makes expenditures of USD 20,000 or more per six-month period for lobbying, (2) who makes more than one lobbying contact, and (3) who spends 20 percent or more of his or her time over a six-month period on lobbying activities for an organization or a particular client. According to this definition, two types of registrants are obliged to report under the LDA, lobbying firms and organizations or firms that conduct in-house lobbying activities (self-filing organizations).³ Lobbying firms are private firms who take on work for a number of different corporate and non-corporate clients. They have to declare their lobbying revenue. Self-filing organizations declare (a good faith estimate) of their spending on in-house lobbying efforts.

The following three figures summarize the information on lobbying activity in the US that is available as a result of the LDA.⁴ The data for these figures is drawn from the Center for Responsive Politics (CRP), a Washington based non-profit organization for the promotion of political transparency.⁵ Figure 1 shows how many registered businesses, labor unions

and other organizations have lobbied the US Congress and federal agencies between 1998 and 2008. While the number of active lobbyists has increased only slightly during the last decade, Figure 2 shows that the lobbying expenditures in the US have more than doubled during that time. This increase in spending on lobbying has not been driven by a particular industry, as shown in Figure 3. This figure also highlights which sectors have spent most on lobbying during the last decade: the health sector, followed by the business sector and finance, insurance and real estate.

Contributions from political action committees

Besides spending resources on informing policy makers, interest groups can give contributions to campaigns. There are two main types of campaign contributions, individual contributions and contributions by Political Action Committees (PACs). Since individual contributions are made by American citizens, and not by organized groups, we focus on PAC

Figure 1

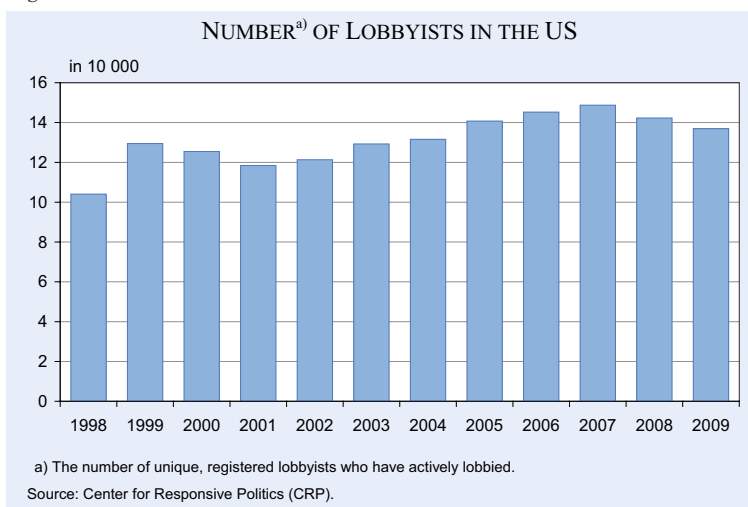
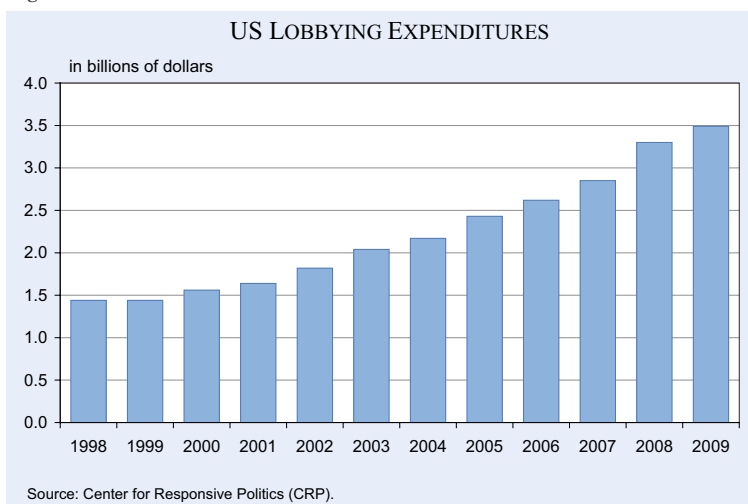


Figure 2

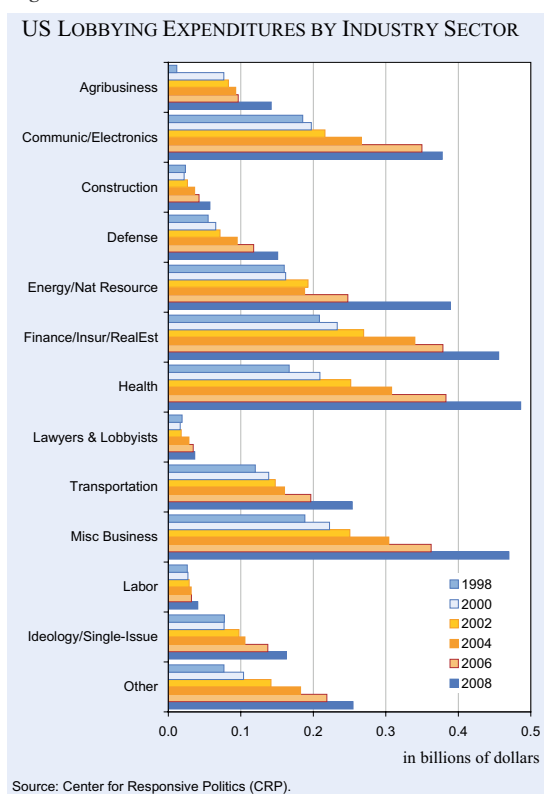


³ An example of a private lobby firm is Van Scoyoc Associates, who represent some of the largest corporations, as well as many universities, non-profit organizations and trade associations in Washington. Self-filing organizations include corporations such as Wal-Mart, who have their own lobby shop in Washington, as well as peak industry groups such as the American Medical Association.

⁴ The figures summarize lobbying activity on the federal level. Each US state has individual rules for monitoring and/or restricting lobbying activities.

⁵ <http://www.opensecrets.org/> (accessed November 2010).

Figure 3



contributions here.⁶ PACs are political committees organized for the purpose of raising and spending money to elect and defeat candidates. Most PACs represent business, labor or ideological interests. PACs can give USD 5,000 to a candidate committee per election (primary, general or special). They can also give up to USD 15,000 annually to any national party committee and USD 5,000 annually to any other PAC.

⁶ It is important to note that individual contributions constitute a large share of campaign contributions and are essential to analyze the impact of such contributions on election outcomes. See Stratmann (2005). Data on individual contributions to campaign can be found at the Federal Election Commission (accessed October 2010).

Figure 4

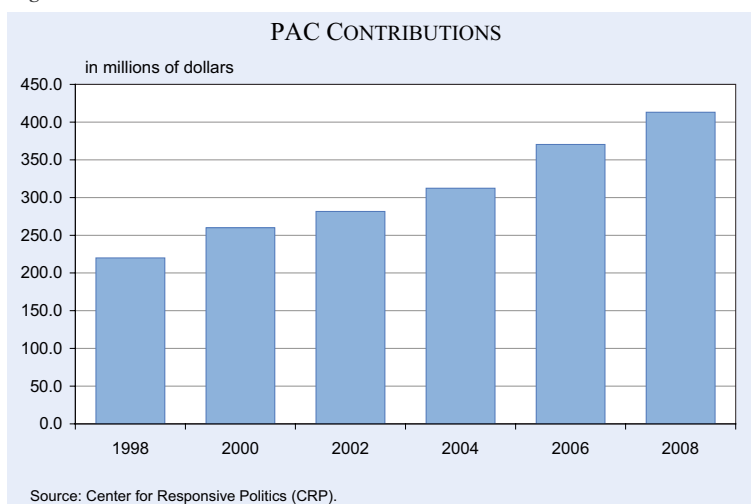
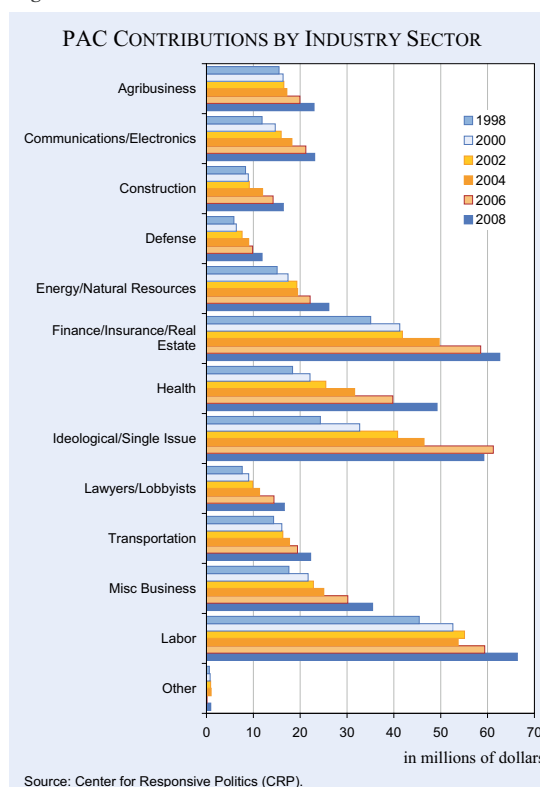


Figure 5



PACs may receive up to USD 5,000 from any one individual, PAC or party committee per calendar year.

Figure 4 shows the PAC contributions between 1998 and 2008 as reported by CRP. Comparing the PAC contribution with the lobbying expenditures above shows that a fraction of resources spent by special interest groups is spent on PAC contributions. But the same sectors that have the highest lobbying expenditures spend most on PAC contributions (Figure 5).

Empirical evidence of interest group influence in the US

In general, studies that incorporate interest group activities other than donating to campaigns are rare. Moreover, there is limited empirical work linking the theory to the data.⁷ The few studies that assess such influence generally estimate an equation in which the dependent variable represents a decision variable of the public sec-

⁷ See Potters and Sloof (1995) or de Figueiredo (2009) for summaries of the existing literature.

tor which the interest group is hypothesized to influence. Roughly, two sets of dependent variables can be distinguished. One set concerns the behavior of individual political decision makers (i.e., voting records). The second set relates to policy outcomes. The LDA data has been used to analyze how much firms lobby and how they lobby.⁸ Furthermore, the data has been used to quantify the effect of lobbying activities on policy outcomes in specific industries.⁹

Evidence from survey data show that a main value for lobbyists is their proximity to policy makers.¹⁰ One important way to establish personal connections between lobbyists and politicians is to employ ex-government staffers in the industry or in lobbying firms, the so-called “revolving door” movement. Lobbying salaries are typical several times higher than public sector salaries, which suggests that there is the opportunity for former officials to cash in on their government connections. While there is a lot of anecdotal evidence of this practice, direct empirical evidence on the extent to which previous officials are able to convert political contacts in to lobbying revenue is scarce.¹¹ Blanes i Vidal et al. (2010) conducted one of the few studies that is able to quantify the value of direct connections between lobbyists and politicians. They analyze the relationship between previous government officials and the Congressional politician in whose office they had previously worked. The authors use data on the lobbying revenues of these ex-staffers and show how these revenues change once their previous employer leaves the Senate.

The only form of lobbying activity that has been recorded rigorously for a long time are campaign contributions. Hence, it is not surprising that PAC contribution have been extensively analyzed. The main question concerning PACs is a very sensitive one: What exactly do they buy? Stratmann (2005) surveys the existing literature on campaign contribution and summarizes different hypotheses about the purpose giving PACs. A main argument in the literature is that PACs buy influence. If this is the case, then incumbents who receive money from special interest groups cater to their wishes because they received campaign contributions. Many theoretical

models predict that interest groups buy political favors with their contributions.¹² But the empirical evidence for this prediction appears mixed.¹³ Other possible explanations for Political Action Committees to contribute to elections could be that, according to Stratmann (2005), special interest groups derive consumption value from PACs, or see them as investments in policy or as a means of gaining access to the legislator. But while it is relatively straightforward to examine the influence of PACs on election outcomes or policy choices, other hypotheses about the purpose of PACs are not as easily quantifiable.

Lobbying in Europe

Registration of special interest groups

In the US, lobbying regulations, both in the form of registration and limitations, have been a matter of concern since World War II. In most European countries, special interest groups have been analyzed to a far lesser extent. Chari et al. (2010) give a comprehensive assessment of lobbying regulations around the globe. The term “regulations” for lobbyists, as it is used by Chari et al. (2010), means that political systems have established rules which lobby groups must follow when trying to influence government officials. The most basic rule is that lobbyists have to register with the state before contact is made with public officials. Other lobbying regulations that have been put into place are that special interest groups have to indicate which public actors they intend to influence, that they provide the state with individual/employer spending records or that there has to be a publicly available list with lobbyists. Another registration criterion is if revolving door practices are openly monitored.

Chari et al. (2010) show that lobbying regulations are relatively rare in liberal democracies and that the norm in most countries is that there are no lobbying rules. See Table 1 for an overview of lobbying regulations in the EU and in the US. In the EU, Germany is the only country with a long history of lobbying regulations (since 1951). In Italy, lobbying regulations exist at the regional level. Hungary, Poland and Lithuania have adopted special interest regulations after 2000.

⁸ See, for example, Schuler et al. (2002) and de Figueirido and Kim (2004).

⁹ See, for example, Schuler (1996) for evidence from the US steel industry; Hedge and Mowery (2008) for evidence from the biomedical industry; and de Figueirido and Silverman (2006) for lobbying in the education sector.

¹⁰ See, for example, Baumgarnter et al. (2009).

¹¹ See Dal Bo (2006) for a review on regulatory capture.

¹² See, for example, Grossman and Helpman (2001).

¹³ See Stratmann (2005) for details.

Table 1
Lobbying regulations in EU countries and in EU institutions

Country/ Institution	Rules governing lobbyists as of 2009
Austria	No statutory rules
Belgium	No statutory rules
Denmark	No statutory rules
Estonia	No statutory rules
France	Indicated its aim to introduce a voluntary parliamentary run register – July 2009.
Germany	Regulation and registration through rules of procedure introduced by the Bundestag in 1951; later amended in 1975 and 1980.
Hungary	Regulation of lobbying activity since 2006.
Latvia	No statutory rules
Lithuania	Regulation since 2001.
Luxembourg	No statutory rules
Ireland	No statutory rules
Italy	No statutory rules at national level. Nevertheless, regional schemes have been introduced in the Consiglio regionale della Toscana in 2002 and Regione in 2004.
Malta	No statutory rules
Netherlands	No statutory rules
Poland	Regulations since 2005
Portugal	No statutory rules
Romania	No statutory rules
Slovakia	No statutory rules
Slovenia	No statutory rules
Spain	No statutory rules
Sweden	No statutory rules
United Kingdom	No statutory rules in either Commons or House of Lords.
EU: European Parliament	Regulated by Rule 9(2) of the Rules of Procedure, 1996.
EU: Commission	Before 2008, “self-regulation” was the model adopted by the Commission. However, as of 23 June, 2008, the Commission opened a <i>voluntary</i> register of interest representations.
EU: Council	No statutory rules

Source: Chari et al. (2010).

Contributions to political parties and campaigns

As in the US, campaign contributions are another way for special interest groups to influence public policy in European countries. Many governments regulate from where and how much funding candidates or parties can obtain from private organizations. The regulations concerning the disclosure of campaign contributions also differ from country to country.

Table 2 presents data from the CESifo Database for Institutional Comparisons in Europe (DICE) on Fi-

nancing of Political Parties. The Table gives a summary of the political structure of the countries and the institutional framework in which campaign finance takes place, as well as laws limiting contributions and disclosure requirements. This summary shows that most countries have limitations to campaign contributions (with the exception of Austria, Sweden and the Netherlands). Additionally the source of campaign contributions has to be disclosed in all countries except in the Netherlands. But there is no reliable data source on campaign contributions in any of the countries mentioned in Table 2.¹⁴

Registration of lobbying in the European Union

Besides the obvious lack of data on lobbying activity in European countries, there is another issue that makes the analysis of the influence of special interest groups within European countries almost impossible: the Europeanization of interest group activity.

Today, many laws and regulations concerning European Union (EU) member countries originate in Brussels. Töller (2010) estimates that 40 to 80 percent of German laws passed between 2002 and 2005 are at least influenced by European impulse.¹⁵ With this

shift in political power from national governments to EU institutions, one would expect interest groups to change their focus of attention towards Brussels. In the words of Mazey and Richardson (2006), one would expect interest groups to “shoot where the

¹⁴ A caveat of the data presented in Table 2 is that it relates mainly to the year 2000. Hence, even though the main regulations have remained in place, the data collection process might have changed since then.

¹⁵ Töller (2010) finds that the degree of Brussels's influence on German laws varies across fields and that 40 percent of the new laws in the fields of economics and transportation are at least influenced by decisions made in Brussels. These shares are higher in finance (42.6 percent), justice (42.2 percent), family and health (42.3 percent), agriculture (75 percent) and environmental policy (81.3 percent).

Table 2

Contributions to political parties

	Restrictions	Transparency
Austria	No limits on individual or corporate donations. No limits on expenditure. Political donations by interest groups are subject to an income tax surcharge to be paid by the recipient party. Donations in excess of EUR 7,730 must be disclosed (total amounts and type of donor, i.e., individual, interest group, corporation).	States do not require strict reporting and data provided by parties on the federal level thought to be incomprehensive for it covers only part of the parties' activities and financial dimensions.
France	No foreign donations. No donations from private or public-sector companies (since 1995). Individual donations may not exceed ca. EUR 7,575 per year and donations of more than ca. EUR 150 must be given by cheque, thereby disclosing the identity of the donor.	Legal status of parties is vague; data protected and not released to the public due to the constitutional freedom of action granted to parties. Available reports are incomplete: expenses for local activities are not detailed and links between parties and foundations remain unclear. Poor level of supervision by regulating authorities.
Germany	No limits on individual or corporate donations. Ban on tax benefits for corporate donors imposed by the Federal Constitutional Court. Donations in excess of ca. EUR 10,300 must be disclosed (names, addresses, and amounts). Ban of foreign donations except from EU citizens and EU corporations. No donations in excess of EUR 500 from anonymous individuals.	Reports and lists of donors are published in parliament material (Bundestagsdrucksache). Reports have a common format and are well documented. The total revenue of assessments remains unclear. For detailed info and statistics see: http://www.bundes-tag.de/datbk/finanz/index.html ; http://www2.spd.de/partei/finanzen/ausw_rechenschaftsbericht9_9.pdf
Italy	No limits on individual or corporate donations for routine activities (donations to candidates are limited to EUR 8,700). Donations by privately run businesses must be approved by its board of directors and disclosed in the company's annual report. No donations from public or semi-public entities. Donations in excess of ca. EUR 2,640 must be disclosed by party and donor.	Reports are published in <i>Gazzetta Ufficiale</i> , the official publication for laws and decrees. Reports contain few details: donors are not disclosed and income is only in itemized total amounts of money (i.e. membership fees, donations and public subsidies). Political routine has often not followed disclosure rules.
Netherlands		No common format for financial reports. "Dutch legislators are still rather inexperienced with regulation on the transparency of political finance." Nassmacher (IDEA Handbook).
Portugal	No donations from public or semi-public entities or from foreign governments and institutions. Private corporate donations limited to 1,000 monthly minimum wages, with a limit of 100 monthly wages per contributor. Private individual donations limited to 30 monthly minimum wages per contributor; annual total may not exceed 500 monthly minimum wages. Donations in excess of 10 times the monthly wage must be made by cheque, thereby disclosing the identity of the donor.	Reports are published in <i>Diário da República</i> . Unreliable data; although provided with account information, the Tribunal Constitucional has no authority to verify or investigate financial statements and transactions.
Spain	No donations from public or semi-public entities or from foreign governments and institutions. No limit on total amount of income from private donations (the total of anonymous donations may not exceed 5% of total income); private donations must be disclosed (name, address, and ID number). Private individual donations limited to ca. EUR 60,120 per year (est. 1987).	Reports are published in <i>Boletín Oficial del Estado</i> . Unreliable data; although provided with account information, the Tribunal de Cuentas has no authority to verify or investigate financial statements and transactions. In addition, disclosure is not strictly regulated or enforced: in recent years, accounts have gone unpublished.
Sweden	No formal limits on individual or corporate donations. No limits or regulation on expenditure or on the use of public subsidies. Although corporate donations are permitted and parties are not obliged to disclose information about donors, parties have voluntarily agreed not to accept corporate donations and to disclose donations from private organizations (amount and name). Under the agreement, individual donations are also disclosed, but only total income and number of donors must be reported.	No officially published reports; data on income and spending protected by a traditional privilege of privacy and different bookkeeping systems by the parties. Only data concerning public subsidies is reliable.
United Kingdom	No foreign donations. Limits on expenditure. No paid broadcast advertising. Donations in excess of EUR 8,210 (GBP 5,000) must be disclosed. No donations in excess of GBP from anonymous individuals or blind trusts.	

Note: This table is a condensed version of a table in the DICE Database: www.cesifo.de/DICE

Main Source: Nassmacher (2001). Other sources consulted: Baran (2000) and Nassmacher (2003). The information relates mainly to 2000. Compilation: CESifo.

ducks are”. This is why Coen describes this shift in interest group attention as the “Europeanization of interest groups”.¹⁶ The groups active in EU politics represent a large variety of interests, from countries within and outside of Europe. Hence, in order to measure the influence of lobby groups on political economic decision making processes in the EU countries as well as in Europe as a whole, it is important to understand the impact of special interest groups on decisions made in Brussels.

In contrast to the US, EU scholars have not had access to a single, systematic source of data on lobbying activities in the form of lobbying registration. Furthermore, the current absence of a comprehensive registration system in the EU makes it impossible to identify the universe of the lobbying community in Brussels. Available data on EU lobbying activities come from the European Parliament, the EU Commission and from Landmarks’ commercial register.

In 1996, the European Parliament (EP) adopted a mandatory system of lobbyist registration. The EP accreditation registers all groups and their representatives that obtained the EP’s special entry pass, which is needed for lobbyists to access the EP building and to interact with members of the EP. But the only information available from the interest groups active in the EP is the name of the organization.

In 2008, the European commission adopted a voluntary system of lobbyist registration which was initiated by the European Transparency Initiative. As a result, the CONECCS database (Consultation, European Commission and Civil Society) was replaced with the new Register of Interest Representatives. The former CONECCS database lists groups participating in commission committees or hearings on a voluntary basis. The aim of this database was to make the commission more transparent, to function as a venue for interest groups and to help the commission to find the appropriate mix of partners. The Register of Interest Representatives is continuing the data collection of CONECCS and requires additional information from the interest groups that choose to register. For example, in-house lobbyists who want to be listed in the register have to disclose their estimated lobbying expenditures per year in ranges of EUR 50,000, and lobbying firms have to disclose their annual

income in ranges of EUR 50,000. Interest groups that choose to register also declare their compliance to an ethics code.

Another data source available to study interest group activity in the EU is Landmarks’ European Public Affairs Directory. This is a commercial register of groups, firms, national and international institutions as well as regional actors active in EU politics in Brussels.

Berkhout and Lowery (2008) have compared these different datasets and found that there is surprisingly little overlap. Baumgartner et al. (2010) have combined the data from CONECCS (now Register of Interest Representatives), the EP’s accreditation register and Landmarks’ European Public Affairs Directory. With the EU Interest Group Population Dataset 2007–2008, they have created the most inclusive and accurate list of lobbying organizations in the EU yet compiled.¹⁷ But this new data set only lists lobbying organizations, without providing any information about the number of lobbyists working for each organization and without disclosing lobbying expenses of the organizations listed. Table 3 shows the size of the disaggregated data sets used by Baumgartner et al. (2010).

It has been observed in earlier analyses of interest group populations in various national systems that professional associations and corporations, i.e.,

¹⁷ According to Baumgartner et al. (2010), the full dataset will be made freely available at <http://sites.maxwell.syr.edu/ecpr/intereuro>

Table 3
Sources of the EU interest group population dataset 2007–2008

Dataset	Number of organizations
CONECCS	749
Landmarks directory ^{a)}	2,522
EP accreditation register	1,534
Total groups listed in any of the three sources	4,805
Minus duplicates	–1,105
Final Dataset	3,700
^{a)} Landmarks’ directory lists organizations in different categories (trade organizations, professional organizations, etc.). Some organizations are listed in more than one category. The figure 2,522 in the table refers to the number of unique organizations listed, after deleting duplicates.	

Source: Baumgartner et al. (2010).

¹⁶ Coen (2007) talks about “the Europeanization of interest groups”.

Table 4

Types of organizations registered to lobby in the EU

Group Type	Frequency	Percent
1. Professional associations and interest groups	1,847	49.9
2. Corporations	492	13.3
3. Chamber of Commerce	36	1.0
4. Consultants	219	5.9
5. National employers' federations	58	1.6
6. International organizations	118	3.2
7. Law firms	124	3.4
8. National trade and professional organizations	252	6.8
9. Regions (incl. municipalities)	267	7.2
10. Think tanks and training	146	4.0
11. Labor unions	30	0.8
12. National associations of Chambers of Commerce	27	0.7
13. Political parties*	7	0.2
14. Other	7	0.2
Missing	70	1.9
Total	3,700	100.1

* Not a Landmarks' category.

Source: Baumgartner et al. (2010).

groups representing business interests, provide the largest share of groups mobilized for political action. Table 4 shows that the EU is no exception to this trend. The Table gives an overview of the type of organizations that are registered to lobby in the EU. 50 percent of the groups mobilized for political action are professional associations and interest groups. Combining the categories associated with business interests (e.g., all those except international organizations, regions, think tanks, political parties and other) shows that 82.5 percent of the lobbying organizations in the EU come from the business sector.

Analyzing the origins of the special interest groups active in the EU shows that representatives from large member states dominate the scene (Table 5). 43.7 percent of all registered special interest groups are based in Germany, France or the UK. The Benelux groups benefit from their geographical proximity to the EU capital Brussels. With 14.7 percent of all registered special interest groups in the EU, these countries are overrepresented given their relative size. Organizations from Eastern Europe so far seem hesitant to enter the Brussels scene. Only 4.5 percent of organizations registered to lobby in the EU are from new EU states.

Table 5

Country of origin of organizations registered to lobby in the EU

A. EU-15 states	Frequency	Percent
Germany	380	18.7
United Kingdom	285	14.0
France	274	13.4
Netherlands	150	7.4
Italy	139	6.8
Belgium	120	5.9
Spain	75	3.7
Austria	54	2.7
Sweden	41	2.0
Denmark	42	2.0
Finland	18	0.9
Portugal	15	0.7
Luxembourg	13	0.6
Ireland	13	0.6
Greece	5	0.3
B. New EU-27 states		
Poland	28	1.4
Czech Republic	16	0.8
Slovakia	12	0.6
Hungary	11	0.5
Romania	7	0.3
Latvia	4	0.2
Estonia	4	0.2
Lithuania	2	0.1
Slovenia	3	0.2
Cyprus	2	0.1
Malta	2	0.1
Bulgaria	2	0.1
C. Selected non-EU states		
USA	181	8.9
Switzerland	75	3.7

Note: The table lists the nation of origin for those organizations that report it. For non-EU states, we include only the two prominent home countries.

Source: Baumgartner et al. (2010).

Empirical evidence of special interest group activity in Europe

Most economic studies that explain the impact of lobbying activities are based on evidence from the US. This is not surprising since the registration of lobbyists is most transparent in the US. But even in the US, empirical evidence on the impact of special interest groups on public policy is scarce.

In Europe, data on special interest group activity is simply non-existent in many countries. This explains why there is hardly any empirical evidence on the impact of special interest groups. Coen (2007) summarizes the empirical and theoretical studies on interest groups influence in the EU. He notes that there is an increasing amount of theoretical literature explaining the Europeanization of interest

groups. Most studies concerned with the impact of special interest groups tackle similar methodological and theoretical questions as their counterparts in the US. However, Woll (2006) warns, for example, that before the replication of US models becomes the norm in Europe, it is important to investigate how applicable these concepts are to the EU public policy process and distinct EU institutions as well as to the national political systems in Europe. And while recognizing that Europeanization has occurred, it must not be forgotten that not all interest groups make use of the new EU opportunities and distinct national interest groups remain.¹⁸

The challenge

Measuring the influence of interest groups is both important and challenging. Dür (2008) quotes Loomis (1983), who describes the attempt of measuring lobbying activity as “searching for a black cat in the coal bin at midnight”. Baumgartner and Leech (1998) describe research on special interest groups as an area of “confusion” in the literature.

In order to assess the impact of interest groups it is crucial to know who exerts influence. As this study shows this in itself is a major challenge, since lobbying regulations are non-existent in many European countries.

Hence, a first step towards being able to measure the influence of special interest groups in Europe would be to register lobbyists and disclose their expenditures related to lobbying activities. In the EU, the EU Interest Group Population Dataset 2007–2008 is a first step in this direction. So is the European Transparency Initiative (EIT), which obtained the disclosure of lobbying expenditures for the interest groups who voluntarily register as lobbyists at the European Commission. But while registering lobbying activities at the EU level is important, it does not replace the need for lobbying regulations in the EU countries.

The disclosure of contributions to political parties and campaigns would be another important step towards more transparency of interest groups activities in Europe. Such data is available in most EU countries. But there is no equivalent to the US organizations – the Center for Responsive Politics or the

Federal Election Commission – to publish the available records on campaign contributions.

In the literature concerned with the influence of special interest groups, the practice of revolving door lobbying is getting more and more attention. This practice is widespread in European countries and in the EU. Hence, the disclosure of former politicians who move on to the private sector would be necessary to address the impact of this practice.

The most elaborate analysis of interest group influence has been conducted in the US. One reason for this is certainly a political environment that makes it necessary to investigate who pulls which strings in politics.¹⁹ Another reason is the availability of data.

But even in the US, empirical determinants of special interest group influence are scarce. The problems are that there are not only different channels of influence. Interest groups also affect each other, which has to be taken into account when measuring their impact on public policy. Furthermore, interest group influence can be wielded at different stages of the policy process and depends crucially on the political environment the interest group operates in.

But the recent changes in the rules on lobbying registration in the developed world are a step in the right direction. Even though the question of interest group influence is difficult to analyze, not only because of a lack of data, but also because of the many facets of the issue, it is too important to ignore.

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¹⁸ See Beyers and Kerremans (2007).

¹⁹ Bertok (2009), for example, examines how lobbying regulations depend on political regimes.

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