



**Lobbying in Brussels and Washington:
Different Styles, Same Logic**

The Interview with DR. CORNELIA WOLL
was conducted by FLORIN NITA in May 2006

With increasing regulatory powers of the EU institutions, the business of lobbying in Brussels becomes more important. How the private sector manages to successfully shape EU decision-making in its favor and how the equilibrium between input- and output-legitimacy could be safeguarded are issues addressed by DR. CORNELIA WOLL. In her interview with SP3 the comparison between Washington and Brussels is used to shed more light on European multilevel governance.

Schlossplatz3: Mrs. Woll, how difficult is it to research lobbying in Brussels and Washington?

Cornelia Woll: Much easier than I expected. When I started doing this research everybody was saying: "Nobody will tell you what they really do." It is true that, if you ask people: "Do you do any lobbying?" people will not answer you. But if you ask them: "I saw that you worked on the following proposals, can you tell me what you did?", people both in Wash-

ington and Brussels are very welcoming. You should ask them more about the advocacy work that they do, the representation, the government connection and not so much about any illegitimate influence. So it is all about words.

How advanced is this comparative research on lobbying?

Research on interest groups goes back to the 1920s and 1930s in the US. But people started to be interested in comparisons between Washington and Brussels in the 1980s and 1990s and most people who are writing on this are actually practitioners. I personally started to work and think about this area a couple of years ago and I think it is one of the very interesting areas where there needs to be a lot of research done.

Who are the lobbyists?

I think people who work for companies doing in-house lobbying are as diverse as companies. Lobbyists with airline companies have been pilots before, in telecommunication companies they can be engineers. Everybody who knows the company well can be a lobbyist. The European professional lobbyists who work in consultancy tend to be people who have a background in political studies, public or European affairs, and some law background, but not so much as you may find in Washington. In Washington lawyers are predominant. The most significant difference between Brussels and Washington is the degree of lawyers in this profession.

Can we include among lobbyists also the national or regional state actors?

Well, it depends. I define lobbying as the attempt of private actors to influence public decisions. So nation states in my world don't lobby. For me, to speak about lobbying refers to firms, individual actors, NGOs, any sort of associations and sometimes also big federations that go through their national governments. In agriculture, for example, they speak with their national government which in turn tries to influence the Council, or the European Parliament or the Commission. So you have channels of influence through national governments. Lobbying is what happens up to national governments, afterwards it is negotiation.

What are the primary institutional targets?

There have been a lot of very detailed studies and you can see that in the EU somehow all goes towards the Commission. But the lobbyists lobby multiple targets at the same time. So they work both at national and supranational levels. However, the very important EU institutions are the Commission, the European Parliament especially through its committees, and of course, for every country, the national governments and parliaments. But all lobbyists play a multitude of channels at the same time.

Currently there are around 15,000 lobbyists in Brussels (consultants, lawyers, associations, corporations, NGOs) seeking to influence the EU's decision making process. Some 2,600 special interest groups have a permanent office in Brussels, predominantly Trade federations (32% of total) and consultancies (20% of total).

In March 2006 the European Commission released the Green Paper on the European Transparency Initiative—a voluntary code of conduct of lobbying activities in Brussels: http://ec.europa.eu/commission_barroso/kallas/doc/com2006_0194_4_en.pdf In April 2006 the US Senate approves the Legislative Transparency and Accountability Act of 2006, which regulates lobbying activities: <http://www.govtrack.us/data/us/bills/text/109/h4667.pdf>

How difficult is it for companies to get access to decision-makers? Based on which criteria is the selection made?

You can almost always have access, but the key question is to what extent is your advice taken into account. You always need to have something interesting to offer—such as information. I make a distinction between the dominance of information leverage in the EU and the US. In the US Congress the pressure comes by threatening with the losing of votes or of financial support for electoral campaigns or in some cases with suing, while in the EU the access comes through the information that interest groups provide. Because the Commission and the European Parliament can select who they talk to, the credibility of the provided information and the representativity of the external actors have become key criteria.

SP3: Can we say that there is a difference between the American and European lobbying styles? Are the Americans Martians, while the Europeans are the Venusians?

Yes, there's this difference in lobbying styles and we can say that the American lobbyists are much more confident with their demands. They make a demand and they expect to be heard. In Europe, lobbyists know that they can always be ignored; they are much more careful in making very radical demands and when this happens then they must be sure of the amount of force behind it to really make this go through. There are cases when radical lobbying occurs, but less often than in Washington. We even have some examples where aggressive lobbying in EU failed to achieve the intended results. In Washington to be a successful lobbyist, you need to be aggressive.

What could explain this difference? Institutions? Culture?

Since the Congress is connected to its constituencies directly through elections, it is very much tied to the private interests of the constituencies and of their individual members. And then Congress has key legislative veto leverage over the plans of the administration. In the EU there's no actor that interest groups can control as effectively as they can control the Congress. They, of course, have some control over the Council, which is composed of 25 members, but they can't control all the 25 members at the same time. They can also have some control over the European Parliament but they cannot sway everybody. The connection is not as direct as in the Congress, which explains why the European lobbying is not as aggressive and demanding.

Which style is more effective?

I think both are very effective. The European style is very effective in the agenda setting phase because the lobbyists, through the information they give, can really put issues on the agenda that have not been there before and modify certain proposals. The US lobbyists have been extremely effective in the past by blocking entire bills or making an issue not politically feasible anymore. So it's more in the decision stage that US lobbying is surprisingly effective compared to that in the EU, so it depends on what you're trying to do.

Is it right to speak about the Americanisation of the Brussels-based lobbying?

Yes, I speak about Americanisation simply because it is the Americanisation of interest representation. We used to have interest representation in the national member states that were particular to their country. You had some form of neo-corporatism in a lot of countries, some very stable relations between the private actors and the state and today that is dissolving more and more and you get something that is more direct lobbying and that's what we see in Washington and now in Brussels. And yes, I think the term works.

Now on a more corporate level. What is the role of Government Relations departments in private companies to shape their strategy towards external actors? They usually work more like foreign ministries within these companies.

Well, I think that role is very important because these are the places where the question is being asked: „What can we do politically to increase our profits?“ That is where the strategy gets elaborated. A lot of the work these departments are doing is information for the company, on what is going on in the political landscape. It is about writing notes on certain proposals or bills in the process of being made and letting the company know what may be important for them, what's worth paying attention to and that 'if you want us to get active, we can'.

Speaking about strategies to promote the interests of a company, what role do the media play in these strategies in the two capitals?

There are probably very important. I think companies always have an interest in having a good corporate image and that is why they go to the media to promote it, since this is highly important for the political context in which they move. In Washington, the media are very important, everybody has access to them and they dominate the discussion. In Brussels to go through the media would mean to go through the media of 25 countries, which is not very effective, so the absence of a pan European media is a handicap for having an exclusive political strategy based on media. But its use by lobbyists will increase more and more in the future.

Are there any ethical limits in lobbying strategies?

Absolutely! There are important ethical limits since lobbying very quickly blurs the line between a legitimate attempt to push for an effective policy for stakeholders and an attempt to incline it in your favour by all means and purposes. That is why lobbying has such a negative connotation. There are illegal things that may be done like trying to buy certain policy makers. From a democratic view point that is something undesirable. So yes, you can have a very long discussion about this. But in the US many people who work in interest groups and lobbying are people who teach ethics, which we find also in business schools or MBA programs.

Since we came across this issue, to what extent does lobbying aggravate the democratic deficit?

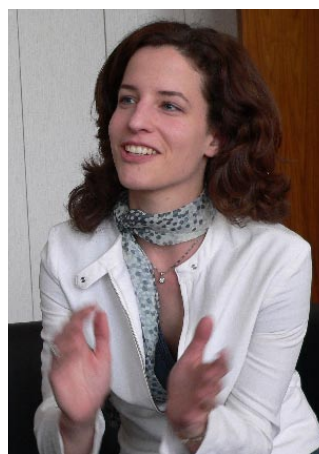
There is a feeling that the people who make policy decisions are not the ones who actually represent the people, because they may not be elected directly. And lobbying obviously makes that problem even bigger. When you delegate certain tasks to lobbyists or when you have lobbyists giving information to technocrats that do not have a close connection to the citizens, then lobbying makes the democratic deficit a bigger problem. If you distinguish, as Fritz Scharpf does, between input and output legitimacy, then the input legitimacy in the EU gets even worse due to lobbyists. But the output legitimacy that political decisions get by better addressing as many stakeholders concerns as possible is increased through the existence and help of interest groups. So the question is: do you want to have a perfect political process, or do you want to have policies that are better designed to address stakeholders' concerns? You have to decide which one you prefer, because you can't have both of them at the EU level.

Could regulations help to alleviate or eliminate this problem?

It is very good to control some unethical parts of lobbying. As lobbying gets more and more transparent, you move away from the very simple problem-solving context where decision-makers are approached by lobbyists who try to provide consulting in order to get the desired outcome. When you have high transparency and everybody is completely aware of what everybody else is doing, lobbying becomes less focused on problem-solving, very self-centred and confrontational. Lobbyists just make demands, because they cannot compromise anymore. But maybe that's just a side effect of having a more democratic process.

To what extent is there a reciprocal enforcement between multilevel governance and lobbying?

I do not know whether lobbying enforces, but it certainly adapts itself to this multilevel decision-making process and they are part of this logic. Governments know for example that firms will go through other channels if they cannot find understanding at the national level and may accept this just as part of the logic. On the other side, lobbyists know that they have to play this game at different levels.



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And one last question: does Brussels-based lobbying drive European integration?

Well, that's what the central theory of European integration postulates. Since firms, stakeholders and NGOs have benefited from previous integration steps, they will lobby for more integration in other areas. I tend to think this is true. Firms realize that they need certain regulations on specific technical issues, so they ask for these regulations. So I do think lobbying is one of the motors that keep this integration process going. It's open for debate whether member states can stop it, but firms will work very actively with the European institutions in order to promote their interests.