

EUROPEAN UNIVERSITY INSTITUTE, FLORENCE
DEPARTMENT OF POLITICAL AND SOCIAL SCIENCES

EUI Working Paper **SPS** No. 2001/5

**Corporate Lobbying in the European Union:
Towards a Theory of Access**

PIETER BOUWEN

BADIA FIESOLANA, SAN DOMENICO (FI)

All rights reserved.
No part of this paper may be reproduced in any form
without permission of the author.

© 2001 Pieter Bouwen
Printed in Italy in March 2001
European University Institute
Badia Fiesolana
I – 50016 San Domenico (FI)
Italy

CORPORATE LOBBYING IN THE EUROPEAN UNION: TOWARDS A THEORY OF ACCESS.¹

*Pieter Bouwen*²

Department of Political and Social Sciences
European University Institute
Via dei Roccettini, 9
I-50016 San Domenico di Fiesole, Firenze
Italy

ABSTRACT.

The aim of this article is to develop a theoretical framework in order to explain the access of business interests to the European Commission, the Parliament and the Council of Ministers. The degree of access to these institutions is explained in terms of a theory of demand and supply of access goods. Access goods concern information that is crucial in the EU policy-making process. In return for access to an EU institution, business interests have to supply one or more access goods. The organizational form of the interest representation determines the capacity to provide access goods. Business associative action is therefore unconventionally studied in relation with two other organizational forms: individual firm action and third party representation. To gain access, the provided access good simultaneously has to be demanded by the EU institution. Together with the supply, the EU institutions' demand for access goods is therefore carefully studied.

¹ I would like to thank the participants of the Departmental Seminar at the European University Institute in Florence and the ECPR Workshop at the University of Konstanz for their interesting remarks. Furthermore, I am grateful to the referees, to Margaret Percy of the EUI Language Service and to Jan Beyers, William Coleman, Dirk De Bièvre, Adrienne Héritier, Alkuin Kolliker, Philippe Schmitter, Gerald Schneider, Wolfgang Streeck and Daniel Verdier for their useful comments on earlier versions of this article. Finally I would like to thank Udo Bader for my interesting time in the European Commission and all my interviewees who gave so freely of their time.

² Pieter.Bouwen@iue.it

I. Introduction.

In the field of European interest politics many empirical studies have been undertaken during the last decade (Bennett, 1997; Greenwood et al, 1992; Mazey and Richardson, 1993; Van Schendelen, 1994). These studies often have a case study format and a sectoral focus (Cawson, 1992; McLaughlin et al., 1993; Schneider, 1992). One of the major lessons that has been drawn from this literature is the diversity and complexity of EU lobbying which make reliable generalizations very difficult (Greenwood and Ronit, 1994). The challenge for every researcher is however to provide general knowledge (Gorges, 1996:167). Theory being the appropriate tool for that purpose, the aim of this paper is to develop a **theoretical framework** to study the interaction between business interests and the EU institutions. Although the empirical reality of the EU financial services sector has been an important source of inspiration for this paper, the aim is to propose a framework that is useful for the analysis of **various sectors**.

The new framework should improve our understanding of how private interests can influence the making of EU legislation in the European Union.³ The analysis of the implementation phase is not within the scope of the framework. Since **measuring influence** is a rather problematic enterprise in political science, an alternative approach is taken (Huberts et al., 1994; Van Schendelen, 1998:13). Instead of focusing on influence, as traditional lobby-research tends to do, the **access** of business interests to the EU institutions is studied.⁴ It should be emphasized that access does not necessarily mean influence. Ineffective political actors might gain access to an institution without subsequently being able to translate this advantage into concrete, policy outcomes. Gaining access to the EU institutions is however a *conditio sine qua non* to exercise influence in the policy making process. Studying access is therefore likely to be a good indicator for influence (Hansen, 1991).⁵

³ The analysis focuses exclusively on legislative lobbying (Buholzer, 1998:8). The relatively small EU budget and the characterization of the EU as regulatory state legitimize this focus (Majone, 1994; Van Schendelen, 1994:5).

⁴ Studying access will greatly facilitate the operationalization of the research question.

⁵ Hansen (1991) investigates the evolution of interest group access to the US Congress and implicitly assumes that access equals influence.

In order to explain access of business interests to the EU institutions, an important related question is also tackled in this paper: **How do private interests use different channels to lobby within the EU multi-level system?** It is a traditional question in the literature and has already been addressed by many authors (Bennett, 1997 and 1999; Coen, 1997 and 1998; Eising, 2000; Kohler-Koch and Quittkat, 1999). The answers remain however unclear because of the inapt definitions of lobby-channels and targets that are being used.⁶

The proposed framework tries to go beyond the traditional pluralist - corporatist divide (Buholzer, 1998:70, Greenwood et al. 1994:31). Important characteristics of both paradigms are incorporated in the new approach. The pluralist emphasis on the plurality of groups and the importance of information is combined with the corporatist attention for resource exchange and compliance. Furthermore, the approach is different from previous research on EU lobbying in at least two other ways. First, whereas studies have mainly focused on the European Commission, in this paper also the European Parliament and the Council of Ministers are studied. The three EU institutions must be investigated simultaneously to understand the logic of interest politics at the European level. Second, the most important innovation in the approach is the decision to take **organizational form as unit of analysis**. The various organizational forms private interest representation can take in the European Union are chosen as the unit of analysis. Not only traditional collective action but also individual firm action and third party representation are at the heart of this investigation. This is very different from traditional interest group studies, which tend to focus on collective action in isolation from other organizational forms (Olson, 1965).

Also the literature on European interest intermediation has mainly focused on **collective action** (Greenwood et al., 1992; Mazey and Richardson, 1993; Aspinwall and Greenwood, 1998). Individual political action of firms is much less analyzed and almost never studied in relation to the collective action organized by the firms. Only a

⁶ The defined channels or routes sometimes overlap. The so-called direct route on the one hand and the national or European association routes on the other hand clearly overlap. On other occasions, channels and targets are being confused. In that case, the EP and the Commission are for example considered to be channels together with the national and European associations. Finally, the defined targets overlap.

few authors have recognized **the firm as an individual political actor** that can decide to lobby individually and/or to undertake collectively organized political action (Grant et al., 1989; McLaughlin et al., 1993; Coen, 1997). There is however still an important third option that is largely ignored in the literature. Instead of organizing their own lobbying through individual and/or collective action, corporations can request a third party to undertake these activities for them. That is the main reason why this paper also studies the group of political consultants and lawyers specialized in the representation of business interests. Although often informally recognized to be important players in the lobbying game, remarkably few studies have dealt with **third party representation** of business interests (Salisbury, 1984, Wilson, 1990).

More than one strategy has been followed to build the theoretical framework. **Deductive theorizing** on the basis of ideas and insights from interest group theory, sociological exchange theory and resource dependence laid the foundations for the new framework. It has however been the combination and interaction of these ideas with the empirical reality of EU business interests that has been most fruitful for the development of the framework (Layder, 1998).⁷ In Brussels, the author has conducted **23 exploratory interviews** with both business interests and EU officials and politicians. Moreover, a five-month internship in the European Commission in Brussels has allowed observation and even participation in the interaction between private and public interests in the EU arena. The purpose of this article is to improve our understanding of this interaction. In the next section, the theoretical foundations of the new framework are presented. These foundations allow the development of a theoretical framework to explain the access of business interests to the EU institutions in the third section. In the fourth section, a number of hypotheses will be generated on the basis of the new framework. The article concludes with a preliminary assessment of the new theory.

This happens for example when the national governments and the Council are wrongly considered to be entirely different and independent lobby targets.

⁷ In his Adaptive Theory Approach, Layder (1998) combines the spirit of Hypothetico-Deductive Theorizing and Grounded Theory. Whereas the former emphasizes the importance of formulating theoretical hypotheses in advance of the research in order to guide the research, the latter stresses the importance of starting the research with as little pre-formulated theory as possible in order that it may be generated during the research itself. Adaptive Theory attempts to combine an emphasis on prior theoretical ideas and models which guide research while at the same time attending to the generation of theory from the ongoing analysis of data. The "adaptive" part of the term is meant to suggest that the theory both adapts to, or is shaped by, incoming evidence at the same time as data themselves are filtered through and adapted to the extant theoretical materials that are relevant and at hand.

II. Foundations of a Theory of Access

Exchange Theory and Resource Dependence

The key to understanding the lobby activities of business interests in the European institutions is to conceive the relation between these private and public actors as an **exchange relation between two groups of interdependent organizations**. It would be a serious mistake to regard business lobbying as a unidirectional activity of private actors whereby the latter try to gain access to the EU institutions. Also the EU institutions are eager to interact because they need close contacts with the private sector to guarantee their optimal functioning. The two groups of organizations need each other and are therefore interested in establishing stable relationships with each other. Important insights from administrative science, organization theory and organization sociology constitute the foundations of the new theory of access. **Exchange Theory and Resource Dependence** are the core of this new framework.

According to the early exchange theorists (Homans, 1958; Thibaut and Kelly, 1961; Blau, 1964) interpersonal interactions can be conceptualized as a series of exchanges. They assumed that individuals try to maximize the utility of their interactions taking into account the costs and benefits of the interactions. In the 1960s, two Harvard sociologists developed an exchange model for the study of **inter-organizational relationships** (Levine and White, 1961). They redefined the notion of exchange because the earlier definitions of exchange referred mainly to individual or psychological phenomena and were not intended to encompass interaction between organizational entities (Levine and White, 1961:587).

Exchange theory seems to offer an interesting framework to analyze the interaction between business interests and public actors at the European level. Other authors have implicitly (Greenwood et al., 1992) or explicitly (Buholzer, 1998; Pappi et al., 1999) used exchange theories to study European interest intermediation.⁸ The interaction of

⁸ Many authors have applied exchange theories to interest intermediation and interest group politics. The exchange paradigm is a central feature of neo-corporatism (Marin, 1990; Parri, 1989; Pizzorno, 1978; Schmitter and Streeck, 1981). Network analysis focuses on inter-organizational exchange to

private and public organizations can be conceptualized as a series of **inter-organizational exchanges**. The organizations involved in the exchange make an implicit or explicit cost/benefit-analysis on the basis of which they decide with whom to interact. The exchange relation is however only likely to be stable and durable when the exchange is reciprocal. In that case, both sides receive benefits from the interaction. It should however be emphasized that this does not necessarily mean that the benefits of the exchange are equally distributed between the exchanging parties (Baldwin, 1978:1234).

The previously mentioned exchange model of Levine and White (1961) is closely related with the resource dependence perspective of **Pfeffer and Salancik (1978)**. Whereas both theories emphasize the importance for organizations to exchange resources, resource dependency focuses more closely on the ensuing **interdependence** between the interacting organizations (Pfeffer, 1997:63). According to a resource dependence perspective, organizations are not internally self-sufficient (Aldrich and Pfeffer, 1976:83). They require resources from the environment and therefore have to interact with those organizations or groups in the environment who control the resources they need (Pfeffer and Salancik, 1978:258). A crucial consequence is that the organizations become interdependent with those organizations with which they interact. This interdependence can lead to the development of inter-organizational influence attempts. Organizations can become subject to pressures from those organizations that control the resources they need.

The resource dependence perspective is helpful when studying the exchange between business interests and the EU institutions. In the context of the EU decision-making process, both private and public actors require **resources** from the environment and have to interact with the organizations in the environment who control the resources they need. The crucial resource required by the private actors is **access** to the European institutions. In return, the EU institutions demand a number of resources that are crucial for their own functioning. I call these crucial resources "**access goods**". These goods will be defined and analyzed in the next section.

study various forms of interest intermediation (Coleman, 1990; Laumann et al., 1987; Knoke et al., 1996; Pappi, 1995 and 1999). In political economy or public choice, the market is the model for political exchange (Becker, 1983; McCormick and Tollison, 1981; Potters et al., 1990; Stigler, 1972).

What are Access Goods?

To gain insight into the process of resource exchange between private and public actors at EU level, it is crucial to study the goods that are exchanged between the two groups. In return for “access” to the EU agenda-setting and policy-making process, the EU institutions want certain goods from the private actors. I call these goods “**access goods**”. The three access goods that can be identified have a common characteristic. In the three cases, **information** is the basic good. Information thus becomes the most important resource to be studied in order to understand the exchange between business interests and the EU institutions. Unlike public choice approaches to interest group politics (Potters and Van Winden, 1990), information is not treated as a rather abstract category.⁹ The three access goods that are identified concern three different kinds of information and can be specified as follows:

1. Expert Knowledge (EK): This access good concerns the expertise and technical know how needed from the private sector to understand the market. This kind of information is indispensable to develop and evaluate effective EU legislation in a particular sector. Example: The technical expertise provided by the Deutsche Bank to the European Commission to help the EU officials to understand the particularities of settlement finality in payments and securities settlement systems.
2. Information about the European Encompassing Interest (IEEI): This access good concerns the information needed from the private sector to help to define the European Encompassing Interest (EEI). In our sectoral approach, the EEI concerns the needs and interests of a sector in the European economic arena, i.e. the so-called Internal Market, and the European political and social arena. Example: The information provided by the European Mortgage Federation about needs and interests of its members with regard to the creation of the EU internal market for mortgage credit.

⁹ Mitchell and Munger (1991) give an introductory survey of public choice approaches to interest politics. For a survey of empirical rational choice models of interest group behavior, take a look at Potters and Sloof (1996).

3. Information about the Domestic Encompassing Interest (IDEI): This access good concerns the information needed from the private sector to help to define the Domestic Encompassing Interest (DEI). In our sectoral approach, the DEI concerns the needs and interests of a sector in the domestic market and the domestic political and social arena. Example: The information provided by the Belgian Bankers Association about the needs and interests of its members with regard to the functioning of the Belgian market for mortgage credit.

The importance of **expert knowledge** in the EU decision-making process has been widely acknowledged in the literature (Bowen, 1997; Buholzer, 1998, Kohler-Koch, 1994, Pappi et al., 1999; Radaelli, 1995 and 1999; Van Schendelen, 1994).¹⁰ Member States' administrations or their permanent representations cannot provide this kind of technical market expertise. Although they have a lot of technical know how at their disposal, they are just like the EU administration too distant from the market.

The two "encompassing access goods" have not been previously identified.¹¹ It is therefore necessary to study the meaning of the concept, "**Encompassing Interest**", in more detail. An interest is more encompassing when more parties are involved in the formulation of the interest. This means that an important aggregation of individual interests has taken place. The involved parties can be workers, firms, associations, countries, etc... A national trade association can for example be said to represent an Encompassing Interest because it is specialized in bundling the needs and interests of its member companies. Since the aggregation of interests takes place at the national sectoral level, the Domestic Encompassing Interest is concerned. It is interesting to note that the demarcation of an association's organizational domain is crucial for the encompassingness of the aggregated interest represented by the association (Schmitter and Streeck, 1999:58). The organizational domain determines namely the variety of interests and thus the kind of members the association wants to represent.

¹⁰ Franz Pappi (1999:258) also identifies expert knowledge as a crucial resource demanded by the EU governmental actors in exchange for control of policy decisions and monitoring of information.

¹¹ René Buholzer (1998:54) identifies legitimacy as an important "Tauschgut". An interest group should be representative enough to be recognized by the public actors as legitimate interlocutor. As discussed later in this paper, the notions of legitimacy and encompassingness are closely related. It is therefore not surprising that Buholzer's Tauschgut, legitimacy, and the two encompassing access goods

Access goods are crucial for business interests to gain access to the EU institutions. The highest degree of access is namely granted to the private actors that can provide the so-called **critical resource** or critical access good. The criticality of a resource for an organization is the extent to which the organization requires the resource for continued operation (Pfeffer and Salancik, 1978:46-47). The critical resources of the three EU institutions will be identified later in this paper. The criticality of an access good for an EU institution crucially determines the degree of access that institution will grant to the private actor that provides the critical good.

Definition: Access goods are goods that have to be provided by private actors to the EU institutions in order to gain access. Each access good concerns a specific kind of information that is crucial in the EU decision-making process. The criticality of an access good for the optimal functioning of an EU institution determines the degree of access the concerned institution will grant to the private interest representatives.

The three access goods are related with two crucial issues in European public policy: **legitimacy and compliance**. The access goods namely play an important role in increasing the legitimacy of the EU institutions and securing a higher degree of compliance with the agreed EU legislation. Both issues are further analyzed in the next paragraphs.

Legitimacy has become a major issue for the European institutions since the SEA and the Treaty of the European Union. An important transfer has taken place of political decisions and allocations from the national to the European level. This has weakened democratic influence and control at the national level without the compensating establishment of equally strong democratic institutions and processes at the European level (Christiansen, 1997:7). This situation has provoked discussions about the so-called democratic deficit of the European institutions and proposals for institutional reform in order to increase the legitimacy of European governance (Höreth, 1999:250). A distinction should however be made between so-called "input" and "output" legitimacy (Höreth, 1999:250-51; Scharpf, 1999:268). Input legitimacy concerns democratic decision-making at the EU level. The democratization of the

have similar characteristics. Also Franz Pappi's (1999:257) notion of public support as exchange

European governance system should take place by involving citizens and interested groups as much as possible in the decision-making process and its control.¹² Output legitimacy concerns the EU's general efficiency and effectiveness in dealing with problems. As long as the efficiency and effectiveness of European policy-making leads to more benefits than costs, the support of large parts of the European population is unlikely to be questioned. This is a technocratic or utilitarian source of legitimacy.¹³

Input legitimacy is related to the goods that have an "**encompassing nature**". The more encompassing an interest is, the more legitimate because more parties are involved in the articulation of the interest. Obtaining these access goods increases the input legitimacy of the EU institutions through the participation of these different parties in the policy process. In this discussion about input legitimacy, the issue of **representativity** is very important (Buholzer, 1998:55; Salisbury, 1979:222). The representativity of an interest group is based on the density of its membership and is the basis for its recognition by the EU institutions as legitimate interlocutor. The Representativity and Encompassingness of an interest group are positively correlated and determine the extent to which that interest group can increase the input legitimacy of the EU policy-making process through its participation therein. **Output legitimacy** is on the other hand closely linked to the remaining access good, **Expert Knowledge**. As will be discussed later in this paper, individual large firms are good at providing expertise. Although the interaction with individual firms does not dramatically increase the overall participation in the policy process, it provides the EU institutions with the necessary expertise to deal with their problems in an efficient and effective way and thereby considerably increases output legitimacy.

resource can easily be related to the two encompassing access goods.

¹² The existence of intermediary structures is considered to be an important prerequisite for democratic governance and legitimacy (Höreth, 1999:256-7). They are indispensable in order to integrate different political, economic and social interests into the political process of a democracy. Political parties but also interests groups and social movements are important factors, which mediate between decision-makers and citizens. The participation of these intermediary groups increases the legitimacy of the institutions in the EU decision-making process (Crouch and Menon, 1997:165).

¹³ These two sources of legitimacy exist in uneasy tension. Increasing for example the participation of national and regional parliaments carries the risk of stalling decision-making in the EU. Although this move would definitely enhance the EU's democratic "input legitimacy", it would however at the same time jeopardize the legitimacy the system derives from producing effective policy outputs (Christiansen, 1997:12).

Compliance is the second important issue to be investigated. Even though the scope of this paper is limited to the policy development and decision-making phase, it is still important to take the issue of compliance into account. Although the implementation phase is not the focus of this paper, it is very likely that private actors anticipate the problems of implementation and compliance during the earlier phases of the EU legislative process.¹⁴ The fact that non-compliance seems to be a systemic phenomenon at the EU level is an additional reason in taking the issue of compliance into account (Mendrinou, 1996:2).

Private interests and more precisely interest groups can play an important role when it comes to the implementation of EU legislation (Schmitter, 1979, 1981, 1982 and 1983). Two variables determine the extent to which private interest groups can become co-responsible for the compliance with the EU rules. The first variable is the capacity of interest groups to control their members.¹⁵ Not in all interest groups do the organizational structures and decision-making mechanisms allow a high degree of control over their members (Greenwood and Webster, 2000:2). The second important variable is the relationship between the private interest groups and the public authorities. A close, co-operative relationship can be the basis for a **neo-corporatist arrangement of private interest government** whereby private interest are made responsible for the implementation of legislation in a effort to reduce the authorities' implementation costs (Streeck and Schmitter, 1985).

Only the two so-called encompassing access goods are important when the compliance issue is concerned. As explained earlier, to provide information about the EEI and/or the DEI, an aggregation or accumulation of different interests has to take place within the interest group. The extent to which the interest group can steer and control this process of interest aggregation and implementation will determine its capacity to contribute to the compliance of the private interests with agreed EU

¹⁴ Sometimes a clear distinction is made between compliance and implementation. Compliance refers to whether countries in fact adhere to the provision of an accord and the measures they have instituted. It goes further than the notion of implementation. This notion involves only the conversion on paper of international commitments to domestic law. Compliance entails an actual change of behavior (Haas, 1998:18).

¹⁵ Within the neo-corporatist paradigm for example, the relationship between interest groups and their members is altered. Instead of merely aggregating independently formed preferences and articulating them before the authorities, associations acquire an enhanced capacity for defining the interests of members and controlling their behavior. These organizations may even have to wield directly coercive powers to keep dissident members in line (Schmitter, 1983:48).

legislation. The EU institutions are eager for the Information about the EEI and the DEI from interest groups because this exchange of information is likely to facilitate the implementation of the EU rules later in the legislative process.

III. A Framework to Explain Access

The three access goods that have been defined play a central role in explaining the exchange between private actors and the EU institutions. It is possible to model this exchange relation as a **Supply and Demand-Scheme for Access Goods**. The private actors are responsible for the supply of access goods. To gain access to the EU institutions, they need the capacity to provide one or more access goods. The private actors will however only gain access to an EU institution if the provided access good is important for the functioning of the institution. A careful analysis of the EU institutions' demand for access goods is therefore required.

[Figure 1: Scheme of Variables]

The dependent variable, $Y_{A n}$, concerns the access of private actors to the EU institution n . For different values of n , the following dependent variables can be distinguished: $Y_{A Commission}$ when $n = 1$, $Y_{A Parliament}$ when $n = 2$ and $Y_{A Council}$ when $n = 3$. In each of these cases, the dependent variable indicates the extent to which the private actors have access to institution n . The supply of access goods, Y_S , and the demand for access goods, $Y_{D n}$, are the **independent variables**. For each EU institution, a specific demand for access goods will be identified: $Y_{D Commission}$, $Y_{A Parliament}$ and $Y_{A Council}$. There is only one supply of access goods. To explain variation of the dependent variable, access, both the supply and demand for access goods have to be taken into account.¹⁶

The Supply of Access Goods

The analysis of the supply of access goods proceeds in two steps. First, the mechanisms are studied that determine the firm's choice of organizational form. Once the various forms of private interest representation have been analyzed, the relationship between these organizational forms and the provision of access goods is investigated.

The Firm's Choice of Organizational Form

Firms interested in developing interest representation at European level are confronted with the following decisions:

1. Make or buy decision concerning interest representation.
2. Undertaking individual and/or collective action.
3. Undertaking action at the national and/or the EU level.

Firstly, private firms should consider whether they want to organize their political activities themselves or whether they prefer a third party to do this job. In Brussels, the third party is normally a political consultant or a law firm. Secondly, firms have to decide whether they undertake individual political action and/or become members of an association. Finally, corporations have to think about choosing the national route and/or the EU route to organize their political activities. The previous three decisions shape to a great extent the organizational form of the firms' lobby activities in the EU. The following table presents the main organizational forms that lobby activities can take in the EU:

[Table 1: Organizational Forms of Interest Representation]

Apart from these traditional organizational forms, important **new collective fora** have been established during the last decade to collectively represent and promote business interests. The most remarkable development in the area of business involvement at the

¹⁶ The dependent variable Y_{An} is in fact the result of a system of two equations: the supply and demand function for access goods.

EU level has been the rapid growth of collective fora allowing **direct participation of firms**.¹⁷ Although the new framework could also be fruitfully applied to these new organizational forms, this analysis is not possible within the scope of this paper.

Three important variables determine the firms' choice of the organizational form of their lobby activities:

1. The size of the firm
2. The economic strategy of the firm
3. The domestic institutional environment of the firm

Size is a first important variable with regard to the lobby activities of corporations. Large firms dispose of more resources to plan and undertake political action than smaller firms. In the case of **individual political action**, the reasoning is obvious. Large players have more resources to invest in individual lobbying. The cost factor becomes even more important when the multi-level structure of the European Union is taken into account. Action at the supranational level is even more resource intensive than domestic political action because of the complexity and the geographical location of EU policy-making in Brussels. Only large firms have enough resources to establish a permanent representation in Brussels and are therefore capable of developing direct lobby-strategies that include political action both at the national and at the EU level.

Smaller actors often have to rely on **collective action** to be able to undertake political action at different levels. Participating in collective action is less resource intensive than undertaking individual political action. That explains for example why larger firms limit their expenditures on individual lobbying during periods of economic downturn and focus more on their participation in collective action (Coen, 1996).

¹⁷ A number of case studies have illustrated the growing importance of the direct membership association of firms in several sectors (Greenwood et al., 1994:47). The most frequently cited examples are the Association of European Automobile Constructors (McLaughlin et al., 1993:204-208), the EU Committee of the American Chamber of Commerce in Belgium (Cowles, 1996:340), the European Round Table of Industrialists and the Association for the Monetary Union of Europe. The close collaboration of large firms is however not always organized on a long term or permanent basis. Apart from these formal direct membership fora, there is a sharp increase in the rather informal and ad hoc arrangements between firms. Ad hoc coalitions of large firms are established on a temporary basis to structure cooperation of firms regarding a particular issue (Pijnenburg, 1998:305). This organizational form guarantees considerable autonomy for the coalition partners. Another new collective forum that allows for the direct participation of firms is the mixed membership association. These associations are

Interest representation by a **third party** can be a partial solution for the less resourceful players. It allows political representation that is tailored to the needs of the firm. The heavy financial burden of establishing a permanent representation in Brussels can be avoided. The political engagement is temporary and can be easily withdrawn if the circumstances require this.¹⁸ These important advantages make third party representation however also an attractive instrument and a flexible additional channel for the larger and more resourceful players.

A second major factor that determines the organizational structure of a firm's lobby operations, is its economic strategy (Jacquemin et al., 1993). Different market strategies require different political strategies. For a **national niche player**, the European political level seems at first sight to be of minor importance. The gradual establishment of the internal market has however substantially increased the competencies of the European authorities to regulate the different national markets. In the financial sector for example, the national legal frameworks are mainly based on transpositions of EU Directives. Being well informed about the developments at the EU level has therefore become even crucial for these local players. Via membership of their national trade association, they are mostly indirectly members of a European trade association. The latter provides them with the information that is necessary to cope with the changing legal and political environment at the EU level. For **large internationally oriented firms**, the EU has become a very important interlocutor. For these international players, the EU legal and political framework is crucial for the development of their international operations. The political strategies of these firms have to be tuned to their economic ambitions (Jacquemin et al., 1993:527). They therefore often establish permanent representations in Brussels that allow them to stay in direct contact with politicians and officials at the EU level.

The domestic institutional environment of the firm is the third important variable to study in order to understand the national and transnational political activity of private interests. A closer look should be taken at the domestic institutional environments in the EU member states to identify the characteristics that affect the capacities of

European level associations that include both associations and firms as members (Cram et al., 1996:454).

¹⁸ Interview with consultant from Kreab Corporate Communication Counselors, Brussels, 1 July 1999.

private interests to undertake lobby activities at the EU level. Two factors that are predicted to make the domestic context particularly important are the degree of **state administrative autonomy from private actors** and the **level of state control of the economy** (Aspinwall and Greenwood, 1998). A close working relationship between state administrative elites and private interests often creates a hierarchical interaction that undermines incentives of private interests for direct European level action (Legendre, 1994:53). A high level of state control of the economy makes the situation worse. According to both authors, state economic control affects the prospects for direct political action at the EU level, reducing incentives of private actors particularly in those sectors where state control is high. It should however be noted that a close working relationship with the state is at the same time likely to give private interests an easier access to the European level through the Council of Ministers.

Another crucial element to the understanding of the firm's choice of organizational form is the **domestic associational structure**. The absence of well-organized, strong national trade associations might oblige firms to undertake direct individual political action at the national level but also at the European level. The national associations' role within the European associations might be too weak to rely on it for the firm's political strategy at the EU level. Moreover, each domestic system of interest intermediation is characterized by a **national lobby culture** (Van Schendelen, 1994). Whereas in some countries, lobbying is encouraged and has an important and respected place in society, in other countries the concept of lobbying continues to have a rather bad reputation. A positive domestic attitude vis-à-vis lobbying is likely to encourage firms to undertake political action at the European level.

Firms that want to be politically active at the European level have to take the three previously discussed variables into account. This will enable the firm to choose an organizational form that suits its size, economic strategy and domestic institutional environment. Whereas smaller firms might be constrained to rely on only one organizational form, larger firms often have the possibility to choose a number of organizational forms (Salisbury, 1984:74). The result is the **portfolio of lobby options** of the firm. It is the basis for the establishment of an elaborated corporate

lobby strategy that allows the firm to develop a multi-channel and therefore multi-voice lobby strategy.¹⁹

The Organizational Form and the Provision of Access Goods

The provision of access goods is crucial for private actors to establish an exchange relation with the targeted institutions at the EU level. Not all private interests however have the same capacity to provide access goods. The organizational form of interest representation is the most important variable that influences the **quantity and quality** of the access goods that can be provided.²⁰ When undertaking individual political action, a large firm will for example be able to provide a high quantity and quality of the access good, Expert Knowledge. When the firm would however rely on a European association to supply expertise to the EU institutions, it is very likely to be unsuccessful. European associations are too distant from the market and have to deal with a wide range of topics. Their Expert Knowledge on specific issues is therefore limited.

It is important here to point out that a crucial property of private actors in the lobbying process, namely **credibility**, is closely linked with the quality of the provided access goods. Private actors can only maintain or improve their credibility vis-à-vis the European institutions by providing high quality and reliable information. Since credibility directly derives from the quality of the access goods, I call it **a derived access good**. Positive reputational effects based on consistent provision of high quality access goods will facilitate and improve the efficient resource exchange with the EU institutions.

¹⁹ A large financial institution like Deutsche Bank has for example the following lobby portfolio: Organizational form I: individual action in Germany, Organizational form II: individual action at the EU level through their liaison office in Brussels, Organizational form III: member of the Bundesverband der Deutschen Banken in Germany, Organizational form IV: member of the European Banking Federation. Under certain circumstances, the Deutsche Bank might even use third party representation at the national and European level (Organizational form V and VI). This means that this commercial bank can rely on all the organizational forms that were presented in the table.

²⁰ Salisbury (1984) emphasizes the importance of institutions, such as individual firms, with respect to interest representation. He argues that the profound differences in organizational form between an individual firm and a trade association have not been sufficiently studied, nor has the implication these differences have for interest group theory.

But not only the quantity and the quality of the access goods matter. Also the **efficiency**, i.e. speed and flexibility, of the provision of the access goods is of great importance. The following two variables have an important impact on the speed and flexibility of the provision of the access goods:

1. The number of layers (firm - national association - European association) in the organizational form
2. The complexity of the internal decision-making process of the organizational form

The more **layers** are involved in the provision of the access good, the slower and less flexible the access good can be supplied (Schmitter and Streeck, 1999:76).²¹ From this perspective, individual firms must be very efficient in their provision of access goods. National associations on the other hand are put at a disadvantage. Two layers are involved in the provision of access goods: the firm-layer and the layer of the national association. It is however necessary to emphasize that for a high quantity and quality provision of certain access goods, e.g. Information on the Domestic Encompassing Interest, multiple layers are indispensable. Only because of these two layers, the bundling of the individual company interests into an Encompassing Interest within the national association is possible. The layers however influence negatively the efficient provision of the access good. There seems to be a trade off within associations between the quantity and quality of access goods they can provide and the efficient provision of the goods.

The efficiency is also influenced by the **complexity of the internal decision-making process** of the organizational form. The more complicated the internal decision-making process, the slower and less flexible the provision of the access goods. This means that a hierarchically structured organizational form like a firm is likely to be more efficient than a decentralized, democratically organized form like an association (Salisbury, 1984:67-68). Also here, it should be noted that for a high quantity and quality provision of certain access goods, e.g. Information on the Domestic Encompassing Interest, complicated decision-making processes are unavoidable. The

²¹ The vertical differentiation of an associational system determines the number of layers in the associations (Schmitter and Streeck, 1999:74). Vertical differentiation is the extent to which an

collective action undertaken in the context of national or European associations necessarily entails more or less complicated decision-making processes to establish an Encompassing Interest at the national or European level. These processes hamper however the efficient provision of the access goods.

How organizational form and the two previously discussed variables that were studied affect the provision of access goods is analyzed below in the discussion of the three main organizational forms:

1. Individual Firms (at the national or EU level):

The resource asymmetry between large and small firms explains the unequal capacities they have to provide access goods.²² Large firms have enough resources to undertake individual action at the national and the EU level. They often have big R&D divisions and are therefore particularly good at providing the access good, **Expert Knowledge** (Kohler-Koch, 1994:41).²³ The clear hierarchical decision-making structure within firms allows swift action and clear positions. This guarantees the efficient provision of Expert Knowledge to the EU institutions.

Large firms' strategies can be regional, national or European. Large firms with national strategies could be called national champions.²⁴ Because of their weight in the national economy, national champions are likely to be listened to by their national government or national MEPs. To the extent that different parties, i.e. workers, managers and shareholders, are involved in the formulation of the firm's interest, the individual national champion can provide the access good, **Information about the Domestic Encompassing Interest**. Although different parties are involved in the articulation of the interest, the quality of the access good is rather poor because only one national firm is concerned. The encompassingness of the interest remains therefore limited. Large firms with a European strategy could be called European

associational system consists of associations specializing in the coordination of the activities of other associations.

²² Interview with executive from HBK Savings Bank, Antwerp, 4 August 1998. Interview with executive from Anhyp Bank, Antwerp, 14 August 1998.

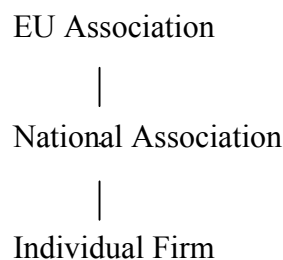
²³ Interview with Commission official, Directorate General Economic and Monetary Affairs, Brussels, 4 December 1998.

²⁴ Interview with executive from ASLK-CGER Savings Bank, Brussels, 15 April 1998.

champions (e.g. firms that are direct members of the European Round Table of Industrialists).²⁵ These large European firms can provide information about the European Interest. Although a considerable number of parties might be involved in the firm's formulation of the European interest, it would be difficult for most of the largest European firms to claim to provide **Information about the European Encompassing Interest**, since only one firm is involved in the formulation of the interest.

2. Associations (at national or EU level):

European associations normally have their offices in Brussels.²⁶ They are not as good as individual firms at providing **Expert Knowledge** because they have fewer resources and have to deal with a wide range of issues. Moreover, they are too distant from the market. This becomes clear when studying their multi-layered organizational structure. Three layers can be distinguished in the organizational form of a European association. These three layers hamper the efficient provision of access goods.



On the other hand, European associations are specialized in building consensus positions by channeling the different opinions of their member associations. European associations aggregate the different interests of their national associations that are already the result of a previous bundling of needs and interests of these national associations' member companies. This consultation mechanism allows the European associations to provide very high quality **Information about the European Encompassing Interest**. They have the capacity to give an Encompassing European perspective on their sector or sub-sector. The internal decision-making processes for

²⁵ Interview with two managers of the EU-Representative Office of Deutsche Bank, Brussels, 12 August 1998. Interview with manager of the ABN-AMRO EU Liaison Office.

building consensus within the European associations are rather complex and slow. This has a negative effect on the efficiency of the provision of the access good.

National associations are mostly only active at the national level.²⁷ In the financial sector for example, only the German national associations have permanent representations in Brussels.²⁸ Within a Member State, there often exist several national associations. They tend to have very good relations with their government. National associations are specialized in bundling their member companies' needs and interests which allows them to represent the national sectoral interest and therefore to provide high quality **Information about the Domestic Encompassing Interest**. The two-layered organizational structure of the national associations and their complex decision-making structures have however a negative impact on the efficient provision of the access good. National associations have to deal with many policy issues and are therefore rather generalists than specialists or experts. It has become something of an orthodoxy throughout the EU institutions that trade association officials are "industrial civil servants" who lack the expertise needed to inform policy formulation (Greenwood and Webster, 2000:5). Like European associations, national associations therefore tend to be not very good at providing the access good, Expert Knowledge.

3. Consultants (at the national or EU level):

Before studying the capacities of consultants to provide access goods, a distinction has to be made between two roles played by consultants.²⁹ On the one hand, consultants sometimes choose to play an advisory role or so-called **back stage role**. In that case, the consultants are not directly involved in the lobby process and limit their involvement to giving advice to their clients on how to influence the EU decision-making process. On the other hand, they often play a more active role in the lobbying process or a so-called **front stage role**. The consultants will then not only devise a lobby strategy but also undertake the necessary activities to execute it. Only when consultants play a front stage role are they interested in the provision of access

²⁶ Interview with staff member of the European Association of Co-operative Banks, Brussels, 28 July 1998. Interview with staff member of the European Savings Banks Group, Brussels, 1 September 1998.

²⁷ Interview with staff member of the Belgian Bankers Association, Brussels, 23 July 1998.

²⁸ Interview with staff member of the Verband Deutscher Hypothekenbanken, Brussels, 24 August 1999.

goods to gain access to the EU institutions. The backstage role of consultants is therefore not further analyzed.

First of all, it is important to realize that consultants have a limited capacity to supply access goods. Because consultants do not represent their own interests, they are unable to provide **Information about Interests**. It is therefore impossible for them to provide the two encompassing access goods. Consultants are however able to provide the access good, **Expert Knowledge**, when they are specialized in a particular policy area. In Brussels however, specialized consultants are rather exceptional.³⁰ In order to compensate for their limited capacity to provide access goods, the interaction of the consultants with their clients is crucial. While consultants have difficulties to provide Expert Knowledge and are not able to provide the two encompassing access goods, their clients are mostly specialized in the provision of one or more access goods. Their clients can be individual firms, national associations or European associations. As explained earlier, each of these organizational forms has particular strengths and weaknesses with regard to the provision of the three access goods. **Close collaboration between the consultants and their clients** allows the former to supply the access goods that are in fact produced by the latter.

Two kinds of front stage lobbying can be distinguished.³¹ In the first instance, the consultant undertakes all the lobby activities for the client. The client does not have direct contact with the target of the lobbying efforts. The consultant replaces the client in the lobby process. Depending on the client's organizational form, the consultant takes on the role of an individual firm, a national or a European association.³² The consultant will provide the access goods that these organizational forms normally can supply. While the consultant might be able to produce Expert Knowledge, the other access goods he provides to the EU institutions are in fact produced by the client and passed on by the consultant. In the second instance, the consultant undertakes the lobby activities together with the client. Both the consultant and the client have direct

²⁹ Interview with consultant of Houston Consulting Company, Brussels, 12 October 1999.

³⁰ Interview with senior consultant of Shandwick Ltd., Brussels, 28 March 2000.

³¹ Interview with junior consultant of Shandwick Ltd., Brussels, 28 March 2000.

³² Interview with an ex-consultant of Ernst & Young Association Management, Brussels, 30 July 1999.

contact with the lobby target. In that case, it is in fact the client who not only produces but also provides the access goods. The consultant acts as a mere facilitator.³³

[Table 2: Supply of Access Goods]

The Demand for Access Goods

How to Derive the Demand for Access Goods?

The previous analysis is however not sufficient to explain the access of private actors to the EU institutions. A careful analysis of the demand for access goods is indispensable. A number of features of the EU institutions that are likely to influence their demand for access goods are investigated. Since the objective of this paper is to understand EU legislative lobbying, there is special attention for the **role of the EU institutions in the legislative process**. But also **other relevant features** will be studied.³⁴ The aim is to analyze how the diverse institutional structures of the EU institutions influence their demand for access goods.

The EU institutions are to a varying extent interested in the three access goods. From a resource dependence perspective, one would say they depend on the environment for more than one resource, i.e. access good. For each EU institution, a number of **dependencies** can therefore be identified. Using a similar theoretical framework to Pfeffer and Salancik (1978), Jacobs (1974) identifies the dependency that is most problematic for an organization. This so-called "**most problematic dependency**"

³³ At the national level, a parallel analysis of front stage lobbying can be made. In the first instance, the consultant undertakes all the lobby activities for the client, i.e. the national champion or national association. In that case, the consultant will be able to provide with the support of the client the access goods that can normally be provided by the client. In the second instance, the consultant and the national champion or national association lobby together. The client produces and provides the access goods and the consultant acts as a facilitator. It should however be emphasized that the lobbying process at the national level takes place in much less complicated institutional, cultural and linguistic context.

³⁴ It is assumed that the regulation of lobbying designed by the Commission and the Parliament has had a minimal impact so far on the patterns of interest intermediation at the European level (Bursens, 1996; Dabertrand, 1999; Hill, 1997; McLaughlin and Greenwood, 1995). Whereas the Commission has been in favor of self-regulation of interests, the European Parliament has established some minimal rules. Most observers however agree on the limited impact of the current rules. They will therefore not be further analyzed in this paper.

concerns the resource from the environment on which the organization is most dependent and corresponds with the earlier discussed **critical resource**. To identify that particular dependency, Jacobs develops so-called "**rankings of dependencies**" of organizations (Jacobs, 1974:50). Based on the analysis in the next paragraphs, the ranking of dependencies of each EU institution will be established and the most problematic dependency identified.

Institutional Analyses of the Commission, the Parliament and the Council.

1. The European Commission

The Commission is the most **supranational institution** of the three main institutions. From the four images discussed by Rometsch and Wessels (1997:214), the image of the Commission as "promotional broker" seems most appropriate. The Commission is geared to **promoting common European interests**, as well as promoting its own position. It is geared towards "promotional brokerage", trying to push the Member States to accept policies that go beyond a purely intergovernmental consensus based on the lowest common denominator. To play its role as promotional broker, the Commission needs Information about the EEI. The Commission is interested in this access good because it can help to identify common European interests.

The Commission is a very small bureaucracy given its responsibilities for the development, management and control of Community policies. In 1997, the total number of permanent Commission officials and temporary staff was under 20 000 (Spence, 1997:71). The **permanent understaffing** in the Commission has an important impact on the functioning of the institution. It explains why the Commission regularly hires consultants and stays in permanent contact with the private sector.³⁵ The understaffing makes the proper functioning of the institution dependent on external resources. In terms of the previously discussed resource dependence perspective, the understaffing makes the Commission even more

³⁵ Interview with Commission Official, Directorate General Internal Market and Financial Services, Brussels, 28 September 1998.

dependent on those organizations that control the institution's critical resource (Pfeffer and Salancik, 1978:46-47).

The Commission has a **central role in the EU legislative process**. The focus in this paper on EU legislative lobbying makes a closer analysis of the Commission's crucial role in the Union's legislative process indispensable. As the analysis in this paper is confined to lobbying in the so-called first pillar of the "pillar" structure introduced by the TEU,³⁶ the fundamentals of the Commission's position in the legislative process can be found in Article 149(1) and (3) of the EEC Treaty.³⁷

The Commission's sole **right of legislative initiative** is based on Article 149(1) (Usher, 1997:155). Only the Commission has the formal right to initiate legislation and is thus responsible for the drafting of legislative proposals.³⁸ The right of initiative has conferred upon the Commission a major role as agenda-setter at the European level.³⁹ The drafting of proposals takes place in the **first phase of the policy-making process** and requires a substantial amount of Expert Knowledge. Often, legislation has to be developed from scratch. Particularly for these new legislative proposals, very specific expertise of the policy area is indispensable.⁴⁰ The Commission's very strong demand for Expert Knowledge is based on this need for expertise. Given the situation of understaffing and severe budget constraints in the Commission, there is no room for hiring new specialists and only limited resources

³⁶ In the second and third pillar, the Commission has to share the right of initiative with the Member States.

³⁷ Article 189a(1) and (2) following the Maastricht amendments.

³⁸ Although the Commission has the formal responsibility to initiate legislation, it is not the only institution with agenda-setting power. The Council can have recourse to Article 152 EEC, which allows it to request the Commission to "undertake any studies the Council considers desirable for the attainment of the common objectives and submit to it any appropriate proposals." The Article enables the Council to participate in agenda setting at the European level and thereby undermines the agenda-setting role assigned to the Commission on the basis of its sole right of legislative initiative. Furthermore, Article 192 (ex Article 138 B) of the Treaty on the European Union puts the Parliament on equal footing with the Council (Westlake, 1997:260). It provides that the Parliament "may, acting by a majority of its members, request the Commission to submit any appropriate proposal on matters on which it considers that a Community act is required for the purpose of implementing the Treaty". The Commission has indicated that it would respond to this new right of the Parliament as it does in the case of Council requests. A Council request always receives serious consideration but a formal proposal does not follow automatically. In that way, the Commission tries to preserve its original agenda-setting powers.

³⁹ The Commission's right of initiative has been extended under Article 235 EEC to include even proposals on issues lying outside the scope of the Treaty (Edwards and Spence, 1997:9). These proposals should however be justifiably intended to realize the objectives of the Community. The so-called "catch all" Article 235 has thereby allowed the European Union to move into new areas of competence.

are available for the training of personnel. The Commission is therefore **dependent on external resources** to obtain the necessary expertise.

Another important power of the Commission is set out in Article 149(3). It states that the Commission may alter its proposal at any time during the procedure leading to the adoption of a Community act. The Commission's power to **amend proposals** in practice also means that it can withdraw its proposals at any stage during the legislative procedure, which is a very powerful negative weapon. The Commission thereby effectively retains veto power during the legislative process. The Commission's power to amend and withdraw proposals during the **later phases of the legislative process** does not seem to create a demand for particular access goods. During these phases, the Commission is in discussion with the Council and the Parliament about the legislative measures. It is therefore much more interested in the input of these institutions than in the access goods that can be provided by private interests.

The Commission has also an important **normative role** in association with the European Court of Justice (Nugent, 1994:112). It is the so-called guardian of the treaties and the *acquis communautaire*. The Commission has been entrusted by the Rome Treaty with the task of monitoring the compliance of Member States with their Treaty obligations (Mendrinou, 1996:2). Under article 169 it has the right to undertake legal action whenever Member States do not meet their legal obligations under the Treaty (Gil Ibanez, 1998).⁴¹ Where national regulations conflict with European Law, the Commission can start an infringement procedure⁴², which will eventually lead to a Court ruling if the government concerned does not respond to the requests. The European Commission's normative role creates an additional demand for Information about the EEI. This access good is namely very important when the issue of **compliance** is concerned. Interest groups that can provide this access good contribute to the compliance of private interests with EU legislation. The Commission

⁴⁰ Interview with Commission Official, Directorate General Internal Market and Financial Services, 30 July 1999.

⁴¹ Gil Ibanez studies the Commission tools for the supervision and enforcement of EC Law other than article 169 of the EC Treaty. It is a set of administrative procedures, which have been created to prosecute infringements by the Member States, as an exception to the normal application of Article 169 (Gil Ibanez, 1998).

⁴² Infringements are failures by Member States to fulfil their Treaty obligations. They concern actions or inactions by state authorities, or by private bodies under governmental control to observe EU law provisions (Mendrinou, 1996:2).

is therefore eager for Information about the EEI from these interest groups because this exchange of information is likely to facilitate the implementation of the EU rules later in the legislative process.

The Commission is the EU institution, which is least reconcilable with traditional democratic theory (Höreth, 1999:254). Although the Commission has many functions comparable to a real government, it is not democratically legitimate in the same way.⁴³ After Maastricht, when during the difficult ratification process it became clear that the functional nature of the European project of the 1980s had left the people behind, the European Commission has sought to remedy the so-called **democratic deficit and legitimacy problem**. An elaborate program of greater openness, transparency and subsidiarity has been the result (Christiansen, 1997:13).⁴⁴ In the Commission's search for legitimacy, it highly values Information about the EEI. As explained earlier in this paper, input legitimacy and access goods that have an encompassing nature are closely related. By obtaining these access goods, the institution can increase its input legitimacy.⁴⁵ The Commission is however also interested in Expert Knowledge. This access good provides the Commission with the necessary expertise to deal with policy problems in an efficient and effective way and thereby increases the output legitimacy of the institution. Whereas the Commission's search for input legitimacy is at the basis of a substantial demand for Information about the EEI, its search for output legitimacy explains the considerable demand for Expert Knowledge.

In the **agenda setting and policy development phase**, the Commission is not interested in Information about the DEI. At this early stage of the legislative process, the domestic private interests and the interests of most Member States concerning the issues at hand have not been identified yet. The DEI can therefore not be defined at this early stage. This is even more so if technical subject matters are concerned.⁴⁶ Besides, the Commission is as promotional broker geared towards promoting

⁴³ The control over the legislative agenda gives the Commission the power to set priorities for the Community as a whole. This kind agenda-setting power is normally reserved for elected institutions.

⁴⁴ The development of a more direct Commission-public relationship was accelerated. Among other initiatives, the interaction with intermediary social groups and organizations was encouraged as an attempt to make the Commission more accountable to the European citizens.

⁴⁵ Interview with Commission Official, Directorate General Internal Market and Financial Services, 5 August 1999.

common European interests. The institution is therefore not interested in Information about the DEI. On an ad hoc basis, the Commission might however be interested in this kind of information when it has for example to amend its legislative proposal to achieve a compromise in the Council and the Parliament. Information about the Domestic Interest of a particular Member State might in that case be crucial.

2. The European Parliament

The European Parliament provides a forum for discussions of political importance. The institution has both **supranational and intergovernmental** characteristics. Together with the European Commission, the Parliament has been a dynamic force pushing for more European integration. Although supranational political groups have been established in the Parliament over time, nationality remains a dominant cleavage within the assembly.⁴⁷ The nature of the elections for the European Parliament is an important explanation. **The Parliament's roles** can be grouped into three broad categories. First, the Parliament is responsible for drafting and monitoring the Community's budget. Second, it is the assembly's task to control the executive branch of the Community, i.e. the Commission and the Council (Corbett et al., 1995: 245). Third, the Parliament is concerned with influencing legislation.

The European Parliament's **role in the Community's legislative procedure** has increased from having, initially, no role whatsoever to play, to having a consultative role to powers that are more than consultative.⁴⁸ In certain areas these powers have

⁴⁶ This is often the case when financial services are concerned.

⁴⁷ The findings of Kreppel and Tsebelis (1999) emphasize however the importance of ideology in comparison with nationality in the European Parliament. In their article about coalition formation in the Parliament under the cooperation procedure, the authors find that generally coalitions form on the basis of ideology, not nationality. They are however also able to identify some national groups that occasionally vote against the majority of their party group.

⁴⁸ The SEA introduced the co-operation procedure. This procedure added a second reading to the traditional consultation procedure. Under the co-operation procedure, the Council can overturn a rejection of the Parliament if it decides unanimously (Corbett et al., 1995:196-197). It initially applied to only 10 Treaty articles, but these articles covered most of the legislation necessary for the completion of the internal market. The most important step forward for the European Parliament was the Treaty of the European Union. The Treaty introduced a new procedure: the co-decision procedure (Article 189B TEU). It is considered to be one of the most significant constitutional changes in the Treaty. The procedure applies to most legislation, which the SEA had subjected to the co-operation procedure plus a number of new areas (Corbett et al. 1995:199). In the Amsterdam Treaty, which came into force on 1 May 1999, the co-decision procedure was substantially simplified and the number of areas that

reached the level of co-decision with the Council of Ministers (Corbett et al., 1995:220; Westlake, 1994:144)). The Parliament's powers vary from area to area and the legislative procedures are rather complicated. It is the Parliament's task to **make amendments** to the proposed legislation and to **take decisions**.

In view of the Parliament's legislative role, its demand for Expert Knowledge is limited. This access good concerns expert information needed from the private sector to correctly understand the market and to develop good and effective legislation. At this stage of the legislative process, the Commission has already drafted the proposal. The amount of market expertise needed to amend and to take decisions is therefore much lower in the Parliament.⁴⁹ For non-market expertise the Parliament can rely on various other sources, for example its own internal research department, Directorate General IV for Studies (Corbett et al., 1995:182).

The Parliament needs particularly information that allows assessing the legislative proposals made by the European Commission.⁵⁰ As directly elected supranational assembly, the Parliament tries to evaluate the proposals in a certain policy area from a European perspective. It wants to assess the impact of the proposed legislative measures on the European internal market (Kohler-Koch, 1997:12). The specific information the EP requires for this assessment is Information about the EEI. This access good gives private sector information about the needs and interests of the European economic arena and its various sectors.

Almost all the MEPs are elected in their home country. It is therefore necessary to point out that there are important differences between the national rules concerning the **organization of the European elections** (Westlake, 1994:79). The EU Member States however have electoral systems based on some kind of proportional system (Corbett et al., 1995:17). Electoral systems have an important impact on the legislator-voter relationship (Bowler and Farrell, 1993:52). It is common wisdom that single member constituencies provide a direct link between the voter and the legislator and bring more easily local and regional concerns to the forefront. In other systems, in particular in proportional representation, this link becomes attenuated.

would be decided under co-decision was increased (New Article 251). Whereas the Council could still overturn a Parliament's rejection of legislation under the co-operation procedure, the Parliament can effectively block legislation under the co-decision procedure (Hill and Knowlton 1999:62). This clearly illustrates the strengthening of the Parliament's powers under the co-decision procedure.

⁴⁹ Interview with Dutch MEP, Brussels, 29 August 2000.

Although the electoral systems in the various Member States of the European Union have only a weak element of constituency representation, the MEPs are nevertheless elected at the national level and therefore retain important links with their electorate back home.⁵¹

To **increase their chances for re-election**, MEPs need information about their electorate (Hansen, 1991).⁵² This is why MEPs want Information about the DEI. The MEPs are interested in this access good because it is likely to provide them with information about the needs and preferences of their voters. More precisely, the good gives the MEPs information about the needs and interests of the domestic market and the domestic political arena, which are likely to include significant parts of their electorate. Besides, the MEPs are eager to deal with interest groups that can provide this access good because these groups might also be able to mobilize their constituents.

Like most parliaments at the national level, the European Parliament derives its legitimacy from direct elections. It is the worlds only directly elected supranational assembly. **The legitimacy issue** is therefore less problematic for the Parliament than for the other two EU institutions. The EP can however still improve its legitimacy record by obtaining encompassing access goods. Encompassing access goods provide legitimacy because different parties have been involved in the production of the access goods. The Parliament's search for additional legitimacy is at the basis of a demand for Information about both the European and the Domestic Encompassing Interest.

3. The Council of Ministers

In stark contrast with the Commission, the Council is the **most intergovernmental EU institution**. Article 146 EEC stated that the Council was to be composed of “representatives of the Member States”, clarified in the TEU as “a representative of each Member State at ministerial level, authorized to commit the government of that

⁵⁰ Interview with Austrian MEP, Brussels, 20 June 2000.

⁵¹ Interview with Swedish MEP, Brussels, 20 June 2000.

⁵² Interview with German MEP, Brussels, 16 June 2000.

Member State” (Hayes-Renshaw and Wallace, 1997). As the Union’s supreme decision-maker, it is the forum for reconciling the distinctive purposes and powers of the Member States. While keeping this common objective in mind, the Member State representatives are focused on defending their national interests. The influence of national interests prevails in the Council and it is therefore crucial for the Member States to identify their national or domestic interest.⁵³ The Member States of the Council therefore have a very strong demand for Information about the DEI. This access good gives the Member States information about the needs and interests of the domestic market and the domestic political arena and thereby allows them to identify their national interest.

Even the Council and its processes embody the recurrent tension in the construction of the European Union between **intergovernmentalism and supranationalism**. The Council embodies namely also a sense of collective purpose, collective commitments and collective ideas. The Council’s Secretariat and the Presidency give this intergovernmental institution a supranational flavour. Every six months, a Member State takes up the **Presidency of the Council** and is responsible for chairing the meetings and managing the institution’s affairs during this period (Kirchner, 1992:71; Wurzel, 1996:273). The **Council General Secretariat**, a small politically neutral body, assists the Presidency and provides the administrative backup for meetings throughout the Council hierarchy (Hayes-Renshaw and Wallace, 1997:101).⁵⁴ This explains why despite the Council's predominantly intergovernmental constitution, the institution is still interested in Information about the EEI.

The Council of Ministers is both **executive and legislature**. The Council has executive powers under the treaties. Together with the Commission, the Council is responsible for the **implementation of EU legislation** and policy decisions. In practice, the Member States have to implement agreed legislation in their national legal system. Whereas the Commission's role is restricted to monitoring and taking legal action if necessary, the Member States of the Council effectively have to implement the new EU rules. They are therefore interested in Information about the

⁵³ Interview with official of the Belgian Permanent Representation, Brussels, 31 September 1998.

⁵⁴ Interview with Council Official of the Legal Service, Brussels, 16 July 1999. Interview with Council Official, Directorate General Economic and Financial Affairs, Brussels, 9 September 1999.

DEI. As explained earlier, this encompassing access good is important when the issues of implementation and compliance are concerned. The Member States want this information from representative private interest groups because this exchange of information is likely to facilitate the implementation of the EU rules later in the legislative process.

The Council shares its **legislative powers** increasingly with the European Parliament.⁵⁵ It is the Council's task to **amend and decide on legislation** by reaching a decision that is acceptable to all or a majority (Westlake, 1995:87). In the Council, the interests of the different Member States meet and are at the basis of intensive bargaining activities among them. Four main legislative procedures can be identified: 1) the consultation procedure provided for in the founding Treaties of Paris and Rome, 2) and 3) the assent and cooperation procedures both introduced by the Single European Act, 4) the co-decision procedure laid down in the Treaty on the European Union. The Council can influence the final shape of the legislative proposal to varying degrees, depending on the procedure being used.⁵⁶ When it comes to decision-making in the Council, the legislative proposal has already been elaborated and the demand for Expert Knowledge from private interests has therefore substantially been reduced. To comment or amend a proposal, a different level of expertise is required than for the actual drafting by the Commission. In the Council there is a demand particularly for information that can facilitate the negotiating and bargaining processes among the Member States.

The Council of Ministers has always played an important role in legitimating governance at the European level. The Members of the Council are directly accountable to their national parliaments and electorates. The representatives of the

⁵⁵ In this paper, the focus is on the legislative role of the Council in the first pillar. In the two intergovernmental pillars, the CFSP and JHA, the Council plays a crucial and dominant role. In these pillars, the Council does not have to share its legislative powers with the European Parliament, nor are its decisions subject to interpretation by the ECJ. In the first pillar however, the Council increasingly has to share its powers with the Parliament.

⁵⁶ Whereas the Council can decide almost independently about legislation under the consultation procedure, under the cooperation and the co-decision procedure, the Council has to enter into negotiations with the European Parliament over the content of its legislative acts. The Parliament is involved throughout the decision-making process. In these two procedures, the Council's powers have been restricted, the outward manifestation of which is that, under the co-decision procedure, legislation is no longer adopted in the name of the Council alone, but in the joint names of the Council and the

Member States in the council are national politicians who are elected as politicians at the national level.⁵⁷ The Council's capacity to provide so-called **indirect legitimacy** at the EU level is however weakening (Höreth, 1999:254). The steadily increasing competencies of the supranational institutions through different treaty revisions have lead to a decline of the Member State's ability to control European decision-making. For that reason, the state is a **declining source of political legitimization** in the European multi-level system. The Council is interested in the two encompassing access goods to counter the Member States' weakening capacity to provide legitimacy. The more encompassing access goods are, the more legitimate because more parties are involved in the production of the access good. Obtaining Information about the European and Domestic Encompassing Interest enhances therefore the democratic legitimacy of the Council through the participation of these different parties in the policy process.

[Insert table 3: Demand for of Access Goods]

IV. Explaining Access

In order to explain access of business interests to the EU institutions the supply and the demand for access goods have to be taken into account. Private interests will only gain access to an EU institution if both the **supply and demand conditions** are fulfilled. Whereas private actors obviously need the capacity to supply access goods, this does not suffice. The same access goods simultaneously have to be demanded by the EU institution to which the private actors want to gain access. In this paper, the supply and demand for access goods have been carefully studied. The analysis of the supply side shows that most of the private interests can provide at least to some extent each of the three access goods. On the demand side, the EU institutions seem to a certain degree to be interested in the three access goods. Combining supply and

European Parliament (Hayes-Renshaw, 1997:197). The Council and the Parliament have become co-legislators under this procedure.

⁵⁷ What this has meant in practice has varied considerably from one Member State to the other. EU policy-making is indeed only a small part of the basis on which the vote at the national level takes place. The Member States and their ministers therefore remain rather independent from their electorate and the nationally organized interests.

demand would then generate the unsatisfactory and uninteresting hypothesis that most private actors have to a certain degree access to the three EU institutions. Insights from **Resource Dependency Theory** allow us however to generate more specific and interesting hypotheses.

According to Pfeffer (1982), identifying an EU institution's most problematic dependency or **critical resource** allows one to find out to which private actors that institution will grant the **highest degree of access**. He argues namely that organizations will respond more to the demand of the group or organization in the environment that controls the most problematic dependency (Pfeffer, 1982:193). In terms of the European institutions this means that an EU institution will respond more to the demand of a private interest, i.e. will give more access to a private interest, that controls the institution's most problematic dependency or critical resource. The private actors who can provide the highest quantity and quality of the critical access good in the most efficient way will therefore enjoy the highest degree of access to the EU institution. Applying this **logic of access** enables us to generate a number of specific hypotheses about the access of different organizational forms to the three main EU institutions. The hypotheses can be easily derived by combining the EU institutions' ranking of dependencies and the ranking of capacities to provide access goods of the different organizational forms (combining the results of Tables 2 and 3):

European Commission:

1. Large individual firms have the highest degree of access to the European Commission.
2. European associations have less access to the European Commission than large individual firms do, but better access than the national associations.
3. National associations have the worst access to the European Commission.

European Parliament:

1. European associations have the highest degree of access to the European Parliament.
2. National associations (and national champions) have less access to the European Parliament than European associations do, but better access than large individual firms.
3. Large individual firms have the worst access to the European Parliament.

Council of Ministers:

1. National associations (and national champions) have the highest degree of access to the Council of Ministers.
2. European associations have less access to the Council of Ministers than national associations do, but better access than large individual firms.
3. Large individual firms have the worst access to the Council of Ministers.

Some of these hypotheses are more compelling than others. On the basis of the same logic of access, it is also possible to generate a number of interesting additional hypotheses. I call them **intra-institutional hypotheses** because they concern the access of private interests to different intra-institutional targets. While keeping the same supply of access goods, the three EU institutions are de-composed in different parts and thoroughly analyzed to derive the intra-institutional demand for access goods.⁵⁸ The combination of the old supply and the new demand allows us to generate a number of intra-institutional hypotheses. Further analysis of these hypotheses is however not possible within the scope of this paper.

V. Conclusion

The extent to which the new theory contributes to general interest group theory is an important element in assessing the new framework. It seems that the theory of access might provide **new insights into processes of group formation**. To improve our understanding of interest group formation, it might be useful to study the capacity of interest groups and other organizational forms to provide access goods. I argue that as well traditional forms of collective action as the new collective fora discussed earlier in this paper have been established because they allow private interests to provide new and/or better access goods and to provide them in a more efficient way. Interest groups and other organizational forms give private interests the possibility to **collaborate to provide access goods**. Private interests are prepared to cooperate when it is impossible for them to provide the access good individually. Collaboration becomes indispensable to guarantee the joint provision of the access good.⁵⁹ The second reason for collaboration is the accumulation of access goods. In that case, each of the private actors is able to provide a certain access good individually but is ready to collaborate to combine the capacities of the two parties to provide access goods.⁶⁰ **When actors collaborate, they can increase their capacity to gain access to the EU institutions.**

A second criterion to assess the new theoretical framework is its applicability. The new insights are supposed to be useful to analyze legislative lobbying of most **business interests** in the EU because the aim has been to build a framework that would apply to **different sectors**. It might also be possible to adapt the framework to the national level. Instead of an in-depth analysis of the EU institutions, the specific national institutional setting should then be taken into account. One could finally wonder whether the basic insights of the framework might also be applicable to non-

⁵⁸ The Council of Ministers is for example de-composed in the Secretariat, the Presidency and the different Member States. On the basis of a thorough analysis of these different parts, the intra-institutional demand for access goods can be derived.

⁵⁹ Direct membership associations of firms are a good example. Whereas it is impossible for large firms to provide individually the access good, Information about the EEI, the collaboration of large firms in direct membership associations allows to a certain extent the joint provision of this access good.

business interests (Pollack, 1997) or non-legislative lobbying (Buholzer, 1998:8). Ultimately, the only way to judge the applicability of the proposed framework is the confrontation with the empirical reality. The supply and demand for access goods, the hypotheses about access to the EU institutions and the concept of access good itself have to be systematically and empirically studied. The earlier decision to **focus on access instead of influence** should greatly facilitate the operationalization of the framework. Existing empirical studies can also contribute to the testing of the theoretical framework (Bennett, 1997; Bowler and Farrell, 1993; Kohler-Koch et al., 1999, Pappi et al., 1999, Salisbury, 1984). The data gathered in these studies is often only partially useful to verify the hypotheses. It is promising that Coen and Héritier (2001) have taken up the new framework to investigate the regulator-regulatee interaction after the liberalization of former natural monopoly sectors. The authors investigate how regulated firms seek access to the newly created regulatory bodies at the national and European level. Until the Theory of Access has survived a systematic confrontation with the reality of European business politics, the contribution of the theory to the field of European interest politics in general remains however open.

⁶⁰ Good examples are the mixed membership associations. Whereas the large firms are particularly good at providing Expert Knowledge, the European or national associations are good at providing respectively Information about the EEI and the DEI.

References

- Aldrich, Howard E., and Pfeffer Jeffrey. 1976. Environments of Organizations. *Annual Review of Sociology* 2: 79-105.
- Baldwin, David A. 1978. Power and Social Exchange. *American Political Science Review* 72: 1229-42.
- Becker, Gary. 1983. A Theory of Competition among Pressure Groups for Political Influence. *The Quarterly Journal of Economics* 98, no. 3: 371-400.
- Bennett, R. J. 1997. The Impact of European Economic Integration on Business Associations: the UK Case. *West European Politics* 20, no. 3: 61-90.
- Bennett, Robert J. 1999. Business Routes of Influence in Brussels: Exploring the Choice of Direct Representation. *Political Studies* XLVII: 240-257.
- Blau, Peter M. 1964. *Exchange and Power in Social Life*. New York, Sydney, London: John Wiley & Sons, Inc.
- Bowen, Sïan. 1997. Companies, trade associations and information advantage. In *Trade associations in Britain and Germany: responding to internationalisation and the EU*. editor Robert J. Bennett, 115. York: YPS, York.
- Bowler, Shaun, and David M. Farrell. 1993. Legislator Shirking and Voter Monitoring: Impacts of European Electoral Systems upon Legislator-Voter Relationships. *Journal of Common Market Studies* 31, no. 1: 45-69.
- Bulholzer, René. 1998. *Legislative Lobbying in der Europäischen Union, Ein Konzept für Interessengruppen*. Bern-Stuttgart-Wien: Verlag Paul Haupt.
- Bursens, Peter. 1996. De Europese lobby's en de Europese instellingen. *Res Publica* 38, no. 1: 113-34.
- Cawson, Alan. 1992. Interests, Groups and Public Policy-Making: the Case of the European Consumer Electronics Industry. *Organized Interests and the European Community*. Editors Justin Greenwood, Jürgen Grote, and Karsten Ronit, 99-118. London: Sage Publications.
- Christiansen, Thomas. 1997. Tensions of European governance: politicized bureaucracy and multiple accountability in the European Commission. *Journal of European Public Policy* 4, no. 1: 73-90.
- Coen, David. 1998. The European Business Interest and the Nation State: Large-Firm Lobbying in the European Union and the Member States. *Journal of Public Policy* 18, no. 1: 75-100.
- . 1997. The evolution of the large firm as a political actor in the European Union. *Journal of European Public Policy* 4, no. 1: 91-108.

- . 1996. "The Large Firm as a Political Actor in the European Union. An Empirical Study of the Behaviour and Logic." European University Institute.
- Coen, David, and Adrienne Héritier. Forthcoming. Regulator-regulatee interaction in the liberalized utilities. In *The European Regulatory Regime*. eds David Coen, and Adrienne Héritier.
- Coleman, James S. 1990. *Foundations of Social Theory*. Cambridge, Massachusetts, and London, England: Harvard University Press.
- Corbett, Richard, Francis Jacobs, and Michael Shackleton. 1995. *The European Parliament*. London: Cartermill Publishing.
- Cowles, Green Maria. 1996. The EU Committee of Amcham: the powerful voice of American firms in Brussels. *Journal of European Public Policy* 3, no. 3: 339-58.
- Cram, Laura, and Justin Greenwood. 1996. European Level Business Collective Action: The Study Agenda Ahead. *Journal of Common Market Studies* 34, no. 3: 449-63.
- Crouch, Colin, and Anand Menon. 1997. Organised Interests and the State. *Developments in West European Politics*. editors Martin Rhodes, Heywood Paul, and Vincent Wright, 151-68. London: MacMillan.
- Dabertrand, Fanny. 1999. "Les institutions communautaires face au lobbying: une comparaison entre l'attitude de la Commission et du Parlement Européen." Mémoire de fin d'études, Institut d'Etudes Européennes, Université Libre de Bruxelles.
- Edwards, Geoffrey, and David Spence. 1997. *The European Commission*. London: Catermill International Limited.
- Eising, Rainer. 2000. Business Interests in the European Union. *Robert Schuman Centre for Advanced Studies, European Forum: Between Europe and the Nation State*, European University Institute, Florence : 1-63.
- Gil Ibanez, Alberto J. 1998. Commission Tools for the Supervision and Enforcement Of EC Law other than Article 169 EC Treaty. *Havard Law School - Jean Monnet Papers* No. 12.
- Gorges, Michael J. 1996. *Eurocorporatism? Interest Intermediation in the European Community*. New York and London: University Press of America.
- Grant, Wyn, A. Martinelli, and W. Paterson. 1989. Large Firms as Political Actors: A Comparative Analysis of the Chemical Industry in Britain, Italy and West Germany. *West European Politics* 12, no. 2: 72-90.
- Greenwood, Justin, and Mark Aspinwall. 1998. *Collective Action in the European Union, Interests and the New Politics of Associability*. London: Routledge.

- Greenwood, Justin, Jürgen R. Grote, and Karsten Ronit. 1992. *Organized Interest and the European Community*. London: Sage Publications.
- Greenwood, Justin, and Karsten Ronit. 1994. Interest Groups in the European Community: Newly Emerging Dynamics and Forms. *West European Politics* 17, no. 1: 31-52.
- Greenwood, Justin, and Ruth Webster. 2000. Are EU Business Associations Governable? *European Integration Online Papers* 4, no. 3: 16.
- Haas, Peter M. 1998. Compliance with EU directives: insights from international relations and comparative politics. *Journal of European Public Policy* 5, no. 1: 17-37.
- Hansen, John Mark. 1991. *Gaining Access, Congress and the Farm Lobby, 1919-1981*. Chicago and London: The University of Chicago Press.
- Hayes-Renshaw, Fiona, and Helen Wallace. 1997. *The Council of Ministers*. London: Macmillan Press Ltd.
- Hill, James. 1997. "Lobbyismus in der Europäischen Union, Die Regelung europäischer Interessenvertretung." Magisterarbeit, Rheinisch-Westfälische Technische Hochschule Aachen.
- Höreth, Marcus. 1999. No way out for the beast? The unsolved legitimacy problem of European Governance. *Journal of European Public Policy* 6, no. 2: 249-68.
- Huberts, L. W. J. C., and J. Kleinnijenhuis. 1994. *Methoden van invloedsanalyse*. Amsterdam: Boom.
- Jacobs, David. 1974. Dependency and Vulnerability: An Exchange Approach to the Control of Organizations. *Administrative Science Quarterly* 19: 45-59.
- Jacquemin, Alexis, and David Wright. 1993. Corporate Strategies and European Challenges Post-1992. *Journal of Common Market Studies* 31, no. 4: 525-37.
- Kirchner, Emil Joseph. 1992. *Decision making in the European Community*. Manchester and New York: Manchester University Press.
- Knoke, D., F. U. Broadbent, and Y Tsujinaka. 1996. *Comparing policy networks. Labor politics in the US, Germany and Japan*. Cambridge: Cambridge, University Press.
- Kohler-Koch, Beate. 1994. Germany, Fragmented but Strong Lobbying. In *National Public and Private EC Lobbying*. Editor M. P. C. M. Van Schendelen, 301. Aldershot-Brookfield USA-Hong Kong-Singapore-Sydney: Dartmouth Publishing Company.
- . 1997. Organized Interests in the EC and the European Parliament. *European Integration Online Papers* 1, no. 9: 27.

- Kohler-Koch, Beate, and Christine Quittkat. 1999. Intermediation of Interests in the European Union. *Arbeitspapiere - Mannheimer Zentrum Für Europäische Sozialforschung*, no. 9: 1-15.
- Kreppel, Amie, and George Tsebelis. 1999. Coalition Formation in the European Parliament. *Comparative Political Studies* 32, no. 8: 933-66.
- Laumann, E. O., and D. Knoke. 1987. *The Organizational State. Social Choice in National Policy Domains*. Wisconsin: The University of Wisconsin Press.
- Layder, Derek. 1998. *Sociological Practice, Linking Theory and Social Research*. London: Sage Publications.
- Legendre, A. 1994. France: The State's Power under Pressure. *National Public and Private EC Lobbying*. Editor M. P. C. M. Van Schendelen, 301. Aldershot-Brookfield USA-Hong Kong-Singapore-Sydney: Dartmouth Publishing Company.
- Levine, Sol, and Paul E. White. 1961. Exchange as a Conceptual Framework for the Study of Interorganizational Relationships. *Administrative Science Quarterly* 5: 583-601.
- Majone, Giandomenico. 1994. The Rise of the Regulatory State in Europe. *West European Politics* 17, no. 3: 78-102.
- Marin, Bernd. 1990. *Generalized Political Exchange, Antagonistic Cooperation and Integrated Policy Circuits*. Boulder, Colorado: Westview Press.
- Mazey, Sonia, and Jeremy Richardson. 1993. *Lobbying in the European Community*. Oxford: Oxford University Press.
- Mc Cormick, Robert E., and Robert D. Tollison. 1981. *Politicians, Legislation, and the Economy. An Inquiry into the Interest-Group Theory of Government*. Boston; The Hague; London: Martinus Nijhof Publishing.
- McLaughlin, Andrew M, and Justin Greenwood. 1995. The Management of Interest Representation in the European Union. *Journal of Common Market Studies* 33, no. 1: 143-56.
- McLaughlin, Andrew M., Grant Jordan, and William A. Maloney. 1993. Corporate Lobbying in the European Community. *Journal of Common Market Studies* 31, no. 2: 191-212.
- Mendrinou, Maria. 1996. Non-compliance and the European Commission's role in integration. *Journal of European Public Policy* 3, no. 1: 1-22.
- Mitchell, William C., and Michael C. Munger. 1991. Economics Models of Interest Groups: An Introductory Survey. *American Journal of Political Science* 35, no. 2: 512-46.
- Nugent, Neill. 1994. *The Government and Politics of the European Union*. London: Macmillan.

- Olson, Mancur. 1965. *The Logic of Collective Action; Public Goods and the Theory of Groups*. Cambridge: Harvard University Press.
- Pappi, Franz U., and Christian H. C. A. Henning. 1999. The organization of influence on the EC's common agricultural policy: A network approach. *European Journal of Political Research*, no. 36: 257-81.
- Pappi, Franz U., T. König, and D Knoke. 1995. *Entscheidungsprozess in der Arbeits- und Sozialpolitik. Der Zugang der Interessengruppen zum Regierungssystem über Politikfeldnetze. Ein deutsch-amerikanischer Vergleich*. Frankfurt and New York: Campus Verlag.
- Parri, Leonardo. 1989. Territorial Political Exchanges in Federal and Unitary Countries. *West European Politics* 12, no. 3: 197-219.
- Pfeffer, Jeffrey. 1997. *New Directions for Organization Theory, Problems and Prospects*. New York; Oxford: Oxford University Press.
- . 1982. *Organizations and Organization Theory*. Boston; London: Pitman.
- Pfeffer, Jeffrey, and Gerald R. Salancik. 1978. *The External Control of Organizations, A Resource Dependence Perspective*. New York; London: Harper and Row Publishers.
- Pijnenburg, Bert. 1998. EU lobbying by *Ad Hoc* coalitions: an exploratory case study. *Journal of European Public Policy* 5, no. 2: 303-21.
- Pizzorno, Alessandro. 1978. Political Exchange and collective identity in Industrial Conflict. *The Resurgence of Class Conflict in Western Europe since 1968, Vol. II, Comparative Analysis*. Editors Colin Crouch, and Alessandro Pizzorno London: Mac Millan.
- Pollack, Mark A. 1997. Representing diffuse interests in EC policy-making. *Journal of European Public Policy* 4, no. 4: 572-90.
- Potters, Jan, and Randolph Sloof. 1996. Interest Groups: A survey of empirical models that try to assess their influence. *European Journal of Political Economy* 12: 403-42.
- Potters, Jan, and Van Winden Frans. 1990. Modelling Political Pressure as Transmission of Information. *European Journal of Political Economy* 6: 61-88.
- Radaelli, Claudio M. 1999. The public policy of the European Union: whither politics of expertise? *Journal Of European Public Policy* 6, no. 5: 757-74.
- . 1995. The role of knowledge in the policy process. *Journal of European Public Policy* 2, no. 2: 159-83.
- Rometsch, Dietrich, and Wessels Wolfgang. 1996. *The European Union and Member States, Towards Institutional Fusion?* Manchester and New York: Manchester University Press.

- Salisbury, Robert H. 1984. Interest Representation: The Dominance of Institutions. *American Political Science Review* 78, no. 1: 64-76.
- . 1979. Why No Corporatism in America? *Trends Towards Corporatist Intermediation*. Editors Philippe C. Schmitter, and Gerhard Lehmbruch, 328. London and Beverly Hills: Sage Publications Ltd.
- Scharpf, Fritz. 1999. Legitimacy in the Multi-Actor European Polity. In *Organizing Political Institutions. Essays for Johan P. Olsen*. eds Morten Egeberg, and Per Laegreid, 261-88. Oslo: Scandinavian University Press.
- Schmitter, Philippe C. 1983. Democratic Theory and Neo-Corporatist Practice. *EUI Working Paper Working Paper No. 74*.
- . 1982. Reflections on Where the Theory of Neo-Corporatism has Gone and Where the Praxis of Neo-Corporatism May be Going. *Patterns of Corporatist Policy-Making*. Editors Gerhard Lehmbruch, and Philippe C. Schmitter, 259-79. London and Beverly Hills: Sage Publications Ltd.
- . 1979. Still the Century of Corporatism? *Trends Towards Corporatist Intermediation*. Editors Philippe C. Schmitter, and Gerhard Lehmbruch, 7-52. London and Beverly Hills: Sage Publications Ltd.
- Schmitter, Philippe C., and Wolfgang Streeck. 1981. The Organization of Business Interests. A Research Design to Study the Associative Action of Business in the Advanced Industrial Societies of Western Europe. *IIM Discussion Paper IIM/LPM 81-13*, Wissenschaftszentrum Berlin.
- . 1999. The Organization of Business Interests: Studying the Associative Action of Business in Advanced Industrial Societies. *Max-Planck-Institut Für Gesellschaftsforschung Discussion Paper 99/1*.
- Schneider, Volker. 1992. Organized Interests in the European Telecommunications Sector. *Organized Interests and the European Community*. Editors Justin Greenwood, Jürgen Grote, and Karsten Ronit, 42-68. London: Sage Publication.
- Spence, David. 1997. Staff and personnel policy in the Commission. in *The European Commission*. Editors Geoffrey Edwards, and David Spence London: Catermill International Limited.
- Stigler, George. 1972. Economic Competition and Political Competition. *Public Choice* 13: 91-106.
- Streeck, Wolfgang, and Schmitter Philippe C. 1985. *Private Interest Government, Beyond Market and State*. London, Beverly Hills, New Dehli: Sage.
- Usher, John. 1997. The Commission and the Law. in *The European Commission*. Editors Edwards Geoffrey, and Spence David, 146-66. London: Catermill International Limited.

- Van Schendelen, M. C. P. M. 1994. *National Public and Private EC Lobbying*. Aldershot-Brookfield USA-Hong Kong-Singapore-Sydney: Dartmouth Publishing Company.
- Van Schendelen, M. P. C. M. 1998. *EU Committees as Influential Policymakers*. Aldershot, Brookfield USA, Singapore, Sydney: Ashgate.
- Westlake, Martin. 1997. The Commission and the Parliament. In *The European Commission*. eds Geoffrey Edwards, and David Spence, 239-63. London: Cartermill International Ltd.
- . 1994. *The Commission and the Parliament, Partners and Rivals in the European Policy-making Process*. London, Dublin, Edinburgh: Butterworths.
- . 1995. *The Council of the European Union*. London: Cartermill International Ltd.
- Wilson, Graham K. 1990. Corporate Political Strategies. *British Journal of Political Science* 20: 281-8.
- Wurzel, Rüdiger K. W. 1996. The role of the EU Presidency in the environmental field: does it make a difference which member state runs the Presidency? *Journal of European Public Policy* 3, no. 2: 272-91.

Figure 1: SCHEME OF VARIABLES

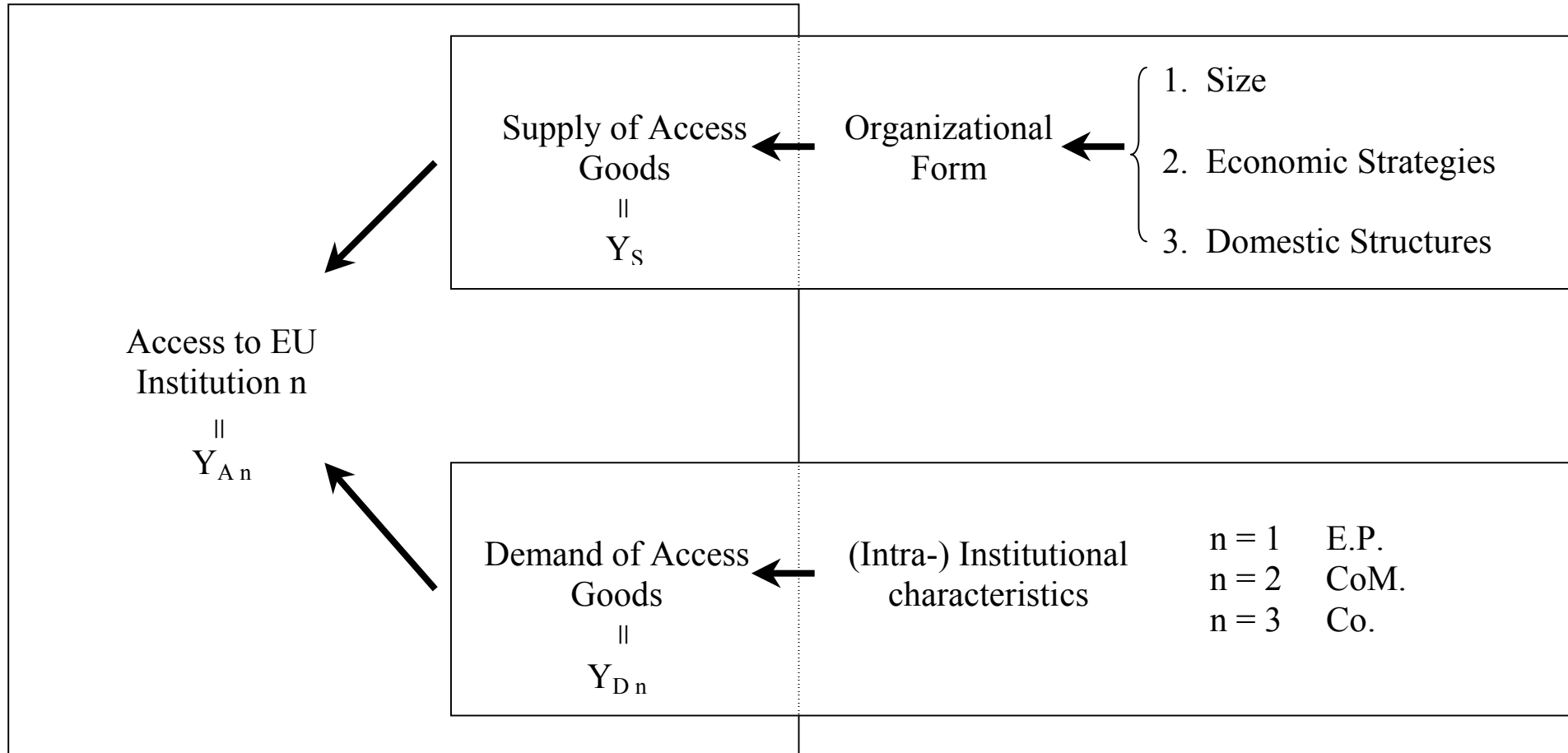


Table 1: Organisational Forms of Interest Representation

	<u>Individual action</u>	<u>Collective Action</u>	<u>Third Party</u>
<u>National level</u>	Indiv. Nat. Action	National Association	National Consultant
<u>European level</u>	Indiv. EU action	European Association	Brussels Consultant

Table 2: SUPPLY OF ACCESS GOODS

	<u>BEST PROVIDED ACCESS GOOD</u>	<u>RANKING OF CAPACITIES TO PROVIDE ACCESS GOODS</u>
Individual Firm	EK	$EK > IDEI > IEEI$
European Association	IEEI	$IEEI > EK > IDEI$
National Association	IDEI	$IDEI > EK > IEEI$
Consultant	EK (client = Individual Firm) IEEI (client = Eur. Association) IDEI (client = Nat. Association)	$EK > IDEI > IEEI$ $IEEI > EK > IDEI$ $IDEI > EK > IEEI$

Table 3: DEMAND FOR ACCESS GOODS

	<u>CRITICAL RESOURCE</u>	<u>RANKING OF DEPENDENCIES</u>
European Commission	EK	$EK > IEEI > IDEI$
European Parliament	IEEI	$IEEI > IDEI > EK$
Council of Ministers	IDEI	$IDEI > IEEI > EK$