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working papers series

in Economics and Social Sciences

2011/11

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June 2011

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*Lobbying the European Commission: Open or Secret?*¹

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Forthcoming in *Socialism and Democracy* (<http://www.tandf.co.uk/journals/csad>)

¹ This project was partly funded by the Arts and Social Science Benefactions Funds, Trinity College Dublin. The authors are also grateful to Stephen Stacey for his invaluable insights.



Abstract: *Little transparency in the EU black-box of policy making means that there is limited citizen knowledge of which interest groups are operating in Brussels, what they seek to influence, how much resources they put into lobbying and the impact this has had on EU's already large democratic deficit. As such, mass publics have held few tools to better understand, and get involved in changing, EU politics. In order to combat this problem, observers have considered the need to pursue 'sunshine' laws, a significant one being the regulation of lobbying. With this in mind, this paper asks: what has the Commission done with regard to regulating lobbyists and how does this compare from an international perspective; what insights can be gained about how the Commission register has evolved and the actors involved in policy making; and what lessons can be learned from this experience and is it really an antidote for the lack of genuine popular involvement in EU policy making? To answer these questions, there are three main sections. The first examines what is meant by the term 'lobbying regulation' and, from a comparative international perspective, it analyzes the Commission's attempts to increase transparency through its establishment of its 'voluntary' register in June 2008. The second considers the evolution of the register since its establishment, offering a novel, yet simple, analysis of the register's statistics between June 2008 and October 2010, focusing on registrations by consultancies, law firms, in-house corporate lobbies, NGOs and others. It also considers registration dynamics in one of the most significant and globalized sectors in the economy, namely the automobile sector. The third section closes with lessons to be learned from a comparative perspective and ponders the structural changes that may be considered by the Commission in order to establish genuine popular involvement in EU policy making.*

Keywords: European Commission, Lobbying Regulation, Register of Lobbyists, Transparency, Automobile Sector

Introduction

It is already widely recognized not only that there is little popular involvement in the European Union's decision-making, but also that there is scant public knowledge of 'who' its decision-makers actually are (McGiffen 2005; Chari & Kritzing 2006). In particular, what is the role of lobbyists/interest groups (terms we use interchangeably)? The standard textbook argument is that there is limited space for genuine public participation because of the technocratic nature of EU policymaking: interest groups offer the Commission specialist knowledge that is required in order to make effective policy. This is most notably seen with the development of neoliberal policies such as the Single European Act, Economic and Monetary Union, and the Merger Control Regulation, all of whose details were heavily shaped by organizations



such as the European Round Table of Industrialists and UNICE/BUSINESS EUROPE (for details, see Chari & Kritzinger 2006, Chs. 4-6.)

Given the powerful position of specific lobbies, earlier studies have informed us of several aspects of interest group politics in the EU, including 1) ‘what types’ of interest groups operate (Watson & Shackelton 2003; Greenwood 2007); 2) which EU institutions these groups attempt to influence and which lobbyists’ opinions are most highly valued by political actors (Chari & Kritzinger 2006; Burson Marsteller 2005, 2009); 3) how influential such lobbies, particularly corporate actors, see them themselves as being (Coen 1997, 1998, 2009); and even 4) how successful some interest groups are in Brussels compared to Washington (Mahoney 2008) or to European capitals such as London (McGrath 2005) and Dublin (Cronin 2010).

Yet, little transparency in the EU black-box of policymaking means that, for years, organizations such as Corporate European Observatory (2005) and ALTER-EU (2006), as well as citizens, have alike complained that there remains less than full knowledge of ‘who’ these interest groups really are, what they seek to influence, and how much resources they put into lobbying. This has aggravated the already embarrassing democratic deficit of the EU. If one were to couch this problem in terms of concerns raised by theorists of participatory and deliberative democracy (e.g. Pateman 1976; Elster 1998; Chambers 2003; Stasavage 2003, 2004), this lack of transparency has meant that mass publics have held few tools with which to understand or change EU politics. In order to combat this problem, several authors have considered the need to pursue ‘sunshine’ laws such as lobbying legislation whose main goals are to not only foster transparency, but also add a sense of accountability in the political system.²

This paper will examine the regulation of lobbyists as a principal means to increase citizen knowledge of, and participation in, EU politics. Focusing on the ‘hot-bed’ of EU policy-making, the European Commission, we specifically ask: what has the Commission done and how does this compare from an international perspective; what insights can be gained about the actors involved in policy making; and to what extent does their modus operandi make up for the lack of genuine popular involvement in EU policy making?

² See e.g. Baumgartner & Leech 2001; Chari *et al.* 2007, 2010; Bertók 2008; Dyck 2004; Greenwood 1998; Greenwood & Thomas 1998; Ronit & Schneider 1998; Stark 1992; Wolpe & Levine 1996; Zeller 1958.



To answer these questions, the first section of the paper will examine what is meant by the term ‘lobbying regulation’ and will analyze from a comparative perspective the European Commission’s attempts to increase transparency via lobbying regulations. In the second section we consider the evolution of the Commission’s register and, in particular, we offer a novel analysis of the register’s statistics between June 2008 and October 2010. The third section closes with lessons to be learned and ponders the structural changes that may be considered in order to establish genuine popular involvement in EU policymaking.

1. The European Commission Register in Comparative Perspective

The objectives of lobbying regulation; which political systems have it?

According to Chari *et al.* (2010: 4) the regulation of lobbyists ‘refers to the idea that political systems have established “rules” which lobby groups must follow when trying to influence government officials and the nature of public policy outputs.’ Such rules include: registering with an independent agency before contact can be made with political or administrative officials; giving details of which pieces of legislation lobbyists are seeking to influence; offering the names of the Departments or ministries which lobbyists seek to contact; providing the independent agency with individual and employer spending disclosures; in some cases, the banning of contingency fees; creating a publicly accessible on-line list of all the information that the lobbyist has given; establishing ‘revolving door’ provisions that prevent politicians who leave office from becoming lobbyists for a specified number of years; and penalizing those who break the rules with fines or prison sentences.

The objective of regulation is not simply to wipe out corruption; most democracies have well-established laws for that already. Rather, it is to allow citizens and practitioners to see what lobbyists – whether professional consultants, in-house corporates, or NGOs – are doing in terms of influencing the policy process.

Regulation of lobbyists has become increasingly common worldwide since it was first introduced in the US at the federal level in the 1940s. By the end of the 20th century, four political systems/institutions had established such rules: the US (1946, with amendments in 1995 and 2007), Canada (1989, with amendments in 1995, 2003 and 2008), Germany (1951) and the European Parliament (1996). Within the last



decade, this number has more than doubled with countries such as Lithuania (2001), Poland (2005), Hungary (2006), Taiwan (2008), Australia (2008), Israel (2008), France (2009), and Slovenia (2010) all enacting lobbying laws.³ One of the newest entries to this club is the European Commission, which set up its voluntary register for lobbyists in 2008.

Evolution of Lobbying Rules in the European Union

Before turning to a fuller discussion of the Commission's initiatives, it is significant to note that while the Council has no lobbying laws, the European Parliament (EP) set up a register in 1996 for all lobbyists who seek to lobby within its confines. Upon registration, each lobbyist provides information on the name of the organization, some personal details, as well as a general indication of their lobbying activities (European Parliament 2003). Lobbyists are then granted a pass for a maximum of one year, their names then appear on a public list available on the web, and they agree to respect the 'code of conduct'. However, the EP rules have not gone without criticism. For one, the Quaestors do not do much in terms of enforcing lobbying legislation (Bouwen 2003: 8-9). Second, those who wish to lobby MEPs outside the confines of Parliament are not required to register (Chari *et al.* 2010: 53).

Why did the Commission not set up a mandatory register, as found in other countries and – for lobbying within Parliament – even in the EP? This is based on the Commission's historical preference for 'self-regulation'. This position would not change even when the Commission established the so-called European Transparency Initiative (ETI) in 2005, whose main goal was to give the impression – following popular rejection of the EU constitution – that the Commission sought to create an 'open' dialogue between politicians, employers' organizations, civil society organizations, and citizens (Kallas 2005). The effort to augment transparency continued a year later with the Commission's Green Paper (Commission 2006). Although there were rumors that the Commission might establish a mandatory register, it fell short of such a call. Such a register would have allowed the public full access to a list of *all* lobbyists active in Brussels, including who they work for, and what they seek to influence.

³ For the specific texts of lobbying laws of all of these jurisdictions, please see: www.regulatelobbying.com. For an analysis of the development of lobbying laws in most of these systems see Chari *et al.* (2010), Chapters 2 and 3.



The ‘voluntary register’ of lobbyists, as opposed to a mandatory register, was therefore established in 2008 because the Commission somewhat optimistically (or perhaps, naively) felt that ‘with self declaration, the registrant takes responsibility for supplying correct information, and the Commission believes this trust should first be tested, before considering the possibility of more binding regulation’.⁴ In other words, self-regulation was still sufficient. Interestingly, the Commission’s favouring of self-regulation actually flies in the face of preferences of politicians, civil servants and even lobbyists working in the EU: a majority of these actors surveyed in 2005 and 2006 actually preferred a system of mandatory registration (Hogan *et al.* 2008: 134).

How Robust are the Commission’s Rules in Comparative Perspective?

If we leave aside the issue that the Commission’s register is ‘voluntary’, it is useful to measure the effectiveness of its rules in comparison with some of the aforementioned countries. Using an index created by the Centre for Public Integrity (CPI), Chari *et al.* (2010: Ch. 4) measure the effectiveness of the different rules around the world by calculating what they refer to as ‘CPI Scores.’ These scores are arrived at by performing a textual analysis of each piece of legislation, and then assigning a numerical value for 48 questions.⁵ The more each law promotes full disclosure, public access, and transparency, the higher its score on a scale of 1 to 100. Based on analysis of the legislation and the CPI point score arrived at, Chari *et al.* (2010) distinguish three levels of regulation: low, medium and high.

(Table 1 about here)

With these ideas in mind, where do the different states/institutions that have enacted lobbying laws fit in? Table 2 considers this question.

(Table 2 about here)

⁴ Taken from

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/428&format=HTML&aged=1&language=EN&guiLanguage=en> (last accessed December 28 2010)

⁵ On the range of point values that can be assigned for each question, see <http://www.publicintegrity.org/hiredguns/default.aspx?act=methodology>



In a nutshell, while different countries fall at different points on the continuum, both the EP and the Commission have low levels of regulation. In other words, there are regulations, but they don't have many teeth compared to other regulations found throughout the world.

As above, the Commission's regulations are further handicapped because they are *voluntary*, which means that they cannot with any real meaning be enforced. So, if the Commission starts asking lobbyists, 'are you registered?' before they talk with lobbyists, it could rightly be construed as being unfair discrimination: there is no such thing as a 'minimum requirement' with a voluntary scheme, so it cannot really matter if you are registered.

While Section 3 will reflect on some options available to the Commission in terms of the future development of the registry, we now turn to a not hitherto performed examination of the evolution of its registry since it started in 2008 until October 2010, at both an aggregate level as well as sectoral level focussing on the automotive industry.

2. Evolution of the Register and The Case of the Automobile Industry

Empirical Analysis of the Evolution of the Register

Since the establishment of the Register of Interest Representatives on 23 June 2008, the Commission has sought to provide access to the Register through a searchable database of lobbyists available to the public via the World Wide Web.⁶ For each registered lobbyist, this database offers a range of information including name, category of activity, date of registration, financial and personnel resources, and goals within the European Commission. In addition to these details, the database provides a simple analysis of the Register in terms of the total number of registered lobbyists, and of the number of lobbyists in each of four principal categories, namely: professional consultancies and law firms; in-house lobbyists and trade associations; NGOs and think-tanks; and other miscellaneous organisations. Each category is divided into various subcategories and the number of lobbyists in each subcategory is

⁶ At the time of writing, the register website is available at the following address:
<https://webgate.ec.europa.eu/transparency/regrin/welcome.do?locale=en#>



also included within the Register's statistics. This provides an instantaneous picture of both the size and composition of the Register at the time of access to the database.

Irrespective of this static "snapshot" of the Register, there is little data immediately available pertaining to changes within the Register over time. Yet, such data is critical to understanding the adoption (or rejection) of a policy of registration among lobbyists in response to the establishment of a voluntary Register. The only (cursory) examination to date appears in a Commission communication detailing the Register's first year of operation (Commission 2009). However, this communication focuses upon recommended changes to the registration process and provides little insight into how the composition, size and nature of the Register have evolved.

We therefore sought to assemble a novel analysis of the evolution of the Register utilising information available through the Commission's online database. Given that the database as a whole cannot be readily downloaded, it was necessary to download the webpage for each lobbyist individually and to process its disclosures into a 'spreadsheet-style' database amenable to further analysis.

We created our database based on all registrants as of 19 October 2010, representing a period of 28 months since the Register first became operational and incorporating a total of 3,138 interest representatives. In order to carry out the study within a realistic timeframe, it was decided to automate the database creation process through the use of several freely available computer programs. Ghost Mouse⁷ allowed us to automate the process of opening each lobbyist's webpage and saving the contents to our local computer. Cygwin⁸ allowed us to search through the resulting collection of 3,138 text files for relevant data, and to output this data in the form of a simple spreadsheet (known as a comma-separated value or CSV file). The resulting spreadsheet is readable by a variety of software including Microsoft Excel and the freely available alternative OpenOffice.org Calc.⁹

We began by examining how both the total number of registered lobbyists and the four main categories have changed over time, as per Figure 1.

(Figure 1 about here)

⁷ Ghost Mouse 2.0 (copyright 1997 Clarence Donath) is available at <http://www.ghost-mouse.com/>

⁸ Cygwin is maintained by a collaboration of several authors and is available at <http://cygwin.com/>

⁹ OpenOffice.org is maintained under the GCNU Lesser General Public License and is available at: <http://www.openoffice.org/>



Figure 1 demonstrates that the Register has been growing steadily since its inception and appears unlikely to plateau in the foreseeable future. Yet, it remains unclear what percentage of the total lobbyists active in Brussels the Register really represents. If we are to agree with the usually accepted figure that ‘15,000’ lobbyists operate in Brussels, then the over 3,000 registered represents slightly more than 20 percent of all lobbyists; if we were to use a more conservative figure of 10,000 lobbyists being active (Cronin 2010), the registered number would still only represent close to one-third.

Figure 1 also reveals that the constitution of the Register has remained relatively consistent over time, with in-house lobbyists and trade associations comprising the dominant category of activity throughout its history, while professional consultancies and law-firms historically comprise the smallest category: these categories are discussed in more detail below. With regard to NGOs and think-tanks, the NGOs subcategory makes up almost four-fifths of this category, with the remainder falling within the two subcategories of think-tanks and other miscellaneous organisations. The Commission has suggested the creation of a separate category for think-tanks in an effort to rectify their apparent hesitancy to adopt (Commission 2009). The fourth and final category is made up of ‘other organisations’, which include academic organisations, public authorities, ‘other organisations’ and religious representatives. Unsurprisingly, the subcategory of ‘other organisations’ is the largest. Religious representatives meanwhile contribute only fourteen lobbyists, making them the smallest subcategory throughout the entire Register.

The comparatively poor response to registration in the professional consultancies and law-firms category is further examined in Figure 2.

(Figure 2 about here)

The fact that the two ‘consultancy’ subcategories comprise the majority of the lobbyist population within this category may be somewhat misleading, as the results of a recent report by ALTER-EU suggest that some sixty percent of the consultancies operating within the Commission have failed to register (ALTER-EU 2010). Among those consultancies missing from the Register are important players as FD Blueprint, which holds some eighteen passes to the European Parliament and represents such



major corporations as Visa International and Glaxo Smith Kline.¹⁰ Disappointingly, uptake by law firms lags even further behind, with only sixteen lobbyists registered in total. The Commission's 2009 communication suggests that reluctance of law firms to register may result from a wish to avoid any illegal disclosure of information, and from laws and regulations specifically enforcing confidentiality. The 2009 report sought to address these issues by specifically providing 'clarification on the scope of the exemption on legal advice and assistance' (Commission 2009: sec. 2.1.2). However, in spite of these clarifications, it is evident that one year on, registration among law firms remains decidedly unfashionable.

At the opposite extreme, registration in the category of in-house lobbyists and trade associations appears to have been comparatively prodigious. Approximately half of all registered lobbyists fall within this category, the evolution of which is presented in Figure 3.

(Figure 3 about here)

Professional associations represent the largest subcategory, and appear to have begun registering much earlier than companies, which comprise the second largest subcategory. As such, the Registry suggests that professional associations rank among the earliest adopters and make up the largest single subcategory of lobbyists within the European Commission.

The dominance of professional associations within the Register might be unsurprising, given that this subcategory includes a vast number of umbrella groups representing the interests of companies across Europe, including such organisations as the European Banking Federation, the Motion Picture Association and the Association of European Airlines. But what remains unclear is the importance of trade associations versus the in-house lobbying of their members. Throughout post-Maastricht Europe, firms have become 'integral players in the policy formulation process, participating as private actors, or collectively through new loose cross-border business alliances' (Coen 1997: 96). But, which firms have established in-house lobbying infrastructures while simultaneously lobbying through their trade associations? Or, which may prefer to operate exclusively through their trade association? And is there a difference in how firms act depending on the company's

¹⁰ Information taken from FD Blueprint website, <http://www.fdblueprint.eu/>



geographical origin? We may gain deeper insight into the interplay between the two types of lobbying groups – namely, trade associations and in-house lobbyists – by examining developments within the automobile sector, home to such companies as Toyota, which were among the first in-house corporates to sign up to the register.

Dynamics in the Automobile Sector

Among the many sectors of corporate lobbying operating within the European Commission, the automobile industry provides a representative example of the broader relationship between lobbying undertaken by a coalition of corporate entities via their respective trade organisations, and ‘in-house’ lobbying performed by individual companies. As the sector is perhaps one of the most globalized in the world, its examination also allows us to see if European-based firms are acting differently to those from outside the EU who may also be pursuing political activity in Brussels. We thus proceed to examine two trade organisations operating within this sector – the Association des Constructeurs Européens d'Automobiles (ACEA) and the Japan Automobile Manufacturers Association (JAMA) – and we subsequently examine the lobbying activities of the individual companies which these associations represent. These organisations were selected for their importance to the automotive sector. Although JAMA's European operations are smaller and less influential than ACEA, this does not diminish its relevance to our present effort, which is to understand the differences in the registration of in-house corporates belonging to both organizations (and possible explanations of this), as well as the variation in registration by firms from different parts of the world.

ACEA is an umbrella group representing 15 major motor vehicle manufacturers. Its membership includes both European companies, such as Scania and Volkswagen, and European subsidiaries of international manufacturers such as Toyota Motors Europe (TME) and Ford of Europe. Given the importance of its constituent companies, the ACEA group has at times dominated the course of policymaking within the automotive sector, as evidenced by the ‘ACEA agreement’ negotiated between the ACEA group and the European Commission regarding reductions in automotive CO₂ emissions (Commission 1998). ACEA develops its positions based on consensus among its member companies. While ACEA takes its



knowledge of the policy process and puts it into action when issues are discussed in Brussels, it also acts as a coordinator ensuring that company representatives are in Brussels or Strasbourg at the right time with the right brief when lobbying.

In order to better understand the prevalence of ACEA as an automotive lobbying organization, and compare this to the role of in-house corporates that belong to it, Table 3 considers three main ideas. First, which of ACEA's members have registered as in-house lobbyists (Column 2)? Second, what amount did they declare to spend on lobbying activities (which does not include the €500,000 each company pays as ACEA membership fees; Column 4)? Third, just how 'big' are these companies in the world economy, as reflected in the Forbes 2000 index which measures the performance of the top 2000 global firms based on a mix of four metrics – sales, profit, assets and market-value (Column 5)? Comparing the first idea with the third will allow us to ascertain if there is any relationship between a company's registration status and its capacity (because of its size) to pursue in-house lobbying (compared to smaller companies that may not enjoy this privilege).

(Table 3 about here)

One of the first observations that can be made from Table 3 is that *most* – but not all – of the companies represented by ACEA are registered. This suggests that by lobbying individually on some issues, it is more effective for the company to go alone; on other issues, companies may find it more effective to lobby through their trade association.

Prima facie, the evidence seems to also suggest that those few companies not registered are generally smaller players in the world economy, compared to those with registered in-house lobbyists that are representative of global leaders. Thus, most ACEA companies appear on the Forbes 2000 index with the exception of Jaguar Land Rover (JLR) and DAF Trucks NV, both of which lack registered in-house lobbyists. One possible conclusion from this is that larger companies will pursue their own in-house lobbying, while smaller companies may lack the resources for effective lobbying, and prefer to rely on their trade associations. While this may be the case for DAF, however, scratching below the surface shows exceptions to this rule: some of these small companies do lobby, they just are not registered. This is apparent in the



case of JLR, which is not registered at the time of writing:¹¹ the firm has as a lobbyist the ex-ACEA director in charge of lobbying, Nicky Denning.¹²

As for those companies that registered, there is no direct relationship between where the firms rank on the Forbes list and the amount of money they spend on lobbying: the lobbying costs declared by such companies range from a low of €80,000 to a high of €350,000, where a rough average spent by each firm on lobbying EU institutions hovers between the €200,000-€300,000 range.

It is interesting to contrast these findings with those for the JAMA group. While JAMA is smaller in size and influence than ACEA, JAMA nonetheless represents some 14 manufacturers including multinational giants such as Honda, Nissan, and the Toyota Motor Corporation (TMC), the latter of whose European division (TME) is also represented by ACEA. Although the JAMA group is clearly less dominant than ACEA in matters of European policy, more heavily concentrating its lobbying activities instead on the Japanese market, the organization is mentioned in a 2007 Commission report on the failure of voluntary commitments (Commission 2007). Unlike the ACEA companies, almost none of the companies in the JAMA group are registered and thus generally do not appear to pursue in-house lobbying activities, as detailed in Table 4.

(Table 4 about here)

Based on this evidence, three conclusions may be drawn. First, some of these car-makers may not be registered because they are owned by companies which are registered already, such as Mitsubishi-Fuso of which Daimler is the global ultimate owner.

Second, the fact that several of these companies – such as Suzuki, Mazda and Kawasaki – exist purely as sales offices, and have limited or no lobbying capability

¹¹ Nor is JLR's global ultimate owner, Tata Motors, registered in the Commission Registry. Tata Steel is registered, but JLR is not mentioned on its registration page (as of January 19, 2011).

¹² This is based on ideas raised in an elite interview with the authors, January 2011. Interestingly, this lobbyist would also represent JLR as a participant at the Commission's conference on road safety in the EU on December 2, 2009. Of course, as the lobbying register is voluntary, there is no stipulation that those not registered cannot attend a Commission-sponsored conference. For information on the Commission's Road Safety conference on 2 December 2009, see:

http://ec.europa.eu/transport/road_safety/events-archive/2009_12_02_ersap_conference_en.htm For a list of participants at the conference, see:

http://ec.europa.eu/transport/road_safety/pdf/2dec/participants.pdf



within the EU, renders it understandable that they would not have registered as pursuing in-house lobbying. Further, in the case of Suzuki and Mazda, their European interests are aligned with those of GM and Ford respectively, which are registered.

Third, and the previous point aside, one would have expected that larger players on the Forbes Index that have lobbied the EU – such as Honda and Nissan – would be registered. Only Toyota has done so, however, lobbying through both ACEA (in the case of TME) and JAMA (in the case of TMC) in addition to its in-house activities. This high level of representation reflects its status as the largest Japanese carmaker in Europe.

The non-registration of companies such as Honda or Nissan may reflect the fact that they rely more fully than most ACEA members from Europe and North America on their regional trade association. Given that the member companies of JAMA are inevitably headquartered outside Europe, the most effective means for them to lobby across cultural and geographical boundaries might well be through an umbrella organization dedicated to the welfare of all major Japanese car-makers, regardless of the scale of their operations within Brussels. The same pattern may apply in sectors other than auto.

The South Korea-based Hyundai Kia Automotive Group constitutes a final major player within the European automobile industry, having recently superseded Toyota as the largest Asian auto company in Europe.¹³ Two dynamics can be seen in the relationship between Korean-based automotive companies and their geographic based trade association. On the one hand, a relevant trade association exists in the form of the Korea Automobile Manufacturers Association (KAMA), which has communicated with the Commission in the past (see Commission 2000) but which does *not* appear within the Commission's Register of lobbyists. On the other hand, Hyundai Kia, which is the largest member of KAMA, is registered. Thus, in contrast to those Japanese automakers who may rely on JAMA, Hyundai Kia may be forced to 'go it alone' due to the absence a well-developed regional-based trade association, and for that reason it is not surprising that the Korean firm is keen to enter ACEA.

3. Toward more openness?

¹³ Source: Bloomberg L. P. Available at: <http://www.bloomberg.com/news/2010-11-22/hyundai-motor-kia-s-combined-automobile-sales-exceed-toyota-s-in-europe.html>



As discussed in Section 1, the European Commission regulates lobbyists less strictly than do other political systems. Notably, it has refused to make registration compulsory. We then saw in Section 2 that the uptake to the register has varied according to the different types of registrants: while in-house lobbyists and trade associations have been quick to register, professional consultancies and law-firms have been less enthusiastic, where only a handful of the latter have actually registered. Overall, the number of all interest representatives signed up comprise only between a fifth and a third of all lobbyists active in Brussels. People still do not have a complete picture of who the players that influence EU public policy actually are. Our analysis of developments in the automobile industry also suggest that while the large, European and North American based companies have registered, there is some evidence that not all of the significant Japanese car companies have done so. This may be a consequence of either simply refusing to do so, or preferring to pursue their lobbying activity through their regional based trade association.

In a nutshell, our evidence suggests that: the rules in place at the Commission level are weak; those registered represent only a fraction of interest groups operating in Brussels; that the registry is being ignored by some consultancies and law-firms; and many global players operating in Brussels - particularly those from outside the EU and North America - are simply not registering.

In spite of this, is there hope? In terms of prescriptions in the pipeline as outlined by the EU, what can be said of the future of the register? In May 2010 the Commission and European Parliament started work towards a common register, resulting in a draft-text on what was referred to as the ‘Transparency Register’¹⁴ that has yet to be approved by both institutions. Even if it were, however, it remains unclear how effective it would really be. For one, registration would still be voluntary. Secondly, the scope of the register (Section 8) seeks to regulate not just ‘direct’ lobbying, but also ‘indirect’ lobbying, a concept that it does not fully explain. Third, different lobbying activities remain outside of the scope of the regulations: for example, if an interest organization is invited by an EU institution to give data or expertise, it does not have to have been registered (Section 10). Finally, there is no effective sanction or penalty to an interest organization if it does not register. Taken

¹⁴ See: http://ec.europa.eu/transparency/docs/2010-11-12_draft_Agreement_Transparency_Register-net_EN.pdf



together, the EP's and Commission's next steps hardly seem to represent a means to increase genuine popular knowledge of how decisions are influenced in European space.

One possible remedy is to pursue structural changes to the legislation, adding real teeth to sunshine laws in the EU. A place to start is to learn from other political systems that have enacted *mandatory* registration and pursued more robust systems, including revolving-door measures to prevent Commission officials from becoming lobbyists after leaving their positions. Beyond such legislative changes, perhaps the biggest change still needed is one of mentality: if transparency is really the objective – and there is no reason why it should not be, especially if the Community seeks to increase the social basis of support for the European project – then what are the real reasons for not having a mandatory 'one stop shop' for all lobbyists to register in for all of the EU's institutions, including the Council?

One may indeed ask, what exactly is the Commission waiting for? With tighter rules and a single, mandatory register through which one could see which private actors are attempting to shape public policy, EU citizens would be equipped and empowered with an analytical tool that may serve as a foundation for increasing genuine popular involvement. And, with a bit of luck, it may represent one of the first steps towards diminishing the cloud of secrecy over EU policymaking.

Short Biographical Note:

Raj Chari is a Senior Lecturer in Political Science at Trinity College Dublin and a Senior Visiting Research Fellow at IMDEA Social Sciences. A graduate of Queen's University (Canada, 1999), he has published several articles on public policy and party politics in journals such as *Government and Opposition*, *Political Quarterly*, *West European Politics*, *Journal of European Public Policy* and *Electoral Studies*. He has recently co-authored *Regulating Lobbying: A Global Comparison* (Manchester University Press, 2010). For more on the regulating lobbying project see: www.regulatelobbying.com

Daniel Hillebrand O'Donovan is a post-graduate student and part-time Lecturer in Chemistry at Trinity College Dublin. His current line of research concerns the development of novel anticancer and antidepressant therapeutics.













Table 1: Theoretical Types of Lobbying Regulatory Systems

	Low Regulation (CPI scores of 1-29)	Medium Regulation (CPI scores of 30-59)	High Regulation (CPI scores of 60+)
Registration Rules	Rules on individual registration, but few details required	Rules on individual registration, more details required	Rules on individual registration are extremely rigorous
Targets of Lobbyists Defined	Only members of the legislature and staff	Members of the legislature and staff; executive and staff; agency heads and public servants/officers	Members of the legislature and staff; executive and staff; agency heads and public servants/officers
Spending disclosure	No strong rules on individual spending disclosure, or employer spending disclosure	Some regulations on individual spending disclosure; none on employer spending disclosure	Tight regulations on individual spending disclosure, and employer spending disclosure
Electronic filing	Weak on-line registration and paperwork required.	Robust system for on-line registration, no paperwork necessary	Robust system for on-line registration, no paperwork necessary
Public access	List of lobbyists available, but not detailed.	List of lobbyists available, detailed, and updated frequently	List of lobbyists and their spending disclosures available, detailed, and updated frequently
Enforcement	Little or no enforcement capabilities invested in state agency	In theory state agency possesses enforcement capabilities, though infrequently used	State agency can, and does, conduct mandatory reviews /audits
Revolving door provision	No cooling off period before former legislators can register as lobbyists	There is a cooling off period before former legislators can register as lobbyists	There is a cooling off period before former legislators can register as lobbyists

Sources: Chari et al. 2007, 2010; Griffith 2008.



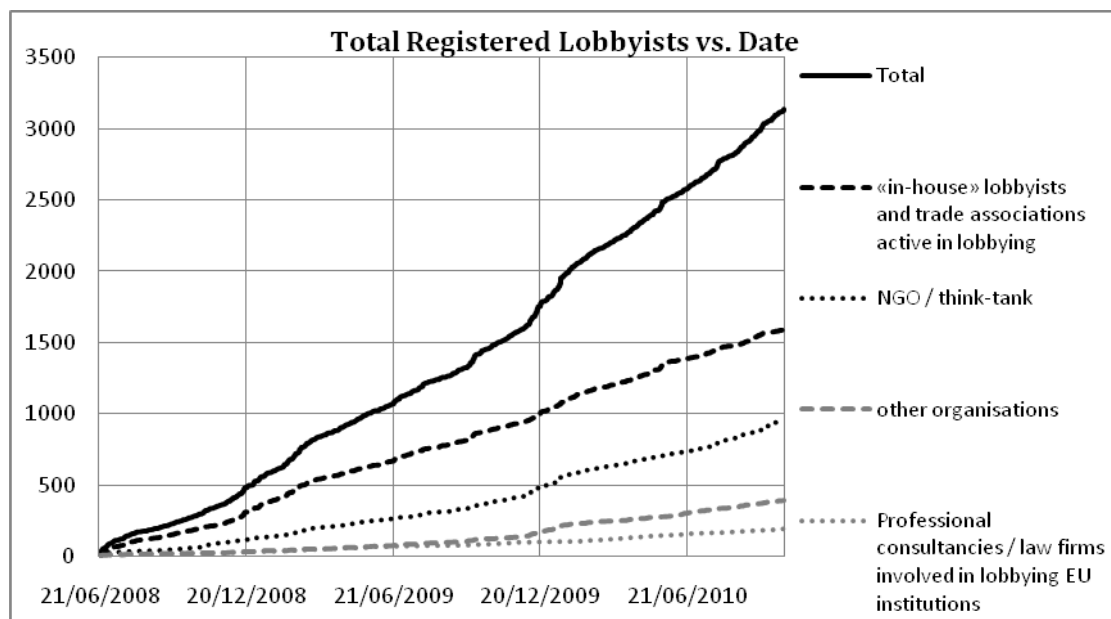
Table 2: Regulatory Environments of Different Jurisdictions.

High Regulation	CPI Score	Medium Regulation	CPI Score	Low Regulation	CPI Score
 US Federal	62	 Canadian Federal	50	 Poland	27
		 Hungary	45	 Commission	24
		 Lithuania	44	 Germany	17
		 Taiwan	38	 EP	15
		 Australia	33		

Source: Chari et al. 2010.



Figure 1. Total number of registered lobbyists over time, and number of lobbyists in each of the four principal categories over time.

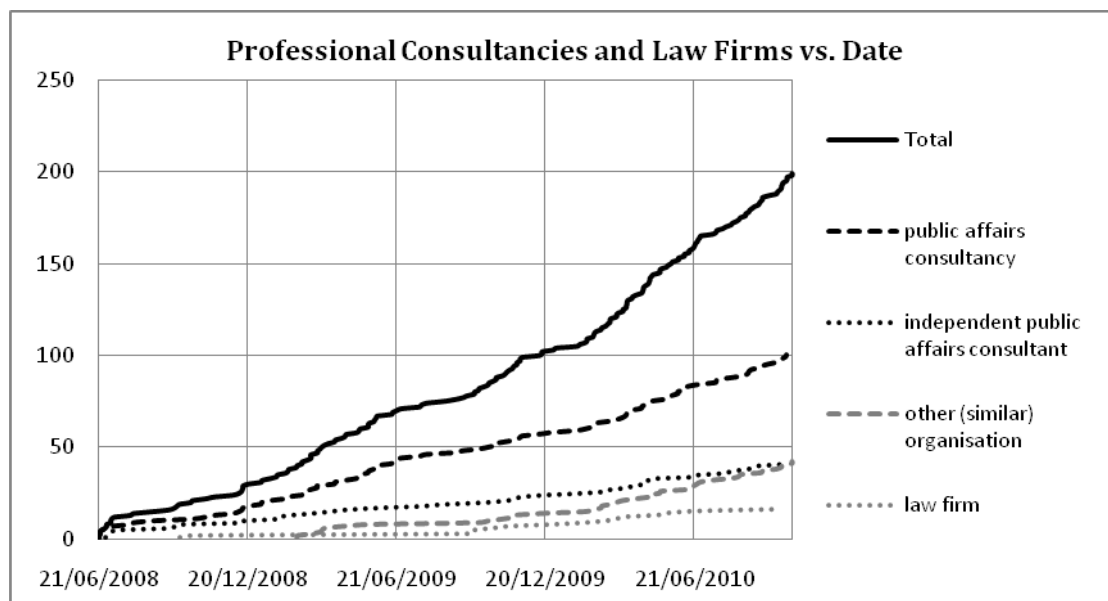


Source: European Commission Register of Interest Representatives

<https://webgate.ec.europa.eu/transparency/regrin/welcome.do>, data as of October 19, 2010



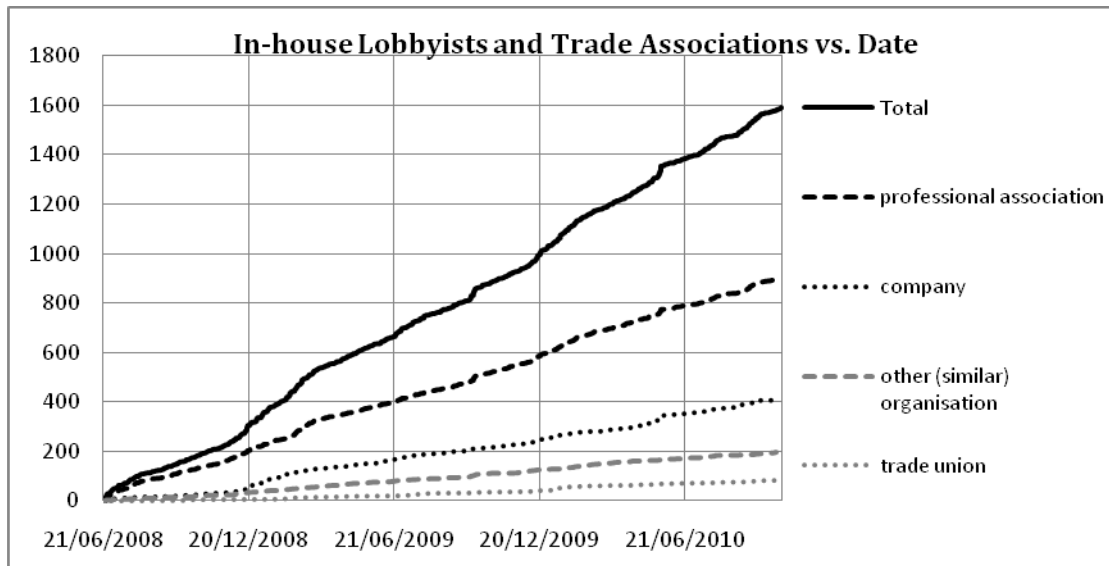
Figure 2. Total number of professional consultancies and law firms over time, and number of lobbyists in each of the four subcategories over time.



Source: European Commission Register of Interest Representatives
<https://webgate.ec.europa.eu/transparency/regrin/welcome.do>, data as of October 19, 2010



Figure 3. Total number of in-house lobbyists and trade associations over time, and number of lobbyists in each of the four subcategories over time.



Source: European Commission Register of Interest Representatives
<https://webgate.ec.europa.eu/transparency/reg/in/welcome.do>, data as of October 19, 2010



Table 3. Companies represented by the ACEA group: Lobbying Status and Forbes Rankings

Company Name	Registered with European Commission?	Registration Date	Lobbying Costs Declared on Register (<i>Financial Year</i>)	Rank on Forbes 2000 Index (2010)
BMW Group	Yes	17/12/2008	€200 – 250,000 (2008)	197
DAF Trucks	No	<i>Unregistered</i>	<i>N/A</i>	<i>Unranked</i>
Daimler AG	Yes	18/12/2008	€300 – 350,000 (2009)	388
Porsche ^a	No	<i>Unregistered</i>	<i>N/A</i>	524
Fiat Group	Yes	30/12/2008	€200 – 250,000 (2008)	499
Ford Motor	Yes	19/12/2008	€100 – 150,000 (2009)	58
General Motors ^b	Yes	17/12/2008	€350 – 400,000	<i>Unranked</i>
Jaguar Land Rover ^c	No	<i>Unregistered</i>	<i>N/A</i>	<i>Unranked</i>
MAN Nutzfahrzeuge ^d	Yes	24/02/2009	€80,000 (2009)	753
Peugeot Group	Yes	18/02/2009	€150 – 200,000 (2009)	661
Renault	Yes	26/06/2008	€250 – 300,000 (2009)	530
Scania ^e	Yes	05/01/2009	Less than €50,000 (2008)	<i>unranked</i>
Toyota Motor	Yes	10/12/2008	€200 – 250,000 (2009)	360
Volkswagen ^a	Yes	15/01/2009	€200 – 250,000 (2009)	524
Volvo Group	Yes	12/02/2009	€250 – 300,000 (2009)	537

^aPorsche and Volkswagen are currently merging to form the Volkswagen/Porsche Group. Volkswagen was originally ranked No.15 on the Forbes 2010 list, but was dropped off by Forbes given the merger with Porsche. See: <http://www.forbes.com/2010/04/20/global-2000-dropoffs-merger-business-global-2000-10-drop-offs.html>

^bThe 'General Motors Europe' name has recently been rebranded under Opel AG

^cJaguar Land Rover is now a subsidiary of Tata Motors, ranked 928 on the 2010 Forbes index

^dMAN Nutz. is the principal subsidiary of MAN SE, from which the Forbes ranking is taken

^eScania is majority owned by Volkswagen AG

Source: The conceptualization of the information presented in the table was previously developed by Stacey (2010), particularly Columns 1-4; Data for Columns 1-4 taken from the European Commission Register of Interest Representatives; Data for Column 5, Forbes 2000 Index.

Table 4. Companies represented by the JAMA group; Lobbying status and Forbes rankings.

Company Name	Registered with Commission?	Registration Date	On 2010 Forbes 2000 Index?	Rank on 2010 Forbes Index
Daihatsu Motor ^a	No	<i>unregistered</i>	No	<i>unranked</i>
Fuji Heavy Industries	No	<i>unregistered</i>	Yes	1280
Hino Motors ^b	No	<i>unregistered</i>	No	<i>unranked</i>
Honda Motor	No	<i>unregistered</i>	Yes	86
Isuzu Motors	No	<i>unregistered</i>	Yes	1231
Kawasaki Ltd.	No	<i>unregistered</i>	No	<i>unranked</i>
Mazda Motor Corp.	No	<i>unregistered</i>	Yes	972
Mitsubishi Motors	No	<i>unregistered</i>	Yes	921
Mitsubishi-Fuso ^c	No	<i>unregistered</i>	No	<i>unranked</i>
Nissan Diesel ^d	No	<i>unregistered</i>	No	<i>unranked</i>
Nissan Motor	No	<i>unregistered</i>	Yes	424
Suzuki Motor Corp.	No	<i>unregistered</i>	Yes	502
Toyota Motor	Yes	10/12/2008	Yes	360
Yamaha Motor	No	<i>unregistered</i>	Yes	1313

^aA controlling share (51%) of the company is held by Toyota Motors

^bHino Motors is a subsidiary of Toyota Motors

^cMitsubishi-Fuso is 85% owned by Daimler AG, ranked 388 on the 2010 Forbes Index

^dNissan Diesel is now called UD trucks and is wholly owned by Volvo group (Forbes rank 537)

Source: The conceptualization of the information in the table was previously adopted by Stacey (2010), particularly Columns 1-3; Data for Columns 1-3 taken from the European Commission Register of Interest Representatives; Data for Columns 4-5, Forbes 2000 Index, 2010.



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