

Decision making at the European Parliament and Corporate Lobbying Activities

Abstract

The purpose of this paper is to give an overview of the importance of the European Parliament as a focus for corporate lobbying activities at the EU. It has long been accepted that the European Commission is a highly desirable target for such activities, however this paper shall look at how the evolving legislative decision making processes at the EU have allowed for the European Parliament to increase its level of influence into the processes with the now widely adopted process of Co-decision. In line with this, the paper will identify the points at which legislative decision-making process can be accessed by the European Parliament and influenced through corporate lobbying activities. In conjunction the paper will give an overview of how this research can be taken forward.

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1. Introduction

This paper investigates the importance of corporate or business lobbying activities to European Parliament and at what points this process can be utilised as a route for businesses to influence the legislative decision-making processes at the European Union (EU).

Corporate lobbying activities at the EU evolved greatly throughout the late 1980s and early 1990s. The biggest change occurred in the wake of the adoption of the Single European Act (SEA) in 1987. The SEA signaled the legislative transition towards greater legislative control to be centered at the EU over member states. It was at the EU level where the production of associated laws required in order to move towards the goal of an EU single market had to take place and not at the individual nation state level. Big business and corporations in Europe realised that only through lobbying would it be possible to make sure that these new laws would fully reflect their needs. A number of firms who have successfully applied lobbying techniques in the past have been Unilever, GlaxoSmithKline, IBM and Peugeot (Wesselius, 2005). There are now believed to be in the region of 15,000 lobbyists who operate within the various EU institutions in Brussels (Wesselius, 2005). Lobbying has evolved to become an important component of not only interactions at country/state level with regards to policy formulation but also with regards to business as well as numerous other aspects of interest representation.

On the other hand, the institutions that make up the European Union's governing framework are the European Parliament, the Council of the European Union and the European Commission¹ and along with the resulting importance of them to the newly introduced legislative decision-making process caused this shift of corporate interest with respect to lobbying activities. It should be noted that in addition to these institutions are a number of other bodies that have rather more specialist roles in the EU. Some maybe mentioned in this paper with reference to their interactions with the actual institutions².

¹ The other Institutions making up the framework are The European Court of Justice and The European Court of Auditors.

² These other bodies are The European Investment Bank, The Economic and Social Committee, The Committee of the Regions, The European Ombudsman, The, European Central Bank, The European

Out of these institutions and bodies that make up the European Union, not all are of investigative interest in this case. The ones of main concern in this research instance are:

- **The European Commission (EC)**
- **The European Parliament (EP)**
- **The Council of the European Union (CEU)**

From the perspective of a lobbyist, due to their spheres of influence, the most significant to the activity of business lobbying are the Council of Ministers, the European Parliament and the European Commission. These three institutions above form what is known as the 'institutional triangle', which is responsible for the production of policies and laws (such as directives, regulations and decisions). (www.europa.eu.net, 2007).

Bomberg and Stubb (2005 cited in Kennedy, 2005) define lobbying as an attempt to influence policy-makers to adopt a course of action that is advantageous, or, at least, not detrimental, to a particular group or interest. The aim of corporate lobbying is in effect to make sure that an organisation's standpoint or view regarding a particular legislative instance is represented to those concerned with the decision-making process surrounding a change in applicable legislation for that organisation (Wesselius, 2004). An organisation will seek to introduce information into the decision-making process with an aim to influence it to their benefit; it also allows the decision-makers at the EU to draw on a much wider base of information on which they can produce legislative changes on (Bomberg & Stubb, 2005).

The European Commission has been identified as significant with respect to this research instance through previous research; Bouwen (2002 & 2004 cited in Kennedy 2005) has shown the importance of business lobbying at the EU with reference to this activity at the EC and also the European Parliament. He also raised the issue of the lack of transparency of the EC as a decision-making institution within the EU. As the EC only has a finite labour pool to draw on, when working through the legislative process, there is almost a need for lobbying to take place. The function of lobbying the EC allows these deficits in specialist labour to be addressed by having other and often specialist sources introducing information into the decision-making process that

is of interest. From this, the EC can then make the necessary legislative decisions from drawing upon this increased pool of information, thus hopefully making the quality of decisions made better (Bomberg & Stubb, 2005). Again from Bomberg & Stubb (2005, cited in Kennedy 2005) it is in the complexities of decision-making within the EU that the opportunities for effective and influential lobbying arise.

'The Commission has always been an institution open to outside input. The commission believes this process to be fundamental to the development of its policies. This dialogue has proved valuable to both the Commission and to interested outside parties. Commission officials acknowledge the need for such outside input and welcome it' (European Commission, 1999).

It can be seen from this, that as corporate lobbying at the European Union is already orientated towards influencing legislation and legislative changes with a view towards doing this at the European Commission, the role EC plays in the decision-making process is identified as a point of interest. However this paper will tend towards analysing the importance of the European Parliament for corporate or business lobbying activities. This part of research in corporate lobbying is under investigated and the paper will make a contribution. Although it is at the EC where new legislation is proposed, from here it moves through to the European Parliament or to the Council of the European Union to be passed or enacted.

The powers of The European Parliament have grown over the years (Roney, 1995) and now it is able to approve, block or make adaptations to proposals tendered from the Commission. As a result the attractiveness of lobbying the European Parliament from a corporation's perspective has now increased. The European Parliament has in the past issued passes to lobbyists allowing them admission to the Parliament itself. The increasing number of lobbyists (to around 15,000 in Brussels now) has led the European Parliament to use this system of passes to restrict and control direct access within the parliament building with 5,000 registered lobbyists now holding a one year pass allowing them access to parliament buildings (Wesselius, 2005).

By targeting Members of European Parliament (MEP) sympathetic to a particular business cause, it may be possible to foster support leading to a greater chance for the cause to be defended at the parliament by a sympathetic MEP. Even if not defended, or championed, there will be the likelihood of greater consideration within the

parliament with regards to the cause. In the case of the European Parliament, there is an eagerness to interact because it needs close contact with the private sector in order to fulfil its institutional role (Bouwen, 2004). With respect to the European Parliament, it has been observed that the actual 'Access' to the Parliament is the main resource required by the private actors and in return for access to the decision-making process certain goods are demanded. These goods, demanded for access, all have one common characteristic, which is they are all information based. With this being the case for the basis of the 'access goods' then this needs to be taken into account by organisations and be provided via their lobbying activities so as to advance their cause and be more efficiently heard (Bouwen, 2002)

At the European Parliament, business issues that are in common with greater national interests can also be observed. It is here where organisations are able to use a country's leverage abilities in order to serve both relatively narrow business interests which fall in line with wider country impacting interests. An example of this was born out of the Greek Government's actions against the introduction of double hulled requirements for tankers. This would have had a massive effect on the shipping industry and on the country's economy as a whole, as shipping is a large contributor to the Greek economy, especially in the gaining of foreign exchange. An example of this is that by 1992 earnings from shipping came close to reaching the \$2bn (US) mark, with shipping accounting for one third of all merchandise exports from Greece (www.photius.com, 2005).

The main contribution of this paper is not only to identify the importance of the EP for the attentions of corporate lobbying activities to influencing the legislative decision-making process at the EU but also to identify how research into this area should be taken forward. Along with this, it aims to address the specific points of interest for corporate lobbying activities at which efforts should be made to access the process and introduce shaping information to it. Once this has been done, the paper will then offer a suitable outline for taking the identified research instance further.

The rest of this paper is organised as follows: Section 2 will provide the historical background of the analysis for the legislative decision making process at the EU. In Section 3 we build a conceptual framework for the role of lobbying in this decision making process whilst Section 4 provides an application of lobbying to specific points in the decision making process. Section 5 presents the methodological approaches

necessary to fully understand and analyse the phenomenon. Finally, Section 6 concludes the paper by offering possible research extensions.

2. The historical background; a basis for the legislative decision-making processes at the EU

There are a number of legislative procedures through which new legislation is created. The rules governing procedures for decision-making at the European Union are given through the various treaties. To date, there are nine (9) treaties that have been signed during the course of the formation and evolution of the European Union. The first of these treaties was the treaty which established the European Coal and Steel Community (ECSC) signed on the 18th April 1951 in Paris, which came into full effect as of 23rd July 1952. This was the first tentative move by a number of countries towards a united Europe. This treaty has subsequently expired in 2002. The next treaty to be signed established the European Economic Community (EEC), this is also known as the Treaty of Rome. It was signed on the 25th March 1957, with it coming into force on 1st January 1958. Although signed separately the treaty that created the European Atomic Energy Community (Euratom) was also signed at this time, it is because of this they are jointly known as the Treaties of Rome. A treaty aimed at merging the then three communities and providing a single commission was signed on April 8th 1965, coming into force as of 1st July 1967. There was then a bit of a long wait until the fourth treaty was signed in Luxembourg and The Hague which came into force on 1st July 1987, this was the Single European Act (SEA). It allowed for the creation of an internal market between its signatory states. It should be noted that even with the introduction of the Single European Act which is mainly aimed at reducing the power of the individual nation state, from a study conducted by Burson-Marsteller (2005) can be seen that member state governments have managed to achieve the highest ranking for 'effectiveness of lobbying'. Although veto powers have been addressed largely through the introduction of the SEA, member state governments have worked towards building their lobbying activities in order to counteract this change.

The largest and most singularly encompassing treaty to date was that of the Treaty on the European Union, signed in Maastricht on 7th February 1992. This commonly referred to as the Maastricht Treaty as a result. This treaty did not only change the name of the EEC to the European Community it also heralded a new level of

cooperation between the member state governments that signed up to it in the areas such as defence and that of judicial or home affairs. This treaty added a new level of inter-governmental cooperation over the existing system. From this, there was an introduction of a new structure to be applied over the signatory states that was not only economic based, but politically based too. This structure was known as the ‘three pillars’ and will be returned to in more depth later in this paper. Two of the most recent treaties are known as the Treaty of Amsterdam (signed 2nd October 1997, entering into force 1st May 1999) and the Treaty of Nice (signed 26th February 2001, entering into force 1st February 2003). The Treaty of Amsterdam served to amend the EU and EC treaties as well as consolidating them into this treaty. In effect it served to more efficiently bind the details of the previous treaties together. The Treaty of Nice came about through a need for institutional reform so that the EU will be able to function well and efficiently from its expansion to 25 member states. As a result every piece of new legislation must be based on a specific treaty article, thus creating the legal basis of any proposal tendered.

The most recently signed treaty, which was adopted by the leaders from the various member countries, at the European Council over 17th and 18th June 2004 was signed this time in Rome on 29th October 2004. This treaty aimed at establishing a Constitution on Europe is yet to be ratified by all the member states and is the topic of fierce debate in many member states. This will not come into effect until all 25 member states ratify it, which is unlikely to happen any time soon. (<http://europa.eu/>) Figure 1 provides a summary of the timeline of the Treaties.

Insert Figure 1 here

3. Conceptual Framework - The Pivotal Point of the SEA for Corporate Lobbying at the EU

3.1 The need for a change in lobbying activities

During the last twenty years, as many regulatory functions have been transferred to the European Union institutions from individual member states, together with the creation of the single market, this has led to the Europeanization of business politics (Coen, 1997). From the 1970s and 1980s the European Commission aimed to foster a

spirit of what has become known as ‘European Corporatism’, where there is a corporate inclusion and input in the policy debate and formation at the EU level (Coen, 1997). There was, in effect, a wish to create a European identity which could be manoeuvred along side its member states. In the early years, the national standpoint dominated the business environment due to the power of veto that individual countries had within the Council of the European Union (CEU) and which could be employed to protect state interests over the collective.

At this time in the evolution of the EU there was no real incentive for companies to lobby outside their own home country. By keeping their own national government well briefed on unfavourable effects of proposed legislation via appropriate Members of Parliament (MP) and Ministers it would be possible to get any unfavourable or harmful legislation blocked through the use of an organisation’s home country’s veto. As a result of this, the cost of lobbying was reduced compared with undertaking lobbying actions on a European level. This remained largely the case until the start of the process to introduce the Single European Act in 1986, which came into force by 1st July 1987 and heralded new procedures for European decision-making (Van Schendelen, 1994). With the EU introducing the SEA, this served to make it a lot harder for individual states to be as interventionist in the future as they may have been before its introduction (Coen, 1999). Also there was little, if any, contribution to the European policy debate by firms during the production of new legislation and policy prior to 1987, as business would only move in reaction to what it perceived to be unfavourable. At this time the bulk of business representation was done via industry federations which, due to their size and make up, were often bureaucratic in nature and as a result rather slow (Grant 1993, Coen 1997). Combined with this, as any federation is intended to be representative of the entire industry, then complex issues were regularly reduced to the common issues found across all those in the industry being represented. These federations were not very effective at specific representation needs of their individual members.

It was not until 1987, when the SEA fully took effect, where the individual veto rights of states within the EU were cut and when a re-assessment of firms’ lobbying activities was needed to be made. The implementation of the act meant for businesses that leaving lobbying activities until the level of the CEU would be too little too late for achieving their goals. Whereas before, any unfavourable policies for particular businesses could be tackled at this point by invoking a state’s veto, from now on it

would be necessary for businesses to take a more pro-active part during the long process of policy formulation and not just look to block un-favourable policy decisions once they had been passed to the CEU. Until the introduction of the SEA a firm could 'safely rely on unfavourable European policy being blocked by well-briefed national ministers' (Coen 1997, page 93).

The 1987 SEA had in effect changed the form of the arena in which businesses acted in on a European level. It was the catalyst for firms to move towards developing pro-active and tailored lobbying strategies that were no longer reliant on state veto. Bearing in mind what was mentioned earlier regarding Industry Federation representation, the emphasis has now shifted to the individual firm. This is an indication of a change in the resources that are required in carrying out the activity of lobbying. Whereas before there was a greater emphasis on the federations or trade associations to represent information and interests of its members, now with individual firms being looked towards they needed to have people or processes in place to convey the information themselves. Choices have to be made whether to carry out the lobbying function in-house through the public relations function or bring in specialist individual consultants or consultancy companies. In turn greater access has also been granted to the various channels of influence for smaller or more individual lobbying activities. For example, as previously mentioned, there are now over 5,000 lobbyists who have been granted one-year passes allowing them access to the European parliament buildings (Wesselius 2005, page 14).

3.2 The institutional context of EU decision making process

As can be seen from the above treaties, each of them has a progressive move towards further strengthening the European Union from its internal market to governance procedures by introducing new binding agreements between the member states. In this context, there are a number of legislative procedures that can be utilised, these being:

- 1. Consultation** (Pre Single European Act of 1987)
- 2. Co-operation** (Introduced by SEA 1987)
- 3. Co-Decision** (Introduced by Maastricht Treaty 1993)
- 4. Assent**

These legislative procedures above call for the inclusion of the European Parliament in the process of producing a piece of legislation. Initially the research

interest was tending towards the roll of the European Commission in the creation of legislation with respect to business and corporate lobbying activities. Legislative instances that will require no input or involvement from the European Parliament is where legislation is based on a decision made by the Council of the European Union that was prepared by the EC (Selck 2004). From prior work/research carried out regarding corporate of business lobbying activities at the EU (Kennedy, 2005 & 2006), the legislative instances that take this route are already highlighted as very interesting from a business or corporate stand point and will be returned to and addressed more comprehensively during further research. Through this overview of the decision-making process at the EU the various legislative instances will dictate which route is taken and inclusion or non-inclusion of the EP in the process will also be identified. The role of the EP in the legislative decision-making process at the European Union shows itself to be an appropriate and interesting point where companies can interact with EU bodies so as to influence into the process that will affect their business.

Outside of the procedure where CEU produce or base a legislative decision on something that has been prepared by the EC, the above the processes of **Consultation, Co-operation, Co-Decision** and **Assent** are those that have an input to them by the EP.

3.2.1 Consultation Procedure

Consultation procedures require that the EP be given the opportunity to advise into the decision-making process (Selck 2004). Until the Single European Act (SEA) 1987, all legislation at the EU was produced using this procedure. Consultation only requires the CEU to get the opinion of the EP with regards to proposed legislation. The important word here is 'opinion', as there was no actual ability of the EP to formally influence the decision-making through this procedure. There was no requirement or obligation for either the EC or the CEU to do anything with the tabled amendments or opinions from the EP. The CEU would then go onto make a decision on the proposed legislation. The SEA addressed this deficit or procedural checks and balances apparent from the simplified and rather tunnel-vision decision-making procedure of consultation.

In this instance the EP only has an advisory function in the decision-making process. The consultation procedure is the only procedure to be applied in the area of agriculture, except in one instance. Should the agricultural matter under consideration

relate to issues concerning public health, then the co-decision procedure is alternatively employed (<http://eu2001.se/>).

3.2.2 Co-operation Procedure

The Co-operation procedure was introduced from the SEA in 1987 so as to address the deficit mentioned above and involved the EP more formally in the decision-making processes at the EU in a structured and secured fashion. Proposals tendered by the EC now can be not only passed to the EP for consultation or comment on, but also be actually amended if the EP sees fit to do so. The SEA actually yields the EP two chances to influence the tabled proposal from the EC. Under this procedure in the first instance the EP, The Economic and Social Committee and the Committee of the Regions are able to add their opinions in a similar fashion to the original consultation procedure of pre SEA times. However, in conjunction with the opinions expressed it is also possible for the EP to add what it considers to be suitable amendments to the proposed legislation. These amendments are not binding to the CEU and can be either accepted or rejected using the appropriate legislative constructs. This factor is what makes this procedure and the input the EP has into it of interest when considering the function of corporate or business lobbying at the EU.

There is a clear route here for information to be tendered into the legislative decision-making process that could influence it in an advantageous way with respects to the position of an organisation or company. Any amendments added by the EP then have to be considered by the EC and in turn the EC indicates which amendments it accepts before the proposal is forwarded to the CEU. The CEU takes the combined proposal and states its position regarding it. Once this is done the proposed legislation is passed back to the EP for approval, rejection or further amendments to be added. Once back at the EP there is a three month window in which that is to be done, after which the CEU may adopt the amendment with a unanimous vote (see Appendix for applicable legislative areas for assent procedure).

3.2.3 Co-decision Procedure

The Co-decision procedure mentioned gives greater emphasis to the inclusion and influence of the EP over legislative decision-making. Where the views of the EP and the Council of the European Union differ greatly on a point of legislation, then Co-decision comes into play where amendments and negotiations take place between the CEU and the EP (Selck 2004). Under Co-Decision proposals made by the EP that are accepted by the EC are a lot more easy for the CEU to accept then modify, this is due

to the fact that for acceptance only a qualified majority is needed whereas for unanimity is needed for modification (Tsebelis 1994). It is from this point that leverage and power can be applied from the EP. Unlike the cooperation procedure, this co-decision procedure facilitates the introduction of what is known as a 'Conciliation Committee' through which any continuing differences between the EP and the CEU regarding a particular legislative instance can be finally resolved. It also allows the EP to reject proposals, as mentioned before, where a unanimous vote is made. This procedure means that the EP and CEU are both responsible for the final production and adoption of legislation (www.eurim.org).

The co-decision procedure affords the EP its greatest level of influence into the decision-making at the EU. As such it is applied to most of the EU's legislative areas (<http://eu2001.se/>).

3.2.4 Assent Procedure

In the case of the Assent procedure, this is where the CEU needs to obtain the EP's assent or acceptance before a decision is taken. In this case the EP cannot amend the proposal in anyway only accept with an absolute majority or reject it (EC, 2005).

The Assent procedure is where the EP is able to give its own assent to agreements between the European Union and any other non-member countries. This procedure is applied when dealing with accession instances, where prospective new member countries are looking to join the EU. This procedure requires a complete majority vote by the EP in order to allow the accession of a new member country to the EU. This type of decision making is not in the forefront of corporate or business lobbying activities as instances of accession countries to the EU is not something that regularly occurs. The assent procedure shifts the decision-making on a particular area to the CEU only. This can only happen with the expressed approval of the EP first. As a result this procedure is reserved for instances that are of a constitutional nature, such as Association Agreements between the EU and third countries along with terms for admission or accession of new member states to the community (<http://eu2001.se/>). As a result, the decision making procedure of assent will not be bought in for scrutiny in this thesis.

4. Lobbying Activities in the EU decision making process – An application

Through the procedures of consultation, cooperation and co-decision the EP offers a route into the decision-making process at the EU via which it should be possible for

corporations and businesses to represent information that could lead to consideration being given to particularly beneficial stand points. It should be noted that although there is a route to influence the legislative decision-making process of the EU via the EP, there are also other routes. Lobbying into the EC, although not covered by the scope of this paper is a well used route for lobbying corporate lobbying into the legislative decision-making processes before new legislation is tendered by the EC. The core reason that draws corporate lobbying attention to the EC is due to the fact that it is here where all new legislation is first introduced; by targeting efforts here it is possible to attempt to influence the decision-making at the earliest possible point.

Looking back at the work of Tsebelis (1994) which has been subsequently built on and debated over, although at the time the Co-decision procedure of today was then virtually mirrored by what was known then as the cooperation procedure (Selck 2004). As mentioned it is a lot easier for the CEU to adopt under the Co-decision procedure over amending legislation already accepted by the EC due to the respective voting requirements.

The history to these legislative procedures is as follows. Until 1987, when the Single European Act (SEA) took effect all of the most important decisions made at what is now the European Union were taken under the Consultation Procedure (Crombez 1996). Under the Consultation Procedure the Council makes a decision on the proposal from the EC after receiving a non-binding opinion from the EP (Crombez 1996). The SEA introduced extra legislative procedures that yielded increased power to the EP, namely the Cooperation procedure and the Assent procedure. In essence these two additional procedures added two more layers to the original Consultation procedure and could be called into use depending on the legislative instance. It was not until the Maastricht Treaty in 1992 that the co-decision procedure was introduced, where a compromise would have to be sought between the CEU and the EP over points of contest (Crombez 1996). This is what has caused interest in the EP from a corporate lobbying perspective; there is an improved level of involvement in the directing of legislative decisions from the EP as a result of the Maastricht Treaty. From the signing of the Treaty of Amsterdam, which was done in October 1997, the co-decision (introduced in the Maastricht Treaty 1992) procedure now replaced the co-operation procedure in all but very limited areas of legislative instances (www.eurim.org). The co-decision procedure has now become the most

important legislative procedure at the EU and in turn of great importance and interest from the view point of corporate and business lobbying through the EP.

The co-decision procedure is key and under-taken in the legislative areas that will be of most interest to business lobbying activities at the EU of **transport (Article 71(1), Article 80), internal market (Article 95), health (Article 152(4), consumer protection (Article 153(4)), industry (Article 157(3)), economic and social cohesion (Article 159), environmental protection (Article 175(1) and (3)), measures to counter fraud (Article 280), employment (Article 129) and customs cooperation (Article 135)** (www.eu2007.de).

From the complete range of legislative instances where the co-decision procedure is applicable please see Appendix 1 for the corresponding names and article references.

Once legislation proposed by the EC has passed through the procedures introduced above, with emphasis on the co-decision procedure, there is a need to implement the newly produced legislation. After the EP and CEU have passed the legislation through the co-decision procedure it then moves to be implemented. The implementation is under-taken by committees built up by civil servants from the member states. These committees are concerned with the complexities of the technical aspects to introducing and enacting the legislation passed to them by the EP and CEU. This is carried out through the EC and allows another entry for business lobbying activities as consultation is sought with relevant and interested parties (www.eurim.org). The route through the EC has already been highlighted from previous research, but was appropriate to mention again here. The complexities of the co-decision procedure are shown in Figure 2 below.

Insert Figure 2 here

Figure 2 shows the flow of a newly introduced piece of legislation through the legislative decision-making process at the EU. The starting point is that of the EC, where new legislation is firstly proposed into the process.

The interrelations between the various different institutions that make up the EU which have been previously mentioned in this paper are easily identifiable with this diagram. The subsequent involvement of the EP into the process and the later that of the CEU is shown along with the possible routes the proposed legislation can take

depending on the outcomes of the positions taken by the different institutions with respect to it.

A factor that is not always apparent with respect to the process and interactions between the institutions can be seen represented at the bottom of the diagram where the input of the Conciliation Committee. This is a last chance for a piece of legislation to be saved before it is rejected for adoption.

From Figure 2 the points marked with [#] indicate those points in the co-decision procedure where the EP can exert its influence. The influence of the EP can take a number of forms as shown by the diagram. At **1** on the diagram there is the first point at which the EP can have an input with regards a proposal forwarded by the EC which is looking to be passed to the CEU. Here amendments can be placed on the legislation, thus it is important for organisations to be aware of the current and evolving legislative environment. There are 4 identified entry points for influence into the legislative decision-making process that need to be monitored businesses as there is the possibility to enter information into the process there in order to influence it. The areas highlighted to be of most interest to organisations or agents thereof undertaking corporate or business lobbying at the EU were **transport (Article 71(1), Article 80), internal market (Article 95), health (Article 152(4)), consumer protection (Article 153(4)), industry (Article 157(3)), environmental protection (Article 175(1) and (3))**. This selection is made due to the fact that it is in these legislative areas that the majority of businesses will have a vested interest. From this observation it would appear that the operation of environmental scanning will be an area that shall need some attention during the course of the research. By the nature of legislation creation, there will be a constant flow and evolution in this environment requiring organisations to be aware of their position with regards to these changes. In turn there will need to be some kind of strategy for the targeting of the EP in a suitable manner to exert informed influence on it; this is also identifiable as an area that will require further exploration.

Moving through the diagram it can be seen that at **2** there is another opportunity for the EP to influence into the legislative decision-making process. This point is if there is still a conjecture between the EP and CEU. This will allow for EP to exert influence or not depending on the outcome of the examination. This will allow a second window for lobbying activities into the EP.

Points 3 and 4 actually are decision or influence options available to the EP before moving the legislation back to the CEU. These again are windows into the decision-making process that can be influenced by lobbying activities.

Although these possible access points for influence into the legislative decision-making process at the EU have been identified with regards to the EP, there has been no widely available coverage of the methods through which this influence can be delivered. This will have to be addressed and applied to this identified route of influence through further research and study.

5. Methodological approaches to lobbying activities

The foreseeable problem associated with studying lobbying activities at the EU from a business perspective is the availability and access to empirical data. Due to the often sensitive nature of lobbying, organisations may be unwilling to divulge detailed information of their activities for fear of breach of confidentiality or interest groups using such information against them. The second and related problem is time and resource constraints which restrict the collection of primary data. The latter means that there maybe some reliance on secondary data as the basis of the analysis of lobbying at the EU, unless access can be gained to appropriate organisations in order to employ a case study approach to this research instance.

By producing appropriate an appropriate in-depth case study or case studies to take this research forward, it will allow for the close scrutiny of how the chosen case interacted with the EP at the identified points of access. From this it should be possible to draw conclusions regarding the parameters that allow for effective lobbying of the EP.

Case studies are primarily qualitative in nature. The case-study method is essentially a 'naturalistic' approach to social study where the researcher explores ordinary events, within natural settings, amongst actors who would naturally be participating within them (Miles & Huberman 1995). Largely inductive, this research strategy recognises the importance of understanding social interaction in context, with the purpose of producing qualitative descriptions that seek to assign meaning to human behaviour (Bryman, 2004). The case study is one of a number of tools available in the field of social science research and in this dissertation, due to the difficulties of conducting primary research, is highly applicable. According to Mohr

(1985) that research would in fact experience a net gain through the more frequent use of case studies as a design choice for social research.

The use of a case or case studies for the progression of this research will support the fact that it will be produced as a 'single person' piece of research, the study of case or cases will allow the researcher to carry out analysis and study of an issue in some depth and on a relatively limited time scale (Blaikie, 2004). This issue of time limitations is of concern when carrying out such research.

The scope of case studies can be split into three different groups of *explanatory case studies*, *exploratory case studies* and *descriptive case studies* (Yin, 2004). These different groups emerge as a result of what it trying to be achieved through the research being carried out, in the case of "what" question types (as with respect to this proposed further research) the exploratory type case study is best applied (Yin, 2004). As this research is concerned with this type of question and the aim is ideally to develop some kind of workable framework that can be applied where corporate lobbying is identified as a suitable undertaking, then there is a justifiable rationale for the use of an exploratory case study in this research instance (Yin, 2004). Also due to the time and access constraints to primary data as well as physical access to key individuals involved with organising lobbying activities for an organisation.

Ideally there is a need to attempt to produce case studies from scratch, by doing this the depth of research to produce the case can be controlled and tailored closer to the research instance compared to when there is a reliance on Secondary data sources. Although the production of cases with primary majority primary data the issues to do with gaining access dictate the construction of the case studies.

Along with the issues raised above more often than not, access is gained into 'successful' cases. As a result, this could lead to a positively skewed sample as the cases studied may not be typical of the population, thus making the sample unrepresentative or lacking in external validity. When an issue occurs with respect to external validity, there will be limits on generalisability on what can be drawn from the case (Campbell & Stanley, 1972). The sample of a case-study approach is usually a non-probability sample and perhaps one of convenience when access proves to be problematic. An aim for the outcome of further research into this area would be to be able to gain a level of generalisability from the efforts put into it.

Due to the format, this research will be under-taken, in so much as it is for the most part going to be mostly qualitative in nature. There are also bias issues that stem

from the nature of qualitative research that will have to be addressed. The validity of qualitative data can be questioned due to the subjective nature of the research (Yin, 2004). With case studies usually employing techniques such as observation, there is a danger that the researcher may impose their perceptions and bias upon the data. Bias should be minimised in this instance as the secondary analysis of the case study will be guided by propositions.

To build case studies there is a need for an interaction between the researcher carrying out the research and a contact or participant from who information is sought. From this arises an *Issue of reactivity*: With the researcher becoming part of the social setting within the organisation this, consequently, can stimulate the bias of reactivity (Webb, 1966). The characteristics and even the presence of, the researcher may have an impact on the responses and behaviour of those being observed. Invalid responses may also be given by respondents providing answers that they believe the researcher expects or desires to hear or see. This is in line with the observations from the Hawthorne experiments (1924-1932), particularly those of the assembly-line and interviewing programmes; within which the presence and involvement of the researcher caused a change in the behaviours of the research participants (Mullins, 1999).

The issues regarding reactivity of respondents or research subjects will be present in all forms of data collection and not just with respect to the case study employment that forms the major part of this dissertation (Denzin & Lincoln, 2003).

When producing case studies to use in research instances attention needs to be paid to the external validity of the results and findings from them. External validity refers to generalisability (Campbell & Stanley, 1972). According to Burns (2000), one cannot efficiently extend discoveries from case research beyond the immediate case to the wider environment. This is often due to a small sample size. Additionally, the reliability of such inferences questioned, as the nature of qualitative research does not easily facilitate replication (Bryman 2004). As the case study based research here is being conducted on a small sample without the researcher being able to build the cases first hand, the actual production of theory from the analysis may be difficult (Saunders et al, 2000). This is likely to mean the analysis of the cases under investigation is exploratory in nature. Care should be taken not to make strong claims regarding the generalisability of the results (Saunders et al, 2000).

In response to these concerns raised, there are certain practices that can be adopted to minimise the weaknesses of a case-approach and enhance the validity of the findings. Firstly, whilst it is a common concern that the case study approach lacks external validity, the representativeness of research inferences can be enhanced through purposive sampling, with a multi-case sample. This sampling technique requires the selection of case-units that are typical of the population. Through identifying sources of heterogeneity, a sample can then be chosen that reflects this variation (Singleton, 1999: 180). Not only is a multi-case strategy considered more robust (Yin, 2004), but patterns that are derived from the sample will be considered even more reliable.

The strengths of the case approach are that it allows for the use of multiple sources, and this in turn facilitates triangulation. Triangulation can be carried out with multiple sources of data as these sources can be presented and plied with respect to each other, which should improve the reliability of the data used. As a result, more confidence can be placed in the research findings if other sources of data lead to the same conclusions. Regarding data errors in interpretation, another form of triangulation that a researcher can use is 'respondent validation' (Hammersley & Atkinson, 1995). This process is where interpretations of the case events are compared with the respondents' interpretations. This can help eliminate errors of misinterpretation.

A particular strength of a case technique is that the researcher may be able to continually enter and re-enter the organisation to carry out the data collection process. The researcher can continue to do this until they are certain that they have interpreted the data correctly. It should also be noted that the employment of case study research is not always necessarily done to provide scientific generalisation (Burns, 2000).

According to Eisenhardt (1989), case studies can be used to accomplish a number of aims: to provide description; test theory; or, generate theory. The purpose of this dissertation is theory generation. The existing literature and the research questions posed, provide the foundation for subsequent theory generation through the case study approach (Eisenhardt, 1989).

Case studies are an appropriate tool for research in this area, but need to be produced through first hand field research. This would mean that the orientation of the primary data which has been gathered to produce them would be directly linked to the researcher's own interests and that there would be control over the manner in which

the data have been gathered. This is supported by Babbie (1998) who suggests that field research allows for a better understanding of the dynamics of situations and that it is well suited to the study of processes of a social nature over time. Because lobbying is a process that occurs over time with respect to any particular action, field research is clearly a much preferred option to pursue.

This is further reinforced if one looks at how the activity of lobbying links into the 10 elements given by Lofland (1995) as indicating appropriateness for a particular research study to be undertaken through field research. These elements called *Thinking Topics* by Lofland are as follows:

1. **Practices.** This refers to various kinds of behaviour.
2. **Episodes.** Included here are a number of events such as divorce, crime and illness.
3. **Encounters.** This involves two or more people meeting and interacting in immediate proximity with one another.
4. **Roles.** Field research is also appropriate to the analysis of the positions people occupy and the behaviour associated with those positions: occupations, organisational roles, family roles, ethnic groups.
5. **Relationships.** Much social life can be examined in terms of the kinds of behaviour appropriate to pairs or sets of roles: mother-son relationships, friendships and the like.
6. **Groups.** Moving beyond relationships, field research can also be used to study small groups, such as friendship cliques, athletic teams and work groups.
7. **Organisations.** Beyond small groups, field researchers also study formal organisations, such as hospital, schools, companies or corporations etc.
8. **Settlements.** It is difficult to study large societies such as nations, but field researchers often study smaller-scale “societies” such as villages, ghettos and neighbourhoods.
9. **Social Worlds.** Ambiguous social entities with vague boundaries and populations can nonetheless be proper subjects for social scientific study: “the sports world,” “Wall Street,” and the like.
10. **Lifestyle or Subcultures.** Finally, social scientists sometimes focus on how large numbers of people adjust to life: groups such as a “ruling class” or an “urban underclass.”

From Lofland's work it can be seen that the research setting concerned with lobbying activities satisfies 6 of these *Thinking Topics* making it eligible for further research using field work. The *Thinking Topics* of concern namely being practices, encounters, roles, relationships, groups and organisations as lobbying activities can be seen to fit the criteria expressed under each of these headings. This research area has concerns across all of these highlighted *Thinking Topics* due to the nature of the activity of lobbying.

It has previously been established that the most appropriate manner in which to research the area of lobbying at the EP will be through undertaking field work. The approach is likely to be best served through employment of a multi-method approach combining surveys and structured interviews with appropriate research participants along with an ongoing review of the extant literature. This should allow the building of case studies by the researcher himself. With this as a basis it should be possible to produce good quality insightful research. However, the actual orientation of the further research will dictate the final mix or manner in which the further research will end up being carried out.

Although the full details of the manner in which the research will be undertaken are not yet fully apparent, there will be a number of considerations that will certainly have to be addressed. There will need to gain access in order to acquire the required data, the first and most fundamental level being *Physical Access* (Saunders et al, 2000). Organisations and individuals within often receive access requests and not all are granted. Another barrier that needs to be taken into consideration is the level of likely interest and influence of the individual receiving the request for access, so time needs to be taken in order to select the most likely individual to apply to so as to get a positive response (Saunders et al, 2000). Secondly, access is a *Continuing Process*. It is unlikely that contact will be required once only; it is often the case that the collection of data is an iterative process if it is to be done well (Saunders et al, 2000). Thirdly, there is the broader concern of *Cognitive Access*, where one is able to uncover what is occurring with relation to the actual research question that has been posed and its associated research objectives (Saunders et al, 2000).

According to Sanders et al. (2000) there are a number of accepted strategies that can be employed in order to manage these issues. For instance, by providing a clear and detailed account of the type of access required and the purposes for which it can be useful, along with illustrating how the research outcomes could be of use to the

organisation to which you are attempting to gain access into. There are likely to be concerns over confidentiality, so this will need to be addressed from the outset as part of the process of gaining access. A subtler consideration is that it may be advantageous to build up the level of access that you ideally require incrementally, instead of attempting to secure the level that is ideal from the research perspective straight off. Applying for lower levels of access will be of some use in the research makes it possible to build up a relationship proving credibility as well as trustworthiness. It is then possible to request a level of access that initially would have been refused. The building of a good level of trust between the researcher and the organisation is a process, as such must be undertaken in measured way, which will allow for greater insight to be gained. Even if the relationship should evolve into one that is yielding good levels of useful information and insight, the researcher should still remain aware that the information being tendered might be skewed in such a way as to present a stand point of the organisation.

As a large part of the research that will be carried out is going to be qualitative in nature with respect to lobbying, the use of structured interviews will be appropriate once the issue of access that has already been mentioned is resolved. The key to successful interview revolves around the formulation of questions that give the “maximum opportunity for complete and accurate communication of ideas between the researcher (and interviewer) and the respondent” (Kannel & Kahn 1968:553 cited in Smith 1981).

As there will be a need for the undertaking of qualitative research into business lobbying activities at the EP, there will be the need to record, store, collate, access, interrogate and analyse the data gathered. This is where the use of such Computer Assisted Qualitative Data Analysis Software packages will be appropriate (Fielding & Lee, 1991; 1998). Essentially what these packages enable a researcher to do is to efficiently store, often vast, collections of information and then allow the researcher to index the gathered data, categorise, log, sort and divide the data up into different types of sub-sets. Once this been done it is then be possible to search the recorded data in order to highlight particular themes, ideas, issues, which can now be more efficiently extracted from the recorded data (Fielding & Lee, 1991; 1998). The use of such a computer program should aid the production of the case studies already mentioned and help to collate insight that is hopefully obtained from successful primary data acquisition.

6. Conclusions

In order to carry out effective research into corporate lobbying activities at the EP with respect to the identified access points into the legislative decision-making process through the co-decision procedure, the research can be taken forward to yield insight regarding the exploitation of these by businesses. The scope for production of an applicable framework covering the preferred manner by which a firm should look at undertaking corporate lobbying at the EP is a plausible further research outcome; this would create a significant contribution to the current work in this field.

There will be significant issues when it comes to perusing the qualitative elements towards gaining data access as well as using it in an efficient manner with respect to the area of research, however with the use of appropriate tools this should be suitably controlled.

This research area concerned with business lobbying activities at the EP can be seen to lend itself toward the use of case studies in further research; Mohr (1985) also argues that case studies should be a method of preferred choice. In the future once the issues regarding access to primary data have been addressed so as to allow for the creation of case studies to work with, there will be a need to consider how to suitably produce these case studies.

When looking at gathering primary data in order to produce the required case studies in so as to carry out further research in this area, the use of CAQDAS software has been identified as a major contributor to the data gathering and manipulation process. Through the effective use of such software the process involved for the researcher can be substantially aided allowing for more efficient analysis and interpretation of the gathered data, which will most likely have to be done in employing for the large part a survey or interview approach.

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Figures and Tables

Figure 1. Timeline of the Treaties

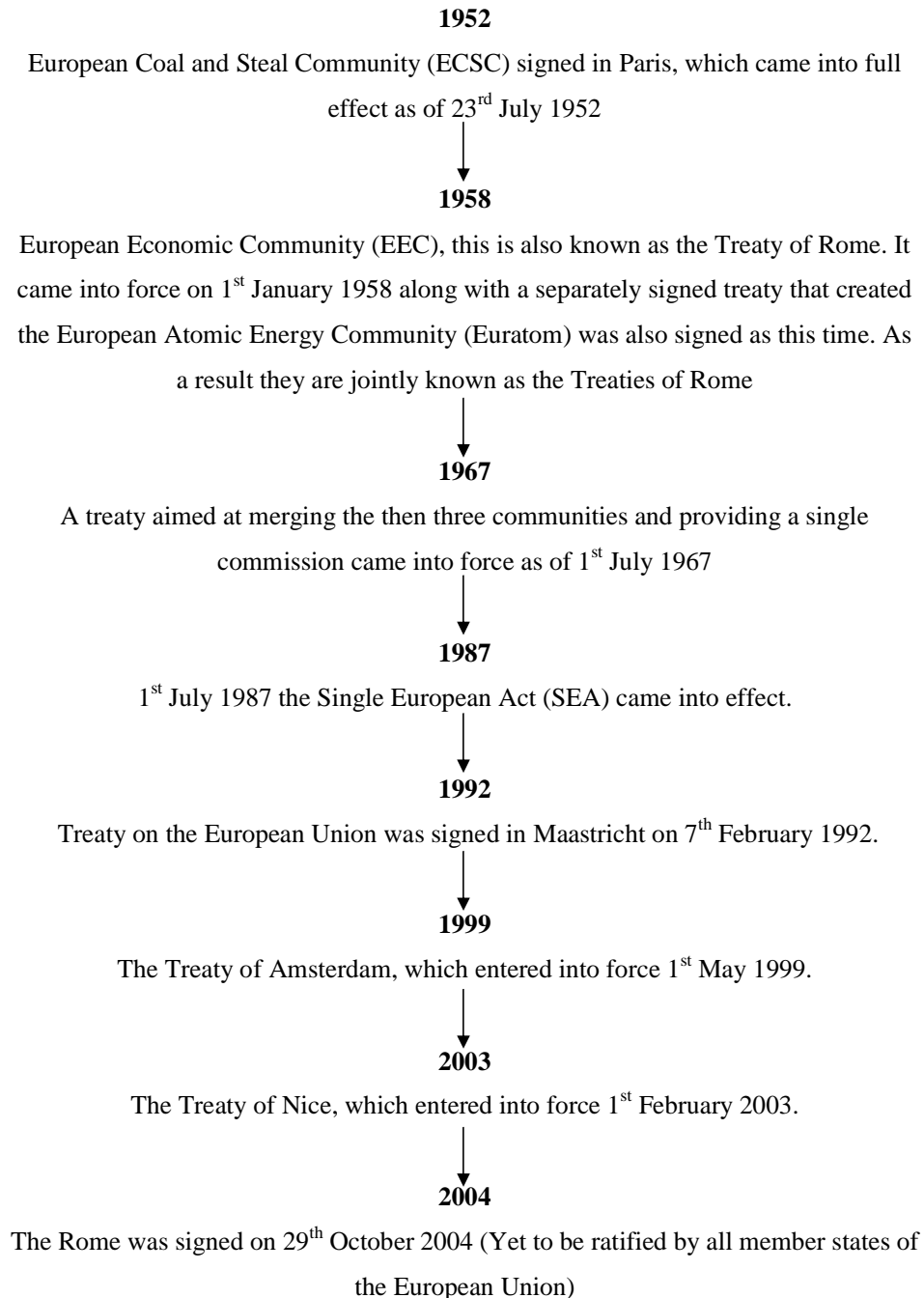
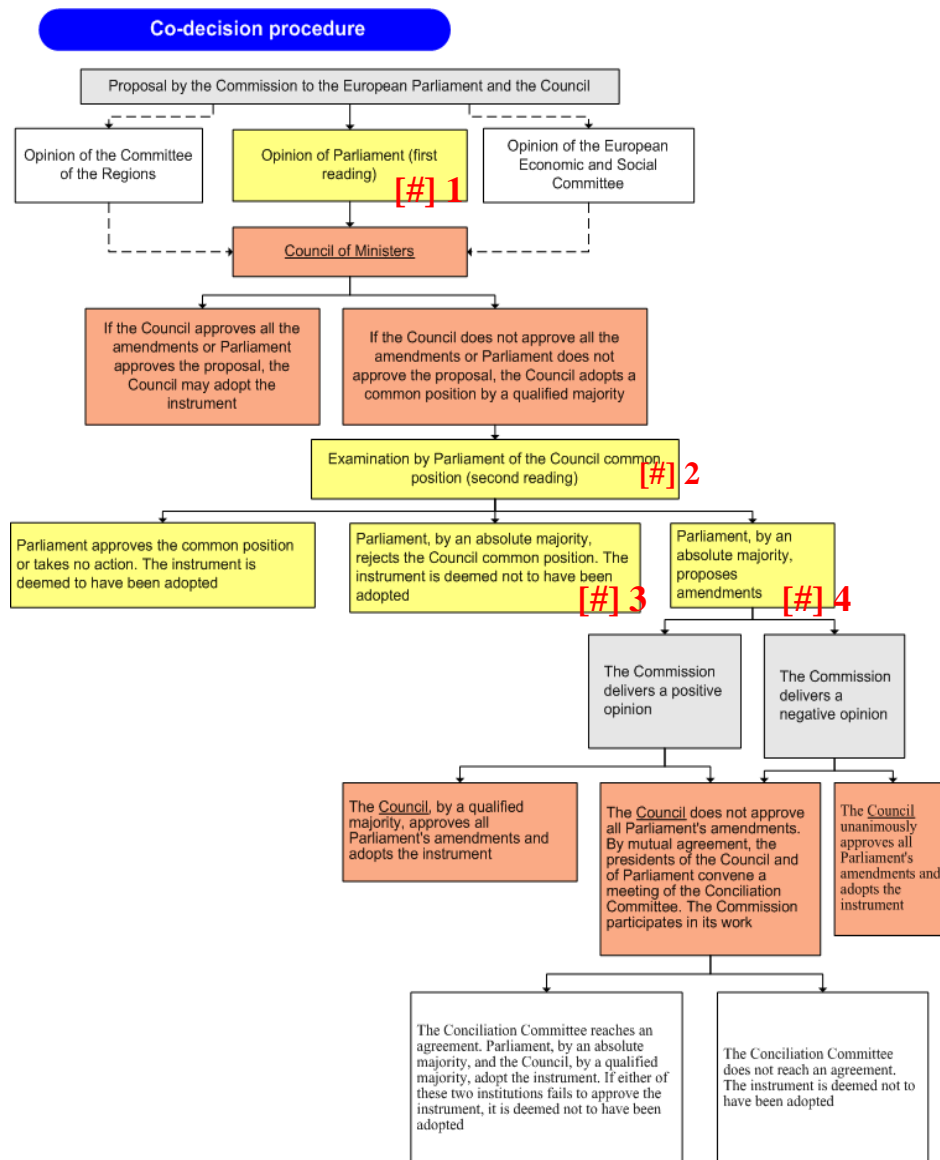


Figure 2. An application of lobbying activities



(Source: <http://eur-lex.europa.eu>)

Appendix 1

Legislative areas where *Co-operation* Procedure Applies:

- rules for the multilateral surveillance procedure (Article 99(5)),
- prohibition on privileged access to financial institutions (Article 102(2)),
- prohibition on assuming liability for Member States' commitments (Article 103(2)),
- measures to harmonise the circulation of coins (Article 106(2)).

Since the entry into force of the Treaty of Amsterdam, all other areas previously subject to this procedure have come under the co-decision procedure.

Legislative areas where *Co-decision* Procedure Applies:

- non-discrimination on grounds of nationality (Article 12),
- combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation (Article 13(2)),
- freedom of movement and of residence (Article 18(2)),
- free movement of workers (Article 40),
- social security for migrant workers (Article 42),
- right of establishment (Article 44(1), Article 46(2), Article 47(1) and (2)),
- visas, asylum, immigration and other policies relating to the free movement of persons (Article 67(4) and (5)),
- transport (Article 71(1), Article 80),
- the internal market (Article 95),
- employment (Article 129),
- customs cooperation (Article 135),
- social policy (Article 137(2)),
- equal opportunities and equal treatment (Article 141(3)),
- implementing decisions relating to the European Social Fund (Article 148),
- education (Article 149(4)),
- culture (except recommendations) (Article 151(5)),
- public health (Article 152(4)),
- consumer protection (Article 153(4)),
- trans-European networks (Article 156),
- industry (Article 157(3)),
- economic and social cohesion (Article 159),
- European Regional Development Fund (Article 162),
- research and technological development (Article 166(1), Article 172),
- vocational training (Article 150(4)),
- the environment (Article 175(1) and (3)),
- development cooperation (Article 179(1)),
- political parties at European level (Article 191),
- access to the institutions' documents (Article 255(2)),
- fraud (Article 280),
- statistics (Article 285),

- establishing a supervisory body for data protection (Article 286).

Legislative areas where *Assent* Procedure applies:

- enhanced cooperation (Article 11(2)),
- specific tasks of the ECB (Article 105(6)),
- amending the Statute of the European System of Central Banks (Article 107(5)),
- Structural Funds and the Cohesion Fund (Article 161),
- uniform procedure for elections (Article 190(4)),
- certain international agreements (Article 300(3)),
- violation of human rights (Article 7 of the Treaty on European Union),
- accession of new Member States (Article 49 of the Treaty on European Union).

(Source: [lex.europa.eu/en/droit_communaute/droit_communaute.htm#3](http://eur-lex.europa.eu/en/droit_communaute/droit_communaute.htm#3))

[http://eur-](http://eur-lex.europa.eu/en/droit_communaute/droit_communaute.htm#3)